

The ARRL Foundation, Inc.

**Report on Financial Statements
(With Supplementary Information)**

Years Ended June 30, 2011 and 2010

THE ARRL FOUNDATION, INC.

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Report of Independent Public Accountants

To the Board of Directors
The ARRL Foundation, Inc.

We have audited the accompanying statements of financial position of The ARRL Foundation, Inc. (the "Foundation") as of June 30, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation'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. 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 The ARRL Foundation, Inc. as of June 30, 2011 and 2010, and the changes in its net assets and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying information on pages 14 and 15 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the 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.

 J.H. Cohn LLP

Glastonbury, Connecticut
February 6, 2012

THE ARRL FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2011 AND 2010

ASSETS

	<u>2011</u>	<u>2010</u>
Assets:		
Cash and cash equivalents	\$ 96,629	\$ 239,090
Investments	2,930,907	2,601,608
Interest receivable	<u>17,400</u>	<u>15,838</u>
Total assets	<u>\$ 3,044,936</u>	<u>\$ 2,856,536</u>

LIABILITIES AND NET ASSETS

Liabilities	<u>\$ -</u>	<u>\$ -</u>
Commitments		
Net assets:		
Unrestricted	116,832	48,689
Temporarily restricted	1,406,336	1,286,079
Permanently restricted	<u>1,521,768</u>	<u>1,521,768</u>
Total net assets	<u>3,044,936</u>	<u>2,856,536</u>
Total liabilities and net assets	<u>\$ 3,044,936</u>	<u>\$ 2,856,536</u>

See Notes to Financial Statements.

THE ARRL FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2011 AND 2010

	2011				2010			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Public support and other revenue:								
Contributions	\$ 15,147	\$ 26,494	\$ -	\$ 41,641	\$ 13,421	\$ 33,737	\$ 261,353	\$ 308,511
Interest and dividend income	4,869	162,850	-	167,719	4,831	139,105	-	143,936
Net assets released from restrictions	187,718	(187,718)	-	-	151,871	(151,871)	-	-
	<u>207,734</u>	<u>1,626</u>	<u>-</u>	<u>209,360</u>	<u>170,123</u>	<u>20,971</u>	<u>261,353</u>	<u>452,447</u>
Expenditures:								
Scholarships	173,786	-	-	173,786	124,204	-	-	124,204
Grants	7,323	-	-	7,323	7,684	-	-	7,684
Administrative	29,463	-	-	29,463	23,951	-	-	23,951
	<u>210,572</u>	<u>-</u>	<u>-</u>	<u>210,572</u>	<u>155,839</u>	<u>-</u>	<u>-</u>	<u>155,839</u>
(Deficiency) excess of public support and other revenue over expenditures	(2,838)	1,626	-	(1,212)	14,284	20,971	261,353	296,608
Realized and unrealized gain on investments	76,981	112,631	-	189,612	79,911	124,691	-	204,602
Change in net assets before other changes	<u>74,143</u>	<u>114,257</u>	<u>-</u>	<u>188,400</u>	<u>94,195</u>	<u>145,662</u>	<u>261,353</u>	<u>501,210</u>
Other changes:								
Reclassification due to changes in donor intent	(6,000)	6,000	-	-	-	-	-	-
Total other changes	<u>(6,000)</u>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	68,143	120,257	-	188,400	94,195	145,662	261,353	501,210
Net assets (deficit), beginning of year	<u>48,689</u>	<u>1,286,079</u>	<u>1,521,768</u>	<u>2,856,536</u>	<u>(45,506)</u>	<u>1,140,417</u>	<u>1,260,415</u>	<u>2,355,326</u>
Net assets, end of year	<u>\$ 116,832</u>	<u>\$ 1,406,336</u>	<u>\$ 1,521,768</u>	<u>\$ 3,044,936</u>	<u>\$ 48,689</u>	<u>\$ 1,286,079</u>	<u>\$ 1,521,768</u>	<u>\$ 2,856,536</u>

See Notes to Financial Statements.

THE ARRL FOUNDATION, INC.

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2011 AND 2010

	2011	2010
Operating activities:		
Change in net assets	\$ 188,400	\$ 501,210
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Receipts to establish or increase permanent endowment	-	(261,353)
Unrealized gain on investments	(187,792)	(225,536)
Realized (gain) loss on investments	(1,820)	20,934
Change in operating asset:		
Interest receivable	(1,562)	1,582
Net cash (used in) provided by operating activities	(2,774)	36,837
Investing activities:		
Proceeds from sales of investments	637,820	268,924
Purchases of investments	(777,507)	(461,025)
Net cash used in investing activities	(139,687)	(192,101)
Financing activities:		
Receipts to establish or increase permanent endowment	-	261,353
Net (decrease) increase in cash and cash equivalents	(142,461)	106,089
Cash and cash equivalents, beginning of year	239,090	133,001
Cash and cash equivalents, end of year	\$ 96,629	\$ 239,090

See Notes to Financial Statements.

THE ARRL FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1 - Organization and summary of significant accounting policies:

Organization:

The ARRL Foundation, Inc. (the "Foundation") was incorporated as a not-for-profit corporation in September 1973 to administer programs to support the Amateur Radio community. The Foundation awards scholarships for higher education and awards grants to individuals throughout the United States for the development of Amateur satellite and other innovative programs related to the mission of The America Radio Relay League, Inc. ("ARRL").

Basis of presentation:

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The financial statements report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. They are described as follows:

Unrestricted - Net assets that are not subject to explicit donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted - Net assets whose use by the Foundation is subject to either explicit donor-imposed stipulations, or to those imposed by operation of law, that can be fulfilled by actions of the Foundation or that expire by the passage of time.

Permanently Restricted - Net assets subject to explicit donor-imposed stipulations, or to those imposed by operation of law, that they be maintained permanently by the Foundation and stipulate the use of income and/or appreciation as temporarily restricted based on donor-imposed stipulations or by operation of law.

Tax exempt status:

The Foundation is exempt under Section 501(c)(3) of the Internal Revenue Code (the "IRC") and is exempt from private foundation status under IRC Section 509(a)(3) and as such is not subject to Federal or state income taxes.

The Foundation has no unrecognized tax benefits at June 30, 2011 and 2010. The Foundation's U.S. Federal information returns prior to calendar year 2008 are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

If the Foundation had unrelated business income taxes, it would recognize interest and penalties associated with any tax matters as part of the income tax provision and include accrued interest and penalties with the related tax liability in the statements of financial position.

THE ARRL FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Organization and summary of significant accounting policies (continued):

Cash and cash equivalents:

Cash and cash equivalents include all cash balances and highly liquid short-term instruments with an original maturity of three months or less when acquired. Cash equivalents were \$96,629 and \$239,090 as of June 30, 2011 and 2010, respectively.

Investments:

The Foundation reports investments at fair value (see Note 4) and reflects any gain or loss in the statements of activities. Investment income and gains and losses are considered unrestricted unless temporarily restricted by donor stipulation or by operation of law.

Contributions:

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restrictions expire in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Endowment and spending policy:

The Foundation 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 Foundation must hold in perpetuity as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in accordance with sound investment practices that emphasize long-term investment fundamentals. It is recognized that short-term market fluctuations may cause variations in account performance.

To satisfy its long-term rate of return objectives, the Foundation 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 Foundation 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.

THE ARRL FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Organization and summary of significant accounting policies (concluded):

Endowment and spending policy (concluded):

The Foundation has a policy of appropriating funds for distribution based on an annual review of investment results, available net assets and scholarship requests. The Board of Directors then votes on an annual basis to award funds to individuals or organizations that meet certain criteria. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long-term, the Foundation expects the current spending policy to allow its endowment to grow at 4%. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Use of estimates:

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

Functional expenses:

The cost of providing various program and supporting services has been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Subsequent events:

The Foundation has evaluated events and transactions for potential recognition or disclosure through February 6, 2012 which is the date the financial statements were available to be issued.

Note 2 - Concentrations:

Credit risk:

Financial instruments which potentially subject the Foundation to concentrations of credit risk consist primarily of cash and cash equivalents. The Foundation maintains its cash and cash equivalents with high-credit quality financial institutions. At times, such amounts may exceed Federally insured limits.

Market value risk:

The Foundation invests in various debt and equity securities. These investment securities are exposed to interest rate, market, credit and other risks depending on the nature of the specific investment. Accordingly, it is at least reasonably possible that these factors will result in changes in the value of the Foundation's investments which could materially affect amounts reported in the financial statements.

THE ARRL FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 3 - Investments:

The following summarizes the relationship between fair value and cost as presented in the financial statements as of June 30:

	2011			2010		
	Fair Value	Cost	Unrealized Gain (Loss)	Fair Value	Cost	Unrealized Gain (Loss)
Domestic corporate bonds	\$ 1,004,785	\$ 995,337	\$ 9,448	\$ 1,146,003	\$ 1,122,046	\$ 23,957
Domestic preferred stocks	812,788	832,380	(19,592)	658,001	703,472	(45,471)
Domestic common stocks	713,186	591,686	121,500	486,537	482,539	3,998
Foreign preferred stocks	235,286	250,000	(14,714)	199,391	275,000	(75,609)
Other	113,290	95,467	17,823	59,235	40,306	18,929
U.S. Treasury bonds	51,572	38,380	13,192	52,441	38,380	14,061
Totals, end of year	<u>\$ 2,930,907</u>	<u>\$ 2,803,250</u>	<u>127,657</u>	<u>\$ 2,601,608</u>	<u>\$ 2,661,743</u>	<u>(60,135)</u>
Totals, beginning of year	<u>\$ 2,601,608</u>	<u>\$ 2,661,743</u>	<u>(60,135)</u>	<u>\$ 2,204,905</u>	<u>\$ 2,490,576</u>	<u>(285,671)</u>
Net unrealized gain for the year			<u>\$ 187,792</u>			<u>\$ 225,536</u>

The following schedule summarizes the investment return in the statements of activities:

	2011	2010
Interest and dividend income	\$ 167,719	\$ 143,936
Net realized and unrealized gain	189,612	204,602
Investment advisory fees (see Note 9)	(7,261)	(6,039)
	<u>\$ 350,070</u>	<u>\$ 342,499</u>

Note 4 - Fair value measurements:

The Foundation values its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy was established that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

THE ARRL FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 4 - Fair value measurements (continued):

In determining fair value, the Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value.

Financial assets carried at fair value at June 30, 2011 and 2010 are classified in the tables below in one of the three categories described above:

	2011			
	Level 1	Level 2	Level 3	Total
Domestic corporate bonds	\$ -	\$ 1,004,785	\$ -	\$ 1,004,785
Domestic preferred stocks	812,788	-	-	812,788
Domestic common stocks	713,186	-	-	713,186
Foreign preferred stocks	235,286	-	-	235,286
Other	75,003	38,287	-	113,290
U.S. Treasury bonds	-	51,572	-	51,572
Totals	\$ 1,836,263	\$ 1,094,644	\$ -	\$ 2,930,907
	2010			
	Level 1	Level 2	Level 3	Total
Domestic corporate bonds	\$ -	\$ 1,146,003	\$ -	\$ 1,146,003
Domestic preferred stocks	658,001	-	-	658,001
Domestic common stocks	486,537	-	-	486,537
Foreign preferred stocks	199,391	-	-	199,391
Other	21,420	37,815	-	59,235
U.S. Treasury bonds	-	52,441	-	52,441
Totals	\$ 1,365,349	\$ 1,236,259	\$ -	\$ 2,601,608

The fair value of U.S. Treasury bonds and corporate bonds are estimated using market price quotations (where observable), based on recently executed transactions or bond spreads of the issuer (Level 2). If the spread data does not reference the issuer, then data that references a comparable issuer is used. When observable price quotations are not available, fair value is determined based on cash flow models with yield curves or bond spreads.

Investments in common stocks that are listed on a national securities exchange or reported on the NASDAQ national market are valued at their last sales price on the valuation date (Level 1). In the absence thereof, a pricing model is used to develop a value based on securities with similar characteristics (Level 2).

Investments in preferred stocks that are listed on a national securities exchange or reported on the NASDAQ national market are valued at their last sales price on the valuation date (Level 1). In the absence thereof, a pricing model is used to develop a value based on securities with similar characteristics (Level 2).

Other investments are valued at their last sales price on the valuation date. In the absence thereof, a pricing model is used to develop a value based on securities with similar characteristics (Level 2).

THE ARRL FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 4 - Fair value measurements (concluded):

The Foundation's policy is to recognize transfers in and transfers out of each level as of the actual event or change in circumstance that caused the transfer. There were no transfers during the years ended June 30, 2011 and 2010.

There were no changes in valuation methodology during the current year.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 5 - Contributions restricted by donors:

The Foundation receives donor contributions which are restricted for purposes specified by the donors. These restricted contributions are administered by designated officials of the Foundation in accordance with those restrictions and are presented in further detail on the Restricted Fund Summary on pages 14 and 15.

Note 6 - Permanently restricted net assets:

Permanently restricted net assets are composed of donor-restricted endowment fund investments. Income generated from these invested net assets are restricted for funding of scholarships and grant awards. These assets are presented in further detail on the Restricted Fund Summary on pages 14 and 15.

Note 7 - Endowment:

The Foundation's endowment includes nine donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The Board of Directors has interpreted the Connecticut Uniform Prudent Management of Institutional Funds Act ("CTUPMIFA") 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 Foundation 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 Board of Directors in a manner consistent with the standard of prudence prescribed by CTUPMIFA.

THE ARRL FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 7 - Endowment (continued):

In accordance with CTUPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the Foundation and donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation (depreciation) of investments, (6) other resources of the Foundation and (7) the Foundation's investment policies.

Endowment net asset composition by type of fund as of June 30, 2011 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds	<u>\$ -</u>	<u>\$ 344,102</u>	<u>\$ 1,521,768</u>	<u>\$ 1,865,870</u>

Changes in endowment net assets for the year ended June 30, 2011 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ (1,591)	\$ 241,000	\$ 1,521,768	\$ 1,761,177
Investment income	-	102,760	-	102,760
Net realized and unrealized appreciation	1,591	112,631	-	114,222
Contributions	-	-	-	-
Amounts appropriated for expenditure	-	(112,289)	-	(112,289)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 344,102</u>	<u>\$ 1,521,768</u>	<u>\$ 1,865,870</u>

Endowment net asset composition by type of fund as of June 30, 2010 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds	<u>\$ (1,591)</u>	<u>\$ 241,000</u>	<u>\$ 1,521,768</u>	<u>\$ 1,761,177</u>

Changes in endowment net assets for the year ended June 30, 2010 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ (11,752)	\$ 111,712	\$ 1,260,415	\$ 1,360,375
Investment income	-	85,764	-	85,764
Net realized and unrealized appreciation	10,161	124,691	-	134,852
Contributions	-	-	261,353	261,353
Amounts appropriated for expenditure	-	(81,167)	-	(81,167)
Endowment net assets, end of year	<u>\$ (1,591)</u>	<u>\$ 241,000</u>	<u>\$ 1,521,768</u>	<u>\$ 1,761,177</u>

THE ARRL FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 7 - Endowment (concluded):

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 applicable law requires the Foundation to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, there were no deficiencies of this nature that are reported in unrestricted net assets as of June 30, 2011. Deficiencies of this nature that are reported in unrestricted net assets were \$1,591 as of June 30, 2010. This deficiency resulted from unfavorable market fluctuations that occurred during the year.

Note 8 - Commitments:

The Foundation administers the William R. Goldfarb Memorial Scholarship which provides a meritorious young Amateur Radio operator a full scholarship. The scholarships will fund costs not already covered through financial aid or other scholarships. These scholarships are subject to certain performance requirements and are contingent upon an annual reassessment of need.

In addition, the Foundation has approved numerous partial scholarships to students that have met certain criteria in accordance with the scholarship and are contingent upon the students attending school in the fall and spring semesters.

Note 9 - Related party transactions:

The Foundation has some common Board of Director members with ARRL, which performs administrative services for the Foundation. Administrative fees charged for these services were \$13,200 for each of the years ended June 30, 2011 and 2010, and are included in administrative expenditures on the accompanying statements of activities. In addition, the Foundation reimbursed ARRL for expenses totaling \$3,577 and \$1,862 for the years ended June 30, 2011 and 2010, respectively.

A member of the Foundation's Board of Directors provided investment advisory services to the Foundation. Fees for these services were \$7,261 and \$6,039 for the years ended June 30, 2011 and 2010, respectively, and are included in administrative expenditures on the accompanying statements of activities.

THE ARRL FOUNDATION, INC.

RESTRICTED FUND SUMMARY
YEAR ENDED JUNE 30, 2011

Fund Name	Balance 7/1/2010	Contributions	Investment Income, Net	Realized and Unrealized Gain	Expenditures	Balance 6/30/2011
Donald Riebhoff Mem Scholarship	\$ 16,640	\$ -	\$ 942	\$ -	\$ (1,156)	\$ 16,426
General Scholarship	73,261	-	4,167	-	(4,692)	72,736
J Bieberman Merit Member Fund	14,496	-	868	-	(145)	15,219
P and H Grauer Scholarship	55,861	-	3,291	-	(1,548)	57,604
PF Hadlock Mem Scholarship	3,333	-	201	-	(34)	3,500
ARRL Scholarship B Goldwater	42,883	-	2,291	-	(5,379)	39,795
VC ClarkYouth Incentive Program	15,131	775	869	-	(2,055)	14,720
World Admn Radio Conference Fund	2,790	-	168	-	(28)	2,930
FR McDaniel Mem Scholarship	21,205	-	1,243	-	(707)	21,741
You've Got a Friend in PA	92,816	337	5,346	-	(4,889)	93,610
Edmond A Metzger Scholarship	11,965	75	692	-	(616)	12,116
L Phil Wicker Scholarship	63,453	-	3,747	-	(1,624)	65,576
W Bennett Mem Scholarship	10,834	-	620	-	(604)	10,850
Dr JL Lawson Mem Scholarship	24,175	-	1,420	-	(737)	24,858
Charles N Fisher Mem Scholarship	58,204	-	3,432	-	(1,572)	60,064
K2TE0 MJ Green Sr Mem	1,515	1,075	70	-	(1,011)	1,649
PHD ARA Scholarships	31,774	-	1,847	-	(1,307)	32,314
Six Meter Club Chicago Scholarship	12,775	-	737	-	(623)	12,889
New England FEMARA Scholarship	129,678	-	7,547	-	(5,256)	131,969
Mississippi Scholarship	20,343	-	1,192	-	(698)	20,837
T and J Comstock Scholarship	2,669	2,000	99	-	(2,016)	2,752
IW Cook WA0CGS Scholarship	33,328	-	1,941	-	(1,323)	33,946
Nemal Electronics Scholarship	170	-	11	-	(2)	179
C Clark Cordle Mem Scholarship	34,155	-	1,990	-	(1,331)	34,814
Michael J Flosi Mem Scholarship	586	-	35	-	(6)	615
Chicago FM Club Scholarship	3,504	-	180	-	(530)	3,154
Mary Lou Brown Scholarship	59,573	-	3,430	-	(3,070)	59,933
ARRL Scout Handbook Fund	252	-	16	-	(2)	266
E "Gene" Sallee Mem Scholarship	1,667	-	71	-	(512)	1,226
AARC/Toby Cross Scholarship	168	-	11	-	(2)	177
Earl I. Anderson Scholarship	10,870	-	443	-	(3,822)	7,491
Indiana Digital Exp Scholarship	137	-	9	-	(2)	144
Member to Member Matching Fund	1,455	-	86	-	(91)	1,450
Francis Walton Mem Scholarship	2,016	-	93	-	(516)	1,593
Central Arizona DX Association	1,720	264	56	-	(1,009)	1,031
Bill Orr W6SAI Tch Writing Award	1,161	-	60	-	(391)	830
WRTC USA Youth Fund	636	-	68	-	(6)	698
NE Strohmeier Mem Scholarship	4,001	-	212	-	(535)	3,678
YCCC Yankee Clipper Contest	3,898	-	99	-	(2,416)	1,581
Albert H. Hix, W8AH Memorial	1,355	-	81	-	(14)	1,422
Jean R. Cebik Mem Scholarship	41,559	-	2,490	-	(415)	43,634
Carole Streeter Scholarship	22,538	-	1,308	-	(968)	22,878
Louisiana Memorial	2,512	3,813	186	-	(787)	5,724
Seth Horen K1LOM Mem Scholarship	271	-	16	-	(2)	285
Yasme Foundation Scholarship	7,667	4,000	245	-	(6,036)	5,876
Challenge Met Scholarship	1,148	350	25	-	(1,003)	520
N. California DX Assoc. Scholarship	2,146	3,856	90	-	(3,015)	3,077
Bendrickson Scholarship	54,672	-	3,165	-	(2,526)	55,311
Peoria Area ARC Scholarship	2,124	-	99	-	(516)	1,707
Wagner K30MI	1,060	1,000	43	-	(1,010)	1,093
Zachary Taylor Stevens Mem Scholarship	791	652	22	-	(750)	715
Misek N8NPX Mem Scholarship	1,901	-	114	-	(19)	1,996
Bill Salerno, W2ONV Mem Scholarship	30,757	-	1,732	-	(2,287)	30,202
Porter Scholarship	3,412	2,000	200	-	(1,034)	4,578
Magnolia DX Association Scholarship	1,021	500	37	-	(508)	1,050
Wayne Nelson KB4UT Scholarship	2,021	-	118	-	(20)	2,119
Orlando Hamcation Scholarship	2,021	-	118	-	(20)	2,119
GwinnettAmtr Radio Soc. Scholarship	499	5,500	163	-	(552)	5,610
Androscoggin Scholarship	-	5,000	225	-	(50)	5,175
CW OPS Scholarship	-	1,000	13	-	(831)	182
H. Broughton K2AE Scholarship Earnings	21,050	-	8,970	6,951	(3,339)	33,632
WR Goldfarb Mem Scholarship Earnings	188,189	-	63,410	79,179	(100,376)	230,402
N TX B Nelson Mem Scholarship Earnings	382	-	54	29	(4)	461
IRARC Mem/JP Rubino Earnings	-	-	1,242	821	(1,513)	550
Dayton Amateur Radio Assoc Earnings	11,059	-	9,468	8,140	(4,225)	24,442
Morris Radio Club of NJ Scholarship Earnings	-	-	2,168	828	(1,026)	1,970
Ray N0RP & Katie W0KTE Pautz Memorial Earnings	-	-	1,831	1,487	(1,026)	2,292
Ted & Itice Goldthorpe Scholarship Earnings	1,465	297	567	582	(502)	2,409
Cebik Estate Scholarship Earnings	19,361	-	15,050	14,614	(1,081)	47,944
Total Temporarily Restricted Funds	\$ 1,286,079	\$ 32,494	\$ 162,850	\$ 112,631	\$ (187,718)	\$ 1,406,336
H. Broughton K2AE	\$ 119,551	\$ -	\$ -	\$ -	\$ -	\$ 119,551
Wm. R. Goldfarb Memorial	919,064	-	-	-	-	919,064
N. TX KB5BNU Nelson Memorial	500	-	-	-	-	500
IRARC Memorial, JP Rubino	20,000	-	-	-	-	20,000
Dayton Amateur Radio Assoc Scholarship	140,000	-	-	-	-	140,000
Morris Radio Club of NJ Scholarship	31,771	-	-	-	-	31,771
Ray N0RP & Katie W0KTE Pautz Memorial	29,529	-	-	-	-	29,529
Ted & Itice Goldthorpe Scholarship	10,000	-	-	-	-	10,000
Cebik Estate Scholarship	251,353	-	-	-	-	251,353
Total Permanently Restricted Funds	\$ 1,521,768	\$ -	\$ -	\$ -	\$ -	\$ 1,521,768

See Report of Independent Public Accountants.

THE ARRL FOUNDATION, INC.

**RESTRICTED FUND SUMMARY
YEAR ENDED JUNE 30, 2010**

Fund Name	Balance 7/1/2009	Contributions	Investment Income, Net	Realized and Unrealized Gain (Loss)	Expenditures	Balance 6/30/2010
Donald Riebhoff Mem Scholarship	\$ 16,070	\$ -	\$ 860	\$ -	\$ (290)	\$ 16,640
General Scholarship	68,881	6,046	3,593	-	(5,259)	73,261
J Bieberman Merit Member Fund	14,000	-	748	-	(252)	14,496
P and H Grauer Scholarship	54,945	-	2,887	-	(1,971)	55,861
PF Hadlock Mem Scholarship	3,217	-	174	-	(58)	3,333
ARRL Scholarship B Goldwater	41,417	-	2,212	-	(746)	42,883
VC ClarkYouth Incentive Program	16,980	2,424	894	-	(5,167)	15,131
World Admn Radio Conference Fund	2,693	-	145	-	(48)	2,790
FR McDaniel Mem Scholarship	20,479	-	1,095	-	(369)	21,205
You've Got a Friend in PA	93,626	-	4,804	-	(5,614)	92,816
Edmond A Metzger Scholarship	12,054	-	619	-	(708)	11,965
L Phil Wicker Scholarship	62,278	-	3,279	-	(2,104)	63,453
W Bennett Mem Scholarship	10,961	-	561	-	(688)	10,834
Dr JL Lawson Mem Scholarship	23,838	-	1,258	-	(921)	24,175
Charles N Fisher Mem Scholarship	57,209	-	3,007	-	(2,012)	58,204
K2TE0 MJ Green Sr Mem	1,335	1,152	51	-	(1,023)	1,515
PHD ARA Scholarships	31,682	-	1,645	-	(1,553)	31,774
Six Meter Club Chicago Scholarship	12,826	-	673	-	(724)	12,775
New England FEMARA Scholarship	128,229	-	6,705	-	(5,256)	129,678
Mississippi Scholarship	20,148	-	1,049	-	(854)	20,343
T and J Comstock Scholarship	2,635	2,000	74	-	(2,040)	2,669
IW Cook WA0CGS Scholarship	33,184	-	1,723	-	(1,579)	33,328
Nemal Electronics Scholarship	162	-	11	-	(3)	170
C Clark Cordle Mem Scholarship	33,983	-	1,766	-	(1,594)	34,155
Michael J Flosi Mem Scholarship	566	-	30	-	(10)	586
Chicago FM Club Scholarship	3,385	-	180	-	(61)	3,504
Mary Lou Brown Scholarship	60,025	-	3,084	-	(3,536)	59,573
ARRL Scout Handbook Fund	244	-	13	-	(5)	252
E "Gene" Sallee Mem Scholarship	1,609	-	87	-	(29)	1,667
AARC/Toby Cross Scholarship	160	-	11	-	(3)	168
Earl I. Anderson Scholarship	11,744	-	565	-	(1,439)	10,870
Indiana Digital Exp Scholarship	132	-	7	-	(2)	137
Member to Member Matching Fund	1,404	-	76	-	(25)	1,455
Francis Walton Mem Scholarship	1,946	-	105	-	(35)	2,016
Central Arizona DX Association	2,656	-	94	-	(1,030)	1,720
Bill Orr W6SAI Tch Writing Award	1,497	-	74	-	(410)	1,161
WRTC USA Youth Fund	616	-	31	-	(11)	636
NE Strohmeier Mem Scholarship	3,864	-	207	-	(70)	4,001
YCCC Yankee Clipper Contest	1,349	2,500	73	-	(24)	3,898
Albert H. Hix, W8AH Memorial	1,808	-	71	-	(524)	1,355
Jean R. Cebik Mem Scholarship	41,133	-	2,149	-	(1,723)	41,559
Carole Streeter Scholarship	22,514	-	1,166	-	(1,142)	22,538
Louisiana Memorial	2,535	400	119	-	(542)	2,512
Seth Horen K1LOM Mem Scholarship	262	-	14	-	(5)	271
Yasme Foundation Scholarship	11,022	6,500	259	-	(10,114)	7,667
Challenge Met Scholarship	1,127	500	40	-	(519)	1,148
N. California DX Assoc. Scholarship	121	2,000	56	-	(31)	2,146
Bendrickson Scholarship	53,797	-	2,826	-	(1,951)	54,672
Peoria Area ARC Scholarship	2,550	-	111	-	(537)	2,124
Wagner K30MI	1,053	1,000	22	-	(1,015)	1,060
Zachary Taylor Stevens Mem Scholarship	1,024	500	29	-	(762)	791
Misek N8NPX Mem Scholarship	3,331	-	103	-	(1,533)	1,901
Bill Salerno, W2ONV Mem Scholarship	28,108	2,605	1,579	-	(1,535)	30,757
Porter Scholarship	4,291	-	180	-	(1,059)	3,412
Magnolia DX Association Scholarship	-	1,010	28	-	(17)	1,021
Wayne Nelson KB4UT Scholarship	-	2,000	50	-	(29)	2,021
Orlando Hamcation Scholarship	-	2,000	50	-	(29)	2,021
GwinnettAmtrr Radio Soc. Scholarship	-	500	6	-	(7)	499
H. Broughton K2AE Scholarship Earnings	5,412	-	7,752	8,428	(542)	21,050
WR Goldfarb Mem Scholarship Earnings	105,993	-	63,353	92,362	(73,519)	188,189
N TX B Nelson Mem Scholarship Earnings	307	-	47	35	(7)	382
IRARC Mem/JP Rubino Earnings	-	-	1,119	(337)	(782)	-
Dayton Amateur Radio Assoc Earnings	-	-	8,228	7,175	(4,344)	11,059
Morris Radio Club of NJ Scholarship Earnings	-	100	1,620	(687)	(1,033)	-
Ray N0RP & Katie W0KTE Pautz Memorial Earnings	-	-	1,747	(710)	(1,037)	-
Ted & Itice Goldthorpe Scholarship Earnings	-	500	270	705	(10)	1,465
Cebik Estate Scholarship Earnings	-	-	1,641	17,720	-	19,361
Total Temporarily Restricted Funds	\$ 1,140,417	\$ 33,737	\$ 139,105	\$ 124,691	\$ (151,871)	\$ 1,286,079
H. Broughton K2AE	\$ 119,551	\$ -	\$ -	\$ -	\$ -	\$ 119,551
Wm. R. Goldfarb Memorial	919,064	-	-	-	-	919,064
N. TX KB5BNU Nelson Memorial	500	-	-	-	-	500
IRARC Memorial, JP Rubino	20,000	-	-	-	-	20,000
Dayton Amateur Radio Assoc Scholarship	140,000	-	-	-	-	140,000
Morris Radio Club of NJ Scholarship	31,771	-	-	-	-	31,771
Ray N0RP & Katie W0KTE Pautz Memorial	29,529	-	-	-	-	29,529
Ted & Itice Goldthorpe Scholarship	-	10,000	-	-	-	10,000
Cebik Estate Scholarship	-	251,353	-	-	-	251,353
Total Permanently Restricted Funds	\$ 1,260,415	\$ 261,353	\$ -	\$ -	\$ -	\$ 1,521,768

See Report of Independent Public Accountants.