

**CAPITAL REGION COMMUNITY FOUNDATION**  
**REPORT ON FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Capital Region Community Foundation

We have audited the accompanying financial statements of Capital Region Community Foundation which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities 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 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 from material misstatement.

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.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Capital Region Community Foundation as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Maney Costeiran PC*

June 13, 2016

**CAPITAL REGION COMMUNITY FOUNDATION  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2015 AND 2014**

	2015	2014
<b>ASSETS</b>		
Cash and cash equivalents	\$ 999,143	\$ 956,147
Investments	82,336,237	82,371,175
Accounts receivable, net	3,055	6,738
Deposits	7,194	3,654
Property donation - cemetery lots	32,600	33,300
Furniture and equipment, less accumulated depreciation of \$103,657 and \$88,073 in 2015 and 2014, respectively	79,150	91,698
<b>TOTAL ASSETS</b>	<b>\$ 83,457,379</b>	<b>\$ 83,462,712</b>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable	\$ 53,497	\$ 58,399
Accrued salaries and related	13,340	21,942
Grants payable	411,240	406,374
Funds held as agency endowments	8,217,630	8,594,488
Liabilities associated with gift annuities	148,691	212,405
<b>TOTAL LIABILITIES</b>	8,844,398	9,293,608
Net assets:		
Unrestricted	74,612,981	74,169,104
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 83,457,379</b>	<b>\$ 83,462,712</b>

**CAPITAL REGION COMMUNITY FOUNDATION  
STATEMENTS OF ACTIVITIES  
YEARS ENDED DECEMBER 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>REVENUES, GAINS AND OTHER SUPPORT:</b>		
Contributions	\$ 5,861,349	\$ 2,882,781
In-kind contributions	-	4,565
Investment income (loss)	(1,185,920)	3,226,488
Administrative revenue from agency endowments	61,963	56,747
Other	<u>64,405</u>	<u>27,752</u>
Total revenues, gains and other support	<u>4,801,797</u>	<u>6,198,333</u>
<b>EXPENSES:</b>		
Program expenses:		
Grant awards	3,310,383	2,970,849
Other program expenses	360,943	566,633
Management and general	553,376	444,528
Fundraising	148,193	91,565
Change in value of gift annuities	<u>(14,975)</u>	<u>23,283</u>
Total expenses	<u>4,357,920</u>	<u>4,096,858</u>
<b>CHANGE IN NET ASSETS</b>	443,877	2,101,475
<b>NET ASSETS:</b>		
Beginning of year	<u>74,169,104</u>	<u>72,067,629</u>
End of year	<u><u>\$ 74,612,981</u></u>	<u><u>\$ 74,169,104</u></u>

**CAPITAL REGION COMMUNITY FOUNDATION  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015	2014
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS:		
Cash flows from operating activities:		
Change in net assets	\$ 443,877	\$ 2,101,475
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	18,455	14,158
Loss on disposal	-	567
Investment gains:		
Realized gain	(29,734)	(1,259,472)
Unrealized (gain) loss	3,617,926	83,589
Non-cash grants	700	6,220
In-kind contributions	-	(4,565)
Accounts receivable	3,683	704
Deposits	(3,540)	-
Accounts payable	(4,902)	10,889
Accrued salaries and related	(8,602)	(3,954)
Funds held in agency endowments	(376,858)	343,381
Grants payable	4,866	(52,137)
Annuity payable	(63,714)	(20,392)
Total adjustments	3,158,280	(881,012)
Net cash provided by operating activities	3,602,157	1,220,463
Cash flows from investing activities:		
Purchase of equipment	(52,281)	(48,643)
Proceeds from sale of equipment	-	600
Proceeds from sales of investment securities	253,121	9,313,545
Purchases of investment securities	(3,760,001)	(10,457,408)
Net cash used by investing activities	(3,559,161)	(1,191,906)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	42,996	28,557
CASH AND CASH EQUIVALENTS:		
Beginning of year	956,147	927,590
End of year	\$ 999,143	\$ 956,147

See notes to financial statements.

**CAPITAL REGION COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting and Presentation

The Foundation is required to report information regarding its financial position and activities according to three classes of net assets. The bylaws of the Foundation include a variance provision that allows the Board of Trustees of the Foundation to vary the use of substantially all contributions received. The Board of Trustees strives to honor a donor's charitable intent, unless in their sole judgment that intent becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community, or area served by the Foundation. Based on this variance provision, all assets of the Foundation have been classified as unrestricted. The following is a summary of the Foundation's internal classification of total net assets.

	<u>2015</u>	<u>2014</u>
Undesignated funds	\$ 7,514,283	\$ 7,540,224
Field of interest funds	18,731,594	19,079,372
Designated funds	3,820,312	2,906,939
Donor advised funds	6,803,600	6,923,480
Scholarship funds	8,834,506	8,912,509
Agency funds	<u>28,908,686</u>	<u>28,806,580</u>
Total net assets	<u>\$ 74,612,981</u>	<u>\$ 74,169,104</u>

Accrual Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash deposits held in various checking and savings accounts. Cash amounts included in the investment portfolio (see Note 3) are not considered cash and cash equivalents for purposes of the statements of cash flows.

Investments

The Foundation carries investments at their fair values in the statements of financial position. Unrealized gains and losses are included in investment income in the accompanying statements of activities.

**CAPITAL REGION COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Pledges Receivable

The Foundation reports unconditional pledges received as revenue in the period received. Pledges receivable are recorded at net realizable value if expected to be collected in one year and at the present value of their estimated future cash flows if expected to be collected in more than one year. The Foundation does not currently have any pledges receivable.

Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Changes in the valuation allowance have not been material to the financial statements.

Furniture and Equipment

Furniture and equipment in excess of \$750 are stated at cost, if purchased, and at estimated fair value at date of donation. Depreciation is computed on the straight-line method and is based on expected useful lives ranging from 3 to 7 years.

Funds Held in Agency Endowments

A liability has been established for amounts received from other not-for-profit organizations that specify the donor organization or a related organization as the beneficiary. Investment earnings or losses allocated to the funds and distributions paid to the beneficiary organization are recorded as increases and decreases, respectively, to the liability. Distributions from restricted organizational funds are subject to the current spending policies of the Foundation.

Annuity Payable

From time to time, the Foundation receives charitable gift annuities. Charitable gift annuities provide for periodic payments during the donor's lifetime. Upon the donor's death, the remaining assets are to be available to the Foundation. Liabilities are recorded for the present value of the amounts expected to be paid to the donor or specified beneficiary over the term of the agreement. The interest rates used to calculate the present value of this liability range from 1.2% to 7.6%, based on the year the annuity was established.

Contributions

Generally, contributions including pledges receivable are recorded at fair value when received. Contributions of services, fixed assets, and other non-monetary contributions are recorded at the donor's estimated fair value.

**CAPITAL REGION COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)**

Functional Classification of Expenses

The Foundation reports its expenses on the statement of activities into functional classifications based on direct identification, time (for salaries) and floor space studies. Each category is defined as follows:

Program Expenses

Program expenses include grant awards as well as administrative expenses for awarding and monitoring grant expenses for charitable purposes that are not classified as grant awards. Program expenses include the in-kind and other expenses incurred by such programs as the Youth Fund programs.

Management and General

Management and general expenses include those expenses associated with the administration and management of the Foundation.

Fundraising

Fundraising expenses include those expenses for the promotion of the Foundation.

Grant Awards

Grant awards (contributions to others) are recorded as expenses when they are approved by the Board of Trustees. Grant awards are presented in the financial statements net of grant refunds.

**NOTE 2 - NATURE OF ORGANIZATION, RISKS AND UNCERTAINTIES**

Capital Region Community Foundation (the Foundation) is a nonprofit corporation classified by the Internal Revenue Service as tax-exempt under Section 501(c)(3) and as a nonprivate foundation under Section 509(a)(1) of the Internal Revenue Code of 1986. Therefore, the Foundation is currently exempt from federal income tax on related activities. The Foundation is responsible for charitable funds and the income generated by funds of many donors.

The Foundation is committed to serve the region's broad educational, scientific, literary, cultural and charitable needs as well as enhance the quality of life in the Capital Region.

**CAPITAL REGION COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 2 - NATURE OF ORGANIZATION, RISKS AND UNCERTAINTIES**

The Foundation is required to disclose significant concentrations of credit risk regardless of the degree of such risk. Financial instruments which potentially subject the Foundation to credit risk consist principally of cash and investments. The Foundation's cash is deposited with FDIC insured financial institutions. Although such cash balances exceeded the federally insured limits at certain times during the year and at year-end, they are, in the opinion of management, subject to minimal risk. Credit risk with respect to investments is limited because of the wide variety of companies and industries.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

In the preparation of tax returns, tax positions are taken based on interpretations of federal, state and local income tax laws. Management periodically reviews and evaluates the status of uncertain tax positions and makes estimates of amounts, including interest and penalties, ultimately due or owed. No amounts have been identified, or recorded, as uncertain tax positions. Federal, state and local tax returns generally remain open for examination by various taxing authorities for a period of three to four years.

The Foundation evaluates events and transactions that occur after year end for potential recognition or disclosure in the financial statements. These subsequent events have been considered through June 13, 2016, which is the date the financial statements were available to be issued.

The Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.

**CAPITAL REGION COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 3 - INVESTMENTS**

The following table summarizes the cost basis and fair value (carrying value) of investments as of December 31.

	2015		2014	
	Cost	Fair value	Cost	Fair value
Money market funds	\$ 1,089,824	\$ 1,089,824	\$ 1,033,440	\$ 1,033,442
Certificate of deposits	1,015,390	1,015,390	1,009,347	1,009,347
Equities	46,877,977	55,524,929	44,955,491	56,331,411
Fixed income - corporate	21,504,266	20,639,024	19,907,824	19,950,314
Other assets	1,634	3,389	1	100
Alternative investments	3,250,000	4,063,681	3,250,000	4,046,561
Total	<u>\$ 73,739,091</u>	<u>\$ 82,336,237</u>	<u>\$ 70,156,103</u>	<u>\$ 82,371,175</u>

At December 31, 2015 and 2014, individual investments representing more than 5% of total investments were as follows:

	2015	2014
Vanguard Institutional Index Fund	\$ 23,047,801	\$ 23,460,842
Vanguard Total Bond Market Index Fund	6,842,677	6,458,668
Harbor International Fund Instl	5,334,421	5,342,755
Vanguard Ftse All-World Ex-US Index Fund	5,326,289	5,225,864
Vanguard Extended Market Index Fund	7,187,140	7,856,566
Doubleline Core Fixed	6,791,652	6,382,667

Included in the above investment amounts are \$8,217,630 and \$8,594,488 as of December 31, 2015 and 2014, respectively, of funds held as agency endowments.

**CAPITAL REGION COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 3 - INVESTMENTS (Concluded)**

Investment income for the years ended December 31 consists of the following.

	<u>2015</u>	<u>2014</u>
Interest, dividends and distributions	\$ 2,307,879	\$ 2,466,237
Investment fees	(40,125)	(40,746)
Realized gain on sales of investments	29,734	1,259,472
Unrealized gain (loss) on investments	<u>(3,617,926)</u>	<u>(83,589)</u>
Investment income	(1,320,438)	3,601,374
Less allocated to agency endowments	134,518	(374,886)
	<u><u>\$ (1,185,920)</u></u>	<u><u>\$ 3,226,488</u></u>

**NOTE 4 - FAIR VALUE MEASUREMENTS**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Quoted prices in active markets for identical securities.

Level 2: Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others.

Level 3: Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Foundation's own assumptions about the factors market participants would use in pricing an investment, and would be based on the best information available.

**CAPITAL REGION COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)**

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

- *Mutual funds:* Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.
- *Pooled investment funds:* Valued at the net asset value (NAV) of units held at year end. The fund, Collins Capital Diversified Offshore Fund, net assets are valued based on the underlying investments as determined by third parties, brokers, the General Partner and administrators of the fund.

The following is a market value summary by the level of the inputs used, as of December 31, 2015 and 2014, in evaluating Capital Region Community Foundation's assets carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities.

December 31, 2015	Level 1	Level 2	Level 3	Total
Assets:				
Mutual funds				
Equities	\$ 55,524,929	\$ -	\$ -	\$ 55,524,929
Fixed income	20,639,024	-	-	20,639,024
Dividend index	3,389	-	-	3,389
Pooled investment fund	-	4,063,681	-	4,063,681
Total investments at fair value	<u>\$ 76,167,342</u>	<u>\$ 4,063,681</u>	<u>\$ -</u>	80,231,023
Money market funds (recorded at cost)				1,089,824
Certificates of deposit (recorded at cost)				<u>1,015,390</u>
Total investments				<u>\$ 82,336,237</u>

**CAPITAL REGION COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4 - FAIR VALUE MEASUREMENTS (Concluded)**

<u>December 31, 2014</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Mutual funds				
Equities	\$ 56,281,541	\$ -	\$ -	\$ 56,281,541
Fixed income	19,949,783	-	-	19,949,783
Dividend Index	100	-	-	100
Pooled investment fund	-	4,046,561	-	4,046,561
Total investments at fair value	<u>\$ 76,231,424</u>	<u>\$ 4,046,561</u>	<u>\$ -</u>	80,277,985
Money market funds (recorded at cost)				1,033,442
Certificates of deposit (recorded at cost)				<u>1,059,748</u>
Total investments				<u>\$ 82,371,175</u>

The following table summarizes investments measured at fair value based on NAV per share as of December 31, 2015 and 2014:

<u>December 31, 2015</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if currently eligible)</u>	<u>Redemption Notice Period</u>
Collins Capital Diversified Offshore Fund	\$ 4,063,681	None	Daily	None
<u>December 31, 2014</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if currently eligible)</u>	<u>Redemption Notice Period</u>
Collins Capital Diversified Offshore Fund	\$ 4,046,561	None	Daily	None

**CAPITAL REGION COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 6 - RETIREMENT PLAN**

The Foundation has established a Simplified Employee Pension (SEP) Plan. All full-time employees with one year of service are eligible to participate in the plan. During 2015 and 2014, the Foundation contributed approximately \$28,000 and \$26,000, respectively, to the plan.

**NOTE 7 - OPERATING LEASES**

The Foundation has entered into lease agreements for office equipment and space, including a Community Meeting Room.

The Community Room rental payments will be made through a grant from the Foundation and will be used as a meeting place that may be utilized by other like-minded nonprofit organizations.

Rent expense for 2015 and 2014 amounted to approximately \$86,500 and \$83,000, respectively.

Future lease payments under the lease agreements are as follows:

<u>Year ending December 31,</u>	<u>Office Space</u>	<u>Community Meeting Room</u>	<u>Equipment</u>	<u>Total Commitment</u>
2016	\$ 53,041	\$ 33,596	\$ 3,600	\$ 90,237
2017	55,418	35,101	3,600	94,119
2018	57,906	36,677	3,000	97,583
2019	60,506	38,324	-	98,830
2020	63,218	40,042	-	103,260
2021 - 2025	330,350	209,245	-	539,595
2026	66,070	41,849	-	107,919
	<u>\$ 686,509</u>	<u>\$ 434,834</u>	<u>\$ 10,200</u>	<u>\$ 1,131,543</u>

**CAPITAL REGION COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 - DESIGNATED ENDOWMENTS**

The Foundation's unrestricted net assets include designated endowments that would be classified as donor-restricted endowments except that the Foundation has variance power over these assets. Therefore, the Foundation treats these funds as designated endowments and they are classified and reported based on the existence or absence of donor-restrictions.

**Interpretation of Relevant Law**

The Foundation has interpreted the principles of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as: (a) assets will be invested prudently in diversified investments that seek growth, as well as income; and, (b) appreciation of assets could prudently be spent for the purposes of any endowment fund held by the charitable institution. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate designated endowment funds:

1. The duration and preservation of the fund.
2. The purposes of the Foundation and the designated endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Foundation.
7. The investment policies of the Foundation.

**Endowment Funds and Changes Therein**

The Foundation maintained the following endowment funds as of December 31, 2015 and 2014:

	2015	2014
Unrestricted endowment by net asset class		
Board designated endowments:		
Unrestricted funds	\$ 7,369,035	\$ 7,396,414
Field of interest funds	18,731,594	19,079,372
Designated funds	3,820,312	2,906,939
Donor advised funds	6,803,600	6,923,480
Scholarship funds	8,834,506	8,912,509
Agency funds	28,908,686	28,806,580
Total endowment funds	\$ 74,467,733	\$ 74,025,294

The annual changes in the endowment funds is not significantly different from the statements of activities for the years ended December 31, 2015 and 2014.

**CAPITAL REGION COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 - DESIGNATED ENDOWMENTS (Concluded)**

**Return Objectives and Risk Parameters**

The Foundation's investment and spending policies for endowment assets attempt to provide a predictable stream of funding to programs supported. The spending policy should allow for predictability of spendable fund for budgeting purposes and for steady growth in distributions in support of operations at least equal to the rate of inflation, without endangering the capital value of the fund.

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate of return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation of equity securities, fixed income funds, and alternative investments with performance benchmarks on each asset class.

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Foundation has a spending policy which shall allow for maximum annual distributions equal to 5% of the rolling average of the preceding 12 quarterly market values. In establishing this policy, the Foundation considered the long-term expected return on its investments. Accordingly, the Foundation expects the current spending policy to allow its net assets to grow annually. This is consistent with the Foundation's objective to maintain the purchasing power of the investments and net assets, as well as to provide additional real growth through new gifts and investment return.

**NOTE 9 - TEMPORARILY RESTRICTED NET ASSETS**

In prior years, the Foundation has appropriately reported pledges receivable as temporarily restricted net assets. Since the Foundation does not currently have any pledges receivable, net assets as of December 31, 2015 and 2014, are all reported as unrestricted.

**NOTE 10 - RELATED PARTY TRANSACTIONS**

Board members of the Foundation are employed at organizations that provide advertising and legal services to the Foundation. Advertising and legal services paid to these organizations for 2014 amounted to \$1,040 and \$1,847, respectively.

Furthermore, various board members of the Foundation are employed by organizations that receive support, scholarships, and advertising payments from the Foundation. Also, board members and their employers make contributions to the Foundation on a regular basis.