

GOVERNMENT ACCOUNTABILITY PROJECT
(a not-for-profit organization)

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

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(1964-2008)

INDEPENDENT AUDITORS' REPORT

B. Scott Oden
Consultant

To the Board of Directors
Government Accountability Project
Washington, DC

We have audited the accompanying statements of financial position of the Government Accountability Project (GAP) (a not-for-profit corporation) as of December 31, 2011 and 2010, and the related statements of activities, changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of GAP's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform our audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting 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 our audits provide a reasonable basis for our opinion.

In our opinion, the statements of financial position referred to above presents fairly, in all material respects, the financial position of GAP, as of December 31, 2011 and 2010, and the changes in its net assets and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses and schedules of program expenses are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

OAO Mohn and Allen P.C.

July 18, 2012

GOVERNMENT ACCOUNTABILITY PROJECT
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2011 AND 2010

| | 2011 | 2010 |
|---|-------------------|---------------------|
| ASSETS | | |
| Cash | \$ 315,479 | \$ 906,054 |
| Investments | 336,589 | 6,763 |
| Fees and services receivable | 91,043 | 92,012 |
| Grants and contributions receivable | 1,000 | - |
| Prepaid expenses | 25,989 | 33,300 |
| Book inventory | 11,033 | 260 |
| Property and equipment, net | 27,180 | 21,597 |
| Deposits | 5,695 | 5,695 |
| TOTAL ASSETS | \$ 814,008 | \$ 1,065,681 |
| LIABILITIES | | |
| Accounts payable and accrued expenses | \$ 220,663 | \$ 157,009 |
| Escrow client funds | 5,937 | 5,937 |
| TOTAL LIABILITIES | 226,600 | 162,946 |
| NET ASSETS | | |
| Unrestricted | 325,206 | 490,317 |
| Temporarily restricted | 262,202 | 412,418 |
| TOTAL NET ASSETS | 587,408 | 902,735 |
| TOTAL LIABILITIES AND NET ASSETS | \$ 814,008 | \$ 1,065,681 |

GOVERNMENT ACCOUNTABILITY PROJECT
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

| | <u>2011</u> | <u>2010</u> |
|---|-------------------|-------------------|
| CHANGES IN UNRESTRICTED NET ASSETS | | |
| SUPPORT AND REVENUE | | |
| Contributions | \$ 832,336 | \$ 494,697 |
| Grants | 1,106,934 | 1,741,314 |
| Fees recognized | 311,494 | 24,042 |
| Other income | 4,046 | 1,079 |
| Interest and dividends | 10,525 | 5,035 |
| Realized loss on investments and disposition of assets | (3,794) | (2,774) |
| Unrealized gain (loss) on investments | 15,543 | 239 |
| TOTAL UNRESTRICTED SUPPORT AND REVENUE | <u>2,277,084</u> | <u>2,263,632</u> |
| NET ASSETS RELEASED FROM RESTRICTIONS | <u>412,418</u> | <u>41,312</u> |
| TOTAL UNRESTRICTED SUPPORT AND REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS | <u>2,689,502</u> | <u>2,304,944</u> |
| EXPENSES | | |
| Program services | 2,425,128 | 2,123,251 |
| Fundraising | 328,830 | 339,458 |
| General and administrative | 100,655 | 28,409 |
| TOTAL EXPENSES | <u>2,854,613</u> | <u>2,491,118</u> |
| CHANGES IN UNRESTRICTED NET ASSETS | (165,111) | (186,174) |
| CHANGE IN TEMPORARILY RESTRICTED NET ASSETS | | |
| SUPPORT | | |
| Grants | <u>262,202</u> | <u>412,418</u> |
| TOTAL TEMPORARILY RESTRICTED SUPPORT | 262,202 | 412,418 |
| NET ASSETS RELEASED FROM RESTRICTIONS | <u>(412,418)</u> | <u>(41,312)</u> |
| CHANGES IN TEMPORARILY RESTRICTED NET ASSETS | <u>(150,216)</u> | <u>371,106</u> |
| CHANGES IN NET ASSETS | (315,327) | 184,932 |
| NET ASSETS AT BEGINNING OF YEAR | <u>902,735</u> | <u>717,803</u> |
| NET ASSETS AT END OF YEAR | <u>\$ 587,408</u> | <u>\$ 902,735</u> |

GOVERNMENT ACCOUNTABILITY PROJECT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

| | 2011 | 2010 |
|---|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Changes in net assets | \$ (315,327) | \$ 184,932 |
| Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities: | | |
| Depreciation | 11,602 | 11,882 |
| Loss on disposition of assets and realized loss on investments | 3,794 | 2,497 |
| (Increase) decrease in operating assets: | | |
| Fees receivable | 969 | (53,200) |
| Grants receivable | (1,000) | 171,833 |
| Prepaid expenses | 7,311 | (4,043) |
| Inventory | (10,773) | 1,458 |
| Increase (decrease) in operating liabilities: | | |
| Accounts payable | 63,655 | (2,716) |
| Client escrow funds | - | (914) |
| NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES | (239,769) | 311,729 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of furniture and equipment | (20,980) | (13,716) |
| Contributed investments | (329,826) | (242) |
| NET CASH (USED) BY INVESTING ACTIVITIES | (350,806) | (13,958) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from (payments on) line of credit | - | (50) |
| NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES | - | (50) |
| NET INCREASE / (DECREASE) IN CASH | (590,575) | 297,721 |
| CASH, BEGINNING OF YEAR | 906,054 | 608,333 |
| CASH, END OF YEAR | \$ 315,479 | \$ 906,054 |

SUPPLEMENTAL INFORMATION:

| | | |
|-----------------------------------|------|--------|
| Actual cash payments for interest | \$ - | \$ 236 |
|-----------------------------------|------|--------|

GOVERNMENT ACCOUNTABILITY PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 1 - NATURE OF ORGANIZATION

Government Accountability Project (GAP) is a not-for-profit organization incorporated in 1984 in the District of Columbia. GAP's purpose is to protect the public interest and promote government and corporate accountability by advancing occupational free speech, defending whistle blowers, and empowering citizen activists. GAP is supported primarily by grants and individual contributions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of GAP have been prepared on the accrual basis of accounting whereby, revenue is recognized when earned rather than when received, and expenses are recognized when the related liability is incurred rather than when paid.

Basis of Presentation

Financial statement presentation follows FASB Accounting Standards Codifications Topic 958 *Not-for-Profit Entities*. In accordance with the topic, GAP 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. GAP had no permanently restricted net assets for the years ended December 31, 2011 and 2010.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Property, Equipment and Depreciation

Property and equipment are capitalized at cost. Donated property is recorded at market value at the time of receipt. Depreciation is provided over the estimated useful lives of the assets using the straight-line method over five to seven years. Assets costing over \$1,000 are capitalized.

Functional Allocation of Expenses

The cost of providing various programs and other activities has been summarized on a functional basis in the schedule of activities and the schedule of functional expenses. Accordingly, certain costs have been allocated among programs and support services based upon personnel time spent on these activities.

GOVERNMENT ACCOUNTABILITY PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

GAP qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is not considered to be a private foundation within the meaning of Section 509(a) of the Code. Contributions to GAP are tax deductible to donors under Section 170 of the Internal Revenue Code. GAP is required to report unrelated business income to the IRS and the District of Columbia taxing authority. GAP did not have any unrelated business income for the years ended December 31, 2011 and 2010.

GAP has adopted the accounting of uncertainty in income taxes as required by the Income Taxes topic (Topic 740) of the FASB Accounting Standards Codification. Topic 740 requires GAP to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is more than fifty percent likely of being realized upon ultimate settlement, which could result in GAP recording a tax liability that would reduce GAP's net assets.

Management has analyzed GAP's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years (2008-2010), or expected to be taken in its 2011 tax return. GAP is not aware of any tax positions for which it believes that there is a reasonable possibility that the total amounts of unrecognized tax benefits will change materially in the next twelve months.

Cash and Cash Equivalents

For financial statement purposes, GAP considers all bank cash accounts and money market funds to be cash and cash equivalents.

Concentration of Credit Risk

GAP maintains cash deposit with various banks. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. GAP had bank deposits at one institution that exceeded the FDIC insurance level by \$31,551 and \$505,532 at December 31, 2011 and 2010, respectively. GAP has not experienced any losses in such accounts. Management believes it is not exposed to any significant credit risk on cash.

Inventory

GAP maintains an inventory of books held for resale. The inventory is valued at cost using the first-in, first-out method.

GOVERNMENT ACCOUNTABILITY PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted and Unrestricted Revenue

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Investments

At times, GAP receives contributions of marketable securities. These contributions are reported at fair market value at the time they are received. GAP's policy is normally to sell all stocks and bonds when received. During 2011, GAP received an estate bequest contribution of fixed income bonds. GAP maintained these fixed income bonds as investments as of December 31, 2011. (See Notes 3 and 4)

Reclassifications

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

Accounts Receivable

Accounts receivable are reported at their outstanding balances. Management believes all accounts receivable to be fully collectible so there is no allowance for doubtful accounts.

NOTE 3 – FAIR VALUE MEASUREMENTS

In accordance with Fair Value Measurement and Disclosures topic (Topic 820) of the FASB Accounting Standards codification, GAP has categorized its financial instruments, based on the priority of the inputs to the valuations technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statements of Financial Position are categorized based on the inputs to valuation technique as follows:

Level 1 – These are instruments where values are based on unadjusted quoted prices for an identical asset in an active market GAP has the ability to access.

Level 2 – These are investments where values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the investments.

GOVERNMENT ACCOUNTABILITY PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 3 – FAIR VALUE MEASUREMENTS (Continued)

Level 3 – These are investments where values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect certain assumptions by management about the assumptions market participants would use in pricing the investments. These investments include non-readily marketable securities that do not have an active market.

Financial assets recorded on the Statement of Financial Position are categorized based on the inputs to the valuation technique as follows for the year ended December 31, 2011:

| Asset Category - | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
|---------------------------------|--|---|--|------------|
| Cash and Cash Equivalents: | | | | |
| Money Market Funds | \$ 9,433 | \$ - | \$ - | \$ 9,433 |
| Total Cash and Cash Equivalents | 9,433 | - | - | 9,433 |
| Investments: | | | | |
| Fixed Income Bonds | 314,370 | - | - | 314,370 |
| Stocks | 12,786 | - | - | 12,786 |
| Total Investments | 327,156 | - | - | 327,156 |
| Total | \$ 336,589 | \$ - | \$ - | \$ 336,589 |

Financial assets recorded on the Statement of Financial Position are categorized based on the inputs to the valuation technique as follows for the year ended December 31, 2010:

| Asset Category - | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
|---------------------------------|--|---|--|----------|
| Cash and Cash Equivalents: | | | | |
| Money Market Funds | \$ 27 | \$ - | \$ - | \$ 27 |
| Total Cash and Cash Equivalents | 27 | - | - | 27 |
| Investments: | | | | |
| Stocks | 6,736 | - | - | 6,736 |
| Total Investments | 6,736 | - | - | 6,736 |
| Total | \$ 6,763 | \$ - | \$ - | \$ 6,763 |

GOVERNMENT ACCOUNTABILITY PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 4 - INVESTMENTS

Investments are carried at quoted market value of securities. Investments are composed of the following as of December 31, 2011 and 2010:

| | <u>2011</u> | <u>2010</u> |
|---|----------------------|--------------------|
| INVESTMENTS | | |
| Corporate stocks and bonds | \$ 336,589 | \$ 6,763 |
| RETURN ON INVESTMENTS | | |
| Total market value of investments | \$ 336,589 | \$ 6,736 |
| Cost of investments | <u>(321,404)</u> | <u>(7,094)</u> |
| Unrealized (loss) gain, end of year | 15,185 | (358) |
| Unrealized (gain) loss, beginning of year | <u>(358)</u> | <u>(597)</u> |
| Unrealized gain, current year | 15,543 | 239 |
| Realized gain | <u>-</u> | <u>(277)</u> |
| Total net (loss) gain | 15,543 | (38) |
| Investment fees | - | - |
| Interest and dividends | <u>9,505</u> | <u>-</u> |
| TOTAL RETURN/(LOSS) ON INVESTMENTS | <u>\$ 25,048</u> | <u>\$ (38)</u> |

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

| | <u>2011</u> | <u>2010</u> |
|--------------------------------|----------------------|----------------------|
| Furniture and fixtures | \$ 4,072 | \$ 4,072 |
| Equipment | <u>67,549</u> | <u>51,975</u> |
| | 71,621 | 56,047 |
| Less: accumulated depreciation | <u>(44,441)</u> | <u>(34,450)</u> |
| | <u>\$ 27,180</u> | <u>\$ 21,597</u> |

NOTE 6 – LINE OF CREDIT PAYABLE

GAP has a line of credit payable to Wells Fargo Bank. Interest is computed at prime plus 1%, and is payable monthly with principal payable on demand. Amounts payable at December 31, 2011 and 2010, were \$-0-.

GOVERNMENT ACCOUNTABILITY PROJECT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 7 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

| | <u>2011</u> | <u>2010</u> |
|-------------------------------------|-------------------|-------------------|
| Corporate/Government Accountability | \$ 142,500 | \$ - |
| International | 20,000 | - |
| Enironmental | 22,500 | 13,263 |
| Nuclear (Russia) | - | 31,239 |
| Restricted for time | <u>77,202</u> | <u>367,916</u> |
| | <u>\$ 262,202</u> | <u>\$ 412,418</u> |

NOTE 8 – LEASE COMMITMENTS

GAP leases office space in Washington D.C under an agreement which expired on November 30, 2010 and was extended for a period of four years commencing on December 1, 2010 and terminating on October 31, 2014 with extended monthly payments of \$14,000, and provides for annual 3% rent increases. GAP leased additional space under this lease during 2010. Total rent expense for this lease was \$168,835 and \$135,143 for the years ended December 31, 2011 and 2010, respectively.

The future minimum annual rental payments under the noncancellable-operating lease for D.C. are:

| <u>Future Minimum Rental Payments</u> | |
|---------------------------------------|----------------|
| 2012 | 173,900 |
| 2013 | 179,117 |
| 2014 | <u>152,977</u> |
| | <u>505,994</u> |

NOTE 9 – PENSION PLAN

Beginning in January of 2005, GAP employees were given the option to enroll in a qualified 403(b) (7) plan under which GAP deducts a percentage of the participant's income each pay period up to the legally allowed limit per the employee's election. The plan includes an employer's contribution of 3% of the employee's gross salary, immediately vested, with employer contributions beginning after six months for new employees. Pension expense for the years ending December 31, 2011 and 2010 was \$37,331 and, \$33,757, respectively.

GOVERNMENT ACCOUNTABILITY PROJECT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 10 – PROGRAM CHANGES AND CONSOLIDATIONS

During 2011, GAP changed program titles and consolidated programs as per the following table:

| 2010 PROGRAMS | 2011 PROGRAMS |
|--|---|
| Gp/Other Whistleblowers Administration | Corporate/Government Accountability Administration |
| Development | Development/Fundraising |
| Corporate | Deleted (see Corporate/ Government Accountability) |
| Environment | Environment and Energy (includes Nuclear) |
| Homeland Security/ Federal Employee | Homeland Security |
| International | International |
| Nuclear | Deleted (see Environment and Energy) |
| PH - Drug | Deleted (see Food Integrity - PH) |
| PH - Food | Food Integrity - PH |

NOTE 11 – SUBSEQUENT EVENTS

As required by the Subsequent Events topic (Topic 855) of the FASB Accounting Standards Codification, GAP has evaluated the impact of its financial statements and disclosures of certain transactions occurring subsequent to its year-end through July 18, 2012, which is the date GAP’s financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

Supplemental Information

GOVERNMENT ACCOUNTABILITY PROJECT
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

| | 2011 | | | | 2010 | | | |
|---------------------------------|---------------------|-------------------|--------------------------|---------------------|---------------------|-------------------|--------------------------|---------------------|
| | Program Services | Fundraising | General & Administrative | Total | Program Services | Fundraising | General & Administrative | Total |
| Salaries | \$ 1,166,024 | \$ 28,807 | \$ 57,260 | \$ 1,252,091 | \$ 1,097,529 | \$ 33,855 | \$ 18,835 | \$ 1,150,219 |
| Employee benefits and taxes | 409,169 | 10,487 | 9,336 | 428,992 | 365,918 | 9,299 | 5,021 | 380,238 |
| Total salaries and benefits | 1,575,193 | 39,294 | 66,596 | 1,681,083 | 1,463,447 | 43,154 | 23,856 | 1,530,457 |
| Advertising | 463 | 4 | 3 | 470 | 1,402 | 102 | 29 | 1,533 |
| Interest | - | - | - | - | 226 | 6 | 4 | 236 |
| Insurance - general | 8,695 | 150 | 254 | 9,099 | 8,021 | 202 | 127 | 8,350 |
| Contributions | - | - | - | - | 140 | 5 | 3 | 148 |
| Deposition and arbitration fees | (1,267) | 213 | 190 | (864) | (4,732) | 137 | 63 | (4,532) |
| Direct mail | 33,120 | 173,463 | 19,787 | 226,370 | 14,554 | 230,654 | 21 | 245,229 |
| Dues and subscriptions | 11,903 | 258 | 281 | 12,442 | 12,846 | 484 | 108 | 13,438 |
| Equipment rental and repairs | 10,578 | 216 | 1,446 | 12,240 | 3,743 | 123 | 47 | 3,913 |
| Miscellaneous | 6,751 | 178 | 131 | 7,060 | 3,834 | 207 | 20 | 4,061 |
| Office rent and storage | 164,052 | 3,993 | 3,579 | 171,624 | 131,979 | 3,894 | 1,762 | 137,635 |
| Office supplies and expense | 23,615 | 397 | 639 | 24,651 | 18,646 | 2,228 | 162 | 21,036 |
| Postage | 10,456 | 744 | 2,107 | 13,307 | 5,787 | 550 | 40 | 6,377 |
| Printing and newsletter | 54,622 | 1,120 | 1,488 | 57,230 | 45,393 | 931 | 545 | 46,869 |
| Professional fees | 415,367 | 48,954 | 3,034 | 467,355 | 315,293 | 2,537 | 1,090 | 318,920 |
| Telecanvassing | 820 | 58,579 | - | 59,399 | - | 53,251 | - | 53,251 |
| Telephone | 21,215 | 545 | 634 | 22,394 | 20,275 | 617 | 279 | 21,171 |
| Travel and meetings | 77,943 | 722 | 486 | 79,151 | 70,515 | 376 | 253 | 71,144 |
| Depreciation | 11,602 | - | - | 11,602 | 11,882 | - | - | 11,882 |
| TOTAL EXPENSES | \$ 2,425,128 | \$ 328,830 | \$ 100,655 | \$2,854,613 | \$ 2,123,251 | \$ 339,458 | \$ 28,409 | \$2,491,118 |

GOVERNMENT ACCOUNTABILITY PROJECT
SCHEDULE OF PROGRAM EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2011

| | Environmental and Energy (includes Nuclear) | International | Homeland Security | Food Integrity - PH | Corporate / Government Accountability | PROGRAM TOTAL |
|-----------------------------------|---|---------------|-------------------|---------------------|--|------------------|
| Salaries | \$ 25,667 | \$ 153,037 | \$ 202,916 | \$ 293,535 | \$ 490,869 | \$ 1,166,024 |
| Employee benefits and taxes | 13,949 | 51,362 | 62,383 | 93,264 | 188,211 | 409,169 |
| Total salaries and benefits | 39,616 | 204,399 | 265,299 | 386,799 | 679,080 | 1,575,193 |
| Advertising | 2 | 21 | 22 | 164 | 254 | 463 |
| Interest | - | - | - | - | - | - |
| Insurance - general | 2,251 | 833 | 808 | 1,886 | 2,917 | 8,695 |
| Contributions | - | - | - | - | - | - |
| Deposition and arbitration fees | 444 | 1,287 | (9,045) | 540 | 5,507 | (1,267) |
| Direct mail | 482 | 4,263 | 5,764 | 11,709 | 10,902 | 33,120 |
| Dues, subscriptions and education | 484 | 1,846 | 1,560 | 3,143 | 4,870 | 11,903 |
| Equipment rental and repairs | 202 | 979 | 1,276 | 2,945 | 5,176 | 10,578 |
| Miscellaneous | 301 | 1,010 | 840 | 1,855 | 2,745 | 6,751 |
| Office rent and storage | 3,034 | 19,291 | 24,035 | 39,917 | 77,775 | 164,052 |
| Office supplies and expense | 440 | 2,049 | 2,634 | 4,477 | 14,015 | 23,615 |
| Postage | 136 | 1,263 | 1,821 | 2,388 | 4,848 | 10,456 |
| Printing and newsletter | 614 | 5,083 | 6,536 | 15,943 | 26,446 | 54,622 |
| Professional fees | 71,356 | 34,176 | 17,725 | 67,935 | 224,175 | 415,367 |
| Telecanvassing | - | - | - | - | 820 | 820 |
| Telephone | 537 | 2,696 | 3,224 | 5,367 | 9,391 | 21,215 |
| Travel and meetings | 33,268 | 3,433 | 2,415 | 17,123 | 21,704 | 77,943 |
| Depreciation | - | - | - | - | 11,602 | 11,602 |
| TOTAL EXPENSES | \$ 153,167 | \$ 282,629 | \$ 324,914 | \$ 562,191 | \$ 1,102,227 | \$ 2,425,128 |

See Notes to Consolidated Financial Statements.

GOVERNMENT ACCOUNTABILITY PROJECT
SCHEDULE OF PROGRAM EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2010

| | <i>Corporate Campaign</i> | <i>Environmental</i> | <i>International</i> | <i>Homeland Security / Government Employee</i> | <i>Nuclear</i> | <i>Public Health/ Whistleblowers</i> | <i>PROGRAM TOTAL</i> |
|---------------------------------|---------------------------|----------------------|----------------------|--|------------------|--|--------------------------|
| Salaries | \$ 53,420 | \$ 11,808 | \$ 150,014 | \$ 348,120 | \$ 14,975 | \$ 519,192 | \$ 1,097,529 |
| Employee benefits and taxes | 15,059 | 3,367 | 45,688 | 115,554 | 4,900 | 181,350 | 365,918 |
| Total salaries and benefits | <u>68,479</u> | <u>15,175</u> | <u>195,702</u> | <u>463,674</u> | <u>19,875</u> | <u>700,542</u> | <u>1,463,447</u> |
| Advertising | 55 | 4 | 166 | 451 | 12 | 714 | 1,402 |
| Interest | 10 | 1 | 28 | 76 | 2 | 109 | 226 |
| Insurance - general | 375 | 45 | 953 | 2,323 | 30 | 4,295 | 8,021 |
| Contributions | 6 | - | 17 | 47 | 1 | 69 | 140 |
| Deposition and arbitration fees | 154 | 113 | 623 | (7,606) | 30 | 1,954 | (4,732) |
| Direct mail | 40 | 12 | 165 | 351 | 3 | 13,983 | 14,554 |
| Dues and subscriptions | 402 | 133 | 1,808 | 3,780 | 62 | 6,661 | 12,846 |
| Equipment rental and repairs | 126 | 63 | 608 | 994 | 45 | 1,907 | 3,743 |
| Miscellaneous | 121 | 24 | 281 | 712 | 30 | 2,666 | 3,834 |
| Office rent and storage | 5,324 | 1,110 | 17,582 | 42,238 | 1,678 | 64,047 | 131,979 |
| Office supplies and expense | 547 | 183 | 1,800 | 4,034 | 125 | 11,957 | 18,646 |
| Postage | 139 | 33 | 727 | 1,266 | 30 | 3,592 | 5,787 |
| Printing and newsletter | 1,648 | 448 | 5,506 | 11,819 | 505 | 25,467 | 45,393 |
| Professional fees | 20,013 | 82,028 | 21,554 | 53,052 | 3,497 | 135,149 | 315,293 |
| Telecanvassing | - | - | - | - | - | - | - |
| Telephone | 717 | 300 | 2,541 | 6,887 | 238 | 9,592 | 20,275 |
| Travel and meetings | 557 | 1,689 | 6,484 | 5,329 | 293 | 56,163 | 70,515 |
| Depreciation | - | - | - | - | - | 11,882 | 11,882 |
| TOTAL EXPENSES | <u>\$ 98,713</u> | <u>\$ 101,361</u> | <u>\$ 256,545</u> | <u>\$ 589,427</u> | <u>\$ 26,456</u> | <u>\$ 1,050,749</u> | <u>\$ 2,123,251</u> |