



CONTRA COSTA CRISIS CENTER

Financial Statements

For the years ended
June 30, 2015 and 2014

With Independent Auditors' Report

CONTRA COSTA CRISIS CENTER

(A California Not-For-Profit Corporation)

June 30, 2015

Our Mission

Contra Costa Crisis Center's mission is to keep people in Contra Costa County, California alive and safe, help them through crises, and connect them with culturally relevant resources in the community.

Our Programs

24-Hour Crisis Lines. We operate the 24 hour suicide prevention crisis lines for the entire county of Contra Costa. Founded in 1963, it was one of the first of its kind in the U.S. All local calls to the National Suicide Prevention Lifeline (800.273.TALK and 800.SUICIDE) are routed here. Staffed by highly-trained staff and volunteers, the line provides counseling, support, and resource information to people experiencing personal crises as well as those contemplating suicide. We also handle all night, weekend, and holiday child abuse calls to Children's Protective Services and elder abuse calls to Adult Protective Services.

Grief Counseling. Our grief counseling program is one of the oldest, largest, and most diverse bereavement services in California. Started in 1973, it provides individual and group counseling to youths and adults mourning the death of a loved one. Counseling is conducted by trained volunteers, many of whom once were grief clients. Support groups meet throughout the county for children who have lost family members and friends, parents who have lost children, survivors after suicide, families victimized by SIDS, and others. All counseling is free, and many volunteers speak Spanish. We also have a 24-hour grief line, as well as a special team that provides counseling at schools and businesses following the death of a student or adult.

Homeless Services. Our 24-hour homeless hotline is one of the first points of contact in Contra Costa County's continuum of care for the homeless. Through the hotline, individuals and families are referred to food, shelter, health care, job training, transportation, and other services. We also provide motel vouchers to homeless families.

211 Information and Referral. 211 is the national, toll-free, three-digit phone number to call for help and information, and we're the authorized 211 provider in Contra Costa County. Trained resource specialists answer calls from people in the community who need health and social services. Our 211 database has up to-date information on 2,500 resources for local residents, and is accessible free of charge in 12 languages. We also publish regional guides of essential services in both English and Spanish.

Board of Directors - Fiscal Year June 30, 2015

Name	Position
Andrew Pojman	President
Bonnie Glatzer	Vice President
Peg Toralti	Secretary
Stephen Cairns	Treasurer
Jaclyn Davis	Director
Linda Delmatto	Director
Dave Munson	Director
Mike Rekasis	Director
Alice Villanueva	Director
Jennifer Weise	Director
Fred Winslow	Director
Rhonda James	Executive Director
Walt Middleton	Finance Manager

CONTRA COSTA CRISIS CENTER

(A California Not-For-Profit Corporation)

June 30, 2015

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CONTRA COSTA CRISIS CENTER

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INDEPENDENT AUDITORS' REPORT

**The Board of Directors
Contra Costa Crisis Center**

We have audited the accompanying financial statements of Contra Costa Crisis Center (a California nonprofit organization) which comprise the statements of financial position as of June 30, 2015 and 2014 and the related statements of activities and changes in net assets, cash flows and functional expenses 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 Contra Costa Crisis Center as of June 30, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

The prior year summarized comparative information has been derived from Contra Costa Crisis Center's June 30, 2014 financial statements. In our report dated October 10, 2014, we expressed an unqualified opinion on those financial statements.

**Danville, California
August 28, 2015**

Regalia & Associates

CONTRA COSTA CRISIS CENTER

Statements of Financial Position

June 30, 2015 and 2014

Assets

	2015			2014		
	Unre- stricted	Temporarily Restricted	Total	Unre- stricted	Temporarily Restricted	Total
Current Assets:						
Cash and cash equivalents	\$ 609,745	\$ 202,176	\$ 811,921	\$ 266,102	\$ 119,499	\$ 385,601
Investments	250,687	-	250,687	257,464	-	257,464
Grants and accounts receivable	95,723	30,000	125,723	114,392	-	114,392
Prepaid expenses	20,285	-	20,285	19,059	-	19,059
Total current assets	976,440	232,176	1,208,616	657,017	119,499	776,516
Noncurrent Assets:						
Property and equipment, net	830,606	-	830,606	861,953	-	861,953
Grants and accounts receivable	-	29,412	29,412	-	-	-
Refinance costs, net	242	-	242	659	-	659
Total noncurrent assets	830,848	29,412	860,260	862,612	-	862,612
Total assets	\$ 1,807,288	\$ 261,588	\$ 2,068,876	\$1,519,629	\$ 119,499	\$1,639,128

Liabilities and Net Assets

Current Liabilities:						
Accounts payable	\$ 63,324	\$ -	\$ 63,324	\$ 2,239	\$ -	\$ 2,239
Accrued payroll liabilities	45,303	-	45,303	45,303	-	45,303
Total current liabilities	108,627	-	108,627	47,542	-	47,542
Net Assets:						
Unrestricted:						
Undesignated	1,552,808	-	1,552,808	1,326,234	-	1,326,234
Board designated for endowment	145,853	-	145,853	145,853	-	145,853
Temporarily restricted	-	261,588	261,588	-	119,499	119,499
Total net assets	1,698,661	261,588	1,960,249	1,472,087	119,499	1,591,586
Total liabilities and net assets	\$ 1,807,288	\$ 261,588	\$ 2,068,876	\$1,519,629	\$ 119,499	\$1,639,128

CONTRA COSTA CRISIS CENTER

Statements of Activities and Changes in Net Assets For the Years Ended June 30, 2015 and 2014

	Year Ended June 30, 2015			Year Ended June 30, 2014		
	Unre- stricted	Temporarily Restricted	Total	Unre- stricted	Temporarily Restricted	Total
Revenue and support:						
Contributions	\$ 1,052,650	\$ 216,099	\$ 1,268,749	\$ 1,230,861	\$ 119,500	\$ 1,350,361
Annual gala and Sprint Event	-	-	-	184,058	-	184,058
Program revenue	239,003	-	239,003	211,693	-	211,693
Investment income	331	-	331	74	-	74
Special projects and other income	285,523	-	285,523	6,832	-	6,832
Change in present value of receivables	-	(588)	(588)	-	-	-
Subtotal	1,577,507	215,511	1,793,018	1,633,518	119,500	1,753,018
<i>Net assets released from restrictions:</i>						
Satisfaction of program restrictions	73,422	(73,422)	-	61,795	(61,795)	-
Total revenue and support	1,650,929	142,089	1,793,018	1,695,313	57,705	1,753,018
Expenses:						
<i>Program services:</i>						
Crisis intervention	556,397	-	556,397	618,376	-	618,376
Grief counseling	95,843	-	95,843	150,131	-	150,131
Information and referrals	525,376	-	525,376	438,890	-	438,890
<i>Support services:</i>						
General and administrative	238,934	-	238,934	159,742	-	159,742
Fundraising	13,030	-	13,030	52,963	-	52,963
Total expenses	1,429,580	-	1,429,580	1,420,102	-	1,420,102
Increase in net assets						
from operating activities	221,349	142,089	363,438	275,211	57,705	332,916
Net unrealized gains on investments	5,225	-	5,225	46,393	-	46,393
Increase in net assets	226,574	142,089	368,663	321,604	57,705	379,309
Net assets at beginning of year	1,472,087	119,499	1,591,586	1,150,483	61,794	1,212,277
Net assets at end of year	\$ 1,698,661	\$ 261,588	\$ 1,960,249	\$ 1,472,087	\$ 119,499	\$ 1,591,586

CONTRA COSTA CRISIS CENTER

Statements of Cash Flows For the Years Ended June 30, 2015 and 2014

	2015	2014
<i>Cash flows from operating activities:</i>		
Increase in net assets	\$ 368,663	\$ 379,309
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:		
Depreciation	31,347	31,485
Amortization	417	416
Net unrealized gains on investments	(5,225)	(46,393)
Changes in:		
Grants and accounts receivable	(40,743)	5,714
Prepaid expenses	(1,226)	(19,059)
Accounts payable	61,085	(1,171)
Accrued payroll liabilities	-	8,111
Net cash provided by operating activities	<u>414,318</u>	<u>358,412</u>
<i>Cash flows from investing activities:</i>		
Reduction in restricted cash	-	18,013
Disposal of investments, net	12,002	11,003
Net cash provided by investing activities	<u>12,002</u>	<u>29,016</u>
<i>Cash flows from financing activities:</i>		
Borrowings under line of credit	-	60,000
Principal payments under line of credit	-	(90,000)
Principal payments under mortgage payable	-	(122,108)
Net cash used for financing activities	<u>-</u>	<u>(152,108)</u>
Increase in cash and cash equivalents	426,320	235,320
Cash and cash equivalents at beginning of year	385,601	150,281
Cash and cash equivalents at end of year	<u>\$ 811,921</u>	<u>\$ 385,601</u>
<i>Additional cash flow information:</i>		
Interest paid	\$ -	\$ 4,143
Payments with tax filings	<u>\$ 150</u>	<u>\$ 150</u>

CONTRA COSTA CRISIS CENTER

Statement of Functional Expenses

For the Year Ended June 30, 2015

(with Summarized Financial Information for the Year Ended June 30, 2014)

	Program Services				Supporting Services			2015 Total Expenses	2014 Total Expenses
	Crisis Intervention	Grief Counseling	Information and Referral	Total Programs	Management and General	Fundraising	Total Supporting Services		
Administration:									
Salaries/payroll taxes/benefits	\$ 460,427	\$ 74,600	\$ 404,446	\$ 939,473	\$ 99,796	\$ -	\$ 99,796	\$ 1,039,269	\$ 1,088,930
Advertising	-	-	-	-	-	-	-	-	11,868
Association dues	6,405	1,525	6,100	14,030	1,220	-	1,220	15,250	14,045
Accounting and related services	6,021	1,433	5,734	13,188	1,147	-	1,147	14,335	14,076
Conferences and training	4,751	1,131	4,524	10,406	5,408	-	5,408	15,814	8,707
Dues and subscriptions	3,659	871	3,485	8,015	697	-	697	8,712	4,638
Facility maintenance	2,031	484	1,935	4,450	387	-	387	4,837	6,047
Fundraising materials	-	-	-	-	-	12,740	12,740	12,740	7,878
Insurance	8,394	1,183	7,994	17,571	2,126	-	2,126	19,697	18,103
Janitorial	3,073	732	2,926	6,731	585	-	585	7,316	7,875
Mileage and travel	2,109	502	5,930	8,541	422	-	422	8,963	4,029
Miscellaneous	-	-	-	-	16,405	-	16,405	16,405	10,320
Mortgage interest	-	-	-	-	-	-	-	-	4,143
Postage	1,350	322	1,286	2,958	257	-	257	3,215	2,827
Printing and copying	3,163	753	3,013	6,929	603	-	603	7,532	20,457
Special events	-	-	-	-	-	-	-	-	42,879
Special projects	-	-	25,675	25,675	95,802	-	95,802	121,477	6,401
Supplies and equipment	14,840	3,544	14,175	32,559	3,193	-	3,193	35,752	40,571
Telecommunications/Web	16,375	3,910	15,588	35,873	3,394	-	3,394	39,267	45,067
Utilities	8,466	2,016	8,063	18,545	1,613	-	1,613	20,158	19,902
Volunteers	2,971	707	2,829	6,507	570	-	570	7,077	9,438
Total expenses before amortization and depreciation	544,035	93,713	513,703	1,151,451	233,625	12,740	246,365	1,397,816	1,388,201
Amortization	162	28	153	343	70	4	74	417	416
Depreciation	12,200	2,102	11,520	25,822	5,239	286	5,525	31,347	31,485
Total expenses	\$ 556,397	\$ 95,843	\$ 525,376	\$ 1,177,616	\$ 238,934	\$ 13,030	\$ 251,964	\$ 1,429,580	\$ 1,420,102

See accompanying auditors' report and notes to financial statements.

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Notes to Financial Statements
June 30, 2015 and 2014

1. Organization

Contra Costa Crisis Center (the Center) was established in 1963 and incorporated in April 1969 as a California nonprofit public charity corporation providing life-affirming services, free of charge, to persons in crisis. The Center's mission is to keep people in Contra Costa County, California alive and safe, help them through crises, and connect them with culturally relevant resources in the community. This is accomplished by operating five county-wide programs: (1) 24-Hour Crisis Lines, (2) Grief Counseling, (3) Homeless Services, and (4) 211 Information and Referral.

2. Summary of Significant Accounting Policies

Basis of Accounting

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

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) 958.205, *Presentation of Financial Statements of Not-for-Profit Entities*. Under ASC 958.205, the Center is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The Center has no permanently restricted net assets as of June 30, 2015.

Support and Revenue Recognition

The Center records contributions in accordance with the recommendations of ASC 958.605, *Revenue Recognition of Not-for-Profit Entities*. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contributions, donations and grants restricted by the donor for particular purposes are deemed to be earned and are reported as revenue and support when the Center has incurred expenditures in compliance with the specific restrictions. Such amounts received or receivable but not yet earned are included as temporarily restricted net assets on the statements of financial position.

Cash and Cash Equivalents

Cash and cash equivalents are defined as cash, savings and deposits that have a maturity of less than three months when acquired.

Grants, Pledges and Contributions Receivable

Grants, pledges and contributions receivable are recognized as unrestricted or temporarily restricted contributed revenue when the contractual obligation is received. All receivables are reflected at their estimated net realizable value.

Allocation of Expenses

Shared expenses are allocated to program and supporting services based on the ratio of each activity's direct salary cost to total salary expense.

Notes to Financial Statements**2. Summary of Significant Accounting Policies (continued)***Investments*

Investments in mutual funds and securities with readily determinable market values are reported at fair value with gains and losses included on the statement of activities and changes in net assets. The Center follows the provisions of *Accounting Standards Update (ASU) 2011-04, Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in US GAAP and IFRSs* and has estimated the fair value of its investments using available market information and other valuation methodologies. The estimates are based on pertinent information available to management as of June 30, 2015. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, current estimates of fair value may differ significantly from the statements presented.

Property and Equipment

Property and equipment purchased by the Center is stated at cost. Property and equipment donated to the Center is recorded at estimated fair value as of the date of the gift. Maintenance and repairs are charged to expense as incurred. Building and improvements are depreciated over their estimated useful lives of up to 39 years. Furnishings, equipment and leasehold improvement are depreciated using the straight-line method over the estimated useful lives of the assets which range from 5 to 15 years.

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 liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the Center's various programs and other activities have been summarized on a functional basis in the statement of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

Financial statement presentation follows the recommendations of ASC 740, *Income Taxes*. Under ASC 740, the Center is required to report information regarding its exposure to various tax positions taken by the Center and requires a two-step process that separates recognition from measurement. The first step is determining whether a tax position has met the recognition threshold; the second step is measuring a tax position that meets the recognition threshold. Management believes that the Center has adequately evaluated its current tax positions and has concluded that as of June 30, 2015, the Center does not have any uncertain tax positions for which a reserve or an accrual for a tax liability would be necessary.

The Center has received notification from the Internal Revenue Service and the State of California that it qualifies for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code. The exemptions are subject to periodic review by the federal and state taxing authorities and management is confident that the Center continues to satisfy all federal and state statutes in order to qualify for continued tax exemption status. The Center may periodically receive unrelated business income requiring the Center to file separate tax returns under federal and state statutes. Under such conditions, the Center will calculate, accrue and remit the applicable taxes.

CONTRA COSTA CRISIS CENTER

Notes to Financial Statements

3. Cash and Cash Equivalents and Concentration Risk

Cash and cash equivalents at June 30, 2015 and 2014 include all funds in banks and outside brokerage firms (checking and money market funds) with maturity dates of three months or less. At June 30, 2015, certain deposits at one institution exceeded the federally insured limit of \$250,000. The Center attempts to limit its credit risk associated with cash balances by utilizing financial institutions that are well capitalized and highly rated. The composition of cash and cash equivalents is as follows at June 30, 2015 and 2014:

	June 30, 2015	June 30, 2014
Checking	\$ 337,981	\$ 63,299
Money market funds	473,940	322,302
Total cash and cash equivalents	\$ 811,921	\$ 385,601

Money market funds are maintained in several accounts earning interest at rates ranging from 0.01% per annum to 0.15% per annum as of June 30, 2015.

4. Investments

Investments consist of mutual funds at Union Banc Investment Services. Cost basis and fair value of investments are as follows at June 30, 2015 and 2014:

	June 30, 2015		June 30, 2014	
	Cost Basis	Fair Value	Cost Basis	Fair Value
Money market funds	\$ 698	\$ 698	\$ 748	\$ 748
Mutual funds primarily invested in equities	90,935	151,684	118,042	187,129
Mutual funds primarily invested in bonds	94,255	98,305	60,878	69,587
Total investments	\$ 185,888	\$ 250,667	\$ 179,668	\$ 257,464

All of the mutual funds are managed by Union Banc Investment Services. Net investment income (including interest, dividends and capital gains on portfolio assets) amounted to \$74 and \$214 for the years ended June 30, 2015 and 2014, respectively. During the years ended June 30, 2015 and 2014, there were net unrealized gains of \$46,393 and \$23,954, respectively, related to the Center's investment holdings. Composition of Investments held at outside brokerages utilizing fair value measurements at June 30, 2015 is as follows:

	Total	Level 1	Level 2	Level 3
Money market funds	\$ 698	\$ 698	\$ -	\$ -
Mutual funds primarily invested in equities	151,684	151,684	-	-
Mutual funds primarily invested in bonds	98,305	98,305	-	-
Totals	\$ 250,667	\$ 250,667	\$ -	\$ -

Fair value measurements establish a fair value hierarchy that prioritizes the input used to measure fair value. This hierarchy consists of three broad levels: (a) Level 1 measurement reflects the value of the investments at quoted prices in active markets for identical assets, generally without any adjustments, (b) Level 2 assets and liabilities are valued based on "observable inputs" other than quoted active market prices, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, and interest rates and yield curves, and (c) Level 3 assets and liabilities are valued based on "unobservable inputs," such as a company's own estimates and pricing models. The Center had no investments classified as Level 2 or Level 3 at June 30, 2015.

Notes to Financial Statements**5. Grants and Accounts Receivable**

Grants and accounts receivable of \$125,135 and \$114,392 at June 30, 2015 and 2014, respectively, represent funds due from various organizations and government entities and are reflected at their net realizable value. Management has not established an allowance for doubtful accounts because management believes the amounts are fully collectible. Amounts due under notes receivable are expected to be collected as follows at June 30, 2015:

Year ending June 30, 2016	\$ 125,723
Year ending June 30, 2017	30,000
Total grants and accounts receivable	<u>155,723</u>
Less: discount applied to multi-year notes receivable	<u>(588)</u>
Present value of notes receivable	154,135
Less: notes receivable due within one year (current)	<u>(125,723)</u>
Notes receivable due after one year (noncurrent)	<u>\$ 29,412</u>

Grants receivable due in more than one year are reflected at the net present value of estimated future cash flows using a discount rate of 2.0% per annum. The change in the value of the notes receivable for the year ended June 30, 2015 amounted to (\$588) and is reflected as a component of income affecting the value of temporarily restricted net assets on the statement of activities and changes in net assets.

6. Property and Equipment

Property and equipment consist of the following at June 30, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Building	\$ 961,914	\$ 961,914
Leasehold improvements	162,378	162,378
Furniture and equipment	248,253	248,253
Less: accumulated depreciation	<u>(541,939)</u>	<u>(510,592)</u>
	<u>\$ 830,606</u>	<u>\$ 861,953</u>

Depreciation expense amounted to \$31,347 and \$31,485 for the years ended June 30, 2015 and 2014, respectively.

7. Refinance Costs

In connection with the refinancing of its facility in Walnut Creek, the Center incurred loan fees of \$4,167 which have been capitalized on the Statements of Financial Position. The refinance costs are being amortized using the straight-line method over the 10 year loan period. The unamortized balance was \$242 and \$659 at June 30, 2015 and 2014, respectively. Amortization expense amounted to \$417 and \$416 for the years ended June 30, 2015 and 2014, respectively.

Notes to Financial Statements

8. Line of Credit

The Center has an available \$40,000 revolving business line of credit with Union Bank. When used, the line of credit bears interest at the bank's variable lending rate. There were no borrowings during the year ended June 30, 2015.

9. Retirement Plan

The Center offers participation in a salary deferral non-qualified contribution pension plan qualified under the Internal Revenue Code which covers substantially all of its full time hourly and salaried employees. Contributions are made by participating employees and the Center does not provide a matching contribution.

10. Temporarily Restricted Net Assets

The Center recognizes support from temporarily restricted net assets when the restrictions imposed by the donors have been satisfied or expired. Temporarily restricted net assets consist of the following at June 30, 2015 and 2014:

	2015	2014
Future activities	\$ 111,499	\$ 19,499
Generator	5,489	-
Kaiser (for 211 Information and Referral line)	-	50,000
San Francisco Fund Crisis	-	-
Temporary housing	145,188	50,000
Discount for present value of receivables	(588)	-
	\$ 261,588	\$ 119,499

During the years ended June 30, 2015 and 2014, the Center released \$73,422 and \$61,795, respectively, from temporarily restricted net assets to unrestricted net assets.

11. Compensated Absences (Accrued Payroll and Related Benefits)

Financial statement presentation follows the recommendations of ASC 710.25, *Compensated Absences*. Under ASC 710.25, the Center is required to record a liability for the estimated amounts of compensation for vacation and sick leave. Employees are permitted to accrue a specific number of hours for estimated future absences, and such accruals are recorded in the financial statements as an accrued liability on the statements of financial position based on hourly rates in effect at the end of the fiscal year. Accrued benefits amounted to \$45,303 and \$45,303 at June 30, 2015 and 2014, respectively.

Notes to Financial Statements

12. Other Commitments and Contingencies

In the normal course of business there are outstanding various commitments and contingent liabilities, such as commitments to enter into contracts and future program activities, which are not reflected in the financial statements. Such commitments and contingencies also include risks associated with various economic and operating factors, which include (a) Grant restrictions and donor conditions which obligate the Center to fulfill certain requirements as set forth in grant instruments, (b) Funding levels which vary based on factors beyond the Center's control, such as generosity of donors and general economic conditions, (c) Employment contracts and service agreements with outside contractors, and (d) Financial risks associated with funds on deposit at bank and investment brokerage accounts. Management believes that such commitments or contingencies have been properly addressed, appropriate amounts have been accrued (where necessary), and there will not be any resolution with a material adverse effect on the financial statements. Certain of the grants and contracts (including current and prior costs) are subject to audit and final acceptance by the granting agency.

13. Subsequent Events

In compliance with ASC 855, *Subsequent Events*, the Center has evaluated subsequent events through August 28, 2015, the date the financial statements were available to be issued, and, in the opinion of management, there are no subsequent events which need to be disclosed.