MAKE-A-WISH FOUNDATION INTERNATIONAL

FINANCIAL STATEMENTS

YEARS ENDED AUGUST 31, 2017 AND 2016

MAKE-A-WISH FOUNDATION INTERNATIONAL
TABLE OF CONTENTS
YEARS ENDED AUGUST 31, 2017 AND 2016

INDEPENDENT AUDITORS' REPORT

Board of Directors
Make-A-Wish Foundation International
Phoenix, Arizona

We have audited the accompanying financial statements of Make-A-Wish Foundation International (the Foundation), which comprise the statements of financial position as of August 31, 2017 and 2016, 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.

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 Make-A-Wish Foundation International 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Phoenix, Arizona
February 20, 2018

MAKE-A-WISH FOUNDATION INTERNATIONAL
STATEMENTS OF FINANCIAL POSITION
AUGUST 31, 2017 AND 2016

	2017	2016
ASSETS		
Cash and Cash Equivalents	$ 768,673	$ 647,710
Investments	506,785	832,008
Receivables, Other	4,147	18,511
Contributions Receivable, Net	1,207,513	1,082,728
Due from Affiliates	645,434	992,347
Prepaid Expenses	66,587	83,012
Equipment, Net of Accumulated Depreciation	1,139,620	909,878
Total Assets	$ 4,338,759	$ 4,566,194
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	$ 197,383	$ 178,340
Due to Affiliates	746,461	1,108,267
Deferred Affiliate Member Dues	526,596	511,489
Deferred Rent Liability	18,881	34,983
Total Liabilities	1,489,321	1,833,079
NET ASSETS		
Unrestricted	1,612,396	1,610,092
Temporarily Restricted	1,237,042	1,123,023
Total Net Assets	2,849,438	2,733,115
Total Liabilities and Net Assets	$ 4,338,759	$ 4,566,194

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION INTERNATIONAL
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2017
(With Summary Totals For Year Ended August 31, 2016)

	Unrestricted	Temporarily Restricted	Totals	2016 Total
SUPPORT AND REVENUE				
Contributions and Grants	$ 6,401,455	$ 1,223,634	$ 7,625,089	$ 8,086,174
Affiliate Member Dues	1,570,721	-	1,570,721	1,306,465
Conference Income	47,500	-	47,500	-
Investment Income	78,358	-	78,358	46,885
Net Assets Released from Restriction	1,109,615	(1,109,615)	-	-
Total Support and Revenue	9,207,649	114,019	9,321,668	9,439,524
EXPENSES				
Program Services	7,555,158	-	7,555,158	8,005,976
Supporting Services:				
Management and General	809,567	-	809,567	631,118
Fundraising	840,620	-	840,620	617,381
Total Expenses	9,205,345	-	9,205,345	9,254,475
CHANGE IN NET ASSETS	2,304	114,019	116,323	185,049
Net Assets - Beginning of Year	1,610,092	1,123,023	2,733,115	2,548,066
NET ASSETS - END OF YEAR	$ 1,612,396	$ 1,237,042	$ 2,849,438	$ 2,733,115

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION INTERNATIONAL
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2016

	Unrestricted	Temporarily Restricted	Totals
SUPPORT AND REVENUE			
Contributions and Grants	$ 7,104,666	$ 981,508	$ 8,086,174
Affiliate Member Dues	1,306,465	-	1,306,465
Investment Income, Net	46,885	-	46,885
Net Assets Released from Restriction	639,009	(639,009)	-
Total Support and Revenue	9,097,025	342,499	9,439,524
EXPENSES			
Program Services:	8,005,976	-	8,005,976
Management and General	631,118	-	631,118
Fundraising	617,381	-	617,381
Total Expenses	9,254,475	-	9,254,475
CHANGE IN NET ASSETS	(157,450)	342,499	185,049
Net Assets - Beginning of Year	1,767,542	780,524	2,548,066
NET ASSETS - END OF YEAR	$ 1,610,092	$ 1,123,023	$ 2,733,115

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION INTERNATIONAL
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2017

		Supporting Services		
	Program Services	Management and General	Fundraising	Total
EXPENSES				
Salaries	$ 1,132,381	$ 469,392	$ 358,374	$ 1,960,147
Employee Benefits and Related Payroll Expenses	311,563	109,382	93,896	514,841
Total Personnel Costs	1,443,944	578,774	452,270	2,474,988
Dues and Subscriptions	67,516	30,569	49,111	147,196
Insurance - General	10,149	4,613	3,691	18,453
Miscellaneous	19,550	8,886	7,109	35,545
Postage and Delivery	4,762	881	1,226	6,869
Printing and Duplication	-	-	23	23
Professional Fees	208,489	52,307	156,816	417,612
Programs	3,932,526	-	-	3,932,526
Public Awareness	1,062,400	-	-	1,062,400
Rent	53,859	24,481	19,585	97,925
Supplies	15,419	4,294	8,064	27,777
Telephone	14,919	5,387	11,768	32,074
Training	445,724	5,153	5,574	456,451
Travel	130,925	28,324	72,664	231,913
Total Expenses Before Depreciation	7,410,182	743,669	787,901	8,941,752
Depreciation	144,976	65,898	52,719	263,593
Total Functional Expenses	$ 7,555,158	$ 809,567	$ 840,620	$ 9,205,345

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION INTERNATIONAL
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2016

		Supporting Services		
	Program Services	Management and General	Fundraising	Total
EXPENSES				
Salaries	$ 856,729	$ 396,185	$ 250,699	$ 1,503,613
Employee Benefits and Related Payroll Expenses	261,236	86,054	47,733	395,023
Total Personnel Costs	1,117,965	482,239	298,432	1,898,636
Dues and Subscriptions	121,304	9,598	18,879	149,781
Insurance - General	5,826	2,913	2,050	10,789
Miscellaneous	16,813	8,406	5,915	31,134
Postage and Delivery	988	314	7,252	8,554
Printing and Duplication	4,852	-	204	5,056
Professional Fees	64,370	27,915	133,688	225,973
Programs	4,106,872	-	-	4,106,872
Public Awareness	1,854,167	-	-	1,854,167
Rent	53,140	26,570	18,698	98,408
Supplies	13,924	3,193	12,527	29,644
Telephone	15,687	6,195	9,181	31,063
Training	477,447	3,887	10,940	492,274
Travel	80,479	23,817	74,231	178,527
Total Expenses Before Depreciation	7,933,834	595,047	591,997	9,120,878
Depreciation	72,142	36,071	25,384	133,597
Total Functional Expenses	$ 8,005,976	$ 631,118	$ 617,381	$ 9,254,475

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION INTERNATIONAL
STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 116,323	$ 185,049
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	263,593	133,597
Realized Gains on Investments	(16,021)	(13,708)
Unrealized Gains on Investments	(49,461)	(20,233)
Increase (Decrease) in Cash Resulting from Changes in:		
Receivables, Other	14,364	3,509
Contributions Receivable	(124,785)	(395,861)
Due from Affiliates	346,913	(733,028)
Prepaid Expenses	16,425	(4,195)
Accounts Payable and Accrued Expenses	19,043	(127,553)
Due to Affiliates	(361,806)	514,489
Deferred Affiliate Member Dues	15,107	228,004
Deferred Rent Liability	(16,102)	4,533
Net Cash Provided (Used) by Operating Activities	223,593	(225,397)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(85,025)	(157,169)
Proceeds on Sale of Investments	475,730	144,137
Purchases of Equipment	(493,335)	(844,241)
Net Cash Used by Investing Activities	(102,630)	(857,273)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	120,963	(1,082,670)
Cash and Cash Equivalents - Beginning of Year	647,710	1,730,380
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 768,673	$ 647,710

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Make-A-Wish Foundation International (the Foundation) is a nonprofit organization with 42 chartered international affiliates. The Foundation is organized and operated exclusively for the charitable purpose of increasing the opportunity of children of the world, with a life-threatening medical condition, to realize their wishes.

Reporting Entity

The accompanying financial statements include only the accounts and transactions of the Foundation. The international affiliates are separate entities with separate boards of directors and as such are responsible for, and maintain custody of, and generate their own financial resources. Accordingly, the accounts and transactions of the international affiliates are not included in these financial statements.

Basis of Presentation

The accompanying financial statements are presented in accordance with American Institute of Certified Public Accountants (AICPA) Not-for-Profit Industry Guidance within the Financial Accounting Standards Board (FASB) Codification (Guidance). Under the Guidance, the Foundation is required to report information regarding the financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets as follows:

Unrestricted Net Assets - Unrestricted net assets are not subject to donor imposed stipulations and are those currently available at the discretion of the board of directors for use in the Foundation's operations, in accordance with its bylaws.

Temporarily Restricted Net Assets - Temporarily restricted net assets are those which are subject to donor-imposed stipulations that may or will be met by the actions of the Foundation and/or the passage of time.

Permanently Restricted Net Assets - Permanently restricted net assets are subject to donor imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the institution to use all or part of the income earned on related investments for general or specific purposes.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make a number of 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Foundation considers all highly liquid assets with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents may include cash on hand or held by financial institutions.

Investments

Investments are recorded at fair value. Investment income includes interest, dividends, and if applicable, realized and unrealized gains and losses.

Contributions Receivable

Unconditional promises to give (contributions receivable) are recognized as revenues in the period the promise is received and as assets, decreases of liabilities or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give that are to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using interest rates at the time of the unconditional promise to give. Amortization of the discount is included in contribution support. Management provides for probable uncollectible amounts through a charge to operations and an increase to a valuation allowance based on its assessment of the current status of individual receivables. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a reduction of the receivables.

Affiliate Member Dues

As of August 31, 2017 and 2016, the Organization has 42 and 39 affiliates, respectively, that pay annual affiliate member dues for the nonexclusive right and sublicense to use the trademarks and service marks for use in performance of the charitable purpose. Affiliate member dues are paid annually by each affiliate and are deferred and recognized over the period to which the dues relate.

Equipment and Related Depreciation

Purchased equipment is initially recorded at cost and donated property and equipment are recorded at the fair value at the date of gift to the Foundation. Maintenance and repairs are charged to operations when incurred. Betterments and renewals in excess of $500 are capitalized. When property and equipment is sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved and any gain or loss is included in operations. Depreciation of equipment is computed on a straight-line basis over the estimated useful lives, generally three to seven years.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Long-Lived Assets

The Foundation reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. Management does not believe impairment indicators were present at August 31, 2017 and 2016.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished or a donor removes a restriction), temporarily or permanently restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restriction. Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues in unrestricted net assets. The Foundation recorded $4,315,511 and $4,894,281 of cash contributions and grants during the years ended August 31, 2017 and 2016, respectively. The Foundation received 50% and 42% of its contribution and grant support from three donors for both years ended August 31, 2017 and 2016.

Donated Assets and Services

Donated marketable securities, equipment, and other noncash donations are recorded as contributions at their estimated fair values at the date of donation, if an objective basis is available to measure the value of such items. The Foundation pays for most services requiring specific expertise. However, if such services or assets are donated and the value is ascertainable, the fair value is reflected in the financial statements as revenue and expense. The Foundation recorded $2,257,178 and $1,365,183 of in-kind contributions for airline flights, hotel accommodations, and toys during the years ended August 31, 2017 and 2016, respectively. The Foundation also recorded $1,062,400 and $1,854,167 of in-kind contributions for public service announcements during the years ended August 31, 2017 and 2016, respectively. The Foundation received 85% and 89% of its in-kind contributions from three and two donors during the years ended August 31, 2017 and 2016, respectively.

Volunteers donate significant amounts of their time to the Foundation’s mission; however, these donated services are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Agent on Behalf of Affiliated Organizations

In certain cases, the Foundation may act as an agent for an affiliated organization. These agency transactions are treated as pass through funds and are carried as funds held as agent for affiliates until they are distributed.

Advertising

Advertising costs are expensed as incurred.

Functional Allocation of Expenses

Expenses are directly allocated to the various programs and support services when possible and indirectly allocated based on staff time spent in that area and the best estimates of management.

Income Taxes

The Foundation is a nonprofit charitable organization which qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (IRC) and, accordingly, no provision for federal or state corporate income taxes has been made in the accompanying financial statements. The Foundation qualifies for the charitable contribution deduction under Section 170 of the IRC and has been classified as an organization that is not a private foundation under Section 509(a).

Management believes that the Foundation has no uncertain tax positions as of August 31, 2017 and 2016.

NOTE 2 INVESTMENTS

A summary of investments at August 31 consists of the following:

	2017		2016	
	Cost	Market	Cost	Market
Equities	$ 259,879	$ 327,659	$ 474,332	$ 547,289
Bonds	173,362	174,332	274,676	275,281
Money Market	4,794	4,794	9,438	9,438
Total	$ 438,035	$ 506,785	$ 758,446	$ 832,008

NOTE 2 INVESTMENTS (CONTINUED)

Total investment income for the years ended August 31 consists of the following:

	2017	2016
Realized Gains	$ 16,021	$ 13,708
Unrealized Gains	49,461	20,233
Expenses	-	(1,654)
Interest and Dividend Income	12,876	14,598
Total	$ 78,358	$ 46,885

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Investments

The Foundation's investments are held in funds with Fidelity Investments. The fair value on these investments held by the Foundation is readily available and is based upon unadjusted quoted market prices. Equity securities listed on a national market or exchange are valued at the last sales price, or if there is no sale and the market is still considered active at the last transaction price before year-end. Such securities are classified within Level 1 of the valuation hierarchy.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of August 31, 2017:

	2017 Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
Equities:				
U.S. Large Cap	$ 208,426	$ -	$ -	$ 208,426
U.S. Mid Cap/Small Cap	28,784	-	-	28,784
Actively Traded Alternatives	16,166	-	-	16,166
Non U.S. Equity	74,282	-	-	74,282
Total Equities	327,659	-	-	327,659
Bonds:				
U.S. Corporate Bonds	169,403	-	-	169,403
Non U.S. Corporate Bonds	4,929	-	-	4,929
Total Bonds	174,332	-	-	174,332
Cash and Cash Equivalents:				
Money Markets	-	-	-	4,794
Total Assets at Fair Value	$ 501,991	$ -	$ -	$ 506,785

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of August 31, 2016:

	2016 Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
Equities:				
U.S. Large Cap	$ 350,681	$ -	$ -	$ 350,681
U.S. Mid Cap/Small Cap	45,935	-	-	45,935
Actively Traded Alternatives	19,627	-	-	19,627
Non U.S. Equity	131,046	-	-	131,046
Total equities	547,289	-	-	547,289
Bonds:				
U.S. Corporate Bonds	263,597	-	-	263,597
Non U.S. Corporate Bonds	11,684	-	-	11,684
Total Bonds	275,281	-	-	275,281
Cash and Cash Equivalents:				
Money Markets	-	-	-	9,438
Total Assets at Fair Value	$ 822,570	$ -	$ -	$ 832,008

NOTE 4 CONTRIBUTIONS RECEIVABLE

Contributions receivable as of August 31, 2017 was $1,207,513 of which 69% is due from two donors. Contributions receivable as of August 31, 2016 was $1,082,728 of which 77% is due from four donors. All contributions receivable are due within the next twelve months. Management believes that all contributions receivable are fully collectible; therefore, no allowance for uncollectible accounts was considered necessary at August 31, 2017 and 2016.

NOTE 5 EQUIPMENT

A summary of equipment at August 31 consists of the following:

	2017	2016
Office Furniture and Equipment	$ 114,211	$ 105,838
Internal Use Software	1,483,060	998,098
Total	1,597,271	1,103,936
Less: Accumulated Depreciation	(457,651)	(194,058)
Net Equipment	$ 1,139,620	$ 909,878

Depreciation expense was $263,593 and $133,597 for the years ended August 31, 2017 and 2016, respectively.

NOTE 6 RELATED PARTY TRANSACTIONS

The Foundation receives membership dues from the international affiliates and sponsors conferences and events for which it incurs costs that are reimbursed by the participating affiliates. Amounts due from affiliates were $645,434 and $992,347 at August 31, 2017 and 2016, respectively. Two affiliates accounted for 72% and three affiliates accounted for 76% of the total due from affiliates at August 31, 2017 and 2016, respectively. Included in the due from affiliates at August 31, 2016 are notes receivable of $12,000. The notes bear no interest and were fully collected during the year ended August 31, 2017. Affiliate dues collected during the years ended August 31, 2017 and 2016 totaled $1,570,721 and $1,306,465, respectively, and distributions to affiliates totaled $3,932,526 and $4,106,872 for the years ended August 31, 2017 and 2016, respectively.

The Foundation accepts donations on behalf of the international affiliates and disburses these funds to affiliates on a monthly basis. These affiliate transactions are reported as funds held for affiliates until they are distributed. Additionally, the Foundation may hold certain funds for affiliate organizations at their request. Amounts due to affiliates were $746,461 and $1,108,267 at August 31, 2017 and 2016, respectively.

NOTE 7 TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of the following at August 31:

	2017	2016
Time Restrictions	$ 1,207,513	$ 1,098,023
Capacity Building Support	29,529	25,000
Total Temporarily Restricted Net Assets	$ 1,237,042	$ 1,123,023

Net assets of $1,109,615 and $639,009 were released from time restrictions due to collection of the contributions receivable and the satisfaction of donor restrictions during the years ended August 31, 2017 and 2016, respectively.

NOTE 8 EMPLOYEE BENEFIT PLAN

In 2003, the Foundation adopted a SIMPLE-IRA plan which covers all employees from their hire date. The Foundation matches each employee’s elective deferral on a dollar-for-dollar basis up to 3-5% of the employee’s compensation or other defined limits, based on length of employment. Matching contributions of $57,888 and $38,185 were made to the SIMPLE-IRA plan for the years ended August 31, 2017 and 2016, respectively.

NOTE 9 OPERATING LEASES

The Foundation leases office space under a noncancelable ten year operating lease with a termination option at five years beginning on November 1, 2009, which includes ten months of free rent. The Foundation is recording the rent on a straight-line basis over the term of the operating lease. The Foundation also has an operating lease for a copier, expiring August 31, 2021. Lease expense under these leases was approximately $97,925 and $98,400 for the years ended August 31, 2017 and 2016, respectively. Future minimum lease payments under the operating leases are as follows:

Year Ending August 31,	Amount
2018	$ 67,003
2019	68,388
2020	13,219
2021	1,908
Total	$ 150,518

NOTE 10 CONCENTRATION OF CREDIT RISK

The Foundation maintains all of its cash with high-credit quality financial institutions. Balances on deposit are insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits. Balances in excess of FDIC limits are uninsured. As of August 31, 2017 and 2016, a portion of cash balances at financial institutions exceeded the balance insured by the FDIC.

NOTE 11 SUBSEQUENT EVENTS

Management evaluated subsequent events through February 20, 2018, the date the financial statements were available to be issued. Events or transactions occurring after August 31, 2017, but prior to February 20, 2018, that provided additional evidence about conditions that existed fat August 31, 2017, have been recognized in the financial statements for the year ended August 31, 2017. Events or transactions that provided evidence about conditions that did not exist at August 31, 2017, but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended August 31, 2017.