

Form **990-EZ**

# Short Form Return of Organization Exempt From Income Tax

OMB No 1545-1150

# 2008

## Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code  
(except black lung benefit trust or private foundation)  
Sponsoring organizations of donor advised funds and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$1,000,000 and total assets less than \$2,500,000 at the end of the year may use this form  
The organization may have to use a copy of this return to satisfy state reporting requirements.

**A** For the 2008 calendar year, or tax year beginning **May 1**, 2008, and ending **April 30**, 20 09

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input checked="" type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	<b>C</b> Name of organization <b>Latvian Foundation, Inc.</b>		<b>D</b> Employer identification number <b>23 7089477</b>
		Number and street (or P.O. box, if mail is not delivered to street address) Room/suite <b>1907 Autumn Crest Lane</b>		<b>E</b> Telephone number <b>( 269 ) 382-1176</b>
		City or town, state or country, and ZIP + 4 <b>Kalamazoo, MI 49008-4819</b>		<b>F</b> Group Exemption Number . . . ▶

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

**G** Accounting method:  Cash  Accrual  
Other (specify) ▶

**I** Website: ▶ **www.latviesufonds.info**

**H** Check  if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

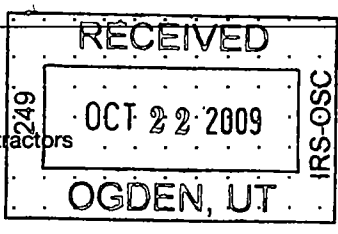
**J** Organization type (check only one) -  501(c) ( 3 ) ◀ (insert no.)  4947(a)(1) or  527

**K** Check  if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

**L** Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$1,000,000 or more, file Form 990 instead of Form 990-EZ ▶ \$

### Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions for Part I.)

		<b>1</b>	<b>6,198</b>
		<b>2</b>	
		<b>3</b>	<b>189</b>
		<b>4</b>	<b>17,638</b>
Revenue	<b>5a</b> Gross amount from sale of assets other than inventory	<b>5a</b>	<b>251,557</b>
	<b>b</b> Less: cost or other basis and sales expenses	<b>5b</b>	<b>194,912</b>
	<b>c</b> Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a) (attach schedule)	<b>5c</b>	<b>56,645</b>
	<b>6</b> Special events and activities (complete applicable parts of Schedule G). If any amount is from gaming, check here <input type="checkbox"/>		
	<b>a</b> Gross revenue (not including \$ _____ of contributions reported on line 1)	<b>6a</b>	
	<b>b</b> Less: direct expenses other than fundraising expenses	<b>6b</b>	
	<b>c</b> Net income or (loss) from special events and activities (Subtract line 6b from line 6a)	<b>6c</b>	
	<b>7a</b> Gross sales of inventory, less returns and allowances	<b>7a</b>	
	<b>b</b> Less: cost of goods sold	<b>7b</b>	
	<b>c</b> Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	<b>7c</b>	
<b>8</b> Other revenue (describe ▶ <b>Currency adjust. foreign member loans &amp; other transactions</b> )	<b>8</b>	<b>13,569</b>	
<b>9</b> Total revenue. Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8.	<b>9</b>	<b>94,239</b>	
Expenses	<b>10</b> Grants and similar amounts paid (attach schedule)	<b>10</b>	<b>44,812</b>
	<b>11</b> Benefits paid to or for members	<b>11</b>	
	<b>12</b> Salaries, other compensation, and employee benefits	<b>12</b>	
	<b>13</b> Professional fees and other payments to independent contractors	<b>13</b>	<b>3,334</b>
	<b>14</b> Occupancy, rent, utilities, and maintenance	<b>14</b>	
	<b>15</b> Printing, publications, postage, and shipping	<b>15</b>	<b>5,173</b>
	<b>16</b> Other expenses (describe ▶ <b>See attached Statement 2</b> )	<b>16</b>	<b>7,979</b>
	<b>17</b> Total expenses. Add lines 10 through 16	<b>17</b>	<b>61,298</b>
Net Assets	<b>18</b> Excess or (deficit) for the year (Subtract line 17 from line 9)	<b>18</b>	<b>32,941</b>
	<b>19</b> Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	<b>19</b>	<b>458,983</b>
	<b>20</b> Other changes in net assets or fund balances (attach explanation)	<b>20</b>	<b>(245,302)</b>
	<b>21</b> Net assets or fund balances at end of year. Combine lines 18 through 20	<b>21</b>	<b>246,622</b>



### Part II Balance Sheets. If Total assets on line 25, column (B) are \$2,500,000 or more, file Form 990 instead of Form 990-EZ.

(See the instructions for Part II.)

	(A) Beginning of year	(B) End of year
<b>22</b> Cash, savings, and investments	<b>829,767</b>	<b>22 626,054</b>
<b>23</b> Land and buildings		<b>23</b>
<b>24</b> Other assets (describe ▶ _____)		<b>24</b>
<b>25</b> Total assets	<b>829,767</b>	<b>25 626,054</b>
<b>26</b> Total liabilities (describe ▶ <b>See attached Statement 4</b> )	<b>370,784</b>	<b>26 379,432</b>
<b>27</b> Net assets or fund balances (line 27 of column (B)) must agree with line 21	<b>458,983</b>	<b>27 246,622</b>

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**Part V Other Information** (Note the statement requirements in the instructions for Part VI.)

		Yes	No
<b>33</b>	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		✓
<b>34</b>	Were any changes made to the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		✓
<b>35</b>	If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T.		
<b>a</b>	Did the organization have unrelated business gross income of \$1,000 or more or section 6033(e) notice, reporting, and proxy tax requirements?		✓
<b>b</b>	If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?		
<b>36</b>	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," complete applicable parts of Schedule N		✓
<b>37a</b>	Enter amount of political expenditures, direct or indirect, as described in the instructions. ▶ <b>37a</b>		
<b>b</b>	Did the organization file <b>Form 1120-POL</b> for this year?		✓
<b>38a</b>	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?		✓
<b>b</b>	If "Yes," complete Schedule L, Part II and enter the total amount involved <b>38b</b>		
<b>39</b>	Section 501(c)(7) organizations. Enter:		
<b>a</b>	Initiation fees and capital contributions included on line 9 <b>39a</b>		
<b>b</b>	Gross receipts, included on line 9, for public use of club facilities <b>39b</b>		
<b>40a</b>	Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ _____ ; section 4912 ▶ _____ ; section 4955 ▶ _____		
<b>b</b>	Section 501(c)(3) and (4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," complete Schedule L, Part I		✓
<b>c</b>	Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ _____		
<b>d</b>	Enter amount of tax on line 40c reimbursed by the organization ▶ _____		
<b>e</b>	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T.		✓
<b>41</b>	List the states with which a copy of this return is filed. ▶ <u>Michigan</u>		
<b>42a</b>	The books are in care of ▶ <u>Tija Karklis</u> Telephone no. ▶ ( <u>651</u> ) <u>395-8051</u> Located at ▶ <u>195 5th Street East, Apt. 2801, St. Paul, MN</u> ZIP + 4 ▶ <u>55101</u>		
<b>b</b>	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country: ▶ <u>Latvia, Canada, Australia</u> See the instructions for exceptions and filing requirements for <b>Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.</b>	Yes	No
<b>42b</b>		✓	
<b>c</b>	At any time during the calendar year, did the organization maintain an office outside of the U.S.? If "Yes," enter the name of the foreign country: ▶ _____		✓
<b>42c</b>			
<b>43</b>	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of <b>Form 1041</b> —Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year ▶ <b>43</b>		
<b>44</b>	Did the organization maintain any donor advised funds? If "Yes," Form 990 must be completed instead of Form 990-EZ		✓
<b>45</b>	Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? If "Yes," Form 990 must be completed instead of Form 990-EZ		✓

**Part VI Section 501(c)(3) organizations only.** All section 501(c)(3) organizations must answer questions 46-49 and complete the tables for lines 50 and 51.

- |  | Yes                      | No                                  |
|--|--------------------------|-------------------------------------|
| <b>46</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . . | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| <b>47</b> Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II . . . . .   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| <b>48</b> Is the organization operating a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E . . . . .   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| <b>49a</b> Did the organization make any transfers to an exempt non-charitable related organization? . . . . .   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| <b>49b</b> If "Yes," was the related organization(s) a section 527 organization? . . . . .   | <input type="checkbox"/> | <input type="checkbox"/>            |
- 50** Complete this table for the five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and address of each employee paid more than \$100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over \$100,000 ▶				

**51** Complete this table for the five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation
None		
Total number of other independent contractors each receiving over \$100,000 . . ▶		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

**Sign Here**      *Tija Karkkila*      Date 11/16/09  
 Signature of officer  
*Tija Karkkila, Treasurer*  
 Type or print name and title

**Paid Preparer's Use Only**      Preparer's signature      Date      Check if self-employed       Preparer's Identifying Number (See instructions)  
 Firm's name (or yours if self-employed), address, and ZIP + 4      EIN      Phone no

May the IRS discuss this return with the preparer shown above? See instructions . . . . .  Yes  No

Form 990-EZ (2008)



**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**  
 (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	5,340	2,050	2,795	8,111	6,387	24,683
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>4 Total.</b> Add lines 1-3	5,340	2,050	2,795	8,111	6,387	24,683
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						0
<b>6 Public support.</b> Subtract line 5 from line 4.						24,683

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>7</b> Amounts from line 4						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	32,696	32,538	31,155	26,082	17,638	140,109
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
<b>11 Total support.</b> Add lines 7 through 10						140,109
<b>12</b> Gross receipts from related activities, etc. (see instructions)					12	
<b>13 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	.18 %
<b>15</b> Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	.14 %
<b>16a 33 1/3% support test—2008.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization <input type="checkbox"/>		
<b>b 33 1/3% support test—2007.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization <input type="checkbox"/>		
<b>17a 10%-facts-and-circumstances test—2008.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input checked="" type="checkbox"/>		
<b>b 10%-facts-and-circumstances test—2007.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>		

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**  
 (Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose . . . . .						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 . . . . .						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>6 Total.</b> Add lines 1-5 . . . . .						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons . . . . .						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000 . . . . .						
<b>c</b> Add lines 7a and 7b . . . . .						
<b>8 Public support</b> (Subtract line 7c from line 6.) . . . . .						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>9</b> Amounts from line 6 . . . . .						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 . . . . .						
<b>c</b> Add lines 10a and 10b . . . . .						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on . . . . .						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.) . . . . .						

**14 First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** . . . . .

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f)) . . . . .	<b>15</b>	%
<b>16</b> Public support percentage from 2007 Schedule A, Part IV-A, line 27g . . . . .	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f)) . . . . .	<b>17</b>	%
<b>18</b> Investment income percentage from 2007 Schedule A, Part IV-A, line 27h . . . . .	<b>18</b>	%

**19a 33 1/3 % support tests—2008.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3 %, and line 17 is not more than 33 1/3 %, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

**b 33 1/3 % support tests—2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ►



**Form 990, Part II, Line 22 Cash Grants and Allocations**

<b>Project Description</b>	<b>Donee's Address</b>	<b>Donee's Name</b>	<b>Amount</b>
"3x3" Family Camp in Michigan and New York	3814 Hunter Rd. Kintnersville, PA 18930 USA	Laila Medne	2000
Publication of book by author Anna Zigure about Latvian life and culture in refugee camps	SIA "Jumava" Dzirnavu iela 73-1 LV-1011 Riga Latvia	Evija Veide	2000
CD recording of A. Ivaska's poetry	Zeltinu iela 25-54 Riga LV-1035 Latvia	Anita Rozkalne	2000
Exhibit featuring members of the Latvian, Estonian, and Lithuanian communities in Washington	University of Washington Libraries BOX 352900 Seattle, WA 98195-2900 USA	Nicolette Bromberg	1200
EVS 2008 - Summer camp for Latvian children in Europe to improve language skills	Gertrudes iela 53-1 Riga, LV-1011 Latvia	Velga Zegnere	2000
Publication of anthology of Latvian exile literature	Vesetas iela 8-37 LV-1013 Riga Latvia	Margita Gailitis	6000
Traveling exhibit about Latvian exiles around the world	630 23rd Ave. NW New Brighton, MN 55112 USA	Andris Straumanis	6200
Support to Occupation Museum of Latvia for video documentation	Strelnieku laukums 1 LV-1050 Riga Latvia	Gundega Mihele	7800
Support for a production by a San Francisco Latvian theater group	131 Langdon St. Newton, MA 02458-1982 USA	Marcis Voldins	2000
Support for publication of a book about diaspora literature	Aspazijas bulv. 24 LV-1050 Riga Latvia	Sigita Kusnere	10000
Karlis Irbitis Scholarship Fund	Lacplesa iela 75-III Riga, LV-1011 Latvia	Vita Dike	2612
Bierins Award, awarded to community leader Baiba Bredovska	250 Homewood Ave. Hamilton, ON L8P 2M8 Canada	Juris Zommers	1000
		<b>TOTAL</b>	<b>44812</b>

**STATEMENT 1****FORM 990EZ** Part I, lines 5a,b, and c Gain (loss) from publicly traded securities

DESCRIPTION	BOUGHT DATE	SOLD DATE	COST OR OTHER BASIS	SALE PRICE	LONG AND SHORT TERM GAIN (LOSS)
Home Depot Inc.	7/6/1998	5/21/2008	19,939.61	34,728.01	14,788.40
Zimmer Holdings Inc.	8/7/2001	5/21/2008	1,720.50	4,325.92	2,605.42
Verizon Communications	7/7/2007	6/19/2008	13,588.83	37,065.54	23,476.71
Icon Energy	4/5/2007	7/30/2008	25,000.00	30,528.41	(1,669.54)
Dividend and gain reinvestment	12/18/2007	7/30/2008	7,197.95		
I-Shares US Gas & Oil Exploration	4/17/2007	10/8/2008	22,030.95	15,295.40	(6,735.55)
Canadian Natural Resources	12/16/1997	10/14/2008	9,641.04	27,590.09	17,949.05
Barrick Gold Corp	1/25/2006	10/24/2008	7,622.87	8,854.00	1,231.13
Toronto Dominion BK Ont Com	1/4/1993	11/26/2008	4,209.40	15,934.76	11,725.36
Berkshire Hathaway Inc DEL CL B	12/8/2008	2/23/2009	33,960.75	26,668.90	(7,291.85)
Morgan JP & Co Inc MTN BE 6% 1/15/2009 (Bond)	6/15/1999	1/15/2009	50,000.00	50,000.00	-
Brokerage account capital gains for year				566.34	566.34
<b>Part I, lines 5a, 5b, 5c Sales, cost, and gain</b>			<b>194,911.90</b>	<b>251,557.37</b>	<b>56,645.47</b>

**STATEMENT 2****FORM 99EZ** Part I, Line 16 Other Expenses

Office Supplies	657.64
Bank Charges	350.57
State, Federal and foreign taxes	291.31
Administrative fee	200.88
LF Annual and Semi annual meetings	629.55
Travel costs to LF Annual and Semi annual meetings	5,848.64
<b>Part I, Line 16 Other Expenses</b>	<b>7,978.59</b>

**STATEMENT 3****FORM 99EZ** Part I, Line 20 Other changes in net assets

DESCRIPTION	AMOUNT
UNREALIZED GAIN (LOSS) FROM INVESTMENTS	(\$245,302.01)
<b>Part I, Line 20 Other changes in net assets</b>	<b>(\$245,302.01)</b>

LATVIAN FOUNDATION, INC.

YEAR ENDING APRIL 30, 2009

23-708947

**STATEMENT 4**

FORM 99EZ

Part II, Line 26 Total liabilities

	<u>April 30, 2008</u>	<u>April 30, 2009</u>
Grants payable	65,398.07	86,183.85
Expenses payable		1,895.20
Long term Liability:		
Member loans (invested)	<u>305,385.92</u>	<u>291,353.42</u>
	<u>370,783.99</u>	<u>379,432.47</u>

### **Facts and Circumstances – Public support statement**

The fiscal year FY2009 was particularly difficult. The severe downturn in the economy and stock market has dramatically eroded the Latvian Foundation investment portfolio value and income and thus the ability to fund grants. The FY 2010 grants have been reduced to about \$14,000 from \$45,000 the previous year. The grant levels are determined a year in advance to allow for timely submittal and evaluation, and thus, in good faith, the published grant levels for FY2009 could not be adjusted downward.

Our fundraising efforts continue with some success, but given the economy it will be a challenge. An informational brochure was created which is and will be used to attract potential new members. A copy of the brochure is attached.

The Foundation faced a major setback with the sudden death of Astrida Levensteins. Astrida was a dedicated, creative board member. As an employee of the United States Department of State, she was involved with establishing student exchange programs between Iraq and the United States. She is greatly missed.

#### **Background**

The Latvian Foundation, Inc. (LF) founded in 1976 was organized to receive and administer funds for the preservation of Latvian culture, for conducting informative and educational undertakings to preserve and perpetuate Latvian culture and ethnic traditions, for sponsoring research on Latvian history, and for rendering assistance in the publication, preparation and promulgation of Latvian literary works.

#### **Public Support**

The Latvian Foundation meets the ten-percent public support requirement. The FY2009 Part III, Section C. line 14 public support percentage is 18%. In FY2008 the percentage was 14%.

The Latvian Foundation currently has about 1,000 members. Of these, about 700 are life-time members having donated (400) or loaned (300) \$1,000 to the LF. These funds have been segregated and invested. The cumulative investment, initiation fee, and general donation income is used for grants and operating costs.

The investment income is **all** derived from the contributions and loans from the general public of our membership group. In FY2009 investment income from funds **loaned** to LF by members was about \$7,500. Total investment income was about \$17,600. This was a significant reduction from the \$26,000 income in FY2008.

The initiation fees and contributions were established to allow broad membership participation. The current initiation fee is \$50. With an overall donation of \$120 a year (\$10 a month) the member can vote for grant projects and any votes required at the annual membership meeting or any special meetings. Once payments of \$1,000 have been received, either in the form of a donation or loan, the member is a life voting member. Repayment of loans cancels the membership.

### **Attraction of public support**

The Latvian Foundation was organized with a forceful fund raising approach. The efforts over the years have been successful in accumulating nearly \$700,000 in membership donations and loans that are currently invested. The goal is to reach \$1 million.

Changing circumstances and events, especially the end of the Soviet rule in Latvia, have diverted talent, time, diligence, energy, interest, and funding away from many established organizations including LF. It continues to be a challenge to the émigré Latvian community to come to grips with the reality of this dramatic change.

The LF is an all-volunteer organization. The six Board members generally serve six years and provide strategic leadership as well as organizational and administrative management of the organization's daily needs. This approach has functioned quite successfully over the course of almost 35 years.

The current Board is working diligently to meet the challenges of change. All operational areas are still under evaluation and much has been done. Accounting systems have been reworked to allow for timely internal and external reporting. Financial advisors assist with accounting and IRS filing matters. A committee assists in locating qualified Board Members as positions are vacated. Board meetings are held more frequently via modern teleconferencing technologies. Grant submission, evaluation, and administrative procedures have been revamped to provide greater "transparency" to the grant process.

There is still a great need for the support LF provides to the Latvian community. We see an increasing number of proposals from organizations in Latvia whose projects are consistent with LF's mission, and who cannot yet fully rely on the Latvian government and society to fund their efforts. At the same time Latvian communities abroad, particularly in the U.S. and Canada, continue to evolve and thus need the Foundation's support. Every year the number of proposals submitted far outnumbers the amount of annual funding LF has available for projects. The current Board is aware of the continued need and committed to addressing the challenges ahead.

This year the Board addressed fundraising efforts by increasing its outreach to the Latvian community in the U.S. and abroad. An informational brochure was created which is and will be used to attract potential new members.

### **Additional factors**

A number of the additional factors have been previously addressed.

The Board members have been selected because of special knowledge or expertise or are community leaders. "Position descriptions" have been prepared for all operating areas so that potential Board members are fully aware and informed of the scope and responsibilities of their positions.

The LF grant projects since 1976 have provided wide and varied services for the benefit of the general public of our membership group. Examples are: production and publication of books: dictionaries, school, children's, educational, literary works, etc; location and preservation of historical materials, including materials about Soviet occupation of Latvia, documentation of Latvian exile communities in the U.S. and elsewhere, etc.; musical compositions, publications, and presentations; acquisition of school publications and materials, including internet-based projects; projects bringing Latvian artists together and showcasing the latest trends in Latvian art; youth and family camps promoting Latvian language and culture.

**EXTENSION FILED END OF AUGUST 2009**

**Application for Extension of Time To File an Exempt Organization Return**

OMB No. 1545-1709

Form **8868**  
 (Rev. April 2009)  
 Department of the Treasury  
 Internal Revenue Service

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
  - If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only

*All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.*

**Electronic Filing (e-file).** Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

<b>Type or print</b>	Name of Exempt Organization <b>Latvian Foundation Inc.</b>	Employer identification number <b>23 7089477</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <b>1907 Autumn Crest Lane</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>Kalamazoo, MI 49008-4810</b>	

- Check type of return to be filed** (file a separate application for each return):
- |   |   |                                    |
|---|---|------------------------------------|
| <input type="checkbox"/> Form 990               | <input type="checkbox"/> Form 990-T (corporation)                 | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL            | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input checked="" type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above)      | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF            | <input type="checkbox"/> Form 1041-A                              | <input type="checkbox"/> Form 8870 |

• The books are in the care of ▶ **Tija Karklis, Treasurer**

Telephone No. ▶ ( **651** ) **395-8051** FAX No. ▶ ( )

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ . If this is for the whole group, check this box  . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **December 15**, 20**09**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶  calendar year 20\_\_\_\_ or

▶  tax year beginning **May 1**, 20**08**, and ending **April 30**, 20**09**

2 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

<b>3a</b> If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$		n/a
<b>b</b> If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$		n/a
<b>c Balance Due.</b> Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$		n/a

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box  . **Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

**Part II Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

<b>Type or print</b>  <small>File by the extended due date for filing the return See instructions.</small>	Name of Exempt Organization	Employer identification number
	Number, street, and room or suite no. If a P.O. box, see instructions.	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	

**Check type of return to be filed** (File a separate application for each return):

- |                                      |   |                                      |                                    |
|--------------------------------------|---|--------------------------------------|------------------------------------|
| <input type="checkbox"/> Form 990    | <input type="checkbox"/> Form 990-PF                              | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 4720   | <input type="checkbox"/> Form 8870 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above)      | <input type="checkbox"/> Form 5227   |                                    |

**STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.**

- The books are in the care of  Telephone No.  FAX No.
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN)  . If this is for the whole group, check this box  . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

- I request an additional 3-month extension of time until \_\_\_\_\_, 20\_\_\_\_\_.
- For calendar year \_\_\_\_\_, or other tax year beginning \_\_\_\_\_, 20\_\_\_\_\_, and ending \_\_\_\_\_, 20\_\_\_\_\_.
- If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period
- State in detail why you need the extension \_\_\_\_\_

<b>8a</b> If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>8a</b>	\$
<b>b</b> If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	<b>8b</b>	\$
<b>c Balance Due.</b> Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>8c</b>	\$

**Signature and Verification**

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature  Title  **Treasurer** Date