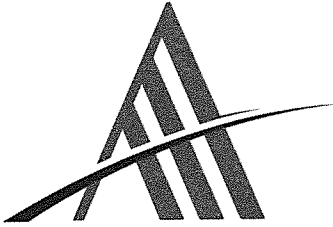


***UNITED WAY OF CHARLES COUNTY, INC.
FINANCIAL STATEMENTS***

***FOR THE YEARS ENDED
AUGUST 31, 2017 and 2016***

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
United Way of Charles County, Inc.
La Plata, Maryland

We have audited the accompanying financial statements of United Way of Charles County, Inc. (a nonprofit organization), which comprise the statements of financial position as of August 31, 2017 and 2016, and the related statements of activities and changes in net assets, 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.

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. 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 United Way of Charles County, Inc. as of August 31, 2017 and 2016, 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.

Askey Askey and Associates
CERTIFIED PUBLIC ACCOUNTANTS

Leonardtown, Maryland
November 21, 2017

UNITED WAY OF CHARLES COUNTY, INC.
Statements of Financial Position
August 31, 2017 and 2016

	Assets	
	<u>2017</u>	<u>2016</u>
Current Assets		
Cash and Cash Equivalents	\$ 91,739	\$ 135,510
Campaign Pledges Receivable, net of allowance for doubtful accounts of \$36,172 and \$49,768, respectively	159,653	133,366
Other Receivable	6,056	
Prepaid Expenses	5,860	
Total Current Assets	<u>263,308</u>	<u>268,876</u>
Property and Equipment		
Building Improvements	79,666	79,666
Equipment	18,722	18,722
	98,388	98,388
Less: Accumulated Depreciation	<u>(46,408)</u>	<u>(42,494)</u>
Net Property and Equipment	<u>51,980</u>	<u>55,894</u>
Other Assets		
Certificates of Deposit	104,170	103,242
Endowment Held by Others	31,145	28,634
Total Other Assets	<u>135,315</u>	<u>131,876</u>
Total Assets	<u>\$ 450,603</u>	<u>\$ 456,646</u>

The Accompanying Notes to Financial Statements
Are an Integral Part of These Statements.

UNITED WAY OF CHARLES COUNTY, INC.
Statements of Financial Position
August 31, 2017 and 2016

	Liabilities	
	<u>2017</u>	<u>2016</u>
Current Liabilities		
Accounts Payable	\$ 17,626	\$ 7,269
Accrued Salaries and Related Expenses	8,661	6,505
Deferred Income	2,319	2,460
Designated Agency Liabilities	<u>99,938</u>	<u>111,849</u>
Total Current Liabilities	<u>128,544</u>	<u>128,083</u>
	Net Assets	
Unrestricted		
Undesignated	83,289	64,668
Board Designated	176,670	238,242
Temporarily Restricted	48,100	11,653
Permanently Restricted	<u>14,000</u>	<u>14,000</u>
Total Net Assets	<u>322,059</u>	<u>328,563</u>
Total Liabilities and Net Assets	<u>\$ 450,603</u>	<u>\$ 456,646</u>

The Accompanying Notes to Financial Statements
Are an Integral Part of These Statements.

EXHIBIT B

UNITED WAY OF CHARLES COUNTY, INC.
 Statements of Activities and Changes in Net Assets
 For the Years Ended August 31, 2017 and 2016

	2017			2016				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and Revenue:								
Campaign Contributions	\$ 345,254	\$ 108,139	\$	\$ 453,393	\$ 382,783	\$ 4,000	\$ 496,586	
Less: Provision for Uncollectible Pledges	(11,930)			(11,930)	(24,242)		(24,242)	
	333,324	108,139		441,463	358,541	109,803	472,344	
Less: Amounts Designated by Donors for Specific Organizations	(217,334)			(217,334)	(244,634)		(244,634)	
Net Campaign Contributions	115,990	108,139		224,129	113,907	109,803	227,710	
Donated Goods, Services & Facilities	86,959			86,959	65,860		65,860	
Grant Revenue		55,661		55,661	500	24,061	24,561	
Rent Income	18,334			18,334	19,424		19,424	
Special Events, Net of Expenses	15,970			15,970	26,800		26,800	
Anticipated Shrinkage Retained from Amounts Designated for Specific Organizations	10,280			10,280	11,194		11,194	
Administrative Fees Retained from Amounts Designated for Specific Organizations	5,489			5,489	6,961		6,961	
Endowment Fund Net Gain (Loss)	2,511			2,511	1,401		1,401	
Investment Income	1,339			1,339	570		570	
Miscellaneous Income	747			747	1,585		1,585	
Net Assets Released from Restriction	127,353	(127,353)			145,864	(145,864)		
Total Support and Revenue	384,972	36,447		421,419	394,066	(12,000)	386,066	
Expenses:								
Program Services	283,486			283,486	269,643		269,643	
Management and General	49,171			49,171	49,842		49,842	
Fundraising	92,086			92,086	91,569		91,569	
United Way of America Dues	3,180			3,180	3,425		3,425	
Total Expenses	427,923			427,923	414,479		414,479	
Increase (Decrease) in Net Assets	(42,951)	36,447		(6,504)	(20,413)	4,000	(28,413)	
Net Assets at Beginning of Year	302,910	11,653	14,000	328,563	323,323	23,653	356,976	
Net Assets at End of Year	\$ 259,959	\$ 48,100	\$ 14,000	\$ 322,059	\$ 302,910	\$ 14,000	\$ 328,563	

The Accompanying Notes to Financial Statements
 Are an Integral Part of These Statements.

EXHIBIT C

UNITED WAY OF CHARLES COUNTY, INC.
 Statements of Functional Expenses
 For the Years Ended August 31, 2017 and 2016

	2017				2016			
	Program Services	Management & General	Fundraising	Total	Program Services	Management & General	Fundraising	Total
Grants to Member Agencies	\$ 123,451	\$	\$	123,451	\$ 102,500	\$	\$	102,500
Salaries and Fringe Benefits	68,435	14,095	42,968	125,498	69,814	15,169	44,163	129,146
Donated Goods, Services & Facilities	38,680	11,850	36,429	86,959	28,238	11,295	26,327	65,860
Occupancy	9,956	4,177	5,779	19,912	9,818	3,931	5,905	19,654
Professional services	100	12,344		12,444	10,880	10,934	78	21,892
Watershed Grant Expenses	11,089			11,089				
Charles County Women United in Giving	9,521			9,521	22,917			22,917
Equipment Rental and Maintenance	2,760	1,435	2,706	6,901	2,718	1,360	2,719	6,797
Printing and Publications	6,582		20	6,602	6,398	159	338	6,895
Publicity	5,150		645	5,795	2,328		6,851	9,179
Depreciation	818	2,278	818	3,914	809	1,619	810	3,238
Transportation Grant	2,500			2,500	7,500			7,500
Telephone	727	350	588	1,665	831	386	711	1,928
Insurance	642	1,535		1,535		3,503		3,503
Postage	797	253	539	1,434	926	330	938	2,194
Campaign Supplies	728		465	1,262	645		1,426	2,071
Travel and Meetings	1,000	25	499	1,252	26	104	742	872
Donations	337	54		1,054	2,000			2,000
Office and Computer Supplies	213	385	192	914	267	107	206	580
Bank, Payroll and Credit Card Fees		145	238	596	1,013	242		1,255
Membership Dues		245	200	445	15	170	355	540
Miscellaneous						533		533
Total Expenses	\$ 283,486	\$ 49,171	\$ 92,086	\$ 424,743	\$ 269,643	\$ 49,842	\$ 91,569	\$ 411,054

The Accompanying Notes to Financial Statements
 Are an Integral Part of These Statements.

UNITED WAY OF CHARLES COUNTY, INC.
Statements of Cash Flows
For the Years Ended August 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash Flows From Operating Activities		
Increase (Decrease) in Net Assets	\$ (6,504)	\$ (28,413)
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by Operating Activities		
Contributions to Endowment Fund		(4,000)
Depreciation & Amortization	3,914	3,238
Endowment Fund Net (Gain) Loss	(2,511)	(1,401)
(Increase) Decrease in Operating Assets:		
Campaign Pledges Receivable, net	(26,287)	(6,965)
Other Receivables	(6,056)	
Prepaid Expenses	(5,860)	3,022
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	10,357	2,312
Accrued Salaries and Related Expenses	2,156	
Deferred Income	(141)	(5,314)
Grants Payable to Agencies		(3,765)
Designated Agency Liabilities	(11,911)	(23,918)
Net Cash Provided By (Used In) Operations	<u>(42,843)</u>	<u>(65,204)</u>
Cash Flows From Investing Activities		
Purchase of Equipment		(4,990)
Reinvested Interest in Certificates of Deposit	(928)	
Net Cash Used In Investing Activities	<u>(928)</u>	<u>(4,990)</u>
Increase (Decrease) in Cash and Cash Equivalents	(43,771)	(70,194)
Cash and Cash Equivalents at Beginning of Year	<u>135,510</u>	<u>205,704</u>
Cash and Cash Equivalents at End of Year	<u>\$ 91,739</u>	<u>\$ 135,510</u>

The Accompanying Notes to Financial Statements
Are an Integral Part of These Statements.

UNITED WAY OF CHARLES COUNTY, INC.
Notes to Financial Statements
August 31, 2017 and 2016

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

United Way of Charles County, Inc. (UWCC) is a nonprofit organization incorporated on June 3, 1983, in the State of Maryland. The Organization is an independent, locally controlled fundraising organization with a volunteer Board of Directors. UWCC's mission is to provide all citizens of Charles County the means to invest in their community to bring about positive changes in people's lives. To help fulfill this mission, UWCC conducts fundraising campaigns in Charles County, Maryland, for participating member agencies and allocates and distributes funds collected to participating members and designated agencies. All funds remain in Charles County unless specifically directed elsewhere by the donor. The Organization also raises funds through its fundraising campaign to be distributed to agencies in the form of grants to support the Community Impact and Charles County Women United in Giving programs.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. Under this method, revenue is recognized when earned and expenses are recognized when incurred.

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

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

Temporarily restricted net assets – Net assets that are available for use, but expendable only for those purposes specified by the donor.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization.

Contributions

Contributions, including unconditional promises to give, are recorded when received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents represent deposits in checking and savings accounts. Certificates of deposit are considered investments regardless of the maturity date.

Investments

For the statements of financial position, investments consist of all certificates of deposit on hand and the endowment funds held by others, and are reported at fair market value. Investment income is included in the change in net assets for the period in which income is earned.

Pledges Receivable and Allowance for Doubtful Accounts

Pledges receivable consist of unconditional promises to give that are expected to be collected in less than one year, and are measured at net realizable value. Pledges receivable are reflected in the accompanying financial statements net of the allowance for doubtful accounts. Management's policy is to write-off outstanding pledges two years after the campaign closes to the allowance. The allowance for doubtful accounts is based on management's estimate of uncollectible amounts applied as a percentage to gross campaign revenues received in the current fiscal year. The percentage uncollectible is determined by analyzing the last 3 years of actual uncollectible percentages to total pledges.

Property and Equipment

Property and equipment acquisitions over \$2,000 are capitalized and carried at cost. Depreciation is provided over the estimated useful lives of the assets for 3 to 7 years for equipment and 39 years for building improvements using the straight-line method. Donated assets requiring capitalization are recorded at their estimated fair market value at the date of donation.

Use of Estimates

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

Functional Allocation of Expenses

The costs of providing program and other supporting activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

The Organization is exempt under Section 501(c)(3) of the Internal Revenue Code and is classified as other than a private foundation. It is exempt from paying federal income tax on any

income except unrelated business income. No provision has been made for income taxes for the years ended August 31, 2017 and 2016 as the Organization has had no significant unrelated business income. The Organization's federal information returns are generally subject to examination by the Internal Revenue Service for three years after the date they are filed.

Fair Value of Financial Instruments

The fair value of substantially all reported assets and liabilities which represent financial instruments (none of which are held for trading purposes) approximate the carrying values of such amounts.

Advertising and Joint Costs

The Organization's policy is to expense advertising costs as the costs are incurred. Total costs for the years ended August 31, 2017 and 2016, were \$5,795 and \$9,179, respectively, reported as publicity on the statement of functional expenses. Publicity expenses for the fundraising campaign are allocated primarily between program and fundraising on the statement of functional expenses.

Donor-designated Allocations

The Organization acts as an agent or intermediary with respect to contributions, which are designated by the donor to be distributed to a particular agency. Accordingly, the Organization distributes designated allocations to other agencies after collecting an administrative fee, as well as an amount for anticipated shrinkage.

2. *CONCENTRATION OF CREDIT RISK*

Concentrations of credit risk consist primarily of cash, certificates of deposit, and pledges receivable. At various times during the year, the Organization may have maintained cash-in-bank balances in excess of the federally insured limit of \$250,000. There were no amounts in excess of the insured limit at August 31, 2017 and 2016.

Pledges receivable from the Combined Federal Campaign of the National Capital Area represent 53% and 57% of gross campaign pledges receivable at August 31, 2017 and 2016, respectively.

3. *DEFERRED REVENUE*

The Organization received revenues in advance as consideration for rent and pledges in advance of the following year's Campaign. Deferred revenue consisted of the following at August 31:

	<u>2017</u>	<u>2016</u>
Deferred Pledges	\$	\$ 184
Deferred Rent	2,319	761
Other Deferred Revenue		1515
	<u>\$ 2,319</u>	<u>\$ 2,460</u>

4. *EMERGENCY LINE OF CREDIT*

The Organization has an available line of credit with a local bank in the amount of \$80,000 to be used to provide funds to partner agencies in the event of a natural disaster. The line of credit is renewable each year and currently expires in June 2018. There were no amounts outstanding on the line of credit at August 31, 2017 and 2016.

5. *FAIR VALUE MEASUREMENTS*

The Financial Accounting Standards Board (FASB) establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Interest income from the certificates of deposit and gains/losses from the endowment fund are included in the statement of activities.

Level 1 Fair Value Measurements

The fair value of certificates of deposit is based on the amount invested plus the interest earned at the stated interest rate as of the date of the financial statements.

Level 2 Fair Value Measurements

The endowment fund is invested in the Community Foundation of Southern Maryland pooled income fund. The fair value of the endowment fund held by others is based on the fund's allocated share of the fair value of the underlying assets, which consist of observable market inputs.

Investments at fair value consist of the following at August 31, 2017:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of Deposit	\$ 104,170	\$	\$	\$ 104,170
Endowment Fund Held by Others		31,145		31,145
	<u>\$ 104,170</u>	<u>\$ 31,145</u>	<u>\$</u>	<u>\$ 135,315</u>

Investments at fair value consist of the following at August 31, 2016:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of Deposit	\$ 103,242	\$	\$	\$ 103,242
Endowment Fund Held by Others		28,634		28,634
	<u>\$ 103,242</u>	<u>\$ 28,634</u>	<u>\$</u>	<u>\$ 131,876</u>

6. *BOARD DESIGNATED NET ASSETS*

Board designated net assets for the years ended August 31, 2017 and 2016, consisted of the following:

	<u>2017</u>	<u>2016</u>
Program Service Grants	\$ 62,500	\$ 125,000
Endowment Fund	10,000	10,000
Board Reserve for Contingencies	<u>104,170</u>	<u>103,242</u>
	<u>\$ 176,670</u>	<u>\$ 238,242</u>

7. *TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS*

Temporarily restricted net assets include grant funds for the following year's directory, contributions restricted for the Community Impact Fund, and contributions restricted to provide grants through UWCC's Charles County Women United in Giving program. Temporarily restricted net assets for the years ended August 31 consisted of the following:

	<u>2017</u>	<u>2016</u>
Directory	\$ 759	\$ 759
Women United in Giving	16,429	10,894
Other Grants	<u>30,912</u>	<u> </u>
	<u>\$ 48,100</u>	<u>\$ 11,653</u>

Permanently restricted net assets total \$14,000 for the years ending August 31, 2017 and 2016, and include amounts received from donors that are restricted for the Organization's endowment fund. The endowment fund is held by the Community Foundation of Southern Maryland. See Note 12 for further details.

8. **OPERATING LEASES AND RELATED PARTY TRANSACTIONS**

The Organization has a 20-year lease dated January 2002, for office space located in La Plata, Maryland from the County Commissioners of Charles County for \$1 per year. Under the terms of this lease, the Organization is responsible for all improvements to the building. UWCC pays a quarterly maintenance fee that is recorded as occupancy expense in the statement of activities for the years ended August 31, 2017 and 2016.

UWCC rents office space to various nonprofits under non-cancelable subleases with varying expiration dates. All subleases are for a period of twelve months and expire before the end of the next fiscal year. Three of the subleases are with Partner Agencies. Rental income was \$18,334 and \$19,424 for the years ended August 31, 2017 and 2016, respectively. The amounts received from Partner Agencies included in the rental income for the years ended August 31, 2017 and 2016 totaled \$7,433 and \$8,179, respectively.

The Organization leases a copier under a lease agreement dated July 2015. The lease is payable in monthly installments totaling \$226 and expires in July 2020. Future minimum payments under this lease are as follows for the years ended August 31:

2018	2,712
2019	2,712
2020	<u>2,486</u>
Total	<u>\$ 7,910</u>

9. **PENSION PLAN**

The Organization sponsors a tax-deferred annuity plan under Section 403(b) of the Internal Revenue Code covering all current employees. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code. UWCC makes no contributions to this plan.

The Organization also maintains a SEP plan for all of its current employees and all contributions are discretionary. The Organization contributed 7% of gross salaries for qualified employees in the amounts of \$6,597 and \$7,103 for the years ended August 31, 2017 and 2016, respectively.

10. **DONATED GOODS, SERVICES AND FACILITIES**

The Organization partnered with local businesses and various agencies to supply goods for the annual golf tournament and other UWCC events. The amounts of these donated goods provided by local businesses were \$30,484 and \$9,385 for the years ended August 31, 2017 and 2016, respectively.

The land and building used by the Organization in La Plata, Maryland, for office space is owned by the County Commissioners of Charles County, Maryland. The estimated value of the use of facilities for the years ended August 31, 2017 and 2016 was \$56,475 (see also Note 8).

11. *FUNDRAISING RATIOS*

The following is provided as additional information on the Organization's fundraising efforts. The percentages are calculated as a ratio of the total expenses in each functional category to the total expenses for the years ending August 31, 2017 and 2016, as follows:

	2017		
	<u>Program</u>	<u>Management & General</u>	<u>Fundraising</u>
Prior to Agency Designations	66.74%	11.58%	21.68%
With Agency Designations	78.00%	7.66%	14.34%

	2016		
	<u>Program</u>	<u>Management & General</u>	<u>Fundraising</u>
Prior to Agency Designations	65.60%	12.13%	22.27%
With Agency Designations	78.43%	7.60%	13.97%

12. *ENDOWMENT FUND HELD BY OTHERS*

In February 2011, the Organization established a permanent endowment fund with the Community Foundation of Southern Maryland (The Foundation).

Interpretation: The Foundation has interpreted the Maryland enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gifts as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. Management has interpreted UPMIFA as requiring the preservation of the fair value of original donor-restricted contributions as of the date of the gift, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of permanently restricted cash contributions, (b) the discounted value of future permanently restricted cash contributions, net of allowance for uncollectible pledges, and (c) the original value of subsequent gifts to the endowment. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted cash contributions:

- The purposes of the Foundation and donor-restricted endowment fund
- The duration and preservation of the fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other available financial resources

Investment policies: Management has approved and adopted the Foundation’s investment and spending policies for permanently restricted cash contributions that attempt to provide a predictable stream of funding to non-profit organizations, while maintaining purchasing power. It is the policy of the Foundation to invest funds in order to maximize returns and to create a cash flow to the Foundation that will enhance its quality and assist in meeting its goals. The expectation of the fund is to achieve the following objectives over a five year moving time period – (a) the Fund shall exceed the rate of inflation by 3%; (b) the Fund shall exceed the return of a target policy comprised of 65% S&P 500 and 35% Barclays Cap Aggregate Bond Index or other suitable comparable index. Allowable investments include cash equivalents, fixed income securities, equity securities and mutual funds.

Spending policy: Each January, the Foundation will authorize a distribution depending on the spending rate using the ending market value for the preceding calendar year of each endowed fund. No distribution will be made from an endowed fund that would invade the principal of that fund. The current spending rate for 2017 is 5%.

Endowment fund activity for the year ended August 31, 2017, consists of the following:

	<u>Unrestricted</u>	<u>Board Designated</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment Net Assets, August 31, 2016	\$ 4,634	\$ 10,000	\$ 14,000	\$ 28,634
Net Investment Gain	<u>2,511</u>	<u> </u>	<u> </u>	<u>2,511</u>
Endowment Net Assets, August 31, 2017	<u>\$ 7,145</u>	<u>\$ 10,000</u>	<u>\$ 14,000</u>	<u>\$ 31,145</u>

Endowment fund activity for the year ended August 31, 2016, consists of the following:

	<u>Unrestricted</u>	<u>Board Designated</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment Net Assets, August 31, 2015	\$ 3,233	\$ 10,000	\$ 10,000	\$ 23,233
Contributions	<u> </u>	<u> </u>	4,000	4,000
Net Investment Loss	<u>1,401</u>	<u> </u>	<u> </u>	<u>1,401</u>
Endowment Net Assets, August 31, 2016	<u>\$ 4,634</u>	<u>\$ 10,000</u>	<u>\$ 14,000</u>	<u>\$ 28,634</u>

The total amount of investment management fees and administrative fees paid for the endowment fund were \$293 and \$573, for the years ended August 31, 2017 and 2016, respectively. These fees have been netted with investment gains and losses in the accompanying statements of activities and changes in net assets for the years ending August 31, 2017 and 2016.

13. ***SUBSEQUENT EVENTS***

Management has considered and evaluated subsequent events through November 21, 2017, the date the financial statements were available to be issued.