

**U.S.- Ukraine Foundation  
Financial Statements for  
Year Ended August 31, 2016**

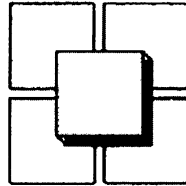
U.S.- Ukraine Foundation, Inc.  
Audited Financial Statements for  
Year Ended August 31, 2016

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Board of Directors  
U.S.-Ukraine Foundation, Inc.

We have audited the accompanying balance sheet of the U.S.-Ukraine Foundation, Inc. at August 31, 2016 and the related statement of activities and cash flows for the years then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 audit provides 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 U.S.-Ukraine Foundation, Inc. as of August 31, 2016, and the results of its operations for the period then ended in conformity with accounting principles generally accepted in the United States.

  
Charchalis & Company, P.A.  
Timonium, Maryland  
July 11, 2017

**U.S.-UKRAINE FOUNDATION  
BALANCE SHEET AT  
AUGUST 31, 2016**

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
<b>ASSETS:</b>				
<b>CURRENT ASSETS:</b>				
CASH-GENERAL ACCOUNT	17,501	15,451	-	32,952
CASH & INVESTMENTS	-	-	145,553	145,553
PREPAID EXPENSES	680	-	3,685	4,365
ACCOUNT RECEIVABLE	201	-	72,374	72,575
<b>TOTAL ASSETS</b>	<b>\$ 18,382</b>	<b>\$ 15,451</b>	<b>\$ 221,612</b>	<b>255,445</b>
<b>LIABILITIES AND NET ASSETS:</b>				
<b>CURRENT LIABILITIES:</b>				
<b>DEFERRED REVENUE:</b>				
- OPEN WORLD	-	15,451	-	15,451
ACCOUNTS PAYABLE	104,003	-	3,440	107,443
PAYROLL TAXES PAYABLE	4,329	-	-	4,329
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 108,332</b>	<b>\$ 15,451</b>	<b>\$ 3,440</b>	<b>127,223</b>
<b>NET ASSETS:</b>	<b>(89,950)</b>	<b>-</b>	<b>218,172</b>	<b>128,222</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 18,382</b>	<b>\$ 15,451</b>	<b>\$ 221,612</b>	<b>\$ 255,445</b>

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.  
STATEMENT OF FINANCIAL POSITION  
FOR YEAR ENDED AUGUST 31, 2016**

**ASSETS:**

CURRENT ASSETS:

CASH-GENERAL	\$	32,952
CASH AND INVESTMENTS		145,553
PREPAID EXPENSES		4,365
ACCOUNTS RECEIVABLE		72,575
TOTAL CURRENT ASSETS		255,445
<b>TOTAL ASSETS</b>		<b>255,445</b>

**LIABILITIES AND NET ASSETS:**

DEFERRED REVENUE:		
OPEN WORLD		15,451
ACCOUNTS PAYABLE		107,443
PAYROLL TAXES PAYABLE		4,329
TOTAL LIABILITIES		127,223
NET ASSETS: UNRESTRICTED		(89,950)
TEMPORARILY RESTRICTED		-
PERMANENTLY RESTRICTED		218,172
TOTAL NET ASSETS		128,222
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$</b>	<b>255,445</b>

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.  
STATEMENT OF CASH FLOWS  
FOR YEAR ENDED AUGUST 31, 2016**

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
SURPLUS/(DEFICIT) FROM OPERATIONS	\$ (3,208)	\$ -	\$ 3,663	\$ 455
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
(DECREASE) IN DEFERRED REVENUE	(3,500)	-	-	(3,500)
(DECREASE) IN DEFERRED GRANT REVENUE	-	(14,205)	-	(14,205)
INCREASE IN PAYROLL TAX PAYABLE	1,511	-	-	1,511
(DECREASE) / INCREASE IN ACCOUNTS PAYABLE	(10,649)	-	3,440	(7,209)
(DECREASE) / INCREASE IN PREPAID EXPENSES	920	-	(3,685)	(2,765)
(DECREASE) / INCREASE IN RECEIVABLES	26,526	-	(31,507)	(4,981)
(DECREASE) / INCREASE IN CASH	<u>11,600</u>	<u>(14,205)</u>	<u>(28,089)</u>	<u>(30,694)</u>
<b>BEGINNING CASH 8/31/15</b>	<u>55,762</u>	<u>-</u>	<u>153,437</u>	<u>209,199</u>
<b>ENDING CASH 08/31/16</b>	<u>\$ 67,362</u>	<u>\$ (14,205)</u>	<u>\$ 125,348</u>	<u>\$ 178,505</u>

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.**  
**STATEMENT OF UNRESTRICTED REVENUES, EXPENSES, AND**  
**CHANGES IN UNRESTRICTED NET ASSETS**  
**FOR YEAR ENDED AUGUST 31, 2016**

**UNRESTRICTED REVENUE:**

FUND RAISING CASH CONTRIBUTIONS	\$	256,641
NON CASH CONTRIBUTIONS	\$	148,500
PROGRAM SERVICE		52,149
NON PROGRAM REVENUE		400
INTEREST/DIVIDENDS		206
IN KIND CONTRIBUTIONS		137,631
UNREALIZED GAIN ON INVESTMENT		85
TOTAL UNRESTRICTED REVENUE		<u>595,612</u>
NET ASSETS RELEASED FROM RESTRICTIONS:		-
TOTAL UNRESTRICTED REVENUE		<u>595,612</u>

**EXPENSES:**

GENERAL EXPENSES		<u>598,820</u>
TOTAL UNRESTRICTED EXPENSES		598,820

<b>DECREASE IN UNRESTRICTED NET ASSETS</b>	<b>\$</b>	<b><u><u>(3,208)</u></u></b>
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**U.S.-UKRAINE FOUNDATION, INC.**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR YEAR ENDED AUGUST 31, 2016**

<b>REVENUE/OTHER SUPPORT:</b>	<b><u>UNRESTRICTED</u></b>	<b><u>TEMPORARILY RESTRICTED</u></b>	<b><u>PERMANENTLY RESTRICTED</u></b>	<b><u>TOTAL</u></b>
UNRESTRICTED REVENUE	\$ 595,612	\$ 208,612	\$ 47,849	\$ 852,073
NET ASSETS RELEASED FROM RESTRICTIONS:	-	-	-	-
TOTAL REVENUE	<u>595,612</u>	<u>208,612</u>	<u>47,849</u>	<u>852,073</u>
EXPENSES	598,820	208,612	44,186	851,618
INCREASE (DECREASE) IN NET ASSETS	(3,208)	-	3,663	455
NET ASSETS 08/31/15	<u>(86,742)</u>	<u>-</u>	<u>214,509</u>	<u>127,767</u>
<b>NET ASSETS 08/31/16</b>	<b><u>\$ (89,950)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 218,172</u></b>	<b><u>\$ 128,222</u></b>

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR YEAR ENDED AUGUST 31, 2016**

<b>REVENUE/OTHER SUPPORT:</b>	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
CASH CONTRIBUTIONS	\$ 256,641	\$ -	\$ 8,775	\$ 265,416
OPEN WORLD	-	91,300	-	91,300
UKR 2020	-	-	-	-
SUTARUK FUND	-	-	39,000	39,000
KOVALUK SCHOLARSHIP	-	-	-	-
NON-CASH CONTRIBUTIONS	148,500	-	-	148,500
PROGRAM SERVICE	52,149	-	-	52,149
NON-PROGRAM REVENUE	400	-	-	400
SPECIAL EVENTS	-	-	-	-
INTEREST/DIVIDENDS	206	-	74	280
IN KIND CONTRIBUTIONS	137,631	117,312	-	254,943
UNREALIZED GAIN ON INVESTMENT	85	-	-	85
NET ASSETS RELEASED FROM RESTRICTIONS: SATISFACTION OF PROGRAM RESTRICTIONS:	-	-	-	-
<b>TOTAL REVENUE</b>	<u>\$ 595,612</u>	<u>\$ 208,612</u>	<u>\$ 47,849</u>	<u>\$ 852,073</u>
 <b>EXPENSES:</b>				
INSURANCE	\$ 1,366	-	-	1,366
ACCOUNTING FEES	4,390	-	-	4,390
RENT	27,228	-	-	27,228
EMPLOYEE BENEFITS	9,040	-	-	9,040
GRANTS/ALLOCATIONS	169,679	77,864	43,250	290,793
FEES-PROFESSIONAL & CONTRACTS	23,151	-	-	23,151
TRAVEL/PARKING	5,430	-	-	5,430
OFFICE EXPENSES	30,989	-	936	31,925
INFORMATIONAL TECHNOLOGY	806	-	-	806
CONFERENCES	64,775	-	-	64,775
SALARIES-US	105,282	13,436	-	118,718
PAYROLL TAX	10,519	-	-	10,519
INTEREST	8,534	-	-	8,534
DONATED SERVICES	137,631	117,312	-	254,943
<b>TOTAL EXPENSES</b>	<u>\$ 598,820</u>	<u>\$ 208,612</u>	<u>\$ 44,186</u>	<u>\$ 851,618</u>
 <b>CHANGE IN NET ASSETS</b>	 (3,208)	 -	 3,663	 455
 NET ASSETS 08/31/2015	 \$ (86,742)	 \$ -	 \$ 214,509	 \$ 127,767
<b>NET ASSETS 08/31/2016</b>	<u><u>\$ (89,950)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 218,172</u></u>	<u><u>\$ 128,222</u></u>

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR YEAR ENDED AUGUST 31, 2016**

INSURANCE	\$	1,366
ACCOUNTING FEES		4,390
RENT		27,228
EMPLOYEE BENEFITS		9,040
GRANTS/ALLOCATIONS		290,793
FEES-PROFESSIONAL & CONTRACTS		23,151
TRAVEL/PARKING		5,430
OFFICE EXPENSES		31,925
INFORMATIONAL TECHNOLOGY		806
CONFERENCES		64,775
SALARIES-US		118,718
PAYROLL TAX		10,519
INTEREST		8,534
DONATED SERVICES		254,943
TOTAL EXPENSES	<u>\$</u>	<u>851,618</u>

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
FOR PERIOD ENDING 8/31/16**

	<u>UNITED STATES INFORMATION SYSTEM</u>	<u>GRANT NUMBER</u>	<u>PROJECT PERIOD</u>	<u>TOTAL GRANT AWARD</u>	<u>ACCRUED GRANT REVENUE SEPTEMBER 1, 2015</u>	<u>CASH RECEIVED 9/1/15- 8/31/16</u>	<u>REVENUE RECOGNIZED</u>	<u>EXPENDITURES</u>	<u>ACCRUED GRANT REVENUE AUGUST 31, 2016</u>
OPEN WORLD	LOC	OWLC-1502	01/1/15- 12/31/2015	\$ 115,000	29,657	19,174	48,831	48,831	\$ -
OPEN WORLD	LOC	OWLC-1602	1/1/16- 12/31/2016	\$ 65,840	\$ -	57,921	42,470	42,470	\$ 15,451

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.  
SCHEDULE OF FINANCIAL ASSISTANCE  
FOR PERIOD ENDING 8/31/16**

<u>GRANT NUMBER</u>	<u>PROJECT PERIOD</u>	<u>TOTAL GRANT AWARD</u>	<u>ACCRUED GRANT REVENUE SEPTEMBER 1, 2015</u>	<u>CASH RECEIVED 9/1/15 - 8/31/16</u>	<u>REVENUE RECOGNIZED</u>	<u>EXPENDITURES</u>	<u>ACCRUED GRANT REVENUE AUGUST 31, 2016</u>
<b>HEALTH CARE AND HUMANITARIAN AID PROGRAM</b>		-	80,925	195,144	276,069	172,595	103,474
<b>ECONOMIC DEVELOPMENT PROGRAM</b>		-	(102,059)	100	(101,959)	19,715	(121,674)
PETRACH FUND PROJECT		-	322,695	154	322,849	-	322,849
ZAPYTIV COMMUNITY DEVELOPMENT FUND		-	29,957	14	29,971	-	29,971
<b>PUBLIC POLICY PROGRAM</b>		-	(203,925)	-	(203,925)	7,987	(211,912)
<b>EDUCATION PROGRAM</b>		-	10,583	889	11,472	3,500	7,972
KOVALUK SCHOLARSHIP FUND		-	114,087	9,324	123,411	766	122,645
MARYNIUK SCHOLARSHIP FUND		-	92,597	(19,895)	72,702	-	72,702
SUTARUK SCHOLARSHIP FUND		-	52,364	39,109	91,473	39,920	51,553
<b>INFORMATIONAL SERVICES AND DEVELOPMENT</b>		-	144,021	206,287	350,308	223,178	127,130

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.  
 FUND ACCOUNTABILITY STATEMENT  
 OPEN WORLD CIVIC HOSTING PROJECT  
 AWARD # OWLC-1502  
 FOR YEAR ENDED AUGUST 31, 2016**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>QUESTIONED COSTS</u>		<u>REFERENCE NOTES</u>
			<u>INELIGIBLE</u>	<u>UNSUPPORTED</u>	
REVENUE:	\$ 115,000	\$48,831			15
PROGRAM EXPENDITURES:					
SALARIES AND BENEFITS	16,260	1,303			
DIRECT PROGRAM EXPENSES (TRAVEL)	64,940	27,955			
OFFICE	5,000	373			
GRANTS	28,800	19,200			
TOTAL EXPENDITURES	\$115,000	48,831			
ALLOCATED INDIRECT COSTS	-	2,033			
DEFICIT	\$ -	\$ (2,033)			

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.  
 FUND ACCOUNTABILITY STATEMENT  
 OPEN WORLD CIVIC HOSTING PROJECT  
 AWARD # OWLC-1602  
 FOR YEAR ENDED AUGUST 31, 2016**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>QUESTIONED COSTS</u>		<u>REFERENCE NOTES</u>
			<u>INELIGIBLE</u>	<u>UNSUPPORTED</u>	
REVENUE:	\$ 65,840	\$42,470			16
PROGRAM EXPENDITURES:					
SALARIES AND BENEFITS	12,400	12,133			
DIRECT PROGRAM EXPENSES (TRAVEL)	26,740	13,254			
OFFICE	3,500	23			
GRANTS	23,200	17,060			
TOTAL EXPENDITURES	\$65,840	42,470			
ALLOCATED INDIRECT COSTS	-	18,931			
DEFICIT	\$ -	\$ (18,931)			

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.**  
**FUND ACCOUNTABILITY STATEMENT**  
**PETRACH COMMUNITY DEVELOPMENT**  
**FUND FOR STARIJ DOBROTVIR**  
**FOR YEAR ENDED AUGUST 31, 2016**

<u>REVENUE</u>	<u>ACTUAL</u>	<u>QUESTIONED COSTS</u>	<u>REFERENCE</u>
		<u>INELIGIBLE</u>	<u>UNSUPPORTED</u>
			<u>NOTE</u>
DONATIONS	\$ -		8
INTEREST/DIVIDENDS	109		
UNREALIZED GAIN/LOSS ON INVESTMENT	45		
TOTAL REVENUE	<u>\$ 154</u>		
EXPENDITURES	<u>-</u>		
SURPLUS	<u>\$ 154</u>		

SEE NOTES TO FINANCIAL STATEMENTS



**U.S.-UKRAINE FOUNDATION, INC.  
 FUND ACCOUNTABILITY STATEMENT  
 HEALTH CARE & HUMANITARIAN AID PROGRAM  
 FOR YEAR ENDED AUGUST 31, 2016**

	<u>ACTUAL</u>	<u>QUESTIONED COSTS</u>		<u>REFERENCE</u>
		<u>INELIGIBLE</u>	<u>UNSUPPORTED</u>	<u>NOTE</u>
REVENUE:				6
GENERAL CONTRIBUTIONS	\$ 195,144			
 EXPENSES:				
GRANTS	162,072			
BANK FEES	200			
CONFERENCES & MEETINGS	723			
OFFICE: SHIPPING	8,400			
OFFICE: SUPPLIES	<u>1,200</u>			
TOTAL EXPENSES			<u>172,595</u>	
 SURPLUS			<u>\$ 22,549</u>	

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.  
 FUND ACCOUNTABILITY STATEMENT  
 INFORMATION SERVICES  
 FOR YEAR ENDED AUGUST 31, 2016**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>QUESTIONED COSTS</u>		<u>REFERENCE NOTES</u>
			<u>INELIGIBLE</u>	<u>UNSUPPORTED</u>	
REVENUE:					7, 18, 19, 21
DONATIONS		\$ 205,887			
ADVERTISING		<u>400</u>			
TOTAL REVENUE		\$ 206,287			
PUBLIC AFFAIRS/ EXPENDITURES:					
BANK FEES		12,273			
CONFERENCES & MEETINGS		62,040			
GOVT RELATIONS/LOBBYING		-			
POSTAGE		-			
PRINTING		792			
SALARIES		56,218			
SUPPLIES		4,000			
TELEPHONE		-			
TRAVEL		<u>138</u>			
SUB-TOTAL PUBLIC AFFAIRS/EXPENDITURES		<u>135,461</u>			
TOTAL EXPENDITURES		135,461			
ALLOCATED INDIRECT COSTS		<u>87,717</u>			
DEFICIT		<u>\$ (16,891)</u>			

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.  
 FUND ACCOUNTABILITY STATEMENT  
 EDUCATION PROGRAM  
 FOR YEAR ENDED AUGUST 31, 2016**

	<u>BUDGET</u>	<u>ACTUAL</u>	QUESTIONED COSTS <u>INELIGIBLE</u>	<u>UNSUPPORTED</u>	<u>REFERENCE NOTES</u>
CONTRIBUTIONS:					9
EDUCATION PROGRAM DONATIONS		\$ 4,009			
INCOME DIRECTED TO EDUCATION PROGRAM FUNDS		<u>(3,120)</u>			
TOTAL REVENUE		\$ 889			
PROGRAM EXPENDITURES:					
<u>KOVALUK SCHOLARSHIP EXPENSES</u>					
GRANTS/ALLOCATIONS		750			
POSTAGE & HANDLING		<u>16</u>			
SUB-TOTAL		766			
<u>SUTARUK SCHOLARSHIP EXPENSES</u>					
GRANTS/ALLOCATIONS		39,000			
OFFICE: POSTAGE		-			
UKRAINE MEETINGS		-			
SHIPPING/HANDLING		<u>920</u>			
SUB-TOTAL		39,920			
<u>OTHER EXPENSES</u>					
BANK FEES		-			
CONF/MEETING		-			
OFFICE: POSTAGE		-			
PROFESSIONAL SERVICES		<u>-</u>			
SUB-TOTAL		-			
<u>GRANTS/ALLOCATIONS:</u>					
- UKRAINE MATH AWARD PROGRAM		3,500			
PROFESSIONAL SERVICES		-			
TRAVEL		<u>-</u>			
SUB-TOTAL		3,500			
TOTAL EXPENDITURES		44,186			
ALLOCATED INDIRECT COSTS		-			
(LESS AVAILABLE SUTARUK RESTRICTED FUNDS)		(39,920)			
(LESS AVAILABLE KOVALUK RESTRICTED FUNDS)		<u>(766)</u>			
DEFICIT		<u>\$ (2,611)</u>			

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.  
 FUND ACCOUNTABILITY STATEMENT  
 PUBLIC POLICY PROGRAM  
 FOR YEAR ENDED AUGUST 31, 2016**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>QUESTIONED COSTS INELIGIBLE</u>	<u>UNSUPPORTED</u>	<u>REFERENCE NOTES</u>
<b>REVENUE:</b>					
CONTRIBUTIONS		\$ -			11, 20
<b>PROGRAM EXPENDITURES:</b>					
FEEES		-			
SALARY		-			
PRINTING		380			
<b>GRANTS/ALLOCATIONS:</b>					
PYLYP ORLYK INSTITUTE		<u>7,607</u>			
<b>TOTAL PROGRAM EXPENDITURES</b>		<u>7,987</u>			
ALLOCATED INDIRECT COSTS		-			
<b>DEFICIT</b>		<u>\$ (7,987)</u>			

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.**  
**FUND ACCOUNTABILITY STATEMENT**  
**KOVALUK SCHOLARSHIP FUND**  
**FOR YEAR ENDED AUGUST 31, 2016**

<u>REVENUE</u>	<u>ACTUAL</u>	<u>QUESTIONED COSTS</u>		<u>REFERENCE</u>
		<u>INELIGIBLE</u>	<u>UNSUPPORTED</u>	<u>NOTE</u>
DONATIONS	\$ 8,775			10
INTEREST/DIVIDENDS	59			
GAIN/LOSS ON INVESTMENT	<u>490</u>			
TOTAL	9,324			
<u>EXPENDITURES</u>				
STIPENDS	750			
SHIPPING/HANDLING	<u>16</u>			
TOTAL	766			
SURPLUS	<u>\$ 8,558</u>			

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.  
 FUND ACCOUNTABILITY STATEMENT  
 MARYNIUK SCHOLARSHIP FUND  
 FOR YEAR ENDED AUGUST 31, 2016**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>QUESTIONED COSTS</u>		<u>REFERENCE NOTE</u>
			<u>INELIGIBLE</u>	<u>UNSUPPORTED</u>	
REVENUE:					5
DIVIDENDS		\$ 74			
UNREALIZED GAIN ON INVESTMENT		40			
OTHER INCOME		2,545			
FUND RECONCILIATION		(22,554)			
ADMIN FEE		-			
TOTAL REVENUE		<u>(19,895)</u>			
EXPENDITURES:					
SCHOLARSHIPS		-			
TOTAL EXPENDITURES		<u>-</u>			
DEFICIT		<u>\$ (19,895)</u>			

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.**  
**FUND ACCOUNTABILITY STATEMENT**  
**ECONOMIC DEVELOPMENT PROGRAM**  
**FOR YEAR ENDED AUGUST 31, 2016**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>QUESTIONED COSTS</u>		<u>REFERENCE</u>
			<u>INELIGIBLE</u>	<u>UNSUPPORTED</u>	<u>NOTES</u>
REVENUE:					12
DONATIONS		\$ 100			
EXPENDITURES					
KHARKIV PROJECT FEES		10,878			
KHARKIV PROJECT SALARY		3,350			
PRINTING		<u>260</u>			
TOTAL EXPENDITURES		14,488			
ALLOCATED INDIRECT COSTS		<u>5,227</u>			
DEFICIT		<u>\$ (19,615)</u>			

SEE NOTES TO FINANCIAL STATEMENTS

**U.S.-UKRAINE FOUNDATION, INC.**  
**FUND ACCOUNTABILITY STATEMENT**  
**ZAPYTIV COMMUNITY DEVELOPMENT FUND**  
**FOR YEAR ENDED AUGUST 31, 2016**

<u>REVENUE</u>	<u>ACTUAL</u>	<u>QUESTIONED COSTS</u>		<u>REFERENCE</u>
		<u>INELIGIBLE</u>	<u>UNSUPPORTED</u>	<u>NOTE</u>
DONATIONS	\$ -			13
INCOME	14			
GAIN/LOSS ON INVESTMENT	-			
TOTAL REVENUE	<u>14</u>			
 EXPENDITURES	 -			
 SURPLUS	 <u>\$ 14</u>			

SEE NOTES TO FINANCIAL STATEMENTS



**U.S.-UKRAINE FOUNDATION, INC.  
 FUND ACCOUNTABILITY STATEMENT  
 SUTARUK SCHOLARSHIP FUND  
 FOR YEAR ENDED AUGUST 31, 2016**

<u>REVENUE</u>	<u>ACTUAL</u>	<u>QUESTIONED COSTS</u>		<u>REFERENCE</u>
		<u>INELIGIBLE</u>	<u>UNSUPPORTED</u>	<u>NOTE</u>
DONATIONS	\$ 39,000			14
INTEREST/DIVIDENDS	24			
OTHER INCOME	85			
ADMIN FEE	-			
TOTAL REVENUE	<u>39,109</u>			
 <u>EXPENDITURES</u>				
SCHOLARSHIPS	39,000			
MEETINGS	-			
SHIPPING/HANDLING	920			
TOTAL EXPENDITURES	<u>39,920</u>			
 <b>DEFICIT</b>	 <u><u>\$ (811)</u></u>			

**U.S.-UKRAINE FOUNDATION**  
**STATEMENT OF EXPENSES, INDIRECT COSTS AND DONATED SERVICES**  
**FOR YEAR ENDED AUGUST 31, 2016**

TOTAL COSTS	MGMT & GENL UNALLOW	MGMT & GENL ALLOW	FUND- RAISING	PROGRAM SERVICES TOTAL	ECONO DEVEL	EDUC PROG	HUMAN AID	PUBLIC POLICY PROG	INFO SVCS	OPEN WORLD PROJ	
ACCOUNTING FEES	4,390	-	4,390	-	-	-	-	-	-	-	
ADVERTISING	0	-	-	-	-	-	-	-	-	-	
CONFERENCES & MEETINGS	64,775	-	1,020	992	62,763	-	723	-	62,040	-	
EMPLOYEE BENEFITS	9,040	-	9,040	-	-	-	-	-	-	-	
FEES FOR SERVICES	23,151	-	-	23,151	10,878	-	-	-	12,273	-	
FEES-UKR TAXES ON SVCS	0	-	-	-	-	-	-	-	-	-	
GRANTS/ALLOCATIONS	290,793	-	-	290,793	-	43,250	162,072	7,607	-	77,864	
INFORMATIONAL TECHNO	806	-	806	-	-	-	-	-	-	-	
INSUR - GEN'L LIAB	1,366	-	1,366	-	-	-	-	-	-	-	
INTEREST	8,534	8,534	-	-	-	-	-	-	-	-	
LEGAL FEES	0	-	-	-	-	-	-	-	-	-	
OCCUPANCY/RENT	27,228	347	26,881	-	-	-	-	-	-	-	
OFFICE EXPENSES	31,925	-	8,910	6,847	16,168	260	936	9,800	380	4,792	
PAYROLL TAXES - UKRAINE	0	-	-	-	-	-	-	-	-	-	
PAYROLL TAXES - U.S.	10,519	-	10,519	-	-	-	-	-	-	-	
SALARY/WAGES-UKRAINE	0	-	-	-	-	-	-	-	-	-	
SALARY/WAGES-US	118,718	-	45,714	-	73,004	3,350	-	-	56,218	13,436	
TRAVEL	5,430	-	5,262	30	138	-	-	-	138	-	
<b>TOTAL</b>	<b>\$596,675</b>	<b>\$8,881</b>	<b>\$113,908</b>	<b>\$7,869</b>	<b>\$ 466,017</b>	<b>\$14,488</b>	<b>\$44,186</b>	<b>\$172,595</b>	<b>\$7,987</b>	<b>\$135,461</b>	<b>\$91,300</b>

Allocation of Indirect Costs at 156.03% (on Direct Salaries)	TOTAL	ECONO	EDUC	HUMAN	PUBLIC	INFO	OW
	\$113,908	\$5,227	\$0	\$0	\$0	\$87,717	\$20,964

Donated Services/ In-Kind Contributions	TOTAL	MGMT & GENL	FUND- RAISING	PROGRAM TOTAL	ECONO	EDUC	HUMAN	PUBLIC POLICY	INFO SVCS	OPEN WORLD
	\$254,943	\$27,500	\$5,000	\$222,443	\$ 5,500	\$2,500	\$19,150	\$16,150	\$61,831	\$117,312

SEE NOTES TO FINANCIAL STATEMENTS

U.S.- Ukraine Foundation, Inc.  
Independent Auditor's Schedule of  
Findings and Questioned Costs  
for the Year Ended August 31, 2016

Section I - Summary of Auditors Results

Financial Statements

Type of auditors report issued: Unqualified

Internal Control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ yes X no

Significant deficiency(ies) identified that  
are not considered to be material weaknesses \_\_\_\_\_ yes X none

Noncompliance material to financial statements  
noted? \_\_\_\_\_ yes X no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? \_\_\_\_\_ yes X no

Significant deficiency(ies) identified that  
are not considered to be material weaknesses \_\_\_\_\_ yes X none

Type of auditors report issued on compliance  
For major programs: Unqualified

Any audit findings disclosed that are required  
to be reported in accordance with  
section 510(a) OMB Circular A-133? \_\_\_\_\_ yes X no

Section II - Financial Statement Findings

None

Corrective Action Plan:  
None Recommended

**U.S.-UKRAINE FOUNDATION**

**STATUS OF PRIOR-YEAR FINDINGS**

**FOR YEAR ENDED AUGUST 31, 2016**

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<i>Last Year's Findings</i>	<i>Status of Findings This Year</i>	<i>Disposition</i>	<i>Status of Prior-Year Audit Findings*</i>
1.NONE	1.NONE	1. N/A	1. N/A
2.	2.	2.	2.
3.	3.	3.	3.
4.	4.	4.	4.
5.	5.	5.	5.
6.	6.	6.	6.

U.S.-Ukraine Foundation, Inc.  
Notes to Financial Statements  
For Year Ended August 31, 2016

1. The U.S. - Ukraine Foundation, Inc. was formed under the Virginia Non-stock Corporate Act and is registered as an organization exempt from tax under the Internal Revenue Code Section 501 (c) (3) and operates on a fiscal year ending August 31.
2. The U.S. - Ukraine Foundation is an independent, non-commercial, non-sectarian organization. The purpose of the U.S. - Ukraine Foundation is to promote democratic values in Ukraine, providing humanitarian, ecological, medical, scientific and cultural assistance to Ukraine as well as advancing an understanding of Ukraine in the U.S.
3. The U.S.- Ukraine Foundation was not formed for pecuniary or financial gain, and in no part of its assets, income, or profit is distributable to, or inures to the benefit of, its directors or officers.
4. Funds collected or obtained by the U.S. - Ukraine Foundation through membership fees, annual dues, private foundations, fund-raisers, and other charitable events shall be used to promote the objectives of the organization. The U.S.-Ukraine Foundation held the annual board of directors meeting on August 25, 2016.
5. Maryniuk Scholarship Fund – The Foundation is administering a scholarship fund for the benefit of students in Zheldets, Ukraine (Lviv Oblast). The fund’s end-of-year value was \$ 72,702.
6. Health Care and Humanitarian Aid Program - U.S.-Ukraine Foundation’s Program to improve health care in Ukraine as well as provide humanitarian aid.
7. Informational Services – The Foundation informs the general public about its activities in the U.S. and Ukraine, the mutual objectives of both nations, and areas for assistance. Support is for the Foundation’s e-newsletter, *Update*, and meetings with the public.
8. Petrach Community Development Fund for Starij Dobrotvir - The William Petrach Charitable Trust awarded the Foundation funds to support on-going community needs in Starij Dobrotvir, Ukraine. The fund’s year end value was \$322,849.
9. Education Program – This program educates the public regarding Ukraine and the U.S. and provides assistance to institutions and individuals in expanding educational opportunities relating to public policy, economic development, health care, leadership and democratic values. Cash grants were awarded during the year.
10. Melania Denys Kovaluk Scholarship Fund - The Foundation and the Canada Ukraine Foundation (CUF) are administering a scholarship fund for the benefit of students in the village of Zabolotivci (Lviv Oblast). The fund totaled \$122,645 at year end.
11. Public Policy Program - Grant assistance was provided to the Pylyp Orlyk Institute for Democracy, a public policy informational resource center in Kyiv.
12. Economic Development Program- The program includes expenses for the Foundation’s business informational service on its website (*Market of Ukraine*), promoting travel to Ukraine, and other economic development efforts.
13. Zapytiv Community Development Fund – A fund, established with initial gifts from the Family of Mychailo and Irena Boyko, to benefit the citizens of Zapytiv (Lviv oblast). A library/resource center has been constructed. The fund’s year-end value was \$29,971.
14. Sutaruk Scholarship Fund - The Foundation established the Sutaruk Scholarship Fund for the benefit of students in Dubno (Rivne oblast), Netishyn and Slavuta (Khmelnytskyj oblast). The fund’s end-of-year value was \$51,553.
15. 2015 Ukraine Civic Hosting Program #OWLC-1502 - The Open World Leadership Center of the Library of Congress awarded the Foundation a \$115,000 grant to host 60 Ukrainian officials in the communities of Birmingham, AL, Chicago, IK, Cincinnati, OH, Kansas City, MO, Louisville, KY, Modesto, CA, Omaha, NE, Rochester, NY, Santa Fe, NM, and Springfield, IL.

16. 2016 Ukraine Civic Hosting Program #OWLC-1602 - The Open World Leadership Center of the Library of Congress awarded the Foundation a \$65,840 grant to host 42 Ukrainian leaders in the cities of Birmingham, AL, Cincinnati, OH, Kansas City, MO, Little Rock, AR, Longview, TX, Modesto, CA, and Santa Fe, NM.

17. In-Kind Contributions/Services were provided as follows:

Humanitarian Aid	\$	19,150
Info Services	\$	61,831
Open World Projects	\$	117,312
Economic Dev Program	\$	5,500
Education	\$	2,500
Public Policy Program	\$	16,150
Management and General	\$	27,500
Fund Raising	\$	5,000
Total	\$	254,943

18. The Foundation had unrelated business income of \$400 comprising of public relations and advertising fees. The Foundation has appropriately submitted its annual Federal Form 990 and a Federal Form 990-T, disclosing this income.

19. The Foundation did not incur any lobbying expenses during the year. This amount was also reflected in the organization's Federal Form 990.

20. The Foundation provided grant support of \$7,607 to the Pylyp Orlyk Institute for Democracy (POID). In addition, the Foundation provided POID with free rental space in its Kyiv office calculated on a square meter basis at a cost of \$347. This amount has reduced the organization's allowable management overhead costs for Federal Indirect Cost calculations and is reflected on the Statement of Expenses, Indirect Costs and Donated Services.

21. The Foundation was found eligible for inclusion in the 2016 Combined Federal Campaign (CFC) Charity List by the U.S. Office of Personnel Management. The Foundation's CFC code is 53914.