

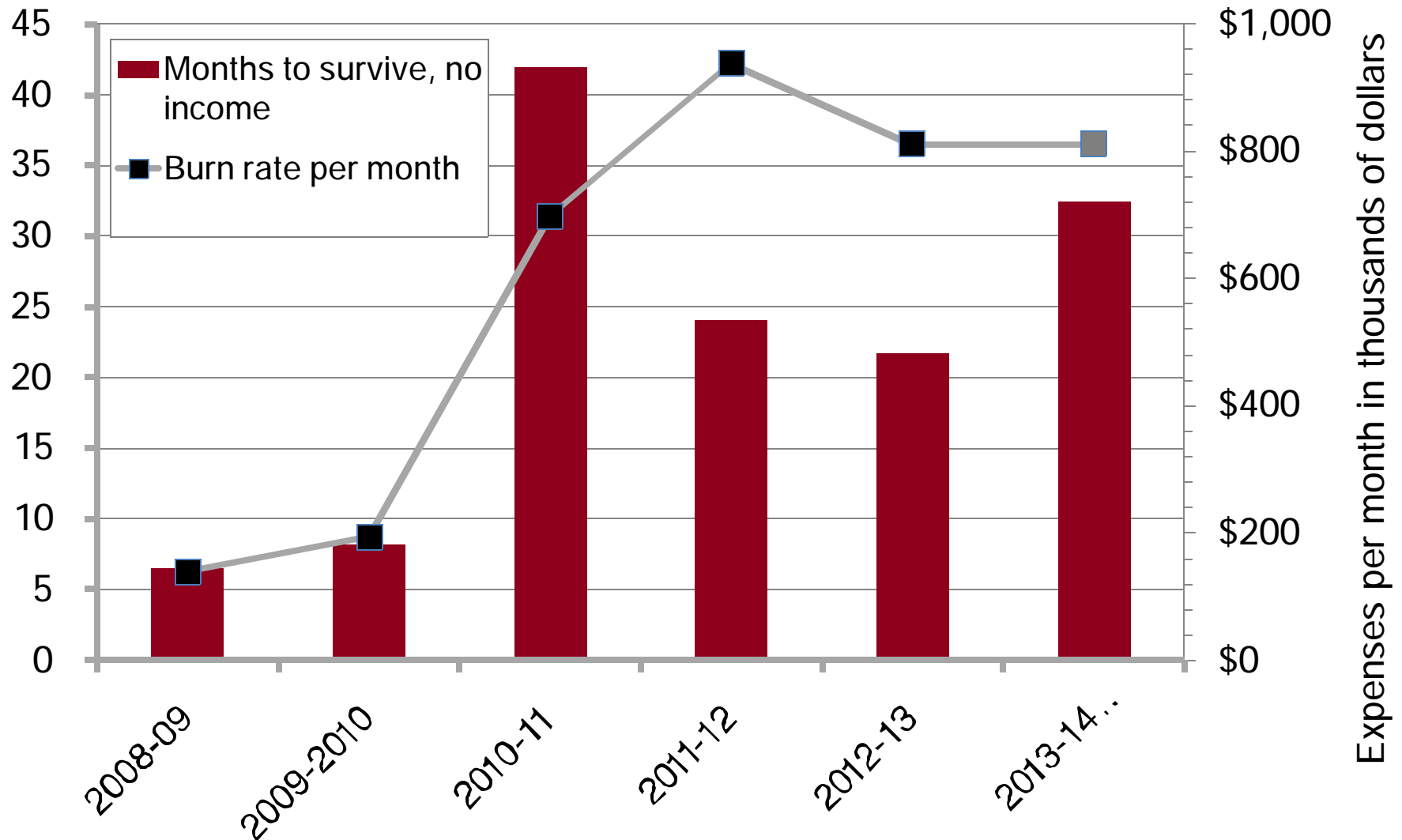
# Financial Analysis

of the Kualu Foundation Inc.  
based on publically available federal tax returns

instructional media + magic inc.  
4 August 2014, Washington DC

# Months to Survive Using Available Assets

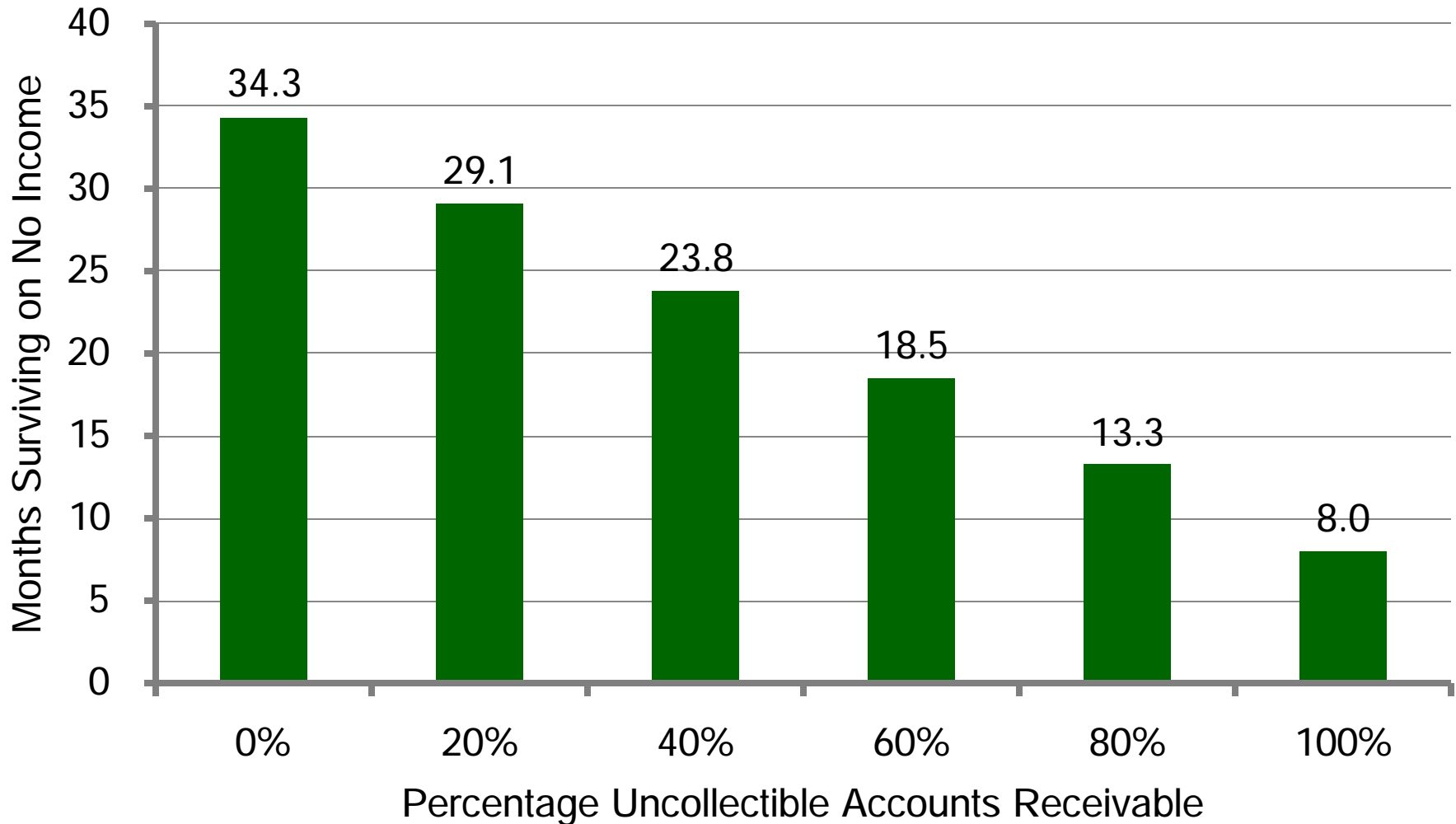
## The Kualu Foundation



Based on federal tax return data. Months to survive using average annual expenses of the year and assets at the beginning of the year.

# Months Surviving with No Income

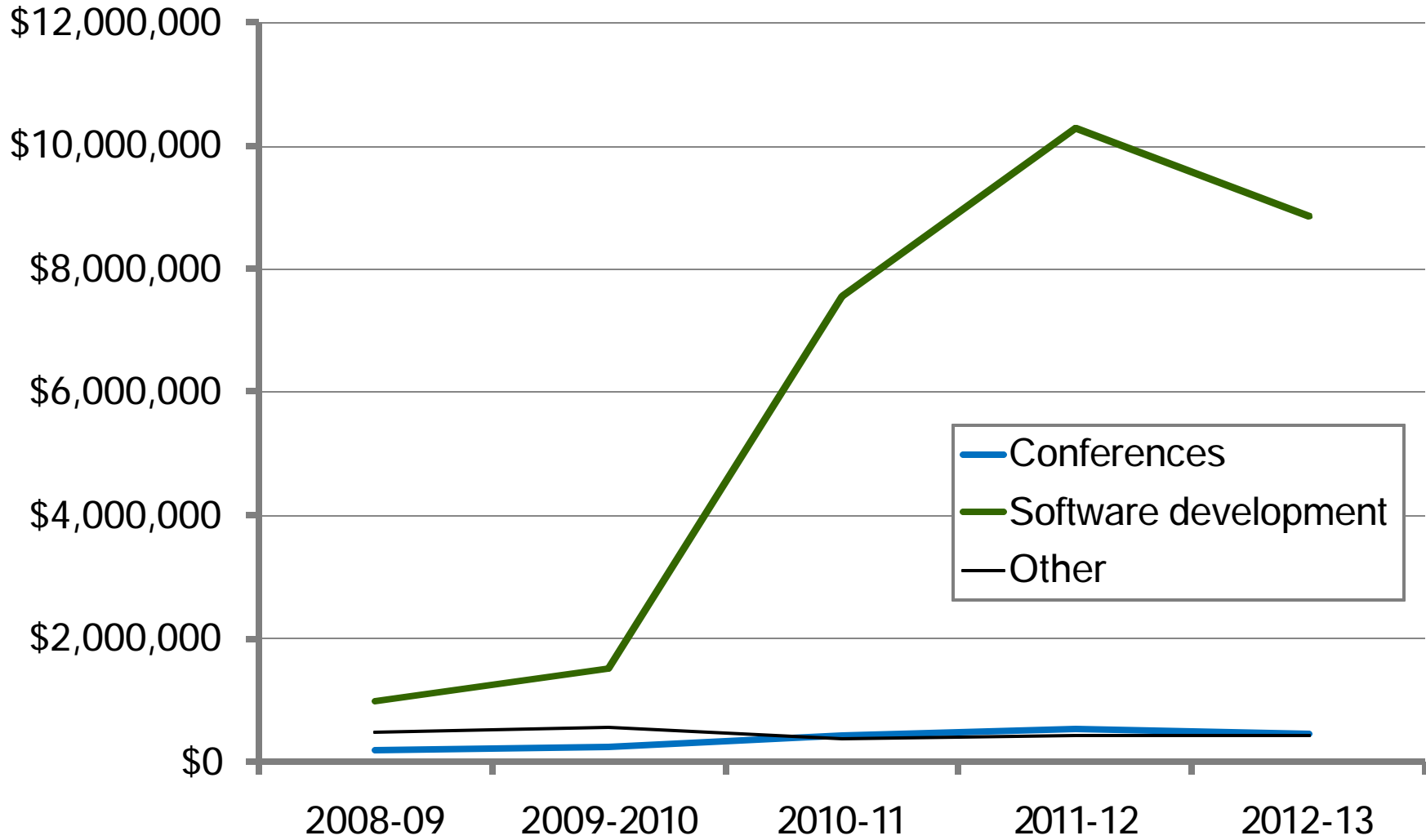
## The Kualu Foundation



Substantially pledged contributions of cash and other items, including contributed collections and contributed services. See Statement of Federal Account Standards Board SFAS #116, June 1993.

# Historical Use of Funds

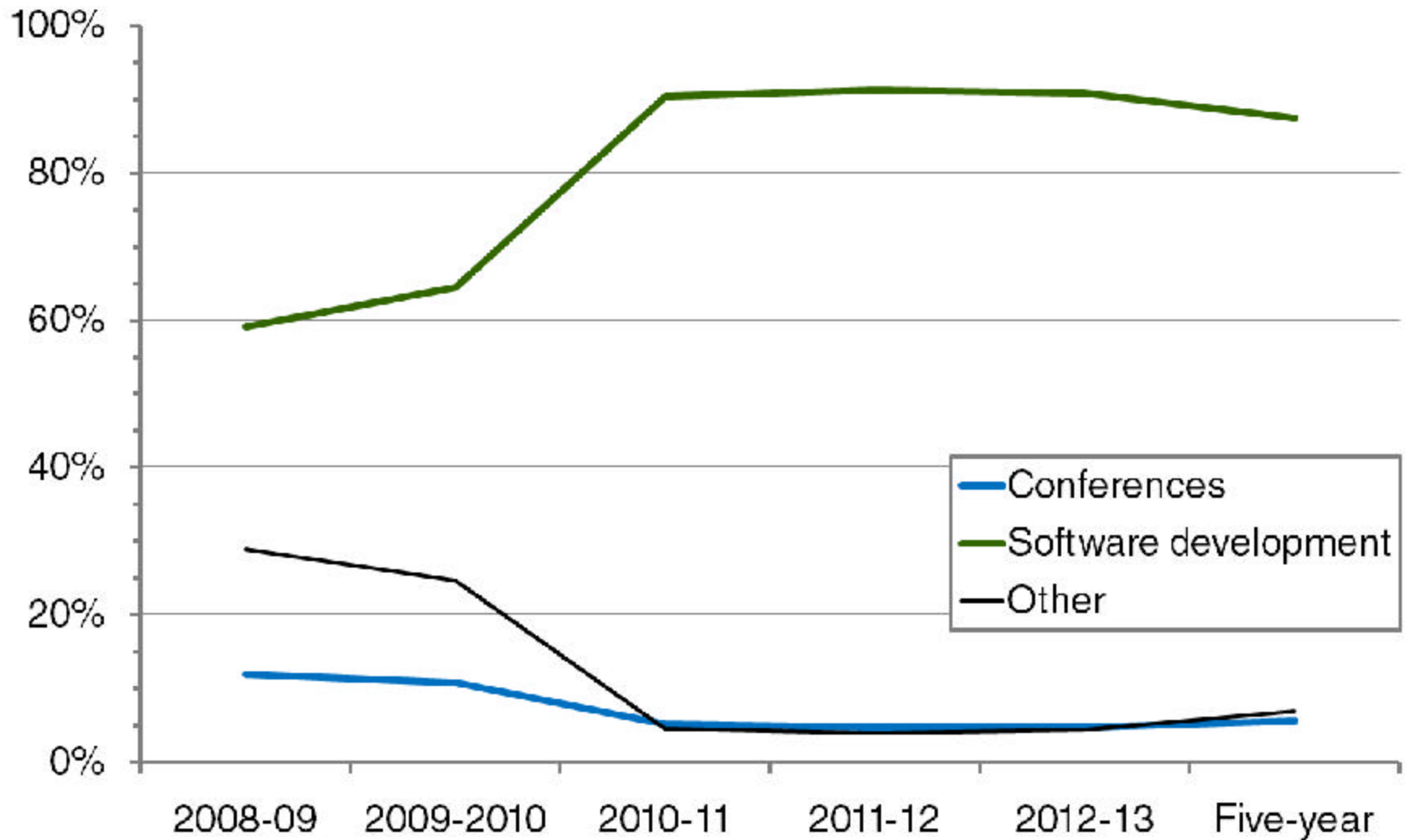
## The Kualu Foundation



Expenses data from federal tax returns.

# Historical Use of Funds in Percent

## The Kualii Foundation



Expenses from federal tax return data.

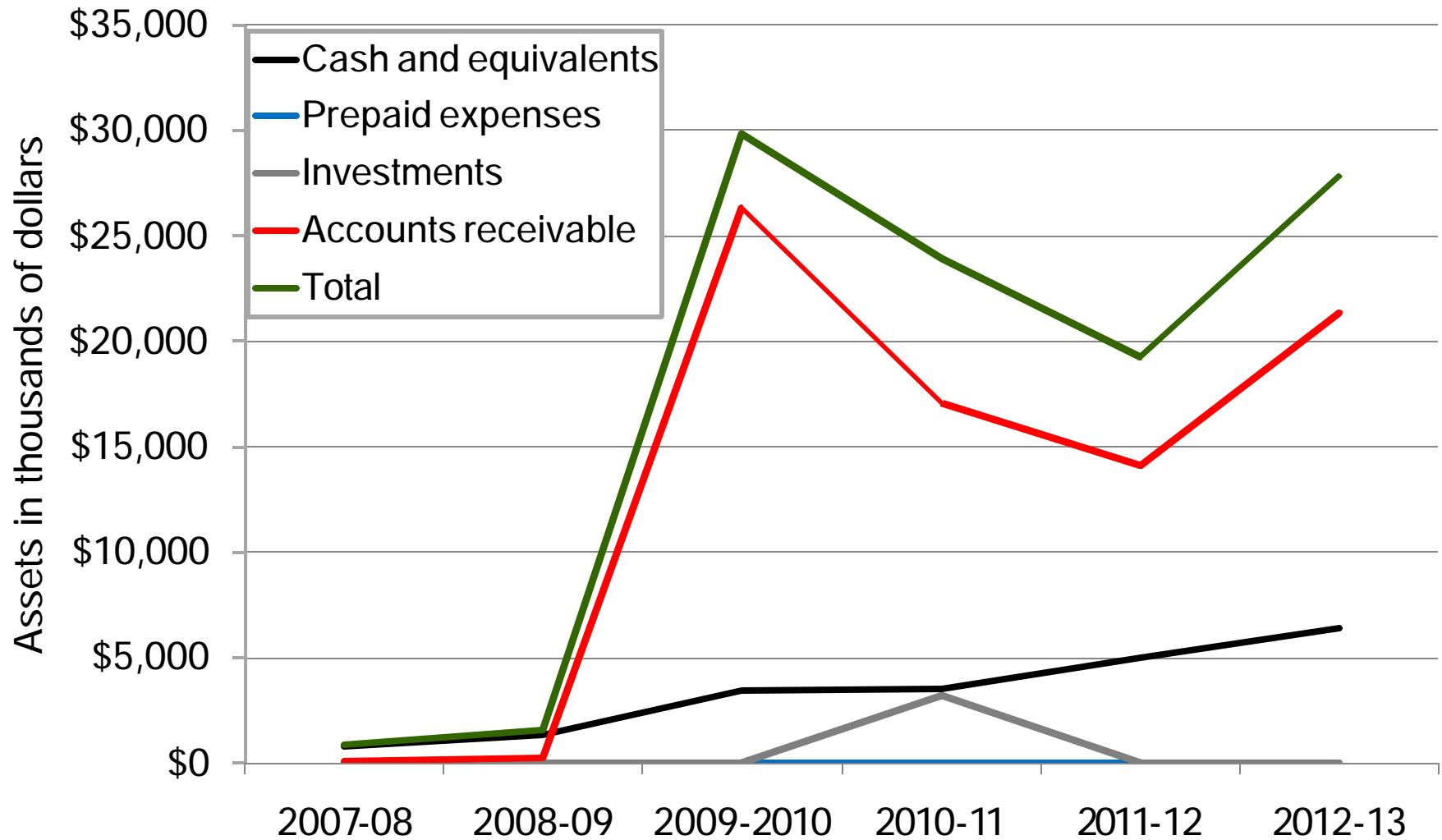
# Change in Accounting 2009-10

- On Part XI, line 8 [Other assets], this is the change made under SFAS #116 where we began recording in-kind contributions. The difference between the revenue and expenses for this year compared to net assets is the difference in the in-kind contribution that we began recording in the books this year.
- The amount of this change was \$25,772,048

From IRS Form 990 for the tax year beginning July 1, 2009  
and ending June 30, 2010, Schedule D

# Composition of End-of-year Assets

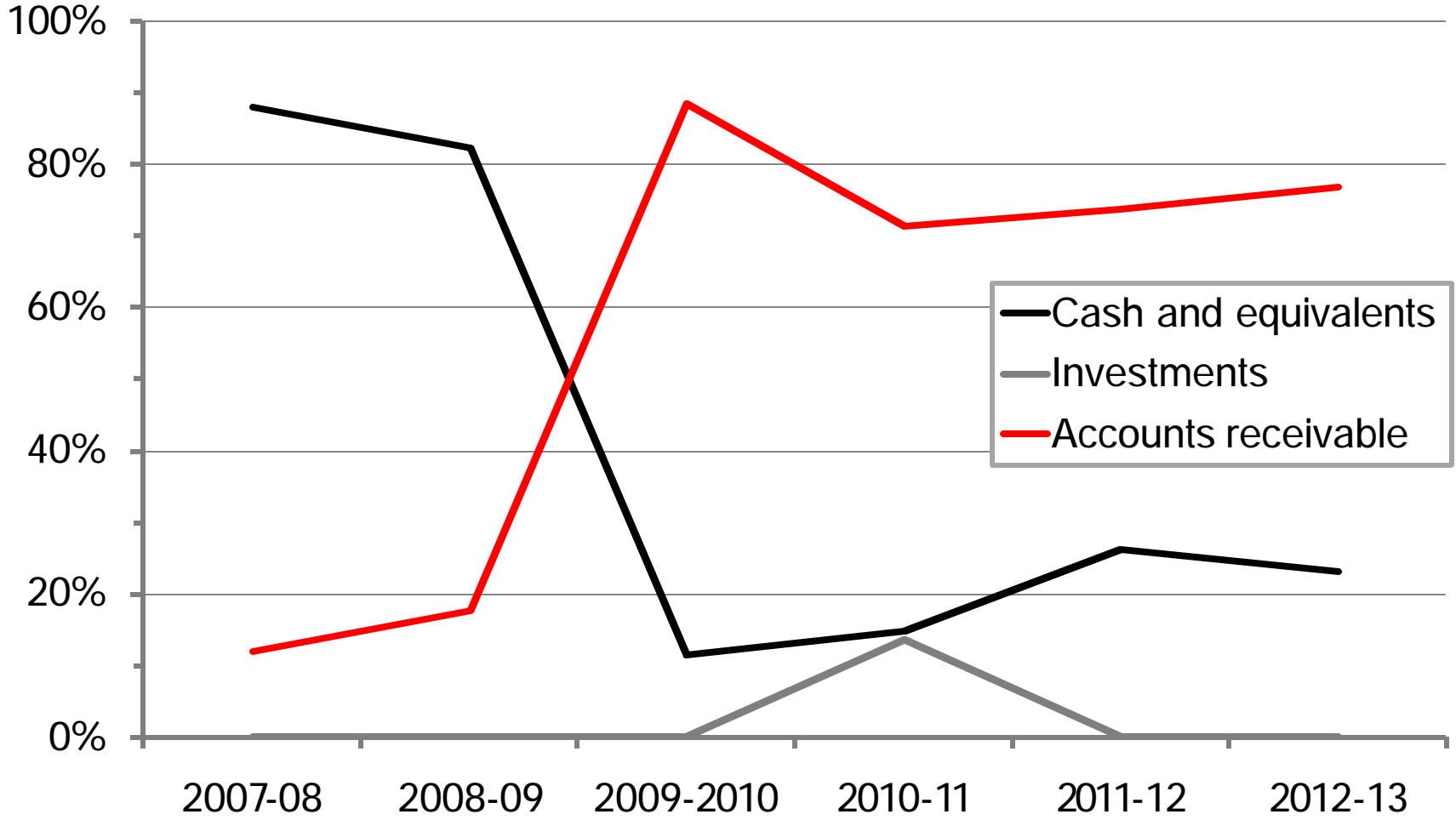
Kuali Foundation Inc



Data from federal tax returns

# Composition of End-of-year Assets, in percent

## The Kualu Foundation

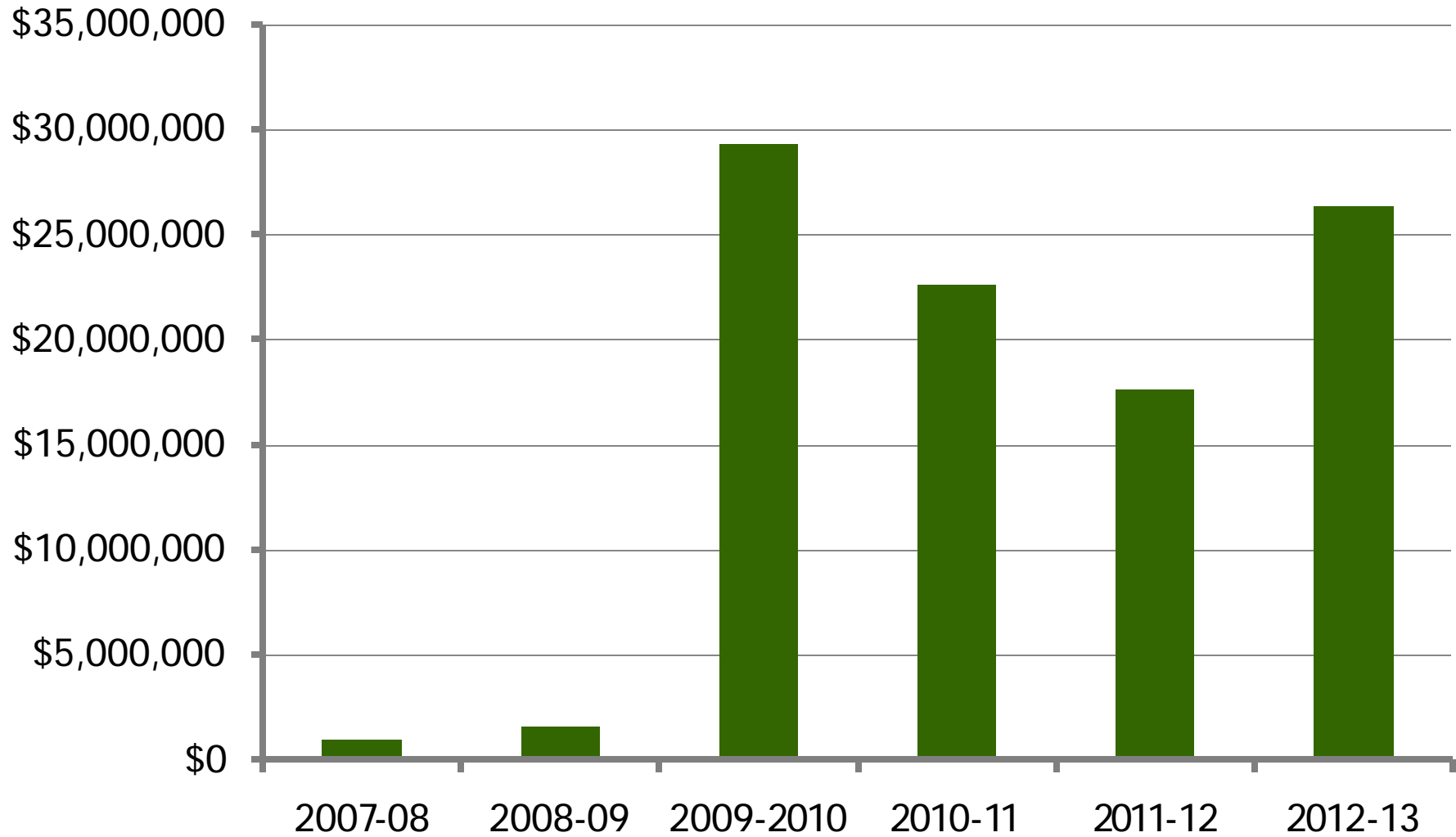


Prepaid expenses omitted. Data from federal tax returns



# Reported End of Year Fund Balance

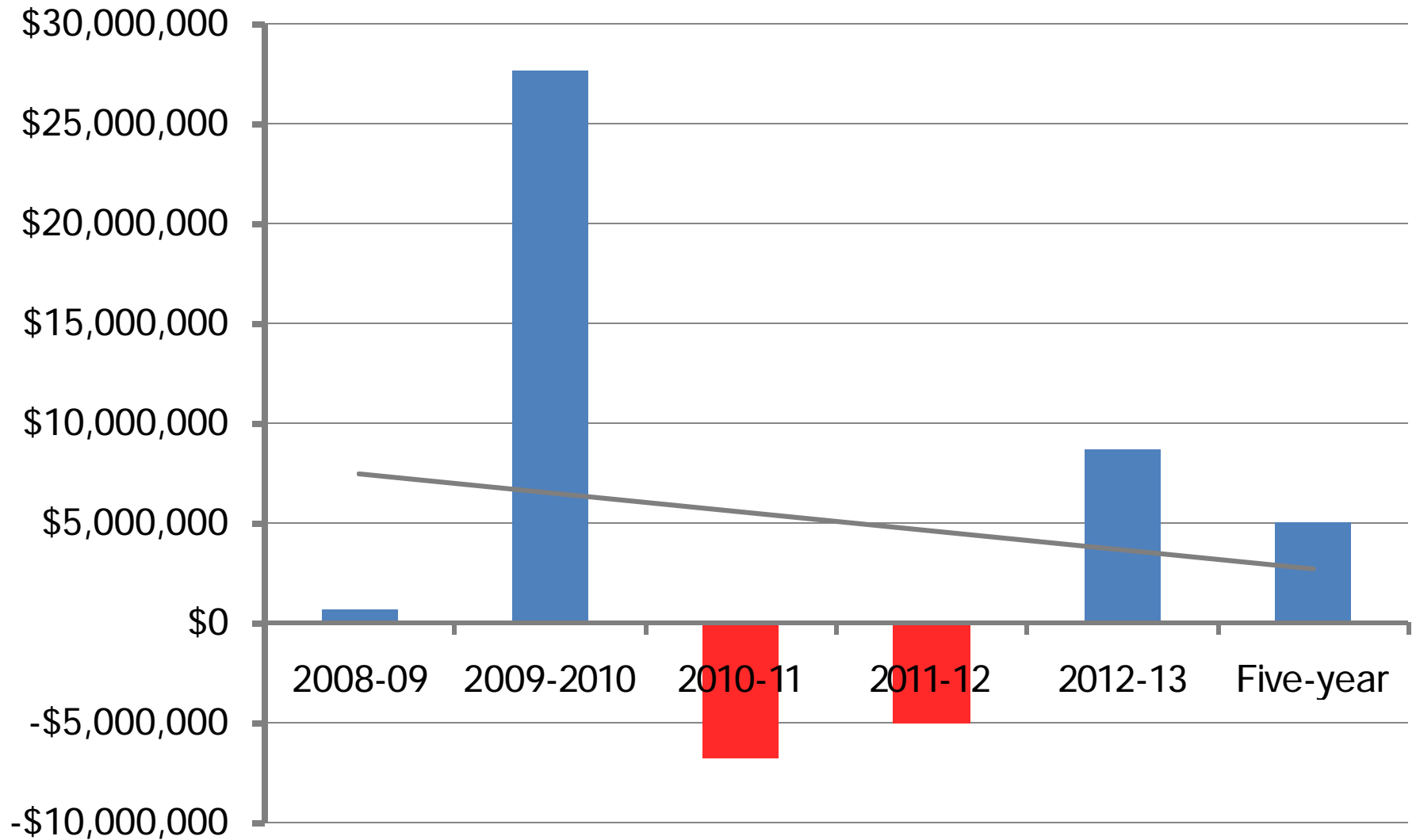
Kuali Foundation Inc



Data from federal tax returns

# Annual Change to Fund Balances

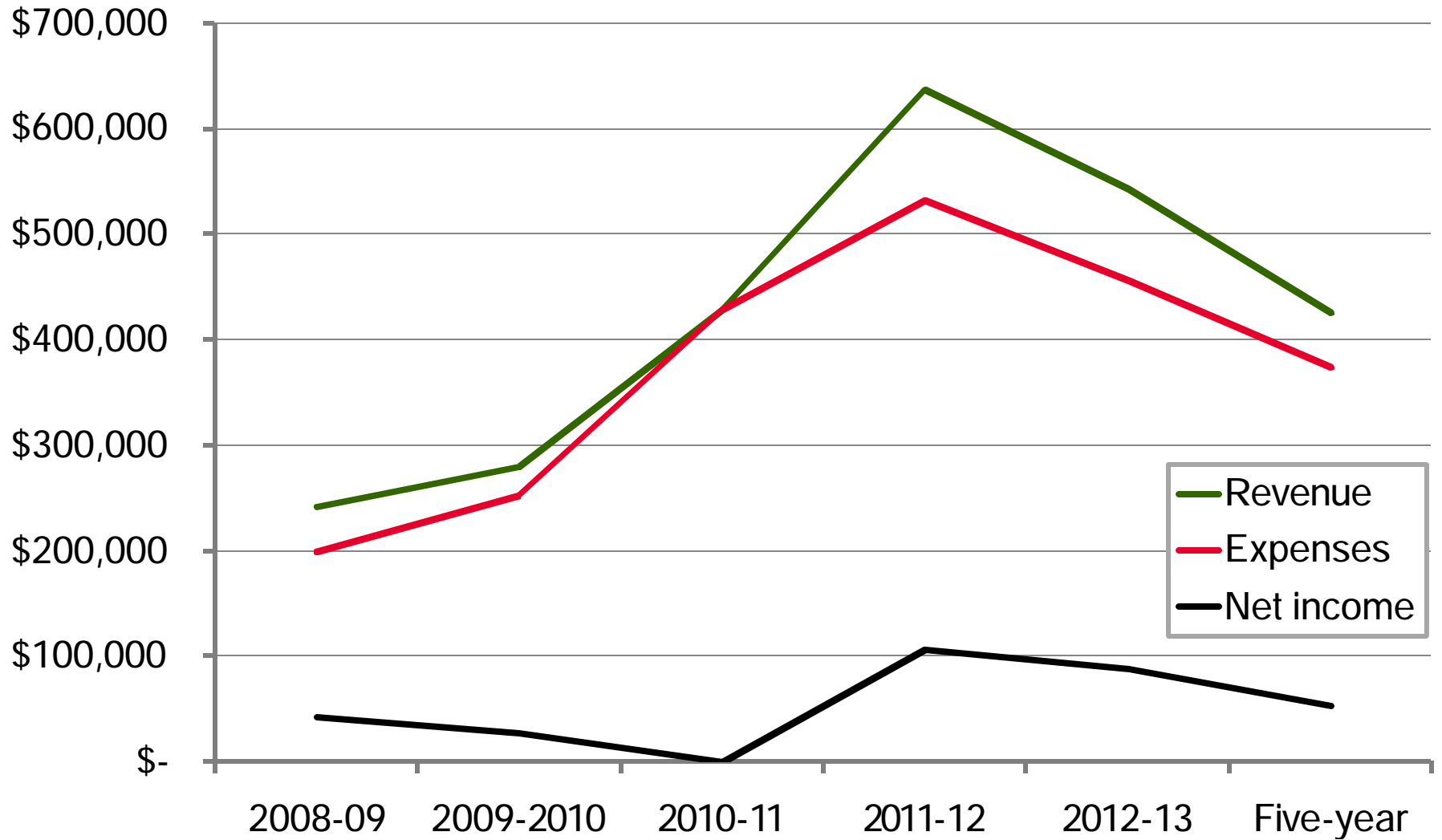
Kuali Foundation Inc



Data from federal tax forms

# Conference Revenue and Costs

## Kuali Foundation Inc



Data from federal tax returns.

# Phil's unanswered question

"When you get rid of a pre-existing solution, the results are less promising. Quali Student, based on a known product category but designed from the ground up, is currently on track to take almost 8 years from concept to full functionality."

"... are there any examples where a new product in an ill-defined product category has successfully been developed in a community source model?"

Phil Hill, Unizin: What are the primary risks? 29 May 2014

Perhaps Curriculum Management, Student Accounts or Student Academic Planning?

The end

# Notes

- These slides were prepared by Jim Farmer on 3 August 2014 based on available data from annual IRS Form 990 *Return of Organization Exempt From Income Tax* filings provided by the Internal Revenue Service as PDF files.
- There may be errors copying the data from the printed forms to the spreadsheet used for the calculations. Where possible, computed totals were compared to published totals for quality assurance.
- Kualu Foundation Inc. reports on two programs or businesses: Conferences and Software Development. The “Other expenses” are a reasonable estimate of administrative expenses. This does not include the contributed time or travel expenses of many participating in Foundation activities that could be classified as “administration” and accounted for as contributions.
- The change in accounting procedure was significant and described in the slide presentation.
- The calculations are those typically used in the analysis of the financial viability of a small start-up business.

# References

- Phil Hill, *Unizin: What are the primary risks?*, e-Literate, 29 May 2014. See the comments about the Quali Foundation under “Long-Term Risk.” Quotations were included in the slide referencing his concern.
- Phil Hill, *University of California’s \$220 Million payroll project reboot*, e-Literate, 21 July 2014.
- Chris Kanaracus, *Oracle to revamp schools ERP software, with an eye on Workday*, Computer World, 10 March 2014.
- Indiana University, *Search, Click, Done!*, 16 April 2014. The use of new technology for self-service “apps” for administrative systems. [AngularJS and Bootstrap 3, REST and Java (Spring 3 and JPA2) would also be used].
- Indiana University, *College campuses across the country to benefit from IU’s revolutionary software*, 25 July 2014.
- Office of the Vice President for IT and CIO, Indiana University, *CAS at IU extended to accept two-factor authentication and other improvements*, 20 May 2014.
- Edward J. McMillian, *Not-for-Profit Accounting, Tax and Reporting Requirements*, Fourth Edition, Appendix B, John Wiley and Sons Inc, 2010.