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Return of Organization Exempt From Income Tax

2013

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter Social Security numbers on this form as it may be made public.

Information about Form 990 and its instructions is at www.irs.gov/form990.

Open to Public Inspection

Department of the Treasury Internal Revenue Service

A For the 2013 calendar year, or tax year beginning, 2013, and ending, 20

B Check if applicable: Address change, Name change, Initial return, Terminated, Amended return, Application pending. C Name of organization: XPOSURE FOUNDATION INC. D Employer identification no: 26-0160228. E Telephone number: (347) 418-6534. F Name and address of principal officer: South Richmond Hill, NY 11419-1321. H(a) Is this a group return for subordinates? No. H(b) Are all subordinates included? No. H(c) Group exemption number. J Website: www.xposurefoundationinc.org. K Form of organization: Corporation. L Year of formation: 2007. M State of legal domicile: NY.

Part I Summary

Table with 3 columns: Description, Prior Year, Current Year. Rows include: 1. Mission statement; 2-7a. Governance and revenue data; 8-19. Revenue and expenses; 20-22. Net assets or fund balances.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of Raymond L. Thomas Jr., CEO/Executive Director, dated 6/7/14.

Paid Preparer Use Only: Print/Type preparer's name: ROWAN CREARY, Date: 05-30-2014, Firm's name: R CREARY CPA PC, Firm's address: 138-80A 241ST ST, Rosedale NY 11422, Phone no: 718-706-6768.

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

For Paperwork Reduction Act Notice, see the separate instructions.

Handwritten number 1916

**Part III Statement of Program Service Accomplishments**

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission

XPOSURE'S OVERALL GOAL IS TO EXPOSE STUDENTS TO LIFE SKILLS IN THE AREA OF SCIENCE, TECHNOLOGY, FINANCE, EMPLOYMENT/ WORK ETHIC, COMMUNITY SERVICE, FITNESS AND NUTRITION.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code \_\_\_\_\_) (Expenses \$ 399,415 including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)  
See SERVICES page for a description of this program service.

4b (Code \_\_\_\_\_) (Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

4c (Code \_\_\_\_\_) (Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

4d Other program services (Describe in Schedule O )  
(Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

4e Total program service expenses ▶ 399,415

**Part IV Checklist of Required Schedules**

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A . . . . .	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? . . . . .	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .		X
4	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II . . . . .		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III . . . . .		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I . . . . .		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II . . . . .		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III . . . . .		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV . . . . .		X
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V . . . . .		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI . . . . .	X	
b	Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII . . . . .		X
c	Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII . . . . .		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX . . . . .		X
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X . . . . .		X
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X . . . . .	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII . . . . .	X	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional . . . . .		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E . . . . .		X
14a	Did the organization maintain an office, employees, or agents outside of the United States? . . . . .		X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV . . . . .		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV . . . . .		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV . . . . .		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions) . . . . .		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes" complete Schedule G, Part II . . . . .		X
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . .		X
20a	Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H . . . . .		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? . . . . .		

**Part IV Checklist of Required Schedules** (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II . . . . .		X
22	Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III . . . . .		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J . . . . .		X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a . . . . .		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .		
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I . . . . .		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I . . . . .		X
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II . . . . .		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III . . . . .		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV . . . . .		X
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV . . . . .		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV . . . . .	X	
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M . . . . .		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M . . . . .		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I . . . . .		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II . . . . .		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I . . . . .		X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 . . . . .		X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)? . . . . .		X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 . . . . .		
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 . . . . .		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI . . . . .		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Input box for Schedule O

Table with columns for line number, description, and Yes/No checkboxes. Includes sections for backup withholding, federal employment tax returns, foreign accounts, prohibited tax shelter transactions, and charitable contributions.

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O See instructions

Check if Schedule O contains a response or note to any line in the Part VI

**Section A. Governing Body and Management**

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O		
1b	Enter the number of voting members included in line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	X	
8b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code )

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?		X
10b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
11b	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
12b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?		X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	The organization's CEO, Executive Director, or top management official		X
15b	Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)		X
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

**Section C. Disclosure**

- 17 List the states with which a copy of this Form 990 is required to be filed **NY**
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply  
 Own website  Another's website  Upon request  Other (explain in Schedule O)
- 19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization  
**RAYMOND L THOMAS JR (347) 418-6534, 121-16 9TH AVE, South Richmond Hill, NY 11419-1321**

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) YVETTE MCKENSIE SECRETARY	4.00	X					0	0	0	
(2) MICHELE RULNICK TREASURER	5.00	X					0	0	0	
(3) MICHELLE STODDART BOARD CHAIR	4.00	X					0	0	0	
(4) CHRISTINA COLON TRUSTEE	4.00	X					0	0	0	
(5) DARLENE DUKES TRUSTEE	4.00	X					0	0	0	
(6) GEORGE MOSES TRUSTEE	4.00	X					0	0	0	
(7) RAYMOND L THOMAS JR PRESIDENT AND CEO	60.00			X			93,963	0	5,616	
(8) -----										
(9) -----										
(10) -----										
(11) -----										
(12) -----										
(13) -----										
(14) -----										

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) -----										
(16) -----										
(17) -----										
(18) -----										
(19) -----										
(20) -----										
(21) -----										
(22) -----										
(23) -----										
(24) -----										
(25) -----										
<b>1b Sub-total</b> .....										
<b>c Total from continuation sheets to Part VII, Section A</b> .....										
<b>d Total (add lines 1b and 1c)</b> .....							93,963	0	5,616	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 0

	Yes	No
3 Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual .....	3	X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual .....	4	X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person .....	5	X

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶

**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>				
	<b>b</b> Membership dues . . . . .	<b>1b</b>				
	<b>c</b> Fundraising events . . . . .	<b>1c</b>				
	<b>d</b> Related organizations . . . . .	<b>1d</b>				
	<b>e</b> Government grants (contributions) . .	<b>1e</b>				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b> 536,645				
	<b>g</b> Noncash contributions included in lines 1a-1f \$					
	<b>h Total.</b> Add lines 1a-1f . . . . . ▶	536,645				
<b>Program Service Revenue</b>	<b>2a</b> _____	<b>Business Code</b>				
	<b>b</b> _____					
	<b>c</b> _____					
	<b>d</b> _____					
	<b>e</b> _____					
	<b>f</b> All other program service revenue . . . . .					
	<b>g Total.</b> Add lines 2a-2f . . . . . ▶					
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		9	9		
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . ▶					
	<b>5</b> Royalties . . . . . ▶					
	<b>6a</b> Gross rents . . . . .	(i) Real				
		(ii) Personal				
		<b>b</b> Less rental expenses . . . . .				
		<b>c</b> Rental income or (loss) . . . . .				
	<b>d</b> Net rental income or (loss) . . . . . ▶					
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
		<b>b</b> Less cost or other basis and sales expenses . . . . .				
		<b>c</b> Gain or (loss) . . . . .				
	<b>d</b> Net gain or (loss) . . . . . ▶					
	<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .	<b>a</b>				
		<b>b</b> Less direct expenses . . . . .	<b>b</b>			
		<b>c</b> Net income or (loss) from fundraising events . . . . . ▶				
	<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . .	<b>a</b>				
		<b>b</b> Less direct expenses . . . . .	<b>b</b>			
<b>c</b> Net income or (loss) from gaming activities . . . . . ▶						
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .	<b>a</b>					
	<b>b</b> Less cost of goods sold . . . . .	<b>b</b>				
	<b>c</b> Net income or (loss) from sales of inventory . . . . . ▶					
<b>Miscellaneous Revenue</b>		<b>Business Code</b>				
<b>11a</b> _____						
	<b>b</b> _____					
	<b>c</b> _____					
	<b>d</b> All other revenue . . . . .					
<b>e Total.</b> Add lines 11a-11d . . . . . ▶						
<b>12 Total revenue.</b> See instructions . . . . . ▶		536,654	9	0	0	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States. See Part IV, line 21 . . . . .				
2	Grants and other assistance to individuals in the United States. See Part IV, line 22 . . . . .				
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16 . . . . .				
4	Benefits paid to or for members . . . . .				
5	Compensation of current officers, directors, trustees, and key employees . . . . .	99,579	76,676	22,903	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .				
7	Other salaries and wages . . . . .	82,693	63,673	19,020	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) . . . . .				
9	Other employee benefits . . . . .				
10	Payroll taxes . . . . .	20,284	15,598	4,686	
11	Fees for services (non-employees)				
a	Management . . . . .				
b	Legal . . . . .				
c	Accounting . . . . .	7,200		7,200	
d	Lobbying . . . . .				
e	Professional fundraising services. See Part IV, line 17 . . . . .				
f	Investment management fees . . . . .				
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O) . . . . .	7,397	1,924	5,473	
12	Advertising and promotion . . . . .				
13	Office expenses . . . . .	16,850		16,850	
14	Information technology . . . . .	23,403	18,956	4,447	
15	Royalties . . . . .				
16	Occupancy . . . . .				
17	Travel . . . . .				
18	Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .				
19	Conferences, conventions, and meetings . . . . .	15,026	11,269	3,757	
20	Interest . . . . .				
21	Payments to affiliates . . . . .				
22	Depreciation, depletion, and amortization . . . . .	10,813		10,813	
23	Insurance . . . . .	13,703		13,703	
24	Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O) . . . . .				
a	<b>BANK FILINGS AND CREDIT CARD</b> . . . . .	2,638		2,638	
b	<b>PROJECTS</b> . . . . .	105,516	105,516		
c	<b>PROGRAM SUPPLIES</b> . . . . .	22,735	19,324	3,411	
d	<b>CONTRACTORS/STIPENDS</b> . . . . .	110,574	86,479	24,095	
e	All other expenses . . . . .				
25	<b>Total functional expenses.</b> Add lines 1 through 24e . . . . .	538,411	399,415	138,996	0
26	<b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) . . . . .				

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X

		(A)		(B)	
		Beginning of year		End of year	
Assets	1	Cash - non-interest-bearing	25,730	1	64,646
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net		4	
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net	83,582	7	53,686
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	1,139	9	1,175
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D		10a	95,649
	b	Less accumulated depreciation		10b	77,291
			29,171	10c	18,358
	11	Investments - publicly traded securities		11	
	12	Investments - other securities See Part IV, line 11		12	
	13	Investments - program-related See Part IV, line 11		13	
	14	Intangible assets		14	
15	Other assets See Part IV, line 11		15		
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	139,622	16	137,865	
Liabilities	17	Accounts payable and accrued expenses		17	
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		25	
	26	<b>Total liabilities.</b> Add lines 17 through 25	0	26	0
Net Assets of Fund Balances	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>				
	27	Unrestricted net assets	139,622	27	137,865
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	<b>Total net assets or fund balances</b>	139,622	33	137,865	
34	<b>Total liabilities and net assets/fund balances</b>	139,622	34	137,865	

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	536,654
2	Total expenses (must equal Part IX, column (A), line 25)	2	538,411
3	Revenue less expenses Subtract line 2 from line 1	3	(1,757)
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	139,622
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	137,865

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990 <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

**Public Charity Status and Public Support**  
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

OMB No 1545-0047

**2013**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

▶ **Attach to Form 990 or Form 990-EZ.**  
▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

Name of the organization

XPOSURE FOUNDATION INC

Employer identification number

26-0160228

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box.)

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
  - a  Type I      b  Type II      c  Type III-Functionally integrated      d  Type III-Non-functionally integrated
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
  - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
  - (ii) A family member of a person described in (i) above?
  - (iii) A 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
<b>Total</b>									

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2013

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Table with 7 columns: (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities; 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Line number, Description, and Percentage. Rows include: 14 Public support percentage for 2013 (84.05%); 15 Public support percentage from 2012 Schedule A, Part II, line 14 (99.91%); 16a 33 1/3% support test - 2013 (checked); 16b 33 1/3% support test - 2012; 17a 10%-facts-and-circumstances test - 2013; 17b 10%-facts-and-circumstances test - 2012; 18 Private foundation.

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (f) Total. Rows include: 1 Gifts grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or bus under sec 513; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total. Add lines 1 through 5; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; b Amounts included on lines 2 and 3 received from other than disqualified persons; c Add lines 7a and 7b; 8 Public support (Subtract line 7c from line 6).

Section B. Total Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income Do not include gain or loss from the sale of capital assets; 13 Total support. (Add lines 9, 10c, 11, and 12).

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

Table with 2 columns: Description, Percentage. Row 15: Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f)) 15 %; Row 16: Public support percentage from 2012 Schedule A, Part III, line 15 16 %

Section D. Computation of Investment Income Percentage

Table with 2 columns: Description, Percentage. Row 17: Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f)) 17 %; Row 18: Investment income percentage from 2012 Schedule A, Part III, line 17 18 %

19a 33 1/3% support tests - 2013. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2012. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

Attach to Form 990.

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization

XPOSURE FOUNDATION INC

Employer identification number

26-0160228

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors...?, 6 Did the organization inform all grantees...?

Part II Conservation Easements

Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 2 columns: Description, Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements, 2 Complete lines 2a through 2d..., 3 Number of conservation easements modified..., 4 Number of states where property..., 5 Does the organization have a written policy..., 6 Staff and volunteer hours..., 7 Amount of expenses..., 8 Does each conservation easement..., 9 In Part XIII, describe how the organization reports...

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 2 columns: Description, Amount. Rows include: 1a If the organization elected, as permitted under SFAS 116..., 1b If the organization elected, as permitted under SFAS 116..., 2 If the organization received or held works of art...

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)
a Public exhibition
b Scholarly research
c Preservation for future generations
d Loan or exchange programs
e Other
4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?
b If "Yes," explain the arrangement in Part XIII and complete the following table
c Beginning balance
d Additions during the year
e Distributions during the year
f Ending balance
2a Did the organization include an amount on Form 990, Part X, line 21?
b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Table with 2 columns: Description, Amount. Rows: 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance.

Part V Endowment Funds.

Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

Table with 6 columns: (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows: 1a Beginning of year balance, b Contributions, c Net investment earnings, gains, and losses, d Grants or scholarships, e Other expenditures for facilities and programs, f Administrative expenses, g End of year balance.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as
a Board designated or quasi-endowment %
b Permanent endowment %
c Temporarily restricted endowment %
The percentages in lines 2a, 2b, and 2c should equal 100%

- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by
(i) unrelated organizations
(ii) related organizations
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

Table with 2 columns: Yes, No. Rows: 3a(i) unrelated organizations, 3a(ii) related organizations, 3b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Table with 5 columns: (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows: 1a Land, b Buildings, c Leasehold improvements, d Equipment, e Other.

Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))

**Part VII Investments - Other Securities**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives . . . . .		
(2) Closely-held equity interests . . . . .		
(3) Other _____		
(A) _____		
(B) _____		
(C) _____		
(D) _____		
(E) _____		
(F) _____		
(G) _____		
(H) _____		
<b>Total</b> (Column (b) must equal Form 990, Part X, col (B) line 12) ▶		

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) _____		
(2) _____		
(3) _____		
(4) _____		
(5) _____		
(6) _____		
(7) _____		
(8) _____		
(9) _____		
<b>Total</b> (Column (b) must equal Form 990, Part X, col (B) line 13) ▶		

**Part IX Other Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) _____	
(2) _____	
(3) _____	
(4) _____	
(5) _____	
(6) _____	
(7) _____	
(8) _____	
(9) _____	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 15) . . . . . ▶	

**Part X Other Liabilities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) _____	
(3) _____	
(4) _____	
(5) _____	
(6) _____	
(7) _____	
(8) _____	
(9) _____	
<b>Total</b> (Column (b) must equal Form 990, Part X, col (B) line 25) ▶	

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII . . .

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	536,654
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12			
a	Net unrealized gains on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	536,654
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII)	4b		
c	Add lines 4a and 4b		4c	
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)		5	536,654

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	538,411
2	Amounts included on line 1 but not on Form 990, Part IX, line 25			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	538,411
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII)	4b		
c	Add lines 4a and 4b		4c	
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)		5	538,411

**Part XIII Supplemental Information**

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

**01. Footnote for uncertain tax position under FIN 48 (Part X)**

GAAP REQUIRES MANAGEMENT TO EVALUATE TAX PROVISIONS TAKEN AND RECOGNIZE A TAX LIABILITY

(OR ASSET) IF THE ORGANIZATION HAS TAKEN AN UNCERTAIN POSITION THAT MORE LIKELY THAN NOT

WOULD NOT BE SUSTAINED UPON EXAMINATION BY TAXING AUTHORITIES. MANAGEMENT HAS ANALYZED

THAT TAX POSITIONS TAKEN AND HAS CONCLUDED THAT AS OF DECEMBER 31, 2013 AND 2012, THERE

ARE NO UNCERTAIN POSITIONS TAKEN OR EXPECTED TO BE TAKEN THAT WOULD REQUIRE RECOGNITION OF

A LIABILITY (OR ASSET) OR DISCLOSURE IN THE FINANCIAL STATEMENTS. IF THE ORGANIZATION

WERE TO INCUR AN INCOME TAX LIABILITY IN THE FUTURE, INTEREST AND PENALTIES WOULD BE

REPORTED AS INCOME TAXES. THE ORGANIZATION IS SUBJECT TO ROUTINE AUDITS BY TAXING

JURISDICTIONS; HOWEVER, THERE ARE CURRENTLY NO AUDITS FOR ANY TAX PERIODS IN PROGRESS.

MANAGEMENT BELIEVES THE ORGANIZATION IS NO LONGER SUBJECT TO INCOME TAX EXAMINATIONS FOR

YEARS PRIOR TO 2010.

**SCHEDULE L**  
**(Form 990 or 990-EZ)**

**Transactions With Interested Persons**

OMB No 1545-0047

**2013**

Department of the Treasury  
Internal Revenue Service

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, of Form 990-EZ, Part V, line 38a or 40b.**  
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**  
▶ **Information about Schedule L (Form 990 or 990EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

**Open to Public Inspection**

Name of the organization

Employer identification number

XPOSURE FOUNDATION INC

26-0160228

**Part I Excess Benefit Transactions** (section 501(c)(3) and section 501(c)(4) organizations only)

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					

- 2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ \$ \_\_\_\_\_
- 3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ \$ \_\_\_\_\_

**Part II Loans to and/or From Interested Persons.**

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
(1)												
(2)												
(3)												
(4)												
(5)												
<b>Total</b> . . . . . ▶						\$						

**Part III Grants or Assistance Benefiting Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				



**SCHEDULE O**  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service  
Name of the organization

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2013**

**Open to Public  
Inspection**

XPOSURE FOUNDATION INC

Employer identification number  
26-0160228

**01. Form 990 governing body review (Part VI, line 11)**

PRESIDENT AND CEO RAYMOND THOMAS JR PERFORMS A PRELIMINARY REVIEW OF FORM 990 AND  
SUPPLEMENTAL SCHEDULES. ALL CHANGES ARE MADE AND A FINAL REVIEW IS PERFORMED WITH BOARD  
AND CPA. FINAL FORM 990 IS SUBMITTED TO BOARD FOR SECOND SIGNOFF.

**02. Conflict of interest policy compliance (Part VI, line 12c)**

The purpose of this Board conflict of interest policy is to protect Xposure Foundation  
Inc.'s (Xposure) interest when it is contemplating entering into a transaction or  
arrangement that might benefit the private interests of an officer or director of Xposure  
or might result in a possible excess benefit transaction.

Each director, principal officer and member of a committee with Board delegated powers  
shall annually sign a statement which affirms such person: (a) has received a copy of the  
conflict of interest policy (b) has read and understands the policy (c) has agreed to  
comply with the policy, and d) Understands Xposure is charitable and in order to maintain  
its federal tax exemption it must engage primarily in activities, which accomplish 1 or  
more of its tax-exempt purposes.

**03. Governing documents, etc, available to public (Part VI, line 19)**

ALL GOVERNING DOCUMENTS BOOKS AND RECORDS ARE MAINTAINED AT 121-16 97TH AVE SOUTH RICHMOND  
HILL NEW YORK AND ARE AVAILABLE UPON REQUEST.

**04. Significant program services not listed on prior year return (Part III, li**

LEARN TO EARN - THIS COMPONENT WAS DESIGNED FOR YOUTH 12 YEARS OF AGE OR OLDER. STUDENTS  
ARE EXPOSED TO THE WORLD OF WORK BY OFFERING THEM OPPORTUNITIES TO SEEK INTERNSHIPS AND

Name of the organization

Employer identification number

XPOSURE FOUNDATION INC

26-0160228

PART-TIME EMPLOYMENT (AGE-PERMITTING)

FUN FINANCE WORKSHOP SERIES- THIS CORE PROGRAM INCREASES FINANCIAL LITERACY BY EXPOSING YOUTH TO A WIDE VARIETY OF SAVINGS AND INVESTING MONEY MANAGEMENT WORKSHOPS.

FUN FINANCE RADIO - IN 2013 OUR WEB BASED RADIO/ TV STATION WWW.FUNFINANCERADIO.COM WAS ENHANCED TO GIVE US THE ABILITY TO STORE, REPLAY AND PODCAST PROGRAMS DEVELOPED BY OUR VARIOUS LOCATIONS.

MUSCIENCE - THIS EXCITING AND INNOVATIVE SCIENCE-BASED SERVICE WAS CREATED AND TRADEMARKED IN 2013 BY XPOSURE FOUNDATION INC TO INTRODUCE STUDENTS TO SCIENCE IN A FUN EXCITING AND INTERACTIVE WAY.

# Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury  
Internal Revenue Service (99)

▶ See separate instructions. ▶ Attach to your tax return.

**2013**  
Attachment  
Sequence No **179**

Name(s) shown on return <b>XPOSURE FOUNDATION INC</b>	Business or activity to which this form relates <b>FORM 990 - 1</b>	Identifying number <b>26-0160228</b>
--	--	---

**Part I Election To Expense Certain Property Under Section 179**

**Note:** If you have any listed property, complete Part V before you complete Part I

1	Maximum amount (see instructions) . . . . .	<b>1</b>	
2	Total cost of section 179 property placed in service (see instructions) . . . . .	<b>2</b>	
3	Threshold cost of section 179 property before reduction in limitation (see instructions) . . . . .	<b>3</b>	
4	Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0- . . . . .	<b>4</b>	
5	Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions . . . . .	<b>5</b>	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property Enter the amount from line 29 . . . . .	<b>7</b>	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7 . . . . .	<b>8</b>	
9	Tentative deduction Enter the <b>smaller</b> of line 5 or line 8 . . . . .	<b>9</b>	
10	Carryover of disallowed deduction from line 13 of your 2012 Form 4562 . . . . .	<b>10</b>	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions) . . . . .	<b>11</b>	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11 . . . . .	<b>12</b>	
13	Carryover of disallowed deduction to 2014 Add lines 9 and 10, less line 12 ▶ . . . . .	<b>13</b>	

**Note:** Do not use Part II or Part III below for listed property. Instead, use Part V

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions) . . . . .	<b>14</b>	
15	Property subject to section 168(f)(1) election . . . . .	<b>15</b>	
16	Other depreciation (including ACRS) . . . . .	<b>16</b>	10,813

**Part III MACRS Depreciation (Do not include listed property) (See instructions)**

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2013 . . . . .	<b>17</b>	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ <input type="checkbox"/> . . . . .		

**Section B - Assets Placed in Service During 2013 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only-see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

**Section C - Assets Placed in Service During 2013 Tax Year Using the Alternative Depreciation System**

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

**Part IV Summary (See instructions)**

21	Listed property Enter amount from line 28 . . . . .	<b>21</b>	
22	<b>Total.</b> Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations - see instructions . . . . .	<b>22</b>	10,813
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs . . . . .	<b>23</b>	

**For Paperwork Reduction Act Notice, see separate instructions.**

**Statement of Program Service Accomplishments****2013 01**

Name(s) as shown on return

Your Social Security Number

XPOSURE FOUNDATION INC

26-0160228

Form 990, Part III(a)

Program Service Code	
Program Service Expenses	\$399415
Grants and allocations included in above expense	\$0
Program Services Revenue	\$0

Explanation

LEARN TO EARN - IN 2013 XPOSURE ADDED LEARN TO EARN TO OUR PROGRAM OFFERINGS. THIS COMPONENT WAS DESIGNED FOR YOUTH 12 YEARS OF AGE AND OLDER. STUDENTS ARE EXPOSED TO THE WORLD OF WORK BY OFFERING THEM OPPORTUNITIES TO SEEK INTERNSHIPS AND PART-TIME EMPLOYMENT (AGE-PERMITTING). THIS IS THE MORE ADVANCED VERSION OF OUR EARN WHILE YOU LEARN WORKSHOP SERIES WHERE STUDENTS EARN WEEKLY STIPENDS IN THE PROGRAM WHILE DEVELOPING SKILLSETS AND WORK ETHIC. FUN FINANCE WORKSHOP SERIES - THIS CORE PROGRAM COMPONENT INCREASES FINANCIAL LITERACY BY EXPOSING YOUTH TO A WIDE VARIETY OF SAVING AND INVESTING MONEY MANAGEMENT WORKSHOPS. A CORE PART OF THE WORKSHOP SERIES IS GETTING PARENTS TO OPEN CUSTODIAL BANK SAVINGS AND STOCK INVESTMENT ACCOUNTS. IN 2013 WE TOOK THE WORKSHOP SERIES TO THE LOGICAL NEXT LEVEL BY CONDUCTING REGULARLY SCHEDULED FUN FINANCE WORKSHOPS FOR PARENTS. OUR THINKING IS THAT FOR OUR STUDENTS TO BECOME LIFE-LONG SAVERS AND INVESTORS THAT WE WOULD NEED TO GET PARENTS MORE INVOLVED AFTER THEY OPENED CUSTODIAL ACCOUNTS FOR THEIR CHILDREN. FUN FINANCE RADIO - IN 2013 OUR WEB BASED RADIO/TV STATION WWW.FUNFINANCERADIO.COM WAS ENHANCED TO GIVE US THE ABILITY TO STORE, REPLAY AND PODCAST PROGRAMS DEVELOPED BY OUR VARIOUS LOCATIONS. MUSCIENCE - THIS EXCITING AND INNOVATIVE SCIENCE-BASED SERVICE WAS CREATED AND TRADEMARKED IN 2013 BY XPOSURE FOUNDATION, INC. TO INTRODUCE STUDENTS TO SCIENCE IN A FUN, EXCITING AND INTERACTIVE WAY. ONE OF THE FIRST PROJECTS CREATED BY MUSCIENCE WAS THE SCIENCE BASED MUSCIENCE - EXPLORE AND DISCOVER WHILE SINGING AND DANCING CD/DVD. ALL SONGS WERE CREATED AND COPY-WRITTEN BY XPOSURE FOUNDATION INC. THIS CRITICALLY ACCLAIMED CD IS NOW AVAILABLE ON AMAZON.COM AND THE DVD WITH 8 FULL ANIMATIONS WILL BE AVAILABLE FOR DOWNLOAD VIA AMAZON IN THE FALL OF 2014. THE CD/DVD HAS RECEIVED THE SALE OF APPROVAL FROM THE ASSISTANT SUPERINTENDENT OF CURRICULUM AND INSTRUCTION IN THE GREENBURGH CENTRAL SCHOOL DISTRICT AND FROM THE ASSISTANT SUPERINTENDENT OF THE EAST RAMAPO SCHOOL DISTRICT. IN ADDITION THE CD/DVD IS ALSO BEING USED BY NEW HOPE ACADEMY CHARTER SCHOOL AS A SUPPLEMENT TO THE SCIENCE CURRICULUM MUSCIENCE ANIMATION TRAINING PROGRAM- XPOSURE HAS TAKEN THE SKILLS IT HAS MASTERED CREATING ANIMATIONS TO DEVELOP A FIRST RATE ANIMATION-TRAINING PROGRAM FOR YOUTHS. THE ANIMATION-TRAINING PROGRAM HAS BEEN LAUNCHED SUCCESSFULLY AT A FEW OF OUR LOCATIONS AND WILL BE USED WIDESPREAD DURING THE 2014-2015 SCHOOL YEAR. XPOSURE FILMS - XPOSURE HAS AGAIN TAKEN SKILLS MASTERED DURING THE CREATION OF CURRICULUM CONTENT TO DEVELOP A FILM-TRAINING PROGRAM FOR YOUTH. ONE OF THE FIRST FILM PROJECTS XPOSURE HAS CREATED IS A PILOT ENTITLED, "IT'S XCLECTIC!" THIS PROJECT FEATURES THE WRITING, EDITING AND ACTING OF XPOSURE STUDENTS FROM OUR VARIOUS PROGRAMS.

**Form 990  
Worksheet**

**Schedule A, Line 5 - Excess 2% Limitation Contributors**

**2013**

(Keep for your records)

Name of the organization <b>XPOSURE FOUNDATION INC</b>	Employer identification number <b>26-0160228</b>
---	---

2% of the amount on Schedule A, part II, line 11, column (f) ..... 53,708

Name	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total	(g) Excess contributions (col. (f) minus the 2% limit)
LANZA FAMILY FOUNDATION					480,000	480,000	426,292
MRS PATRICIA LANZA					20,000	20,000	
VARIOUS					36,645	36,645	

**Total**

426,292

# **Xposure Foundation Inc.**

Financial Statements

Years Ended December 31, 2013 and  
2012

# XPOSURE FOUNDATION INC.

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Xposure Foundation Inc.  
Queens, New York

### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying statements of financial position of Xposure Foundation Inc. (the "Organization"), which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**R. Creary, CPA, P.C.**

Tel: (718) 706-6768 • Fax: (347) 548-4851

Web: [www.rcrearycpa.com](http://www.rcrearycpa.com) • Email: [rowan@rcrearycpa.com](mailto:rowan@rcrearycpa.com)

## OPINION

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Xposure Foundation Inc. as of December 31, 2013 and 2012, 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.

*R. Coy, CPA, PC*

Queens, New York  
May 30, 2014

# XPOSURE FOUNDATION INC.

## STATEMENTS OF FINANCIAL POSITION AS DECEMBER 31,

### ASSETS

	<u>2013</u>	<u>2012</u>
Cash and cash equivalents (Note 3)	\$ 64,646	\$ 25,730
Prepaid expense	1,175	1,139
Note receivable (Note 4)	53,686	83,582
Net property and equipment (Note 5)	<u>18,358</u>	<u>29,171</u>
Total assets	<u>\$ 137,865</u>	<u>\$ 139,622</u>

### LIABILITIES AND NET ASSETS

#### **Net assets--**

Unrestricted	<u>137,865</u>	<u>139,622</u>
Total net assets	<u>137,865</u>	<u>139,622</u>
Total liabilities and net assets	<u>\$ 137,865</u>	<u>\$ 139,622</u>

*See accompanying Notes to Financial Statements*

**XPOSURE FOUNDATION INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31,**

	<u>2013</u>	<u>2012</u>
	<u>Unrestricted Net Assets</u>	<u>Unrestricted Net Assets</u>
<b>REVENUES, GAINS, AND OTHER SUPPORT:</b>		
Contributions, gifts and grants	\$ 536,645	\$ 546,565
Interest income	<u>9</u>	<u>204</u>
Total revenues, gains, and other support	<u>536,654</u>	<u>546,769</u>
<b>EXPENSES:</b>		
Computer expenses	3,589	2,874
Consultants	69,787	88,283
Equipment	9,020	3,908
Projects	105,516	79,822 ✓
Salaries	176,656	198,715
Stipends	31,585	24,346
Supplies - other programs	22,735	40,300
Web design/ maintenance	10,794	14,718
Accountant fees	7,200	7,200
Bank service fees	2,563	2,373
Bookkeeping	9,202	13,694
Business filing fees	75	75
Depreciation expense	10,813	16,243
Insurance	13,703	13,768
Health insurance premiums	5,616	-
Payroll service fees	2,531	5,110

Continued on page 5

**XPOSURE FOUNDATION INC.**  
**STATEMENTS OF ACTIVITIES (CONTINUED)**  
**FOR THE YEARS ENDED DECEMBER 31,**

Continued on from page 4

	<b>2013</b>	<b>2012</b>
	Unrestricted Net Assets	Unrestricted Net Assets
Payroll taxes	20,284	24,757
Postage and delivery	639	320
Storage	4,866	5,615
Telephone expense	16,211	7,804
Travel, transportation and meetings	15,026	11,469
<b>TOTAL EXPENSES</b>	<b>538,411</b>	<b>561,394</b>
Changes in net assets	(1,757)	(14,625)
<b>NET ASSETS, beginning of year</b>	<b>139,622</b>	<b>154,247</b>
<b>NET ASSETS, end of year</b>	<b>\$ 137,865</b>	<b>\$ 139,622</b>

**Concluded**

*See accompanying Notes to Financial Statements*

**XPOSURE FOUNDATION INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES**

	<b>2013</b>			<b>2012</b>		
	<b>Total</b>	<b>Program Services Xposure After School Programs</b>	<b>Supporting Services Management and General</b>	<b>Total</b>	<b>Program Services Xposure After School Programs</b>	<b>Supporting Services Management and General</b>
Salaries, wages, and benefits	\$ 182,272	\$ 140,349	\$ 41,923	\$ 198,715	\$ 160,959	\$ 37,756
Payroll taxes	<u>20,284</u>	<u>15,598</u>	<u>4,686</u>	<u>24,757</u>	<u>20,053</u>	<u>4,704</u>
<b>Total personnel costs</b>	<b>202,556</b>	<b>155,947</b>	<b>46,609</b>	<b>223,472</b>	<b>181,012</b>	<b>42,460</b>
Bank, filing and credit card processing	2,638	-	2,638	2,448	-	2,448
Computer, web and equipment expense	23,403	18,956	4,447	21,500	18,060	3,440
Depreciation	10,813	-	10,813	16,243	-	16,243
Insurance	13,703	-	13,703	13,768	-	13,768
Offices supplies/ expense	16,850	-	16,850	8,124	-	8,124
Payroll processing fees	2,531	1,924	607	5,110	4,139	971
Program projects	105,516	105,516	-	79,822	79,822	-
Program supplies	22,735	19,324	3,411	40,300	35,061	5,239
Services and professional fees	7,200	-	7,200	7,200	-	7,200
Storage	4,866	-	4,866	5,615	-	5,615
Subcontractors/ stipends	110,574	86,479	24,095	126,323	107,849	18,474
Travel, meetings and conferences	<u>15,026</u>	<u>11,269</u>	<u>3,757</u>	<u>11,469</u>	<u>5,619</u>	<u>5,850</u>
<b>Total expenses</b>	<b>\$ 538,411</b>	<b>\$ 399,415</b>	<b>\$ 138,996</b>	<b>\$ 561,394</b>	<b>\$ 431,562</b>	<b>\$ 129,832</b>

*See accompanying Notes to Financial Statements*

**XPOSURE FOUNDATION INC.**  
**STATEMENTS OF CASH FLOW**  
**FOR THE YEARS ENDED DECEMBER 31,**

	<b>2013</b>	<b>2012</b>
<b>Cash flows from operating activities:</b>		
Changes in net assets	\$ (1,757)	\$ (14,625)
Depreciation expense	10,813	16,243
Adjustment to reconcile change in net assets to net cash used by operating activities:	-	-
(Increase) Decrease in prepaid expense	(36)	657
Decrease in note receivable	29,896	35,156
Decrease in accounts payable	-	(2,500)
Net cash used by operating activities	<u>38,916</u>	<u>34,931</u>
<b>Cash flows from investing activities:</b>		
Investment in fixed asset	-	(13,631)
Net cash (used in) investing activities	-	(13,631)
Net change in cash and cash equivalents	38,916	21,300
Cash and cash equivalents at beginning of year	<u>25,730</u>	<u>4,430</u>
Cash and cash equivalents at end of year	<u>\$ 64,646</u>	<u>\$ 25,730</u>

**No supplemental disclosure of cash and cash equivalent Information**

*See accompanying Notes to Financial Statements*

# XPOSURE FOUNDATION INC.

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013 AND 2012

### NOTE 1. 2013 SUMMARY OF ORGANIZATIONAL ACCOMPLISHMENTS

Xposure Foundation Inc.'s 2013 organizational strategy (spearheaded by the Senior Management team: the Executive Director, the Director of Operations, the Educational Director and the Director of Marketing) focused on the following key areas: curriculum development, Infrastructure development, quality improvement, program monitoring and after-school/community based expansion.

#### **BELOW IS A BRIEF DESCRIPTION OF THE SENIOR MANAGEMENT TEAM IN SUPPORT OF THE EXECUTIVE DIRECTOR:**

**The Director of Operations** is responsible for the supervision of all Program Directors and Managers as well as overseeing the day-to-day operation of all program sites.

**The Education Director** oversees the implementation of Xposure's curriculum. The Education Director ensures program goals are aligned with the short and long term goals of the organization.

**The Director of Marketing** is responsible for the organization's growth and sustainability through project and relationship management, branding, marketing, media relations, fund-raising and resource development activities.

The addition of these senior level positions allowed us to expand our program reach as far as Tanzania, Africa. We focused on maintaining a high level of program quality, curriculum innovation, infrastructure development and student engagement. Focusing on these key areas enabled us to create an after-school / community-based model that continues to be attractive to schools, CBO's, students parents and members of the community.

#### **PROGRAM QUALITY**

Xposure Foundation Inc. developed a set of program quality standards in 2007 to govern the physical environment, program safety, curriculum, life skills outcomes, enrollment/attendance and staff/ student engagement. In 2013 we revised our program quality standards to include the "BROKEN WINDOWS" strategy. The objective of this strategy was to train staff members to focus on the small things before they became large and affected program quality. By employing this strategy all staff members were tasked with focusing on programmatic details to enhance and maintain program quality. These areas included: staff and students arriving prepared for program, staff and students properly using our digital tracking system, increasing program quality by reducing absenteeism and tardiness, keeping the environment clean, following safety procedures, properly securing equipment and other resources, accurately collecting and storing data, increasing enrollment and retention by developing positive relationships with parents and community members, increasing

# XPOSURE FOUNDATION INC.

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013 AND 2012

### NOTE 1. 2013 ORGANIZATIONAL ACCOMPLISHMENTS (Continued)

enrollment and retention by developing highly educational, entertaining and engaging curriculum content, etc

#### **PROGRAM MONITORING**

Below is a list of participant data we tracked in 2013 to help measure the effectiveness of our programs:

- **Enrollment** – We developed our own proprietary admissions and enrollment portal on our [www.xposureschools.com](http://www.xposureschools.com) website. Student’s enrollment, demographic and emergency contact information is captured allowing us to closely monitor participation
- **Attendance** - Xposure Foundation Inc. requires each program site to input daily and weekly attendance data into our online attendance tracking system, KINDERLIME. This data is used to gauge whether program goals and contract obligations are being met
- **Tracking Parent Engagement** - Xposure Foundation Inc. tracks the number of parents opening custodial bank savings accounts and custodial investment accounts for their children. In an effort to promote parent / child partnerships and program engagement Xposure Foundation Inc. encourages parents to open accounts for their children so they can begin using the lessons learned in our financial literacy workshops. This strategy helps connect parents to the program, which helps increase our retention rate.
- **SMART Response™ Interactive Tracking System** – To help measure the effectiveness of our proprietary life-skills based curriculum we have implemented the SMART Response™ Interactive Tracking System This system allows us to efficiently and effectively —
  - Differentiate instruction to meet the needs of all learners
  - Take snapshots of students’ understanding of what they are being taught
  - Build higher-order thinking skills, such as learning how to learn, problem solving, critical thinking, etc.

# XPOSURE FOUNDATION INC.

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013 AND 2012

### NOTE 1. 2013 ORGANIZATIONAL ACCOMPLISHMENTS (Continued)

#### PROGRAM INFRASTRUCTURE

Xposure's overall goal is to expose students to life skills in the area of science, technology, finance, employment/work ethic, community service, fitness and nutrition. In 2013 we greatly enhanced our program infrastructure to help us achieve our goals.

#### Below is a summary of our 2013 program enhancements:

**LEARN TO EARN** – In 2013 we added our own proprietary “**LEARN TO EARN**” workshop series to our program offerings. This component was designed for youth 12 years of age and older. Students are exposed to the world of work by offering them opportunities to seek internships and part-time employment (age-permitting). This is the more advanced version of our proprietary “**EARN WHILE YOU LEARN**” workshop series where students earn weekly stipends while developing skills and work ethic.

**FUN FINANCE WORKSHOP SERIES** – This core program component increases financial literacy by exposing youth to a wide variety of saving and investing money management workshops. A core part of the workshop series is getting parents to open custodial bank savings and stock investment accounts. In 2013 we took the workshop series to the logical next level by conducting regularly scheduled **FUN FINANCE** workshops for parents. Our philosophy is that for students to become life-long savers and investors we need to educate parents on the basics of saving and investing once they have opened custodial accounts for their children.

**FUN FINANCE RADIO** – In 2013 our web based radio/tv station [www.funfinanceradio.com](http://www.funfinanceradio.com) was enhanced to give us the ability to store, replay and podcast programs developed by our students.

**MUScience™** - This exciting and innovative science-based service was created and trademarked in 2013 by Xposure Foundation, Inc. to introduce students to science in a fun, exciting and interactive way. One of the first projects created by MUScience™ was the science based MUScience™ – Explore and Discover While Singing and Dancing CD/DVD. All songs were created and copy-written by Xposure Foundation Inc. This critically acclaimed CD is now available on AMAZON.com and the DVD with 8 full animations will be available for download via AMAZON in the fall of 2014. The CD/DVD has received the seal of approval from the Assistant Superintendent of Curriculum and Instruction in the Greenburgh Central School District and from the Assistant Superintendent of the East Ramapo school district. In addition the CD/DVD is also being used by New Hope Academy Charter School as a supplement to the science curriculum.

# XPOSURE FOUNDATION INC.

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013 AND 2012

### NOTE 1. 2013 ORGANIZATIONAL ACCOMPLISHMENTS (Continued)

**XPOSURE EDUTAINMENT NETWORK** - XEN [www.Xposureedutainment.com](http://www.Xposureedutainment.com) was created in 2013 by Xposure Foundation Inc. to showcase animations and children's shows created by Xposure. The network's focus is producing life-skills based educational content that can be used by all Xposure programs.

The content we have created can be found by visiting [www.Xposureedutainment.com](http://www.Xposureedutainment.com) and <https://www.youtube.com/user/XposureFntNetwork>. Our goal is to officially launch the network in the fall of 2014.

**MUScience™ ANIMATION TRAINING PROGRAM** – Xposure has developed a first rate animation-training program for youth by using skills the organization mastered creating animated content. The **MUScience™ ANIMATION TRAINING PROGRAM** has been successfully launched at a few of our locations and will be used widespread during the 2014-2015 school year.

**XPOSURE FILMS** – Xposure has once again used skills mastered during the creation of curriculum content to develop a film-training program for youth. One of the first film projects Xposure has created is a pilot entitled, “IT’S XCLECTIC!” This project features the writing, editing and acting of Xposure students from our various programs. The link below provides a snippet.

<https://www.dropbox.com/s/8kppp92i9emlx8i/XEN%20Breaking%20News%20DEMO%20Corey.mp4>

Select Xposure programs in the upcoming 2014-2015 school year will use this film training program

### **PROGRAM EXPANSION**

In 2013 Xposure Foundation Inc. extended its reach to Tanzania, Africa with the launch of an Xposure community-based program model. Executive Director Raymond L. Thomas Jr. and Director of Operations Marcelle Lashley travelled to Tanzania to oversee the development of the program including the building of a state of the art computer lab, chicken coop and library. The project was designed to promote self-sufficiency for Tanzanian locals. Staff members from TACODA (Tanzanian Alliance Community Development Association) and teachers from a local school called NSHUPU were chosen to implement the Xposure model. The TACODA staff was trained and tasked with teaching nine orphaned boys (ages 9-18) how to use computers. The NSHUPU teachers were trained and tasked with teaching over 600 students from the NSHUPU school basic computer skills and how to use a library. The chicken coop was used as an entrepreneurial training program for the TACODA boys and teachers, providing them with an opportunity to learn valuable business skills while

# XPOSURE FOUNDATION INC.

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013 AND 2012

### NOTE 1. 2013 ORGANIZATIONAL ACCOMPLISHMENTS (Continued)

promoting self-sufficiency. Xposure has pledged to continue providing technical support to TACODA.

### Xposure Foundation Inc. Afterschool and Community Based Programs

Location (School/Center)/DBN	Duration of the program (mm/yy-mm/yy)	Age Group (Middle School Grades and Above)	Number of Participants For program year	Number of Hours and Weeks for program year
Greenburgh, N.Y. (Theodore D. Young Community Center) Xposure Greenburgh	(09/10-Present	K-8	130	510 hours 34 weeks
Brooklyn, N.Y. Xposure Center for Community Alternatives	09/12 - Present	Ages 16-24	48	96 hours 48 weeks
Far Rockaway, N.Y. (Glory Light Tabernacle) Xposure Glory Light	(09/10-05/13)	6-8	35	250 hours 25 weeks
Yonkers, N.Y. (Lanza Learning Center) Xposure LLC	09/11-Present	K-8	12	360 hours 36 weeks
Africa, Tanzania TACODA	01/13-Present	Children and Adults	675	480 48 Weeks
Brooklyn, N.Y. (PS 81 Thaddeus Stevens Elementary School) Xposure 81	(10/07-12/13)	K-5	80	225 Hours 30 Weeks
Brooklyn, N.Y. (PS 26 Jesse Owens School) Xposure 26	(10/10-12/13)	K-5	50	225 Hours 30 Weeks
Brooklyn, N.Y. (New Hope Academy Charter School) Xposure New Hope	(09/10-Present)	K-5	65	510 Hours 34 Weeks

# XPOSURE FOUNDATION INC.

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013 AND 2012

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Formation**

Xposure Foundation Inc. (the "Organization" or "Xposure") is a not-for-profit corporation established under the laws of the State of New York on May 14, 2007, and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

#### **Method of Accounting**

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP). The Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) is the source of authoritative GAAP. Revenues are recorded when earned and expenses are recorded when materials are received or services are provided. Expenses incurred at calendar year-end have been accrued, and expenses applicable to future periods have been deferred.

#### **Pervasiveness of estimates**

The preparation of financial statements in conformity with the accrual basis of accounting requires the Organization's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenues and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

#### **Fair Value of Financing Instruments**

The carrying value of cash and cash equivalents, note receivable, prepaid expenses, and accounts payable approximate fair value - due to their short-term maturities. Property and equipment are carried at original cost.

#### **Cash and Cash Equivalents**

For financial reporting purposes, the Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents consist primarily of checking and savings accounts with less than 30-day maturities. At December 31, 2013 and 2012, the Organization maintained all of its cash equivalents at a highly credit quality financial institution.

#### **Property and Equipment**

Property and equipment are stated at their original costs less accumulated depreciation. Significant additions or improvements extending asset lives are capitalized; normal maintenance and repair costs are expensed as incurred. Depreciation is calculated using the income tax method which does not materially differ from the accrual method.

# XPOSURE FOUNDATION INC.

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013 AND 2012

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **Basis of Presentation**

The Organization is required to report information regarding its financial position and activities to three classes of net assets: unrestricted, temporarily restricted and permanently restricted depending on the existence and/or nature of any donor restrictions. As of December 31, 2013 and 2012, the Organization had only unrestricted net assets. Unrestricted net assets include contributions and other funding sources not subject to donor imposed stipulations.

#### **Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of functional expenses. Accordingly, certain expenses have been allocated among the programs and supporting services in reasonable ratios determined by management.

#### **Reclassification**

Certain 2012 amounts in the accompanying financial statements have been reclassified to conform to the 2013 presentation, when necessary.

### NOTE 3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents may at times be in excess of the Federal Deposit Insurance Corporation ("FDIC") insurance limits. As of December 31, 2013 and 2012, the FDIC insurance limit for an interest-bearing transaction account is \$250,000 and non-interest bearing transaction account has unlimited insurance.

As of December 31, 2013 and 2012, the Organizations cash balances were fully FDIC insured.

### NOTE 4. NOTE RECEIVABLE

During the year ended December 31, 2011, the Organization provided start-up funds totaling \$125,000 to the New Little Branches Daycare (NLB), an entity that shares an Executive Director with the Organization. During 2013, additional funding of \$89,224 was provided to NLB. After pay downs the balance due the Organization at December 31, 2013 and 2012, was \$53,686 and \$83,582. The funds loaned were in the form of noninterest-bearing notes. The imputed interest on the note is immaterial to the Organization and is therefore not recorded in the financial statements.

# XPOSURE FOUNDATION INC.

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013 AND 2012

### NOTE 5. NET PROPERTY AND EQUIPMENT

Property and equipment are carried at cost less applicable accumulated depreciation.

	2013			2012
	Cost	Accumulated Depreciation	Net Asset	Net Asset
Technology/ computer equipment	\$ 79,429	\$ (61,071)	\$ 18,358	\$ 29,171
Web design	<u>16,220</u>	<u>(16,220)</u>	<u>-</u>	<u>-</u>
	<u>\$ 95,649</u>	<u>\$ (77,291)</u>	<u>\$ 18,358</u>	<u>\$ 29,171</u>

- Estimated useful life of technology/ computer equipment is 5 years.
- Estimated useful life of Web design is 3 years.

Depreciation expense was \$10,813 and 16,243 for 2013 and 2012, respectively.

### NOTE 6. COMMITMENTS AND CONTINGENCIES

- The Organization has no leases on any of its New York City office facilities.
- The Organization rents storage space on a month-to-month basis as needed.
- As of December 31, 2013 and 2012, the Organization has not accrued for any litigation.

# XPOSURE FOUNDATION INC.

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013 AND 2012

### **NOTE 7. FEDERAL AND STATE TAXES**

The Organization is exempt from federal and state income taxes under Section 501(a) of the Internal Revenue Code (the Code) as an organization described in Section 501(c)(3) of the code. Accordingly, the financial statements do not include an income tax provision, except for certain taxable transactions.

GAAP requires management to evaluate tax provisions taken and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. Management has analyzed the tax positions taken and has concluded that as of December 31, 2013 and 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. If the Organization were to incur an income tax liability in the future, interest and penalties would be reported as income taxes. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes the Organization is no longer subject to income tax examinations for the years prior to 2010.

The Organization had no unrelated business income tax during the years ended December 31, 2013 and 2012.

### **NOTE 8. SUBSEQUENT EVENTS**

The Organization has reviewed for subsequent events through May 30, 2014, the date the financial statements were available to be issued.

No subsequent events were identified.

\* \* \* \*

# Application for Extension of Time To File an Exempt Organization Return

► **File a separate application for each return.**

► **Information about Form 8868 and its instructions is at [www.irs.gov/form8868](http://www.irs.gov/form8868).**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

**Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868

**Electronic filing (e-file).** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on e-file for Charities & Nonprofits

## Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Enter filer's identifying number, see instructions

Type or print  File by the due date for filing your return. See instructions	Name of exempt organization or other filer, see instructions <b>XPOSURE FOUNDATION INC</b>	Employer identification number (EIN) or <b>26-0160228</b>
	Number, street, and room or suite no. If a P O box, see instructions <b>121-16 97TH AVE</b>	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions <b>South Richmond Hill, NY 11419-1321</b>	

Enter the Return code for the return that this application is for (file a separate application for each return)

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ► **RAYMOND L THOMAS JR, 121-16 97TH AVENUE, NY 11419**

Telephone No ► **347-418-6534** FAX No ► \_\_\_\_\_

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ If this is for the whole group, check this box  If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for

**1** I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08-15, 20 14, to file the exempt organization return for the organization named above. The extension is for the organization's return for  
►  calendar year 20 13 or

►  tax year beginning \_\_\_\_\_, 20\_\_\_\_, and ending \_\_\_\_\_, 20\_\_\_\_

**2** If the tax year entered in line 1 is for less than 12 months, check reason  Initial return  Final return  
 Change in accounting period

<b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	<b>3a</b>	\$
<b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	<b>3b</b>	\$
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	<b>3c</b>	\$

**Caution.** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions