About National Society of Hispanic MBAs

To continue its world-wide prominence, leadership and quality of life, the United States needs an educated workforce that has many opportunities to continually improve and increase their skills and experience.

National Society of Hispanic MBAs (NSHMBA) accomplishes this by building and advancing Hispanic leadership through graduate management education and professional development.

We are the essential bridge to the resources Hispanic students and professionals need to attain personal and professional goals. NSHMBA is Corporate America’s link to a talented and diverse employee pool.
2010. A Year of Transition

First, let me thank Steve Ramos, NSHMBA’s interim CEO, for his leadership and for enabling the team to deliver one of the best, if not greatest, Conference & Career Expos in our organization’s history. Last year Steve likened NSHMBA to a streamlined clipper ship catching in its sails “the Winds of Opportunity.” What he accomplished is admirable and helps us set a new course that will deliver exciting new growth opportunities.

Financially, we closed the year strong by achieving more than seven percent revenue growth during one of our nation’s most difficult economies, while delivering three percent organizational cost savings. These efforts, along with skillful and prudent investments significantly grew our bottom line and position us well for 2010 initiatives. David Andrade, CFO provides more details in his letter and the financial statements.

Our core mission, to fund MBA scholarships, experienced a dramatic growth: 44 percent more scholarships and 60 percent more scholarship funds were awarded in 2010 over 2009. The number of member universities participating in the University Partnership Program also grew by an impressive 30 percent.

Membership numbers grew 26 percent by the end of 2010 thanks to initiatives such as the dual membership with Society of Hispanic Professional Engineers and the Distinguished Leadership Award which provided a lifetime membership to NSHMBA Board and Chapter leaders with five years of service.

One of our main achievements in 2010 was the Board of Directors from both the National Society of Hispanic MBAs Inc. and NSHMBA Foundation drafting and approving the new Mission and Vision statements, along with a new set of key strategic initiatives that establish a new strategic direction for the organization. These new initiatives are strategically designed to position the organization to grow, diversify its revenue, reduce risk, and enhance the value delivered to all constituents of the organization.

2010 will be an exciting year of expansion. Historically, Conference has been the focus of our year and the primary source of revenue. Going forward, Conference will be the culmination of a year-long series of national and regional engagements that will increase our influence, yield more results while adding new revenue streams. The engagements will include a new Hispanic Healthcare Summit, an Executive Leadership Summit and a regional event, all of which will better leverage our corporate partnerships and local chapters.

At NSHMBA, we’re about building bridges to opportunities and I’m inviting you to partner with us as we continue to build an incredible future for our communities.
CHAIR LETTER

In the 2009 Annual Report letter, I mentioned that in 2010 the board would face two of its more important roles as a governing body: selecting a CEO and validating its current strategy.

I’m happy to report that we have accomplished both. Our first obstacle was accomplished and resulted in a double return on investment – the NSHMBA Board of Directors’ selection of its new Chief Executive Officer, Manny Gonzalez. His for-profit experience coupled with his nonprofit heart, quickly began changing the course of the organization as he hit the ground running late in 2010. At this time, the board also began devoting its time and efforts shaping new strategic direction for the organization by putting the organization’s hard work to efficient use by reorganizing the National society of Hispanic MBAs into a 501(c) 6 and the NSHMBA Foundation, a 501(c) 3, each working independently and maximizing what it does best while expanding a new mission and vision and refocusing strategic initiatives that ensure future successes.

Finally, as part of our long-term strategy, in 2010 we made a series of investments in resources, time and efforts that are giant leaps for 2011 and the first blocks of the pillars of the new NSHMBA. To complement these investments and to further enhance support of our new vision and mission, we initiated a series of projects integrating all board members to work within committees, and we have been working closely with the chapters and expanding our efforts to work together.

As has been since its inception 22 years ago, our annual conference continues to be a success, including last year’s conference in Chicago. From attendance and professional development to the number of sponsors and those uniting with NSHMBA and its causes, we will continue to leverage the conference’s strengths, its importance, and ‘brand’ while also adding new initiatives that allow the organization to diversify its revenue, reduce risk and enhance value to all stakeholders.

The organization is truly beginning to take the shape of the organization it set out to be – and we can’t wait to be a part of it.

Mark Ponce
National Chair

Vision
To be the premier organization for Hispanic Business Professionals.

Mission
Increase the number of Hispanics graduating from graduate business programs through scholarships, awareness programs and mentorship.
Enhance career management opportunities for Hispanic MBAs from school to leadership positions, through job placement and world class professional development.
To be the partner of choice for organizations seeking to hire and develop Hispanic talent.
Recruit and retain as life-long members a majority of Hispanic MBAs.

NSHMBA Strategic Objectives

Brand NSHMBA as the premier organization for Hispanic business professionals as the central gathering point for networking, professional development and job placement.
Deliver world class professional development to our membership through partnerships and co-branding programs with top tier organizations to serve our corporate, entrepreneurial, non-profit and government constituencies.
Create effective senior leader networks for our corporate, entrepreneurial, non-profit and government constituencies.
Significantly increase the NSHMBA endowment and the funding of scholarships for Hispanic MBA students.
Position and promote the chapters as the life blood of NSHMBA, developing a culture of mutual accountability and a clear understanding of the service model among the board, national staff and chapter leadership.
Align the membership recruitment and retention model to fulfill our mission of recruiting and retaining as life-long members more than 50% of all Hispanic MBAs.
Diversify the funding sources of NSHMBA, including developing a clearing house for Hispanic executive talent and the piloting of regional conferences.
The Winds of Change

2010 Conference & Career Expo

The City of Chicago was the site of another successful and impactful National Society of Hispanic MBAs (NSHMBA) Conference and Career Expo. Like conferences past, attendance this year was unparalleled and attracted more than 7,200 attendees from the academic and professional sectors. From current students and newly minted graduate students to the seasoned professional, each came to interact, network, learn and enhance their career paths—something for which the NSHMBA organization is renowned.

Lead sponsors for this year’s event included Humana, State Farm and The Mendoza College of Business at the University of Notre Dame, plus more than 290 corporate, academic, non-profit and government sponsors had booths on the career expo floor.

Pre-conference events began on Wednesday with the NSHMBA CEO reception presented by Accenture’s Executive Director of Supply Chain Practice, Jose T. Morales. Thursday–officially the first day of the conference and also known as Professional Development Day—featured an exciting day of seminars, workshops, and networking events. Target sponsored the opening general session on Health and its impact within the company and communities. Best Buy, Hewlett, IBM, McDonald’s, Pitney Bowes, Sears Holding and Vanguard hosting breakout sessions on topics including career development, diversity, finance, global management, leadership, marketing and strategy. Moctesuma Esparza, award-winning filmmaker and producer, closed the Comcast-sponsored general session.

Sara Lee Corporation treated more than 1,200 attendees to an early Friday morning breakfast of special company recipes and speaker CJ Fraleigh, CEO of North American Retail and Foodservice at part of the NSHMBA CEO Speaker Series. Other speakers for the day’s sessions included Edward B. Rust, State Farm CEO; Douglas R. Conant, Campbell Soup Company CEO; and Craig Herkert, SuperValu Inc. CEO. Coinciding with the CEO Speaker Series was the Executive Forum sponsored by SunTrust Bank, including a keynote by Humana, and sessions on Power and Influence and Trends in Corporate and Non-profit Directorship.

Friday morning featured the official ribbon cutting, where NSHMBA CEO Manny Gonzalez, NSHMBA Board of Directors Chair Mark Ponce, and Commissioner for Business Affairs and Consumer Protection for the City of Chicago Norma Reyes, together with this year’s lead sponsors, recognized the 2010 Conference & Career Expo and opened the expo floor.

Gonzalez noted the great work and efforts of the sponsors, attendees and staff, who each year go above and beyond to ensure a great event. “I am really awe-stricken at the concerted effort and work that go into pulling off our annual conference & career expo,” said Gonzalez. “To onlookers, attendees are given exactly what they are seeking; to the insiders—the sponsors, the staff, and the organizers—this is an amazing example of dedication, support, passion and sheer loyalty. We cannot thank everyone enough for making such a great event possible.”

Other notable events included the Entrepreneurial Success Program sponsored by Nationwide, and the Scholarship Luncheon, sponsored by Target, where recipients of this year’s NSHMBA Scholarship Program were recognized. NSHMBA’s tribute to female leadership past and present, was introduced with the launch of the NSHMBA Women’s Leadership Network. McDonald’s sponsored the Education for Success Program that was designed to kick-start high school students’ scholastic pursuits by giving them a floor-level perspective of the NSHMBA 2010 Conference & Career Expo.

Putting the official cap on this year’s conference was the Brillante Awards for Excellence Ceremony, where the 2010 recipients were recognized for their dedication and steadfastness to the Hispanic community.

A Look Back: 1989 Conference & Career Expo

Location: Chicago
Total Attendance: 250
Total Sponsors: 30

Since the beginning, students, newly minted graduate students and the seasoned professional and entrepreneurs still come to interact, learn and enhance their career paths—something for which the NSHMBA organization and its Annual Conference & Career Expo are renowned.
The Winds of Change, cont.

2010 Conference & Career Expo Sponsors

7-Eleven, Inc
Abbott Laboratories
Accenture
Aetna, Inc.
Alcoa
Alicorp S.A.A.
Allstate Insurance Company
Ally Financial
ALPFA
American Airlines
American Express
American University
Anaheim/Orange County Visitor & Convention Bureau
AON Service Corporation
ArvinMeritor, Inc.
Ascend
Astellas
AstraZeneca LLC
AT&T
AutoZone
Avon Products Inc.
Bank of America
Baxter Healthcare
Belk College of Business at UNC Charlotte
Best Buy
Bimbo Bakeries USA
BMW
BP
Brightstar
Bristol-Myers Squibb
Burger King Corporation
Cafe Media
Campbell Soup Company
Cargill
Carlson School of Management at University of Minnesota
CDW
Central Intelligence Agency
Ceridian
Chevron
ChicagoJobs.Com
Chick-fil-A, Inc.
CINTAS
Cleveland State University, Nance College of Business
Colgate-Palmolive
College of William & Mary, Mason School of Business
Columbia Business School
Comcast
Consortium for Graduate Study in Management
Continental Automotive
Cornell University - The Johnson School
Cox MBA Career Management Center
Cricket Communications
Darden Restaurants, Inc.
David Eccles School of Business, University of Utah
Defense Intelligence Agency Office of the Chief Financial Executive
Del Monte Foods
Dell
Deloitte
Delta Airlines, Inc.
DePaul University
DeVry University
DFW International Airport
Diageo
DIRECTV, Inc.
Disney Vacation Club
Diversity MBA Magazine
Dr Pepper Snapple Group, Inc.
Duke University
E&J Gallo
Ecolab
Education Pioneers
Edward Jones
e-Hispanics
Eli Lilly and Company
EMC Corporation
Ericsson
Exxon Mobil Corporation
Federal Aviation Administration
Federal Bureau of Investigation
Federal Deposit Insurance Corporation (FDIC)
Federal Highway Administration
Federal Home Loan Bank of SF
Federal Reserve Bank
FINRA
Florida International University
Ford Motor Company
Fordham University - Graduate School of Business Administration
Fortune Brands, Inc.
Freddie Mac
Froedtert Health, Inc.
GE
General Mills
General Motors Company
Georgetown University McDonough School of Business
Georgia Tech - College of Management
Gilead Sciences, Inc.
Goizueta Business School of Emory University
Google Inc.
H. Wayne Huizenga School of Business and Entrepreneurship - Nova Southeastern University
Harley-Davidson Motor Company
Harvard Business School
2010 Conference & Career Expo Sponsors

Hawaii Pacific University
Health Care Service Corporation
Heinz North America
Henkel
Hewitt/Aon Associates
Hilton Hotels Corporation
Hispanic Alliance for Career Enhancement (HACE)
Hispanic Network Magazine
Hough Graduate School of Business, University of Florida
Howard University MBA Program
Hult International Business School
Humana, Inc.
IBM Corporation
iHispano.com
Illinois Institute of Technology
Illinois MBA
Indiana University, Kelley School of Business
Institute for Supply Management (ISM)
Intel Corporation
Internal Revenue Service
Jo-Ann Fabric and Craft Stores
Johns Hopkins University
Johnson & Johnson
Johnson Controls
Kaplan Higher Education
Kellogg Company
Kellogg School of Management
Kimberly-Clark Corporation
KPMG
Kraft Foods
Kranert School of Management, Purdue University
Kroger
Land O’Lakes
LATINA Style
Latino Midwest News
Laureate Education, Inc.
Liberty Mutual Insurance
Lincoln Financial Group
Lockheed Martin Corporation
L’Oreal
Lowe’s Companies, Inc.
Loyola University Graduate School of Business
Luxottica Retail
M&T Bank
Mars North America
Marsh & McLennan Companies
Mass Mutual Financial Group
MBA Career Services Council
McCain Foods
McDonald’s USA, LLC
Medco Health Solutions, Inc.
Medtronic, Inc.
Meijer
Merck & Co, Inc.
MetLife, Inc.
Microsoft Corporation
MillerCoors
MIT Sloan School of Management
Moet Hennessy USA
Monsanto
Monster Worldwide, Inc.
Moody’s Corporation
Morris Graduate School of Management
Multicultural Forum on Workplace Diversity
National - Louis University
National Association of Women MBAs
National Black MBA Association, Inc.
National Council of La Raza
National Grid
Nationwide Insurance
Naval Sea Systems Command
Nestle USA
New York Life
Northwestern Mutual
Novo Nordisk
OfficeMax
Oracle Corporation
OSI Restaurant Partners, LLC
Pace University Lubin School of Business - New York
Parker Hannifin Corporation
PCAOB
Penn State Smeal MBA
PepsiCo
Pitney Bowes Inc.
Post Foods
Praxair Inc.
Procter & Gamble
Prudential
Radio Disney
Redbox
Republic Services
Reynolds American, Inc.
Rice University - Jones Graduate School of Business
Robert H. Smith School of Business, University of Maryland
Robert W. Baird & Co
Rollins College
Roosevelt University, Walter E. Heller College of Business Administration
Ryder System, Inc.
San Diego State University
Sara Lee Corporation
Sears Holdings Corporation
SHPE, Inc.
Social Security Administration
Southern Company
State Farm Insurance
Stetson University
SunTrust Bank
SUPERVALU Inc.
Syracuse University - Whitman School of Management
Takeda Pharmaceuticals North America
Target Corporation
2010 Conference & Career Expo Sponsors

TCU - Neeley School of Business
TD Bank
Teach For America
TechnoServe
Tenet Healthcare Corporation
Tennessee Valley Authority
Tepper School of Business at Carnegie Mellon
Terry College of Business - MBA Program
The Advisory Board
The Advisory Board Company
The Broad Center for the Management of School Systems
The Clorox Company
The Coca-Cola Company
The Defense Finance & Accounting Service
The Drucker School of Management
The Eli Broad Graduate School of Management
The George Washington University School of Business
The Home Depot
The McGraw-Hill Companies and Standard & Poor's
The Moore School of Business, University of South Carolina
The Ohio State University - Fisher College of Business
The PhD Project
The Trade Group

The Travelers Companies, Inc.
The Wall Street Journal
The Walt Disney Company
Thunderbird School of Global Management
Toyota
Trinity Health
Tuck School of Business
Tulane University, Freeman School of Business
U. of Washington - Foster MBA Program
U.S. Agency for International Development
U.S. Department of State
UC Riverside, Anderson Graduate School of Management
UCLA Anderson School of Management
UNC Kenan - Flagler Business School
United States Tennis Association
United Technologies
UnitedHealth Group
University of Arizona, Eller College of Management
University of California - Irvine & San Diego
University of California, Davis
University of Chicago - Booth School of Business
University of Colorado Boulder, Leeds School

University of Denver, Daniels College of Business
University of Houston, Bauer College of Business
University of Illinois at Chicago, Liautaud Graduate School of Business
University of Iowa Tippie School of Management MBA Full-Time Program
University of Maryland University College
University of Michigan, Stephen M. Ross School of Business
University of Notre Dame
University of Rochester, Simon Graduate School of Business
University of St. Thomas, Opus College of Business
University of Texas at El Paso College of Business Administration
University of Virginia - Darden School of Business
University of Wisconsin - Madison
University of Wisconsin - Madison, Office of Human Resources
US Cellular
USC Marshall School of Business
UT - Austin, McCombs School of Business
UT Dallas
UTSA - College of Business
Vanderbilt Owen Graduate School of Management

Vanguard
Volkswagen Group of America
Votorantim Cimentos
W.P. Carey MBA at Arizona State University
Wake Forest University Schools of Business
Walgreens
Walmart
Washington University in St. Louis
Waste Management
Weatherhead School of Management, Case Western Reserve University
Wellpoint, Inc.
Wells Fargo
Wharton School, Univ. of Pennsylvania
Whirlpool Corporation
White House Presidential Personnel Office
White Wave Foods
Yale School of Management
Zocalo Group
Zurich
NSHMBA Scholarship Program

University Partnership Program

Higher education and the support of Hispanics to pursue a graduate management degree is the mission of NSHMBA’s University Partnership Program. NSHMBA has teamed up with 56 colleges and universities across the United States to increase the number of Hispanic students completing bachelor and master’s degrees. Financial assistance for outstanding Hispanics is made possible by the participating schools.

The concept for the program began several years ago when NSHMBA chapters around the nation collaborated with local universities to solve the dilemma of Hispanic students who are challenged with financing their educations.

NSHMBA encourages more universities to join its partnership program and help build the pipeline of top students seeking MBAs, and to develop a close relationship with the NSHMBA local chapters.

In 2010, NSHMBA awarded through the University Partnership Program, over $1.4 million to outstanding Hispanics, to pursue their higher education.

Program Revenues

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<thead>
<tr>
<th>NSHMBA Scholarship Program</th>
<th>2010</th>
<th>2009</th>
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<tbody>
<tr>
<td>Number of Students Awarded</td>
<td>140</td>
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<td>Total Amount Funded to Students</td>
<td>$530,125</td>
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<td>Average Student Award</td>
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<tr>
<td>Number of Applicants</td>
<td>381</td>
<td>440</td>
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Funded by NSHMBA’s corporate, foundation, and individual donors.

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<thead>
<tr>
<th>University Partnership Program</th>
<th>2010</th>
<th>2009</th>
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</thead>
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<tr>
<td>Number of University Partners</td>
<td>56</td>
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<tr>
<td>Number of Students Awarded</td>
<td>77</td>
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<tr>
<td>Total Amount Funded to Students</td>
<td>$1,515,353</td>
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<tr>
<td>Average Student Award</td>
<td>$19,880</td>
<td>$17,167</td>
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</table>

Funded by NSHMBA’s University Partners

Corporate Donors

Platinum ($50,000-99,000)
- Target Foundation
- Gilbert & Jacki Cisneros

Gold ($25,000-49,999)
- Communities Foundation of Texas Kelvin’s Corporate Citizen Fund

Silver ($10,000-24,999)
- AXA Foundation
- Bank of America
- Deloitte Services LP
- Diversity Inc.
- P hilthy B lows
- Verizon Foundation

Advocate ($1,000-9,999)
- Hyundai
- John Quinones
- Prager Foundation
- State Farm

General ($999 or less)
- Abbott
- Chick-fil-A, Inc.
- Cleveland Clinic
- Meetings Plus
- Miller Coors

University Partnership Program Participants

- American University, Kogod School of Business
- Arizona State University, W. P. Carey School of Business
- Babson College, F.W. Olin Graduate School of Business
- Bentley University, McCallum Graduate School of Business
- Boston College, Carroll School of Management
- Boston University, School of Management
- Brandeis University, Brandeis International Business School
- Case Western Reserve University, Weatherhead School of Management
- Chapman University, George L. Argyros School of Business and Economics
- Clark University, Graduate School of Management
- Cleveland State University, Nance College of Business Administration
- Columbia University, Columbia Business School
- Cornell University, The Johnson School
- Drexel University, LeBow College of Business
- Emory University, Goizueta Business School
University Partnership Program Participants

Florida International University, Chapman Graduate School of Business

George Mason University, School of Management

Georgetown University, McDonough School of Business

SCHOLARSHIP RECIPIENTS: Jeffrey Hinojosa, Jorge Lee, Diana Marrero, Alejandro Mills, Ashley Ponce

HULT, International School of Business

Northeastern University, Graduate School of Business Administration

Rice University, Jones Graduate School of Business Administration

SCHOLARSHIP RECIPIENTS: Chris Belz, Maria Pelaez

Rollins College, Crummer Graduate School of Business

Rutgers, The State University of New Jersey, Rutgers Business School

Stetson University, School of Business Administration

SCHOLARSHIP RECIPIENT: Laura Mayor
Texas Christian University, The Neeley School of Business
The University of Texas at San Antonio, College of Business
The College of William and Mary, Mason School of Business
The George Washington University, School of Business
SCHOLARSHIP RECIPIENT: Virginia Castro

The Ohio State University, Fisher College of Business
SCHOLARSHIP RECIPIENTS: Alison Guzman, Joseph Lopez
The University of Akron, College of Business Administration

The University of Chicago, Booth Graduate School of Business
SCHOLARSHIP RECIPIENT: Rene Aiguesvives

The University of Colorado at Boulder, Leeds School of Business
University of Florida, Hough Graduate College of Business

University of Miami, College of Business

SCHOLARSHIP RECIPIENT: Matthew Sanchez
The University of Texas at San Antonio, College of Business
SCHOLARSHIP RECIPIENT: R. Jonathan de Guzman
Thunderbird, School of Global Management
SCHOLARSHIP RECIPIENTS: Andres Blanco, Mauricio Pedemonte,
Mauricio Torres-Benavides, Patricia Vukanovich

University of Arizona, Eller College of Management
University of Central Florida, College of Business Administration

The University of Colorado at Aiguesvives
SCHOLARSHIP RECIPIENT: Rene Aiguesvives

The University of Texas at San Antonio, College of Business
SCHOLARSHIP RECIPIENT: Matthew Sanchez
The University of Texas at San Antonio, College of Business
SCHOLARSHIP RECIPIENTS: R. Jonathan de Guzman, Joseph Lopez

The University of Akron, College of Business Administration

University of Hawaii at Manoa, Shidler College of Business

University of Illinois at Urbana-Champaign, College of Business
SCHOLARSHIP RECIPIENT: Mariel Nardi
University of Maryland, Robert H. Smith School of Business

SCHOLARSHIP RECIPIENT: Mariel Martinez-Alegria
University of Hawaii at Manoa, Shidler College of Business

The University of Akron, College of Business Administration

University of Chicago, Booth Graduate School of Business
SCHOLARSHIP RECIPIENT: Rene Aiguesvives

University of Colorado at Boulder, Leeds School of Business

University of Florida, Hough Graduate College of Business

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University of Hawaii at Manoa, Shidler College of Business

The University of Akron, College of Business Administration

University of Chicago, Booth Graduate School of Business
University Partnership Program Participants

SCHOLARSHIP
RECIPIENTS: Fred Faneus, Bianca Saltz
University of Minnesota, Carlson School of Management

SCHOLARSHIP
RECIPIENT: Christopher Romano
University of New Mexico, The Anderson School of Business

SCHOLARSHIP
RECIPIENT: Michelle Kessinger
University of Notre Dame, Mendoza College of Business

SCHOLARSHIP
RECIPIENTS: Samuel De Lemos, Pedro Freyre, John Mikols, Andre Moskowitz, Oscar Varona
University of Pittsburgh, Joseph M. Katz Graduate School of Business

SCHOLARSHIP
RECIPIENT: Daniel Paulino
University of Rochester, Simon Graduate School of Business

SCHOLARSHIP
RECIPIENTS: Hilda Aguilar, Edgard Duque
University of San Francisco, Masagung Graduate School of Management

SCHOLARSHIP
RECIPIENT: Steve Salta
University of South Florida, College of Business Administration

SCHOLARSHIP
RECIPIENT: Mario Cepeño
University of Virginia, Darden School

SCHOLARSHIP
RECIPIENT: Mario Cepeño
University of Washington, Michael G. Foster School of Business

SCHOLARSHIP
RECIPIENTS: Chris Larkin, Jennifer McCraw
Wake Forest University, Babcock Graduate School of Management

SCHOLARSHIP
RECIPIENT: Alejandro Baez
Williamette University, Atkinson Graduate School of Management

SCHOLARSHIP
RECIPIENT: Edward Trevino
Yale University, Yale School of Management

SCHOLARSHIP
RECIPIENT: Marie Gismondi
Yale University, Yale School of Management

Officer Leadership Program

NSHMBA Officer Training Takes Leadership to New Heights

NSHMBA’s local chapter officer training programs are designed to energize the leadership and enable them to continue driving the mission at their local chapters and to utilize the national network of chapters as a resource and support system. In February 2010, NSHMBA leaders from across the country were hosted by YUM! Brands, Inc. at the KFC Corporate Headquarters in Louisville, Kentucky.

Officers participated in dynamic sessions and breakout groups focused on team leadership development and technology innovation. Speakers included NSHMBA leaders, corporate executives and content area experts. Highlights of the program included keynote presentations from executives, Jonathon Blum, YUM! Chief Public Relations Officer and Javier Benito, KFC Chief Marketing Officer.

The program focused on general leadership development, best practices and NSHMBA operations. Stephanie McCray from Executive Material led an interactive session on high potential teams, which included an insightful case study, an entertaining role play exercise and vibrant small group discussions. One officer commented that the session was “highly relevant to managing teams, applied to our NSHMBA Board, and could also be applied in our own careers.” In addition, Luis A. Martinez from Gran Altura shared his expertise on social media strategy, which was the foundation towards an in-depth exploration of NSHMBA technology tools for chapter websites and email campaigns.

Officers engaged in open dialogue with NSHMBA leaders, Steve Ramos, Mark Ponce and Selene Benavides, who shared management insights and encouraged officers to continue on their leadership paths. The program concluded with the Regional Development Executives, Carlos Careaga, Regina Lee and Ramiro Ramirez, leading a strategy session focused on succession planning.

Participants had ample opportunities to connect with Louisville professionals during the closing networking reception, hosted by the Hispanic Latino Business Council. The event was held at the Galt House Hotel in downtown Louisville and was sponsored by Walmart, Citizens Union Bank, UPS, Humana and Brown Forman.

Chapters

Central Chicago
Cincinnati
Cleveland
Detroit
Indianapolis
Kansas City
Minneapolis/St. Paul
Austin
Dallas/Ft. Worth
Houston
San Antonio
East Boston
Connecticut
New Jersey
New York
Philadelphia
Atlanta
Orlando
Puerto Rico
South Florida
Tampa Bay
Washington D.C
West San Francisco
San Jose
Seattle
Los Angeles
Orange County
Phoenix
San Diego
Denver
New Mexico
Rio Grande Valley

Chapters in Formation

Portland
Louisville
Brillante Awards for Excellence

The most prestigious honors granted by NSHMBA, and given to outstanding leaders who represent an elite class of distinguished, meritorious and committed corporations, executives, non-profits, entrepreneurs and members. Here are the 2010 winners.

Corporate Excellence: State Farm

State Farm not only advocates diversity, it is actively inclusive with its employees, agents and suppliers; it is a trusted advisor to its customers; and a partner to the community. With nearly 5,000 bilingual agent-offices increasing diversity in its employee and agent ranks, and culturally sensitive communications and community efforts like “State Farm es Para Mi,” which is focused on civic engagement and education, State Farm demonstrates why it is not only the leading auto and home insurer in the U.S. among Hispanics and the general market, but why it deserves the 2010 Brillante Award for Corporate Excellence.

Corporate Executive Excellence: Raymond Arroyo

Raymond Arroyo is Aetna’s Chief Diversity Officer, one of the nation’s leading diversified healthcare benefits companies. Mr. Arroyo serves as a member of the Board of Regents of the University of Hartford; an Officer of the Board of Trustees of The Wheeler Clinic; the Chairman of the Corporate and Philanthropic Council of the Hispanic Association of Colleges and Universities (HACU); a member of the Board of Governance of HACU and a member of the Executive Editorial Board of The Business Journal of Hispanic Research. Mr. Arroyo has an MS degree from Polytechnic University and a BA degree from New York University. He completed the Harvard Business School Corporate Governance: Leadership in the Boardroom program.

Member Service Excellence: America Baez

America Baez serves NSHMBA as co-chair of the National Leadership Task Force and previously held the positions of National Director, Regional Director representing seven chapters, President of the Chicago Chapter and active member of the San Antonio Chapter. Her board accomplishments include raising NSHMBA's national profile, strengthening corporate relations, developing best-in-class organizational governance, improving the educational pipeline and increasing Hispanic representation on corporate boards. As president of the Chicago Chapter, she increased membership by 70 percent over two years; revenue by 400 percent; quadrupled corporate sponsorship; and spearheaded innovative professional development programs.

Entrepreneurial Excellence: Murray A. Mann

Murray A. Mann is a nationally respected thought leader delivering more than 30 years of diversity-inclusion and human resource management stewardship. Mr. Mann and Rose Mary Bombela-Tobias founded Global Diversity Solutions Group LLC (GDSG) to create systemic and sustainable organizational changes that build inclusive workplaces. Mr. Mann co-authored Barron’s The Complete Job Search Guide for Latinos, has been featured in national media and is a sought after speaker. His groundbreaking work in multicultural career management services has assisted thousands of individuals and organizations to achieve their goals. He conceived and launched NSHMBA’s Career Management Center, professional webinar series and chapter-based career services. Murray is a founding board member of the Hispanic Alliance for Career Enhancement (HACE), Society of Latinos in Human Resources (SOLHR), and holds leadership positions in professional, multicultural and disability associations.

Educational Excellence (Academic): The University of Notre Dame Mendoza College of Business

The Mendoza College of Business at the University of Notre Dame is a premier Catholic business school that fosters academic excellence while promoting the ideals of individual integrity, effective organizations and the greater good. The College offers undergraduate and graduate degrees, as well as both nonprofit and traditional executive development programs. Graduate degrees include the Notre Dame MBA, Executive MBA, Master of Nonprofit Administration, and Master of Science in Accountancy. Mendoza currently is ranked No. 1 by Bloomberg Businessweek for its undergraduate program, and No. 20 for both its Executive MBA and its MBA programs.
CFO LETTER

2010. The Right Direction

NSHMBA's 2010 financial performance is indicative of the commitment from both our sponsors and contributors (external stakeholders), as well as our employees and Board of Directors (internal stakeholders). From an external perspective, total revenues grew by $457K (7.3%) to $6.75M in a very difficult economic climate; revenue generated by sponsors and attendees from our 2010 National Conference in Chicago were the main driver in this overall revenue increase. Internally, effective cost controls and more efficient operating procedures helped the organization reduce total operating expenses by $199K (3.1%) to $6.15M.

While delivering solid financial performance from operations, NSHMBA also realized significant gains in our investment portfolio for the second year in a row. Investments produced a gain of $524K in 2010, compared to a $582K increase in 2009. As a result, NSHMBA realized a total increase in net assets by over $1.23M compared to a $563K increase in 2009. Our cash flow position resulted in a net increase of $345K, $576K better than last year's net reduction of ($231K). While 2009 marked a major milestone with the formation of our new 501(c)(6) (National Society of Hispanic MBAs) along with the repositioning of our existing 501(c)(3) (NSHMBA Foundation), 2010 was focused on setting a new strategic direction that would allow us to leverage the capabilities and benefits of our dual entity organization structure.

We are confident that we are headed in the right direction with our new strategic initiatives and that it will produce more diverse and stable revenue streams for the future. Now more than ever, it is essential that we continue to strive for financial excellence through effective financial controls and prudent risk management planning to assist in the successful delivery of our strategic initiatives.

On behalf of the NSHMBA family, I would like to thank you for your continued generosity and support in addition to helping us shape the future of the organization.

David Andrade
Chief Financial Officer

Independent
Auditor's
Report

Board of Directors and Management
National Society of Hispanic MBAs, Inc. and NSHMBA Foundation

We have audited the accompanying combined statements of financial position of the National Society of Hispanic MBAs, Inc. and NSHMBA Foundation (the “Organization”) as of December 31, 2010 and 2009, and the related combined statements of financial activities and changes in net assets, functional expenses, and cash flows for the years then ended. These combined financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Society of Hispanic MBAs, Inc. and NSHMBA Foundation as of December 31, 2010 and 2009, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying combining information is presented for purposes of additional analysis of the combined financial statements rather than to present the financial position, results of operations, and cash flows of the individual organizations. The combining information has been subjected to the auditing procedures applied in the audit of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic combined financial statements taken as a whole.

David Andrade
Chief Financial Officer

Irving, Texas

April 17, 2011

M. J. Farley, CPA

Independent Auditor

NATIONAL SOCIETY OF HISPANIC MBAS

Independent
Auditor's
Report

Board of Directors and Management
National Society of Hispanic MBAs, Inc. and NSHMBA Foundation

We have audited the accompanying combined statements of financial position of the National Society of Hispanic MBAs, Inc. and NSHMBA Foundation (the “Organization”) as of December 31, 2010 and 2009, and the related combined statements of financial activities and changes in net assets, functional expenses, and cash flows for the years then ended. These combined financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

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David Andrade
Chief Financial Officer

Irving, Texas

April 17, 2011

M. J. Farley, CPA

Independent Auditor

NATIONAL SOCIETY OF HISPANIC MBAS
### ASSETS

#### CURRENT ASSETS:

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$3,202,137</td>
</tr>
<tr>
<td>Investments, at market</td>
<td>5,010,198</td>
</tr>
<tr>
<td>Accounts receivable, net of allowance for doubtful accounts of $56,330 and $47,256 as of December 31, 2010 and 2009, respectively</td>
<td>254,085</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>111,290</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>$8,578,520</strong></td>
</tr>
</tbody>
</table>

#### DEPOSITS

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>9,101</td>
<td>9,101</td>
</tr>
</tbody>
</table>

#### PROPERTY AND EQUIPMENT, NET

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>118,404</td>
<td>135,358</td>
</tr>
</tbody>
</table>

**TOTAL ASSETS** | **$8,706,025** | **$7,750,105**

### LIABILITIES AND NET ASSETS

#### CURRENT LIABILITIES:

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$156,539</td>
</tr>
<tr>
<td>Due to related parties, net</td>
<td>-</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>14,043</td>
</tr>
<tr>
<td>Accrued compensation and vacation</td>
<td>90,841</td>
</tr>
<tr>
<td>Capital lease, current portion</td>
<td>10,344</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>722,724</td>
</tr>
</tbody>
</table>

**Total Current Liabilities** | **$994,491** | **1,267,491**

#### CAPITAL LEASE, long-term portion

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>984,491</td>
<td>1,267,491</td>
</tr>
</tbody>
</table>

**Total Liabilities** | **$984,491** | **1,267,491**

### COMMITMENTS

**NET ASSETS:**

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>7,130,932</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>580,602</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>7,711,534</strong></td>
</tr>
</tbody>
</table>

**TOTAL LIABILITIES AND NET ASSETS** | **$8,756,025** | **$7,750,105**

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The accompanying notes are an integral part of these financial statements.
The accompanying notes are an integral part of these financial statements.
NOTE 1 - ORGANIZATION OVERVIEW
On June 30, 2009, National Society of Hispanic MBA's, changed its name to NSHMBA Foundation ("Foundation"), a California public benefit charitable corporation and tax exempt organization per the United States of America's Internal Revenue Code (IRC) 501(c)3, organized to promote Hispanic graduate management education, entrepreneurship, and the visibility of Hispanics in executive level management positions to create a stronger awareness within the business and not-for-profit sectors. The Foundation's principal source of revenue is obtained from grants, donors, educational events, and return on investments intended to provide grants, scholarships and educational opportunities to Hispanics in the United States.

On April 23, 2009, the National Society of Hispanic MBA's, Inc. ("NSHMBA") was incorporated in the state of Texas in accordance with the Texas Business Organization Code as a public benefit business league. It received tax exempt organization status per IRC 501(c)6 in February 2010, as an organization to promote Hispanic graduate management education, entrepreneurship, and to increase the visibility of Hispanics in executive level management positions thereby creating a stronger awareness within the business and not-profit sectors.

The Organization's principal source of revenue is obtained from sponsors and attendees at conferences. Membership is a minor source of revenue. Chapter events provide a source of revenue and function as networking, scholarships and educational opportunities to the membership.

Collectively, both organizations are referred to as the "Organization" unless otherwise noted. The Foundation’s and NSHMBA’s corporate offices are located in Irving, Texas.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Combining
The accompanying combined financial statements include the accounts of the Foundation and NSHMBA and are prepared in conformity with generally accepted accounting principles in the United States of America ("US GAAP"). All material inter-organization transactions and accounts have been eliminated. Certain amounts have been reclassified from prior period consolidated financial statements to conform to the current period presentation. The Organization has evaluated subsequent events through April 17, 2011, the date of issuance of these financial statements.

Use of Accounting Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make significant accounting estimates and assumptions that affect certain reported amounts in the financial statements and accompanying notes. These accounting estimates include valuation of accounts receivable, investments, lives used to depreciate fixed assets, deferred revenues, allocation of certain functional expenses and value of in-kind donations. Actual results could differ from these estimates and assumptions.

Cash and Cash Equivalents
The Organization's cash equivalents are primarily comprised of investments in overnight interest-bearing deposits, commercial paper and money market instruments and other short-term investments with original maturity dates of three months or less at the time of purchase. The Organization maintains cash and cash equivalent balances at multiple financial institutions.
NON-USE OF FINANCIAL INSTRUMENTS

The carrying amounts of the Organization's financial instruments, including cash and cash equivalents, investments, accounts receivable, accounts payable, accrued liabilities and capital lease approximate fair value due to their short maturities.

Accounts Receivable

Accounts receivable are stated at amounts management expects to collect from outstanding balances. Management provides for a probable uncollectible amount through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Accounts are considered past due when payment has not been received by the due date as stated on the invoice.

Accounts receivable are shown net of an allowance for doubtful accounts of $56,330 and $47,256 as of December 31, 2010 and 2009, respectively. Accounts receivable balances outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Investments

The Organization accounts for investments at fair value. US GAAP requires that investments with readily determinable fair values to be stated at fair value with realized and unrealized gains and losses included in the statement of activities. The investments of the Organization are stated at quoted market values in an active market as of the end of the year. These investments are subject to market or credit risks customarily associated with debt and equity investments.

Property and Equipment

The Organization capitalizes significant expenditures for property and equipment at cost. During 2008, the Organization computed depreciation using both an accelerated method, double declining balance, and straight-line method, depending on the asset category, over the estimated useful lives of the assets, which range from three to five years. In 2009, the Organization computed depreciation using the straight-line method over the estimated useful lives of the assets, which range from three to ten years. Leasehold improvements are amortized on a straight-line basis over the lesser of the terms of the related lease or the estimated useful life of the assets. Depreciation expense for the year ended December 31, 2010 and 2009 was $55,931 and $55,506.

Expenditures for major renewals and betterments are capitalized, while minor replacements, repairs, and maintenance, which do not extend the useful lives of the related assets, are expensed as incurred. Upon sale or disposition, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is included in operations. The Organization capitalizes software costs for software developed or obtained for internal use. Computer software costs that are incurred in the preliminary project stage are expensed as incurred. Once the capitalization criteria have been met, external direct costs of materials and services consumed in developing or obtaining internal-use computer software, payroll and payroll-related costs for employees who are directly associated with and who devote significant time to the internal-use computer software project (to the extent of the time spent directly on the project), and interest costs incurred when developing computer software for internal use are capitalized. Training costs and data conversion costs are expensed as incurred. During 2010 and 2009, the Organization capitalized $7,120 and $23,786 of software costs, respectively.

Contributions of land, buildings, and equipment without donor stipulations concerning the use of

Note 2 - Summary of Significant Accounting Policies Cont.

long-lived assets are reported as revenues of the unrestricted net asset class. Contributions of cash or other assets to be used to acquire land, buildings, and equipment are reported as revenues of the temporarily restricted net asset class. Restrictions are considered to be released at the time of acquisition of such long-lived assets.

Long-lived Assets

The Organization evaluates the recoverability of long-lived assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairment was deemed necessary during the year ended December 31, 2010 and 2009.

Unrestricted, Temporarily Restricted and Permanently Restricted Net Assets

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. In addition, the Organization is required to present a statement of cash flows.

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets: Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors. Temporarily restricted net assets: Net assets that are subject to donor-imposed stipulations that may or will be met by the occurrence of a specific event or the passage of time. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Permanently restricted net assets: Net assets required to be maintained in perpetuity, with the income used for operating activities due to donor-imposed restrictions.

Donated Materials, Equipment, and Services

Donated materials and equipment are reflected as donated revenue and support with an offsetting expense in the accompanying financial statements and are recorded at fair market value at the date of receipt. In accordance with US GAAP, the Organization accounts for contributed services received in connection with the active participation by volunteers in the Organization’s service programs as well as for contributed services received from various organizations in connection with management, general activities, and special events. The contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The estimated value of such services is reflected as donated support with an offsetting expense in the accompanying financial statements. The Organization received in kind products and/or services that qualified per above criteria in the year ended December 31, 2010 and 2009 valued at $165,714 and $509,131, respectively.

Allocation of Functional Expenses

Expenses are classified by function when the expense is incurred. Such classifications require the use of management judgment.
Note 2 - Summary of Significant Accounting Policies Cont.

Contributions
The Organization accounts for contributions received and contributions made as follows: contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. As such, time-restricted contributions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the time restriction. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Revenue Recognition and Deferred Revenue
The Organization recognizes revenues when a contribution acknowledgement is received, sponsorship agreements are satisfied, events are held, or membership revenue is earned. Amounts received in advance of the next year’s annual conference, national or chapter events are recorded as a liability under “Deferred revenue” until such services and products are delivered. Membership revenue is recognized evenly throughout the membership service term. Lifetime membership revenue is recognized evenly over the average estimated membership service term to the members.

Accrued Expenses
As daily business costs are incurred by the Organization, amounts are recorded as accrued expenses. Once applicable invoices are received by the Organization from its vendors, amounts are transferred to accounts payable.

Concentration Risks
The Federal Deposit Insurance Corporation (“FDIC”) insures accounts at financial institutions up to $250,000. Accounts held at financial institutions exceeded the federally insured limit by approximately $2,972,809 and $2,468,070 as of December 31, 2010 and 2009, respectively. The Organization did not experience any losses related to uninsured amounts during 2010 and 2009. The Organization routinely evaluates the credit worthiness of the institutions with which it invests. At December 31, 2010 and 2009, the Annual Conference and Career Expo accounted for 76% and 69% of the Organization’s revenue, respectively.

Advertising Costs
Advertising costs are charged to expense in the period incurred.

Accounting Standards Codification
The Financial Accounting Standards Board (“FASB”) has established the Accounting Standards Codification™ (“Codification” or “ASC”) as the single source of authoritative US GAAP recognized by the FASB to be applied by non-governmental entities. The Codification supersedes all existing accounting and reporting standards. All other non-grandfathered, accounting literature not included in the Codification will become non-authoritative.

Following the Codification, the FASB will not issue new standards in the form of Statements, FASB Staff Positions or Emerging Issues Task Force Abstracts. Instead, it will issue Accounting Standards Updates, which will serve to update the Codification, provide background information about the guidance and provide the basis for conclusions on the changes to the Codification. GAAP is not intended to be changed as a result of the FASB’s Codification project, but it will change the way the guidance is organized and presented. As a result, these changes will have a significant impact on how organizations reference GAAP in their financial statements and in their accounting policies for financial statements issued for interim and annual periods ending after September 15, 2009. The Organization has implemented the Codification in these combined financial statements by providing a plain English approach when describing any new or updated authoritative guidance.

Reorganization
On June 30, 2009, the Foundation reorganized to operate as a foundation. On the same date, the Foundation elected and established new board of directors, sold its assets and liabilities associated with the annual conference, chapter events, publications, and membership services and transferred all employees to NSHMBA. Subsequently, on July 1, 2009, the Foundation also entered into several agreements with the newly formed NSHMBA, including an administrative services agreement, revolver note, and a trademark license agreement. These transactions are described in the following paragraphs.

Sale of Assets
On June 30, 2009, the Foundation entered into a Bill of Sale (“BOS”) agreement with NSHMBA whereby the Foundation transferred approximately sixteen percent (16%) of its assets and liabilities to NSHMBA. The net book value of the assets approximately equaled those of the liabilities; and the fair value of such assets approximated the book value of such assets and liabilities. In addition, the Foundation assigned and transferred all transferrable and significant operating and capital leases and contracts to NSHMBA. No consideration, other than the acceptance of the transferred liabilities, was provided by NSHMBA to NSHMBA Foundation. Due to the relationship between NSHMBA and NSHMBA Foundation, this transaction has been accounted for as a related party transaction and accordingly, no goodwill and/or gain and/or loss were recognized by either the Foundation or NSHMBA. The following table depicts the transferred assets and liabilities on June 30, 2009:

<table>
<thead>
<tr>
<th>Assets</th>
<th>Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable, net of allowance for doubtful accounts</td>
<td>$1,153,460</td>
</tr>
<tr>
<td>Property and equipment, net of accumulated depreciation</td>
<td>$143,431</td>
</tr>
<tr>
<td>$1,296,912</td>
<td>$121,980</td>
</tr>
<tr>
<td>Property and equipment, net of accumulated depreciation</td>
<td>$148,391</td>
</tr>
</tbody>
</table>

| Net assets | $1,275,460 |

Administrative Services Agreement
On July 1, 2009, the Foundation entered into a five (5) year administrative services agreement with NSHMBA. The agreement provides that NSHMBA provide, as an independent contractor, certain managerial, general office and administrative, including without limitation, computer and accounting services. In exchange for these services the Foundation will pay a monthly fee of $14,491, currently in arrears, which are subject to annual re-evaluation. NSHMBA may, at its sole discretion, terminate the agreement by providing sixty days advance notice. The Foundation may not terminate the agreement without prior written consent from NSHMBA. As of December 31, 2010 and 2009, NSHMBA had an outstanding administrative services fee receivable of $0 and $73,121, respectively. Such balances have been eliminated in the accompanying combined financial statements.
Note 3 – Reorganization and Related Transactions Cont.

Revolving Note
On July 1, 2009, NSHMBA entered into a revolving note with the Foundation. The revolving note permits borrowing up to $1,000,000, bears interest of one percent (1%) plus the Prime Rate as published by the Wall Street Journal, matures on July 1, 2014. Interest is due and payable on the first of each quarter beginning November 1, 2009. The revolving note may be paid early without penalties and/or fees. NSHMBA may borrow, partially or wholly repay its outstanding advances, and re-borrow the available balance. As of December 31, 2010 and 2009, NSHMBA and Foundation had an outstanding revolving note payable and note receivable, respectively, of $0 and $450,000, respectively. Such balances have been eliminated in the accompanying combined financial statements.

Trademark License Agreement
On July 1, 2009, NSHMBA entered into a non-exclusive, royalty-free, perpetual, trademark license agreement with the Foundation. The license agreement includes the use of the Foundation’s trademarks and trade names, including the following: Brillante Awards for Excellence, Hispanic Executive Summit, NSHMBA University, The Business Journal of Hispanic Research, Hispanic MBA Magazine, The Bottom Line Newsletter, and The Hispanic MBA Student’s Guide. The license is subject to NSHMBA maintain certain quality standard. Non-compliance with quality standards may result in termination of the license. During the years ended December 31, 2010 and 2009, the Organization was in compliance with the terms of the agreement.

Compliance - Establishing Separate and Independent Entities
The agreements referenced above are a part of the efforts of the Organizations to allow the advancement of the mission and vision of the Organizations to proceed through two separate legal entities, each having separate mission, governance, strategy and operations. In this effort, begun in 2009, Management of each of the Organizations has made significant progress in providing the key elements to create two functionally separate legal entities, including ensuring compliance with separate policies and procedures and other actions that are reducing any perceived or actual interdependency between the two Organizations. As a result, the Organizations are well poised in the process to meet audit requirements to be able to produce separate financial statements in 2011.

NOTE 4 – AFFILIATED CHAPTERS
The Organization has affiliated chapters in Atlanta, Austin, Boston, Chicago, Cincinnati, Connecticut, Denver, Detroit, Dallas/Ft. Worth, El Paso (chapter-in-formation), Houston, Indianapolis, Kansas City, Los Angeles, Louisville (chapter-in-formation), Minneapolis, New Jersey, New York, New Mexico, Orange County, Oregon (chapter-in-formation), Orlando, Philadelphia, Phoenix, Puerto Rico, Rio Grande Valley Rochester (chapter-in-formation), San Antonio, San Diego, San Francisco, San Jose, Seattle, South Florida, Tampa Bay, and Washington D.C. Organization operations conducted through these chapters are included in these combined financial statements. All chapters operate under the Organization’s 501(c)6 tax-exempt determination.
NOTE 6 – PROPERTY AND EQUIPMENT
Property and equipment at December 31 consist of the following:

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer equipment and hardware</td>
<td>68,582</td>
<td>80,018</td>
</tr>
<tr>
<td>Software</td>
<td>94,064</td>
<td>94,944</td>
</tr>
<tr>
<td>Office furniture</td>
<td>68,208</td>
<td>69,208</td>
</tr>
<tr>
<td>Office equipment</td>
<td>52,327</td>
<td>63,105</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>21,674</td>
<td>21,674</td>
</tr>
<tr>
<td>Office equipment, furniture and software</td>
<td>335,655</td>
<td>322,949</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(217,451)</td>
<td>(187,591)</td>
</tr>
<tr>
<td>Net property and equipment</td>
<td>$118,404</td>
<td>$135,358</td>
</tr>
</tbody>
</table>

NOTE 7 – INCOME TAXES
NSHMBA has been classified as a public benefit charitable corporation and tax exempt organization per IRC 501(c)(3). The Foundation has been classified as a public benefit charitable corporation, and not a private foundation; under Sections 501(a) and 501(c)(3) of the Internal Revenue Code (“the Code”) because it is an organization of the type described in Section 509 (a)(2) of the Code. Therefore, NSHMBA and Foundation are exempt from federal tax, except to the extent of any unrelated business income.

NOTE 8 – EMPLOYEE BENEFIT PLAN
The Organization sponsors a safe harbor 401(k) plan (the “Plan”) covering employees with a minimum of six months of employment. The Plan requires the Organization to contribute a match of 100% for employees deferring up to 3% of compensation. Deferrals of between 3% and 5% are matched at a 50% rate. The Plan requires the Organization to contribute the participants’ salary deferrals each Plan Year. The Plan stipulates a match of 100% for employees deferring up to 3% of compensation. Deferrals of between 3% and 5% are matched at a 50% rate. Organization matching contributions totaled $14,169 and $27,956 for the years ended December 31, 2010 and 2009, respectively.

NOTE 9 – RELATED PARTY TRANSACTIONS
During the years ended December 31, 2010 and 2009, the Organization entered into several transactions with chapter officers and national board directors and/or their related organizations where total fees paid and accrued were $32,447 and $392,225, respectively. As of December 31, 2010 and 2009, total accounts payable to these related parties were $0 and $11,938, respectively.

NOTE 10 – COMMITMENTS
Office Facility and Office Equipment Operating Leases
The Organization leases all office facilities and certain equipment, which includes office copiers, postage machine, GEMS, and phone system, under non-cancellable operating leases that expire at various dates. Certain operating leases provide the Organization with the option to renew for additional periods. Where operating leases contain escalation clauses, rent abatements, and/or concessions, such as rent holidays and landlord or tenant incentives or allowances, the Organization applies them in the determination of straight-line rent expense over the lease term. Leasehold improvements made at the inception of or during the lease term are amortized over the shorter of the
Note 11 – Fair Value Measurements Cont.

Inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Organization’s market assumptions. The inputs create the following fair value hierarchy:

- **Level 1** — Quoted prices for identical instruments in active markets.
- **Level 2** — Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations where inputs are observable or where significant value drivers are observable.
- **Level 3** — Instruments where significant value drivers are unobservable to third parties.

When available, management used quoted market prices to determine fair value and classify items in Level 1. In some cases, the Organization used quoted market prices for similar instruments in active markets to determine and classify items in Level 2. In cases where significant value drivers are unobservable, Level 3, to third parties the Organization applied significant management judgment to derive valuation models and related assumptions to determine fair value.

The following table presents certain information for the Organization’s financial assets and liabilities that are measured at fair value on a recurring basis at December 31, 2010:

<table>
<thead>
<tr>
<th></th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments, at market</td>
<td>$5,744,997</td>
<td>$ -</td>
<td>$ -</td>
<td>$5,744,997</td>
</tr>
<tr>
<td>Capital lease</td>
<td>10,344</td>
<td>$ -</td>
<td>$ -</td>
<td>10,344</td>
</tr>
</tbody>
</table>

Due to their relatively short maturity, generally less than one year, the carrying amount of other assets and liabilities approximated fair value as of December 31, 2010.

The following table presents the carrying amounts and fair values of the Organization’s financial instruments at December 31, 2010.

<table>
<thead>
<tr>
<th></th>
<th>Carrying Amount</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments, at market</td>
<td>$5,744,997</td>
<td>$5,744,997</td>
</tr>
<tr>
<td>Capital lease</td>
<td>10,344</td>
<td>10,344</td>
</tr>
</tbody>
</table>

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

**Investments, at market:**
Investments include marketable securities, including exchange traded funds and bonds. The fair value of these instruments was determined by reference to quoted market prices.

**Capital lease:**
The capital lease is for office equipment. Its fair value was determined by comparing it to similar equipment lease terms, interest rate and market conditions.

NOTE 12 – NET ASSETS

Temporarily restricted net assets restricted donations, released from restrictions and available for future periods are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Beginning Balance</th>
<th>Restricted Donations</th>
<th>Restrictions Release</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year ended December 31, 2009</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chapter MBA Pipeline Event</td>
<td>$ -</td>
<td>$2,500</td>
<td>$(9,500)</td>
<td>$2,500</td>
</tr>
<tr>
<td>Project Stepping Stone</td>
<td>28,500</td>
<td>34,000</td>
<td>-</td>
<td>34,000</td>
</tr>
<tr>
<td>Target Perception Study</td>
<td>150,000</td>
<td>-</td>
<td>-</td>
<td>150,000</td>
</tr>
<tr>
<td>Scholarships</td>
<td>423,437</td>
<td>240,209</td>
<td>$(150,000)</td>
<td>293,209</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>451,937</strong></td>
<td><strong>426,709</strong></td>
<td><strong>(396,937)</strong></td>
<td><strong>481,709</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Beginning Balance</th>
<th>Restricted Donations</th>
<th>Restrictions Release</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year ended December 31, 2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants (NSHMBA)</td>
<td>$ -</td>
<td>$14,000</td>
<td>$(2,500)</td>
<td>$14,000</td>
</tr>
<tr>
<td>Chapter MBA Pipeline Event</td>
<td>2,500</td>
<td>-</td>
<td>$(150,000)</td>
<td>$(150,000)</td>
</tr>
<tr>
<td>Project Stepping Stone</td>
<td>34,000</td>
<td>15,150</td>
<td>-</td>
<td>25,150</td>
</tr>
<tr>
<td>Target Perception Study</td>
<td>150,000</td>
<td>-</td>
<td>-</td>
<td>150,000</td>
</tr>
<tr>
<td>Scholarships</td>
<td>295,209</td>
<td>506,452</td>
<td>$(293,209)</td>
<td>514,452</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>535,602</strong></td>
<td><strong>529,602</strong></td>
<td><strong>(436,709)</strong></td>
<td><strong>580,602</strong></td>
</tr>
</tbody>
</table>
# Combined Schedule of Financial Position

## As of December 31, 2010 and 2009

### National Society of Hispanic MBAs, Inc.

<table>
<thead>
<tr>
<th>Financial Position</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$1,482,803</td>
<td>$995,264</td>
</tr>
<tr>
<td>Investments, at market</td>
<td>$5,010,198</td>
<td>$5,010,198</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>$295,793</td>
<td>$286,758</td>
</tr>
<tr>
<td>Allowance for doubtful A/R</td>
<td>$(46,230)</td>
<td>$(50,000)</td>
</tr>
<tr>
<td>Due from NSHMBA, Inc.</td>
<td>$0</td>
<td>$3,975</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>$81,589</td>
<td>$14,000</td>
</tr>
<tr>
<td>Other current assets</td>
<td>$27,784</td>
<td>$139,844</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>$1,841,739</td>
<td>$1,018,984</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$3,682,614</td>
<td>$3,682,614</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$1,719,334</td>
<td>$1,501,012</td>
</tr>
<tr>
<td>Investments, at market</td>
<td>$5,010,198</td>
<td>$5,220,728</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>$131,225</td>
<td>$89,211</td>
</tr>
<tr>
<td>Allowance for doubtful A/R</td>
<td>$(56,330)</td>
<td>$(10,319)</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>$0</td>
<td>$86,946</td>
</tr>
<tr>
<td>Management fee receivable from NSHMBA Foundation</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Advance due from NSHMBA Foundation</td>
<td>$73,121</td>
<td>$73,121</td>
</tr>
<tr>
<td>Line of credit, NSHMBA, Inc.</td>
<td>$450,000</td>
<td>$450,000</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>$27,784</td>
<td>$16,695</td>
</tr>
<tr>
<td>Other current assets</td>
<td>$139,844</td>
<td>$16,695</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>$1,960,143</td>
<td>$1,960,143</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>$3,682,614</td>
<td>$3,682,614</td>
</tr>
</tbody>
</table>

## As of December 31, 2009

<table>
<thead>
<tr>
<th>Financial Position</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$995,264</td>
<td>$995,264</td>
</tr>
<tr>
<td>Investments, at market</td>
<td>$5,010,198</td>
<td>$5,010,198</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>$286,758</td>
<td>$286,758</td>
</tr>
<tr>
<td>Allowance for doubtful A/R</td>
<td>$(50,000)</td>
<td>$(50,000)</td>
</tr>
<tr>
<td>deferred revenue</td>
<td>$(86,946)</td>
<td>$(86,946)</td>
</tr>
<tr>
<td>Advance due from NSHMBA Foundation</td>
<td>$73,121</td>
<td>$73,121</td>
</tr>
<tr>
<td>Line of credit, NSHMBA, Inc.</td>
<td>$450,000</td>
<td>$450,000</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>$16,695</td>
<td>$16,695</td>
</tr>
<tr>
<td>Other current assets</td>
<td>$16,695</td>
<td>$16,695</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>$1,018,984</td>
<td>$1,018,984</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$3,682,614</td>
<td>$3,682,614</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$1,501,012</td>
<td>$1,501,012</td>
</tr>
<tr>
<td>Investments, at market</td>
<td>$5,220,728</td>
<td>$5,220,728</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>$89,211</td>
<td>$89,211</td>
</tr>
<tr>
<td>Allowance for doubtful A/R</td>
<td>$(10,319)</td>
<td>$(10,319)</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>$86,946</td>
<td>$86,946</td>
</tr>
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<td>Advance due from NSHMBA Foundation</td>
<td>$73,121</td>
<td>$73,121</td>
</tr>
<tr>
<td>Line of credit, NSHMBA, Inc.</td>
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<td>$450,000</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>$16,695</td>
<td>$16,695</td>
</tr>
<tr>
<td>Other current assets</td>
<td>$16,695</td>
<td>$16,695</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>$1,960,143</td>
<td>$1,960,143</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>$3,682,614</td>
<td>$3,682,614</td>
</tr>
</tbody>
</table>

## Financial Position Summary

**Combined Schedule of Financial Position**

**As of December 31, 2010 and 2009**

### National Society of Hispanic MBAs, Inc.

<table>
<thead>
<tr>
<th>Financial Position</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Assets</strong></td>
<td>$3,682,614</td>
<td>$3,682,614</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>$3,682,614</td>
<td>$3,682,614</td>
</tr>
</tbody>
</table>

**Net Assets:**

**As of December 31, 2010**

<table>
<thead>
<tr>
<th>Financial Position</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Assets</strong></td>
<td>$1,960,143</td>
<td>$1,960,143</td>
</tr>
</tbody>
</table>

**As of December 31, 2009**

<table>
<thead>
<tr>
<th>Financial Position</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Assets</strong></td>
<td>$1,018,984</td>
<td>$1,018,984</td>
</tr>
</tbody>
</table>

--

**Notes:**

1. The above financial data is presented for the National Society of Hispanic MBAs, Inc. and NSHMBA Foundation, reflecting the combined financial position as of December 31, 2010 and 2009.
2. The financial statements include all significant intercompany transactions.
3. The statements are prepared in accordance with generally accepted accounting principles in the United States of America.
### National Society of Hispanic MBA's Inc. and NSHMBA Foundation

#### Combining Schedule of Financial Activities

**Years Ended December 31, 2010 and 2009**

#### Changes in Net Assets:

<table>
<thead>
<tr>
<th></th>
<th>National Society of Hispanic MBAs, Inc.</th>
<th>NSHMBA Foundation</th>
<th>Combining Entries</th>
<th>Combined Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conference</td>
<td>5,073,740</td>
<td>58,000</td>
<td>-</td>
<td>5,131,740</td>
</tr>
<tr>
<td>Contributions</td>
<td>377,431</td>
<td>666,602</td>
<td>(287,397)</td>
<td>656,636</td>
</tr>
<tr>
<td>In-kind contributions</td>
<td>132,714</td>
<td>33,000</td>
<td>-</td>
<td>165,714</td>
</tr>
<tr>
<td>Chapter events</td>
<td>226,951</td>
<td>55,906</td>
<td>-</td>
<td>288,860</td>
</tr>
<tr>
<td>Membership</td>
<td>226,951</td>
<td>-</td>
<td>-</td>
<td>226,951</td>
</tr>
<tr>
<td>Advertising</td>
<td>144,430</td>
<td>3,600</td>
<td>-</td>
<td>148,030</td>
</tr>
<tr>
<td>Career center</td>
<td>209,079</td>
<td>-</td>
<td>-</td>
<td>209,079</td>
</tr>
<tr>
<td>National events</td>
<td>18,835</td>
<td>34</td>
<td>-</td>
<td>18,869</td>
</tr>
<tr>
<td>Other</td>
<td>7,366</td>
<td>-</td>
<td>-</td>
<td>7,366</td>
</tr>
<tr>
<td>Royalty revenue</td>
<td>474</td>
<td>-</td>
<td>-</td>
<td>474</td>
</tr>
<tr>
<td>Net change in restricted assets</td>
<td>(14,000)</td>
<td>(84,893)</td>
<td>(98,893)</td>
<td>-</td>
</tr>
<tr>
<td>Interest, line of credit, NSHMBA, Inc.</td>
<td>0</td>
<td>16,166</td>
<td>(16,166)</td>
<td>-</td>
</tr>
<tr>
<td>Management fee, NSHMBA Foundation</td>
<td>173,892</td>
<td>-</td>
<td>(173,892)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>5,583,136</td>
<td>646,415</td>
<td>(477,455)</td>
<td>6,752,096</td>
</tr>
</tbody>
</table>

| **Expenses**   |                                         |                   |                   |                  |
| Program        | 2,949,489                               | 718,756           | -                 | 3,668,245        |
| Fundraising    | 225,946                                 | 5                 | -                 | 230,951          |
| General and administrative | 2,102,590                 | 51,324            | -                 | 2,153,914        |
| Scholarship contribution to NSHMBA Foundation | 287,397       | -                | (287,397)         | -                |
| Interest, line of credit, NSHMBA, Inc. | 16,166                      | (16,166)          | -                 | -                |
| Management fee, NSHMBA Foundation | 173,892       | -                | (173,892)         | -                |
| **Total expenses** | 5,861,588                       | 943,977           | (477,455)         | 6,148,110        |

| Increase (decrease) in unrestricted net assets | 901,548 | (297,562) | - | 603,986 |
| Unrealized gain on investments | - | 324,985 | - | 324,985 |
| Realized gain on investments | - | 201,056 | - | 201,056 |
| **Total increase in unrestricted net assets** | 901,548 | 228,479 | - | 1,130,027 |

| Change in temporarily restricted net assets | - | (436,709) | - | (436,709) |
| Net assets temporarily restricted | 14,000 | 521,602 | - | 535,602 |
| **Net increase in temporarily restricted net assets** | 14,000 | 84,893 | - | 98,893 |

| Change in net assets | 915,548 | 313,372 | - | 1,228,920 |
| Net assets at beginning of year | 25,611 | 6,457,003 | - | 6,482,614 |
| **Net assets at end of year** | 941,159 | 6,770,375 | - | 7,711,534 |

### National Society of Hispanic MBA's Inc. and NSHMBA Foundation

#### Combining Schedule of Financial Activities

**Years Ended December 31, 2009**

#### Changes in Net Assets:

<table>
<thead>
<tr>
<th></th>
<th>National Society of Hispanic MBAs, Inc.</th>
<th>NSHMBA Foundation</th>
<th>Combining Entries</th>
<th>Combined Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conference</td>
<td>2,405,715</td>
<td>1,662,485</td>
<td>-</td>
<td>4,068,200</td>
</tr>
<tr>
<td>Contributions</td>
<td>-</td>
<td>740,480</td>
<td>-</td>
<td>740,480</td>
</tr>
<tr>
<td>In-kind contributions</td>
<td>355,471</td>
<td>153,660</td>
<td>-</td>
<td>509,131</td>
</tr>
<tr>
<td>Chapter events</td>
<td>175,155</td>
<td>103,161</td>
<td>-</td>
<td>278,316</td>
</tr>
<tr>
<td>Membership</td>
<td>46,137</td>
<td>59,935</td>
<td>-</td>
<td>106,072</td>
</tr>
<tr>
<td>Advertising</td>
<td>90,480</td>
<td>27,137</td>
<td>-</td>
<td>127,617</td>
</tr>
<tr>
<td>Career center</td>
<td>119,665</td>
<td>87,262</td>
<td>-</td>
<td>206,927</td>
</tr>
<tr>
<td>National events</td>
<td>-</td>
<td>10,000</td>
<td>-</td>
<td>10,000</td>
</tr>
<tr>
<td>Other</td>
<td>2,949,489</td>
<td>5,073,740</td>
<td>-</td>
<td>5,073,740</td>
</tr>
<tr>
<td>Royalty revenue</td>
<td>206</td>
<td>273</td>
<td>-</td>
<td>479</td>
</tr>
<tr>
<td>Net assets released from restrictions: - Satisfaction of program restrictions</td>
<td>-</td>
<td>(29,772)</td>
<td>-</td>
<td>(29,772)</td>
</tr>
<tr>
<td>Interest, line of credit, NSHMBA, Inc.</td>
<td>-</td>
<td>7,062</td>
<td>(7,062)</td>
<td>-</td>
</tr>
<tr>
<td>Management fee, NSHMBA Foundation</td>
<td>88,946</td>
<td>-</td>
<td>-</td>
<td>88,946</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>3,285,275</td>
<td>3,106,557</td>
<td>(94,008)</td>
<td>6,297,824</td>
</tr>
</tbody>
</table>

| **Expenses**   |                                         |                   |                   |                  |
| Program        | 2,223,844                               | 1,746,147         | -                 | 3,969,991        |
| Fundraising    | 137,712                                 | 70,312            | -                 | 208,024          |
| General and administrative | 891,316       | 1,277,974         | -                 | 2,169,290        |
| Interest, line of credit, NSHMBA, Inc. | 7,062 | - | (7,062) | - |
| Management fee, NSHMBA Foundation | 86,946 | - | - | 86,946 |
| **Total expenses** | 3,259,934                       | 3,181,379         | (94,008)          | 6,347,305        |

| Increase (decrease) in unrestricted net assets | 25,341 | (74,822) | - | (49,481) |
| Unrealized gain on investments | - | 483,084 | - | 483,084 |
| Realized gain on investments | 270 | 70,312 | - | 70,312 |
| **Total increase in unrestricted net assets** | 25,611 | 507,236 | - | 532,847 |

| Change in temporarily restricted net assets | - | (396,937) | - | (396,937) |
| Net assets temporarily restricted | - | 426,709 | - | 426,709 |
| **Net increase in temporarily restricted net assets** | - | 29,772 | - | 29,772 |

| Change in net assets | 25,611 | 537,008 | - | 562,619 |
| Net assets at beginning of year | - | 5,919,995 | - | 5,919,995 |
| **Net assets at end of year** | 25,611 | 6,457,003 | - | 6,482,614 |