

***CHRISTOPHER COLUMBUS
FELLOWSHIP FOUNDATION***



***Performance and Accountability Report
Fiscal Year 2008***

Christopher Columbus Fellowship Foundation
Performance and Accountability Report
Fiscal Year 2008

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The Financial Statements Section is a document created by the auditor and appears in its original format.



Christopher Columbus Fellowship Foundation

Message from the Chair

Pursuant to the Performance and Accountability Report, the Christopher Columbus Fellowship Foundation presents the enclosed report including both financial and program performance results for FY 2008. The data contained in this report is complete and reliable.

Based on the results of an independent financial statement audit, the Foundation can provide reasonable assurance that the objectives of the Accountability of Tax Dollars Act have been met. The Foundation can also provide reasonable assurance that its financial systems conform to government-wide standards.

Mission

The Christopher Columbus Fellowship Foundation was established by Congress through Public Law 102-281 to “encourage and support research, study, and labor designed to produce new discoveries in all fields of endeavor for the benefit of mankind.” The Foundation is authorized to award fellowships to outstanding individuals to encourage discovery. Recipients shall be known as “Columbus Scholars.” Recipients of the fellowships may be selected directly, by contract or through a nationwide competition.

Agency Goals and Accomplishments

The Foundation has been continually targeting and monitoring outstanding innovations and research being conducted around the country throughout the year. The Foundation developed awards programs to encourage and honor these efforts including science education. The programs sponsored by the Foundation are constantly changing and evolving as new discoveries and technological breakthroughs by American innovators and educators emerge throughout the country.

The Foundation’s goals are to raise awareness and honor the “cutting edge” research being conducted by Americans around the country, whether in schools, universities, companies or government labs and to encourage community service. The Foundation currently strives to promote science education and research, homeland security, community service and honors educators.

The Foundation has been very successful in forming public-private partnerships with organizations such as the National Science Foundation, Bayer Corporation, Xerox Corporation, U.S. Chamber of Commerce, AgustaWestland North America, Walt Disney World®, *DISCOVER Magazine*, National Italian American Foundation, National Museum of Education and National Middle School Association.

In 2008, the Foundation formed a partnership with the U.S. Chamber of Commerce to establish an award program to honor scientists, educators and students working in the life sciences field. The four *Life Sciences Awards* present \$45,000 in monetary awards as incentive for continuing science education and research. The Foundation handled all administrative aspects of the awards program.

For the third year the Foundation partnered with AgustaWestland North America to sponsor the Sixth Annual *Homeland Security Award* to honor new innovations in the field of homeland security designed to protect the United States and its citizens.

The Foundation received monetary support from the Xerox Corporation in sponsorship of the 12th Annual *Christopher Columbus Awards* designed exclusively for teams of middle school students. The teams are challenged to explore opportunities for positive change in their communities using the scientific method.

The Foundation worked with the Harrison County YWCA in Clarksburg, West Virginia, in sponsorship of the Ninth Annual *Freida J. Riley Teacher Award* presented to a teacher who teaches despite his or her own physical disability.

The Christopher Columbus Fellowship Foundation accomplished a great deal in FY 2008. Please visit: www.columbusfdn.org for more information on all the programs sponsored by the Christopher Columbus Fellowship Foundation. If you have any questions, please feel free to contact Judi Shellenberger, Executive Director of the Foundation at: (315) 258-0090 or email: judithmscolumbus@cs.com.

Sincerely,



Kimberly A. Owens
Chair

Statement of Assurance from the Chair

I, Kimberly A. Owens, Chair of the Christopher Columbus Fellowship Foundation, state and assure that to the best of my knowledge:

1. The financial data included in this report is reliable and complete.
2. Pursuant to 31 U.S.C. 3512(c), (d) (commonly referred to as the *Federal Managers' Financial Integrity Act*), we have reviewed the effectiveness of the organization's internal controls in achieving the following objectives:
 - a. Reliability of financial reporting: Transactions are properly recorded, processed, and summarized to permit the preparation of the financial statements and supplementary information in accordance with generally accepted accounting principles for Federal entities, except as discussed in Section 2 of this report, and assets are safeguarded against loss from unauthorized acquisition, use, or disposition.
 - b. Compliance with applicable laws and regulations: Transactions are executed in accordance with laws governing the use of budget authority; other laws and regulations that could have a direct and material effect on the financial statements and any other laws, regulations, and government-wide policies identified in applicable OMB guidance.
3. The controls in place on September 30, 2008, and during the Fiscal Year then ended, provide reasonable assurance that the foregoing objectives are met.
4. There are no material weaknesses or significant deficiencies to report.
5. There have been no changes to internal controls subsequent to September 30, 2008, or other factors that might significantly affect the effectiveness of internal control.



Kimberly A. Owens, Chair



Christopher Columbus Fellowship Foundation

PART I: MANAGEMENT'S DISCUSSION AND ANALYSIS

Mission

The Christopher Columbus Fellowship Foundation was established by Congress in 1992 through Public Law 102-281 to “encourage and support research, study, and labor designed to produce new discoveries in all fields of endeavor for the benefit of mankind.” The Foundation seeks to nurture and recognize pioneering individuals and programs which reflect the visionary spirit and pioneering heritage of Christopher Columbus. The Foundation is authorized to award fellowships to outstanding individuals to encourage discovery. Recipients shall be known as “Columbus Scholars.” Recipients of the fellowships may be selected directly, by contract or through a nationwide competition.

Organizational Structure Overview

Board of Trustees

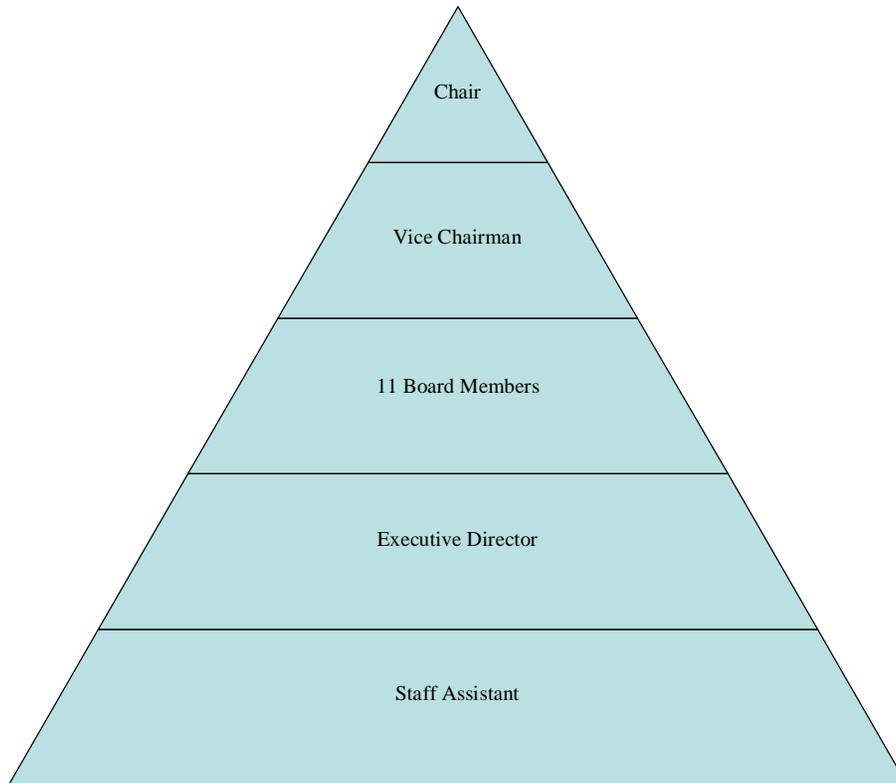
Public Law 102-281 designates that the Foundation be governed by a 13-member Board of Trustees serving six-year terms. Board members are appointed by the President in consultation with the following:

- 1) 5 members appointed by the President
- 2) 2 members nominated by the President pro tempore of the Senate
- 3) 2 members nominated by Senate Minority Leader
- 4) 2 members nominated by Speaker of the House
- 5) 2 members nominated by House Minority Leader

The Chair and Vice Chair of the Foundation are designated by the President from among the members appointed to the Board.

The Board designates the programs to be sponsored each year and makes award presentations at the various awards ceremonies. The Board judges the Nominations and ultimately selects the winners of the each award. The Board meets twice a year in conjunction with awards presentations.

Christopher Columbus Fellowship Foundation Organizational Chart



Daily operations of Foundation are handled by the two-person staff: the Executive Director and the Staff Assistant.

Executive Director

The Executive Director is appointed by the Board, and serves as the chief executive officer and is responsible for the day-to day operations of the Foundation subject to the supervision and direction of the Board. The Executive Director develops and implements all facets of the Foundation's programs; processes all payments; handles other administrative duties, including correspondence and inquiries from the public regarding the Foundation's programs. She represents the Foundation at various meetings and conferences throughout the year.

Staff Assistant

The Staff Assistant handles payroll, financial reporting and audit requirements, and management of designated award programs. She acts as liaison with other Federal agencies for special programs, and provides other administrative and clerical support.

Foundation Goals

In 2008, the Foundation continually targeted and monitored outstanding innovations and research being conducted around the country. The Foundation developed awards programs encouraging and honoring Americans working on the front lines of research and development and education. The programs sponsored by the Foundation are constantly changing and evolving as new discoveries and technological breakthroughs by American innovators and educators emerge throughout the country.

The Foundation's goals are to raise awareness and honor the "cutting edge" research being conducted by Americans around the country whether in schools, universities, companies or government labs, as well as community service. The Foundation currently strives to promote science education and research, homeland security, community service and honors educator. New programs are continually being developed as the needs of the country change.

The goal of every award program is to encourage and highlight the work of America's innovative leaders and educators. Receiving recognition from a Federal government agency contributes stature and validation of the honorees' work, and many times leads to additional funding allowing the research and development to continue. This recognition and encouragement plays a part in the United States continuing to be a world leader.

Strategies to Achieve Goals

1. Each award competition offered by the Foundation is a unique opportunity for innovative Americans "in all walks of life" to improve the quality of life for all U.S. citizens through their innovative ideas. The Foundation takes on the challenge to locate and encourage these individuals and companies.
2. Work with Federal government agencies, government laboratories, colleges, universities, secondary and middle schools, companies and corporations.
3. Publicize the competitions nationwide.
4. Provide a network by which the recipient(s) can pursue the development and funding of their inventions and innovation(s).
5. Promote math and science in middle and high schools across the nation to instill in the youth of America the importance these subjects play in their own lives, as well as to ensure the United States remains a global leader.
6. As a Federal government agency, the Foundation continues to be an integral partner with other Federal and non-Federal agencies and associations in setting long-term goals for encouraging innovation and science education.

Program Performance Overview

The Foundation sponsored four prestigious awards in 2008 as follows:

- *Life Sciences Awards*
- *Christopher Columbus Awards*
- *Homeland Security Award*
- *Freida J. Riley Teacher Award*

With over 12 years of experience in developing and administering national competitions, the Foundation has the expertise and systems in place to administer all aspects of the four awards programs listed above. In 1992 the United States Congress established the Christopher Columbus Fellowship Foundation with the mission of seeking out, encouraging and supporting research that will produce new discoveries and innovations in all fields of endeavor. This mandate is accomplished through the sponsorship and administration of competitions that reward American ingenuity.

The Foundation confidently and efficiently administered the four competitions to present cash awards to advance the research, development, demonstration and commercial application of each project. The goal of each competition is to encourage new innovations and provide incentive for American individuals and/or companies in diverse fields such as science, technology, alternative energy sources, life sciences, homeland security, education and community service to sustain the status of the United States as a global leader in these fields.

For each program, the Foundation conducted a nationwide application solicitation; promoted and advertised all phases of each competition; and developed the Nomination forms and related materials such as Procedures and Criteria using widely successful systems and practices already in place. The Foundation received most Nominations online on a secure website. The Foundation solicited Evaluators to service on the national Evaluation Committee to assess the Nominations. The overall goal is to receive Nominations from all 50 States for each of the four programs.

AWARDS PROGRAMS

Life Sciences Awards

In 2008, the Foundation established a public/private partnership with the U.S. Chamber of Commerce to offer new *Life Sciences Awards* across the country. The four monetary *Life Sciences Awards* totaling \$45,000, recognize United States citizens including scientists/researchers, teachers and students who are judged to exemplify excellence in life sciences. Please visit: www.ccolumbusfoundationawards.org. The four awards and the 2008 recipients were:

\$25,000 Chairmen's Distinguished Life Sciences Award – Christine E. Schmidt, Ph.D.

This award was presented to **Christine E. Schmidt, Ph.D.**, Laurence E. McMakin Professor of Biomedical Engineering and Chemical Engineering at The University of Texas at Austin. Dr. Schmidt is conducting research in neural cell and tissue engineering, a subfield within bioengineering. Dr. Schmidt has invented a chemical process to modify human nerve tissue so it may be utilized for patients with nerve damage. In particular, she works on engineering advanced biomaterials and therapeutic devices to stimulate damaged peripheral and spinal neurons to regenerate and promote healing of damaged nerve tissue due to traumatic injuries, cancer and other diseases.

Currently, there is no adequate off-the-shelf option for nerve injuries suffered by over 10,000 people annually. One of Dr. Schmidt's technologies was licensed to AxoGen, Inc., which initiated clinical trials last year. To date, over 100 of AxoGen's AVANCE nerve grafts have been successfully implanted into patients with peripheral nerve injuries. She is also developing other advanced biomaterials, based on hyaluronic acid nature biopolymers and synthetic electrically conducting polymers, for both peripheral and spinal cord nerve regeneration.

Dr. Schmidt received a B.S. in chemical engineering from University of Texas Austin and a Ph.D. degree in chemical engineering from the University of Illinois at Urbana-Champaign. She was an NIH postdoctoral research fellow at MIT for 18 months, during which time she collaborated with surgeons at Harvard Medical School in the area of nerve regeneration.

\$10,000 Life Sciences Educator Award – Paul A. Cammer, Ph.D.

In 2007, Thomas Jefferson High School for Science and Technology (TJ) in Fairfax County, Virginia, was ranked as the number one school in the Nation by *U.S. News and World Report*. This distinction is due, in large part, to the innovative teaching methods implemented by the faculty. Students at TJ are high-achievers, and the teachers must put forth special efforts to keep their students challenged. **Paul A. Cammer, Ph.D.** is one such educator.

LIFE SCIENCES AWARDS (cont'd)

When Dr. Cammer was teaching freshmen, he required each of them to prepare a 15-minute PowerPoint presentation to the class as if the student was the research scientist at a conference of his or her peers. Many of these students have returned from college to tell Dr. Cammer that particular project was the “single most difficult yet most useful task they performed in high school.”

He now teaches mostly upperclassmen, challenging them far beyond what they think is possible. In addition to Advanced Placement Biology, Dr. Cammer teaches Senior Research in Neuroscience, as well as classes in Neurobiology, Physiology and the Arts, and Bionanotechnology at TJ.

Dr. Cammer received a B.A. in Biology at San Jose State University, and a M.S. in Biochemical Toxicology and Ph.D. in Biochemical Toxicology at Purdue University. After a career in government and private industry, Dr. Cammer found his passion in teaching. He has been a teacher at TJ since 1996.

\$5,000 Biology Student Award – Stori Jensen

Stori Jensen was a senior at Brighton High School in Salt Lake City, UT. After finishing high school classes each day, Stori would go to the University of Utah where she conducted research under the supervision of Dr. Andres V. Maricq in the neurobiology laboratory. During her research, Stori isolated and identified pharmacological agents found in the venom of cone snails which modulate the functions of the brain. Stori discovered that the venom contains a complex molecule that targets a specific group of neurotransmitter receptors in the brain.

Stori’s research has identified molecules that can alter brain function and has led to a major discovery in the treatment of neurological disorders. This process has been patented – with Stori as an equal partner in the patent. She began her undergraduate studies at the University of Utah this Fall.

\$5,000 Chemistry Student Award – Peter Kamel

Peter Kamel was a junior at Centennial High School in Ellicott City, MD. Peter conducts after-school research at the Johns Hopkins Hospital on a patent-pending artificial tissue material that changes color in response to an internal temperature influence. The change is a result of a cascade of chemical reactions that take place when the tissue is heated. Peter’s research findings are important, as doctors will be able to accurately profile tissue damage when treating cancer through a procedure known as heat ablation.

Peter looks forward to continuing his research during his remaining time in high school, entering college and eventually becoming a doctor.

CHRISTOPHER COLUMBUS AWARDS

In 2008, the Foundation presented the 12th Annual *Christopher Columbus Awards* which challenge middle school students to explore opportunities for positive change in their communities. Teams of three or four middle school students and an adult coach identify a community issue and use the scientific process to solve it.

The award program has attracted over 15,500 'everyday' students from all across the U.S., and appeals to educators who are increasingly looking to develop critical thinking skills in students while meeting State and Federal standards. The program:

- is a cross-curricular activity that helps meet both NCLB and State standards
- helps address the performance gap in U.S. science education by encouraging critical thinking skills in all students
- encourages community service

The program attracts many students who may not typically enter a science competition. More than half of the entrants are girls, and more than a fourth are from diverse ethnic and cultural backgrounds, statistics that are higher than those of most science competitions.

Eight Finalist teams and their coaches win an all-expense-paid trip to Walt Disney World® in Orlando, Florida, where they take part in National Judging. The teams also attend the **Christopher Columbus Academy**, a custom-designed educational program conducted by scientists, engineers and educators who reveal the science and technology behind the thrills and excitement of *Epcot*® and the *Magic Kingdom*.®

The eight Finalist teams compete for gold medals and U.S. Savings Bonds in Florida. Each member of the two Gold Medal winning teams receives a \$2,000 U.S. Savings Bond, and one team receives the **\$25,000 Christopher Columbus Foundation Community Grant** as seed money to help bring its idea to life in the community. The Grant winning team receives support from the Foundation and continued guidance from its coach and community leaders throughout the following year.

CHRISTOPHER COLUMBUS AWARDS (cont'd)

The *Christopher Columbus Awards* had 596 participants in 2007-2008. This was a decrease in entries as the Foundation was not sure it would have enough funds to host the program for 2007-2008. The Foundation decided to cut the media component rather than the overall experience for the teams. Not having the funds to widely promote the competition resulted in the decrease in entries. The three top winners were:

- **Portable Multi-Sensory Unit** – The team from Solana Pacific School, San Diego, CA, developed a Portable Multi-Sensory Unit, a sensory stimulation device for severe multiple disabilities that is portable and adjustable. *Gold medal winning team.*
- **Sunbusters: Safe-Tea Sunscreen** – Team from Whiteface, TX, developed an outreach program to inform others about “sun safety,” and created a fragrance and chemical-free sunscreen formulated from green tea. *Gold medal winning team.*
- **Trash to Treasure** – Team from Bexley City Schools, Bexley, OH, developed a plan to use the methane gas produced at landfills as an alternative source of energy. *\$25,000 Grant winning team.* The Foundation will work with the team over the next year to make their project a reality.

Past grant winners have included:

- team of Native American girls who built a study hall on the Crow Indian Reservation in Montana out of straw bales;
- team of students from Pennsylvania who developed a video/motion sensor device to deter motorists from trying to illegally pass stopped school buses;
- another team from Pennsylvania developed a handheld grocery scanner that quickly deciphers food labels to detect whether the item contains allergens such as dyes or nuts;
- team from West Branch, Iowa, felt there was an environmental hazard caused by used oil filters being disposed of in household trash. They developed an awareness campaign to educate the public about the dangers of placing used oil filters in landfills, and proper disposal is now Iowa State law.

Six teams have gone on to receive patents and conditional patents on their ideas. Some entrants have decided to major in science in college as a result of becoming involved in the program. A complete list of past winners can be found on the website below.

The program is sponsored by the Christopher Columbus Fellowship Foundation with support from the National Science Foundation, and is endorsed by the National Middle School Association and the National Association of Secondary School Principals. Please visit: www.christophercolumbusawards.com for more information on the program.

HOMELAND SECURITY AWARD

In 2008, the Foundation presented the 6th Annual *Homeland Security Award* in partnership with AgustaWestland North America. The mission of the award is to promote and encourage “cutting edge” innovations in the vast arena of homeland security. A **\$25,000 *Homeland Security Award*** is presented to an American individual or company that is making a measurable and constructive contribution related to basic and/or advanced research in the area of homeland security which will provide a significant and positive benefit to society. The award provides incentive for continuing the research or specific project. Nominations are organized according to the following five fields:

1) ***Biological, Radiological, Nuclear, Chemical and Explosive Attacks***; 2) ***Border and Transportation Security***; 3) ***Cyber Security and Information Sharing***; 4) ***Emergency Responses to Natural and Man-Made Disasters***; and 5) ***Other***. The fields are used solely for categorizing the Nominations. The winner may be chosen from any of the fields.

Beginning in 2006, the Foundation formed a public/private partnership with AgustaWestland, North America, a global leader in designing, manufacturing and supporting the world’s most technologically advanced helicopters. The alliance was formed to encourage American innovation designed to secure the United States from future terrorist attacks.

The winner of the 2008 award was **James Jones, Ph.D.**, Senior Research Scientist, Idaho National Laboratory, Idaho Falls, Idaho. Dr. Jones is a recognized expert in photonuclear measurement techniques. He specializes in the development of electron and charge particle accelerator technologies and advanced detection sensors for nuclear treaty verification, illicit material detection, and nondestructive evaluation.

In more than a decade of research, Dr. Jones has established successful collaborations with private industry, universities and government agencies addressing national and international security needs. He holds two U.S. patents for the development of nonproliferation technology, and maintains dual faculty appointments at Idaho State University and the Idaho Accelerator Center.

Currently, he is leading efforts to develop a long-range, nonintrusive nuclear materials detection technology called the Photonuclear Inspection and Threat Assessment System (PITAS). PITAS represents a breakthrough homeland security technology capable of detecting hidden nuclear materials at several hundred feet. This technology utilizes a high-energy linear electron accelerator to produce a controlled photon inspection beam. If nuclear materials are present, the inspection beam produces fission reactions within the nuclear material, resulting in the emission of prompt and delayed neutron and gamma-rays. These rays are analyzed by a series of detectors, which alert operators to the presence of illicit nuclear materials. The technology performs this process within minutes, while leaving no residual environmental impact.

Dr. Jones has a bachelor’s degree in mechanical engineering from the University of Texas, a master’s degree in nuclear science from the Massachusetts Institute of Technology, and a doctorate in nuclear science and engineering from Idaho State University.

FREIDA J. RILEY TEACHER AWARD

In its 9th year, the *Freida J. Riley Teacher Award* honored an American teacher who works with a physical disability, teaches in an especially challenging educational environment or has performed a heroic act by making an exceptional, personal or physical sacrifice on behalf of students.

The award is named for Freida J. Riley, a math, chemistry and physics teacher at Big Creek High School in Coalwood, West Virginia, during the early space race era of the 1950s and early 60s. During most of her career, Miss Riley taught while suffering from Hodgkin's disease, until succumbing to the disease at the age of 31. Miss Riley had a tremendous influence on her students from McDowell County, West Virginia—Homer Hickam, Jimmy O'Dell Carroll, Roy Lee Cooke, Willie Rose and Quentin Wilson—whose lives and their desire to launch rockets were depicted in the novel *Rocket Boys*, written by Miss Riley's former student, novelist Homer Hickam, and the subsequent 1999 movie *October Sky*. Miss Riley inspired her students to dream beyond and overcome the limited opportunities of their era and environment, and to succeed.

This year's winner was **Teresa E. Loving**, Special Education Teacher and Founder of S.O.A.R. Academy in Spartanburg, South Carolina. The award is sponsored by the Foundation, in cooperation with the YWCA of Harrison County, West Virginia.

Teresa grew up struggling in school as the result of a severe learning disability, had a troubled childhood and hated school. At 16 she quit high school and turned to drugs and alcohol. Teresa's saving grace was her high school teacher Louise Scruggs. Mrs. Scruggs saw what others did not, and convinced Teresa to return to high school, where she got the tutoring and extra help needed to earn her diploma.

After a series of dead-end jobs throughout her twenties, Teresa's cousin, Debbi Thomas, encouraged her to enroll in the local technical school where her dream of working with handicapped children was born. Initially, she hoped to gain certification in early childhood education in order to work in a daycare center. This was the first step in an arduous journey from becoming a teacher's aide, to earning a teaching certificate, and later a Master of Education, National Board Certification, and then further master level coursework. Teresa's perseverance in attaining her teacher certification speaks volumes about her character. After failing the teacher certification exam four times, she received "test-taking strategies" from a professor, and passed the certification test on her fifth attempt. This is a testimony not only to her commitment, but that of her friends and instructors as well, as she struggled to overcome her learning disability to achieve her dream. They saw the passionate and compassionate teacher she was destined to become.

FREIDA J. RILEY TEACHER AWARD (cont'd)

After working for nine years as a Special Education teacher, budget cuts were made to the early intervention program which provided local disabled children with physical, occupational, and speech therapy, as well as academics and sensory therapies. Teresa knew that the formative years—the first three years of life—and pre-school years are important to all children, but most especially to those with developmental disabilities. Teresa was concerned that the time lost by not teaching and providing therapy to the disabled in early childhood would permanently damage their learning capabilities upon entry in the local school system.

When community efforts to reinstate these much needed services failed, Teresa began dreaming of opening her own school where children with special needs would be able to learn and thrive in a place tailored to their needs – a place where their individual education and therapy needs are combined under one roof. Teresa resigned from her teaching position, thereby relinquishing the security of her salary, benefits and Board certification stipend, in order to pursue her dream. She began a grassroots effort with the help of her friends, teachers, parents, nurses, therapists, and other community members to provide services to children with special needs in a three-county area in South Carolina.

The S.O.A.R. Academy was born. S.O.A.R. represents Success, Opportunity, Achievement and Rewards. The school serves children with a broad range of physical and developmental disabilities, including autism, mitochondrial disease and spina bifida.

Financial Performance Overview

As of September 30, 2008, the financial condition of the Christopher Columbus Fellowship Foundation was sound. The Foundation has sufficient funds to meet program needs and adequate financial controls in place. The accompanying financial statements have been prepared in conformity with the hierarchy of accounting principles approved by the Federal Accounting Standards Advisory Board and the Office of Management and Budget Circular A-136, Financial Reporting Requirements.

Sources of Funds

In FY 2008 the Foundation received a Congressional appropriation to support its programs and other collections. The Foundation received a no-year appropriation that may be used, within statutory limits, for operating expenditures. The appropriated budget authority for FY 2008 was \$600,000.

The Foundation still has \$642,300 in its trust fund which the General Services Administration invests in interest-bearing obligations of the United States.

Audit Results

The Foundation received an unqualified audit opinion on FY 2008 financial operations. There were no material internal control weaknesses or instances of substantial noncompliance with relevant laws and regulations that could have a material impact on the financial statements.

Financial Statements

The Foundation's financial statements summarize the financial activity and financial position of the agency in FY 2008. The financial statements and notes appear in Part III, Financial Section.

The principal financial statements have been prepared to report the financial position and results of operations of the entity, pursuant to the requirements of 31 U.S.C. 3515 (b). While the statements have been prepared from the books and records of the entity in accordance with GAAP for Federal entities and the formats prescribed by OMB, the statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records.

The statements should be read with the realization that they are for a component of the U.S. government, a sovereign entity.

Management Controls, Systems, and Compliance

The Accountability of Tax Dollars Act (ATDA) requires federal agencies to provide an annual statement of assurance regarding management controls and financial systems. The statement of assurance is provided in the Statement of Assurance from the Chair at the beginning of the Performance and Accountability Report. This statement was based on the review and consideration of internal analyses, reconciliations and the independent auditor's opinion on the Foundation's financial statements.

Prompt Payment Act

The Prompt Payment Act requires Federal agencies to make timely payments to vendors, including any interest penalties for late invoice payments. In FY 2008, the Foundation did not pay any interest penalties on invoices processed.

Accountability of Tax Dollars Act (ATDA)

The ATDA requires Federal agencies to report on agency substantial compliance with Federal financial management system requirements, Federal accounting standard, and the U.S. Government Standard General Ledger. Under this law, the agency head is required to assess and report on whether these systems comply with ATDA on an annual basis. In assessing compliance with ATDA, the Foundation adheres to ATDA implementation guidance provided by OMB and considers the results of annual financial statement audits and any other information available. Based on all of the information considered, the Executive Director has determined that the Foundation is compliant with ATDA requirements.

Improper Payments Information Act

The Improper Payments Information Act (Public Law 107-300) defined requirements to reduce improper/erroneous payments made by the Federal government. OMB also has established specific reporting requirements for agencies with programs that possess a significant risk of erroneous payments and for reporting on the results of recovery auditing activities. A significant erroneous payment as defined by OMB guidance is an annual payment in a program that exceeds both 2.5 percent of the program payments and \$10 million.

The Foundation has not identified any programs where significant erroneous payments have occurred within the agency. The agency will continue to review programs on an annual basis to determine if any significant erroneous payments exist.

PART II: PERFORMANCE SECTION

Performance by Strategic Goals

1. *Each award competition offered by the Foundation is a unique opportunity for innovative Americans “in all walks of life” to improve the quality of life for all U.S. citizens. The Foundation takes on the challenge to locate and encourage these individuals and companies.*

The Foundation issued a Call for Nominations/Entries for each competition through online and mail solicitations, publications and word of mouth.

The Foundation’s goal is to receive Nominations/Entries from all 50 States for each competition.

- Calls for Nominations/Entries were sent to the U.S. Department of Education, Departments of Education in each State, as well as middle and high schools around the country, to promote and encourage Nominations for the *Christopher Columbus Award*, *Life Sciences Awards*, and the *Freida J. Riley Teacher Award* programs.
- Calls for Nominations/Entries were sent to the U.S. Department of Homeland Security and Departments of Homeland Security in each State to promote and encourage Nominations for the *Homeland Security Award* program.

The staff promoted the programs to area schools as well as local universities.

Nominations are received online, except entries for the *Christopher Columbus Awards* and *Freida J. Riley Teacher Award*.

2. *Work with Federal government agencies, government laboratories, colleges, universities, secondary and middle schools, companies and corporations.*

The staff continually develops relationships with each of the above mentioned entities to encourage Nominations/Entries for each of its programs.

3. *Publicize the competitions nationwide.*

The staff continues to develop relationships with nationwide magazines, newspapers, and appropriate associations and government agencies to promote the competitions. This assists in promoting the competitions nationwide.

4. ***Provide a network by which the recipients can pursue the development and funding of their inventions and innovations.***

The Foundation is developing ways to become more involved in assisting award recipients in taking their innovation to the next level, facilitate a partnership with potential sponsors and open avenues for collaboration.

5. ***Promote math and science in middle and high schools across the nation to instill in the youth of America the importance these subjects play in their own lives, as well as to ensure the United States remains a global leader.***

The staff continues to work with the U.S. Department of Education, Department of Education in each State, as well as middle and high schools around the country.

The Foundation's *Christopher Columbus Awards*, designed exclusively for middle school students, promotes community service as well as math and science.

6. ***As a Federal government agency, the Foundation continues to be an integral partner with other Federal and non-Federal agencies and associations in setting long-term goals for encouraging innovation and science education.***

The staff attends and participates in National conferences on science education, and continues to be a leader and dissemination point for "cutting edge" information on inventions, innovation and science education.



THE CHRISTOPHER COLUMBUS FELLOWSHIP FOUNDATION

FINANCIAL STATEMENTS

As Of And For The Years Ended September 30, 2008 and 2007

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Independent Auditors' Report

Chair and Board of Trustees
The Christopher Columbus Fellowship Foundation
Auburn, NY

In accordance with the Accountability of Tax Dollars Act of 2002, we are responsible for conducting audits of the Christopher Columbus Fellowship Foundation. In our audits of the Christopher Columbus Fellowship Foundation for fiscal years ended September 30, 2008 and 2007, we found:

- The financial statements are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles.
- No material weaknesses in internal control over financial reporting (including safeguarding assets) and compliance with laws and regulations.
- No reportable noncompliance with laws and regulations we tested.

The following sections discuss in more detail (1) these conclusions, (2) our conclusions on Management Discussion and Analysis and other supplementary information, (3) our audit objectives, scope and methodology, and (4) agency comments and our evaluation.

Opinion on Financial Statements

The financial statements including the accompanying notes present fairly, in all material respects, in conformity with U.S. generally accepted accounting principles, Christopher Columbus Fellowship Foundation's assets, liabilities, and net position as of September 30, 2008 and 2007; and net costs; changes in net position; and budgetary resources for the years then ended.

Consideration of Internal Control

In planning and performing our audit, we considered the Christopher Columbus Fellowship Foundation's internal control over financial reporting and compliance. We did this to determine our procedures for auditing financial statements and to comply with OMB audit guidance, not to express an opinion on internal control. Accordingly, we do not express an opinion on internal control over financial reporting and compliance or on management's assertion on internal control included in Management's Discussion and Analysis. However, for the controls we tested, we found no material weakness in internal control over financial reporting (including safeguarding assets) and compliance.



A material weakness is a control deficiency that results in more than a remote likelihood that the design or operation of one or more internal controls will not allow management or employees, in the normal course of performing their duties, to promptly detect or prevent errors, fraud, or noncompliance in amounts that would be material to the financial statements. Our internal control work would not necessarily disclose all deficiencies in internal control that might be material weaknesses or other significant deficiencies. We provided a separate management letter dated December 8, 2008 communicating internal control matters not considered to be material weaknesses or other significant deficiencies.

Compliance with Laws and Regulations

Our tests of the Christopher Columbus Fellowship Foundation's compliance with selected provisions of laws and regulations for fiscal year 2008 disclosed no instances of noncompliance that would be reportable under U.S. generally accepted government auditing standards or OMB audit guidance. However, the objective of our audit was not to provide an opinion on overall compliance with laws and regulations. Accordingly, we do not express such an opinion.

Consistency of Other Information

The Christopher Columbus Fellowship Foundation's Management's Discussion and Analysis, required supplementary information, and other accompanying information contain a wide range of information, some of which is not directly related to the financial statements. We do not express an opinion on this information. However, we compared this information for consistency with the financial statements and discussed methods of measurement and presentation with Christopher Columbus Fellowship Foundation officials. Based on this limited work, we found no material inconsistencies with the financial statements, U.S. generally accepted accounting principles, or OMB guidance.

Objectives, Scope, and Methodology

Christopher Columbus Fellowship Foundation's management is responsible for (1) preparing the financial statements in conformity with U.S. generally accepted accounting principles, (2) establishing, maintaining, and assessing internal control to provide reasonable assurance that the broad control objectives of the Federal Managers' Financial Integrity Act are met, and (3) complying with applicable laws and regulations.

We are responsible for obtaining reasonable assurance about whether the financial statements are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles. We are also responsible for (1) obtaining a sufficient understanding of internal control over financial reporting and compliance to plan the audit, (2) testing compliance with selected provisions of laws and regulations that have a direct and material effect on the financial statements and laws for which OMB audit guidance requires testing, and (3) performing limited procedures with respect to certain other information appearing in the Annual Financial Statement.



In order to fulfill these responsibilities, we

- examined, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- assessed the accounting principles used and significant estimates made by management;
- evaluated the overall presentation of the financial statements;
- obtained an understanding of the entity and its operations, including its internal control related to financial reporting (including safeguarding assets), and compliance with laws and regulations (including execution of transactions in accordance with budget authority);
- tested relevant internal controls over financial reporting, and compliance, and evaluated the design and operating effectiveness of internal control;
- considered the design of the process for evaluating and reporting on internal control and financial management systems under the Federal Managers' Financial Integrity Act; and
- tested compliance with selected provisions of the following laws and regulations: the Anti-Deficiency Act, the Pay and Allowance System for Civilian Employees as provided primarily in Chapters 51-59 of title 5, United States Code, the Prompt Payment Act, and Public Law 102-281 that established the Christopher Columbus Fellowship Foundation and defined its public purpose and governing structure.

We did not evaluate all internal controls relevant to operating objectives as broadly defined by the Federal Managers' Financial Integrity Act, such as those controls relevant to preparing statistical reports and ensuring efficient operations. We limited our internal control testing to controls over financial reporting and compliance. Because of inherent limitations in internal control, misstatements due to error or fraud, losses, or noncompliance may nevertheless occur and not be detected. We also caution that projecting our evaluation to future periods is subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with controls may deteriorate. In addition, we caution that our internal control testing may not be sufficient for other purposes.

We did not test compliance with all laws and regulations applicable to the Christopher Columbus Fellowship Foundation. We limited our tests of compliance to selected provisions of laws and regulations that have a direct and material effect on the financial statements and those required by OMB audit guidance that we deemed applicable to the Christopher Columbus Fellowship Foundation's financial statements for the fiscal year ended September 30, 2008. We caution that noncompliance may occur and not be detected by these tests and that such testing may not be sufficient for other purposes.

We performed our audit in accordance with U.S. generally accepted government auditing standards and OMB audit guidance.



Agency Comments and Our Evaluation

In commenting on a draft of this report (see Appendix A), the Christopher Columbus Fellowship Foundation concurred with the facts and conclusions in our report.

Martin & Wall, P.C.

Washington, DC
December 11, 2008

CHRISTOPHER COLUMBUS FELLOWSHIP FOUNDATION
BALANCE SHEET

As Of September 30, 2008 and 2007

	2008	2007
Assets:		
Intragovernmental:		
Fund Balance With Treasury (Note 3)	\$ 723,238	\$ 631,204
Total Intragovernmental	723,238	631,204
Cash, Foreign Currency and Other Monetary Assets (Note 4)	200	200
Total Assets	\$ 723,438	\$ 631,404
Liabilities: (Note 5)		
Accounts Payable	19,344	9,766
Other (Note 6)	23,613	19,452
Total Liabilities	42,957	29,218
Net Position:		
Unexpended Appropriations - Other Funds	54,642	
Cumulative Results of Operations		
- Earmarked Funds (Note 7)	642,497	602,186
- Other Funds	(16,658)	
Total Net Position	680,481	602,186
Total Liabilities and Net Position	\$ 723,438	\$ 631,404

*Amounts may be off by a dollar due to rounding.

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

CHRISTOPHER COLUMBUS FELLOWSHIP FOUNDATION
STATEMENT OF NET COST

For The Years Ended September 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Program Costs:		
Program A:		
Gross Costs (Note 8)	<u>\$ 582,697</u>	<u>\$ 745,422</u>
Net Program Costs	<u>582,697</u>	<u>745,422</u>
Net Cost of Operations	<u><u>\$ 582,697</u></u>	<u><u>\$ 745,422</u></u>

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

CHRISTOPHER COLUMBUS FELLOWSHIP FOUNDATION
STATEMENT OF CHANGES IN NET POSITION
For The Year Ended September 30, 2008

	Earmarked Funds	All Other Funds	Eliminations	Consolidated Total
Cumulative Results of Operations:				
Beginning Balances	\$ 602,186	\$	\$	\$ 602,186
Budgetary Financing Sources:				
Appropriations Used		545,358		545,358
Non-exchange Revenue	9,270			9,270
Donations and Forfeitures of Cash and Cash Equivalents	35,000			35,000
Other	(208)			(208)
Other Financing Resources (Non-Exchange):				
Imputed Financing		16,930		16,930
Total Financing Sources	44,062	562,288		606,350
Net Cost of Operations (+/-)	3,752	578,946		582,697
Net Change	40,310	(16,658)		23,653
Cumulative Results of Operations	\$ 642,497	\$ (16,658)	\$	\$ 625,839
Budgetary Financing Sources:				
Appropriations Received		600,000		600,000
Appropriations Used		(545,358)		(545,358)
Total Budgetary Financing Sources		54,642		54,642
Total Unexpended Appropriations		54,642		54,642
Net Position	\$ 642,497	\$ 37,984	\$	\$ 680,481

*Amounts may be off by a dollar due to rounding.

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

CHRISTOPHER COLUMBUS FELLOWSHIP FOUNDATION

STATEMENT OF CHANGES IN NET POSITION

For The Year Ended September 30, 2007

	Earmarked Funds	All Other Funds	Eliminations	Consolidated Total
Cumulative Results of Operations:				
Beginning Balances	\$ 1,273,392	\$	\$	\$ 1,273,392
Adjustments:				
(a) Changes in Accounting Principles (+/-)	(609)			(609)
Beginning Balances, as Adjusted	\$ 1,272,783	\$	\$	\$ 1,272,783
Budgetary Financing Sources:				
Non-exchange Revenue	33,107			33,107
Donations and Forfeitures of Cash and Cash Equivalents	25,000			25,000
Other Financing Resources (Non-Exchange):				
Imputed Financing		16,719		16,719
Total Financing Sources	58,107	16,719		74,825
Net Cost of Operations (+/-)	728,704	16,719		745,422
Net Change	(670,597)			(670,597)
Cumulative Results of Operations	<u>\$ 602,186</u>	<u>\$</u>	<u>\$</u>	<u>\$ 602,186</u>
 Net Position	 <u>\$ 602,186</u>	 <u>\$</u>	 <u>\$</u>	 <u>\$ 602,186</u>

*Amounts may be off by a dollar due to rounding.

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

CHRISTOPHER COLUMBUS FELLOWSHIP FOUNDATION
STATEMENT OF BUDGETARY RESOURCES
For The Years Ended September 30, 2008 and 2007

	2008	2008	2007	2007
	Budgetary	Non-Budgetary Credit Program Financing Accounts	Budgetary	Non-Budgetary Credit Program Financing Accounts
Budgetary Resources:				
Unobligated Balance:				
Beginning of Period	\$ 617,437	\$	\$ 1,280,031	\$
Recoveries of Prior Year Obligations	1,736		3,857	
Budget Authority:				
Appropriations Received	644,270		65,854	
Spending Authority from Offsetting Collections (Gross):				
Earned				
Collected	5,503			
Subtotal	<u>\$ 649,774</u>		<u>\$ 65,854</u>	
Total Budgetary Resources	<u><u>\$ 1,268,946</u></u>	<u><u>\$</u></u>	<u><u>\$ 1,349,742</u></u>	<u><u>\$</u></u>
Status of Budgetary Resources:				
Obligations Incurred				
Direct (Note 9)	\$ 572,251	\$	\$ 732,306	\$
Subtotal	<u>\$ 572,251</u>		<u>\$ 732,306</u>	
Unobligated Balances				
Apportioned	53,581			
Exempt from Apportionment	643,114		617,437	
Subtotal	<u>\$ 696,695</u>		<u>\$ 617,437</u>	
Total Status of Budgetary Resources	<u><u>\$ 1,268,946</u></u>	<u><u>\$</u></u>	<u><u>\$ 1,349,742</u></u>	<u><u>\$</u></u>
Change in Obligated Balances:				
Obligated Balance, Net:				
Unpaid Obligations, Brought Forward, October 1	\$ 14,376	\$	\$ 22,716	\$
Total, Unpaid Obligated Balance, Brought Forward, Net	<u>\$ 14,376</u>		<u>\$ 22,716</u>	
Obligations Incurred	572,251		732,306	
Gross Outlays (-)	(557,531)		(736,788)	
Recoveries of Prior-Year Unpaid Obligations, Actual (-)	(1,736)		(3,857)	
Change in Uncollected Customer Payments from Federal Sources				
Obligated Balance, Net, End of Period:				
Unpaid Obligations (+) (Note 10)	27,361		14,376	
Total, Unpaid Obligated Balance, Net, End of Period	<u>\$ 27,361</u>	<u>\$</u>	<u>\$ 14,376</u>	<u>\$</u>
Net Outlays:				
Gross Outlays (+)	557,531		736,788	
Offsetting Collections (-)	(5,503)			
Net Outlays	<u><u>\$ 552,028</u></u>	<u><u>\$</u></u>	<u><u>\$ 736,788</u></u>	<u><u>\$</u></u>

*Amounts may be off by a dollar due to rounding.

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

The Christopher Columbus Fellowship Foundation
Notes to Financial Statements
September 30, 2008 and 2007

NOTE 1 – OVERVIEW OF REPORTING ENTITY

The Christopher Columbus Fellowship Foundation (“The Foundation”) is an independent agency of the Executive Branch of the United States Government. The Foundation was established in 1992 to encourage and support research, study, and labor designed to produce new discoveries in all fields of endeavor, with an emphasis on nurturing and recognizing pioneering individuals and programs that reflect the visionary spirit and pioneering heritage of Christopher Columbus. The Foundation is governed by a Board of Trustees appointed by the President of the United States.

In 1992 Americans celebrated the 500th anniversary of the discovery of the Americas, and the United States Congress joined in the commemoration by passing Public Law 102-281, the Christopher Columbus Quincentenary Coins and Fellowship Foundation. The initial funding for the Christopher Columbus Foundation was derived from the sale of three denominations of specially minted coins sold by the United States Mint from August 1992-June 1993. The coin sales surcharges constituted the Foundation's endowment thus establishing a living legacy of explorer Christopher Columbus. The Foundation is responsible for managing this endowment. The reporting entity consists of the Foundation and the associated Trust Fund established at the U.S. Treasury.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements have been prepared from the accounting records of the Foundation in accordance with generally accepted accounting principles (GAAP), and the form and content for entity financial statements specified by the Office of Management and Budget (OMB) in OMB Circular No. A-136. GAAP for Federal entities are standards prescribed by the Federal Accounting Standards Advisory Board (FASAB), which has been designated the official accounting standards-setting body for the Federal Government by the American Institute of Certified Public Accountants.

OMB Circular No. A-136 requires agencies to prepare principal statements, which include a Balance Sheet, a Statement of Net Cost, a Statement of Changes in Net Position, and a Statement of Budgetary Resources. The balance sheet presents, as of September 30, 2008, amounts of future economic benefits owned or managed by the Foundation (assets), amounts owed by the Foundation (liabilities), and amounts, which comprise the difference (net position). The Statement of Net Cost reports the full cost of the program, both direct and indirect costs of the output, and the costs of identifiable supporting services provided by other segments within the Foundation and other reporting entities. The Statement of Budgetary Resources reports an agency's budgetary activity.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Basis of Accounting

Transactions are recorded on the accrual accounting basis in accordance with OMB Circular A-136. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Revenues and Other Financing Sources

The Foundation is a trust fund and receives interest revenue, direct Congressional funding and donations. Other financing sources for the Foundation consist of imputed financing sources which are costs financed by other Federal entities on behalf of the Foundation, as required by Statement of Federal Financial Accounting Standard (SFFAS) No. 5, Accounting for Liabilities of the Federal Government. The Foundation can also receive contributions from individuals and corporations.

NOTE 3 – FUND BALANCE WITH TREASURY

Treasury performs cash management activities for all Federal agencies. The net activity represents Fund Balance with Treasury. Fund Balance with the Treasury is the aggregate amount of funds in the agency's accounts with Treasury for which the agency is authorized to make expenditures and pay liabilities. The fund balance is increased by receiving interest income and nonexchange revenue; it is reduced by disbursements, investments in U.S. securities, etc.

The table below displays the composition of Fund Balance with Treasury. The "Trust Fund" listed in Item A is the remainder of funds from coin sale surcharges described in Note 1. Since the Trust Fund is invested in cash and cash equivalents (U.S. Treasury debt instruments with maturities of three months or less), there is no specific line item for investments.

The Christopher Columbus Fellowship Foundation
Notes to Financial Statements
September 30, 2008 and 2007

	2008	2007
A. Fund Balance with Treasury		
Appropriated Fund	\$80,941	
Trust Fund	\$643,114	\$631,813
Total	\$724,055	\$631,813
 B. Status of Fund Balance with Treasury		
1) Unobligated Balance		
a) Available	696,695	617,437
2) Obligated Balance not yet Disbursed	27,361	14,376
Total	\$724,055 *	\$631,813

Rounding *

NOTE 4 – CASH AND OTHER MONETARY ASSETS

The Foundation has Imprest funds that are not restricted and are available for agency use.

	Total 2008	Total 2007
Cash	200	200
Total Cash and Other Monetary Assets	\$200	\$200

NOTE 5 – LIABILITIES NOT COVERED BY BUDGETARY RESOURCES

Liabilities of the Foundation are classified as liabilities covered or not covered by budgetary resources. As of September 30, 2008, the Foundation showed liabilities covered by budgetary resources of \$26,299 and liabilities not covered by budgetary resources of \$16,658.

Liabilities covered by budgetary resources is composed of Accounts Payable \$19,344 and Accrued Funded Payroll and Leave \$6,955.

The Christopher Columbus Fellowship Foundation
Notes to Financial Statements
September 30, 2008 and 2007

	2008	2007
With the Public		
Other	16,658	14,841
Total liabilities not covered by budgetary resources	16,658	14,841
Total liabilities covered by budgetary resources	26,299	14,376
Total Liabilities	\$42,957	\$29,218 *

* Rounding

NOTE 6 – OTHER LIABILITIES

Other liabilities with the public consist of Accrued Funded Payroll and Leave of \$6,955 and Unfunded Leave in the amount of \$16,658.

	With the Public	Non-Current	Current	Total
2008	Other Liabilities	16,658	6,955	\$23,613
2007	Other Liabilities	14,841	4,611	\$19,452

NOTE 7 – EARMARKED FUNDS

The Christopher Columbus Fellowship Foundation (the Foundation) is an independent Federal government agency established by Congress to “encourage and support research, study and labor designed to produce new discoveries in all fields of endeavor for the benefit of mankind.” Governed by a Presidential appointed Board of Trustees, the Foundation seeks to nurture and recognize individuals and programs which reflect the visionary spirit and pioneering heritage of Christopher Columbus.

In 1992, Americans celebrated the 500th anniversary of the discovery of the Americas, and the United States Congress joined in the commemoration by passing Public Law 102-281, the Christopher Columbus Quincentenary Coins and Fellowship Foundation. The initial funding for the Foundation was derived from the sale of three denominations of specially minted coins sold by the United States Mint from August 1992 – June 1993. The Foundation received the coin sales surcharges, which constituted the Foundation’s endowment, thus establishing a living legacy of explorer Christopher Columbus.

In FY 2008, the Foundation had three sources of income; interest from investments, donations, and an appropriation. Interest and donations would be considered inflow of resources to the Government. During this reporting period, there were no changes to the enabling legislation.

The Christopher Columbus Fellowship Foundation
Notes to Financial Statements
September 30, 2008 and 2007

NOTE 7 – EARMARKED FUNDS (CONTINUED)

FY 2008	CCFF Earmarked Funds	CCFF Other Funds	Total Funds
Balance Sheet as of Sept. 30			
ASSETS			
Fund Balance with Treasury	\$ 642,297	\$ 80,941	\$ 723,238
Investments			
Taxes & Interest Receivable			
Cash, Foreign Currency & Other Monetary Assets	200		200
Total Assets	<u>\$ 642,497</u>	<u>\$ 80,941</u>	<u>\$ 723,438</u>
Accounts Payable		\$ 19,344	\$ 19,344
Other Liabilities		\$ 23,613	23,613
Total Liabilities		<u>\$ 42,957</u>	<u>\$ 42,957</u>
Unexpended Appropriations		\$ 54,642	\$ 54,642
Cumulative Results of Operations	\$ 642,497	\$ (16,658)	\$ 625,839
Total Net Position	<u>\$ 642,497</u>	<u>\$ 37,984</u>	<u>\$ 680,481</u>
Total Liabilities and Net Position	<u>\$ 642,497</u>	<u>\$ 80,941</u>	<u>\$ 723,438</u>
Statement of Net Cost For the Period Ended Sept. 30			
Gross Program Costs	\$ 3,752	\$ 578,946	\$ 582,697
Net Program Costs	<u>\$ 3,752</u>	<u>\$ 578,946</u>	<u>\$ 582,697</u>
Net Cost of Operations	<u>\$ 3,752</u>	<u>\$ 578,946</u>	<u>\$ 582,697</u>
Statement of Changes in Net Position For the Period Ended Sept. 30			
Net Position Beginning of Period	\$ 602,186		\$ 602,186
Appropriations Used		\$ 545,358	\$ 545,358
Non-Exchange Revenue	9,270		9,270
Donations of Cash	35,000		35,000
Other Financing Sources	\$ (208)		(208)
Imputed Financing		16,930	16,930
Total Financing Sources	<u>44,062</u>	<u>562,288</u>	<u>606,350</u>
Net Cost of Operations	3,752	578,946	582,697
Change in Net Position	<u>\$ 40,310</u>	<u>\$ (16,658)</u>	<u>\$ 23,653</u>
Appropriations Received		\$ 600,000	\$ 600,000
Appropriations Used		\$ 545,358	\$ 545,358
Total Unexpended Appropriations		<u>\$ 54,642</u>	<u>\$ 54,642</u>
Net Position End of Period	<u>\$ 642,497</u>	<u>\$ 37,984</u>	<u>\$ 680,481</u>

The Christopher Columbus Fellowship Foundation
Notes to Financial Statements
September 30, 2008 and 2007

NOTE 7 – EARMARKED FUNDS (CONTINUED)

FY 2007	CCFF Earmarked Funds	CCFF Other Funds	Total Funds
Balance Sheet as of Sept. 30			
ASSETS			
Fund Balance with Treasury	\$ 631,204		\$ 631,204
Investments			
Taxes & Interest Receivable			
Cash, Foreign Currency & Other Monetary Assets	200		200
Total Assets	<u>\$ 631,404</u>	<u>\$</u>	<u>\$ 631,404</u>
Accounts Payable	\$ 9,766		\$ 9,766
Other Liabilities	19,452		19,452
Total Liabilities	<u>\$ 29,218</u>	<u>\$</u>	<u>\$ 29,218</u>
Cumulative Results of Operations	\$ 602,186		\$ 602,186
Total Liabilities and Net Position	<u>\$ 631,404</u>	<u>\$</u>	<u>\$ 631,404</u>
Statement of Net Cost For the Period Ended Sept. 30			
Gross Program Costs	\$ 728,704	\$ 16,719	\$ 745,422
Net Program Costs	<u>\$ 728,704</u>	<u>\$ 16,719</u>	<u>\$ 745,422</u>
Net Cost of Operations	<u>\$ 728,704</u>	<u>\$ 16,719</u>	<u>\$ 745,422</u>
Statement of Changes in Net Position For the Period Ended Sept. 30			
Net Position Beginning of Period	\$ 1,272,783		\$ 1,272,783
Non-Exchange Revenue	33,107		33,107
Donations of Cash	25,000		25,000
Other Financing Sources			
Imputed Financing		16,719	16,719
Net Cost of Operations	728,704	16,719	745,422
Change in Net Position	<u>\$ (670,597)</u>	<u>\$</u>	<u>\$ (670,597)</u>
Net Position End of Period	<u>\$ 602,186</u>	<u>\$</u>	<u>\$ 602,186</u>

The Christopher Columbus Fellowship Foundation
Notes to Financial Statements
September 30, 2008 and 2007

NOTE 8 – INTRAGOVERNMENTAL COSTS AND EXCHANGE REVENUE

Intragovernmental costs are those of goods/services purchased from a federal entity.

	Total 2008	Total 2007
Program A		
Intrgovernment costs	51,016	49,436
Public costs	531,681	695,986
Total Program A costs	<u>582,697</u>	<u>745,422</u>
Total Program A	<u><u>582,697</u></u>	<u><u>745,422</u></u>

NOTE 9 – APPORTIONMENT CATEGORIES OF OBLIGATIONS INCURRED

All obligations are direct, which is the amount of obligations incurred against amounts apportioned under category A on the latest SF 132 for the appropriated fund. The direct obligations for the trust fund are exempt from apportionment.

	2008	2007
Direct		
Category A	546,419	
Exempt From Apportionment	25,832	732,306
Total Obligations	<u><u>\$572,251</u></u>	<u><u>\$732,306</u></u>

NOTE 10 – UNDELIVERED ORDERS AT THE END OF THE PERIOD

The amount of Unpaid Obligated Balance, Net, End of Period includes obligations relating to Undelivered Orders (good and services contracted for but not yet received at the end of the year) and Accounts Payable (amounts owed at the end of the year for goods and services received).

	Undelivered Orders	Accounts Payable	Unpaid Obligated Balance, Net
2008	\$1,061	26,299	\$27,361 *
2007	\$0	14,376	\$14,376

* Rounding

The Christopher Columbus Fellowship Foundation
Notes to Financial Statements
September 30, 2008 and 2007

**NOTE 11 – RECONCILIATION OF NET COST OF OPERATIONS
(PROPRIETARY) TO BUDGET (FORMERLY THE STATEMENT OF
FINANCING)**

Liabilities not covered by budgetary resources total \$16,658 and the change in components requiring or generating resources in future period shows \$1,816. The \$1,816 is the net increase of future funded expenses – leave between FY07 and FY08. Accrued funded payroll liability is covered by budgetary resources and is included in the net cost of operations. Whereas, the unfunded leave liability includes the expense related to the increase in annual leave liability for which the budgetary resources will be provided in a subsequent period.

	<u>2008</u>	<u>2007</u>
Liabilities not covered by budgetary resources	16,658	14,841
Change in components requiring/generating resources	1,816	(603)

The Christopher Columbus Fellowship Foundation
Notes to Financial Statements
September 30, 2008 and 2007

**NOTE 11 – RECONCILIATION OF NET COST OF OPERATIONS
(PROPRIETARY) TO BUDGET (FORMERLY THE STATEMENT OF
FINANCING) (CONTINUED)**

	2008	2007
<i>Resources Used to Finance Activities:</i>		
Budgetary Resources Obligated		
Obligations Incurred	\$ 572,251	\$ 732,306
Less: Spending At and Recoveries	7,239	3,857
Obligations Net of Offsetting Collections and Recoveries	565,012	728,448
Net Obligations	565,012	728,448
 Other Resources		
Imputed Financing from Costs Absorbed by Others	16,930	16,719
<i>Net Other Resources Used to Finance Activities</i>	16,930	16,719
 <i>Total Resources Used to Finance Activities</i>	581,942	745,167
 <i>Resources Used to Finance Items not Part of the Net Cost of Operations</i>		
Change in Budgetary Resources Obligated for Goods		
Services and Benefits Ordered But Not Yet Provided	1,061	(858)
<i>Total Resources Used to Finance Items Not Part of the Net Cost of Operations</i>	1,061	(858)
 <i>Total Resources Used to Finance the Net Cost of Operations</i>	580,881	746,025
 <i>Components of the Net Cost of Operations that will not Require or Generate Resources in the Current Period:</i>		
<i>Components Requiring or Generating Resources in Future Periods:</i>		
Increase in Annual Leave Liability	1,816	(603)
<i>Total Components of Net Cost of Operations that will Require or Generate Resources in Future Periods</i>	1,816	(603)
<i>Total Components of Net Cost of Operations that will not Require or Generate Resources in the Current Period</i>	1,816	(603)
<i>Net Cost of Operations</i>	582,697	745,422

*Amounts may be off by a dollar due to rounding.

The Christopher Columbus Fellowship Foundation
Notes to Financial Statements
September 30, 2008 and 2007

NOTE 12 – LEASES

The Foundation leases office space at 110 Genesee Street in Auburn, New York. The lease was entered into in February 2000, and had an original expiration date of April 2003. The original lease contained two subsequent options to extend the lease. These were exercised in May 2003 and May 2005, and each option extended the lease for two years. In April 2007, the Foundation negotiated another option and the lease was extended for two years. The current option expires April 30, 2009.

The following is a schedule of minimum lease payments required by the lease:

Year Ending September 30, 2009	<u>\$10,203</u>
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APPENDIX A –
THE CHRISTOPHER COLUMBUS FELLOWSHIP FOUNDATION COMMENTS ON
DRAFT AUDIT REPORT



Christopher Columbus Fellowship Foundation

December 9, 2009

Mr. John J. Wall, CPA
Martin & Wall, P.C.
1633 Q Street, NW
Suite 230
Washington, DC 20009

Dear Mr. Wall:

I have reviewed the draft audit report of the Christopher Columbus Fellowship Foundation for the Fiscal Year ending September 30, 2008. I concur with the facts and conclusions in the draft report.

Sincerely,

Judith M. Shellenberger
Executive Director