

Form **990-EZ**

**Short Form
Return of Organization Exempt From Income Tax**

OMB No 1545-1150

2009

Open to Public Inspection

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 \$500,000 and total assets less than \$1,250,000 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

Department of the Treasury
Internal Revenue Service

A For the 2009 calendar year, or tax year beginning May 1 , 2009, and ending April 30 , 20 10

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization Latvian Foundation, Inc.		D Employer identification number 23 7089477
		Number and street (or P.O. box, if mail is not delivered to street address) Room/suite		E Telephone number 651-395-8051
		1907 Autumn Crest Lane City or town, state or country, and ZIP + 4 Kalamazoo, MI 49008-4819		F 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

J Tax-exempt status (check only one) — 501(c) () ◀ (insert no.) 4947(a)(1) or 527

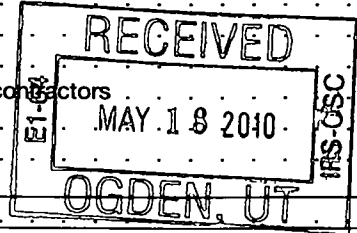
H Check ▶ if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

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 Form 990-EZ or Form 990 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 \$500,000 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.)

		1	2	3	4	5a	5b	5c	6a	6b	6c	7a	7b	7c	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Revenue	1	Contributions, gifts, grants, and similar amounts received														18,952												
	2	Program service revenue including government fees and contracts																										
	3	Membership dues and assessments														260												
	4	Investment income														16,191												
	5a	Gross amount from sale of assets other than inventory														85,651												
	b	Less: cost or other basis and sales expenses														57,210												
	c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)														28,441												
	6	Special events and activities (complete applicable parts of Schedule G) If any amount is from gaming, check here ▶ <input type="checkbox"/>																										
	a	Gross revenue (not including \$ _____ of contributions reported on line 1)																										
	b	Less: direct expenses other than fundraising expenses																										
c	Net income or (loss) from special events and activities (Subtract line 6b from line 6a)																											
7a	Gross sales of inventory, less returns and allowances																											
b	Less: cost of goods sold																											
c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)																											
8	Other revenue (describe ▶ _____)																											
	9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8 ▶														63,844												
Expenses	10	Grants and similar amounts paid (attach schedule)														14,721												
	11	Benefits paid to or for members																										
	12	Salaries, other compensation, and employee benefits																										
	13	Professional fees and other payments to independent contractors														413												
	14	Occupancy, rent, utilities, and maintenance																										
	15	Printing, publications, postage, and shipping														4,133												
	16	Other expenses (describe ▶ See attached Statement 3)														21,627												
	17	Total expenses. Add lines 10 through 16 ▶														40,894												
Net Assets	18	Excess or (deficit) for the year (Subtract line 17 from line 9)														22,950												
	19	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)														246,622												
	20	Other changes in net assets or fund balances (attach explanation)														97,501												
		21	Net assets or fund balances at end of year. Combine lines 18 through 20 ▶														367,073											



Part II Balance Sheets. If Total assets on line 25, column (B) are \$1,250,000 or more, file Form 990 instead of Form 990-EZ.

(See the instructions for Part II.)

		(A) Beginning of year	(B) End of year
22	Cash, savings, and investments	626,054	724,612
23	Land and buildings		
24	Other assets (describe ▶ _____)		
25	Total assets	626,054	724,612
26	Total liabilities (describe ▶ _____)	379,432	357,539
27	Net assets or fund balances (line 27 of column (B) must agree with line 21)	246,622	367,073

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

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

		Yes	No
33	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		✓
34	Were any changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the changes		✓
35	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 why the organization did not report the income on Form 990-T.		
a	Did the organization have unrelated business gross income of \$1,000 or more or was it subject to section 6033(e) notice, reporting, and proxy tax requirements?		✓
b	If "Yes," has it filed a tax return on Form 990-T for this year?		✓
36	Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N		✓
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions. ▶ 37a _____		
b	Did the organization file Form 1120-POL for this year?		✓
38a	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 outstanding at the end of the period covered by this return?		✓
b	If "Yes," complete Schedule L, Part II and enter the total amount involved 38b _____		
39	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on line 9 39a _____		
b	Gross receipts, included on line 9, for public use of club facilities 39b _____		
40a	Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ _____ ; section 4912 ▶ _____ ; section 4955 ▶ _____		
b	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or is it aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		✓
c	Section 501(c)(3) and 501(c)(4) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ _____		
d	Section 501(c)(3) and 501(c)(4) organizations. Enter amount of tax on line 40c reimbursed by the organization ▶ _____		
e	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.		✓
41	List the states with which a copy of this return is filed. ▶ Michigan		
42a	The organization's books are in care of ▶ Tija Karklis Telephone no. ▶ 651-395-8051 Located at ▶ 195 5th Street East, Apt. 2801, St. Paul, MN ZIP + 4 ▶ 55101		
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: ▶ Latvia, Canada, Australia		
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts .		
c	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: ▶ _____		
43	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 —Check here ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 43 _____		
44	Did the organization maintain any donor advised funds? If "Yes," Form 990 must be completed instead of Form 990-EZ		✓
45	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 and section 4947(a)(1) nonexempt charitable trusts only. All section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts must answer questions 46-49b and complete the tables for lines 50 and 51.

- | | | Yes | No |
|--|------------|--------------------------|-------------------------------------|
| 46 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 | 46 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 47 Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II | 47 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E | 48 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 49a Did the organization make any transfers to an exempt non-charitable related organization? | 49a | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b If "Yes," was the related organization a section 527 organization? | 49b | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

50 Complete this table for the organization's 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				

f Total number of other employees paid over \$100,000 ▶ _____

51 Complete this table for the organization's 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		

d Total number of other independent contractors each receiving over \$100,000 ▶ _____

Sign Here 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

▶ Tija Karklis Signature of officer ▶ 5/14/10 Date
 ▶ Tija Karklis Treasurer Type or print name and title

Paid Preparer's Use Only	Preparer's signature ▶	Date	Check if self-employed ▶ <input type="checkbox"/>	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

SCHEDULE A
(Form 990 of 990-EZ)

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047
2009
Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization: **Latvian Foundation, Inc** Employer identification number: **23 7089477**

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state:
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I b Type II c Type III—Functionally integrated d Type III—Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
 - (ii) A family member of a person described in (i) above?
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

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) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	2,050	2,795	8,111	6,387	19,212	38,555
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	2,050	2,795	8,111	6,387	19,212	38,555
5 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)						6,757
6 Public support. Subtract line 5 from line 4.						31,798

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4	2,050	2,795	8,111	6,387	19,212	38,555
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	32,538	31,155	26,082	17,638	16,191	123,604
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support. Add lines 7 through 10						162,159
12 Gross receipts from related activities, etc. (see instructions)					12	
13 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 <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	20 %
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	18 %
16a 33 1/3 % support test—2009. If the organization did not check the box on line 13, and line 14 is 33 1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 33 1/3 % support test—2008. 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 stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
17a 10%-facts-and-circumstances test—2009. 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 stop here. 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 10%-facts-and-circumstances test—2008. 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 stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
18 Private foundation. 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) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 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						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (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 ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	%

- 19a 33 1/3 % support tests—2009.** 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—2008.** 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

Project Description	Donee's Address	Donee's Name	Amount
Musical production by Latvian youth in U.S.	10731 Viking Ave. Northridge, CA 91236	Andra Berkolda	\$1,500
Summer Camp Europe 2009 – Summer school bringing together Latvian youth from all over the world	Gertrudes iela 53-1 Riga LV-1011 Latvia	Velga Zegnere	\$2,000
New Musicians Master Classes – Music camp for young musically talented Latvians all over the world	11 Cat Rocks Dr. Bedford, NY 10506	Dace Aperans	\$1,500
Production of post-folklore music CD “Janu Dziesmas” showcasing traditional summer solstice songs	2104 N 75 th St. Seattle, WA 98103	Benita Jaundalderis	\$2,000
Latvians Abroad Museum - Seed money for establishment of main office	Dzirnavu iela 66a-56 Riga LV-1050 Latvia	Marianna Auliciems	\$2,000
Picture compendium of Latvian-American painter Gundega Cenne	423 Hibernia Rd. Coatsville, PA 19320	Mara Buks	\$1,500
Karlis Irbitis Scholarship Fund	Lacplesa iela 75-III Riga LV-1011 Latvia	Vita Dike	\$2,721
Bierins Award, awarded to Latvian-American journalist/editor Juris Zagarins	250 Homewood Ave. Hamilton, ON L8P 2M8 Canada	Juris Zommers	\$1,500
		TOTAL	\$14,721

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)
Fairpoint Communications Inc.	Distribution	5/21/2009	-	\$ 12.41	\$ 12.41
Travelers Cos Inc Com	Distribution	5/21/2009	-	141.75	141.75
Johnson & Johnson	5/2/1996	10/19/2009	\$ 9,380.36	24,103.62	14,723.26
Powershares DB Multi Sector Commodity Tr	6/12/2008	10/23/2009	22,978.35	15,799.84	(7,178.51)
Cenovus Energy Inc Com NPV	12/10/2009	1/25/2010	1,600.85	10,592.36	8,991.51
ISHARES Inc MCSI Chile Investible	5/11/2009	3/24/2010	23,250.75	32,583.63	9,332.88
Brokerage account capital gains for year					2,417.77
Part I, lines 5a, 5b, 5c Sales, cost, and gain			\$ 57,210.31	\$ 83,233.61	\$ 28,441.07

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

Office Supplies	\$ 443.95
Bank Charges	446.06
State, Federal and foreign taxes	130.98
Administrative fee	209.00
Promotion and advertising (new brochure and articles for newspapers)	1,204.68
LF Annual and Semi annual meetings	879.12
Travel costs to LF Annual and Semi annual meetings	6,065.34
Miscellaneous adjustment	(9.00)
Travel cost adjustmen to prio year (no expense report provided)	(1,376.00)
Foreign currency adjustments for loans payable and other transactions	13,632.40
Part I, Line 16 Other Expenses	\$ 21,626.53

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

DESCRIPTION	AMOUNT
Unused grant balances (cancelled projects)	\$ 12,283.00
Unrealized gain (loss) from investments (adjusted to market values)	85,217.88
Part I, Line 20 Other changes in net assets	\$ 97,500.88

STATEMENT 4**FORM 99EZ** Part II, Line 26 Total liabilities

	April 30, 2009	April 30, 2010
Grants payable	\$ 86,183.85	\$ 49,261.93
Expenses payable	1,895.20	564.40
Long term Liability: Member loans	291,353.42	307,712.54
	\$ 379,432.47	\$ 357,538.87

Facts and Circumstances – Public support statement

Fiscal year FY2010 showed some improvement over the previous year. The Latvian Foundation investment portfolio regained some value, although dividend and interest income continued to decline. The FY 2010 grants were \$14,721, down from \$45,000 the previous year. The grant levels are determined a year in advance to allow for timely submittal and evaluation. At the annual meeting in October, 2009 the membership voted \$30,000 in grants for FY2011.

Our fundraising efforts carry on with some continued success even with the challenges the economic decline presents. The informational brochure created last spring is being circulated and some new members have been attracted. We were particularly grateful for the \$10,000 general donation response from one of our members.

Background

The fall of 2010 the Latvian Foundation, Inc. celebrates 40 years of active work. Over the years over \$1.6 million in grants have been made for project and events in keeping with its mission. The Foundation 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 FY2010 Part III, Section C, line 14 public support percentage is 20%. In FY2009 the percentage was 18%.

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 FY2010 investment income from funds **loaned** to LF by members was about \$6,900. Total investment income was about \$16,200.

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 40 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 inception 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.