

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

GIRLS INCORPORATED OF OMAHA

DECEMBER 31, 2009 AND 2008

CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENTS OF FINANCIAL POSITION	2
STATEMENTS OF ACTIVITIES	3
STATEMENTS OF CASH FLOWS	4
STATEMENTS OF FUNCTIONAL EXPENSES - PROGRAM SERVICES	5
STATEMENTS OF FUNCTIONAL EXPENSES - SUPPORTING SERVICES	6
STATEMENTS OF FUNCTIONAL EXPENSES - COMBINING PROGRAM AND SUPPORTING SERVICES	7
NOTES TO FINANCIAL STATEMENTS	8

Awerkamp, Goodnight, Schwaller & Nelson, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
17007 Marcy Street - Suite One
Omaha, Nebraska 68118-3122

THOMAS J. SCHWALLER, CPA
CONRAD NELSON, CPA
JOHN R. PRIBRAMSKY, CPA
DANIEL R. GILG, CPA, CFP®

Telephone: (402) 334-9011
(402) 334-9111
FAX: (402) 334-9112

ALDEN B. AWERKAMP

J. DOUGLAS GOODNIGHT
(1936 - 2006)

Board of Directors
Girls Incorporated of Omaha

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying statements of financial position of Girls Incorporated of Omaha (a not-for-profit organization) as of December 31, 2009 and 2008 and the related statements of activities, functional expenses - program services, functional expenses - supporting services, functional expenses - combining program and supporting services, and cash flows for the years then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Girls Incorporated of Omaha as of December 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

Awerkamp, Goodnight, Schwaller & Nelson, P.C.

Omaha, Nebraska
March 26, 2010

Girls Incorporated of Omaha
STATEMENTS OF FINANCIAL POSITION
December 31,

	2009	2008
<u>ASSETS</u>		
Cash and cash equivalents (note B)	\$ 980,410	\$ 682,382
Accounts receivable	2,750	25,080
Unconditional promises to give:		
United Way funding for the next fiscal year	284,008	281,196
Restricted (note D)	301,900	583,918
Short-term investments (notes B, D and E)	3,723,382	3,089,429
Property and equipment:		
Land	62,111	62,111
Building and improvements	4,703,706	4,602,699
Furniture and equipment	312,573	312,573
Vehicles	252,117	252,117
Recreation and education equipment	96,085	63,386
Computer equipment	107,155	107,155
Less accumulated depreciation and amortization	(2,277,780)	(2,042,354)
Construction-in-progress	-	80,903
Total assets	\$ 8,548,417	\$ 8,100,595
<u>LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 84,128	\$ 97,814
Total liabilities	84,128	97,814
<u>COMMITMENTS AND CONTINGENCIES</u> (note C)		
	-	-
<u>NET ASSETS</u>		
Unrestricted	5,910,811	5,586,628
Temporarily restricted (note D)	1,696,634	1,559,309
Permanently restricted (note E)	856,844	856,844
Total net assets	8,464,289	8,002,781
Total liabilities and net assets	\$ 8,548,417	\$ 8,100,595

The accompanying notes are an integral
part of these financial statements.

STATEMENTS OF ACTIVITIES

Girls Incorporated of Omaha

STATEMENTS OF ACTIVITIES

Years ended December 31,

	2009		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>
Support and revenue:			
Contributions	\$ 374,473	\$ 128,000	\$ -
United Way funding (note D)	311,271	284,008	-
Special events (net of expenses of \$21,537 and \$96,251 in 2009 and 2008, respectively)	150,612	13,250	-
Government agency grants	33,912	-	-
Other grants	31,879	267,400	-
Kidability fees	81,176	-	-
Program fees	71,887	-	-
Membership dues	-	-	-
Dividends and interest	126,018	-	-
Realized and unrealized gains (losses)	623,089	-	-
Miscellaneous income	<u>11,654</u>	<u>-</u>	<u>-</u>
	1,815,971	692,658	-
Net assets released from restrictions:			
United Way funding	281,196	(281,196)	-
Restrictions satisfied by payments	<u>274,137</u>	<u>(274,137)</u>	<u>-</u>
Total support and revenue	<u>2,371,304</u>	<u>137,325</u>	<u>-</u>
Expenses:			
Program services	(1,822,356)	-	-
Supporting services	<u>(224,765)</u>	<u>-</u>	<u>-</u>
Total expenses	<u>(2,047,121)</u>	<u>-</u>	<u>-</u>
CHANGE IN NET ASSETS	324,183	137,325	-
NET ASSETS AT BEGINNING OF YEAR	<u>5,586,628</u>	<u>1,559,309</u>	<u>856,844</u>
NET ASSETS AT END OF YEAR	<u>\$ 5,910,811</u>	<u>\$ 1,696,634</u>	<u>\$856,844</u>

The accompanying notes are an integral part of these financial statements.

2009		2008		
Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
\$ 502,473	\$ 302,382	\$ 93,335	\$ -	\$ 395,717
595,279	306,983	281,196	-	588,179
163,862	293,258	-	-	293,258
33,912	35,139	-	-	35,139
299,279	96,827	38,000	-	134,827
81,176	83,223	-	-	83,223
71,887	82,853	-	-	82,853
-	615	-	-	615
126,018	175,749	-	-	175,749
623,089	(1,613,554)	-	-	(1,613,554)
<u>11,654</u>	<u>2,724</u>	<u>-</u>	<u>-</u>	<u>2,724</u>
2,508,629	(233,801)	412,531	-	178,730
-	278,491	(278,491)	-	-
<u>-</u>	<u>1,321,346</u>	<u>(1,321,346)</u>	<u>-</u>	<u>-</u>
<u>2,508,629</u>	<u>1,366,036</u>	<u>(1,187,306)</u>	<u>-</u>	<u>178,730</u>
(1,822,356)	(1,870,889)	-	-	(1,870,889)
<u>(224,765)</u>	<u>(198,615)</u>	<u>-</u>	<u>-</u>	<u>(198,615)</u>
<u>(2,047,121)</u>	<u>(2,069,504)</u>	<u>-</u>	<u>-</u>	<u>(2,069,504)</u>
461,508	(703,468)	(1,187,306)	-	(1,890,774)
<u>8,002,781</u>	<u>6,290,096</u>	<u>2,746,615</u>	<u>856,844</u>	<u>9,893,555</u>
<u>\$ 8,464,289</u>	<u>\$ 5,586,628</u>	<u>\$ 1,559,309</u>	<u>\$856,844</u>	<u>\$ 8,002,781</u>

Girls Incorporated of Omaha

STATEMENTS OF CASH FLOWS

Years ended December 31,

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Change in net assets	\$ 461,508	\$(1,890,774)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	235,426	194,430
Realized and unrealized (gains) losses	(623,089)	1,613,554
Restricted contributions	(324,544)	(57,958)
(Increase) decrease in:		
Accounts receivable	22,330	23,994
Increase (decrease) in:		
Accounts payable and other liabilities	<u>(13,686)</u>	<u>(58,542)</u>
Net cash used in operating activities	<u>(242,055)</u>	<u>(175,296)</u>
Cash flows from investing activities:		
Purchase of equipment and building improvements	(52,803)	(977,689)
Purchase of investments	(389,154)	(536,934)
Proceeds from sale of investments	<u>378,290</u>	<u>1,374,072</u>
Net cash used in investing activities	<u>(63,667)</u>	<u>(140,551)</u>
Cash flows from financing activities:		
Proceeds from contributions restricted for:		
Capital improvements and scholarships	513,000	188,335
Programs for the next fiscal year	<u>90,750</u>	<u>38,000</u>
Net cash provided by financing activities	<u>603,750</u>	<u>226,335</u>
Net increase (decrease) in cash and cash equivalents	298,028	(89,512)
Cash and cash equivalents at beginning of year	<u>682,382</u>	<u>771,894</u>
Cash and cash equivalents at end of year	<u>\$ 980,410</u>	<u>\$ 682,382</u>

The accompanying notes are an integral
part of these financial statements.

STATEMENTS OF FUNCTIONAL EXPENSES -
PROGRAM SERVICES

Girls Incorporated of Omaha

STATEMENTS OF FUNCTIONAL EXPENSES -
PROGRAM SERVICES

Years ended December 31, 2009 and 2008

	Arts & Crafts & Arts <u>Appreciation</u>	Career Counseling	Child Abuse Prevention	<u>Education Programs</u>
Salaries	\$ 79,518	\$ 89,458	\$59,639	\$387,653
Employee benefits	6,805	7,656	5,104	33,178
Payroll taxes	<u>5,969</u>	<u>6,717</u>	<u>4,477</u>	<u>29,101</u>
Total employee compensation	92,292	103,831	69,220	449,932
Professional fees and contract services	2,962	3,332	2,221	14,439
Supplies	4,155	4,675	3,116	20,258
Telephone	1,451	1,633	1,088	7,072
Postage	276	311	207	1,347
Occupancy	14,207	15,983	10,656	69,262
Rental and maintenance of equipment	1,749	1,968	1,312	8,526
Printing and publications	1,852	2,083	1,389	9,030
Mileage and van fuel	1,175	1,321	881	5,724
Conferences, conventions and meetings	594	668	445	2,894
Specific assistance to individuals	-	10,162	-	76,605
Membership dues	169	192	128	830
Awards and grants	53	60	40	258
Insurance	3,283	3,693	2,462	16,004
National dues	-	-	-	-
Other operating	<u>650</u>	<u>731</u>	<u>487</u>	<u>3,169</u>
Total operating expenses	<u>\$124,868</u>	<u>\$150,643</u>	<u>\$93,652</u>	<u>\$685,350</u>
Scholarship payments				
Depreciation and other capital expense				
Total expenses				

The accompanying notes are an integral
part of these financial statements.

<u>Meals/ Cooking Classes</u>	<u>Mental Healthcare Career Counseling</u>	<u>Recreational Activities</u>	<u>Youth Development</u>	<u>National dues</u>	<u>Total 2009</u>	<u>Total 2008</u>
\$ 69,579	\$ 69,579	\$ 79,518	\$ 59,639	\$ -	\$ 894,583	\$ 908,290
5,955	5,955	6,805	5,104	-	76,562	74,233
<u>5,223</u>	<u>5,223</u>	<u>5,969</u>	<u>4,477</u>	<u>-</u>	<u>67,156</u>	<u>68,416</u>
80,757	80,757	92,292	69,220	-	1,038,301	1,050,939
2,592	2,592	2,962	2,221	-	33,321	36,738
3,636	3,636	4,155	3,116	-	46,747	66,399
1,269	1,269	1,451	1,088	-	16,321	16,044
242	242	276	207	-	3,108	3,731
12,431	12,431	14,207	10,656	-	159,833	152,670
1,530	1,530	1,749	1,312	-	19,676	21,189
1,621	1,621	1,852	1,389	-	20,837	23,235
1,027	1,027	1,175	881	-	13,211	20,358
519	519	594	445	-	6,678	14,679
61,460	-	9,576	9,576	-	167,379	205,914
150	150	169	128	-	1,916	1,737
46	46	53	40	-	596	278
2,873	2,873	3,283	2,462	-	36,933	44,315
-	-	-	-	12,000	12,000	11,000
<u>569</u>	<u>569</u>	<u>650</u>	<u>487</u>	<u>-</u>	<u>7,312</u>	<u>5,165</u>
<u>\$170,722</u>	<u>\$109,262</u>	<u>\$134,444</u>	<u>\$103,228</u>	<u>\$12,000</u>	1,584,169	1,674,391
					25,818	18,163
					<u>212,369</u>	<u>178,335</u>
					<u>\$1,822,356</u>	<u>\$1,870,889</u>

Girls Incorporated of Omaha
 STATEMENTS OF FUNCTIONAL EXPENSES -
 SUPPORTING SERVICES

Years ended December 31, 2009 and 2008

	<u>Management and general</u>	<u>Fund raising</u>	<u>Total 2009</u>	<u>Total 2008</u>
Salaries	\$29,819	\$ 69,579	\$ 99,398	\$100,921
Employee benefits	2,552	5,955	8,507	8,249
Payroll taxes	<u>2,239</u>	<u>5,223</u>	<u>7,462</u>	<u>7,602</u>
Total employee compensation	34,610	80,757	115,367	116,772
Professional fees and contract services	1,111	28,842	29,953	3,376
Supplies	1,558	3,636	5,194	7,377
Telephone	544	1,269	1,813	1,783
Postage	104	242	346	413
Occupancy	5,328	12,431	17,759	16,963
Rental and maintenance of equipment	656	1,530	2,186	2,354
Printing and publications	695	1,621	2,316	1,781
Mileage and van fuel	440	1,027	1,467	2,262
Conferences, conventions and meetings	223	519	742	1,630
Membership dues	64	150	214	193
Awards and grants	20	46	66	30
Insurance	1,231	2,873	4,104	4,924
Other operating	<u>244</u>	<u>569</u>	<u>813</u>	<u>574</u>
Total operating expenses	46,828	135,512	182,340	160,432
Investment expense and miscellaneous	18,828	-	18,828	21,188
Depreciation and other capital expenses	<u>23,597</u>	<u>-</u>	<u>23,597</u>	<u>16,995</u>
Total expenses	<u>\$89,253</u>	<u>\$135,512</u>	<u>\$224,765</u>	<u>\$198,615</u>

The accompanying notes are an integral
 part of these financial statements.

Girls Incorporated of Omaha

STATEMENTS OF FUNCTIONAL EXPENSES -
COMBINING PROGRAM AND SUPPORTING SERVICES

Years ended December 31, 2009 and 2008

	<u>Total program services</u>	<u>Total supporting services</u>	<u>Combined total 2009</u>	<u>Combined total 2008</u>
Salaries	\$ 894,583	\$ 99,398	\$ 993,981	\$1,009,211
Employee benefits	76,562	8,507	85,069	82,482
Payroll taxes	<u>67,156</u>	<u>7,462</u>	<u>74,618</u>	<u>76,018</u>
Total employee compensation	1,038,301	115,367	1,153,668	1,167,711
Professional fees and contract services	33,321	29,953	63,274	40,114
Supplies	46,747	5,194	51,941	73,776
Telephone	16,321	1,813	18,134	17,827
Postage	3,108	346	3,454	4,144
Occupancy	159,833	17,759	177,592	169,633
Rental and maintenance of equipment	19,676	2,186	21,862	23,543
Printing and publications	20,837	2,316	23,153	25,016
Mileage and van fuel	13,211	1,467	14,678	22,620
Conferences, conventions and meetings	6,678	742	7,420	16,309
Specific assistance to individuals	167,379	214	167,593	205,914
Membership dues	1,916	66	1,982	1,930
Awards and grants	596	4,104	4,700	308
Insurance	36,933	813	37,746	49,239
National dues	12,000	-	12,000	11,000
Other operating	<u>7,312</u>	<u>-</u>	<u>7,312</u>	<u>5,739</u>
Total operating expenses	1,584,169	182,340	1,766,509	1,834,823
Scholarship payments	25,818	-	25,818	18,163
Investment expense	-	18,828	18,828	21,188
Depreciation and other capital expenses	<u>212,369</u>	<u>23,597</u>	<u>235,966</u>	<u>195,330</u>
Total expenses	<u>\$1,822,356</u>	<u>\$224,765</u>	<u>\$2,047,121</u>	<u>\$2,069,504</u>

The accompanying notes are an integral part of these financial statements.

Girls Incorporated of Omaha
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Girls Incorporated of Omaha (Girls Inc.) is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Nature of activities

Girls Incorporated of Omaha (the Organization) serves girls of ages 5 through 18 with various gender specific programs designed to provide the girls with activities and experiences which meet their needs. The Organization is supported primarily through donor contributions, grants and the United Way. Financial activities of a related entity called Girls Incorporated of Omaha Girlfriends are included in the financial statements of the Organization.

Donated goods and services

Donations of contributed services (that create or enhance nonfinancial assets), and property and equipment are recorded as support at their estimated fair value and are unrestricted unless the donor has restricted the assets for a specific purpose.

Donated goods and services, for which there is no clearly measurable basis for recording the value of such or that do not create or enhance nonfinancial assets, are not reflected in the statements. Services provided primarily include counselors and instructors. Values of unrecorded donated goods and services for 2009 were estimated by personnel of Girls Incorporated of Omaha. The following estimated values do not include the many hours spent by the regular on-going volunteer workers.

Furniture and equipment	\$ 975
Goods and services	<u>6,442</u>
Total	<u>\$7,417</u>

Cash and cash equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents, unless such funds are restricted for long-term purposes.

Investments - operating and endowment

The marketable debt and equity securities are stated at fair value as referenced to quoted market prices and other relevant information generated by market transactions. Other investments are carried at cost if purchased or, if donated, at the fair market value on the date of the gift.

Girls Incorporated of Omaha

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009 and 2008

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Property and equipment

Property and equipment are carried at cost or, if donated, at fair market value on date of donation. Depreciation and amortization are provided on a straight-line basis over the following estimated useful lives:

	<u>Lives</u>
Buildings and improvements	5 - 30 years
Furniture and equipment	5 - 10 years
Vehicles	3 - 5 years

Promises to give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Promises to give are typically due within one year, however, items that are due in excess of one year are discounted to the current net present value. Uncollectible promises to give are expected to be insignificant.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Allocation of expenses

Reasonable allocations of the Organization's functional expenditures are made at the beginning of each year on anticipated activities in each of the various programs. These allocations are revised periodically and at the end of each year to reflect significant changes in the level of the organization's activities.

Income taxes

Girls Incorporated of Omaha is a not-for-profit organization, and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Girls Incorporated of Omaha

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009 and 2008

NOTE B - INVESTMENTS - OPERATING AND ENDOWMENT

Investments included in the operating and endowment accounts measured at fair value on a recurring basis consist of the following at December 31:

	<u>2009</u>	<u>2008</u>
Cash on hand to be invested	\$ 601,360	\$ 146,951
Money market funds	70,079	159,483
Certificate of deposit	152,418	179,702
Common stocks	298,599	290,930
Mutual funds	<u>3,271,866</u>	<u>2,617,200</u>
	4,394,322	3,394,266
Accrued interest	<u>500</u>	<u>1,596</u>
	<u>\$4,394,822</u>	<u>\$3,395,862</u>

Balance sheet classifications are as follows at December 31, :

	<u>2009</u>	<u>2008</u>
Cash equivalents	\$ 671,440	\$ 306,433
Short-term investments	<u>3,723,382</u>	<u>3,089,429</u>
	<u>\$4,394,822</u>	<u>\$3,395,862</u>

NOTE C - COMMITMENTS AND CONTINGENCIES

During 2009, Girls, Inc. entered into a three-year matching contribution grant agreement for funding for an after-school literacy and self-esteem program. The program began in August, 2009 and continues through July, 2012. The grant requires first year matching of \$50,000 to the \$100,000 contribution, second year matching of \$75,000 to the \$75,000 contribution and third year matching of \$100,000 to the \$50,000 contribution. The first year matching requirements have been met, and the first \$100,000 of revenue was recorded accordingly. Management believes that the organization will be able to raise funding for the remaining two years matches.

Girls, Inc. has a 60 month lease for a copy machine that calls for monthly base rental payments of \$271, which began in January, 2007 and continues through December, 2011.

Minimum future rental payments under non-cancelable operating leases having remaining terms in excess of one year as of December 31, 2009 are as follows:

Year ending December 31:

2010	\$3,252
2011	<u>3,252</u>
	<u>\$6,504</u>

Girls Incorporated of Omaha

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009 and 2008

NOTE C - COMMITMENTS AND CONTINGENCIES - CONTINUED

Total rental expense is \$3,252 and \$3,252 for the years ended December 31, 2009 and 2008, respectively.

NOTE D - TEMPORARY RESTRICTIONS ON ASSETS

Temporary restrictions on assets at the end of 2009 and 2008 relate to various items as follows:

	<u>2009</u>	<u>2008</u>
<u>United Way Funding for Next Year:</u>		
United Way has a June 30 allocation year end. As a result, six months of the allocation for the 2009/2010 award is considered to be temporarily restricted due to timing of the receipts.	<u>\$284,008</u>	<u>\$281,196</u>
<u>General Temporarily Restricted Net Assets:</u>		
Operating pledges receivable	187,900	80,000
Grants receivable	114,000	-
Proceeds for next year programs	<u>90,750</u>	<u>38,000</u>
Total general temporarily restricted net assets	<u>392,650</u>	<u>118,000</u>
<u>Capital Improvement Restrictions:</u>		
In prior years, the organization was the recipient of the proceeds of golf and tennis tournaments sponsored by various local individuals and corporations. The proceeds were also matched by a prominent local charitable foundation involved in the tournament. The proceeds are restricted for capital improvements, and are included in investments until used.	790,749	863,669
Girls, Inc. has implemented several major capital contribution campaigns for planned renovations at both its north and south facilities. Contributions received in past years included Wiebe funds of \$269,444, promises-to-give, and a challenge grant, for which all conditions have been met and all revenues have been recognized. Proceeds are restricted for capital improvements.	18,701	78,488

Girls Incorporated of Omaha

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009 and 2008

NOTE D - TEMPORARY RESTRICTIONS ON ASSETS - CONTINUED

	<u>2009</u>	<u>2008</u>
<u>Capital Improvement Restrictions:</u>		
<u>continued</u>		
Current capital contributions restricted for a vehicle purchase.	<u>12,000</u>	<u>-</u>
Total capital improvement restrictions	<u>821,450</u>	<u>942,157</u>
<u>Scholarship Restrictions:</u>		
The majority of the scholarship funds are available for post secondary education. Girls may apply annually for up to four years, and selections are made by a Scholarship Committee. Other scholarship funds are available for special workshops, exchange programs, summer school and miscellaneous programs for membership age girls.	<u>196,526</u>	<u>217,956</u>
Total Temporarily Restricted Net Assets	<u>\$1,694,634</u>	<u>\$1,559,309</u>

NOTE E - PERMANENT RESTRICTIONS ON ASSETS

Endowment funds encompass investments of \$856,844 of permanently restricted net assets whereby the donor has stipulated that the principal contribution must be maintained intact in perpetuity. Included in the aforementioned amount is \$397,651 of permanently restricted net assets attributed to Wiebe funds. Investment income on permanently restricted endowment funds is considered to be unrestricted.

NOTE F - EMPLOYEE BENEFITS

During 2009, the defined contribution retirement plan of Girls Incorporated of Omaha (The Plan) was restated in order to incorporate all prior amendments adopted by Girls, Inc. since the last amendment of the Plan effective January, 1994. The restated plan document also includes a number of changes in order to comply with new regulations under Sections 415 and 403(b) of the Internal Revenue Code. The new restated plan is effective as of January 1, 2009.

Employees are eligible to participate in the Plan immediately upon employment and are eligible to receive matching employer contributions on the first entry date (January 1 or July 1) after they have reached age twenty-one and have completed one year of service. The Organization will contribute an amount equal to the elective deferral of the participant in excess of 2% of the eligible monthly compensation and not to exceed 5% of such monthly compensation.

Girls Incorporated of Omaha

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009 and 2008

NOTE F - EMPLOYEE BENEFITS - CONTINUED

Management believes that The Plan is operating under the requirements of the Employee Retirement Income Security Act of 1974.

Total expense for the years ended December 31, 2009 and 2008 is \$28,095 and \$29,565, respectively.

NOTE G - CONCENTRATION OF CREDIT RISK

The Organization has a substantial portion of its investments held in trust at a national, highly regarded financial institution. These and other investments are above federally insured levels or are in non-insured assets, and are subject to market fluctuations.

NOTE H - RELATED PARTY TRANSACTIONS

During 2009, the Organization entered into a twelve-month contract in the amount of \$35,000 for fund-raising consulting services from a company owned by the spouse of the Executive Director. Expenses incurred with this company were \$44,166 and \$17,000 in the years ended December 31, 2009 and 2008, respectively. Subsequent to December 31, 2009, the \$35,000 contract was renewed for another twelve-month period through February 28, 2011.

NOTE I - SUBSEQUENT EVENTS

Management evaluated transactions and events occurring subsequent to December 31, 2009 and through the date of the report (the date the financial statements were available to be issued) to determine whether any events should be recognized or disclosed in these statements. There were no material transactions or events in the subsequent period requiring disclosure or recognition in the statements, except for the related-party transaction as explained in Note H.