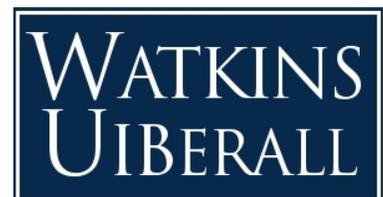


**RISE FOUNDATION, INC.**



**FINANCIAL STATEMENTS**

April 30, 2015 and 2014



Watkins Uiberall, PLLC  
Certified Public Accountants & Financial Advisors  
Independent Member of BKR International

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
RISE Foundation, Inc.  
Memphis, Tennessee

We have audited the accompanying financial statements of RISE Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of April 30, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 RISE Foundation, Inc. as of April 30, 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.

*Watkins Mikusall, PLLC*

Memphis, Tennessee  
September 25, 2015

**RISE FOUNDATION, INC.**  
**STATEMENTS OF FINANCIAL POSITION**

April 30, 2015 and 2014

	<u>Assets</u>	
	2015	2014
<b>Current Assets</b>		
Cash and cash equivalents	\$ 296,346	\$ 291,496
Restricted cash	86,858	38,125
Investments	1,518,782	1,491,002
Pledges receivable - current	85,104	99,910
Grants receivable	-	70,072
Prepaid expenses	28,095	19,410
Total current assets	2,015,185	2,010,015
Pledges receivable - long-term, net of unamortized discount	-	59,150
Deposits	4,755	4,755
Property and equipment, net	3,974	3,113
	\$ 2,023,914	\$ 2,077,033
<u>Liabilities and Net Assets</u>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 55,600	\$ 59,803
IDA match payable	71,988	49,993
Funds held for others	86,858	38,125
Deferred revenue	28,445	6,797
Total current liabilities	242,891	154,718
<b>Net Assets</b>		
Unrestricted	\$ 1,480,571	1,604,919
Temporarily restricted	300,452	317,396
Total net assets	1,781,023	1,922,315
Total liabilities and net assets	\$ 2,023,914	\$ 2,077,033

The accompanying notes are an integral part of the financial statements.

**RISE FOUNDATION, INC.**

**STATEMENT OF ACTIVITIES**

For the Year Ended April 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue and Other Income			
Contributions	\$ 390,498	\$ 241,798	\$ 632,296
Special events revenue	72,451	-	72,451
Less: Costs of direct benefits to donors	<u>(30,655)</u>	<u>-</u>	<u>(30,655)</u>
Net revenues from special events	41,796	-	41,796
Interest and dividend income	55,731	-	55,731
Change in market value of investments	26,830	-	26,830
Program service fees	6,013	-	6,013
Net assets released from restrictions	<u>258,742</u>	<u>(258,742)</u>	<u>-</u>
Total revenue and other income	779,610	(16,944)	762,666
Expenses			
Program	565,742	-	565,742
Management and general	195,312	-	195,312
Fundraising	<u>142,904</u>	<u>-</u>	<u>142,904</u>
Total expenses	903,958	-	903,958
Change in net assets	(124,348)	(16,944)	(141,292)
Net assets at beginning of year	<u>1,604,919</u>	<u>317,396</u>	<u>1,922,315</u>
Net assets at end of year	<u>\$ 1,480,571</u>	<u>\$ 300,452</u>	<u>\$ 1,781,023</u>

The accompanying notes are an integral part of the financial statements.

**RISE FOUNDATION, INC.**

**STATEMENT OF ACTIVITIES**

For the Year Ended April 30, 2014

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Revenue and Other Income			
Contributions	\$ 330,984	\$ 185,936	\$ 516,920
Special events revenue	62,439	-	62,439
Less: Costs of direct benefits to donors	<u>(15,645)</u>	<u>-</u>	<u>(15,645)</u>
Net revenues from special events	46,794	-	46,794
Government grants	113,909	-	113,909
Interest and dividend income	33,166	-	33,166
Change in market value of investments	46,510	-	46,510
Program service fees	6,900	-	6,900
Net assets released from restrictions	<u>323,680</u>	<u>(323,680)</u>	<u>-</u>
Total revenue and other income	901,943	(137,744)	764,199
Expenses			
Program	711,394	-	711,394
Management and general	187,156	-	187,156
Fundraising	<u>126,010</u>	<u>-</u>	<u>126,010</u>
Total expenses	<u>1,024,560</u>	<u>-</u>	<u>1,024,560</u>
Change in net assets	(122,617)	(137,744)	(260,361)
Net assets at beginning of year	<u>1,727,536</u>	<u>455,140</u>	<u>2,182,676</u>
Net assets at end of year	<u>\$ 1,604,919</u>	<u>\$ 317,396</u>	<u>\$ 1,922,315</u>

The accompanying notes are an integral part of the financial statements.

**RISE FOUNDATION, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

For the Year Ended April 30, 2015

	Program Services					Supporting Services			Total
	Goal Card	Save Up	Common Cents	Silver Neighbors	Summer Youth Program	Total Program Services	Management and General	Fundraising	
Salaries	\$ 162,976	\$ 61,774	\$ 9,273	\$ 7,503	\$ 34,896	\$ 276,422	\$ 75,795	\$ 81,876	\$ 434,093
Retirement contributions	14,649	6,969	927	750	464	23,759	8,209	8,188	40,156
Payroll taxes	14,564	5,387	744	601	3,099	24,395	8,947	6,588	39,930
Accounting and auditing	-	-	-	-	-	-	29,641	-	29,641
Dues and fees	-	50	-	-	-	50	860	20	930
IDA match and expenses	-	57,436	-	-	-	57,436	50	-	57,486
Legal fees	-	-	-	-	-	-	22	-	22
Insurance	20,499	1,866	1,203	54	473	24,095	11,556	515	36,166
Meals and entertainment	28	2,049	128	70	992	3,267	3,026	2,066	8,359
Building rent	36,218	7,775	5,183	864	288	50,328	10,079	8,639	69,046
Contract services	-	2,250	11,375	11,550	-	25,175	10,549	2,625	38,349
Miscellaneous	86	-	-	-	-	86	4,937	191	5,214
Telephone	2,519	791	488	80	27	3,905	995	878	5,778
Travel	1,185	967	138	-	2,300	4,590	1,199	775	6,564
Printing and supplies	42,977	837	534	99	525	44,972	929	3,140	49,041
Training and seminars	1,330	6,584	212	90	-	8,216	16,323	139	24,678
Equipment and maintenance	8,491	3,058	1,701	284	52	13,586	4,754	3,479	21,819
Postage and delivery	-	1,629	-	-	-	1,629	2,169	363	4,161
Advertising	-	-	-	-	-	-	4,675	18,631	23,306
Depreciation	835	262	175	29	10	1,311	340	291	1,942
Computer software	-	2,520	-	-	-	2,520	257	361	3,138
Special events direct costs	-	-	-	-	-	-	-	4,139	4,139
<b>Total</b>	<b>\$ 306,357</b>	<b>\$ 162,204</b>	<b>\$ 32,081</b>	<b>\$ 21,974</b>	<b>\$ 43,126</b>	<b>\$ 565,742</b>	<b>\$ 195,312</b>	<b>\$ 142,904</b>	<b>\$ 903,958</b>

The accompanying notes are an integral part of the financial statements.

**RISE FOUNDATION, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

For the Year Ended April 30, 2014

	Program Services						Supporting Services			
	Goal Card	Save Up	Common Cents	Silver Neighbors	Summer Youth Program	BAFF	Total Program Services	Management and General	Fundraising	Total
Salaries	\$ 138,050	\$ 34,839	\$ 31,750	\$ 48,698	\$ 30,161	\$ 56,295	\$ 339,793	\$ 68,073	\$ 55,178	\$ 463,044
Retirement contributions	9,168	5,312	3,175	4,870	-	5,630	28,155	5,640	4,572	38,367
Payroll taxes	14,234	1,490	2,527	4,211	2,500	4,787	29,749	5,960	4,830	40,539
Accounting and auditing	-	-	-	-	-	-	-	30,170	-	30,170
Dues and fees	-	1,663	-	900	-	-	2,563	685	82	3,330
IDA match and expenses	-	52,350	-	-	-	-	52,350	-	-	52,350
Legal fees	-	-	-	-	-	-	-	42	-	42
Insurance	21,388	3,770	2,902	838	-	2,064	30,962	6,203	5,028	42,193
Meals and entertainment	-	2,715	260	18	1,150	-	4,143	4,250	542	8,935
Building rent	31,181	5,888	1,874	4,653	-	5,995	49,591	9,935	8,053	67,579
Contract services	-	3,600	11,325	2,550	-	65,000	82,475	15,492	4,500	102,467
Miscellaneous	1,261	396	264	44	73	-	2,038	2,155	1,152	5,345
Telephone	1,866	489	156	480	70	655	3,716	745	603	5,064
Travel	600	-	110	262	2,110	-	3,082	1,327	38	4,447
Printing and supplies	39,523	934	1,115	335	482	906	43,295	839	1,688	45,822
Training and seminars	1,619	4,705	825	363	-	2,296	9,808	13,642	82	23,532
Equipment and maintenance	9,684	1,594	508	1,565	-	1,623	14,974	1,576	-	16,550
Postage and delivery	-	1,644	-	7	41	-	1,692	3,519	369	5,580
Advertising	-	-	-	-	-	-	-	1,535	22,497	24,032
Depreciation	2,138	671	247	74	25	200	3,355	672	545	4,572
Computer software	-	8,644	-	-	1,009	-	9,653	96	-	9,749
Special events direct costs	-	-	-	-	-	-	-	-	16,251	16,251
Bad debt	-	-	-	-	-	-	-	14,600	-	14,600
<b>Total</b>	<b>\$ 270,712</b>	<b>\$ 130,704</b>	<b>\$ 57,038</b>	<b>\$ 69,868</b>	<b>\$ 37,621</b>	<b>\$ 145,451</b>	<b>\$ 711,394</b>	<b>\$ 187,156</b>	<b>\$ 126,010</b>	<b>\$ 1,024,560</b>

The accompanying notes are an integral part of the financial statements.

**RISE FOUNDATION, INC.**  
**STATEMENTS OF CASH FLOWS**

For the Years Ended April 30, 2015 and 2014

	2015	2014
Cash Flows Provided By (Used For) Operating Activities:		
Change in net assets	\$ (141,292)	\$ (260,361)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided By (Used For) Operating Activities:		
Depreciation	1,942	4,572
Change in market value of investments	(26,830)	(46,510)
Loss on disposal of furniture and equipment	53	-
Bad debt	-	14,600
Change in Operating Assets and Liabilities:		
Increase (Decrease) in Cash and Cash Equivalents:		
Restricted cash	(48,733)	(17,360)
Pledges receivable	73,956	145,162
Grants receivable	70,072	(10,563)
Prepaid expenses	(8,685)	(1,783)
Accounts payable and accrued expenses	(4,203)	30,779
IDA match payable	21,995	25,434
Funds held for others	48,733	17,360
Deferred revenue	21,648	(44,280)
Total adjustments	149,948	117,411
Net cash provided by (used for) operating activities	8,656	(142,950)
Cash Flows From (Used For) Investing Activities:		
Purchases of property and equipment	(2,856)	-
Investment income reinvested	(55,691)	(33,210)
Proceeds from sales of investments	54,741	12,244
Net cash used for investing activities	(3,806)	(20,966)
Net increase (decrease) in cash and cash equivalents	4,850	(163,916)
Cash and cash equivalents at beginning of year	291,496	455,412
Cash and cash equivalents at end of year	\$ 296,346	\$ 291,496

The accompanying notes are an integral part of the financial statements.

# RISE FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

April 30, 2015 and 2014

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Organization and Nature of Operations

RISE Foundation, Inc. (the "Foundation") is a non-profit corporation organized under the laws of the State of Tennessee. The Foundation empowers people to become self-sufficient by building and sustaining human and financial assets, and transforms the financial well-being of low-income working people, thereby improving the community.

"Save Up," an individual development account program developed by the Foundation, forms the core of the Foundation's work in wealth creation. The Foundation's other programs include "Goal Card," which encourages students from lower income areas to excel in academics, "Common Cents," a financial education program, and "Silver Neighbors", which empowers older adults to make informed decisions about financial products and services.

#### Basis of Accounting and Financial Statement Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The Foundation reports its financial position and activities in three net asset categories based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

*Permanently Restricted Net Assets* – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. There were no permanently restricted net assets at April 30, 2015 and 2014.

*Temporarily Restricted Net Assets* – Net assets subject to donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

*Unrestricted Net Assets* – Net assets that are not subject to donor-imposed stipulations.

#### Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

## Contributions

The Foundation receives contributions primarily from financial institutions, local foundations, corporations, and individuals. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restriction. When a donor restriction expires in the same year received, revenue is recognized as unrestricted net assets.

## Contributed Services

Contributed services are recorded at their fair market value in the period received when they create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. For the years ended April 30, 2015 and 2014, there were no amounts that met the criteria for recognition as described above.

## Functional Expense Allocation

The cost of providing various programs and supporting services have been reported on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services based on estimates made by management.

## Concentrations and Credit Risks

The Foundation's credit risks primarily relate to cash and cash equivalents, investments, and receivables. The Foundation maintains cash balances at various financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to an aggregate of \$250,000. At various times during the year, cash balances exceeded federally insured limits. However, the Foundation maintains its cash with high quality financial institutions which management believes limits these risks.

For the year ended April 30, 2015, 42% of the Foundation's contributions were from two donors. For the year ended April 30, 2014, 39% of the Foundation's contributions were from one donor.

## Fair Value Measurements

The Foundation applies U.S. GAAP for fair value measurements of financial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis. U.S. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

## Cash and Cash Equivalents

For purposes of the statements of cash flows, the Foundation considers all highly liquid debt instruments purchased with initial maturities of three months or less to be cash equivalents.

## Restricted Cash

In 2015 and 2014, restricted cash was received for the Bank on Memphis program for which RISE serves as a fiscal agent in collaboration with the Shelby County Trustee. The balance of restricted cash held at April 30, 2015 and 2014, was \$86,858 and \$38,125, respectively.

## Investments

Investments are stated at fair value in the statements of financial position. Realized and unrealized gains and losses are included in the change in net assets and are reported in the statements of activities as change in market value of investments.

## Pledges Receivable

Unconditional promises to give, which consist of pledges receivable, are recorded when the pledge is received. Unconditional promises to give due in the following year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are discounted to the present value of their net realizable value, using risk-free interest rates applicable to the years in which promises to give were received. Management does not deem an allowance for doubtful accounts to be necessary.

## Property and Equipment

Property and equipment are stated at cost and depreciation is calculated using the straight-line method. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets, ranging from three to seven years. Expenditures for normal maintenance and repairs are charged to expense. Expenditures for major renewals and betterments that materially extend the life of the assets and have a cost in excess of \$1,000 are capitalized.

## IDA Match Payable

“Save Up” is a RISE Foundation Individual Development Account (“IDA”) initiative. IDA is a matched savings account designed to help low-income and low-wealth families accumulate funds for high-return investments in education or job training, home ownership and small business start-up or expansion. Under this concept, participants make monthly deposits of earned income into an IDA account that is opened at a financial institution for a specific period of time (from 6 to 18 months). Public and private dollars are used to “match” the participants’ individual savings at a special rate of 2:1. When the participant has reached their savings goal, funds are withdrawn from the personal IDA account and match account to purchase permissible assets as designated by the Foundation (sponsoring organization). These assets may include items such as homes, post-secondary education, start up or expansion of a micro-enterprise. At April 30, 2015 and 2014, the Foundation’s liability under this program totaled \$71,988 and \$49,993, respectively.

### Funds Held for Others

Funds held for others represent cash held for the Bank on Memphis program for which RISE serves as a fiscal agent in collaboration with the Shelby County Trustee.

### Deferred Revenue

Deferred revenue represents unspent grant funds received for the Common Cents program. These funds are recognized as revenue once qualifying expenditures have been made in accordance with the grant terms. Any unused funds are required to be returned to the grantor.

### Income Taxes

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is included in the financial statements.

### Advertising

Advertising costs are expensed as incurred and totaled \$23,306 and \$24,032 for the years ended April 30, 2015 and 2014, respectively.

### Date of Management's Review

The Foundation evaluated its April 30, 2015 financial statements for subsequent events through September 25, 2015, the date the financial statements were available to be issued. The Foundation is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

## **NOTE 2 - INVESTMENTS AND FAIR VALUE MEASUREMENTS**

Generally accepted accounting principles establish a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, as described below:

- Level 1 – Quoted prices in active markets for identical assets or liabilities the Foundation has the ability to access.
- Level 2 – Inputs (other than quoted prices within level 1) such as quoted prices for similar assets or liabilities, quoted prices in inactive markets, or other inputs that can be corroborated by observable market data.
- Level 3 – Inputs which are unobservable for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

In determining fair values, the Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible.

Following is a description of the valuation methodologies used to measure fair value. There have been no changes in the methodologies used at April 30, 2015.

Mutual funds – Valued at the closing price reported on the active markets on which the individual securities are traded.

The table below sets forth by level, within the fair value hierarchy, the recorded amount of investments measured at fair value on a recurring basis in the statement of financial position as of April 30:

	April 30, 2015		
	Level 1	Level 3	Total
Fixed income mutual funds	\$ 986,238	\$ -	\$ 986,238
Equity mutual funds	459,473	-	459,473
CFGM	-	73,071	73,071
	<u>\$ 1,445,711</u>	<u>\$ 73,071</u>	<u>\$ 1,518,782</u>

	April 30, 2014		
	Level 1	Level 3	Total
Fixed income mutual funds	\$ 985,851	\$ -	\$ 985,851
Equity mutual funds	434,624	-	434,624
CFGM	-	70,527	70,527
	<u>\$ 1,420,475</u>	<u>\$ 70,527</u>	<u>\$ 1,491,002</u>

Investments consist of funds invested at First Tennessee Bank as well as funds transferred and assigned to the Community Foundation of Greater Memphis (“CFGM”). CFGM has invested approximately 20% of these funds in an equity pool, which is invested in U.S. equities, and approximately 80% in a fixed income pool, which is diversified among bond sectors such as U.S. Government, agency, corporate, and mortgage backed securities. CFGM has agreed to the Foundation’s restriction that the income and assets of the fund are to be granted to or used for the benefit of the Foundation.

Although the majority of CFGM’s holdings are invested in assets that are valued by quoted prices in active markets, the Foundation does not have access to the CFGM holdings and therefore does not have any observable inputs for CFGM. However, the Foundation does receive quarterly statements from CFGM which show the fair market value and the Foundation’s portion of the funds.

The following table presents the fiscal year activity for the CFGM investments (Level 3):

	<u>2015</u>	<u>2014</u>
Beginning balance	\$ 70,527	\$ 68,979
Realized gains	1,936	2,111
Unrealized gains (losses)	(263)	(1,502)
Purchases, settlements (net)	871	939
Ending balance	<u>\$ 73,071</u>	<u>\$ 70,527</u>

All realized and unrealized gains and losses are reported as change in market value of investments in the statements of activities.

### **NOTE 3 - PLEDGES RECEIVABLE**

Pledges receivable consist of the following at April 30:

	<u>2015</u>	<u>2014</u>
Receivable in less than one year	\$ 85,104	\$ 99,910
Receivable within one to five years	-	61,194
Less unamortized discount	-	(2,044)
Net pledges receivable	<u>\$ 85,104</u>	<u>\$ 159,060</u>

For 2014, pledges receivable are discounted to net present value using rates ranging from 0.68% to 1.97% based on the year in which the pledge was made.

### **NOTE 4 - CONDITIONAL PROMISES TO GIVE**

The Foundation received a \$252,400 conditional promise to give from an organization which is contingent upon submittal of satisfactory progress reports on an annual basis. \$70,000 of this promise was received during 2015. The remaining \$182,400 is expected to be received in annual payments over the next two years, provided the conditions are met. This donation is restricted for the Silver Neighbors program.

Additionally, the Foundation received a \$100,000 conditional promise to give from an organization which is contingent upon submittal of satisfactory progress reports on an annual basis. \$60,000 of this promise had been received as of April 30, 2015. The remaining \$40,000 is expected to be received in payments of \$20,000 over the next two years, provided the conditions are met. This donation is restricted for the Save Up program.

## NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at April 30:

	<u>2015</u>	<u>2014</u>
Furniture, fixtures, and equipment	\$ 60,130	\$ 71,322
Leasehold improvements	2,202	2,202
Computer software	8,555	8,555
	<u>70,887</u>	<u>82,079</u>
Less accumulated depreciation and amortization	(66,913)	(78,966)
	<u>\$ 3,974</u>	<u>\$ 3,113</u>

## NOTE 6 - DEFINED CONTRIBUTION PLAN

The Foundation maintains a defined contribution retirement plan under section 401(k) of the Internal Revenue Code that covers all employees who have attained the age of 21 and have completed at least six months of service. Matching contributions are determined by the Foundation each year at its discretion, and totaled \$40,156 and \$38,367, for the years ended April 30, 2015 and 2014, respectively.

## NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS

Net assets were temporarily restricted for the following purposes at April 30:

	<u>2015</u>	<u>2014</u>
Time restrictions	\$ 58,654	\$ 131,460
Goal Card program	145,839	157,290
Silver Neighbors	48,055	-
Summer Youth Program	12,189	8,114
Common Cents	35,715	20,532
	<u>\$ 300,452</u>	<u>\$ 317,396</u>

## NOTE 8 - COMMITMENTS

The Foundation leases property and office equipment according to various lease agreements classified as operating leases. Total rental expense under these agreements was \$74,094 and \$71,692 for the years ended April 30, 2015 and 2014, respectively. At April 30, 2015, future minimum payments required under non-cancelable lease agreements are as follows:

2016	\$ 62,162
2017	5,148
	<u>\$ 67,310</u>