

**THE JED FOUNDATION**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007 AND 2006**  
**TOGETHER WITH**  
**INDEPENDENT AUDITOR'S REPORT**

**THE JED FOUNDATION  
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DECEMBER 31, 2007 AND 2006**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
The Jed Foundation

I have audited the accompanying statements of financial position of The Jed Foundation (the Foundation) as of December 31, 2007 and 2006, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, I express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Jed Foundation as of December 31, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Pisani CPA, LLC*

Pisani CPA, LLC  
Brentwood, NY

April 28, 2008

**THE JED FOUNDATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2007 AND 2006**

**ASSETS**

	<b><u>2007</u></b>	<b><u>2006</u></b>
<b>Current assets</b>		
Cash and cash equivalents	\$ 1,797,358	\$ 313,106
Investments	697,130	1,172,889
Prepaid expenses	<u>32,558</u>	<u>18,000</u>
Total current assets	2,527,046	1,503,995
<b>Property and equipment, net</b>	226,249	38,219
<b>Other assets</b>	<u>8,468</u>	<u>6,000</u>
<b>Total assets</b>	<b><u><u>\$ 2,761,763</u></u></b>	<b><u><u>\$ 1,548,214</u></u></b>

**LIABILITIES AND NET ASSETS**

<b>Current liabilities</b>		
Accounts payable	<u>\$ -</u>	<u>\$ 19,400</u>
Total current liabilities	<u>-</u>	<u>19,400</u>
<b>Net assets</b>		
Unrestricted	1,586,332	1,179,594
Temporarily restricted	<u>1,175,431</u>	<u>349,220</u>
Total net assets	<u>2,761,763</u>	<u>1,528,814</u>
<b>Total liabilities and net assets</b>	<b><u><u>\$ 2,761,763</u></u></b>	<b><u><u>\$ 1,548,214</u></u></b>

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

**THE JED FOUNDATION**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

	<u>2007</u>			<u>2006</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Support and revenues</b>						
Contributions	\$ 59,460	\$ -	\$ 59,460	\$ 78,590	\$ 49,220	\$ 127,810
Grant revenue	-	2,043,979	2,043,979	15,000	300,000	315,000
Contributed services	64,190	-	64,190	56,270	-	56,270
Contributed equity securities	54,170	-	54,170	-	-	-
Contributed materials	-	-	-	44,733	-	44,733
Special events, gross proceeds						
Contributions	519,879	-	519,879	621,818	-	621,818
Ticket sales	289,800	-	289,800	182,665	-	182,665
Less: Direct benefits to donors	(213,807)	-	(213,807)	(118,912)	-	(118,912)
Net proceeds from special events	595,872	-	595,872	685,571	-	685,571
Dividend and interest income	42,901	-	42,901	35,503	-	35,503
Realized gain on investments	34,026	-	34,026	-	-	-
Unrealized gain on investments	10,822	-	10,822	22,035	-	22,035
Net assets released from restrictions	1,217,768	(1,217,768)	-	-	-	-
<b>Total support and revenues</b>	<b>2,079,209</b>	<b>826,211</b>	<b>2,905,420</b>	<b>937,702</b>	<b>349,220</b>	<b>1,286,922</b>
<b>Expenses</b>						
<b>Program services</b>						
Ulifeline	150,720	-	150,720	185,459	-	185,459
Half of Us (mtvU)	816,129	-	816,129	54,353	-	54,353
Transition Year	97,316	-	97,316	-	-	-
CampusCare	61,273	-	61,273	87,329	-	87,329
Legal Roundtable	70,998	-	70,998	-	-	-
Framework	-	-	-	68,969	-	68,969
Pilot	-	-	-	15,543	-	15,543
Other programs	258,890	-	258,890	104,363	-	104,363
<b>Total program services</b>	<b>1,455,326</b>	<b>-</b>	<b>1,455,326</b>	<b>516,016</b>	<b>-</b>	<b>516,016</b>
<b>Supporting services</b>						
Management and general	155,180	-	155,180	75,876	-	75,876
Fundraising	61,965	-	61,965	192,748	-	192,748
<b>Total supporting services</b>	<b>217,145</b>	<b>-</b>	<b>217,145</b>	<b>268,624</b>	<b>-</b>	<b>268,624</b>
<b>Total expenses</b>	<b>1,672,471</b>	<b>-</b>	<b>1,672,471</b>	<b>784,640</b>	<b>-</b>	<b>784,640</b>
<b>Increase in net assets</b>	<b>406,738</b>	<b>826,211</b>	<b>1,232,949</b>	<b>153,062</b>	<b>349,220</b>	<b>502,282</b>
<b>Net Assets, beginning of year</b>	<b>1,179,594</b>	<b>349,220</b>	<b>1,528,814</b>	<b>1,026,532</b>	<b>-</b>	<b>1,026,532</b>
<b>Net Assets, end of year</b>	<b>\$ 1,586,332</b>	<b>\$ 1,175,431</b>	<b>\$ 2,761,763</b>	<b>\$ 1,179,594</b>	<b>\$ 349,220</b>	<b>\$ 1,528,814</b>

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

**THE JED FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2007**

					<u>Program Services</u>		<u>Supporting Services</u>		
	<u>Ulifeline</u>	<u>Half of Us (mtvU)</u>	<u>Transition Year</u>	<u>Campus- Care</u>	<u>Legal Roundtable</u>	<u>Other Programs</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total</u>
<b>Employee Compensation</b>									
Salaries	\$ 28,811	\$ 59,917	\$ 26,446	\$ 15,500	\$ 30,000	\$ 40,267	\$ 51,473	\$ 4,683	\$ 257,097
Employee benefits	1,487	3,092	1,365	800	1,548	2,078	2,656	241	13,267
Payroll taxes	2,602	5,412	2,389	1,400	2,710	3,637	4,649	424	23,223
Total employee compensation	<u>32,900</u>	<u>68,421</u>	<u>30,200</u>	<u>17,700</u>	<u>34,258</u>	<u>45,982</u>	<u>58,778</u>	<u>5,348</u>	<u>293,587</u>
<b>Other expenses</b>									
Amortization	\$ 1,255	\$ 42,442	\$ 1,152	\$ 675	\$ 1,306	\$ 1,754	\$ 2,242	\$ 203	\$ 51,029
Bank and credit card fees	-	-	-	-	-	-	1,347	-	1,347
Consultant services	107,503	66,070	3,271	9,457	13,729	24,619	5,199	10,343	240,191
Computer expense	-	-	-	-	-	-	1,444	-	1,444
Depreciation	296	615	271	159	308	413	528	49	2,639
Dues and subscriptions	-	-	-	-	-	-	3,176	-	3,176
Event expenses	-	-	-	-	-	-	-	6,886	6,886
Filing fees	-	-	-	-	-	-	7,772	-	7,772
Grants to others	-	-	54,315	29,010	-	156,363	-	-	239,688
Insurance	-	-	-	-	-	-	8,172	-	8,172
Miscellaneous	534	1,485	488	89	562	4,970	5,060	-	13,188
Moving	-	-	-	-	-	-	3,030	-	3,030
Music festival (mtvU)	-	48,300	-	-	-	-	-	-	48,300
Occupancy	6,008	12,495	5,515	3,232	6,256	8,397	10,734	979	53,616
Office expense	249	518	229	134	259	348	445	40	2,222
Postage and delivery	114	237	105	61	119	159	204	917	1,916
Printing and reproduction	334	694	306	179	347	5,303	596	13,644	21,403
Professional services	-	42,815	-	-	-	7,639	44,065	21,039	115,558
Programming, full length	-	50,000	-	-	-	-	-	-	50,000
Public relations	-	66,700	-	-	-	-	-	-	66,700
Public service announcements	-	315,000	-	-	-	-	-	-	315,000
Research	-	60,000	-	-	-	-	-	-	60,000
Supplies	573	1,192	526	308	597	801	1,024	95	5,116
Telephone	954	1,038	458	269	520	698	918	82	4,937
Travel	-	2,107	480	-	12,737	1,444	446	2,340	19,554
Website maintenance	-	36,000	-	-	-	-	-	-	36,000
Total other expenses	<u>\$ 117,820</u>	<u>\$ 747,708</u>	<u>\$ 67,116</u>	<u>\$ 43,573</u>	<u>\$ 36,740</u>	<u>\$ 212,908</u>	<u>\$ 96,402</u>	<u>\$ 56,617</u>	<u>\$ 1,378,884</u>
Expenses reported by function	<u>\$ 150,720</u>	<u>\$ 816,129</u>	<u>\$ 97,316</u>	<u>\$ 61,273</u>	<u>\$ 70,998</u>	<u>\$ 258,890</u>	<u>\$ 155,180</u>	<u>\$ 61,965</u>	<u>\$ 1,672,471</u>

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

**THE JED FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Program Services</u>						<u>Supporting Services</u>		<u>Total</u>
	<u>Ulifeline</u>	<u>Half of Us (mtvU)</u>	<u>Campus- Care</u>	<u>Framework</u>	<u>Pilot</u>	<u>Other Programs</u>	<u>Management and General</u>	<u>Fund Raising</u>	
<b>Employee Compensation</b>									
Salaries	\$ 4,375	\$ 4,659	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,722	\$ 73,756
Payroll taxes	357	381	-	-	-	-	-	5,287	6,025
Total employee compensation	<u>4,732</u>	<u>5,040</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,009</u>	<u>79,781</u>
<b>Other expenses</b>									
Amortization	\$ 2,799	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,799
Bank and credit card fees	-	-	-	-	-	-	3,579	-	3,579
Conferences	1,427	1,427	1,426	1,427	1,427	1,426	-	-	8,560
Consultant services	134,962	28,732	65,436	47,104	517	30,508	21,142	10,002	338,403
Computer expense	5,948	-	-	-	-	-	-	-	5,948
Depreciation	567	152	257	185	2	120	83	554	1,920
Dues and subscriptions	-	-	-	-	-	-	1,046	-	1,046
Event expenses	-	-	-	-	-	-	-	7,910	7,910
Filing fees	-	-	-	-	-	-	3,510	-	3,510
Grants to others	-	-	-	-	-	49,787	-	-	49,787
Grant writing	-	-	-	-	-	-	-	7,849	7,849
Insurance	-	-	-	-	-	-	4,320	-	4,320
Miscellaneous	1,750	470	793	571	6	370	3,152	1,709	8,821
Moving	-	-	-	-	-	-	1,058	-	1,058
Occupancy	12,274	3,298	5,561	4,003	44	2,593	1,797	11,984	41,554
Postage and delivery	316	-	-	-	-	-	1,567	579	2,462
Printing and reproduction	4,001	-	-	1,950	-	-	-	5,327	11,278
Professional services	9,378	9,378	9,378	9,378	9,378	9,378	29,440	63,671	149,379
Public relations	2,524	2,524	2,524	2,524	2,524	2,524	-	2,521	17,665
Telephone	2,848	451	760	547	6	354	246	1,638	6,850
Travel	1,933	2,881	1,194	1,280	1,639	7,303	-	8,995	25,225
Website maintenance	-	-	-	-	-	-	4,936	-	4,936
Total other expenses	<u>\$ 180,727</u>	<u>\$ 49,313</u>	<u>\$ 87,329</u>	<u>\$ 68,969</u>	<u>\$ 15,543</u>	<u>\$ 104,363</u>	<u>\$ 75,876</u>	<u>\$ 122,739</u>	<u>\$ 704,859</u>
Expenses reported by function	<u>\$ 185,459</u>	<u>\$ 54,353</u>	<u>\$ 87,329</u>	<u>\$ 68,969</u>	<u>\$ 15,543</u>	<u>\$ 104,363</u>	<u>\$ 75,876</u>	<u>\$ 192,748</u>	<u>\$ 784,640</u>

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

**THE JED FOUNDATION**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 1,232,949	\$ 502,282
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Contribution of marketable equity securities	(54,170)	-
Amortization	51,029	2,799
Depreciation	2,639	1,920
Realized gain on investments	(34,026)	-
Unrealized gain on investments	(10,822)	(22,035)
Change in operating assets and liabilities		
(Increase) decrease in prepaid expenses	(14,558)	24,000
Increase in other assets	(2,468)	-
Decrease in accounts payable	(19,400)	(25,022)
Net cash provided by operating activities	1,151,173	483,944
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(11,398)	(38,851)
Investment in website development	(239,000)	-
Purchase of investments	(2,484,413)	(1,895,053)
Maturity of investments	2,889,150	1,615,000
Proceeds from the sale of investments	178,740	-
Net cash provided by (used in) investing activities	333,079	(318,904)
<b>Net increase in cash</b>	1,484,252	165,040
<b>Cash and cash equivalents, beginning of year</b>	313,106	148,066
<b>Cash and cash equivalents, end of year</b>	\$ 1,797,358	\$ 313,106
<b>Supplemental Information</b>		
<b>Non-cash transactions</b>		
Contributed services	\$ 64,190	\$ 56,270
Contributed securities	54,170	-
Contributed materials	-	44,733
	\$ 118,360	\$ 101,003
The non-cash contributions were offset by amounts recorded in the following accounts:		
Professional services	\$ 64,190	\$ 56,270
Investments	54,170	-
Direct benefits to donors	-	44,733
	\$ 118,360	\$ 101,003

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

**THE JED FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007 AND 2006**

(1) **Nature of Activities, Nonprofit Status and Significant Accounting Policies**

**Nature of Activities**

The Jed Foundation (the Foundation) is the nation's leading organization working to prevent suicide and reduce emotional distress among college students. It is guided by an expert board of mental health professionals in its efforts to reduce the suicide rate among college students by focusing on the underlying causes of suicide and producing effective prevention, awareness and intervention programs. The Foundation operates administrative offices in New York, NY. It is supported primarily through contributions, grants and special event revenue.

The Foundation's major initiatives seek to define and develop comprehensive suicide prevention and mental health promotion programming for colleges and universities nationwide. Current programs include:

Ulifeline

Ulifeline is an anonymous, confidential, online resource center where college students can be comfortable searching for the information they need and want regarding mental health and suicide prevention. The most recent version includes enhanced student features, a screening tool and a new component called Counseling Central built exclusively for college mental health and student affairs professionals. Currently, more than 1,250 colleges and universities participate in the Ulifeline network free of charge.

Half of Us (mtvU)

The Foundation and mtvU partnered to develop a Peabody Award winning social awareness campaign that launched in late 2006 to raise awareness about the prevalence of emotional disorders on college campuses and connect students with the appropriate resources to get help. More than 7 million students at more than 750 colleges will be exposed to the campaign's three components: on-air PSAs and programming, online at [www.halfofus.com](http://www.halfofus.com) and on-campus events.

Transition Year

The Foundation is partnering with the American Psychiatric Foundation to undertake a student and parent outreach project that will help to ensure a smooth, safe, and healthy transition for teenagers from high school to college, laying the groundwork for healthy and productive college years and beyond. The project will include research, a media campaign, and resource guides for parents and students.

**THE JED FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007 AND 2006**

(1) **Nature of Activities, Nonprofit Status and Significant Accounting Policies** (continued)

**Nature of Activities** (continued)

CampusCare

A joint initiative with the Education Development Center, Inc. and the Suicide Prevention Resource Center, CampusCare will provide college administrators and clinical staff with the knowledge and skills needed to carry out a strategic planning process to address student mental health. The program will use Webinars and associated tools to assist campus teams in 1) assessing local needs and assets; 2) setting goals; 3) selecting and implementing programs and activities; and 4) conducting evaluations.

Legal Roundtable

With the goal of clarifying the issues of law and liability that impact decision-making around student mental health, the Foundation sponsored a one-day roundtable in April 2007 that brought together leading experts in higher education law, administration, and mental health. The resulting document will provide schools with a free resource reflecting the most current thinking in the field.

Framework

Colleges lack consensus about what constitutes a comprehensive, campus-wide approach to managing the acutely distressed or suicidal student. Working with a panel of experts, the Foundation has developed the Framework to provide all colleges and universities with a list of issues to consider when drafting or revising protocols relating to the at-risk student. In the year ended December 31, 2007, Framework expenses are included in "Other Programs" on the Statement of Functional Expenses.

**Nonprofit Status**

The Foundation was incorporated in 2000 and is exempt from Federal income taxes as an organization (not a private foundation) formed for charitable purposes under Section 501(c) (3) of the Internal Revenue Code. Donors may deduct contributions made to the Foundation within the requirements of the Internal Revenue Code.

**Significant Accounting Policies**

The following summary of significant accounting policies includes the accounting principles used to present the accompanying financial statements in conformity with generally accepted accounting principles.

**THE JED FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007 AND 2006**

(1) **Nature of Activities, Nonprofit Status and Significant Accounting Policies** (continued)

**Significant Accounting Policies** (continued)

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting. Under this method, revenue is recognized when earned and expenses are recognized when incurred.

Financial Statement Presentation

Financial statement presentation follows the requirements of the Financial Accounting Standards Board in its *Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations*. Under *SFAS No. 117*, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Property and Equipment

Acquisitions of property and equipment with useful lives greater than one year are recorded at cost. Property and equipment acquisitions are depreciated using the straight-line method over the estimated useful lives of the assets.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

**THE JED FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007 AND 2006**

(1) **Nature of Activities, Nonprofit Status and Significant Accounting Policies**

**Significant Accounting Policies** (continued)

Revenue Recognition

The Foundation's revenue consists of grants, contributions, fundraising and special event revenues. Unrestricted grants, contributions and fundraising revenue intended for the current period are recognized when received. Restricted grants, contributions and fundraising revenue are recorded as temporarily restricted support and net assets if they are received with donor stipulations that limit the use of the contributed assets. When a donor or sponsor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Contributed Facilities, Services and Materials

The Foundation records various types of contributed support, including services and use of facilities. Contributed support is recognized in accordance with *Statement of Financial Accounting Standards (SFAS) No. 116, Accounting for Contributions Received and Contributions Made*. This pronouncement requires recognition of certain services received if those services (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contribution. Contributions of tangible assets are recognized at fair market value when received. The amounts reflected in the accompanying financial statements as contributed services and use of facilities are offset by like amounts included in expenses or assets.

Estimates

The preparation of financial statements in accordance with accounting standards generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**THE JED FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007 AND 2006**

(2) **Concentration of Credit Risk**

The Foundation maintains its cash balances in several high-quality financial institutions. The balances are insured by the Federal Deposit Insurance Corporation up to \$100,000. The Foundation's uninsured cash balances totaled \$45,638 at December 31, 2007.

(3) **Investments**

Investments are recorded at fair value based on readily determinable quoted market prices at December 31, 2007 and 2006 and consist of the following:

<b>2007</b>			
	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Unrealized Gain/(Loss)</u>
US treasury bills	\$ <u>686,308</u>	\$ <u>697,130</u>	\$ <u>10,822</u>
<b>2006</b>			
	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Unrealized Gain/(Loss)</u>
US treasury bills	\$ 999,806	\$ 999,601	\$ (205)
Equity mutual funds	101,623	112,509	10,886
Equity securities	<u>49,425</u>	<u>60,779</u>	<u>11,354</u>
	\$ <u>1,150,854</u>	\$ <u>1,172,889</u>	\$ <u>22,035</u>

Investment return consists of the following for the years ended December 31, 2007 and 2006, respectively:

	<u>2007</u>	<u>2006</u>
Interest and dividend income	\$ 42,901	\$ 35,503
Realized gains	34,026	-
Unrealized gains	<u>10,822</u>	<u>22,035</u>
 Total investment return	 \$ <u>87,749</u>	 \$ <u>57,538</u>

During the year ended December 31, 2007, the Foundation received contributions of marketable equity securities valued at \$54,170.

**THE JED FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007 AND 2006**

**(4) Property and Equipment**

Property and equipment, at cost, consists of the following at December 31, 2007 and 2006, respectively:

		<u>2007</u>		<u>2006</u>		Estimated Useful Lives
Computer equipment	\$	14,091	\$	11,393		5 years
Website development		239,000		-		3 years
Software		43,190		43,190		3 years
		<u>296,281</u>		<u>54,583</u>		
Less accumulated amortization and depreciation		<u>70,032</u>		<u>16,364</u>		
Property and equipment, net	\$	<u><u>226,249</u></u>	\$	<u><u>38,219</u></u>		

Amortization was \$51,029 and \$2,799 for the years ended December 31, 2007 and 2006, respectively. Depreciation of the computer equipment was \$2,639 and \$1,920 for the years ended December 31, 2007 and 2006, respectively.

**(5) In-kind Contributions**

The Foundation receives contributed services and materials in support of various aspects of its programs. The materials consist of auction items in support of the special events held during the year. During the years ended December 31, 2007 and 2006, the Foundation received the following in-kind contributions of materials and services that have been reflected in the financial statements:

		<u>2007</u>		<u>2006</u>
Professional services	\$	64,190	\$	56,270
Direct benefits to donors		<u>-</u>		<u>44,733</u>
Total in-kind contributions	\$	<u><u>64,190</u></u>	\$	<u><u>101,003</u></u>

The Foundation receives a significant amount of contributed services of volunteers in connection with its various programs which do not meet the criteria for recognition. Accordingly, the value of these contributed services has not been reflected in the accompanying financial statements.

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**(6) Related Party Transactions**

Various board members contributed \$136,100 and \$108,860 in contributions to the Foundation during the years ended December 31, 2007 and 2006, respectively.

The Foundation paid \$40,002 and \$89,478 to a board member for consulting services during the years ended December 31, 2007 and 2006.

**(7) Leasing Arrangements**

In June 2005, the Foundation entered into a month-to-month agreement for administrative office space in New York, NY. Total rent expense was \$12,556 and \$41,554 for the years ended December 31, 2007 and 2006, respectively.

Effective May 1, 2007, the Foundation entered into a new sub-lease agreement for administrative office space in New York, NY, which expires April 30, 2010. Rent expense was \$38,810 for the year ended December 31, 2007 under the agreement. Future lease payments are:

2008	\$ 49,190
2009	50,420
2010	16,944

**(8) Temporarily Restricted Net Assets**

Temporarily restricted net assets are available for the following periods or purposes at December 31, 2007 and 2006, respectively:

	<u>2007</u>	<u>2006</u>
Half of Us	\$ 1,128,693	\$ 300,000
Perry Film Project	16,738	-
Transition Year	30,000	-
Spring Event 2007	-	49,220
	<u>                    </u>	<u>                    </u>
	\$ <u>1,175,431</u>	\$ <u>349,220</u>

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**(9) Conditional Promise to Give**

In the year ended December 31, 2006, the Foundation received a \$1,201,174 conditional promise to give in support of its Ulifeline and mtvU/Jed Foundation programs. To receive the promised funds, the Foundation must provide the sponsor with detailed implementation plans and monthly written status reports related to the programs. During the year ended December 31, 2006, \$300,000 was received under this promise to give.

During the year ended December 31, 2007, the conditions were substantially met and the remaining \$901,174 was received and recognized.