



**INDEPENDENT AUDITOR'S REPORT AND
FINANCIAL STATEMENTS**

For the Years Ended December 31, 2009 and 2008

Allen P. DeLeon, CPA, P.C.
Richard C. Stang, CPA, P.C.
Jody H. Vilardo



...improving the financial lives
of our clients, our staff
& our community with
integrity, trust & innovation

**Board of Directors
AAA Foundation for Traffic Safety
Washington, DC**

We have audited the accompanying statements of financial position of the **AAA Foundation for Traffic Safety** (the Foundation) as of December 31, 2009 and 2008, and the related statements of activity and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management; our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. Generally Accepted Auditing Standards. 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 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, based on our audit, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2009 and 2008, and the results of its operations and cash flows for the years then ended in conformity with U.S. Generally Accepted Accounting Principles (GAAP).

Our audits were made for the purpose of forming an opinion on the basic financial statements of the Foundation taken as a whole. The supplementary information, on pages 15-16, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

DeLeon & Stang
**DeLeon & Stang, CPAs
Gaithersburg, Maryland
April 21, 2010**

AAA FOUNDATION FOR TRAFFIC SAFETY
Statements of Financial Position
December 31, 2009 and 2008

	2009	2008
ASSETS		
Cash and cash equivalents	\$ 657,553	\$ 580,169
Investments, at fair value	8,694,088	6,203,708
Accounts receivable	552,572	504,514
Pledge endowment receivable	2,307,144	3,303,080
Inventory	88,692	101,210
Prepaid expenses and other assets	41,596	21,585
Furniture and equipment, net of accumulated depreciation of \$234,421 in 2009 and \$211,604 in 2008	53,648	72,344
Total assets	\$ 12,395,293	\$ 10,786,611
LIABILITIES AND NET ASSETS		
<u>Liabilities:</u>		
Accounts payable and accrued expenses	\$ 338,132	\$ 390,772
Accrued pension liability	145,310	399,410
Unamortized endowment contribution discount	74,357	98,213
Total liabilities	557,799	888,395
<u>Net Assets:</u>		
Net assets, unrestricted	2,025,777	310,557
Net assets, unrestricted, Board designated for endowment	3,030,000	3,030,000
Net assets, unrestricted	5,055,777	3,340,557
Net assets, temporarily restricted	317,427	117,224
Net assets, permanently restricted for endowment	6,464,290	6,440,435
Net assets, restricted	6,781,717	6,557,659
Total net assets	11,837,494	9,898,216
Total liabilities and net assets	\$ 12,395,293	\$ 10,786,611

AAA FOUNDATION FOR TRAFFIC SAFETY
Statements of Activity and Changes in Net Assets
For the Years Ended December 31, 2009 and 2008

<u>Revenue and support:</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2009 Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2008 Total</u>
Contributions from AAA affiliated organizations and others	\$ 2,348,642	\$ 740,686	\$ 23,855	\$ 3,113,184	\$ 2,498,943	\$ 669,399	\$ 617,223	\$ 3,785,566
Sales of videos and guides and other	263,996	-	-	263,996	185,024	-	-	185,024
Investment income (loss)	1,627,450	-	-	1,627,450	(2,579,462)	-	-	(2,579,462)
Net assets released from restrictions	<u>540,484</u>	<u>(540,484)</u>	<u>-</u>	<u>-</u>	<u>675,924</u>	<u>(675,924)</u>	<u>-</u>	<u>-</u>
Total revenue and support	4,780,572	200,203	23,855	5,004,630	780,429	(6,525)	617,223	1,391,127
<u>Expenses and losses:</u>								
<u>Program services:</u>								
Research	1,788,363	-	-	1,788,363	1,802,385	-	-	1,802,385
Public education	795,885	-	-	795,885	831,254	-	-	831,254
Product sales	<u>154,092</u>	<u>-</u>	<u>-</u>	<u>154,092</u>	<u>155,521</u>	<u>-</u>	<u>-</u>	<u>155,521</u>
Total program services	2,738,340	-	-	2,738,340	2,789,160	-	-	2,789,160
<u>Supporting services:</u>								
Management and general	168,466	-	-	168,466	590,310	-	-	590,310
Fundraising	<u>158,548</u>	<u>-</u>	<u>-</u>	<u>158,548</u>	<u>219,138</u>	<u>-</u>	<u>-</u>	<u>219,138</u>
Total supporting services	<u>327,014</u>	<u>-</u>	<u>-</u>	<u>327,014</u>	<u>809,448</u>	<u>-</u>	<u>-</u>	<u>809,448</u>
Total expenses and losses	<u>3,065,354</u>	<u>-</u>	<u>-</u>	<u>3,065,354</u>	<u>3,598,608</u>	<u>-</u>	<u>-</u>	<u>3,598,608</u>
Change in net assets,	1,715,218	200,203	23,855	1,939,276	(2,818,180)	(6,525)	617,223	(2,207,482)
Net assets, beginning of year	<u>3,340,558</u>	<u>117,224</u>	<u>6,440,435</u>	<u>9,898,216</u>	<u>6,158,737</u>	<u>123,749</u>	<u>5,823,212</u>	<u>12,105,698</u>
Net assets, end of year	<u>\$ 5,055,777</u>	<u>\$ 317,427</u>	<u>\$ 6,464,290</u>	<u>\$ 11,837,494</u>	<u>\$ 3,340,557</u>	<u>\$ 117,224</u>	<u>\$ 6,440,435</u>	<u>\$ 9,898,216</u>

See Notes to Financial Statement

AAA FOUNDATION FOR TRAFFIC SAFETY
Statements of Cash Flows
For the Years Ended December 31, 2009 and 2008

	2009	2008
<u>Cash Flows From Operating Activities:</u>		
Change in net assets	\$ 1,939,279	\$ (2,207,482)
<u>Adjustments to reconcile increase in net assets to net cash provided by operating activities:</u>		
Depreciation	22,817	27,384
Unrealized (gain) loss on investments	(1,296,519)	2,437,112
(Decrease) in provision for bad debt	-	(1,239)
(Increase) in net accounts receivable	(48,057)	(36,770)
Decrease in pledges receivable	995,935	824,947
(Decrease) in endowment contribution discount	(23,855)	(316,223)
(Increase) decrease in prepaid assets	(20,011)	7,370
Decrease in inventories	12,520	24,888
Increase (decrease) in accounts payable	(51,299)	205,561
Increase (decrease) in other accrued liabilities	(1,343)	9,749
Increase (decrease) in accrued pension liability	(254,100)	284,578
Total adjustments	(663,912)	3,467,358
Net cash provided by operating activities	1,275,367	1,259,875
<u>Cash Flows From Investing Activities:</u>		
Sales and maturity of investments, net of (purchases)	(1,193,862)	(1,097,566)
Purchases of fixed assets	(4,121)	(21,349)
Net cash used by investing activities	(1,197,983)	(1,118,916)
Net increase cash for the year	77,384	140,960
Cash and cash equivalents at beginning of year	580,169	439,210
Cash and cash equivalents at end of year	\$ 657,553	\$ 580,169

AAA FOUNDATION FOR TRAFFIC SAFETY
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

PURPOSE OF ORGANIZATION

The AAA Foundation for Traffic Safety (the Foundation) was established in 1947 to prevent traffic deaths and injuries through research and education. The Foundation is a nonprofit 501(c)(3) charitable organization and is supported by voluntary contributions from individual AAA members; from AAA-affiliated insurance companies; and from others.

Since 2002, the Foundation has placed increased emphasis on two areas: enhancing collaboration with other organizations and increasing the real-world impact of its activities. To that end, it has re-energized the research and development advisory committee to select candidate research projects for funding. It has also increased its public outreach and educational efforts.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of the financial statements are described below:

Basis of Presentation

The accounts are maintained in accordance with the principles of net asset accounting, whereby resources are classified into net asset classes established according to the nature, purpose and restrictions placed by donors on the use of such resources. Accordingly, all financial transactions have been recorded and reported by net asset classes as follows:

- *Unrestricted:* Net assets that are not subject to donor-imposed restrictions.
- *Temporarily Restricted:* Funds subject to donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Foundation pursuant to those stipulations.
- *Permanently Restricted:* Net assets subject to donor-imposed restrictions that they be maintained permanently by the Foundation.

In 2007 the Board designated to add \$30,000 to the Board designated endowment fund established to set aside funds for future operations. The balance was \$3,030,000 as of December 31, 2009. No additional designation has been made as of December 31, 2009.

AAA FOUNDATION FOR TRAFFIC SAFETY
Notes to the Financial Statements (Continued)
For the Years Ended December 31, 2009 and 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation(Continued)

The Foundation has adopted Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*, and SFAS No. 117, *Financial Statements of Not-for-Profit Organizations*.

Under the provisions of SFAS Nos. 116 and 117, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

Income Taxes

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable income tax regulations of the District of Columbia. No provision for income taxes has been established, as the Foundation has no unrelated business activity. The Foundation has determined that there are no uncertain tax positions which require accrual or disclosure under FASB Staff Position FIN No. 48.

Subsequent Events

The financial statements have been evaluated by management for subsequent events requiring disclosure through the report date of the financial statements.

Cash Equivalents

The Foundation considers all highly liquid instruments with original maturities of three months or less to be cash equivalents. Cash equivalents consist of money market and overnight investment accounts. Cash equivalents at December 31, 2009 and 2008 were \$657,553 and \$580,169, respectively.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value based on quoted market values. Gains and losses on investments, including changes in fair value, are reported in the statements of activities as increases or decreases in unrestricted net assets, unless their use is restricted by the donor. Currently, no restrictions are on investment income are imposed by donor.

Inventory

Inventory consists of videos, tapes, and guides and is stated at the lower of cost or market. Cost is determined using the first-in, first-out method. Original video and CD-ROM production costs are considered period costs and are included in current projects' expenditures. Subsequent incremental costs to complete and reproduce the videos are capitalized as inventory.

AAA FOUNDATION FOR TRAFFIC SAFETY
Notes to the Financial Statements (Continued)
For the Years Ended December 31, 2009 and 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Furniture and Equipment

Furniture equipment and automobiles are recorded at cost. Depreciation is computed using the straight-line method based on estimated useful lives as follows:

Furniture	7 years
Office equipment	5 years
Automobiles	5 years

Depreciation expense was \$22,817 and \$27,384 in 2009 and 2008, respectively.

Contributions

Contributions are recorded at fair value as revenue when promises to give are received. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted revenue. The Foundation receives voluntary contributions principally from affiliated organizations that include the American Automobile Association (AAA), AAA motor clubs and individual AAA club members.

The Foundation receives an in-kind contribution of office space from AAA. The Foundation has recorded the fair value of the office space of \$196,600 and \$190,600 as contribution revenue and program and general administration expense in the accompanying statements of activities for each of the years ended December 31, 2009 and 2008, respectively.

Pledges Receivable

Pledges receivable are recorded at their estimated net realizable value. Pledges consist of annual or periodic pledges and those related to the endowment campaign. The annual or periodic pledges are expected to be collected within one year. Endowment pledges are expected to be collected in 2009 through 2012. The endowment receivable for 2010 through 2012 has been discounted to the present value of future cash flows. The discount rate, 3.22%, is the Foundation's average return on investment during 2007 and 2008.

Use of Estimates

The preparation of the financial statements in conformity with U.S. Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Users of the financial statements should refer to the 2008 audit and financial statements for additional information about 2008 activities.

AAA FOUNDATION FOR TRAFFIC SAFETY
Notes to the Financial Statements (Continued)
For the Years Ended December 31, 2009 and 2008

NOTE 2 - INVESTMENTS

Investments are stated at fair value at December 31 and are comprised of the following:

	<u>2009</u>	<u>2008</u>
Money market funds	\$ 10	\$ 24,085
Corporate bonds and fixed income mutual funds	2,065,960	1,556,314
Common stocks and stock mutual funds	<u>6,628,118</u>	<u>4,623,309</u>
Total investments	<u>\$ 8,694,088</u>	<u>\$ 6,203,708</u>

The Foundation's investments are maintained in the following custodial accounts:

	<u>2009</u>	<u>2008</u>
Endowment investment account	\$ 8,694,088	\$ 6,203,708
Total	<u>\$ 8,694,088</u>	<u>\$ 6,203,708</u>

Investment income, net, for the years ended December 31 consisted of the following:

	<u>2009</u>	<u>2008</u>
Interest income	\$ 5	\$ 4,096
Dividend income	330,927	261,495
Realized gain (loss) on sales of investments, net	-	(407,941)
Unrealized gains (loss), net	<u>1,296,519</u>	<u>(2,437,112)</u>
Investment income, net	<u>\$ 1,627,450</u>	<u>\$ (2,579,462)</u>

Fair Value

Investments are recorded at fair value on a requiring basis using level one input, which are based on quoted prices in active markets for identical assets of liabilities at the measurements date.

NOTE 3 - RESTRICTED NET ASSETS

Temporarily restricted net assets at December 31, 2009 and 2008 were \$317,427 and \$117,224, respectively. Permanently restricted net assets were \$6,464,290 and \$6,440,435 at December 31, 2009 and 2008, respectively. Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets.

AAA FOUNDATION FOR TRAFFIC SAFETY
Notes to the Financial Statements (Continued)
For the Years Ended December 31, 2009 and 2008

NOTE 4 - RETIREMENT AND POST-RETIREMENT BENEFIT PLANS

Pension Plan

Substantially all employees of the Foundation are covered under the AAA and subsidiary companies' noncontributory defined benefit retirement plan (the Plan). Under this arrangement, AAA and the Foundation have the same benefit plan design, but each organization is responsible for its own funding and has a separate benefit trust. In 2009 and 2008, the Foundation made contributions of \$200,000 and \$88,000 respectively, to the Plan. As of December 31, 2009, the Foundation decided to curtail the Plan and restrict participation to current participants only, and existing participants will not accrue any additional benefits. The Plan assets are invested primarily in equity mutual funds.

The following table sets forth amounts of the Foundation's portion of the Plan's funded status and amounts recognized in the Foundation's financial statements at December 31:

	<u>2009</u>	<u>2008</u>
Projected benefit obligation at December 31:	\$ 997,841	\$ 980,319
Fair value of plan assets at December 31:	<u>923,034</u>	<u>647,600</u>
Funded status	<u>\$ (74,807)</u>	<u>\$ (332,719)</u>
Benefit cost	\$ 109,334	\$ 65,660
Employer contribution	200,800	88,000
Benefits paid	27,334	27,334
Accumulated benefit obligation	997,841	905,523
Net periodic benefit cost	(109,334)	(65,660)
Total recognized in net periodic benefit cost	(57,443)	364,520
Net (loss) gain	(265,027)	(430,885)
Prior service (cost) credit	<u>-</u>	<u>(1,388)</u>
Total amount recognized in statement of activities	(265,027)	(432,273)
Weighted average assumptions at December 31:		
Discount rate	6.25%	6.45%
Expected return on plan assets	7.25%	7.25%
Rate of compensation increase	4.00%	4.00%
Asset Allocations at December 31:		
Equity securities	45.00%	44.00%
Debt securities	26.00%	25.00%
Real Estate	6.00%	11.00%
Other	<u>23.00%</u>	<u>20.00%</u>
Total	100.00%	100.00%

AAA FOUNDATION FOR TRAFFIC SAFETY
Notes to the Financial Statements (Continued)
For the Years Ended December 31, 2009 and 2008

NOTE 4 - RETIREMENT AND POST-RETIREMENT BENEFIT PLANS (Continued)

The following table sets forth the amount of the Foundation's portion of the Retirement Plan's funded status and amounts recognized in the Foundation's financial statements at December 31:

Expected benefit payments beginning December 31:			
2010	\$	35,778	\$ 33,574
2011		47,267	36,235
2012		57,191	47,889
2013		78,226	58,136
2014		87,702	79,892
Five years and thereafter		424,568	444,739

Post-Retirement Benefits Plan

In addition, employees hired prior to January 1, 2002 are covered under the AAA and subsidiary companies' contributory defined benefit postretirement plan (the Retirement Plan) that provides certain health care and life insurance benefits for retired employees. All of the Foundation's employees who retire under the provisions of the Retirement Plan are eligible for those benefits. The Retirement Plan is funded on a pay-as-you-go basis.

Significant assumptions used in the actuarial computation for 2009 are shown on page 9:

		<u>2009</u>	<u>2008</u>
Funded status	\$	(70,503)	\$ (66,691)

NOTE 5 - THRIFT PLAN

The Foundation has a defined contribution pension plan in which the Foundation will match the employees' contributions. The minimum employee contribution is 1%, and the maximum is 6% of the employee's base compensation. The employees are partially vested after three years of service and fully vested after five years of service with respect to the employer's contributions. The employee is immediately vested with respect to the employee's contributions. The Foundation's contributions to this plan were \$41,427 and \$29,329 during the years ended December 31, 2009 and 2008, respectively. Plan assets were \$807,739.80 and \$604,197 at December 31, 2009 and 2008, respectively.

AAA FOUNDATION FOR TRAFFIC SAFETY
Notes to the Financial Statements (Continued)
For the Years Ended December 31, 2009 and 2008

NOTE 6 - FUNCTIONAL EXPENSES

Expenses incurred during 2009 and 2008 presented on a functional basis are as follows:

Research	\$ 1,788,363	\$ 1,802,385
Public education	795,885	831,254
Product sales	<u>154,092</u>	<u>155,521</u>
	2,738,340	2,789,160
<u>Support:</u>		
Management and general	168,466	590,310
Fundraising	<u>158,548</u>	<u>219,138</u>
	<u>327,014</u>	<u>809,448</u>
Total Expenses	<u>\$ 3,065,354</u>	<u>\$ 3,598,608</u>

Certain program and general administration expenses presented in the statements of activities, primarily salary, and related benefits have been allocated to program, administration, and fundraising expenses based on direct time spent by personnel of the Foundation on these activities. During 2008 the Foundation experienced a large increase in administrative expense related to the Foundations pension plan funding status. The total amount of additional pension funding included in administrative expense was \$284,578.

Research and development costs totaled \$1,319,893 and \$1,311,695 for the years ended December 31, 2009 and 2008, respectively.

NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at December 31, 2009 and 2008:

<u>Contributions:</u>		
iRap & US Rap	495,153	510,117
Driver Education (DE) Evaluations	223,333	159,282
Edwin S. Soforenko Fund	2,200	-
Charles M. Hayes Safety Patrol Program	20,000	-
Project expense released from restrictions	<u>(540,483)</u>	<u>(675,924)</u>
Total temporarily restricted net assets	<u>\$ 317,427</u>	<u>\$ 117,224</u>

AAA FOUNDATION FOR TRAFFIC SAFETY
Notes to the Financial Statements (Continued)
For the Years Ended December 31, 2009 and 2008

NOTE 8- ENDOWMENT FUNDS

During 2009, the Foundation adopted FASB Staff Position (FSP) Financial Accounting Standards (FAS) No. 117-1, *Endowments of Not-for-Profit Organizations: Net Assets Classification of Funds Subject to an Enacted Version of the Uniform Prudent Managements of Institutional Funds Act*, issued by the Financial Accounting Standards Board (FASB). This FSP provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Managements of Institutional Funds Act of 2006 (UPMIFA). The FSP also improves disclosures of amounts an organization's endowed funds (both donor-restricted endowment funds and board-designated endowment funds).

The Foundation's donor-restricted endowments, which are shown as permanently restricted net assets in the accompanying statements of financial position, were established by the donors for the scholarships and public education programs. The endowment funds are required to be invested in perpetuity and the earnings from the funds may be used for the purpose intended by the donor.

As required by GAAP, net assets associated with endowments funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

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

AAA FOUNDATION FOR TRAFFIC SAFETY
Notes to the Financial Statements (Continued)
For the Years Ended December 31, 2009 and 2008

NOTE 8- ENDOWMENT FUNDS (Continued)

Interpretation of Relevant Law (Continued)

- The duration and preservation of the fund
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The spending policies of the Foundation

Investment Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to, preserve capital, obtain growth from capital appreciation, and receive total annual returns of approximately 8%.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the investment strategy is to emphasize total return in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation current asset allocation for the endowment funds targets a composition of 0-10% cash equivalents, 50-60% fixed income and 40% equities. The allocation shall be re-adjusted annually to maintain a consistent balance. The Treasurer and the Director of Finance, in consultation with the President, shall make asset allocation decisions.

Spending Policy

The Foundation allocates the investment income generated by the endowment fund each year for research project, public outreach and educational efforts.

AAA FOUNDATION FOR TRAFFIC SAFETY
Notes to the Financial Statements (Continued)
For the Years Ended December 31, 2009 and 2008

SUPPLEMENTARY INFORMATION

AAA FOUNDATION FOR TRAFFIC SAFETY
Supplemental Information
For the Years Ended December 31, 2009 and 2008

AAA FOUNDATION FOR TRAFFIC SAFETY
Expenses for Current Projects - Studies
For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
iRAP Phase 1	\$ 357,113	\$ 376,266
DE Evaluations	313,274	137,096
Road Assessment Program	177,278	237,457
Safety Culture Index CY	129,938	-
Psych Foundations of SC	67,840	70,000
Changes in Teen Crashes	65,612	-
Roadwise Rx	51,240	-
Driving Skills Validation	34,749	40,000
Defining Traffic SC	30,146	152,379
Learner Stage of GDL	30,000	78,980
General Research	26,404	48,192
Posit Science Royalty & Ed	15,000	-
License Policies & Practices	10,000	60,820
Meds and Older Drivers	6,884	15,625
Evaluation of New Jersey GDL	3,000	-
Video Updates	1,406	21,650
Public Surveys - Staff	9	17,795
License Policies - Staff	-	14
Rice -Efficacy of Child Seats	-	5,000
Black boxes	-	20,000
MO Reporting Law	-	30,421
	<u>1,319,893</u>	<u>1,311,695</u>
Subtotal research and development		
Project outreach	168,829	152,409
Editorial services	-	28,063
Printing of research reports	-	6,006
	<u>-</u>	<u>6,006</u>
Total expenses for current projects - studies	<u>\$ 1,488,722</u>	<u>\$ 1,498,172</u>

AAA FOUNDATION FOR TRAFFIC SAFETY
Supplemental Information (Continued)
For the Years Ended December 31, 2009 and 2008

AAA FOUNDATION FOR TRAFFIC SAFETY
Program and General Administration Expenses
For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Salaries	\$ 738,669	\$ 708,157
Employee fringe benefits (credit)	(54,100)	372,578
Office rent	196,600	190,600
Fundraising	183,370	177,890
Accounting	58,145	53,831
Payroll taxes	56,276	52,153
Public education and giveaways	51,387	113,008
General outreach	32,891	49,446
Travel and management - Staff	28,546	38,234
Legal services	28,151	13,097
Depreciation - furniture and equipment	22,817	16,389
Auditing	19,400	16,300
Travel and management - Committee	16,943	23,212
Contribution expense	15,510	9,137
Telephone	14,584	11,344
Postage and delivery	8,381	10,692
Stationary and office supplies	5,936	7,063
Dues and subscriptions	4,830	3,482
Auto operating expenses	3,680	1,227
Travel and management - Board	2,930	15,510
Training	2,319	3,376
Furniture and equipment - repairs and maintenance	1,361	3,269
Computer supplies/services	378	527
Local taxes	326	190
Consultant fees	-	21,000
Depreciation - automobile	-	10,995
Charitable golf outing	-	3,500
Bad debt expense	-	(1,239)
	<u> </u>	<u> </u>
Total program and general administrative expenses	<u>\$ 1,485,568</u>	<u>\$ 2,001,534</u>