

**Chalkbeat, Inc.**

Financial Statements

June 30, 2019 and 2018

## **Independent Auditors' Report**

### **Board of Directors Chalkbeat, Inc.**

We have audited the accompanying financial statements of Chalkbeat, Inc. ("Chalkbeat"), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities and change 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 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 Chalkbeat, Inc. as of June 30, 2019 and 2018, 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.

## **Disclaimer of Opinion on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The statement of financial position by bureau and statement of activities and change in net assets by bureau, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

## ***Change in Accounting Principle***

As discussed in note 2 to the financial statements, during the year ended June 30, 2019, Chalkbeat, Inc. adopted new accounting guidance resulting in a change in the manner in which it presents net assets and reports certain aspects of its financial statements. Our opinion is not modified with respect to this matter.

*PKF O'Connor Davies, LLP*

December 6, 2019

**Chalkbeat, Inc.**

Statements of Financial Position

	June 30	
	2019	2018
<b>ASSETS</b>		
Cash	\$ 3,325,961	\$ 3,839,071
Certificates of deposit	400,000	-
Grants receivable, net	2,257,738	1,318,131
Accounts receivable	62,825	45,179
Prepaid expenses	104,971	64,325
Other assets	37,125	38,375
	<u>\$ 6,188,620</u>	<u>\$ 5,305,081</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 90,624	\$ 47,115
Deferred revenue	18,600	12,553
Total Liabilities	<u>109,224</u>	<u>59,668</u>
Net Assets		
Without donor restrictions	1,163,906	769,054
With donor restrictions	4,915,490	4,476,359
Total Net Assets	<u>6,079,396</u>	<u>5,245,413</u>
	<u>\$ 6,188,620</u>	<u>\$ 5,305,081</u>

See notes to financial statements

**Chalkbeat, Inc.**

Statements of Activities and Change in Net Assets

	Year Ended June 30					
	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>						
Sponsorships and reader services	\$ 345,261	\$ -	\$ 345,261	\$ 323,080	\$ -	\$ 323,080
Foundations grants	753,275	5,239,604	5,992,879	178,000	5,705,207	5,883,207
Individuals donations, including donated services and materials of \$310,887 and \$156,548 in 2019 and 2018	844,815	-	844,815	600,668	-	600,668
Other revenue	6,750	-	6,750	5,514	-	5,514
Net assets released from restrictions	4,800,473	(4,800,473)	-	3,370,369	(3,370,369)	-
Total Support and Revenue	<u>6,750,574</u>	<u>439,131</u>	<u>7,189,705</u>	<u>4,477,631</u>	<u>2,334,838</u>	<u>6,812,469</u>
<b>EXPENSES</b>						
Program services	4,896,799	-	4,896,799	3,101,975	-	3,101,975
Management and general	818,350	-	818,350	648,925	-	648,925
Fundraising	640,573	-	640,573	387,750	-	387,750
Total Expenses	<u>6,355,722</u>	<u>-</u>	<u>6,355,722</u>	<u>4,138,650</u>	<u>-</u>	<u>4,138,650</u>
Change in Net Assets	394,852	439,131	833,983	338,981	2,334,838	2,673,819
<b>NET ASSETS</b>						
Beginning of year	<u>769,054</u>	<u>4,476,359</u>	<u>5,245,413</u>	<u>430,073</u>	<u>2,141,521</u>	<u>2,571,594</u>
End of year	<u>\$ 1,163,906</u>	<u>\$ 4,915,490</u>	<u>\$ 6,079,396</u>	<u>\$ 769,054</u>	<u>\$ 4,476,359</u>	<u>\$ 5,245,413</u>

See notes to financial statements

## Chalkbeat, Inc.

### Statements of Functional Expenses

	Year Ended June 30							
	2019				2018			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
<b>EXPENSES</b>								
Salaries and wages	\$ 3,274,135	\$ 469,577	\$ 351,847	\$ 4,095,559	\$ 2,176,396	\$ 344,868	\$ 251,427	\$ 2,772,691
Benefits	428,918	75,771	36,833	541,522	257,291	31,320	25,403	314,014
Payroll taxes	333,493	45,264	38,181	416,938	210,362	28,683	21,417	260,462
Rent and utilities	123,184	48,833	43,950	215,967	97,601	22,434	21,775	141,810
Professional fees	441,209	109,143	52,097	602,449	143,650	173,070	18,435	335,155
Advertising, marketing, and publicity	7,620	-	33,827	41,447	8,365	-	135	8,500
Meetings and conferences	15,428	3,376	4,627	23,431	12,538	1,320	1,570	15,428
Dues and subscriptions	5,363	2,519	257	8,139	4,100	662	-	4,762
Office equipment	24,231	9,827	6,275	40,333	19,764	6,214	2,233	28,211
Finance charges and bank fees	-	1,542	-	1,542	-	2,188	-	2,188
Insurance	-	15,282	-	15,282	-	14,162	-	14,162
Office supplies	3,312	2,307	192	5,811	2,473	3,796	-	6,269
Professional development	26,404	2,177	6,456	35,037	17,152	944	2,066	20,162
Annual retreat	20,266	4,405	3,078	27,749	-	-	-	-
Software as a service	68,214	12,874	4,950	86,038	39,425	12,312	2,571	54,308
Community events	41,158	-	3,989	45,147	29,217	-	5,504	34,721
Printing and publications	1,070	129	408	1,607	709	17	311	1,037
Postage and delivery	138	245	100	483	188	309	132	629
Telephone	25,542	6,798	2,600	34,940	24,633	5,037	1,950	31,620
Travel	47,609	5,929	49,396	102,934	57,880	886	32,279	91,045
Other expenses	9,505	2,352	1,510	13,367	231	703	542	1,476
<b>Total Expenses</b>	<b><u>\$ 4,896,799</u></b>	<b><u>\$ 818,350</u></b>	<b><u>\$ 640,573</u></b>	<b><u>\$ 6,355,722</u></b>	<b><u>\$ 3,101,975</u></b>	<b><u>\$ 648,925</u></b>	<b><u>\$ 387,750</u></b>	<b><u>\$ 4,138,650</u></b>

See notes to financial statements

## Chalkbeat, Inc.

### Statements of Cash Flows

	Year Ended June 30	
	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 833,983	\$ 2,673,819
Adjustments to reconcile change in net assets to net cash from operating activities		
Donated securities	(100,977)	(100,303)
Realized loss on securities	860	1,491
Changes in operating assets and liabilities		
Grants receivable	(939,607)	(690,631)
Accounts receivable	(17,646)	52,217
Prepaid expenses	(40,646)	(38,934)
Other assets	1,250	(26,000)
Accounts payable and accrued expenses	43,509	7,140
Deferred revenue	6,047	(40,251)
Net Cash from Operating Activities	<u>(213,227)</u>	<u>1,838,548</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of securities	100,117	98,812
Purchase of certificates of deposit	(400,000)	-
Net Cash from Investing Activities	<u>(299,883)</u>	<u>98,812</u>
Net Change in Cash	(513,110)	1,937,360
<b>CASH</b>		
Beginning of year	<u>3,839,071</u>	<u>1,901,711</u>
End of year	<u>\$ 3,325,961</u>	<u>\$ 3,839,071</u>

See notes to financial statements

## **Chalkbeat, Inc.**

### Notes to Financial Statements June 30, 2019 and 2018

#### **1. Organization**

Chalkbeat, Inc. (“Chalkbeat”), formerly Education News Network, Inc., is a nonprofit news organization covering educational change efforts in communities where improvement matters most. Chalkbeat has bureaus in New York, Colorado, Indiana, Tennessee, Detroit, Chicago and Newark. In addition to the local bureau coverage, Chalkbeat reports at a national level. Chalkbeat’s mission is to inform the decisions and actions that lead to better outcomes for children and families by providing deep, local coverage of education policy and practice.

Chalkbeat is a not-for-profit corporation exempt from income taxes under Section 501(c)(3) of the United States Internal Revenue Code and has been classified as a public charity under Section 170(b).

#### **2. Summary of Significant Accounting Policies**

##### ***Basis of Presentation and Use of Estimates***

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

##### ***Change in Accounting Principle***

On July 1, 2018, Chalkbeat adopted new guidance regarding the Presentation of Financial Statements for Not-for-Profit Entities. This guidance requires Chalkbeat to collapse the three-category (unrestricted, temporarily restricted, and permanently restricted) classification of net assets into two categories: with donor restrictions and without donor restrictions. In addition, the new guidance requires Chalkbeat to make certain expanded disclosures relating to (1) the liquidity of financial assets, and (2) expenses by both their natural and functional classification in one location in the financial statements. As a result of implementing this standard, prior year amounts for temporarily restricted net assets were reclassified as net assets with donor restrictions.

##### ***Donor-Imposed Restrictions, Grants, Donations and Contributions***

Grants, donations, and contributions, including unconditional promises to give, are recorded as revenues in the period received. Conditional promises to give are not recognized as revenue until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at the estimated fair value.



## Chalkbeat, Inc.

Notes to Financial Statements  
June 30, 2019 and 2018

### 2. Summary of Significant Accounting Policies *(continued)*

#### ***Donor-Imposed Restrictions, Grants, Donations and Contributions (continued)***

All grants, donations, and contributions are considered without donor restriction use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as with donor restriction support that increases that net asset class.

#### ***Sponsorships and Reader Services***

Sponsorships and reader services are recognized as earned when the services are provided. Cash received in advance of the service provided is recorded as deferred revenue in the accompanying statements of financial position.

#### ***Net Asset Presentation***

Resources for various purposes are classified for accounting and reporting purposes into net asset categories established according to nature and purpose as follows:

*Without donor restrictions* – consist of resources available for the general support of Chalkbeat’s operations. These net assets may be used at the discretion of Chalkbeat’s management and Board of Directors (the “Board”).

*With donor restrictions* – represents amounts restricted by donors to be used for specific activities or at some future date, or which require Chalkbeat to maintain in perpetuity, the income of which can be used for specific or general purposes. When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and change in net assets as net assets released from restrictions.

#### ***Donated Services and Materials***

Chalkbeat recognizes donations of services if the services received: (a) create or enhance nonfinancial assets; or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Donated services that do not meet the above criteria are not recognized.

Chalkbeat recognizes donations of materials at their estimated fair value.

#### ***Investments***

Investments are classified as available-for-sale and carried at fair value. Unrealized gains and losses on available-for-sale securities are recognized as direct increases or decreases in net assets. It is Chalkbeat’s policy to convert donated securities to cash as soon as reasonably possible.

## **Chalkbeat, Inc.**

### Notes to Financial Statements June 30, 2019 and 2018

#### **2. Summary of Significant Accounting Policies *(continued)***

##### ***Certificates of Deposit***

Certificates of deposit at June 30, 2019 are recorded at cost, which approximates fair value. The certificates of deposit mature on January 2, 2020 and March 2, 2020, and bear interest at 2.23% per annum.

##### ***Allowance for Doubtful Accounts***

When necessary, an allowance for doubtful accounts for accounts and grants receivable will be established through a provision for bad debts charged to expenses. The allowance is an amount that management believes will be adequate to absorb estimated losses on existing unconditional promises to give and is based on prior bad debt experience. Management has determined that no allowances were required at June 30, 2019 and 2018.

##### ***Functional Allocation of Expenses***

The financial statements report certain categories of expenses that are attributed to one or more program or supporting services. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Salaries and employee benefits are allocated on the basis of staff estimates of time and effort. Costs identifiable to a particular function are directly charged to the program or supporting service. Other costs are allocated based on the percentage of overall salary allocation.

##### ***Accounting for Uncertainty in Income Taxes***

Chalkbeat recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that Chalkbeat had no uncertain tax positions that would require financial statement recognition or disclosure.

Tax years since 2016 remain open to examination. There are currently no examinations in progress.

##### ***Subsequent Events Evaluation by Management***

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is December 6, 2019.

#### **3. Concentration of Credit Risk**

Chalkbeat maintains its cash and certificates of deposit in bank deposit accounts with major financial institutions, which, at times, may exceed federally insured limits. Chalkbeat has not experienced any losses in such accounts and believes its cash and certificates of deposit balances are not exposed to any significant risk.

## Chalkbeat, Inc.

### Notes to Financial Statements June 30, 2019 and 2018

#### 4. Grants Receivable

Grants receivable which are due after one year are discounted to present value using a discount rate of 1.75%. Amortization of the discount is included in foundations grants support and revenue. Grants receivable, net of discount, at June 30, are summarized as follows:

	<u>2019</u>	<u>2018</u>
Due within one year	\$ 2,137,001	\$ 1,008,912
Due one year to five years	<u>125,000</u>	<u>325,000</u>
Grants Receivable	2,262,001	1,333,912
Less: discount	<u>4,263</u>	<u>15,781</u>
Grants Receivable, Net	<u>\$ 2,257,738</u>	<u>\$ 1,318,131</u>

#### 5. Net Assets With Donor Restrictions

At June 30, net assets with donor restrictions that were temporary in nature were available for the following purposes:

	<u>2019</u>	<u>2018</u>
General operating - time restriction	\$ -	\$ 647,959
Education journalism restricted by location	3,274,403	2,111,646
Editorial, reporting and local audience development	1,311,300	1,223,718
Engagement	294,014	-
Detroit expansion	35,773	207,309
Product, technology and network level audience development	-	2,875
Growth	-	<u>282,852</u>
	<u>\$ 4,915,490</u>	<u>\$ 4,476,359</u>

## Chalkbeat, Inc.

### Notes to Financial Statements June 30, 2019 and 2018

#### 5. Net Assets With Donor Restrictions *(continued)*

During the years ended June 30, net assets with donor restrictions that were temporary in nature were released from restrictions by incurring expenses for the following donor restricted purposes:

	<u>2019</u>	<u>2018</u>
General operating - time restriction	\$ 649,607	\$ 280,533
Editorial, reporting and local audience development	784,980	528,674
Education journalism restricted by location	2,892,637	1,826,155
Engagement	15,986	-
Product, technology and network level audience development	2,875	182,502
Growth	282,852	352,212
Detroit expansion	171,536	200,293
	<u>\$ 4,800,473</u>	<u>\$ 3,370,369</u>

#### 6. Commitments and Contingencies

##### *Operating Leases*

In April 2018, Chalkbeat entered into a three-year lease agreement for office space effective August 1, 2018 with rent ranging from \$10,200 to \$10,821 per month. In addition, Chalkbeat shall pay additional rent for a share of operating costs and real estate tax increases, as defined.

In March 2019, Chalkbeat entered into a lease agreement for office space effective March 1, 2019 through October 31, 2020 with rent totaling \$2,000 per month.

Future minimum rents to be paid under the terms of the leases are as follows:

Fiscal Year Ending	
2020	\$ 149,766
2021	137,537
2022	<u>10,821</u>
Total	<u>\$ 298,124</u>

In addition, Chalkbeat enters into several lease and sublease agreements to rent office space at each of its bureaus, with terms of one year or less, and with monthly rents ranging from approximately \$75 to \$2,100 at June 30, 2019.

## Chalkbeat, Inc.

### Notes to Financial Statements June 30, 2019 and 2018

#### 7. Related Party Transactions

In the years ended June 30, 2019 and 2018, Chalkbeat received contributions from Board members and their related foundations totaling approximately \$228,000 and \$270,000, which are included in support and revenue in the accompanying statements of activities and change in net assets.

#### 8. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of statement of financial position date, comprise of the following at June 30, 2019:

Cash	\$ 3,325,961
Certificates of deposit	400,000
Grants receivable	2,137,001
Accounts receivable	<u>62,825</u>
Total Financial Assets	5,925,787
Less: amounts restricted by donor with time or purpose restriction	(4,915,490)
Less: time and purpose restriction expected to release in 2020	<u>4,211,116</u>
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	<u>\$ 5,221,413</u>

Chalkbeat's working capital and cash flow are driven by revenue streams of sponsorships and reader services, foundation grants, and individual donations, Chalkbeat will continue to rely on support from these revenue streams in 2020 in order to meet its general expenditure requirements.

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**Chalkbeat, Inc.**

Supplementary Information

For the Year Ended  
June 30, 2019

**Chalkbeat, Inc.**

Statement of Financial Position By Bureau (Unaudited)  
June 30, 2019

	Network	National	Chicago	Colorado	Detroit	Indiana	New York	Newark	Tennessee	Total
<b>ASSETS</b>										
Cash	\$ 820,103	\$ 97,671	\$ 469,208	\$ 191,889	\$ 497,606	\$ 246,708	\$ 357,930	\$ 365,700	\$ 279,146	\$ 3,325,961
Certificates of deposit	400,000	-	-	-	-	-	-	-	-	400,000
Grants receivable, net	787,605	-	350,000	-	337,000	150,000	204,919	158,295	269,919	2,257,738
Accounts receivable	16,691	1,609	4,066	10,913	8,382	7,437	6,924	5,000	1,803	62,825
Prepaid expenses	93,720	1,475	1,971	1,501	1,393	687	2,243	677	1,304	104,971
Other assets	31,956	-	4,000	-	800	-	369	-	-	37,125
	<u>\$ 2,150,075</u>	<u>\$ 100,755</u>	<u>\$ 829,245</u>	<u>\$ 204,303</u>	<u>\$ 845,181</u>	<u>\$ 404,832</u>	<u>\$ 572,385</u>	<u>\$ 529,672</u>	<u>\$ 552,172</u>	<u>\$ 6,188,620</u>
<b>LIABILITIES AND NET ASSETS</b>										
Liabilities										
Accounts payable and accrued expenses	\$ 72,068	\$ 1,296	\$ 7,110	\$ 1,635	\$ 1,741	\$ 1,228	\$ 3,293	\$ 1,079	\$ 1,174	\$ 90,624
Deferred revenue	-	-	-	5,000	-	8,067	950	4,583	-	18,600
Total Liabilities	<u>72,068</u>	<u>1,296</u>	<u>7,110</u>	<u>6,635</u>	<u>1,741</u>	<u>9,295</u>	<u>4,243</u>	<u>5,662</u>	<u>1,174</u>	<u>109,224</u>
<b>NET ASSETS (DEFICIT)</b>										
Without donor restrictions	546,148	90,552	21,087	54,705	(24,379)	58,892	151,827	34,109	230,965	1,163,906
With donor restrictions	1,531,859	8,907	801,048	142,963	867,819	336,645	416,315	489,901	320,033	4,915,490
	<u>2,078,007</u>	<u>99,459</u>	<u>822,135</u>	<u>197,668</u>	<u>843,440</u>	<u>395,537</u>	<u>568,142</u>	<u>524,010</u>	<u>550,998</u>	<u>6,079,396</u>
	<u>\$ 2,150,075</u>	<u>\$ 100,755</u>	<u>\$ 829,245</u>	<u>\$ 204,303</u>	<u>\$ 845,181</u>	<u>\$ 404,832</u>	<u>\$ 572,385</u>	<u>\$ 529,672</u>	<u>\$ 552,172</u>	<u>\$ 6,188,620</u>

See independent auditors' report

## Chalkbeat, Inc.

### Statement of Activities and Change in Net Assets By Bureau (Unaudited) For the Year Ended June 30, 2019

	Network	National	Chicago	Colorado	Detroit	Indiana	New York	Newark	Tennessee	Total
<b>SUPPORT AND REVENUE</b>										
Sponsorships and reader services	\$ 2,200	\$ 57,081	\$ 21,281	\$ 80,938	\$ 3,589	\$ 17,818	\$ 154,842	\$ 60	\$ 7,452	\$ 345,261
Foundations grants	2,316,188	414,838	630,000	226,500	167,625	536,289	540,776	493,712	666,951	5,992,879
Individuals donations	542,240	-	(27,896)	32,505	3,324	7,003	266,419	15,221	5,999	844,815
Inter-bureau revenue	(445,843)	10,883	13,487	97,513	80,705	126,659	56,540	5,020	55,036	-
Other revenue	6,750	-	-	-	-	-	-	-	-	6,750
Total Support and Revenue	<u>2,421,535</u>	<u>482,802</u>	<u>636,872</u>	<u>437,456</u>	<u>255,243</u>	<u>687,769</u>	<u>1,018,577</u>	<u>514,013</u>	<u>735,438</u>	<u>7,189,705</u>
<b>EXPENSES</b>										
Salaries and wages	933,931	369,865	435,095	462,723	427,550	313,917	488,585	177,432	486,461	4,095,559
Benefits	285,235	26,291	42,723	21,835	23,915	32,525	45,688	9,993	53,317	541,522
Payroll taxes	210,506	22,613	25,593	30,897	26,699	20,687	34,630	12,602	32,711	416,938
Rent and utilities	72,960	18,160	28,345	19,614	15,599	18,063	22,810	4,384	16,032	215,967
Professional fees	397,119	27,851	9,195	35,521	34,293	24,171	30,872	12,406	31,021	602,449
Advertising, marketing, and publicity	20,568	2,340	3,175	2,898	3,064	2,009	3,405	1,083	2,905	41,447
Meetings and conferences	8,559	1,255	1,958	2,058	1,733	2,125	2,163	649	2,931	23,431
Dues and subscriptions	1,997	635	1,001	1,972	515	392	626	100	901	8,139
Office equipment	14,178	3,958	3,506	3,976	2,485	2,362	3,911	2,071	3,886	40,333
Finance charges and bank fees	1,213	41	51	44	46	32	48	19	48	1,542
Insurance	8,155	888	1,100	992	1,009	681	1,027	410	1,020	15,282
Office supplies	1,366	487	733	651	847	422	542	310	453	5,811
Professional development	10,653	1,535	5,383	1,591	6,186	4,099	2,347	607	2,636	35,037
Annual retreat	8,705	1,784	2,441	4,126	3,118	925	1,821	1,355	3,474	27,749
Software as a service	38,899	5,207	6,815	7,122	6,409	4,855	6,648	3,451	6,632	86,038
Community events	2,128	232	31,087	3,287	1,722	1,433	3,291	226	1,741	45,147
Printing and publications	300	64	545	79	91	208	143	70	107	1,607
Postage and delivery	184	88	25	93	23	15	23	9	23	483
Telephone	7,896	3,033	4,365	3,710	3,037	2,660	5,364	1,146	3,729	34,940
Travel	42,176	11,411	9,697	7,579	6,637	4,822	9,610	3,368	7,634	102,934
Other expenses	4,806	1,047	1,082	1,915	887	401	605	827	1,797	13,367
Total Expenses	<u>2,071,534</u>	<u>498,785</u>	<u>613,915</u>	<u>612,683</u>	<u>565,865</u>	<u>436,804</u>	<u>664,159</u>	<u>232,518</u>	<u>659,459</u>	<u>6,355,722</u>
Change in Net Assets	<u>350,001</u>	<u>(15,983)</u>	<u>22,957</u>	<u>(175,227)</u>	<u>(310,622)</u>	<u>250,965</u>	<u>354,418</u>	<u>281,495</u>	<u>75,979</u>	<u>833,983</u>
<b>NET ASSETS (DEFICIT)</b>										
Without donor restrictions, beginning of year	418,101	33,601	1,931	49,142	(13,668)	58,892	151,469	10,228	59,358	769,054
Change in net assets	<u>128,047</u>	<u>56,951</u>	<u>19,156</u>	<u>5,563</u>	<u>(10,711)</u>	<u>-</u>	<u>358</u>	<u>23,881</u>	<u>171,607</u>	<u>394,852</u>
Without donor restrictions, end of year	<u>546,148</u>	<u>90,552</u>	<u>21,087</u>	<u>54,705</u>	<u>(24,379)</u>	<u>58,892</u>	<u>151,827</u>	<u>34,109</u>	<u>230,965</u>	<u>1,163,906</u>
With donor restrictions, beginning of year	1,309,905	81,841	797,247	323,752	1,167,730	85,680	62,256	232,287	415,661	4,476,359
Change in net assets	<u>221,954</u>	<u>(72,934)</u>	<u>3,801</u>	<u>(180,789)</u>	<u>(299,911)</u>	<u>250,965</u>	<u>354,059</u>	<u>257,614</u>	<u>(95,628)</u>	<u>439,131</u>
With donor restrictions, end of year	<u>1,531,859</u>	<u>8,907</u>	<u>801,048</u>	<u>142,963</u>	<u>867,819</u>	<u>336,645</u>	<u>416,315</u>	<u>489,901</u>	<u>320,033</u>	<u>4,915,490</u>
Total Net Assets, End of Year	<u>\$ 2,078,007</u>	<u>\$ 99,459</u>	<u>\$ 822,135</u>	<u>\$ 197,668</u>	<u>\$ 843,440</u>	<u>\$ 395,537</u>	<u>\$ 568,142</u>	<u>\$ 524,010</u>	<u>\$ 550,998</u>	<u>\$ 6,079,396</u>

See independent auditors' report