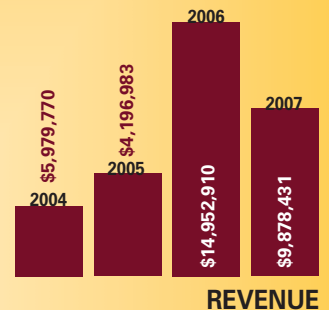
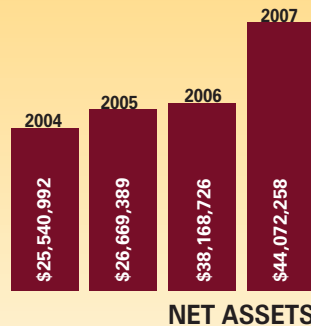


# FINANCIAL YEAR IN REVIEW

	June 30, 2006	June 30, 2007	% of Change
Total Assets	\$44,376,137	\$52,724,083	18.81%
Net Assets	\$ 38,168,726	\$ 44,072,258	15.47%
Total Revenue	\$ 14,952,910	\$ 9,878,431	-33.94%
Program & Operating Expenses	\$ 3,453,573	\$ 3,974,899	15.10%
Change in Net Assets		\$ 5,903,532	

## PROGRAM & OPERATING EXPENSES

<b>75%</b>	Program Support	\$ 2,962,767
<b>11%</b>	Scholarships	\$ 451,127
<b>4%</b>	Fund Raising	\$ 155,618
<b>10%</b>	General & Administrative	\$ 405,387
	Total	\$ 3,974,899



Faw, Casson & Co., LLP • Certified Public Accountants

## INDEPENDENT AUDITORS REPORT

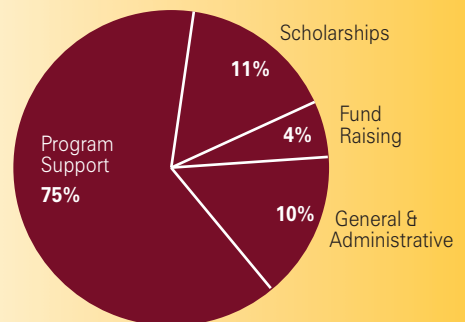
Board of Directors, Salisbury University Foundation, Inc.  
Salisbury, Maryland

We have audited the accompanying statements of financial position of Salisbury University Foundation, Inc. as of June 30, 2007 and 2006 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation'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 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, we 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. We believe that our audits provide 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 Salisbury University Foundation, Inc. as of June 30, 2007 and 2006, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The information on pages 4 through 7 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the procedures applied in the audits of the financial statements mentioned above and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Salisbury, Maryland  
September 25, 2007

*Faw, Casson & Co., LLP*

# STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2007

	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
<b>REVENUES</b>				
Grants	\$ -	\$ 346,068	\$ 153,295	\$ 499,363
Donations	142,637	1,254,079	2,302,130	3,698,846
Underwriting - Public Radio	-	239,165	-	239,165
Rental Income	390,360	64,775	-	455,135
Sales, Service and Other Income	39,578	378,807	56,328	474,713
Investment Income	292,532	90,867	4,734,114	5,117,513
Loss on Sale of Assets	-	-	(431,692)	(431,692)
Actuarial and Other Adjustment of Annuity Trust Fund	-	-	(174,612)	(174,612)
Net Assets Released from Restrictions, Net of Transfers	3,091,099	(2,045,675)	(1,045,424)	-
<b>TOTAL REVENUES</b>	<b>3,956,206</b>	<b>328,086</b>	<b>5,594,139</b>	<b>9,878,431</b>
<b>EXPENSES</b>				
Programs:				
Nabb Research	34,265	-	-	34,265
Henson School of Science and Tech.	35,952	-	-	35,952
Salisbury Community TV	207,436	-	-	207,436
Athletic and Recreation Admin.	332,823	-	-	332,823
Fulton School of Liberal Arts	56,505	-	-	56,505
Scholarships	451,127	-	-	451,127
Salisbury Symphony	45,714	-	-	45,714
Rentals	379,512	-	-	379,512
WSCL Public Radio Support	740,911	-	-	740,911
Perdue School of Business	168,628	-	-	168,628
PACE	74,507	-	-	74,507
Salisbury University of Distinction	96,888	-	-	96,888
Other University Programs	789,626	-	-	789,626
Fund-Raising Expenses	155,618	-	-	155,618
General and Administrative Expenses	405,387	-	-	405,387
<b>TOTAL EXPENSES</b>	<b>3,974,899</b>	<b>-</b>	<b>-</b>	<b>3,974,899</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>(18,693)</b>	<b>328,086</b>	<b>5,594,139</b>	<b>5,903,532</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>3,008,329</b>	<b>7,246,123</b>	<b>27,914,274</b>	<b>38,168,726</b>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 2,989,636</b>	<b>\$ 7,574,209</b>	<b>\$ 33,508,413</b>	<b>\$ 44,072,258</b>