

**STORYCORPS, INC.**

**Financial Statements  
For the Years Ended  
December 31, 2018  
and  
December 31, 2017**

**Independent Auditor's Report**

To the Board of Directors of  
StoryCorps, Inc.

We have audited the accompanying financial statements of StoryCorps, Inc. which comprise the statement of financial position as of December 31, 2018 and December 31, 2017 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 audits 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 StoryCorps, Inc. as of December 31, 2018 and December 31, 2017 and the results of its activities and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Condon O'Meara McGinty & Donnelly LLP*

March 1, 2019

## STORYCORPS, INC.

## Statement of Financial Position

## Assets

	December 31	
	2018	2017
Cash and cash equivalents	\$ 2,730,708	\$ 1,728,141
Investments, at fair value	2,531,329	1,010,276
Unconditional promises to give, net	3,193,673	5,834,250
Other receivables	315,340	506,007
Prepaid expenses and other assets	84,012	99,161
Property and equipment, net	416,859	636,949
Security deposits	77,644	63,817
<b>Total assets</b>	<b>\$ 9,349,565</b>	<b>\$ 9,878,601</b>

## Liabilities and Net Assets

## Liabilities

Accounts payable and accrued expenses	\$ 453,218	\$ 362,625
Deferred revenue	517,909	115,583
Loans payable	26,878	38,138
Promissory note payable	797,444	762,511
<b>Total liabilities</b>	<b>1,795,449</b>	<b>1,278,857</b>

## Net assets

Without donor restrictions	2,399,621	2,115,306
With donor restrictions	5,154,495	6,484,438
<b>Total net assets</b>	<b>7,554,116</b>	<b>8,599,744</b>
<b>Total liabilities and net assets</b>	<b>\$ 9,349,565</b>	<b>\$ 9,878,601</b>

See notes to financial statements.

# STORYCORPS, INC.

## Statement of Activities Years Ended December 31, 2018 and December 31, 2017

	2018			2017		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and revenue</b>						
Contributions						
Government	\$ 905,887	\$ 991,848	\$ 1,897,735	\$ 991,304	\$ 873,550	\$ 1,864,854
Foundations and major donors	1,104,226	1,768,262	2,872,488	1,846,991	4,142,768	5,989,759
Corporations	1,187,185	146,017	1,333,202	1,450,000	-	1,450,000
Individuals	241,299	-	241,299	261,703	-	261,703
Donated services	534,625	-	534,625	487,822	-	487,822
Fundraising benefits, net of direct expenses of \$108,287 in 2018 and \$110,070 in 2017	693,083	-	693,083	617,142	-	617,142
Fees	1,803,084	-	1,803,084	1,179,719	-	1,179,719
Book sales	8,156	-	8,156	21,606	-	21,606
Investment return	30,137	-	30,137	4,983	-	4,983
Net assets released from restrictions	4,236,070	(4,236,070)	-	2,860,049	(2,860,049)	-
<b>Total support and revenue</b>	<b>10,743,752</b>	<b>(1,329,943)</b>	<b>9,413,809</b>	<b>9,721,319</b>	<b>2,156,269</b>	<b>11,877,588</b>
<b>Expenses</b>						
Program services	7,620,126	-	7,620,126	7,093,831	-	7,093,831
Supporting activities						
Management and general	1,526,864	-	1,526,864	1,419,700	-	1,419,700
Fundraising	1,312,447	-	1,312,447	1,315,484	-	1,315,484
Total supporting activities	2,839,311	-	2,839,311	2,735,184	-	2,735,184
Total expenses	10,459,437	-	10,459,437	9,829,015	-	9,829,015
<b>Increase (decrease) in net assets</b>	<b>284,315</b>	<b>(1,329,943)</b>	<b>(1,045,628)</b>	<b>(107,696)</b>	<b>2,156,269</b>	<b>2,048,573</b>
<b>Net assets, beginning of year</b>	<b>2,115,306</b>	<b>6,484,438</b>	<b>8,599,744</b>	<b>2,223,002</b>	<b>4,328,169</b>	<b>6,551,171</b>
<b>Net assets, end of year</b>	<b>\$ 2,399,621</b>	<b>\$ 5,154,495</b>	<b>\$ 7,554,116</b>	<b>\$ 2,115,306</b>	<b>\$ 6,484,438</b>	<b>\$ 8,599,744</b>

See notes to financial statements.

# STORYCORPS, INC.

## Statement of Functional Expenses Year Ended December 31, 2018 (with Summarized Comparative Information for 2017)

	2018			2017
	Supporting Activities			
	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 3,755,777	\$ 730,188	\$ 731,063	\$ 5,217,028
Payroll taxes and employee benefits	820,450	199,609	159,315	1,179,374
Rent and utilities	274,217	42,776	39,044	356,037
Other consulting fees	584,234	83,324	179,534	847,092
Professional fees	592,415	265,726	32,529	890,670
Telephone and data	45,734	6,609	7,215	59,558
Repairs and maintenance	40,256	4,797	4,483	49,536
Office and facility supplies	90,544	8,939	6,363	105,846
Travel	620,470	37,061	28,532	686,063
Postage and delivery	20,088	1,848	7,493	29,429
Advertising and promotion	246,676	27,029	40,640	314,345
Insurance	43,049	7,159	6,691	56,899
Other operating expenses	199,766	55,270	44,078	299,114
Vehicles and equipment	19,866	2,287	2,137	24,290
Interest and finance charges	-	48,932	-	48,932
Depreciation and amortization	266,584	5,310	4,680	276,574
Indirect fundraising benefit expense	-	-	18,650	18,650
<b>Total</b>	<b>\$ 7,620,126</b>	<b>\$ 1,526,864</b>	<b>\$ 1,312,447</b>	<b>\$10,459,437</b>
				<b>\$ 9,829,015</b>

See notes to financial statements.

# STORYCORPS, INC.

## Statement of Functional Expenses Year Ended December 31, 2017

		<u>Supporting Activities</u>		
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 4,038,058	\$ 741,026	\$ 868,004	\$ 5,647,088
Payroll taxes and employee benefits	795,978	167,270	167,858	1,131,106
Rent and utilities	270,567	37,877	34,830	343,274
Other consulting fees	239,412	58,380	20,042	317,834
Professional fees	443,130	252,871	15,573	711,574
Telephone and data	46,198	5,976	6,984	59,158
Repairs and maintenance	42,007	4,470	4,127	50,604
Office and facility supplies	52,655	8,194	8,909	69,758
Travel	517,930	22,394	41,864	582,188
Postage and delivery	12,714	1,602	14,333	28,649
Advertising and promotion	46,337	8,424	34,318	89,079
Insurance	42,557	6,314	5,805	54,676
Other operating expenses	179,872	46,141	71,227	297,240
Vehicles and equipment	21,512	2,078	1,911	25,501
Interest and finance charges	-	51,830	-	51,830
Depreciation and amortization	344,904	4,853	4,835	354,592
Indirect fundraising benefit expense	-	-	14,864	14,864
<b>Total</b>	<b>\$ 7,093,831</b>	<b>\$ 1,419,700</b>	<b>\$ 1,315,484</b>	<b>\$ 9,829,015</b>

See notes to financial statements.

## STORYCORPS, INC.

## Statement of Cash Flows

	Year Ended December 31	
	2018	2017
<b>Cash flows from operating activities</b>		
Increase (decrease) in net assets	\$ (1,045,628)	\$ 2,048,573
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities		
Depreciation and amortization	276,574	354,592
Realized losses on investments	11,466	-
Unrealized (gains) losses on investments	(245)	2,356
Accretion of interest on promissory note payable	34,933	33,402
Donated stock	(100,516)	(141,625)
Proceeds from sale of donated stock	100,516	141,625
(Increase) decrease in assets		
Unconditional promises to give	2,640,577	(1,630,541)
Other receivables	190,667	(383,004)
Prepaid expenses and other assets	15,149	(8,351)
Security deposits	(13,827)	-
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	90,593	(15,047)
Deferred revenue	402,326	12,559
Net cash provided by operating activities	<u>2,602,585</u>	<u>414,539</u>
<b>Cash flows from investing activities</b>		
Purchase of investments	(2,041,825)	(1,012,632)
Proceeds from sale of investments	509,551	-
Purchase of property and equipment	<u>(56,484)</u>	<u>(336,865)</u>
Net cash (used in) investing activities	<u>(1,588,758)</u>	<u>(1,349,497)</u>
<b>Cash flows (used in) financing activities</b>		
Repayment of loans payable	<u>(11,260)</u>	<u>(11,108)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,002,567</b>	<b>(946,066)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b><u>1,728,141</u></b>	<b><u>2,674,207</u></b>
<b>Cash and cash equivalents, end of year</b>	<b><u>\$ 2,730,708</u></b>	<b><u>\$ 1,728,141</u></b>

See notes to financial statements.

**STORYCORPS, INC.****Notes to Financial Statements  
December 31, 2018 and December 31, 2017****Note 1 - Nature of organization and summary of significant accounting policies****Nature of organization**

StoryCorps, Inc. (the “Organization”) is America’s oral history project. Recordings are archived at the American Folklife Center at the Library of Congress so that future generations can hear the stories – and the voices – of today. We share stories online and through our weekly broadcasts, podcast, animated shorts and books.

**Cash and cash equivalents**

For purposes of the statement of cash flows, the Organization considers all short-term highly liquid investments, with original maturities of 90 days or less, to be cash equivalents.

**Investments**

The Organization reports investments at fair value in the statement of financial position. Unrealized gains and losses on the investments are reflected in the statement of activities as increases and decreases in net assets without donor restrictions.

Accounting principles generally accepted in the United States of America established a fair value hierarchy that prioritizes the inputs used to measure fair value into three broad levels. All of the Organization’s investments are measured using Level 1 inputs, which are defined as quoted prices in active markets for identical assets that the reporting entity has the ability to access at the measurement date.

**Contributions and unconditional promises to give**

Contributions, including unconditional promises to give, are recognized as revenue when pledged. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation.

**Allowance for doubtful accounts**

The Organization deems all accounts receivable to be collectible and, accordingly, an allowance for doubtful accounts is not necessary. Such estimate is based on management’s experience, the aging of the receivables, subsequent receipts and current economic conditions.

**Property and equipment**

Expenditures for property and equipment over a nominal amount with a useful life greater than one year are recorded at cost. Depreciation and amortization are computed using the straight-line basis over the estimated useful life of the asset or term of the lease, whichever is shorter.

In the absence of explicit donor stipulations, the placed in-service approach is used to recognize the expiration of restrictions on contributions used to acquire or construct long-lived assets.



**STORYCORPS, INC.****Notes to Financial Statements (continued)  
December 31, 2018 and December 31, 2017****Note 1 – Nature of organization and summary of significant accounting policies (continued)**Deferred revenue

Revenue from fees is recognized in the period the services take place. Amounts collected in advance of such revenue recognition are deferred.

Basis of presentation

Net assets consist of revenue and other support that are classified based on the existence or absence of donor-imposed restrictions. The net assets of the Organization and changes therein are classified and reported as follows:

Without donor restrictions

Net assets that are not subject to donor-imposed restrictions. Such philanthropic support includes gifts without restrictions and restricted gifts whose donor-imposed restrictions were met during the year.

With donor restrictions

Net assets subject to donor-imposed restrictions that will be met either by their use in specific programs or the passage of time. Items that affect this net asset category are gifts for which donor-imposed restrictions have not been met in the year of receipt. Restrictions that have been met on net assets with donor restrictions are reported as net assets released from restrictions in the statement of activities.

Advertising costs

Advertising costs are charged to operations when the advertising takes place.

Functional allocation of expenses

The cost of providing the various program and supporting activities has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. Expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques including time and effort spent, numbers of staff and office space usage.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**STORYCORPS, INC.****Notes to Financial Statements (continued)  
December 31, 2018 and December 31, 2017****Note 1 – Nature of organization and summary of significant accounting policies (continued)****Concentrations of credit risk**

The Organization's financial instruments that are potentially exposed to concentrations of credit risk consist of cash, cash equivalents, investments and receivables. The Organization places its cash and cash equivalents with what it believes to be quality financial institutions. At times during the year, the Organization's bank balances were in excess of the FDIC insurance limit. The Organization has not experienced any losses in the accounts to date. The Organization's investments are exposed to various risks such as interest rate, market volatility, liquidity and credit. Due to the uncertainty related to the foregoing risks, it is reasonably possible that changes in these risks could materially affect the fair values of the investments reported in the statement of financial position as of December 31, 2018. The Organization monitors its cash, cash equivalents, investments and collectability of receivables. As a result, the Organization's management believes concentrations of credit risk are limited.

**Subsequent events**

The Organization has evaluated subsequent events through March 1, 2019, the date that the financial statements are considered available to be issued.

**Recent accounting pronouncement****Not-for-Profit Financial Statement Presentation**

During 2018, the Organization adopted Accounting Standards Update ("ASU") No. 2016-14 – *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. This guidance is intended to improve the net asset classification requirements and the information presented in the financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows. The other main provision of this guidance that impacts the Organization is requiring the use of the placed in-service approach to recognize the expiration of restrictions on contributions used to acquire or construct long-lived assets absent explicit donor stipulations otherwise. Prior to adopting this guidance, the Organization released such contributions as the assets were depreciated.

## STORYCORPS, INC.

Notes to Financial Statements (continued)  
December 31, 2018 and December 31, 2017**Note 1 – Nature of organization and summary of significant accounting policies (continued)**Recent accounting pronouncement (continued)Not-for-Profit Financial Statement Presentation (continued)

A recap of the net asset reclassifications and restatements driven by the adoption of the ASU as of December 31, 2016 follows:

<u>Net Asset Classifications</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Net Assets</u>
As previously presented			
Unrestricted	\$ 2,052,880	\$ -	\$ 2,052,880
Temporarily restricted	<u>-</u>	<u>4,498,291</u>	<u>4,498,291</u>
Net assets as previously presented	2,052,880	4,498,291	6,551,171
Reclassifications to implement ASU 2016-14:			
Use of placed in service approach for contributions	<u>170,122</u>	<u>(170,122)</u>	<u>-</u>
Net assets, as reclassified December 31, 2016	<u>\$ 2,223,002</u>	<u>\$ 4,328,169</u>	<u>\$ 6,551,171</u>

As a result of the change to the placed in-service approach, net assets released from restrictions was \$12,887 lower than originally reported for 2017.

**Note 2 – Financial assets and liquidity resources**

The Organization's working capital and cash flows vary due to timing of payments received under grants and a concentration of contributions received near calendar year-end.

The following reflects the Organization's financial assets as of December 31, 2018, reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions:

**Financial assets**

Cash and cash equivalents	\$ 2,730,708
Investments, at fair value	2,531,329
Unconditional promises to give, net	3,193,673
Other receivables	<u>315,340</u>
Total financial assets	8,771,050
Less: Net assets with donor restrictions reduced by unconditional promises to give without program restrictions expected to be collected in 2019	<u>(3,557,065)</u>
Total financial assets available within one year	<u>\$ 5,213,985</u>

# STORYCORPS, INC.

## Notes to Financial Statements (continued) December 31, 2018 and December 31, 2017

### Note 2 – Financial assets and liquidity resources (continued)

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the organization has an uncommitted line of credit in the amount of \$350,000, which it could draw upon.

### Note 3 – Unconditional promises to give

Unconditional promises to give consist of the following as of December 31, 2018 and December 31, 2017:

	December 31	
	2018	2017
Amounts expected to be collected in:		
Less than one year	\$ 3,069,507	\$ 5,083,610
One to two years	130,000	810,000
	<u>3,199,507</u>	<u>5,893,610</u>
Less discount to present value (4.6% for 2018 and 3.8% for 2017)	5,834	59,360
Total unconditional promises to give, net	<u>\$ 3,193,673</u>	<u>\$ 5,834,250</u>

At December 31, 2018 and December 31, 2017, two and five donors comprised approximately 61% and 67% of unconditional promises to give, respectively.

### Note 4 – Investments

Investments consist of the following as of December 31, 2018 and December 31, 2017:

	2018		2017	
	Cost	Fair Value	Cost	Fair Value
Cash	\$ 5	\$ 5	\$ 968	\$ 968
Money market fund	1,512,734	1,512,734	5,367	5,367
Mutual funds – fixed income <sup>(1)</sup>	<u>1,020,701</u>	<u>1,018,590</u>	<u>1,006,297</u>	<u>1,003,941</u>
Total	<u>\$2,533,440</u>	<u>\$2,531,329</u>	<u>\$1,012,632</u>	<u>\$1,010,276</u>

<sup>(1)</sup> Mutual funds consist of short duration bond funds.

## STORYCORPS, INC.

**Notes to Financial Statements (continued)**  
**December 31, 2018 and December 31, 2017**

**Note 5 – Property and equipment**

Property and equipment consist of the following as of December 31, 2018 and December 31, 2017:

	Estimated Useful Life	2018	2017
StoryCorps booths and vehicles	2-5 years	\$ 967,780	\$ 967,780
Production equipment	5 years	309,288	309,288
Computers and software	3-5 years	1,708,065	1,690,754
Furniture and fixtures	5 years	119,618	101,207
Telephone equipment	5 years	30,425	30,425
Leasehold improvements	Term of lease	<u>174,345</u>	<u>153,583</u>
		3,309,521	3,253,037
Less: accumulated depreciation and amortization		<u>2,892,662</u>	<u>2,616,088</u>
Property and equipment, net		<u>\$ 416,859</u>	<u>\$ 636,949</u>

**Note 6 – Promissory note payable**

On August 6, 2008, the Organization executed a zero coupon promissory note with an entity controlled by a substantial donor and received loan proceeds of \$500,098. The promissory note obligates the Organization to pay \$1,225,000 on August 6, 2028. Interest accrues on the note at a rate of 4.53% per annum. Accrued interest expense for the years ended December 31, 2018 and December 31, 2017 was \$34,933 and \$33,402, respectively.

**Note 7 – Bank line of credit**

The Organization has a revolving line of credit, due on demand, in the amount of \$350,000. Interest is due monthly at the banks' prime rate plus 2.0%. Any outstanding balance must be repaid for a period of 30 consecutive days in each year. The line of credit is secured by certain of the Organization's personal property and is due for renewal in December 2019. There were no borrowings under the line of credit during 2018 and 2017.

**Note 8 – Loans payable**

During 2016, the Organization obtained two loans to purchase two vehicles. The loans require total monthly principal and interest payments of \$976, with interest at the rates of .9% and 1.9% per annum. The loans mature in April 2021. The following is a summary of the future minimum annual principal payments as of December 31, 2018:

<u>Year</u>	<u>Amount</u>
2019	\$ 11,414
2020	11,571
2021	<u>3,893</u>
Total	<u>\$ 26,878</u>

# STORYCORPS, INC.

## Notes to Financial Statements (continued) December 31, 2018 and December 31, 2017

### Note 9 – Commitments and contingency

#### Office lease

The Organization is obligated under the terms of an operating lease for office space. The lease expires June 30, 2023 and provides for minimum monthly payments as well as payments for utilities and taxes with an option to extend the lease for an additional five years. Rent expense for the years ended December 31, 2018 and December 31, 2017 was approximately \$321,000 and \$319,000, respectively. The following is a summary of minimum rental payments as of December 31, 2018.

<u>Year</u>	<u>Amount</u>
2019	\$ 306,912
2020	316,120
2021	325,603
2022	335,372
2023	<u>170,164</u>
Total	<u>\$ 1,454,171</u>

#### Government grants

Government supported projects are subject to audit by the applicable government granting agencies. The possible disallowances by the granting agencies of any item charged to the program cannot be determined until such time when and if an audit occurs. Therefore, no provision for any potential disallowances that may result from such audits has been made in the accompanying financial statements. The result of any potential disallowances is deemed to be immaterial.

#### 403(b) plan

The Organization provides its eligible employees the option of deferring current earnings by participating in a tax deferred 403(b) retirement plan. Beginning in 2018, the Organization has elected to match each eligible employee's contribution up to 1% of salary. The Organization's contributions to the plan were approximately \$21,000 in 2018. The Organization did not contribute to the plan in 2017.

## STORYCORPS, INC.

**Notes to Financial Statements (continued)**  
**December 31, 2018 and December 31, 2017**

**Note 10 – Net assets with donor restrictions**

Net assets with donor restrictions consisted of the following as of December 31, 2018 and December 31, 2017:

	Balance at December 31, <u>2017</u>	<u>Contributions</u>	Net assets released from restrictions	Balance at December 31, <u>2018</u>
Government Corporations	\$ 994,568	\$ 991,848	\$ (827,901)	\$ 1,158,515
	-	146,017	-	146,017
Foundations and major donors	<u>5,489,870</u>	<u>1,768,262</u>	<u>(3,408,169)</u>	<u>3,849,963</u>
Total	<u>\$ 6,484,438</u>	<u>\$ 2,906,127</u>	<u>\$ (4,236,070)</u>	<u>\$ 5,154,495</u>

  

	Balance at December 31, <u>2016</u>	<u>Contributions</u>	Net assets released from restrictions	Balance at December 31, <u>2017</u>
Government	\$ 684,210	\$ 873,550	\$ (563,192)	\$ 994,568
Foundations and major donors	<u>3,643,959</u>	<u>4,142,768</u>	<u>(2,296,857)</u>	<u>5,489,870</u>
Total	<u>\$ 4,328,169</u>	<u>\$ 5,016,318</u>	<u>\$ (2,860,049)</u>	<u>\$ 6,484,438</u>

**Note 11 – Donated services**

Donated services consist of the following for the years ended December 31, 2018 and December 31, 2017:

	<u>2018</u>	<u>2017</u>
Legal services	\$ 276,966	\$ 371,250
Lodging - StoryCorps program	118,326	116,572
Advertising	<u>139,333</u>	<u>-</u>
	<u>\$ 534,625</u>	<u>\$ 487,822</u>

**Note 12 – Tax status**

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the “Code”). In addition, the Organization has been determined by the Internal Revenue Service to be a publicly supported organization and not a private foundation within the meaning of Section 509(a)(1) of the Code. As a result, donors are able to receive the maximum charitable tax deduction available.