
**THE URBAN LEAGUE OF
METROPOLITAN ST. LOUIS, INC.**
*FINANCIAL STATEMENTS
DECEMBER 31, 2010*



**Urban League
of Metropolitan St. Louis, Inc.**

Empowering Communities. Changing Lives.

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Independent Auditors' Report

To the Audit and Finance Committee
The Urban League of Metropolitan St. Louis, Inc.

We have audited the accompanying statements of financial position of The Urban League of Metropolitan St. Louis, Inc. (the League) as of December 31, 2010 and 2009, and the related statements of activities, functional expenses, and cash flows, for the years then ended. These financial statements are the responsibility of the League'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 of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of 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 the 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 the League, as of December 31, 2010 and 2009, 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 of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the League, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such schedule and additional information are the responsibility of the management of the League. Such schedule has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2011, on our consideration of The Urban League of Metropolitan St. Louis, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

RubinBrown LLP

June 24, 2011

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2010

	<u>Unrestricted Additional Information</u>						Total
	Operational	Contractual	Property And Equipment	Total Unrestricted	Temporarily Restricted	Permanently Restricted	
Assets							
Cash and temporary investments	\$ 415,148	\$ 1,700	\$ —	\$ 416,848	\$ —	\$ —	\$ 416,848
Accounts receivable, net of allowance for doubtful accounts of \$45,177	16,358	1,224,509	—	1,240,867	—	—	1,240,867
Pledges receivable, net	—	—	—	—	1,856,091	—	1,856,091
Prepaid expenses	145,657	260,837	—	406,494	—	—	406,494
Due from (to) other funds	116,719	(390,997)	—	(274,278)	198,459	75,819	—
Investments	350,905	—	—	350,905	6,288	536,827	894,020
Deferred pension asset	135,306	—	—	135,306	—	—	135,306
Property and equipment, net	—	—	1,751,081	1,751,081	—	—	1,751,081
Total	\$ 1,180,093	\$ 1,096,049	\$ 1,751,081	\$ 4,027,223	\$ 2,060,838	\$ 612,646	\$ 6,700,707
Liabilities							
Accounts payable and accrued expenses	\$ 263,083	\$ 586,075	\$ —	\$ 849,158	\$ —	\$ 12,500	\$ 861,658
Accrued payroll and related taxes	79,331	127,654	—	206,985	—	—	206,985
Deferred revenue	—	379,034	—	379,034	—	—	379,034
Total Liabilities	342,414	1,092,763	—	1,435,177	—	12,500	1,447,677
Net Assets	837,679	3,286	1,751,081	2,592,046	2,060,838	600,146	5,253,030
Total	\$ 1,180,093	\$ 1,096,049	\$ 1,751,081	\$ 4,027,223	\$ 2,060,838	\$ 612,646	\$ 6,700,707

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2009

	<u>Unrestricted Additional Information</u>			Total Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	Operational	Contractual	Property And Equipment				
Assets							
Cash and temporary investments	\$ 382,327	\$ 1,100	\$ —	\$ 383,427	\$ —	\$ —	\$ 383,427
Accounts receivable, net of allowance for doubtfull accounts \$45,393	8,519	943,292	—	951,811	—	—	951,811
Pledges receivable, net	—	—	—	—	1,733,010	—	1,733,010
Prepaid expenses	183,813	—	—	183,813	—	—	183,813
Due from (to) other funds	67,433	(364,613)	—	(297,180)	232,399	64,781	—
Investments	353,060	—	—	353,060	—	535,204	888,264
Property and equipment, net	—	—	1,915,749	1,915,749	—	—	1,915,749
Total	\$ 995,152	\$ 579,779	\$ 1,915,749	\$ 3,490,680	\$ 1,965,409	\$ 599,985	\$ 6,056,074
Liabilities							
Accounts payable and accrued expenses	\$ 119,797	\$ 411,200	\$ —	\$ 530,997	\$ —	\$ —	\$ 530,997
Accrued payroll and related taxes	67,536	97,277	—	164,813	—	—	164,813
Accrued pension liability	141,925	—	—	141,925	—	—	141,925
Deferred revenue	—	68,016	—	68,016	—	—	68,016
Total Liabilities	329,258	576,493	—	905,751	—	—	905,751
Net Assets	665,894	3,286	1,915,749	2,584,929	1,965,409	599,985	5,150,323
Total	\$ 995,152	\$ 579,779	\$ 1,915,749	\$ 3,490,680	\$ 1,965,409	\$ 599,985	\$ 6,056,074

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

STATEMENT OF ACTIVITIES For The Year Ended December 31, 2010

	Operational	Contractual	Property And Equipment	Total Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support And Revenue:							
Public Support:							
Contributions and special purpose revenue	\$ 455,623	\$ 1,338,126	\$ —	\$ 1,793,749	\$ 1,303,006	\$ —	\$ 3,096,755
United Way of Greater St. Louis: 2010	1,249,882	—	—	1,249,882	(1,249,882)	—	—
United Way of Greater St. Louis: 2011	—	—	—	—	1,249,882	—	1,249,882
Unassociated fund raising	755	3,070	—	3,825	—	—	3,825
Special events income - net of expenses	124,019	—	—	124,019	—	—	124,019
Membership dues	19,419	—	—	19,419	—	—	19,419
Net assets released from restrictions	854,409	380,445	—	1,234,854	(1,207,579)	(27,275)	—
Total Public Support	2,704,107	1,721,641	—	4,425,748	95,427	(27,275)	4,493,900
Grants from Governmental Agencies	271,888	14,768,920	—	15,040,808	—	—	15,040,808
Other Revenue:							
Investment income	2,766	—	—	2,766	2	27,436	30,204
Miscellaneous	15,594	—	—	15,594	—	—	15,594
Total Other Revenue	18,360	—	—	18,360	2	27,436	45,798
Total Support And Revenue	2,994,355	16,490,561	—	19,484,916	95,429	161	19,580,506
Expenses							
Program Services:							
Economic empowerment	389,638	7,187,529	41,055	7,618,222	—	—	7,618,222
Basic needs	1,309,007	982,656	—	2,291,663	—	—	2,291,663
Education	—	7,866,880	252,891	8,119,771	—	—	8,119,771
Total Program Services	1,698,645	16,037,065	293,946	18,029,656	—	—	18,029,656
Supporting Services:							
Management and general	763,903	—	135,690	899,593	—	—	899,593
Fundraising and communications	314,266	—	—	314,266	—	—	314,266
Total Expenses	2,776,814	16,037,065	429,636	19,243,515	—	—	19,243,515
Change In Net Assets From Operating Activities	217,541	453,496	(429,636)	241,401	95,429	161	336,991
Pension-Related Benefits (Costs) Other Than Net Periodic Pension Costs	(45,756)	(188,528)	—	(234,284)	—	—	(234,284)
Change In Net Assets	171,785	264,968	(429,636)	7,117	95,429	161	102,707
Transfers	—	(264,968)	264,968	—	—	—	—
Net Assets - Beginning Of Year	665,894	3,286	1,915,749	2,584,929	1,965,409	599,985	5,150,323
Net Assets - End Of Year	\$ 837,679	\$ 3,286	\$ 1,751,081	\$ 2,592,046	\$ 2,060,838	\$ 600,146	\$ 5,253,030

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

STATEMENT OF ACTIVITIES For The Year Ended December 31, 2009

	Operational	Contractual	Property And Equipment	Total Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support And Revenue:							
Public Support:							
Contributions and special purpose revenue	\$ 627,313	\$ 1,393,549	\$ —	\$ 2,020,862	\$ 394,014	\$ 26,000	\$ 2,440,876
United Way of Greater St. Louis: 2009	1,266,893	19,155	—	1,286,048	(1,286,048)	—	—
United Way of Greater St. Louis: 2010	—	—	—	—	1,249,335	—	1,249,335
Unassociated fund raising	159,417	20,563	—	179,980	—	—	179,980
Special events income - net of expenses	118,138	—	—	118,138	—	—	118,138
Membership dues	14,687	—	—	14,687	—	—	14,687
Net assets released from restrictions	388,787	163,346	—	552,133	(552,133)	—	—
Total Public Support	2,575,235	1,596,613	—	4,171,848	(194,832)	26,000	4,003,016
Grants from Governmental Agencies	502,881	11,270,726	—	11,773,607	—	—	11,773,607
Other Revenue:							
Investment income	7,576	—	—	7,576	624	47,627	55,827
Miscellaneous	23,060	—	—	23,060	—	—	23,060
Total Other Revenue	30,636	—	—	30,636	624	47,627	78,887
Total Support And Revenue	3,108,752	12,867,339	—	15,976,091	(194,208)	73,627	15,855,510
Expenses:							
Program Services:							
Economic empowerment	497,285	4,588,349	16,655	5,102,289	—	—	5,102,289
Basic needs	1,432,600	791,468	—	2,224,068	—	—	2,224,068
Education	6,323	7,519,330	255,733	7,781,386	—	—	7,781,386
Total Program Services	1,936,208	12,899,147	272,388	15,107,743	—	—	15,107,743
Supporting Services:							
Management and general	729,786	—	124,517	854,303	—	—	854,303
Fundraising and communications	346,538	—	—	346,538	—	—	346,538
Total Expenses	3,012,532	12,899,147	396,905	16,308,584	—	—	16,308,584
Change In Net Assets From Operating Activities	96,220	(31,808)	(396,905)	(332,493)	(194,208)	73,627	(453,074)
Pension-Related Benefits (Costs) Other Than Net Periodic Pension Costs	326,860	138,608	—	465,468	—	—	465,468
Change In Net Assets	423,080	106,800	(396,905)	132,975	(194,208)	73,627	12,394
Transfers	(128,769)	(106,800)	235,569	—	—	—	—
Net Assets - Beginning Of Year	371,583	3,286	2,077,085	2,451,954	2,159,617	526,358	5,137,929
Net Assets - End Of Year	\$ 665,894	\$ 3,286	\$ 1,915,749	\$ 2,584,929	\$ 1,965,409	\$ 599,985	\$ 5,150,323

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended December 31, 2010**

	Program Services				Supporting Services		
	Economic Empowerment	Basic Needs	Education	Total	Management And General	Fundraising And Communications	Total
Expenses							
Salaries	\$ 2,528,010	\$ 351,670	\$ 3,006,498	\$ 5,886,178	\$ 1,463,067	\$ 220,032	\$ 7,569,277
Employee health and retirement benefits	290,537	48,080	367,495	706,112	187,413	17,163	910,688
Payroll taxes	239,854	38,319	412,712	690,885	166,925	23,326	881,136
Assistance to individuals	2,942,080	1,242,105	384,216	4,568,401	13,589	—	4,581,990
Occupancy	3,841	437,995	1,140,931	1,582,767	206,394	16,500	1,805,661
Supplies	177,631	26,780	179,232	383,643	75,993	3,228	462,864
Professional fees	56,207	1,172	742,977	800,356	135,489	368	936,213
Local transportation	26,424	1,192	379,214	406,830	13,269	—	420,099
Equipment purchases	63,938	—	400	64,338	—	—	64,338
Telephone	31,830	26,689	41,974	100,493	26,901	2,152	129,546
Awards and grants	—	—	32,000	32,000	15,190	—	47,190
Conferences/meetings	70,658	3,490	86,321	160,469	74,878	9,722	245,069
Travel	39,697	4,871	6,952	51,520	47,681	3,800	103,001
Rental and equipment maintenance	83,297	17,416	43,763	144,476	153,877	7,496	305,849
Printing and publications	51,966	2,395	24,961	79,322	15,479	8,010	102,811
Insurance	60,451	19,995	67,862	148,308	7,547	700	156,555
Postage and shipping	9,336	2,930	1,693	13,959	8,870	1,119	23,948
Miscellaneous	1,252	165	14,867	16,284	17,587	650	34,521
Membership dues	—	—	—	—	18,123	—	18,123
Dues to National Organizations	—	—	—	—	15,000	—	15,000
Total	6,677,009	2,225,264	6,934,068	15,836,341	2,663,272	314,266	18,813,879
Allocation of depreciation	41,055	—	252,891	293,946	135,690	—	429,636
Allocation of administrative costs	900,158	66,399	932,812	1,899,369	(1,899,369)	—	—
Total Expenses	\$ 7,618,222	\$ 2,291,663	\$ 8,119,771	\$ 18,029,656	\$ 899,593	\$ 314,266	\$ 19,243,515

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended December 31, 2009**

	Program Services				Supporting Services		
	Economic Empowerment	Basic Needs	Education	Total	Management And General	Fundraising And Communications	Total
Expenses							
Salaries	\$ 2,098,859	\$ 247,733	\$ 2,901,965	\$ 5,248,557	\$ 1,154,937	\$ 242,271	\$ 6,645,765
Employee health and retirement benefits	281,241	41,671	440,599	763,511	108,262	22,097	893,870
Payroll taxes	203,497	22,174	361,901	587,572	120,311	19,024	726,907
Assistance to individuals	1,074,049	1,319,478	474,662	2,868,189	12,645	—	2,880,834
Occupancy	15,766	428,813	1,509,959	1,954,538	169,992	16,500	2,141,030
Supplies	87,066	32,136	57,769	176,971	55,914	3,649	236,534
Professional fees	190,759	698	435,231	626,688	154,435	569	781,692
Local transportation	17,286	2,700	387,181	407,167	9,259	—	416,426
Equipment purchases	112,368	529	5,904	118,801	1,785	983	121,569
Telephone	24,969	27,320	43,586	95,875	22,708	3,231	121,814
Awards and grants	—	—	11,000	11,000	2,939	—	13,939
Conferences/meetings	41,687	5,870	66,124	113,681	84,155	9,961	207,797
Travel	68,138	5,652	12,230	86,020	50,825	4,443	141,288
Rental and equipment maintenance	36,174	19,264	42,154	97,592	164,488	8,118	270,198
Printing and publications	41,807	461	14,456	56,724	21,834	13,409	91,967
Insurance	36,712	15,901	77,413	130,026	11,933	844	142,803
Postage and shipping	4,543	2,741	1,375	8,659	11,894	1,341	21,894
Miscellaneous	414	2,102	5,349	7,865	16,547	98	24,510
Membership dues	—	—	—	—	15,842	—	15,842
Dues to National Organizations	—	—	—	—	15,000	—	15,000
Total	4,335,335	2,175,243	6,848,858	13,359,436	2,205,705	346,538	15,911,679
Allocation of depreciation	16,655	—	255,733	272,388	124,517	—	396,905
Allocation of administrative costs	750,299	48,825	676,795	1,475,919	(1,475,919)	—	—
Total Expenses	\$ 5,102,289	\$ 2,224,068	\$ 7,781,386	\$ 15,107,743	\$ 854,303	\$ 346,538	\$ 16,308,584

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

STATEMENT OF CASH FLOWS

	For The Years	
	Ended December 31,	
	2010	2009
Cash Flows From Operating Activities		
Increase in net assets	\$ 102,707	\$ 12,394
Adjustments to reconcile increase in net assets to provided by (used in) operating activities:		
Depreciation and amortization	429,636	396,905
Contributions restricted for endowment	—	(26,000)
Net gains on long-term investments	(6,894)	(24,043)
Donation of equity securities	(100,123)	(5,049)
Donation of property and equipment	—	(28,103)
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(289,056)	94,879
(Increase) decrease in pledges receivable	(123,081)	249,412
Increase in prepaid expenses	(222,681)	(62,266)
Increase in accounts payable and accrued expenses	330,661	218,362
Increase (decrease) in accrued salaries and related taxes	42,172	(195,600)
Decrease in accrued pension liability (increase) in deferred pension asset	(277,231)	(778,924)
Increase (decrease) in deposits and deferred revenues	311,018	(57,795)
Net Cash Provided By (Used In) Operating Activities	197,128	(205,828)
Cash Flows From Investing Activities		
Purchase of property and equipment	(264,968)	(207,466)
Purchases of investments	(304,157)	(388,403)
Proceeds from sale or maturity of investments	405,418	370,717
Net Cash Used In Investing Activities	(163,707)	(225,152)
Net Increase (Decrease) In Cash And Cash Equivalents	33,421	(430,980)
Cash And Cash Equivalents - Beginning Of Year	383,427	814,407
Cash And Cash Equivalents - End Of Year	\$ 416,848	\$ 383,427
Supplemental Disclosure Of Cash Flow Information		
Donation of equity securities	\$ 100,123	\$ 5,049
Donation of property and equipment	—	28,103

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2010 And 2009

1. Summary Of Significant Accounting Policies

General

The Urban League of Metropolitan St. Louis, Inc. (the League) is a charitable, community services agency. It conducts programs and provides services to the community in education, basic needs, and economic empowerment. The League's mission is to assist African Americans and others throughout the St. Louis-metropolitan area in the achievement of social and economic equality. The League implements its mission through advocacy, coalition building, program services, and by promoting communication and understanding between the races.

The League's primary source of revenue is federal and state government grants. The League also receives contributions from the United Way and other charitable organizations and earns revenue from program fees.

The accompanying financial statements include all programs operated by the League. The financial statements are prepared on the accrual basis of accounting.

Use Of Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires that management make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the determination of the allowance for uncollectible receivables and pledges and pension plan assumptions.

Financial Statement Format

The following is a description of the three classes of net assets of the League:

Unrestricted Net Assets

Unrestricted Net Assets represent those net assets whose use is not restricted by donors. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Included in unrestricted net assets are net assets for which outside agencies or government bodies, rather than a donor, have designated for various purposes under grant contracts. These assets are noted as unrestricted contractual net assets. Unrestricted property and equipment net assets represents the net property and equipment of the League that will be depreciated in future years.

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

Notes To Financial Statements (*Continued*)

Temporarily Restricted Net Assets

Temporarily Restricted Net Assets represent those net assets whose use has been limited by donor imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the League pursuant to those stipulations.

Permanently Restricted Net Assets

Permanently Restricted Net Assets represent those net assets whose use has been limited by donor-imposed stipulations that they must be maintained in perpetuity. Interest income is recorded as temporarily restricted for scholarships.

Contributions

Unconditional contributions are recognized when promised or received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily or permanently restricted support that increases those net asset classes. However, if the restriction is fulfilled in the same time period in which the contribution is received, the League reports the support as unrestricted operational. Gifts of long-lived assets received without stipulation are recorded as unrestricted support.

Grants From Governmental Agencies

Revenue from governmental grants and certain other contractual contributions is recognized when allowable expenditures are made by the League. Grants received for specific purposes but not yet expended are recorded as deferred revenue.

Cash And Cash Equivalents

Cash equivalents are stated at cost, which approximates market value. The League considers all highly liquid debt instruments with a maturity of three months or less at date of purchase to be cash equivalents. The League maintains its cash and cash equivalents primarily with one financial institution in St. Louis, Missouri. Bank balances are fully insured by the Federal Deposit Insurance Corporation (FDIC).

Pledges Receivable

Pledges receivable are recognized as revenue when they are unconditionally promised. Pledges with a term greater than one year are discounted using the rate obtained on the League's revolving line of credit.

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

Notes To Financial Statements *(Continued)*

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value. Investments received as gifts are recorded at estimated fair value at the date of donation. Dividend and interest income are accrued when earned.

Property And Equipment

Donated property and vehicles are recorded as an addition to the unrestricted property and equipment net assets at fair market value on the date of donation. Major repairs that significantly extend the life of an asset are capitalized. Purchases of property and equipment of \$5,000 or more are capitalized. Property and equipment are depreciated on a straight-line basis over the following estimated useful lives of the assets:

Buildings	40 years
Building improvements	20 years
Furniture, fixtures and equipment	3 - 10 years
Leased building improvements	Shorter of the life of lease or life of asset

The League acquires title to property and equipment purchased with federal grant funds. In certain instances, the federal government retains a reversionary interest in federally funded assets in the event of program termination. As of December 31, 2010 and 2009, the League held title to \$3,363,351 and \$3,098,383, respectively, of property and equipment purchased with federal grant funds.

Indirect Costs

Certain supporting salaries, benefits, worker's compensation, rent, business office fees, legal and audit fees, photocopier usage, postage and consulting, and general utility expenses are allocated to the individual programs to the extent allowable in the grants. These indirect costs are reflected in the allocation of administrative costs in the statements of functional expenses.

Fundraising

The League employs fundraising staff who organize special events and request contributions from donors. No fundraising costs are allocated to programs. Direct costs of special events are recorded as an offset to special event income in the statements of activities. All other fundraising costs are recorded in the statements of activities and functional expenses.

Contributed Services, Materials And Rent

The League records various types of in-kind contributions. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses or additions to property and equipment. The League received contributed services and materials in the amount of \$438,126 and \$101,754 in 2010 and 2009, respectively. The League also received a contributed vehicle in the amount of \$28,103 in 2009.

As more fully described in Note 9, the use of the facilities where the League operates were donated or discounted. Amounts have been recognized as revenues and expenses in the accompanying financial statements for the fair market value of the donated facilities.

Tax Status

The League is an organization described in Internal Revenue Code Section 501(c)(3) and has received an Internal Revenue Service (IRS) determination letter stating that it is exempt from federal tax on income from its related, exempt activities. However, the League is subject to federal income tax on any unrelated business taxable income.

The League follows accounting rules for uncertain tax positions. These rules require financial statement recognition of the impact of a tax position if a position is more likely than not of being sustained on audit, based on the technical merits of the position. The rules also provide guidance on measurement, derecognition, classification, interest and penalties, accounting in interim periods, transition, and disclosure requirements for uncertain tax positions. The League's federal and state tax returns for tax years 2007 and later remain subject to examination by taxing authorities.

Subsequent Events

Management has evaluated subsequent events through June 24, 2011, the date which the financial statements were available for issue.

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

Notes To Financial Statements (Continued)

2. Pledges Receivable

Pledges receivable as of December 31, 2010 and 2009 were scheduled for collection as follows:

	<u>2010</u>	<u>2009</u>
Less than one year	\$ 1,680,236	\$ 1,461,821
One-five years	193,678	309,198
Total pledges receivable	1,873,914	1,771,019
Discount on pledges receivable	(17,823)	(38,009)
	<u>\$ 1,856,091</u>	<u>\$ 1,733,010</u>

3. Investments

The fair value of the League's investments, measured on a recurring basis at December 31, 2010 and 2009 by asset category are as follows:

Asset Category	Fair Value Measurements At December 31, 2010			
	Total	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money markets	\$ 153,242	\$ —	\$ 153,242	\$ —
Mutual funds	46,517	46,517	—	—
Certificates of deposit	442,369	442,369	—	—
Fixed rate cap securities	28,407	—	28,407	—
Corporate bonds	223,485	—	223,485	—
Total	<u>\$ 894,020</u>	<u>\$ 488,886</u>	<u>\$ 405,134</u>	<u>\$ —</u>

Asset Category	Fair Value Measurements At December 31, 2009			
	Total	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money markets	\$ 107,056	\$ —	\$ 107,056	\$ —
Corporate stocks	4,964	4,964	—	—
Certificates of deposit	512,824	512,824	—	—
Corporate bonds	263,420	—	263,420	—
Total	<u>\$ 888,264</u>	<u>\$ 517,788</u>	<u>\$ 370,476</u>	<u>\$ —</u>

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

Notes To Financial Statements *(Continued)*

During 2010, there were no changes in the methods and/or assumptions utilized to derive the fair value of the League's assets

Components of investment income include:

	<u>2010</u>	<u>2009</u>
Interest income	\$ 23,310	\$ 31,784
Gain on investments	6,894	24,043
Investment income	<u>\$ 30,204</u>	<u>\$ 55,827</u>

4. Property And Equipment

Property and equipment consisted of the following at December 31:

	<u>2010</u>	<u>2009</u>
Land	\$ 59,182	\$ 59,182
Buildings and improvements	4,316,715	4,302,025
Furniture, fixtures and equipment	1,025,683	775,405
Total property and equipment	5,401,580	5,136,612
Less: Accumulated depreciation	3,650,499	3,220,863
	<u>\$ 1,751,081</u>	<u>\$ 1,915,749</u>

Depreciation and amortization expense amounted to \$429,636 in 2010 and \$396,905 in 2009.

5. Net Assets - Endowment

The League's endowment consists of two individual fund established for scholarship recipients and operational use. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

Notes To Financial Statements (Continued)

Interpretation Of Relevant Law

The Board of Directors of the League has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the League classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the League considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the League and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the League, and
- (7) The investment policies of the League.

Endowment Net Asset Composition As Of December 31, 2010:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment fund	\$ —	\$ —	\$ 600,146	\$ 600,146
Board-designated quasi-endowment fund	100,123	—	—	100,123
	<u>\$ 100,123</u>	<u>\$ —</u>	<u>\$ 600,146</u>	<u>\$ 700,269</u>

Endowment Net Asset Composition As Of December 31, 2009:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment fund	\$ —	\$ —	\$ 599,985	\$ 599,985

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

Notes To Financial Statements (Continued)

Changes In Endowment Net Assets For The Fiscal Years Ended December 31, 2010 And 2009:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets -				
January 1, 2009	\$ —	\$ —	\$ 526,358	\$ 526,358
Investment Return				
Investment income	—	—	22,656	22,656
Net realized and unrealized gains	—	—	24,971	24,971
Total Investment Return	—	—	47,627	47,627
Contributions	—	—	26,000	26,000
Appropriation of endowment assets for expenditure	—	—	—	—
Endowment Net Assets -				
December 31, 2009	—	—	599,985	599,985
Investment Return				
Investment income	—	—	20,134	20,134
Net realized and unrealized gains	—	—	7,302	7,302
Total Investment Return	—	—	27,436	27,436
Contributions	100,123	—	—	100,123
Appropriation of endowment assets for expenditure	—	—	(27,275)	(27,275)
Endowment Net Assets -				
December 31, 2010	\$ 100,123	\$ —	\$ 600,146	\$ 700,269

Funds With Deficiencies

From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the League to retain as a fund of perpetual duration. There were no such deficiencies as of December 31, 2010 or 2009.

Return Objectives And Risk Parameters

The League has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the League must hold in perpetuity. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index and Bond index based on asset allocation while assuming a low to moderate level of investment risk. The League expects its endowment funds, over time, to provide a positive rate of return. Actual returns in any given year may vary from this expectation.

Strategies Employed For Achieving Objectives

To satisfy its long-term rate-of-return objectives, the League relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The League targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy And How The Investment Objectives Relate To Spending Policy

The League has a policy of appropriating for distribution each year the total return from permanently restricted funds. Total return is defined as interest, dividends, and realized and unrealized gains and losses, net of fees. In establishing this policy, the League considered the long-term expected return on its endowment. Accordingly, over the long term, the League expects the current spending policy to allow its endowment to grow on an annual basis. This is consistent with the League's objective to maintain the purchasing power of the endowment assets held in perpetuity, as well as to provide additional real growth through new gifts and investment return.

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

Notes To Financial Statements (Continued)

Temporarily restricted net assets consist of the following at December 31:

	<u>2010</u>	<u>2009</u>
Administration (United Way)	\$ 1,246,303	\$ 1,246,303
North County Facility (related party)	219,523	343,716
Economic empowerment	324,178	254,452
Education	30,946	17,993
Basic needs	15,474	91,945
Time restricted	218,414	—
Miscellaneous	6,000	11,000
	<u>\$ 2,060,838</u>	<u>\$ 1,965,409</u>

Temporarily restricted net assets released from restrictions consist of the following:

	<u>2010</u>	<u>2009</u>
North County Facility (related party)	\$ 140,519	\$ 140,519
Economic empowerment	540,641	295,752
Education	36,365	19,582
Basic needs	472,904	86,780
Miscellaneous	17,150	9,500
	<u>\$ 1,207,579</u>	<u>\$ 552,133</u>

6. Commitments And Contingencies

Operating Leases

The League leases office space and office equipment. Rent, including month-to-month leases, amounted to approximately \$243,000 in 2010 and \$240,000 in 2009. Aggregate future minimum lease commitments at December 31, 2010 are as follows:

<u>Year</u>	<u>Amount</u>
2011	\$ 173,854
2012	99,477
2013	8,946
2014	6,114
2015	4,076
	<u>\$ 292,467</u>

Litigation

The League has been named as a party to various legal proceedings. In the opinion of management, any liability from claims or proceedings in excess of the amount covered by insurance will not have a material adverse effect on the League's financial position, results of activities, cash flows or functional expenses.

7. Pension Plans

Defined Benefit Plan

The League has a defined benefit pension plan which covers all active full-time employees. The plan provides benefits based on the participant's years of service and compensation. The League's funding policy is to contribute amounts sufficient upon an actuarially determined basis to provide the benefits under the plan in accordance with the minimum funding requirements of the Employee Retirement Income Security Act.

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

Notes To Financial Statements (Continued)

A measurement date of December 31 is used for the defined benefit plan.

	<u>2010</u>	<u>2009</u>
Change in benefit obligation:		
Projected benefit obligation - beginning of year	\$ 5,613,013	\$ 4,998,673
Service cost	430,436	357,497
Interest cost	325,785	291,217
Actuarial gains (losses)	537,849	68,006
Benefits paid	(199,575)	(102,380)
Projected benefit obligation - end of year	<u>6,707,508</u>	<u>5,613,013</u>
Change in plan assets:		
Fair value of assets - beginning of year	5,471,088	4,077,824
Actual return on assets	671,301	755,644
Employers contributions	900,000	740,000
Benefits paid	(199,575)	(102,380)
Fair value of assets - end of year	<u>6,842,814</u>	<u>5,471,088</u>
Funded status - end of year	<u>135,306</u>	<u>(141,925)</u>
Items not yet recognized as a component of net periodic pension cost - unrecognized loss	<u>\$ 1,279,019</u>	<u>\$ 1,044,732</u>
The components of net periodic benefit cost were as follows:		
Service cost	\$ 430,436	\$ 357,497
Interest cost	325,785	291,217
Expected return on plan assets	(439,785)	(336,587)
Amortization of net (gain) or loss	71,989	114,474
	<u>\$ 388,425</u>	<u>\$ 426,601</u>

Employer contributions and benefits paid for the years ended December 31, 2010 and 2009 as follows:

	<u>2010</u>	<u>2009</u>
Employer contribution	\$ 900,000	\$ 740,000
Benefits paid	199,575	102,380
Weighted average assumption		
Discount rate	5.25%	5.75%
Expected return on plan assets	7.5%	7.5%
Rate of compensation increase	3.0%	3.0%

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

Notes To Financial Statements (Continued)

Plan Assets

The plans' investment strategy is to minimize investment risk while generating acceptable returns.

The fair value of the League's pension plan assets at December 31, 2010 and 2009 by asset category are as follows:

Asset Category	Total	Fair Value Measurements At December 31, 2010		
		Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money markets	\$ 112,311	\$ —	\$ 112,311	\$ —
Equity securities:				
U.S. companies	1,846,352	1,846,352	—	—
International companies	156,980	—	156,980	—
Mutual funds	2,649,176	2,649,176	—	—
U.S. government issues	201,977	—	201,977	—
Corporate bonds	1,876,018	—	1,876,018	—
Total	\$ 6,842,814	\$ 4,495,528	\$ 2,347,286	\$ —

Asset Category	Total	Fair Value Measurements At December 31, 2009		
		Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money markets	\$ 240,266	\$ —	\$ 240,266	\$ —
Equity securities:				
U.S. companies	1,639,054	1,639,054	—	—
International companies	131,288	—	131,288	—
Mutual funds	1,137,858	1,137,858	—	—
U.S. government issues	405,716	—	405,716	—
Corporate bonds	1,916,906	—	1,916,906	—
Total	\$ 5,471,088	\$ 2,776,912	\$ 2,694,176	\$ —

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

Notes To Financial Statements (Continued)

The League's target allocation by asset class versus the actual allocation as of December 31, 2010 and 2009 are as follows:

	Plan Assets		Target Allocation	Actual Allocation	
	2010	2009		2010	2009
Equity securities	\$ 4,652,508	\$ 2,922,470	30 - 70%	68%	53%
Debt securities	2,077,995	2,306,891	30 - 70%	30%	42%
Other	112,311	241,727	2 - 6%	2%	5%
	<u>\$ 6,842,814</u>	<u>\$ 5,471,088</u>		<u>100%</u>	<u>100%</u>

The League seeks to manage plan assets in a prudent, conservative yet productive manner seeking to increase the value of plan assets, while recognizing the need to preserve asset value in order to enhance the ability of the plan to meet its obligations to plan participants and their beneficiaries when due. The long-term rate assumption of 7.5% is based upon the "building block" approach described by the Actuarial Standards Board in Actuarial Standards of Practice No. 27, *Selection Economic Assumptions for Measuring Pension Obligations*.

Information about the expected cash flows for the defined benefit pension plan is as follows:

Employer contributions 2011 (minimum)	\$ 256,596
Expected amortization of net loss	<u>84,963</u>
Expected benefit payments:	
2011	180,000
2012	260,000
2013	260,000
2014	510,000
2015	280,000
2016-2020	<u>2,060,000</u>
	<u>\$ 3,550,000</u>

403(b) Plan

The League has established a 403(b) retirement plan available to all eligible employees. Elective deferrals receive no employer match.

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

Notes To Financial Statements *(Continued)*

8. Below-Market Leases

The League rents four buildings at below market rates to operate Head Start facilities. Contribution and additional occupancy expense is recorded for the difference between the market rate and the reduced rate paid by the League. Three of four leases for Head Start facilities contain a clause that allows the League to terminate the lease after 30-days notice of the Head Start contract termination. Due to the conditional nature of this in-kind rent the future pledged rent reduction has not been recorded in the financial statements. The Martin Luther King Center building was purchased in December 2009. Depreciation expense in the amount of \$1,875 on the building was considered additional occupancy expense during 2010.

Two of the leases are with two members of the Board of Directors, one of which includes the lease of the League's North County Administrative Office, as well as a Head Start facility. The North County Administrative Office portion of the lease is non-cancelable. The fair market value of the contributed rent is recorded as a pledge receivable and temporarily restricted contribution. At December 31, 2010 and 2009, the discounted pledge totaled \$219,523 and \$343,716, respectively.

The additional contributions and occupancy expense recorded in the financial statements are as follows:

Facility	Lease Expiration Date	Term Of Lease	Additional Contributions And Occupancy Expense For The Years Ended December 31,	
			2010	2009
1401 E. Broadway	August 2012	3 years	\$ 128,488	\$ 134,403
Jennings Station (related party)	August 2012	10 years	475,178	551,491
Mt. Zion (related party)	May 2011	5 years	25,675	23,560
911 N. Spring	May 2011	5 years	375,000	375,000
Martin Luther King Center	December 2009	5 years	—	293,998
			<u>\$ 1,004,341</u>	<u>\$ 1,378,452</u>

9. Related-Party Transactions

The League has an affiliate relationship with its charter organization, the National Urban League. During the years ended December 31, 2010 and 2009, the League received grants as a result of its affiliate relationship.

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

Notes To Financial Statements *(Continued)*

The federally funded grant for the Foreclosure Mitigation Program, passed through the National Urban League, totaled \$271,889 and \$559,120 in 2010 and 2009, respectively. These amounts are included in the combining statements of activities and changes in net assets as unrestricted contractual grants from governmental agencies for the years ended December 31, 2010 and 2009.

The privately funded grants for Housing Counseling from MetLife and Financial Literacy from CitiGroup, passed through the National Urban League, totaled \$29,166 and \$50,000 in 2010, respectively, and \$35,124 and \$35,000 in 2009, respectively. These amounts are included in the combining statements of activities and changes in net assets as unrestricted contributions and special purpose revenue or net assets released from restrictions for the years ended December 31, 2010 and 2009.

The League paid \$15,000 to the National Urban League which is included as operational supporting services - management and general in the statement of activities for each of the years ended December 31, 2010 and 2009.

Members of the Board of Directors of the League and employers of the Board of Directors of the League made contributions of \$64,127 and \$500,392, respectively, for the year ended December 31, 2010. These contributions are included in the statement of activities for the year ended December 31, 2010 as contributions and special-purpose revenue.

Members of the Board of Directors of the League and employers of the Board of Directors of the League made contributions of \$58,502 and \$506,776, respectively, for the year ended December 31, 2009. These contributions are included in the statement of activities for the year ended December 31, 2009 as contributions and special-purpose revenue.

A member of the board owns a car dealership where several trucks were purchased during the year ended December 31, 2010.

Independent Auditors' Report On Supplementary Information

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining statements of financial position, combining statements of activities and changes in net assets, schedule of indirect cost rate, weatherization program schedule of revenue and expenditures, weatherization program fund balance reconciliation, and schedule of expenditures of federal awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

RubinBrown LLP

June 24, 2011

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

**COMBINING STATEMENT OF FINANCIAL POSITION
UNRESTRICTED OPERATIONAL
December 31, 2010**

	Combined Total	Administration	Business Training Center	Urban League Guild	League Young Professionals	Federation Of Block Units
Assets						
Cash and temporary investments	\$ 415,148	\$ 415,048	\$ —	\$ —	\$ 100	\$ —
Accounts receivable	16,358	16,153	—	35	—	170
Prepaid expenses	145,657	145,657	—	—	—	—
Due from other funds	116,719	80,349	3,339	6,554	12,584	13,893
Investments	350,905	342,695	—	—	—	8,210
Deferred pension asset	135,306	135,306	—	—	—	—
Total	\$ 1,180,093	\$ 1,135,208	\$ 3,339	\$ 6,589	\$ 12,684	\$ 22,273
Liabilities						
Accounts payable and accrued expenses	\$ 263,083	\$ 262,490	\$ —	\$ 115	\$ 478	\$ —
Accrued payroll and related taxes	79,331	77,558	1,773	—	—	—
Total Liabilities	342,414	340,048	1,773	115	478	—
Net Assets	837,679	795,160	1,566	6,474	12,206	22,273
Total	\$ 1,180,093	\$ 1,135,208	\$ 3,339	\$ 6,589	\$ 12,684	\$ 22,273

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

**COMBINING STATEMENT OF FINANCIAL POSITION
UNRESTRICTED CONTRACTUAL**

**Page 1 Of 4
December 31, 2010**

	Combined Total	B.T. Hurt Scholarship Fund	Regional Arts Commission	Educational Resource Center	Federal	USDA	Private And State	Headstart Temporary COLA	Quality Improvement	Program Improvement	Total From Following Page
Assets											
Cash and temporary investments	\$ 1,700	\$ —	\$ —	\$ —	\$ 1,700	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Accounts receivable	1,224,509	—	2,893	—	183,914	28,421	2,784	—	—	—	1,006,497
Prepaid expenses	260,837	—	—	—	—	—	—	—	—	—	260,837
Due from other funds	(390,997)	3,286	(2,586)	—	15,058	(28,421)	1,475	—	484	—	(380,293)
Total	\$ 1,096,049	\$ 3,286	\$ 307	\$ —	\$ 200,672	\$ —	\$ 4,259	\$ —	\$ 484	\$ —	\$ 873,889
Liabilities											
Accounts payable and accrued expenses	\$ 586,075	\$ —	\$ 307	\$ —	\$ 127,453	\$ —	\$ 4,259	\$ —	\$ 484	\$ —	\$ 453,572
Accrued payroll and related taxes	127,654	—	—	—	73,219	—	—	—	—	—	54,435
Deferred revenue	379,034	—	—	—	—	—	—	—	—	—	379,034
Total Liabilities	1,092,763	—	307	—	200,672	—	4,259	—	484	—	873,889
Net Assets	3,286	3,286	—	—	—	—	—	—	—	—	—
Total	\$ 1,096,049	\$ 3,286	\$ 307	\$ —	\$ 200,672	\$ —	\$ 4,259	\$ —	\$ 484	\$ —	\$ 873,889

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

**COMBINING STATEMENT OF FINANCIAL POSITION
UNRESTRICTED CONTRACTUAL**

**Page 2 Of 4
December 31, 2010**

	Total To Preceding Page	WIA Youth St. Louis County	WIA ARRA	Bank Of America	CitiGroup Financial Literacy	Jobs For Missouri Graduates	Economic Ladders	Wells Fargo Housing	Digital Divide	Empower- ment Zone	NUL Foreclosure Mitigation	NUL MetLife	Total From Following Page
Assets													
Cash and temporary investments	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Accounts receivable	1,006,497	40,298	—	—	—	126,147	—	—	—	—	16,265	—	823,787
Prepaid expenses	260,837	—	—	—	—	—	—	—	—	—	—	—	260,837
Due from other funds	(380,293)	(27,146)	—	1,110	231	(121,105)	—	—	17,469	—	(15,300)	—	(235,552)
Total	\$ 873,889	\$ 13,152	\$ —	\$ 1,110	\$ 231	\$ 5,042	\$ —	\$ —	\$ 17,469	\$ —	\$ 965	\$ —	\$ 849,072
Liabilities													
Accounts payable and accrued expenses	\$ 453,572	\$ 3,118	\$ —	\$ —	\$ 231	\$ 1,805	\$ —	\$ —	\$ 27	\$ —	\$ —	\$ —	\$ 448,391
Accrued payroll and related taxes	54,435	10,034	—	1,110	—	3,237	—	—	72	—	965	—	39,017
Deferred revenue	379,034	—	—	—	—	—	—	—	17,370	—	—	—	361,664
Total Liabilities	873,889	13,152	—	1,110	231	5,042	—	—	17,469	—	965	—	849,072
Net Assets	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	\$ 873,889	\$ 13,152	\$ —	\$ 1,110	\$ 231	\$ 5,042	\$ —	\$ —	\$ 17,469	\$ —	\$ 965	\$ —	\$ 849,072

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

**COMBINING STATEMENT OF FINANCIAL POSITION
UNRESTRICTED CONTRACTUAL**

**Page 3 Of 4
December 31, 2010**

	Total To Preceding Page	2010 Weatheri- zation	ARRA Weatheri- zation	Special Weatheri- zation City	Special Weatheri- zation County	Ameren UE Weatheri- zation	Laclede Weatheri- zation	HUD Housing Counseling	Missouri Foundation For Health	St. Louis County Lead	Total From Following Page
Assets											
Cash and temporary investments	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Accounts receivable	823,787	15,222	415,796	86,968	95,315	30,298	20,358	—	19,790	4,000	136,040
Prepaid expenses	260,837	—	5,855	254,982	0	—	—	—	—	—	—
Due from other funds	(235,552)	(12,812)	(87,599)	(66,164)	(16,647)	(27,474)	(18,422)	55	(14,515)	(4,000)	12,026
Total	\$ 849,072	\$ 2,410	\$ 334,052	\$ 275,786	\$ 78,668	\$ 2,824	\$ 1,936	\$ 55	\$ 5,275	\$ —	\$ 148,066
Liabilities											
Accounts payable and accrued expenses	\$ 448,391	\$ 452	\$ 318,669	\$ 47,532	\$ 74,885	\$ 47	\$ 47	\$ 55	\$ 3,410	\$ —	\$ 3,294
Accrued payroll and related taxes	39,017	1,958	15,383	9,089	3,783	2,777	1,889	—	1,865	—	2,273
Deferred revenue	361,664	—	—	219,165	—	—	—	—	—	—	142,499
Total Liabilities	849,072	2,410	334,052	275,786	78,668	2,824	1,936	55	5,275	—	148,066
Net Assets	—	—	—	—	—	—	—	—	—	—	—
Total	\$ 849,072	\$ 2,410	\$ 334,052	\$ 275,786	\$ 78,668	\$ 2,824	\$ 1,936	\$ 55	\$ 5,275	\$ —	\$ 148,066

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

**COMBINING STATEMENT OF FINANCIAL POSITION
UNRESTRICTED CONTRACTUAL**

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	Total To Preceding Page	St. Louis Alliance	Housing Advocacy	Affordable Housing Shelter	Affordable Housing Lead	Missouri Emergency Shelter	Norman Cash Assistance	HPRP STLC	HPRP SCC	FEMA STLC	FEMA SCC	FEMA STLCO
Assets												
Cash and temporary investments	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Accounts receivable	136,040	6,760	3,428	19,254	42,328	—	—	64,270	—	—	—	—
Prepaid expenses	—	—	—	—	—	—	—	—	—	—	—	—
Due from other funds	12,026	(6,405)	(2,808)	(17,864)	(42,328)	—	12,543	68,888	—	—	—	—
Total	\$ 148,066	\$ 355	\$ 620	\$ 1,390	\$ —	\$ —	\$ 12,543	\$ 133,158	\$ —	\$ —	\$ —	\$ —
Liabilities												
Accounts payable and accrued expenses	\$ 3,294	\$ 25	\$ 136	\$ 14	\$ —	\$ —	\$ —	\$ 3,119	\$ —	\$ —	\$ —	\$ —
Accrued payroll and related taxes	2,273	330	484	—	—	—	—	1,459	—	—	—	—
Deferred revenue	142,499	—	—	1,376	—	—	12,543	128,580	—	—	—	—
Total Liabilities	148,066	355	620	1,390	—	—	12,543	133,158	—	—	—	—
Net Assets	—	—	—	—	—	—	—	—	—	—	—	—
Total	\$ 148,066	\$ 355	\$ 620	\$ 1,390	\$ —	\$ —	\$ 12,543	\$ 133,158	\$ —	\$ —	\$ —	\$ —

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.
COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
UNRESTRICTED OPERATIONAL
December 31, 2010

	Combined Total	Administration	Business Training Center	Urban League Guild	League Young Professionals	Federation Of Block Units
Support And Revenue						
Contributions and special purpose revenue	\$ 455,623	\$ 452,118	\$ —	\$ 505	\$ 3,000	\$ —
United Way of Greater St. Louis: 2010	1,249,882	1,228,321	21,561	—	—	—
Unassociated fund raising	755	755	—	—	—	—
Special events - net of expenses	124,019	115,767	—	4,965	3,287	—
Membership dues	19,419	12,834	—	1,530	3,815	1,240
Grants from governmental agencies	271,888	271,888	—	—	—	—
Investment income	2,766	2,729	—	—	—	37
Miscellaneous	15,594	7,794	7,800	—	—	—
Net assets released from restrictions	854,409	704,409	150,000	—	—	—
Total Support And Revenue	2,994,355	2,796,615	179,361	7,000	10,102	1,277
Expenses						
Salaries	1,115,707	1,004,963	110,744	—	—	—
Employee health and retirement benefits	106,041	90,258	15,783	—	—	—
Payroll taxes	121,712	109,460	12,252	—	—	—
Assistance to individuals	575,602	575,602	—	—	—	—
Occupancy	577,109	569,110	7,999	—	—	—
Supplies	101,447	99,505	1,292	49	601	—
Professional fees	(287,362)	(302,974)	15,612	—	—	—
Local transportation	19,790	19,790	—	—	—	—
Telephone	58,046	57,249	797	—	—	—
Awards and grants	15,190	14,690	—	500	—	—
Conferences and meetings	101,762	93,431	9	2,595	3,852	1,875
Travel	54,939	50,618	194	—	4,127	—
Rental and equipment maintenance	108,766	104,980	3,786	—	—	—
Printing and publications	6,879	6,418	252	—	209	—
Insurance	36,471	30,945	5,526	—	—	—
Postage and shipping	13,034	12,933	86	—	15	—
Miscellaneous	18,558	18,497	—	8	53	—
Membership dues	18,123	17,223	—	450	450	—
Dues to National Organization	15,000	15,000	—	—	—	—
Total Expenses	2,776,814	2,587,698	174,332	3,602	9,307	1,875
Change In Net Assets From Operating Activities	217,541	208,917	5,029	3,398	795	(598)
Pension-Related Benefits (Costs) Other Than Net Periodic Pension Cost	(45,756)	(42,293)	(3,463)	—	—	—
Change In Net Assets	171,785	166,624	1,566	3,398	795	(598)
Net Assets						
Beginning of year	665,894	628,536	—	3,076	11,411	22,871
End of year	\$ 837,679	\$ 795,160	\$ 1,566	\$ 6,474	\$ 12,206	\$ 22,273

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS UNRESTRICTED CONTRACTUAL

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December 31, 2010

	Combined Total	B.T. Hurt Scholarship Fund	Regional Arts Commission	Educational Resource Center	Headstart					Total From Following Page	
					Federal	USDA	Private And State	Temporary COLA	Quality Improvement		Program Improvement
Support And Revenue											
Contributions and special purpose revenue	\$ 1,338,126	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,259,849	\$ 14,631	\$ 51,776	\$ 3,457	\$ 8,413
United Way of Greater St. Louis: 2010	—	—	—	—	—	—	—	—	—	—	—
Unassociated fund raising	3,070	—	—	—	—	—	3,070	—	—	—	—
Grants from governmental agencies	14,768,920	—	11,681	—	5,591,782	362,624	357,302	60,237	217,042	10,169	8,158,083
Net assets released from restrictions	380,445	31,000	—	1,000	—	—	18,199	—	—	—	330,246
Total Support And Revenue	16,490,561	31,000	11,681	1,000	5,591,782	362,624	1,638,420	74,868	268,818	13,626	8,496,742
Expenses											
Salaries	6,453,570	—	—	—	3,086,843	—	428,686	27,789	46,516	—	2,863,736
Employee health and retirement benefits	804,647	—	—	—	366,217	—	60,920	21,515	7,082	—	348,913
Payroll taxes	759,424	—	63	—	437,137	—	33,529	4,659	5,229	—	278,807
Assistance to individuals	4,006,388	—	—	—	12,336	362,624	9,256	—	—	—	3,622,172
Occupancy	1,228,552	—	—	—	414,853	—	737,178	—	37,117	7,845	31,559
Supplies	361,417	—	108	—	85,906	—	31,771	—	61,447	—	182,185
Professional fees	1,223,575	—	5,291	—	427,371	—	310,859	14,631	55,922	3,457	406,044
Local transportation	400,309	—	—	—	372,026	—	7,188	—	—	—	21,095
Equipment purchases	64,338	—	—	—	400	—	—	—	—	—	63,938
Telephone	71,500	—	601	—	41,373	—	—	—	—	—	29,526
Awards and grants	32,000	31,000	—	1,000	—	—	—	—	—	—	—
Conferences and meetings	143,307	—	2,077	—	43,170	—	—	—	38,750	2,324	56,986
Travel	48,062	—	—	—	5,330	—	—	—	1,622	—	41,110
Rental and equipment maintenance	197,083	—	—	—	100,121	—	5,237	—	443	—	91,282
Printing and publications	95,932	—	3,042	—	22,597	—	—	—	—	—	70,293
Insurance	120,084	—	—	—	61,588	—	—	6,274	—	—	52,222
Postage and shipping	10,914	—	499	—	1,194	—	—	—	—	—	9,221
Miscellaneous	15,963	—	—	—	1,071	—	13,796	—	—	—	1,096
Total Expenses	16,037,065	31,000	11,681	1,000	5,479,533	362,624	1,638,420	74,868	254,128	13,626	7,387,326
Change In Net Assets From Operating Activities	453,496	—	—	—	112,249	—	—	—	14,690	—	326,557
Pension-Related Benefits (Costs) Other Than Net Periodic Pension Cost	(188,528)	—	—	—	(112,249)	—	—	—	—	—	(76,279)
Change In Net Assets	—	—	—	—	—	—	—	—	14,690	—	—
Transfers	(264,968)	—	—	—	—	—	—	—	(14,690)	—	(250,278)
Net Assets											
Beginning of year	3,286	3,286	—	—	—	—	—	—	—	—	—
End of year	\$ 3,286	\$ 3,286	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.
COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
UNRESTRICTED CONTRACTUAL

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	Total To Preceding Page	WIA Youth St. Louis County	WIA ARRA	Bank Of America	CitiGroup Financial Literacy	Jobs For Missouri Graduates	Economic Ladders	Wells Fargo Housing	Digital Divide	Empower- ment Zone	NUL Foreclosure Mitigation	NUL MetLife	Total From Following Page
Support And Revenue													
Contributions and special purpose revenue	\$ 8,413	\$ 8,413	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
United Way of Greater St. Louis: 2010	—	—	—	—	—	—	—	—	—	—	—	—	—
Grants from governmental agencies	8,158,083	797,072	355,371	—	—	275,904	—	—	42,887	99,999	271,889	—	6,314,961
Net assets released from restrictions	330,246	175	—	68,000	50,000	—	20,000	—	—	—	—	29,166	162,905
Total Support And Revenue	8,496,742	805,660	355,371	68,000	50,000	275,904	20,000	—	42,887	99,999	271,889	29,166	6,477,866
Expenses													
Salaries	2,863,736	530,061	232,821	50,578	32,273	201,371	12,979	—	21,854	14,423	198,674	7,748	1,560,954
Employee health and retirement benefits	348,913	67,361	7,617	8,159	5,678	31,237	2,322	—	3,448	3,042	37,147	2,512	180,390
Payroll taxes	278,807	40,452	26,842	4,904	2,926	18,161	1,280	—	2,416	3,425	23,840	918	153,643
Assistance to individuals	3,622,172	62,791	42,774	—	975	86	—	—	—	55,711	4,461	11,195	3,444,179
Occupancy	31,559	—	—	560	—	—	—	—	—	—	433	—	30,566
Supplies	182,185	8,060	20,176	—	651	1,903	818	—	10,973	3,015	1,936	957	133,696
Professional fees	406,044	43,598	2,250	3,799	5,000	2,615	—	—	3,434	9,999	—	1,250	334,099
Local transportation	21,095	—	—	—	—	—	375	—	—	—	—	—	20,720
Equipment purchases	63,938	1,200	—	—	—	—	—	—	—	—	—	—	62,738
Telephone	29,526	—	—	—	—	—	—	—	—	—	1,451	—	28,075
Awards and grants	—	—	—	—	—	—	—	—	—	—	—	—	—
Conferences and meetings	56,986	10,741	—	—	325	5,886	2,226	—	—	10,218	—	—	27,590
Travel	41,110	8,859	12,501	—	18	5,285	—	—	—	—	738	355	13,354
Rental and equipment maintenance	91,282	6,688	—	—	—	2,597	—	—	79	—	—	—	81,918
Printing and publications	70,293	151	10,297	—	2,089	20	—	—	—	—	2,583	4,231	50,922
Insurance	52,222	1,750	—	—	—	—	—	—	—	—	—	—	50,472
Postage and shipping	9,221	647	56	—	65	446	—	—	—	7	626	—	7,374
Miscellaneous	1,096	500	37	—	—	—	—	—	—	159	—	—	400
Total Expenses	7,387,326	782,859	355,371	68,000	50,000	269,607	20,000	—	42,204	99,999	271,889	29,166	6,181,090
Change In Net Assets From Operating Activitie	326,557	22,801	—	—	—	6,297	—	—	683	—	—	—	296,776
Pension-Related Benefits (Costs) Other Than Net Periodic Pension Cost	(76,279)	(22,801)	—	—	—	(6,297)	—	—	(683)	—	—	—	(46,498)
Change In Net Assets	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers	(250,278)	—	—	—	—	—	—	—	—	—	—	—	(250,278)
Net Assets Beginning of year	—	—	—	—	—	—	—	—	—	—	—	—	—
End of year	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

**COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
UNRESTRICTED CONTRACTUAL**

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	Total To Preceding Page	2010 Weatheri- zation	ARRA Weatheri- zation	Special Weatheri- zation City	Special Weatheri- zation County	Ameren UE Weatheri- zation	Laclede Weatheri- zation	HUD Fair Housing	Missouri Foundation For Health	St. Louis County Lead	Total From Following Page
Support And Revenue											
Contributions and special purpose revenue	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
United Way of Greater St. Louis: 2010	—	—	—	—	—	—	—	—	—	—	—
Unassociated fund raising	—	—	—	—	—	—	—	—	—	—	—
Grants from governmental agencies	6,314,961	308,007	3,450,120	440,982	390,208	382,557	330,095	26,992	—	—	986,000
Net assets released from restrictions	162,905	—	—	—	—	—	—	—	162,905	—	—
Total Support And Revenue	6,477,866	308,007	3,450,120	440,982	390,208	382,557	330,095	26,992	162,905	—	986,000
Expenses											
Salaries	1,560,954	122,816	666,458	176,643	75,498	134,353	110,309	16,850	104,485	—	153,542
Employee health and retirement benefits	180,390	13,938	71,960	17,243	5,222	15,547	13,184	3,312	15,115	—	24,869
Payroll taxes	153,643	12,172	65,481	14,085	7,537	13,389	11,018	1,744	11,553	—	16,664
Assistance to individuals	3,444,179	114,980	2,083,851	25,276	217,622	131,566	125,577	—	200	—	745,107
Occupancy	30,566	4,000	8,300	5,660	2,450	2,600	2,500	—	—	—	5,056
Supplies	133,696	6,004	59,564	17,434	15,556	11,225	10,784	1,234	1,088	—	10,807
Professional fees	334,099	21,033	159,264	35,981	20,096	21,710	29,118	2,699	24,612	—	19,586
Local transportation	20,720	—	5,441	24	—	14,755	500	—	—	—	—
Equipment purchases	62,738	—	48,260	14,478	—	—	—	—	—	—	—
Telephone	28,075	5,118	19,125	—	—	880	687	380	—	—	1,885
Awards and grants	—	—	—	—	—	—	—	—	—	—	—
Conferences and meetings	27,590	200	22,099	4,262	157	—	—	—	872	—	—
Travel	13,354	—	6,324	34	—	4,000	—	773	616	—	1,607
Rental and equipment maintenance	81,918	373	52,336	—	—	13,951	13,890	—	—	—	1,368
Printing and publications	50,922	—	24,420	2,853	1,644	12,465	7,399	—	935	—	1,206
Insurance	50,472	3,476	22,358	14,224	6,311	1,915	1,680	—	—	—	508
Postage and shipping	7,374	43	6,718	—	—	—	—	—	162	—	451
Miscellaneous	400	14	386	—	—	—	—	—	—	—	—
Total Expenses	6,181,090	304,167	3,322,345	328,197	352,093	378,356	326,646	26,992	159,638	—	982,656
Change In Net Assets From Operating Activities	296,776	3,840	127,775	112,785	38,115	4,201	3,449	—	3,267	—	3,344
Pension-Related Benefits (Costs) Other Than Net Periodic Pension Cost	(46,498)	(3,840)	(20,513)	(5,523)	(2,361)	(4,201)	(3,449)	—	(3,267)	—	(3,344)
Change In Net Assets	—	—	107,262	107,262	35,754	—	—	—	—	—	—
Transfers	(250,278)	—	(107,262)	(107,262)	(35,754)	—	—	—	—	—	—
Net Assets											
Beginning of year	—	—	—	—	—	—	—	—	—	—	—
End of year	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

**COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
UNRESTRICTED CONTRACTUAL**

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	Total To Preceding Page	St. Louis Alliance	Housing Advocacy	Affordable Housing Shelter	Affordable Housing Lead	Missouri Emergency Shelter	Norman Cash Assistance	HPRP STLC	HPRP SCC	FEMA STLC	FEMA SCC	FEMA STLCO
Support And Revenue												
Contributions and special purpose revenue	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
United Way of Greater St. Louis: 2010	—	—	—	—	—	—	—	—	—	—	—	—
Unassociated fund raising	—	—	—	—	—	—	—	—	—	—	—	—
Grants from governmental agencies	986,000	93,058	15,937	58,572	75,000	6,679	134,680	325,700	121,864	18,000	21,666	114,844
Net assets released from restrictions	—	—	—	—	—	—	—	—	—	—	—	—
Total Support And Revenue	986,000	93,058	15,937	58,572	75,000	6,679	134,680	325,700	121,864	18,000	21,666	114,844
Expenses												
Salaries	153,542	22,555	12,055	7,097	11,790	—	—	68,608	31,437	—	—	—
Employee health and retirement benefits	24,869	3,084	1,897	1,215	1,848	—	—	9,899	6,926	—	—	—
Payroll taxes	16,664	2,480	1,224	797	1,237	—	—	7,525	3,401	—	—	—
Assistance to individuals	745,107	59,740	—	48,016	57,411	6,679	126,331	220,030	74,708	17,730	21,341	113,121
Occupancy	5,056	1,718	—	902	1,636	—	—	—	800	—	—	—
Supplies	10,807	1,253	—	—	—	—	—	9,060	494	—	—	—
Professional fees	19,586	—	(953)	309	755	—	8,349	6,135	2,673	270	325	1,723
Local transportation	—	—	—	—	—	—	—	—	—	—	—	—
Equipment purchases	—	—	—	—	—	—	—	—	—	—	—	—
Telephone	1,885	136	—	—	—	—	—	1,749	—	—	—	—
Awards and grants	—	—	—	—	—	—	—	—	—	—	—	—
Conferences and meetings	—	—	—	—	—	—	—	—	—	—	—	—
Travel	1,607	—	1,330	—	—	—	—	230	47	—	—	—
Rental and equipment maintenance	1,368	—	—	—	—	—	—	—	1,368	—	—	—
Printing and publications	1,206	1,055	—	—	—	—	—	141	10	—	—	—
Insurance	508	185	—	—	323	—	—	—	—	—	—	—
Postage and shipping	451	147	—	14	—	—	—	290	—	—	—	—
Miscellaneous	—	—	—	—	—	—	—	—	—	—	—	—
Total Expenses	982,656	92,353	15,553	58,350	75,000	6,679	134,680	323,667	121,864	18,000	21,666	114,844
Change In Net Assets From Operating Activities	3,344	705	384	222	—	—	—	2,033	—	—	—	—
Pension-Related Benefits (Costs) Other Than Net Periodic Pension Cost	(3,344)	(705)	(384)	(222)	—	—	—	(2,033)	—	—	—	—
Change In Net Assets	—	—	—	—	—	—	—	—	—	—	—	—
Transfers	—	—	—	—	—	—	—	—	—	—	—	—
Net Assets												
Beginning of year	—	—	—	—	—	—	—	—	—	—	—	—
End of year	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

SCHEDULE OF INDIRECT COST RATE For The Year Ended December 31, 2010

Description	Total Costs	Unallowable Costs	Allowable Costs
Supporting Services Management And General			
Salaries	\$ 1,463,067	\$ —	\$ 1,463,067
Employee health and retirement benefits	187,413	—	187,413
Payroll taxes	166,925	—	166,925
Assistance to individuals	13,589	13,589	—
Occupancy	206,394	740	205,654
Supplies	75,993	10,844	65,149
Professional fees	135,489	—	135,489
Local transportation	13,269	—	13,269
Telephone	26,901	—	26,901
Awards and grants	15,190	15,190	—
Conferences and meetings	74,878	74,878	—
Travel	47,681	36,930	10,751
Rental and equipment maintenance	153,877	—	153,877
Printing and publications	15,479	5,003	10,476
Insurance	7,547	—	7,547
Postage and shipping	8,870	54	8,816
Miscellaneous	17,587	17,487	100
Membership dues	18,123	13,108	5,015
Dues to National Organization	15,000	—	15,000
Deprecation	135,690	—	135,690
Total general overhead	\$ 2,798,962	\$ 187,823	\$ 2,611,139
Direct Program Costs			\$ 16,130,287
Indirect Cost Rate			<u>16.19%</u>

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

NOTES TO SCHEDULE OF INDIRECT COST RATE

For The Year Ended December 31, 2010

1. Basis Of Accounting

The Schedule of Indirect Cost Rate (the Schedule) is prepared on the basis of accounting practices prescribed by *OMB Circular A-122, Cost Principles for Non-profit Organizations*. Accordingly, the Schedule is not intended to present general overhead and the indirect cost rate in accordance with accounting principles generally accepted in the United States of America. In the opinion of management, the allowable costs included in the above-mentioned schedule do not include any costs which are unallowable under the above cost principles, including but not limited to advertising and public relation costs, contributions and donations not specifically required by a contract, entertainment costs, fines, penalties, lobbying costs, and goodwill amortization or other such costs as defined by *OMB Circular A-122, Cost Principles for Non-profit Organizations*.

The preparation of the Schedule necessarily requires management to make estimates and assumptions that affect the reported amounts of expense during the reporting period. Actual results could differ from those estimates.

2. Definition Of Terms

Direct Program Costs

Represent any expense which is incurred by the League that is specifically identified and used by a program of the League. Direct program costs exclude capital expenditures (buildings, individual items of equipment; alterations and renovations). Fringe benefits applicable to direct salaries and wages are treated as direct costs. Sick leave, holiday, and other paid absences are included in salaries and wages and are claimed on grants, contracts, and other agreements as part of the normal cost for salaries and wages. Separate claims for these absences are not made. Vacation pay is accrued and charged the same as other fringe benefits.

General Overhead

Includes any management, financial and other indirect expense which is incurred by the League for the general management and operation of all programs as a whole.

Unallowable Costs

The League identifies unallowable costs through a post-year end analysis. Unallowable costs are defined under *OMB Circular A-122, Cost Principles For Non-Profit Organizations*.

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

WEATHERIZATION PROGRAM SCHEDULE OF REVENUE AND EXPENDITURES

Program	Ameren UE Weatherization G09-16-AMUE2-08 10/31/2010	Laclede Weatherization G09-16-LACGS-08 10/31/2010	Dept. of Energy Weatherization G-09-16-2600-08 6/30/2011	ARRA Weatherization G-09-16-ARRA-08 3/31/2012	ARRA- Special Use - City Weatherization G-09-16-ARRA-47 3/31/2012	ARRA- Special Use - County Weatherization G-09-16-ARRA-48 3/31/2012
Energy Center						
Beginning Agency Fund Balance	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Grant income	363,876	319,412	434,231	4,681,444	656,460	389,276
Expenditures						
Administration	18,193	31,942	21,998	229,996	33,086	18,537
Insurance	1,351	1,186	10,976	11,658	11,914	7,214
Program operations	337,835	283,784	379,268	4,241,908	385,372	361,963
Other	2,497	2,500	20,509	162,944	2,898	1,562
Training and technical assistance	4,000	—	1,480	34,938	4,025	—
Total expenditures	363,876	319,412	434,231	4,681,444	437,295	389,276
Ending Agency Fund Balance	\$ —	\$ —	\$ —	\$ —	\$ 219,165 *	\$ —
Subgrantee						
Beginning Agency Fund Balance	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Grant income	363,876	319,412	434,231	4,681,444	437,295	389,276
Expenditures						
Administration	18,193	31,942	21,998	229,996	33,086	18,537
Insurance	1,351	1,186	10,976	11,658	11,914	7,214
Program operations	337,835	283,784	379,268	4,241,908	385,372	361,963
Other	2,497	2,500	20,509	162,944	2,898	1,562
Training and technical assistance	4,000	—	1,480	34,938	4,025	—
Total expenditures	363,876	319,412	434,231	4,681,444	437,295	389,276
Ending Agency Fund Balance	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

* Difference in schedules between Energy Center and Subgrantee is attributable to a cash advance received by the Subgrantee for weatherization services at a homeless shelter. Work was not completed by year end, the Subgrantee has recorded the advance as deferred revenue.

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.
WEATHERIZATION PROGRAM FUND BALANCE RECONCILIATION

Program	Ameren UE Weatherization G09-16-AMUE2-08 10/31/2010	Laclede Weatherization G09-16-LACGS-08 10/31/2010	Dept. of Energy Weatherization G-09-16-2600-08 6/30/2011	ARRA Weatherization G-09-16-ARRA-08 3/31/2012	ARRA- Special Use - City Weatherization G-09-16-ARRA-47 3/31/2012	ARRA- Special Use - County Weatherization G-09-16-ARRA-48 3/31/2012
Beginning Agency Fund Balance (Carryover)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Grant revenue received during program year	363,876	319,412	434,231	4,681,444	437,295	389,276
Less expenditures during program year	363,876	319,412	434,231	4,681,444	437,295	389,276
Agency Ending Fund Balance (Carryover)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Ending Cash On Hand	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Ending Inventory	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended December 31, 2010

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Amount Expended
Department of Housing and Urban Development:			
Passed-through the St. Louis City Department of Human Services/Welfare - Missouri Emergency Shelter	14.231	DOL# 60216	\$ 6,679
Passed-through National Urban league - Foreclosure Mitigation	21.000	PL110-161, 95x1350	271,889
ARRA Funds Passed-through the City of St. Louis - Homeless Prevention and Rapid Re-Housing Program	14.257-ARRA	60620	325,700
ARRA Funds Passed-through the State of Illinois - Homeless Prevention and Rapid Re-Housing Program	14.257-ARRA	09-261054	121,864
Housing Counseling Program	14.169	HC-090-8821-091	<u>26,992</u>
Total Department of Housing and Urban Development			<u>753,124</u>
Department of Labor:			
WIA Service - Cluster:			
Workforce Development:			
Passed-through the St. Louis County Department of Human Services/Workforce Development WIA Youth Program	17.259	5295	797,072
ARRA Funds Passed-through the St. Louis County Department of Human Services/Workforce Development WIA Youth Program	17.259-ARRA	5295	<u>355,371</u>
Total CFDA #17.259 And WIA Service Cluster			<u>1,152,443</u>
Employment Service - Cluster:			
Passed-through the St. Louis County Department of Human Services/Workforce Development - Jobs for Missouri Graduates	17.207	5295	<u>275,904</u>
Total CFDA #17.207 And Employment Service - Cluster			<u>275,904</u>
Total Department of Labor			<u>1,428,347</u>

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS *(Continued)*

For The Year Ended December 31, 2010

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Amount Expended
Department of Homeland Security:			
Passed-through the United Way of America:			
Emergency Food and Shelter - St. Clair County	97.024	21-2542-00-007	\$ 21,666
Emergency Food and Shelter - City of St. Louis	97.024	21-5516-00-013	18,000
Emergency Food and Shelter - St. Louis County	97.024	21-5476-00-007	<u>114,844</u>
Total CFDA #97.024			<u>154,510</u>
Total Department of Homeland Security			<u>154,510</u>
Department of Energy:			
Passed-through the State of Missouri Department of Natural Resources - Weatherization ARRA Funds Passed-through the State of Missouri Department of Natural Resources Weatherization	81.042	G-08-16-2600-08	308,007
ARRA Special Use Funds Passed-through the State of Missouri Department of Natural Resources - Weatherization (City of St. Louis)	81.042-ARRA	G-09-16-ARRA-08	3,450,120
ARRA Special Use Funds Passed-through the State of Missouri Department of Natural Resources - Weatherization (St. Louis County)	81.042-ARRA	G-09-16-ARRA-47	440,982
ARRA Special Use Funds Passed-through the State of Missouri Department of Natural Resources - Weatherization (St. Louis County)	81.042-ARRA	G-09-16-ARRA-48	<u>390,208</u>
Total CFDA #81.042			<u>4,589,317</u>
Total Department of Energy			<u>4,589,317</u>

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

For The Year Ended December 31, 2010

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Amount Expended
Department of Agriculture:			
<i>Emergency Food Assistance - Cluster</i>			
Passed-through the State of Missouri Department of Social Services Emergency Food Assistance Program	10.569	n/a	\$ 248,377
Total CFDA #10.569 And Emergency Food Assistance Cluster			<u>248,377</u>
Passed-through the State of Missouri Department of Health and Senior Services - Head Start USDA Reimbursement	10.558	ERS46-10 1171	109,967
Passed-through the State of Missouri Department of Health and Senior Services - Head Start USDA Reimbursement	10.558	ERS46-11 1171	<u>252,657</u>
Total CFDA #10.558			<u>362,624</u>
Total Department of Agriculture			<u>611,001</u>
Department of Health and Human Services:			
<i>Head Start - Cluster:</i>			
Passed-through the YWCA - Head Start	93.600	07CH0423-001	5,591,782
ARRA Funds Passed-through the YWCA - Head Start	93.708-ARRA	07CH0423-001	<u>287,448</u>
Total Department of Health and Human Services And Head Start - Cluster			<u>5,879,230</u>
Total Expenditures of Federal Awards			<u>\$ 13,415,529</u>

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

NOTES TO SCHEDULE OF FEDERAL AWARDS For The Year Ended December 31, 2010

1. Organization

The accompanying schedule of expenditures of federal awards presents the activity of all federal award programs of The Urban League of Metropolitan St. Louis, Inc. (the League) for the year ended December 31, 2010. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included on the schedule.

2. Basis Of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the League and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Independent Auditors' Report On
Internal Control Over Financial
Reporting And On Compliance And Other
Matters Based On An Audit Of
Financial Statements Performed In Accordance
With Government Auditing Standards**

To the Audit and Finance Committee
The Urban League of Metropolitan St. Louis, Inc.

We have audited the consolidated financial statements of The Urban League of Metropolitan St. Louis, Inc. (the League) as of and for the year ended December 31, 2010, and have issued our report thereon dated June 24, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the League's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the League's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the League's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance And Other Matters

As part of obtaining reasonable assurance about whether the League's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Directors, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

RubinBrown LLP

June 24, 2011

**Independent Auditors' Report On
Compliance With Requirements That
Could Have A Direct And Material Effect
On Each Major Program And On
Internal Control Over Compliance In
Accordance With OMB Circular A-133**

To the Audit and Finance Committee
The Urban League of
Metropolitan St. Louis, Inc.

Compliance

We have audited The Urban League of Metropolitan St. Louis, Inc.'s (the League's) compliance of with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the League's major federal programs for the year ended December 31, 2010. The League's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Association's management. Our responsibility is to express an opinion on The Urban League of Metropolitan St. Louis, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Association's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Association's compliance with those requirements.

In our opinion, The Urban League of Metropolitan St. Louis, Inc. complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2010.

Internal Control Over Compliance

The management of The Urban League of Metropolitan St. Louis, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the League's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the League's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Directors, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

RubinBrown LLP

June 24, 2011

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended December 31, 2010**

Section I - Summary Of Auditor's Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes x no
- Significant deficiency(ies) identified that are not
 considered to be material weakness(es)? ___ yes x none reported

Noncompliance material to financial statements noted? ___ yes x no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ___ yes x no
- Significant deficiency(ies) identified that are not
 considered to be material weakness(es)? ___ yes x none reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? ___ yes x no

Identification of major programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
81.042	Weatherization Program
17.259	Workforce Service Cluster
14.257	ARRA - Homeless Prevention and Rapid Re-Housing Program

Dollar threshold used to distinguish between type A and type B programs: \$ 402,466

Auditee qualified as low-risk auditee? x yes ___ no

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)

For The Year Ended December 31, 2010

Section II - Financial Statement Findings

None

Section III - Federal Award Findings And Questioned Costs

None

THE URBAN LEAGUE OF METROPOLITAN ST. LOUIS, INC.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For The Year Ended December 31, 2010

None