# COLLEGE FORWARD

**Financial Statements
as of and for the Years Ended
June 30, 2017 and 2016 and
Independent Auditors' Report**

MAXWELL
& LOCKE
RITTER

MAXWELL LOCKE & RITTER LLP
Accountants and Consultants
An Affiliate of CPAmerica International
tel (512) 370 3200 fax (512) 370 3250
www.mlrpc.com

Austin: 401 Congress Avenue, Suite 1100
Austin, TX 78701

Round Rock: 411 West Main Street, Suite 300
Round Rock, TX 78664

# INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
College Forward:

## Report on the Financial Statements

We have audited the accompanying financial statements of College Forward (the "Organization") (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017 and 2016, 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.

## Auditors' 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 auditors' 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 the Organization as of June 30, 2017 and 2016, and the change 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.

## Other Matters

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of functional expenses is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2017, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Maxwell Locke + Ritter LLP

Austin, Texas
December 5, 2017

## COLLEGE FORWARD

### STATEMENTS OF FINANCIAL POSITION
### JUNE 30, 2017 AND 2016

| | 2017 | 2016 |
|---|---|---|
| **ASSETS** | | |
| Cash and cash equivalents | $ 976,344 | $ 69,901 |
| Government grant receivables | 144,761 | 261,402 |
| Private grant receivables | 1,344,252 | 241,364 |
| Accounts receivables | 24,211 | 29,043 |
| Prepaid expenses and other assets | 76,556 | 53,530 |
| Property and equipment, net | 44,328 | 61,191 |
| **TOTAL ASSETS** | $ 2,610,452 | $ 716,431 |
| | | |
| **LIABILITIES AND NET ASSETS** | | |
| LIABILITIES: | | |
| Accounts payable | $ 262,702 | $ 243,530 |
| Accrued liabilities | 107,712 | 20,675 |
| Deferred revenue | 3,000 | 6,000 |
| Long term debt | 190,120 | - |
| Total liabilities | 563,534 | 270,205 |
| NET ASSETS: | | |
| Unrestricted | (63,177) | 403,875 |
| Temporarily restricted | 2,110,095 | 42,351 |
| Total net assets | 2,046,918 | 446,226 |
| **TOTAL LIABILITIES AND NET ASSETS** | $ 2,610,452 | $ 716,431 |

See notes to financial statements.

## COLLEGE FORWARD

### STATEMENT OF ACTIVITIES
### YEAR ENDED JUNE 30, 2017
### (with summarized comparative totals for the year ended June 30, 2016)

| | 2017 | | | |
|---|---|---|---|---|
| | Unrestricted | Temporarily Restricted | Total | 2016 Total |
| **REVENUES AND NET ASSETS RELEASED FROM RESTRICTIONS:** | | | | |
| Earned income | $ 1,206,940 | - | 1,206,940 | 722,330 |
| Private grants | 77,374 | 3,063,709 | 3,141,083 | 650,061 |
| Government grants | 1,077,203 | - | 1,077,203 | 1,062,819 |
| Contributions | 75,357 | - | 75,357 | 93,634 |
| In-kind contributions | 6,370 | - | 6,370 | 3,708 |
| Interest income | - | - | - | 212 |
| Other income | 8,197 | - | 8,197 | 3,010 |
| Net assets released from restrictions | 995,965 | (995,965) | - | - |
| Total revenues and net assets released from restrictions | 3,447,406 | 2,067,744 | 5,515,150 | 2,535,774 |
| **EXPENSES:** | | | | |
| Program services | 3,044,300 | - | 3,044,300 | 2,994,791 |
| Management and general | 496,976 | - | 496,976 | 401,584 |
| Fundraising and communications | 373,182 | - | 373,182 | 585,637 |
| Total expenses | 3,914,458 | - | 3,914,458 | 3,982,012 |
| **CHANGE IN NET ASSETS** | (467,052) | 2,067,744 | 1,600,692 | (1,446,238) |
| **NET ASSETS, beginning of year** | 403,875 | 42,351 | 446,226 | 1,892,464 |
| **NET ASSETS, end of year** | $ (63,177) | 2,110,095 | 2,046,918 | 446,226 |

See notes to financial statements.

## COLLEGE FORWARD

### STATEMENT OF ACTIVITIES
### YEAR ENDED JUNE 30, 2016
### (with summarized comparative totals for the year ended June 30, 2015)

| | 2016 | | | |
|---|---|---|---|---|
| | Unrestricted | Temporarily Restricted | Total | 2015 Total |
| **REVENUES AND NET ASSETS RELEASED FROM RESTRICTIONS:** | | | | |
| Earned income | $ 722,330 | - | 722,330 | 296,456 |
| Private grants | 86,878 | 563,183 | 650,061 | 1,063,998 |
| Government grants | 1,062,819 | - | 1,062,819 | 958,472 |
| Contributions | 93,634 | - | 93,634 | 57,094 |
| In-kind contributions | 3,708 | - | 3,708 | 14,984 |
| Interest income | 212 | - | 212 | 881 |
| Other income | 3,010 | - | 3,010 | 11,923 |
| Net assets released from restrictions | 2,181,155 | (2,181,155) | - | - |
| Total revenues and net assets released from restrictions | 4,153,746 | (1,617,972) | 2,535,774 | 2,403,808 |
| **EXPENSES:** | | | | |
| Program | 2,994,791 | - | 2,994,791 | 2,867,932 |
| Management and general | 401,584 | - | 401,584 | 209,634 |
| Fundraising and communications | 585,637 | - | 585,637 | 416,434 |
| Total expenses | 3,982,012 | - | 3,982,012 | 3,494,000 |
| **CHANGE IN NET ASSETS** | 171,734 | (1,617,972) | (1,446,238) | (1,090,192) |
| **NET ASSETS, beginning of year** | 232,141 | 1,660,323 | 1,892,464 | 2,982,656 |
| **NET ASSETS, end of year** | $ 403,875 | 42,351 | 446,226 | 1,892,464 |

See notes to financial statements.

## COLLEGE FORWARD

### STATEMENTS OF CASH FLOWS
### YEARS ENDED JUNE 30, 2017 AND 2016

| | 2017 | 2016 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| Change in net assets | $ 1,600,692 | $ (1,446,238) |
| Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities- | | |
| Depreciation and amortization | 31,356 | 34,292 |
| Changes in operating assets and liabilities that provided provided by (used in) cash: | | |
| Private grant receivables | (1,102,888) | 879,228 |
| Government grant receivables | 116,641 | (71,821) |
| Accounts receivables | 4,832 | (29,043) |
| Prepaid expenses and other assets | (23,026) | 25,608 |
| Accounts payable | 19,172 | 68,422 |
| Accrued liabilities and other | 87,037 | 16,111 |
| Deferred revenue | (3,000) | 6,000 |
| Net cash provided by (used in) operating activities | 730,816 | (517,441) |
| **CASH FLOWS FROM INVESTING ACTIVITES-** | | |
| Purchases of fixed assets | (14,493) | (16,445) |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| Borrowings from long term debt | 200,000 | - |
| Payments on long term debt | (9,880) | - |
| Net cash provided by financing activities | 190,120 | - |
| **NET CHANGE IN CASH AND CASH EQUIVALENTS** | 906,443 | (533,886) |
| **CASH AND CASH EQUIVALENTS, beginning of year** | 69,901 | 603,787 |
| **CASH AND CASH EQUIVALENTS, end of year** | $ 976,344 | $ 69,901 |

See notes to financial statements.

## 1. NATURE OF OPERATIONS

College Forward (the "Organization") is a Texas nonprofit corporation chartered in 2003. The Organization was founded as Admission Control in 2003 and changed its name to College Forward in 2009. The Organization's primary mission is to provide college preparatory and retention services to motivated, economically-disadvantaged students in order to facilitate their transition to college and make the process exciting and rewarding. The Organization accomplishes its mission by providing:

- Orientation to the college experience
- Preparation for college entrance examinations
- Assistance in completing college applications
- Assistance in securing financial aid
- College retention support

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Presentation -** The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") as defined by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"). Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted **-** Net assets not subject to donor-imposed stipulations. Expenses are reported as decreases in unrestricted net assets.

Temporarily Restricted **-** Net assets subject to donor-imposed stipulations, which limit their use by the Organization to a specific purpose and/or the passage of time.

Permanently Restricted **-** Net assets are subject to donor-imposed stipulations, which require them to be maintained permanently by the Organization. The Organization has not received any permanently restricted contributions.

**Use of Estimates -** The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

**Cash and Cash Equivalents -** All highly liquid instruments with original maturities of three months or less are considered to be cash equivalents.

**Government Grant Receivables and Revenue -** Cost reimbursement government grant revenue is recorded when allowable costs are incurred. Deferred revenue is recognized when cash is received prior to the revenue being earned. Government grant receivables are recorded when revenue is earned prior to cash being received.

**Private Grant Receivables -** Private grants receivables are recorded at the amount the Organization expects to receive from donors. Pledged revenue expected to be collected in the current fiscal year is recorded at fair value and classified as unrestricted revenue. Future collections (revenue pledges to be received in subsequent fiscal years) are reported at the present value of the estimated future cash flows using a discount rate commensurate with the risks involved, and are classified as temporarily restricted revenue, even if their ultimate use is unrestricted. No allowance for uncollectible private grant receivables has been recorded as, historically, the Organization has not experienced material uncollectible amounts. The Organization did not record a net present value discount on private grant receivables at June 30, 2017 and 2016 as the amount was not significant.

**Property and Equipment -** Property and equipment purchases that exceed $1,000 are capitalized and recorded at cost. Donated assets are recorded at their estimated fair market values at the date of donation. The cost of betterments to, or replacements of, property and equipment is capitalized. Repairs and maintenance costs are expensed when incurred. Depreciation is computed on the straight-line method over the estimated life of the asset which range from three to ten years. When assets are retired or otherwise disposed of, the cost and related depreciation are removed from the accounts and any resulting gain or loss is reflected in the statement of activities for the period.

**Impairment of Long-Lived Assets -** Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the amount recorded may not be recoverable. An impairment loss is recognized by the amount in which the carrying amount of the asset exceeds fair value, if the carrying amount of the asset is not recoverable.

**Earned Income Revenue Recognition -** Earned income revenue represents database and contract services revenue and is recorded as income ratably over the applicable period of the service agreement. Deferred revenue represents the unearned portion of such fees at the end of the fiscal year.

**Private Grants and Contributions Revenue Recognition -** All contributions are recorded at their fair value and are considered to be available for operations of the Organization unless specifically restricted by the donor. Unconditional promises to give cash and other assets are reported as temporarily restricted net assets, if they are received with donor stipulations that limit the use of donated assets. When donor restrictions expire, that is, when a stipulated time restriction ends or restricted purpose is accomplished, the related temporarily restricted net assets are reclassified to unrestricted net assets. This is reported in the statement of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire within the fiscal year in which the contributions are received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing these skills and would typically need to be purchased if not provided by donation. These contributions are recorded at fair value and presented as in-kind contributed services on the statements of activities and recognized as revenue and expense in the period the services are provided.

**Functional Allocation of Expenses -** Expenses that benefit several functional areas have been allocated based on personnel time spent on each area as estimated by management. The costs of providing the Organization's program and supporting services have been reported on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited based on estimates provided by management.

**Income Taxes -** The Organization is a nonprofit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, except to the extent of any unrelated business income. The Organization did not incur any significant tax liabilities due to unrelated business income during the years ended June 30, 2017 and 2016. The Organization files Form 990 tax returns in the U.S. federal jurisdiction, and is subject to routine examinations of its returns; however, there are no examinations currently in progress.

**Recently Issued Accounting Pronouncements -** In May 2014 and August 2015, the FASB issued Accounting Standards Updates ("ASU") No. 2014-09 and No. 2015-14, *Revenue from Contracts with Customers*, which supersede the revenue recognition requirements in ASC 605, *Revenue Recognition*, and most industry-specific guidance included in the ASC. The standard requires entities to recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. The standard is effective retrospectively for fiscal years beginning after December 15, 2018 and early adoption is permitted. The Organization is currently evaluating the impact the new standard will have on its financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires the recognition of lease assets and lease liabilities by lessees for all leases, including leases previously classified as operating leases, and modifies the classification criteria and accounting for sales-type and direct financing leases by lessors. Leases continue to be classified as finance or operating leases by lessees and both classifications require the recognition of a right-of-use asset and a lease liability, initially measured at the present value of the lease payments in the statement of financial position. Interest on the lease liability and amortization of the right-of-use asset are recognized separately in the statement of activities for finance leases and as a single lease cost recognized on the straight-line basis over the lease term for operating leases. The standard is effective using a modified retrospective approach for fiscal years beginning after December 15, 2019 and early adoption is permitted. The Organization is currently evaluating the impact the standard will have on its financial statements.

In August 2016, the FASB issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which requires presentation on the face of the statements of financial position amounts for two classes of net assets at the end of the period, net assets with donor restrictions and net assets without donor restrictions, rather than the currently required three classes. The standard also requires the presentation on the face of the statements of activities the amount of the change in each of these two classes of net assets. The standard will no longer require the presentation or disclosure of the indirect method of reporting cash flows if an entity elects to use the direct method. An entity will be required to provide enhanced disclosures about liquidity in the footnotes to the financial statements. The standard is effective for fiscal years beginning after December 15, 2017 and early adoption is permitted. The Organization is currently evaluating the impact the standard will have on its financial statements.

## 3. CONCENTRATIONS

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash and receivables. The Organization places its cash with a limited number of high quality financial institutions and may exceed the amount of insurance provided on such deposits. The Organization does not maintain collateral for its receivables and management does not believe a significant risk exists. During the years ended June 30, 2017 and 2016, one grantor comprised 100% of the government grant revenues and receivables. Also, during the years ended June 30, 2017 and 2016, three grantors comprised 82% of the private grant receivables and two grantors comprised 83% of private receivables, respectively. There were no such significant revenue concentrations in private grants revenue during the years ended June 30, 2016 and 2015.

## 4. GRANT RECEIVABLES

The following schedule summarizes future expected payments on government and private grant receivables balances at June 30:

| | 2017 | 2016 |
|---|---|---|
| Amounts due in: | | |
| Less than one year | $ 1,120,013 | $ 502,766 |
| One to two years | 369,000 | - |
| Total | $ 1,489,013 | $ 502,766 |

## 5. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of June 30:

| | 2017 | 2016 |
|---|---|---|
| Equipment | $ 168,085 | $ 154,059 |
| Furniture and fixtures | 58,409 | 57,942 |
| Leasehold improvements | 15,150 | 15,150 |
| | 241,644 | 227,151 |
| Less accumulated depreciation and amortization | (197,316) | (165,960) |
| Total | $ 44,328 | $ 61,191 |

## 6. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were available for the following purposes at June 30:

| | 2017 | 2016 |
|---|---|---|
| Access/Completion Program - Central Texas | $ 916,016 | $ 42,351 |
| Success Partnership | 797,929 | - |
| Co-Pilot Program | 299,150 | - |
| Time restrictions | 97,000 | - |
| | $ 2,110,095 | $ 42,351 |

## 7. LONG-TERM DEBT

Long-term debt totaled $190,120 at June 30, 2017 and consisted of six non-collateralized promissory notes payable to various individuals and nonprofit organizations with principal due based on a stated percentage of incremental revenue collected during the respective quarter resulting from database and contract services revenue contracts, and interest payments due quarterly at fixed interest rates ranging from 1.5% to 4%, maturing on September 30, 2021.

Future scheduled principal payments as of June 30, 2017 were as follows:

| | |
|---|---|
| 2018 | $ 43,436 |
| 2019 | 43,436 |
| 2020 | 43,436 |
| 2021 | 43,436 |
| 2022 | 16,376 |
| Total | $ 190,120 |

## 8. LINE OF CREDIT

During the year ended June 30, 2017, the Organization entered into a $200,000 revolving line of credit with a financial institution, bearing interest at 4% per annum, secured by all accounts and maturing on June 9, 2018. There were no draws on the line of credit during the year ended June 30, 2017.

## 9. COMMITMENTS AND CONTINGENCIES

The Organization has lease agreements for office space and various equipment leases. Rent expense under these agreements was $304,986 and $317,165 for the years ended June 30, 2017 and 2016, respectively. Future minimum lease payments for the office space and equipment leases at June 30, 2017 are as follows:

| | |
|---|---|
| 2018 | $ 123,396 |
| 2019 | 49,785 |
| 2020 | 2,074 |
| Total | $ 175,255 |

The Organization is funded by contracts that are subject to review and audit by the grantor agencies. These contracts have certain compliance requirements and, should audits by the grantor agencies disclose any areas of substantial noncompliance, the Organization may be required to refund any disallowed costs. Management believes the Organization has complied with applicable requirements.

## 10. RELATED PARTY TRANSACTIONS

During the years ended June 30, 2017 and 2016, the Organization received cash contributions of $40,500 and $40,998, respectively from various members of the Board of Directors. These amounts represent actual cash contributions received and are included in contribution revenue in the accompanying statements of activities.

During the year ended June 30, 2016, two members of management of the Organization loaned personal funds totaling $71,000 to the Organization. The Organization repaid $31,000 during the year ended June 30, 2016. The remaining $40,000 was paid in full in September 2016.

## 11. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through December 5, 2017 (the date the financial statements were available to be issued), and no events have occurred from the statement of financial position date through that date that would impact the financial statements.

# SUPPLEMENTARY INFORMATION

# COLLEGE FORWARD

## SUPPLEMENTAL SCHEDULE OF FUNCTIONAL EXPENSES
## YEAR ENDED JUNE 30, 2017
## (with summarized comparative totals for the year ended June 30, 2016)

| | Program Services | Management and General | Fundraising and Communications | 2017 Total | 2016 Total |
|---|---|---|---|---|---|
| Salaries and related expenses | $ 2,006,988 | 229,136 | 277,553 | 2,513,677 | 2,425,473 |
| Supplies | 256,255 | 39,294 | 9,437 | 304,986 | 41,389 |
| Printing | 187,479 | 39,523 | 30,701 | 257,703 | 4,773 |
| Staff expenses | 141,264 | 30,127 | 15,420 | 186,811 | 31,433 |
| Accounting and legal fees | 64,429 | 13,741 | 5,681 | 83,851 | 23,839 |
| Postage | 59,154 | 12,615 | 6,343 | 78,112 | 5,165 |
| Communication | 53,942 | 11,504 | 4,912 | 70,358 | 47,466 |
| Travel | 45,052 | 6,908 | 1,687 | 53,647 | 179,324 |
| Professional fees | 28,023 | 5,976 | 2,529 | 36,528 | 344,905 |
| Insurance | 192 | 26,215 | 17 | 26,424 | 241,893 |
| Rentals | 17,197 | 3,668 | 1,507 | 22,372 | 36,647 |
| Rent | 10,671 | 2,276 | 1,005 | 13,952 | 317,165 |
| Conferences | 4,046 | 863 | 405 | 5,314 | 17,025 |
| Business expenses | 3,938 | 840 | 392 | 5,170 | 74,608 |
| Subscriptions | 3,756 | 801 | 357 | 4,914 | 68,045 |
| Miscellaneous equipment | 1,533 | 327 | 134 | 1,994 | 4,027 |
| Interest expense | - | 1,897 | - | 1,897 | - |
| Miscellaneous | 129,138 | 66,181 | 13,703 | 209,022 | 80,836 |
| Total expenses before depreciation and amortization | 3,013,057 | 491,892 | 371,783 | 3,876,732 | 3,944,013 |
| Depreciation and amortization | 26,346 | 4,040 | 970 | 31,356 | 34,292 |
| Total expenses including depreciation and amortization | 3,039,403 | 495,932 | 372,753 | 3,908,088 | 3,978,305 |
| Donated goods and services | 4,897 | 1,044 | 429 | 6,370 | 3,708 |
| TOTAL EXPENSES | $ 3,044,300 | 496,976 | 373,182 | 3,914,458 | 3,982,013 |

# COLLEGE FORWARD

## SUPPLEMENTAL SCHEDULE OF FUNCTIONAL EXPENSES
## YEAR ENDED JUNE 30, 2016
**(with summarized comparative totals for the year ended June 30, 2015)**

| | Program Services | Management and General | Fundraising and Communications | 2016 Total | 2015 Total |
|---|---|---|---|---|---|
| Salaries and related expenses | $ 1,855,907 | 161,119 | 408,447 | 2,425,473 | 2,209,525 |
| Supplies | 31,013 | 5,242 | 5,134 | 41,389 | 36,767 |
| Printing | 3,258 | 551 | 964 | 4,773 | 10,792 |
| Staff expenses | 23,427 | 3,960 | 4,046 | 31,433 | 27,099 |
| Accounting and legal fees | - | 23,839 | - | 23,839 | 17,900 |
| Postage | 3,931 | 664 | 570 | 5,165 | 3,444 |
| Communication | 39,882 | 6,115 | 1,469 | 47,466 | 26,081 |
| Travel | 134,882 | 22,800 | 21,642 | 179,324 | 124,847 |
| Professional fees | 215,516 | 65,987 | 63,402 | 344,905 | 318,494 |
| Insurance | 179,088 | 30,089 | 32,716 | 241,893 | 201,853 |
| Rentals | 27,889 | 4,714 | 4,044 | 36,647 | 32,604 |
| Rent | 266,488 | 40,863 | 9,814 | 317,165 | 223,656 |
| Conferences | 11,529 | 1,949 | 3,547 | 17,025 | 10,873 |
| Business expenses | 56,747 | 9,592 | 8,269 | 74,608 | 79,156 |
| Subscriptions | 50,814 | 8,589 | 8,642 | 68,045 | 55,320 |
| Miscellaneous equipment | 2,801 | 472 | 753 | 4,026 | 4,122 |
| Miscellaneous | 59,985 | 10,143 | 10,708 | 80,836 | 63,708 |
| Total expenses before depreciation and amortization | 2,963,157 | 396,688 | 584,167 | 3,944,012 | 3,446,241 |
| Depreciation and amortization | 28,812 | 4,419 | 1,061 | 34,292 | 34,359 |
| Total expenses including depreciation and amortization | 2,991,969 | 401,107 | 585,228 | 3,978,304 | 3,480,600 |
| Donated goods and services | 2,822 | 477 | 409 | 3,708 | 13,400 |
| TOTAL EXPENSES | $ 2,994,791 | 401,584 | 585,637 | 3,982,012 | 3,494,000 |