

**OFFICERS' CHRISTIAN FELLOWSHIP
OF THE UNITED STATES
OF AMERICA, INC.**

FINANCIAL STATEMENTS

DECEMBER 31, 2008

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ACCOUNTANTS

Independent Auditor's Report

Governing Council
Officers' Christian Fellowship
of the United States of America, Inc.
Englewood, Colorado

We have audited the accompanying statement of financial position of Officers' Christian Fellowship of the United States of America, Inc. as of December 31, 2008 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Officers' Christian Fellowship of the United States of America, Inc. as of December 31, 2007, were audited by other auditors whose report dated February 4, 2008, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of Officers' Christian Fellowship of the United States of America, Inc. as of December 31, 2008, and the changes in its net assets and its cash flow for the year then ended in conformity with U.S. generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedules of support and revenue and schedules of functional expenses on page 13-15 for the years ended December 31, 2008 and 2007, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.


January 21, 2009

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OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
STATEMENTS OF FINANCIAL POSITION

December 31,	2008	2007
<u>Assets</u>		
Current assets		
Cash and cash equivalents	\$ 1,460,283	\$ 1,750,721
Pledges receivable-current portion	945,852	1,126,554
Other receivable	9,572	1,556
Prepaid expenses	44,933	56,795
Total current assets	2,460,640	2,935,626
Non-current assets		
Investments	4,749,474	2,886,510
Pledges receivable	471,154	477,541
Property and equipment, net of accumulated depreciation	3,720,892	3,467,894
Other assets	124,684	111,839
Total non-current assets	9,066,204	6,943,784
Total Assets	\$ 11,526,844	\$ 9,879,410
<u>Liabilities and Net Assets</u>		
Current Liabilities		
Accounts payable	\$ 47,276	\$ 43,031
Accrued liabilities	29,972	26,289
Deferred revenue	12,565	5,201
Accrued vacation	105,009	128,846
Notes payable – current portion	30,222	26,889
Total current liabilities	225,044	230,256
Long-term liabilities		
Notes payable	239,985	294,160
Annuities due	80,040	69,664
Total long-term liabilities	320,025	363,824
Total Liabilities	545,069	594,080
Net assets		
Unrestricted	4,420,617	3,708,600
Temporarily restricted	6,054,958	5,122,130
Permanently restricted	506,200	454,600
Total net assets	10,981,775	9,285,330
Total Liabilities and Net Assets	\$ 11,526,844	\$ 9,879,410

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

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
STATEMENT OF ACTIVITIES

For the Year Ended December 31,	2008			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>Revenues, Gains and Other Support</u>				
Contributions	\$2,301,898	\$1,798,106	\$ 51,600	\$ 4,151,604
Conference centers	578,516	0	0	578,516
Regional ministries	15,713	0	0	15,713
Interest income	156,916	22,871	0	179,787
Change in value of split interest agreements	3,263	0	0	3,263
Other revenue	101,639	0	0	101,639
Net assets released from restrictions	<u>888,149</u>	<u>(888,149)</u>	<u>0</u>	<u>0</u>
Total revenues, gains and other support	<u>4,046,094</u>	<u>932,828</u>	<u>51,600</u>	<u>5,030,522</u>
 <u>Expenses</u>				
<u>Program Services</u>				
Field ministries	421,557			421,557
Publications	258,985			258,985
Conference centers	1,314,158			1,314,158
Education centers	185,172			185,172
Academies and ROTC	439,569			439,569
Total program service	<u>2,619,441</u>			<u>2,619,441</u>
 <u>Supporting Services</u>				
General and administration	461,544			461,544
Fundraising	253,092			253,092
Total supporting services	<u>714,636</u>			<u>714,636</u>
 Total expenses	<u>3,334,077</u>			<u>3,334,077</u>
 Change in net assets	<u>712,017</u>	<u>932,828</u>	<u>51,600</u>	<u>1,696,445</u>
Net assets, beginning	<u>3,708,600</u>	<u>5,122,130</u>	<u>454,600</u>	<u>9,285,330</u>
Net assets, ending	<u>\$4,420,617</u>	<u>\$6,054,958</u>	<u>\$ 506,200</u>	<u>\$ 10,981,775</u>

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

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
STATEMENT OF ACTIVITIES

<u>For the Year Ended December 31,</u>	<u>2007</u>			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>Revenues, Gains and Other Support</u>				
Contributions	\$2,217,975	\$2,108,409	\$ 71,093	\$4,397,477
Conference centers	574,716	0	0	574,716
Regional ministries	10,035	0	0	10,035
Interest income	160,215	20,371	0	180,586
Change in value of split interest agreements	(361)	0	0	(361)
Other revenue	53,445	0	0	53,445
Net assets released from restrictions	<u>125,212</u>	<u>(125,212)</u>	<u>0</u>	<u>0</u>
Total revenues, gains and other support	<u>3,141,237</u>	<u>2,003,568</u>	<u>71,093</u>	<u>5,215,898</u>
<u>Expenses</u>				
<u>Program Services</u>				
Field ministries	476,503			476,503
Publications	267,517			267,517
Conference centers	1,266,278			1,266,278
Education centers	185,282			185,282
Academies and ROTC	407,113			407,113
Total program service	<u>2,602,693</u>			<u>2,602,693</u>
<u>Supporting Services</u>				
General and administration	478,199			478,199
Fundraising	258,708			258,708
Total supporting services	<u>736,907</u>			<u>736,907</u>
Total expenses	<u>3,339,600</u>			<u>3,339,600</u>
Change in net assets	(198,363)	2,003,568	71,093	1,876,298
Net assets, beginning	<u>3,906,963</u>	<u>3,118,562</u>	<u>383,507</u>	<u>7,409,032</u>
Net assets, ending	<u>\$3,708,600</u>	<u>\$5,122,130</u>	<u>\$ 454,600</u>	<u>\$9,285,330</u>

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

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
STATEMENTS OF CASH FLOWS

For the Years Ended December 31,	2008	2007
Cash flows from operating activities		
Cash received from		
Contributions	\$ 2,611,082	\$ 4,302,109
Sales and activities	694,412	620,262
Interest	200,026	180,586
Paid to employees and supplies	(3,079,361)	(3,139,720)
Interest paid	(17,844)	(20,963)
Net cash provided by operating activities	408,315	1,942,274
Cash flows from investing activities		
Purchase of property and equipment	(391,924)	(81,965)
Proceeds from sale of property and equipment	1,223	1,050
Purchases/Sales of investments, Net	(1,862,964)	(1,154,849)
Net cash used in investing activities	(2,253,665)	(1,235,764)
Cash flows from financing activities		
Proceeds from annuities	0	5,600
Payments to annuitants	(6,600)	(6,600)
Note payable principal payments	(50,842)	(52,722)
Cash contributions received for long-term purposes	1,612,354	71,093
Net cash used in financing activities	1,554,912	17,371
Net increase (decrease) in cash and cash equivalents	(290,438)	723,881
Cash and cash equivalents at beginning of year	1,750,721	1,026,840
Cash and cash equivalents at end of year	\$ 1,460,283	\$ 1,750,721
Reconciliation of changes in net assets to net cash provided by operating activities:		
Changes in net assets	\$ 1,696,445	\$ 1,876,298
Adjustments		
Depreciation	138,507	145,468
Loss on disposal of furniture and equipment	(804)	9,786
Change in value of split interest agreements	(11,776)	361
Change in value of annuity investments	10,376	2,022
Proceeds from annuities	0	(5,600)
Payments to annuitants	6,600	6,600
Cash contributions received for long-term purposes	(1,612,354)	(71,093)
Changes in assets and liabilities		
Increase (decrease) in current assets	189,866	(26,632)
Increase (decrease) in current liabilities	(8,545)	5,064
Net cash provided by operating activities	\$ 408,315	\$ 1,942,274

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

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Officers' Christian Fellowship of the United States of America, Inc. (the "Fellowship"), was established in 1943, to provide encouragement and equip Christian officers of the United States military for biblical fellowship and outreach in ministering to the military society. The Fellowship accomplishes its purpose through staffing in key center of the military population throughout the world, publications, retreats and conferences. The Fellowship owns and operates two conference centers located near Buena Vista, Colorado, and Mann's Choice, Pennsylvania, and locates staff members near military academies and other areas in the United States having a high concentration of military personnel. The Fellowship's support comes primarily from individual donor contributions.

Basis of Accounting

The Fellowship follows the standards of accounting and financial reporting for non-profit organizations which are in conformity with the recommendations of the American Institute of Certified Public Accountants. The Fellowship's financial statements have been prepared using the accrual basis of accounting.

Financial Statement Presentation

Cash and Cash Equivalents - For purposes of the statement of cash flows, cash equivalents include highly liquid investments with an original maturity of ninety days or less.

Pledges Receivable - Unconditional promises to give are recognized as revenues and receivables in the year the promise is received. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value and those to be collected in more than one year are recorded at present value of the estimated future cash flows. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Property and Equipment – Property and equipment is recorded at cost. Donated property and equipment are recorded at fair value at the date of donation. The Fellowship capitalizes all property and equipment with a useful life of more than one year, and a unit cost of \$1,000 or greater. Depreciation is recorded using the straight-line method over estimated useful lives.

Building and improvements	5-60 years
Equipment	3-20 years

Deferred Revenue – The Fellowship's conference centers receive registration fees for conferences, retreats and camps scheduled in the following year. These fees are deferred and recognized as revenue in the year the conference is held.

Support and Revenue – The Fellowship receives support primarily from contributions from individuals in the military society. The Fellowship also receives conference center revenues from conferences and camps held at the two conference centers. Public support and other revenues are recognized when the rights of ownership have been transferred to the Fellowship.

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, that is, when a stipulated time restriction ends or 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.

In-Kind Donations – Certain individuals and employees donate supplies and travel-related costs to the Fellowship. These donations are recorded as noncash contributions at the donor's cost or their estimated market values at the date of donation.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

Income Taxes

The Fellowship is exempt from income tax under Section 501(c)(3) of the United States Internal Revenue Code.

Concentration of Credit Risk

The Company has determined that current operational cash needs will occasionally result in cash and money market accounts balance in excess of insured limits.

NOTE 2 - PLEDGES RECEIVABLE

The Fellowship participates in the Combined Federal Campaign (CFC) administered by Christian Service Charities in the Fall of each year. These pledges are made one to two years prior to receipt of the final amounts. Promises to give are unconditional and have been recorded net of an allowance for uncollectible pledges and administrative costs of 25% and 26% at December 31, 2008 and 2007.

During the year ended December 31, 2005, the Fellowship initiated and administered the Capital Campaign. Promises to give are unconditional and the pledges due in more than one year were discounted at a rate of 8% and 7% respectively, at December 31, 2008 and 2007.

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - PLEDGES RECEIVABLE (CONTINUED)

Pledges receivable at December 31, consisted of the following:

	<u>2008</u>	<u>2007</u>
Combined federal campaign	\$ 143,600	\$ 135,263
Unrestricted contributions	0	122,637
Capital campaign	<u>1,367,137</u>	<u>1,525,984</u>
Unconditional pledges due	1,510,737	1,783,884
Less: Allowance for uncollectible pledges receivable	(35,900)	(32,463)
Less: Unamortized discount	<u>(57,831)</u>	<u>(147,326)</u>
Net pledges receivable	1,417,006	1,604,095
Less: Current portion	<u>(945,852)</u>	<u>(1,126,554)</u>
 Non-current pledges receivable	 <u>\$ 471,154</u>	 <u>\$ 477,541</u>

Pledges are due as follows:

In one year or less	\$ 971,296
In one to five years	<u>539,441</u>
 Total pledges receivable	 <u>\$ 1,510,737</u>

The CFC pledges received in the Fall of 2008 have not been determined or communicated to the Fellowship at December 31, 2008, and therefore, are not reported in the financial statements.

NOTE 3 - INVESTMENTS

	<u>2008</u>	<u>2007</u>
Certificates of deposit (carried at fair value)	\$ 4,726,905	\$ 2,827,685
Life insurance annuities (carried at present value of expected payments)	<u>67,569</u>	<u>58,825</u>
	<u>\$ 4,794,474</u>	<u>\$ 2,886,510</u>

Reconciliation of investment return to amounts reported in the statement of activities:

	<u>2008</u>	<u>2007</u>
Interest Income	\$ 200,026	\$ 160,397
Realized gain/(loss) on sale of investment	(9,863)	18,385
Change in value of split interest agreements	<u>(10,376)</u>	<u>1,804</u>
	<u>\$ 179,787</u>	<u>\$ 180,586</u>

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 4 - PROPERTY AND EQUIPMENT

	2008	2007
Land	\$ 1,098,951	\$ 981,507
Building and improvements	4,251,124	3,995,615
Equipment	654,798	652,007
	6,004,873	5,629,129
Accumulated depreciation	(2,283,981)	(2,161,235)
Total	\$ 3,720,892	\$ 3,467,894

NOTE 5 - OTHER ASSETS

The Fellowship is the owner and beneficiary of several individual life insurance policies. The estimated cash surrender value of the life insurance policies at December 31, 2008 and 2007, was \$124,684 and \$111,839, respectively.

NOTE 6 - NOTES PAYABLE

	2008	2007
Mortgage dated November 1999, for \$290,000 with 300 monthly principal and interest payments of \$1,695. The note has an interest rate of 6.5% matures December, 2024, and is collateralized by the Fellowship house in Highland Falls, New York.	\$ 125,237	\$ 155,854
Note dated December 2006, for \$193,200 with 60 monthly payments of \$2,092. The note has an interest rate of 5.5%, matures December 2011, and is collateralized by the Spring Canyon Conference Center in Buena Vista, Colorado.	144,970	165,195
	270,207	321,049
Less current portion	(30,222)	(26,889)
	\$ 239,985	\$ 294,160

Maturities of long-term debt for each of the five years succeeding December 31, 2008 are as follows:

2009	\$ 30,222
2010	32,058
2011	122,781
2012	15,192
2013	16,209

Interest expense for the years ended December 31, 2008 and 2007 was \$17,844 and \$20,963.

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 7 - ANNUITIES

The Fellowship established a gift annuity plan that allowed donors to contribute assets in exchange for the right to receive a fixed dollar amount annually during their lifetimes. The annuity liability is revalued annually based upon computed present values, and the resulting gain or loss is recorded as a change in value of split interest agreements in the Statement of Activities. At December 31, 2008 and 2007, the value of the annuities was \$80,040 and \$69,664, respectively.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Contracts

In November 2008, OCF signed a contract with a contractor for construction of a new entrance to the future facility site. The original contract price for construction is \$114,218 and is to be paid in February 2009.

NOTE 9 - CONCENTRATIONS

For the year ended December 31, 2008 there was a 12% concentration in contributions received from two donors.

NOTE 10 - TEMPORARILY RESTRICTED NET ASSETS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes as follows:

	<u>2008</u>	<u>2007</u>
Coffman/Waldrop WSS	\$ 14,481	\$ 3,825
Staff assoc, regional	2,361	1,996
USCGA general	0	1,571
USAFA scholarships	1,480	794
USMA scholarships	6,113	10,197
USMA missions and general	269,180	18,774
USMA New Fellows general	25,977	26,211
USMA equip fund	1,249	516
USNA facility fund	6,975	0
USNA scholarships	1,412	1,316
ROTC	9,326	6,158
Capital campaign		
Spring Canyon	249,071	2,089
White Sulphur Springs	117,943	0
Other	180,866	29,046
Enlisted ministry	1,715	0
WSS Facility Development	<u>0</u>	<u>22,719</u>
	<u>\$ 888,149</u>	<u>\$ 125,212</u>

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 10 - TEMPORARILY RESTRICTED NET ASSETS (CONTINUED)

Temporarily restricted net assets are available for the following purposes:

	2008	2007
Coffman/Waldrop WSS	\$ 10,936	\$ 14,243
Harrison House WSS	74,573	51,702
Staff associates, regional	16,339	16,661
USAFA facilities	2,900	2,900
USCGA facilities	20,875	20,875
USAFA scholarships	5,002	6,391
USMA scholarships	12,276	12,311
USMA missions and general	17,428	28,853
USMA New Fellows general	1,311	9,351
USMA equip fund	0	1,199
USNA facility fund	0	1,725
USNA scholarships	3,456	3,668
USMC operation veritas	2,615	2,615
ROTC	0	4,546
Capital campaign		
Spring Canyon	374,795	565,078
White Sulphur Springs	77,222	162,844
Other	5,431,895	4,212,468
Enlisted ministry	3,335	4,700
	<u>\$ 6,054,958</u>	<u>\$ 5,122,130</u>

NOTE 11 - PERMANENTLY RESTRICTED NET ASSETS

At December 31, 2008 and 2007, permanently restricted net assets of \$506,200 and \$454,600, respectively, consisted of endowment fund contributions to be held indefinitely for the Harrison House maintenance at White Sulphur Springs.

NOTE 12 - LEASE COMMITMENTS

The Company has two operating leases for its current facility that expire in April 2012. Lease expense for the years ended December 2008 and 2007 was \$27,891 and \$11,753

Future required payments for the years ending December 31 are as follows:

2009	\$ 27,891
2010	27,891
2011	27,891
2012	15,980

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 13 - RETIREMENT

The Fellowship has established a simplified employee pension plan (SEP) under Internal Revenue Code Section 408(k)(6) covering all eligible employees who meet the minimum age and service requirements. Only the Fellowship can contribute to the Plan. The Governing Council establishes and can change the contribution percentage, which was 7.5% and 7%, respectively, for the years ended December 31, 2008 and 2007. The Fellowship contributed \$83,950 and \$81,331, respectively, to the Plan for the years ended December 31, 2008 and 2007.

SUPPLEMENTARY INFORMATION

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
SCHEDULES OF SUPPORT AND REVENUE

<u>For the Years Ended December 31,</u>	<u>2008</u>	<u>2007</u>
<u>Support</u>		
<u>Contributions</u>		
General	\$ 1,241,866	\$ 1,232,677
Executive ministries	49,901	7,950
Publications	14,525	11,672
Spring Canyon	308,668	260,673
White Sulphur Springs – capital contributions	1,578,525	2,057,087
White Sulphur Springs	196,077	69,349
Director of Field Outreach	3,815	5,563
U.S. Army Command and General Staff College	88,492	93,125
U.S. Air Force Air University	53,063	46,780
U.S. Air Force Academy	70,650	67,344
U.S. Coast Guard Academy	61,302	53,228
U.S. Military Academy	218,534	212,506
U.S. Naval Academy	67,166	70,957
U.S. ROTC	4,780	8,398
Regional ministries	142,640	129,075
Harrison House	51,600	71,093
	<u>51,600</u>	<u>71,093</u>
Total	<u>\$ 4,151,604</u>	<u>\$ 4,397,477</u>
<u>Revenue</u>		
<u>Conference centers</u>		
Spring Canyon	\$ 222,736	\$ 225,185
White Sulphur Springs	355,780	349,531
	<u>355,780</u>	<u>349,531</u>
Total	<u>\$ 578,516</u>	<u>\$ 574,716</u>
<u>Regional ministries</u>		
Local fellowship support	\$ 15,713	\$ 10,035
	<u>15,713</u>	<u>10,035</u>

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended December 31,

2008

	Program Services						Supporting Services			Total Supporting Services	Total Expenses
	Field Ministries	Publications	Conference Centers	Education Centers	Academics & ROTC	Total Program Services	General		Fundraising		
							Administrative				
Salaries	\$ 262,668	\$ 103,416	\$ 472,228	\$ 140,571	\$ 170,192	\$ 1,149,075	\$ 219,861	\$ 146,390	\$ 366,251	\$ 1,515,326	
Payroll taxes	14,166	8,448	39,415	3,276	9,170	74,475	23,216	8,302	31,518	105,993	
Employee benefits	17,960	29,031	82,148	12,702	11,224	153,065	37,648	1,837	39,485	192,550	
Pension plan	12,925	4,913	22,858	6,865	11,940	59,501	21,150	3,296	24,446	83,947	
Total Compensation	307,719	145,808	616,649	163,414	202,526	1,436,116	301,875	159,825	461,700	1,897,816	
Auto and truck	1,517	0	29,651	0	3,657	34,825	0	0	0	34,825	
Conferences, conventions and meetings	12,865	0	1,953	132	11,693	26,643	1,724	549	2,273	28,916	
Contract services	284	15,744	19,432	0	3,572	39,032	13,469	20,683	34,152	73,184	
Dues and subscriptions	50	95	2,820	0	88	3,053	2,073	2,509	4,582	7,635	
Equipment rental and maintenance	319	0	5,277	0	733	6,329	11,533	0	11,533	17,862	
General ministry	10,856	53	36,483	1,606	98,177	147,175	815	14,443	15,258	162,433	
Occupancy	8,122	7,109	220,011	0	51,189	286,431	29,033	823	29,856	316,287	
Postage and shipping	8,940	29,448	6,498	565	1,202	46,653	12,376	15,470	27,846	74,499	
Printing and publications	4,203	51,320	2,015	79	254	57,871	613	10,662	11,275	69,146	
Professional fees	611	0	0	0	0	611	6,100	0	6,100	6,711	
Promotion	2,405	195	8,788	544	542	12,474	2,131	2,084	4,215	16,689	
Supplies	4,251	2,716	222,321	1,450	29,100	259,838	31,777	7,336	39,113	298,951	
Telephone	8,655	422	9,345	1,210	2,156	21,788	2,874	1,511	4,385	26,173	
Travel	48,187	1,758	28,032	15,404	19,259	112,640	34,667	17,134	51,801	164,441	
Depreciation	2,573	4,317	104,883	768	15,421	127,962	10,484	63	10,547	138,509	
Total	\$ 421,557	\$ 258,985	\$ 1,314,158	\$ 185,172	\$ 439,569	\$ 2,619,441	\$ 461,544	\$ 253,092	\$ 714,636	\$ 3,334,077	

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended December 31,

2007

	Program Services					Supporting Services			Total Supporting Services	Total Expenses
	Field Ministries	Publications	Conference Centers	Education Centers	Academics & ROTC	Total		Fundraising		
						Program Services	General Administrative			
Salaries	\$ 287,536	\$ 100,166	\$ 450,076	\$ 140,435	\$ 167,727	\$ 1,145,940	\$ 245,054	\$ 89,743	\$ 334,797	\$ 1,480,737
Payroll taxes	17,235	8,319	34,457	3,213	12,641	75,865	22,561	4,198	26,759	102,624
Employee benefits	15,843	29,874	80,833	15,585	11,161	153,296	31,811	209	32,020	185,316
Pension plan	14,004	4,441	22,484	6,282	9,304	56,515	20,995	3,816	24,811	81,326
Total Compensation	334,618	142,800	587,850	165,515	200,833	1,431,616	320,421	97,966	418,387	1,850,003
Auto and truck	0	0	26,387	0	3,227	29,614	0	0	0	29,614
Conferences, conventions and meetings	22,147	355	0	1,770	15,670	39,942	414	800	1,214	41,156
Contract services	318	5,703	17,210	103	2,455	25,789	23,967	50,857	74,824	100,613
Dues and subscriptions	16	1,458	2,716	0	192	4,382	1,784	0	1,784	6,166
Equipment rental and maintenance	255	631	26,065	310	3,069	30,330	9,868	96	9,964	40,294
Food	3,515	283	137,707	752	5,801	148,058	1,440	2,791	4,231	152,289
General ministry	6,009	140	25,363	260	76,868	108,640	175	15,630	15,805	124,445
Interest	0	0	9,591	0	11,372	20,963	0	0	0	20,963
Occupancy	8,205	6,954	191,632	0	27,788	234,579	20,990	20	21,010	255,589
Postage and shipping	6,336	30,416	6,850	786	1,233	45,621	9,116	22,006	31,122	76,743
Printing and publications	3,674	46,846	11,509	1,321	7,589	70,939	10,191	31,694	41,885	112,824
Professional fees	0	746	3,724	0	0	4,470	7,154	0	7,154	11,624
Promotion	10,185	20,360	15,941	2,032	16,680	65,198	2,604	6,775	9,379	74,577
Supplies	1,056	2,874	45,564	632	5,089	55,215	11,349	2,639	13,988	69,203
Telephone	4,127	1,315	9,768	984	1,945	18,139	4,628	1,412	6,040	24,179
Travel	72,572	2,271	37,876	10,161	12,839	135,719	32,478	25,867	58,345	194,064
Loss on disposal of equipment	0	0	0	0	0	0	9,786	0	9,786	9,786
Depreciation	3,470	4,365	110,525	656	14,463	133,479	11,834	155	11,989	145,468
Total	\$ 476,503	\$ 267,517	\$ 1,266,278	\$ 185,282	\$ 407,113	\$ 2,602,693	\$ 478,199	\$ 258,708	\$ 736,907	\$ 3,339,600