



EdVestors, Inc.

Financial Statements

Years ended June 30, 2016 and 2015

EDVESTORS, INC.

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	7
Notes to Financial Statements	8



Tel: 617-422-0700
Fax: 617-422-0909
www.bdo.com

Two International Place
Boston, MA 02110-1745

Independent Auditor's Report

Board of Directors
EdVestors, Inc.
Boston, Massachusetts

We have audited the accompanying financial statements of EdVestors, Inc., which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, functional expenses, and cash flows for the year 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 audit 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 EdVestors, Inc. as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

The 2015 financial statements were audited by Feeley & Driscoll, P.C., whose partners and professional staff joined BDO USA, LLP as of May 1, 2016, and whose report dated August 12, 2015, expressed an unmodified opinion on those statements.

BDO USA, LLP.

September 29, 2016

EDVESTORS, INC.

Statements of Financial Position

June 30, 2016 and 2015

Assets

	<u>2016</u>	<u>2015</u>
Current assets:		
Cash and cash equivalents	\$ 918,082	\$ 846,018
Temporarily restricted cash	589,821	507,706
Funds held for others	475,998	325,000
Pledges receivable, net	1,268,000	1,893,430
Prepaid expenses and other current assets	19,278	21,733
Total current assets	<u>3,271,179</u>	<u>3,593,887</u>
Property and equipment:		
Leasehold improvements	65,167	-
Furniture and fixtures	61,965	-
Telephone equipment	10,189	-
Computer and software	6,728	24,911
	<u>144,049</u>	<u>24,911</u>
Less accumulated depreciation and amortization	9,039	24,911
	<u>135,010</u>	<u>-</u>
Other assets:		
Long-term pledges receivable, net	286,540	381,089
Deposits	10,354	6,682
Total other assets	<u>296,894</u>	<u>387,771</u>
Total assets	<u>\$ 3,703,083</u>	<u>\$ 3,981,658</u>

Liabilities and Net Assets

Current liabilities:		
Grants payable	\$ 387,258	\$ 507,057
Accounts payable	42,851	59,024
Funds held for others	475,998	325,000
Accrued expenses	99,884	159,711
Total current liabilities	<u>1,005,991</u>	<u>1,050,792</u>
Net assets:		
Unrestricted	734,260	807,052
Board designated - property and equipment	135,010	-
Board designated - reserve fund	50,000	50,000
Total unrestricted net assets	<u>919,270</u>	<u>857,052</u>
Temporarily restricted	<u>1,777,822</u>	<u>2,073,814</u>
Total net assets	<u>2,697,092</u>	<u>2,930,866</u>
Total liabilities and net assets	<u>\$ 3,703,083</u>	<u>\$ 3,981,658</u>

See accompanying notes.

EDVESTORS, INC.

Statements of Activities

For the years ended June 30, 2016 and 2015

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenues:						
Grants	\$ 268,764	\$ 2,449,246	\$ 2,718,010	\$ 867,782	\$ 2,485,805	\$ 3,353,587
Contributions	267,331	234,562	501,893	437,784	104,600	542,384
Public funding	-	100,909	100,909	-	100,000	100,000
In-kind contributions	8,567	-	8,567	13,704	-	13,704
	<u>544,662</u>	<u>2,784,717</u>	<u>3,329,379</u>	<u>1,319,270</u>	<u>2,690,405</u>	<u>4,009,675</u>
Release from restrictions	3,081,288	(3,081,288)	-	2,540,008	(2,540,008)	-
Total revenues	<u>3,625,950</u>	<u>(296,571)</u>	<u>3,329,379</u>	<u>3,859,278</u>	<u>150,397</u>	<u>4,009,675</u>
Expenses:						
Grants	1,135,414	-	1,135,414	1,052,087	-	1,052,087
Salaries and wages	1,047,497	-	1,047,497	1,080,999	-	1,080,999
Program services	630,393	-	630,393	908,944	-	908,944
Professional fees	313,559	-	313,559	227,794	-	227,794
Fringe benefits	132,503	-	132,503	111,135	-	111,135
Facilities	90,949	-	90,949	90,051	-	90,051
Meetings and events	73,967	-	73,967	51,785	-	51,785
Payroll taxes	73,416	-	73,416	81,712	-	81,712
Printing and reproduction	21,635	-	21,635	15,711	-	15,711
Communication	13,537	-	13,537	14,149	-	14,149
Office supplies	12,845	-	12,845	7,957	-	7,957
Administrative	8,211	-	8,211	12,119	-	12,119
Travel	4,265	-	4,265	7,793	-	7,793
Memberships and subscriptions	2,838	-	2,838	6,932	-	6,932
Depreciation and amortization	2,311	-	2,311	-	-	-
Computer and office	1,044	-	1,044	7,276	-	7,276
Total expenses	<u>3,564,384</u>	<u>-</u>	<u>3,564,384</u>	<u>3,676,444</u>	<u>-</u>	<u>3,676,444</u>
(Deficit) excess of revenues over expenses	<u>61,566</u>	<u>(296,571)</u>	<u>(235,005)</u>	<u>182,834</u>	<u>150,397</u>	<u>333,231</u>
Other income -						
Interest income	652	579	1,231	1,959	443	2,402
Change in net assets	62,218	(295,992)	(233,774)	184,793	150,840	335,633
Net assets, beginning of year	857,052	2,073,814	2,930,866	672,259	1,922,974	2,595,233
Net assets, end of year	<u>\$ 919,270</u>	<u>\$ 1,777,822</u>	<u>\$ 2,697,092</u>	<u>\$ 857,052</u>	<u>\$ 2,073,814</u>	<u>\$ 2,930,866</u>

See accompanying notes.

EDVESTORS, INC.

Statement of Functional Expenses

For the year ended June 30, 2016

Programs

	Arts Expansion Initiative	Seed Fund, SOM, & Other Educational Programs	Strategic Initiatives	Improving Schools Initiative	Total Program	General and Administrative	Fundraising	Totals 2016
Grants	\$ 653,000	\$ 398,000	\$ 84,414	\$ -	\$ 1,135,414	\$ -	\$ -	\$ 1,135,414
Salaries and wages	170,678	224,779	104,077	34,017	533,551	208,120	305,826	1,047,497
Program services	457,168	1,750	13,990	157,485	630,393	-	-	630,393
Professional fees	108,672	46,467	37,690	36,056	228,885	23,208	61,466	313,559
Fringe benefits	31,292	32,953	9,319	7,830	81,394	23,613	27,496	132,503
Facilities	38,168	20,581	6,871	6,270	71,890	7,803	11,256	90,949
Meetings and events	1,215	49,530	4,628	-	55,373	9,759	8,835	73,967
Payroll taxes	11,150	15,078	5,880	2,135	34,243	21,168	18,005	73,416
Printing and reproduction	12,716	5,221	-	-	17,937	472	3,226	21,635
Communication	5,318	2,797	896	871	9,882	975	2,680	13,537
Office supplies	5,215	3,257	933	852	10,257	1,059	1,529	12,845
Administrative	-	-	330	-	330	7,874	7	8,211
Travel	236	2,784	61	38	3,119	639	507	4,265
Memberships and subscriptions	-	2,838	-	-	2,838	-	-	2,838
Depreciation	970	523	175	159	1,827	198	286	2,311
Computer and office	-	-	-	-	-	1,044	-	1,044
	<u>\$ 1,495,798</u>	<u>\$ 806,558</u>	<u>\$ 269,264</u>	<u>\$ 245,713</u>	<u>\$ 2,817,333</u>	<u>\$ 305,932</u>	<u>\$ 441,119</u>	<u>\$ 3,564,384</u>
Percentage of total	<u>41.97%</u>	<u>22.63%</u>	<u>7.55%</u>	<u>6.89%</u>	<u>79.04%</u>	<u>8.58%</u>	<u>12.38%</u>	<u>100.00%</u>

See accompanying notes.

EDVESTORS, INC.

Statement of Functional Expenses

For the year ended June 30, 2015

	Programs						
	Arts Expansion Initiative	Seed Fund, SOM, & Other Educational Programs	Improving Schools Initiative	Total Program	General and Administrative	Fundraising	Totals 2015
Grants	\$ 630,000	\$ 422,087	\$ -	\$ 1,052,087	\$ -	\$ -	\$ 1,052,087
Salaries and wages	174,800	209,067	212,769	596,636	179,805	304,558	1,080,999
Program services	669,276	-	239,668	908,944	-	-	908,944
Professional fees	59,045	58,580	55,297	172,922	19,887	34,985	227,794
Fringe benefits	22,821	14,506	27,660	64,987	21,165	24,983	111,135
Facilities	39,830	19,560	13,979	73,369	6,724	9,958	90,051
Meetings and events	8,169	34,854	381	43,404	5,896	2,485	51,785
Payroll taxes	12,926	14,270	15,458	42,654	18,737	20,321	81,712
Printing and reproduction	107	10,888	-	10,995	598	4,118	15,711
Communication	5,460	2,287	3,403	11,150	731	2,268	14,149
Office supplies	3,005	1,687	1,150	5,842	507	1,608	7,957
Administrative	-	-	-	-	12,119	-	12,119
Travel	166	6,650	274	7,090	446	257	7,793
Memberships and subscriptions	-	4,122	-	4,122	2,780	30	6,932
Computer and office	496	-	661	1,157	5,156	963	7,276
	<u>\$ 1,626,101</u>	<u>\$ 798,558</u>	<u>\$ 570,700</u>	<u>\$ 2,995,359</u>	<u>\$ 274,551</u>	<u>\$ 406,534</u>	<u>\$ 3,676,444</u>
Percentage of total	<u>44.23%</u>	<u>21.72%</u>	<u>15.52%</u>	<u>81.47%</u>	<u>7.47%</u>	<u>11.06%</u>	<u>100.00%</u>

See accompanying notes.

EDVESTORS, INC.

Statements of Cash Flows

For the years ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Change in net assets	\$ (233,774)	\$ 335,633
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	2,311	-
Increase (decrease) in cash resulting from a change in:		
Temporarily restricted cash	(82,115)	12,297
Pledges receivable, net	719,979	(452,143)
Prepaid expenses and other current assets	2,455	1,618
Grants payable	(119,799)	115,587
Accounts payable	(16,173)	25,097
Accrued expenses	(59,827)	31,999
Net cash provided by operating activities	<u>213,057</u>	<u>70,088</u>
Cash flows from investing activities:		
Payments for deposits	(3,672)	-
Purchases of property and equipment	(137,321)	-
Net cash used in investing activities	<u>(140,993)</u>	<u>-</u>
Net increase in cash and cash equivalents	72,064	70,088
Cash and cash equivalents, beginning of year	<u>846,018</u>	<u>775,930</u>
Cash and cash equivalents, end of year	<u>\$ 918,082</u>	<u>\$ 846,018</u>

See accompanying notes.

EDVESTORS, INC.

Notes to Financial Statements

Note 1 - Business and Organization

EdVestors, Inc. (the “Organization”), a 501(c)(3) organization, is a dynamic school change organization focused on accelerating substantive improvement in urban schools. Since 2002, the entrepreneurial non-profit raised and directed over \$24 million in private donations to urban schools for strategic improvement efforts. Targeted primarily in Boston, funded initiatives are carefully monitored for results, and the most effective are distinguished for expansion and replication. The Organization is a valued resource for donors supportive of education reform and a trusted voice for educators committed to systemic change.

In all of our work, EdVestors uses strategic philanthropy, education expertise, and tactical support for schools and partners to foster innovation, develop solutions, and spread knowledge so that more schools can improve. The Organization provides seed funding for a wide range of emerging school improvement ideas through the School Solutions Seed Fund; it develops demonstration projects and disseminates best practices through the Improving Schools Initiative and the \$100,000 School on the Move Prize; and it drives citywide, systematic change at scale aimed at increasing school quality through its Strategic initiatives, including BPS Arts Expansion and its new phase of work launched in 2015, Zeroing in on Math, designed as a collaborative effort to improve student achievement in middle grades math.

The Organization’s sources of revenues and support consist primarily of grants collected and contributions from the general public.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation - The Organization presents their financial statements on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United State of America (GAAP).

Net Assets - Net assets are classified into the following categories:

- *Unrestricted net assets* - represent amounts not restricted for identified purposes by donors. These amounts are available to be used by the Board of Directors for the general purposes of the Organization.
- *Board designated* - property and equipment funds represent unrestricted net assets designated for investments in property and equipment approved by the Board of Directors.
- *Board designated* - reserve represents unrestricted net assets whose use is designated for specific purposes by action of the Board of Directors.
- *Temporarily restricted net assets* - are those whose use by the Organization has been limited by donors to a specific period or purpose.

EDVESTORS, INC.

Notes to Financial Statements - Continued

Note 2 - Summary of Significant Accounting Policies - Continued

Use of Estimates - The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America 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. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents - The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Temporarily Restricted Cash - Temporarily restricted cash consists of grants that are held by the Organization which are restricted for specific time or program purposes. The release of temporarily restricted net assets must be recommended by donors or specified in the original terms of the grant to operate a specific program or to be used in a specific period of time.

Pledges Receivable - Unconditional promises to give that are expected to be collected or paid within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected or paid in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included in support or expenses until the conditions are substantially met.

The Organization provides an allowance for doubtful accounts equal to estimated pledge defaults. The estimated defaults are based on historical collection experience together with a review of the current status of the existing receivables. The balance of the allowance for doubtful accounts as of June 30, 2016 and 2015, was \$10,000.

Property and Equipment - Property and equipment greater than \$2,500 are stated at historic cost or, if donated, at appraised value at the date of gift. Expenditures for maintenance and repairs are charged to operations as incurred.

Depreciation - Depreciation is computed using the straight-line method over the estimated useful lives of the related assets as follows:

<u>Assets</u>	<u>Life in Years</u>
Leasehold improvements	7
Furniture and fixtures	10
Telephone equipment	5
Computer and software	3-5

EDVESTORS, INC.

Notes to Financial Statements - Continued

Note 2 - Summary of Significant Accounting Policies - Continued

Impairment of Long-Lived Assets - Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 360-10-35, “Accounting for the Impairment or Disposal of Long-Lived Assets,” requires the Organization to review long-lived assets, such as property and equipment or intangible assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. As of June 30, 2016, the Organization did not recognize any impairment.

Grants, Contributions, and Public Funding Revenue - Grants earned, contributions, and public funding is recognized as revenues in the year when the cash has been received from the donor or when a donor pledge is supported by a signed donor agreement or email.

Grants Payable - The amounts payable to grantees are recorded in the fiscal year that the cash is collected from the donor or when the Organization has a signed donor agreement or email confirmation with the donor. Grant expense is recognized when the Organization has allocated the funds to a specific grantee.

In-Kind Services - The Organization received donated legal services during the years ended June 30, 2016 and 2015. The value of these services, as assigned by the donor, totaled \$8,567 and \$13,704 during 2016 and 2015, respectively, and is included in in-kind contributions and professional fees in the accompanying statements of activities.

Tax Status - The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (“IRC”) and, accordingly, does not provide for income taxes. An exemption was granted to the Organization on May 21, 2007. Tax years from June 30, 2013, through the current year remain open for examination by federal and state tax authorities.

Under ASC 740, an organization must recognize the financial statement effects of a tax position taken for tax return purposes when it is more likely than not that the position will not be sustained upon examination by a taxing authority. The Organization does not believe it has taken any material uncertain tax positions, and, accordingly, it has not recorded any liability for unrecognized tax benefits. The Organization has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Organization has filed IRS Form 990 information returns, as required, and all other applicable returns in jurisdictions where so required. For the years ended June 30, 2016 and 2015, there were no interest or penalties recorded or included in the statements of activities.

Subsequent Events - The Organization has evaluated subsequent events through September 29, 2016, which is the date the financial statements were available for issuance.

EDVESTORS, INC.

Notes to Financial Statements - Continued

Note 3 - Concentrations

The Organization has a potential concentration of credit risk in that it sometimes maintains deposits with financial institutions in excess of amounts insured by the Federal Deposit Insurance Corporation (FDIC). The maximum deposit insurance amount for interest-bearing and noninterest-bearing accounts, which is applied per depositor, per insured bank for each account ownership category is \$250,000. As of June 30, 2016 and 2015, the Organization had \$1,630,727 and \$1,052,487 in excess of FDIC limits, respectively. As of June 30, 2016, there were outstanding checks totaling \$446,976 that had not cleared the Organization's bank accounts.

Pledges receivable from one and two donors accounted for 48% and 61% of the Organization's pledges receivable at June 30, 2016 and 2015, respectively.

Grants from two donors accounted for 56% and 52% of the Organization's revenues for the years ended June 30, 2016 and 2015, respectively.

Note 4 - Funds Held for Others

EdVestors, Inc. acts as a fiscal sponsor for the Boston Public Schools to administer funds that support certain programs aligned with the Organization's mission. The amounts held by the Organization are reflected as funds held for others on the accompanying statements of financial position. When funds are disbursed, a 2% fee is deducted to defray costs related to the administration of the funds. The Organization may waive a portion of this fee as an in-kind contribution. No administrative fees were taken by the Organization for the years ended June 30, 2016 and 2015. The fee for the years ended June 30, 2016 and 2015, would have been \$14,200 and \$31,500, respectively.

As of June 30, Funds held for others includes:

	<u>2016</u>	<u>2015</u>
Beginning balance	\$ 325,000	\$ 770,020
Additions during the year	860,998	1,130,000
Disbursements during the year	<u>(710,000)</u>	<u>(1,575,020)</u>
Ending balance	<u>\$ 475,998</u>	<u>\$ 325,000</u>

EDVESTORS, INC.

Notes to Financial Statements - Continued

Note 5 - Pledges Receivable

Pledges receivable consisted of the following as of June 30:

	<u>2016</u>	<u>2015</u>
Total unconditional promises to give	\$ 1,568,000	\$ 2,288,430
Less discount to net present value at 1%	3,460	3,911
Less allowance for uncollectible pledges	<u>10,000</u>	<u>10,000</u>
Net unconditional promises to give	1,554,540	2,274,519
Less amount due in one year	<u>1,268,000</u>	<u>1,893,430</u>
Long-term pledges receivable	<u>\$ 286,540</u>	<u>\$ 381,089</u>

Future maturities on pledges receivable are as follows for the years ending June 30:

2017	\$ 1,268,000
2018	250,000
2019	<u>50,000</u>
	<u>\$ 1,568,000</u>

Note 6 - Line of Credit

On February 15, 2013, the Organization entered into a new asset-based line of credit with a bank with a maximum availability of \$350,000. The line of credit bears interest at 50 basis points (0.5%) above the bank's base rate, not to be less than 3.75%. At June 30, 2016, the interest rate was 4%. The line of credit is collateralized by substantially all assets of the Organization. During the year ended June 30, 2016, the line of credit was renewed through October 31, 2016. The line of credit is subject to certain financial and reporting covenants. At June 30, 2016 and 2015, the Organization had no outstanding borrowings on the line of credit.

EDVESTORS, INC.

Notes to Financial Statements - Continued

Note 7 - Board Designated Funds

During the year ended June 30, 2016, the board approved the use of unrestricted net assets to invest in property and equipment. The total investment net of depreciation was \$135,010 as of June 30, 2016.

During the year ended June 30, 2012, the Organization established the board designated reserve fund. The balance in the board designated funds is calculated as follows:

	<u>2016</u>	<u>2015</u>
Beginning balance	\$ 50,000	\$ 50,000
Transfer from operations to reserve fund	-	-
Ending balance	<u>\$ 50,000</u>	<u>\$ 50,000</u>

Note 8 - Temporarily Restricted Net Assets

Temporarily restricted net assets were available for the following at June 30:

	<u>2016</u>	<u>2015</u>
Arts Expansion Initiative	\$ 1,312,037	\$ 703,018
Future operating and program funds	280,000	1,034,914
Investment portfolio and other grantmaking	153,505	195,983
School on the Move	19,553	26,299
Strategic initiatives	12,727	38,600
Improving Schools Initiative	-	75,000
	<u>\$ 1,177,822</u>	<u>\$ 2,073,814</u>

Note 9 - Operating Leases

The Organization has operating leases for office space and office equipment. The original office space lease required monthly payments of \$5,384 and expired on July 31, 2015. During 2015, the Organization entered into a lease for a new space in the same building, with monthly payments ranging from \$10,354 to \$11,521 over the term of the lease. Until the Organization moved into the new space, the lease allowed the organization to remain in its current space requiring monthly payments of \$5,384. The lease for the new space commenced on June 1, 2016 when the tenant improvements were substantially complete. The lease will expire on September 1, 2023.

EDVESTORS, INC.

Notes to Financial Statements - Continued

Note 9 - Operating Leases - Continued

The Organization entered into a 36-month office equipment lease on December 1, 2014, with monthly lease payments of \$87.

For the years ended June 30, 2016 and 2015, total lease expense was \$62,671 and \$75,190, respectively.

The future minimum lease payments for all leases are as follows for the years ending June 30:

2017	\$	104,585
2018		124,685
2019		130,083
2020		131,250
2021		131,250
Thereafter		<u>298,375</u>
	\$	<u>920,228</u>

Note 10 - Defined Contribution Plan

Effective January 1, 2012, the Organization established a defined contribution salary deferral retirement plan (“the 401(k) Plan”), which qualifies under Section 401(k) of the IRC. The 401(k) Plan covers substantially all employees that have met the minimum age requirement of 21 years or older and have completed 1,000 hours of service as defined by the 401(k) Plan documents and allows participants to defer a portion of their annual compensation subject to IRC limits.

Effective July 1, 2015, the Plan was amended for the Organization to make matching contributions on behalf of plan participants up to 3% of participants’ salaries. Employees are eligible for participating in the plan and for matching contributions after one year of service. The Organization made \$24,355 of matching contributions to the 401(k) Plan for the year ended June 30, 2016.