



Associated Grant Makers

**FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014**

ASSOCIATED GRANT MAKERS, INC.

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December 31, 2015 and 2014

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Independent Auditor's Report

To the Board of Directors of
Associated Grant Makers, Inc.:

Report on the Financial Statements

We have audited the accompanying financial statements of Associated Grant Makers, Inc. (a Massachusetts corporation, not for profit) which comprise the statements of financial position as of December 31, 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 Associated Grant Makers, Inc. as of December 31, 2015 and 2014, 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.

Alexander, Brown, Penning & Co., P.C.

Boston, Massachusetts
May 18, 2016

ASSOCIATED GRANT MAKERS, INC.

Statements of Financial Position
December 31, 2015 and 2014

<u>Assets</u>	2015			2014		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Current Assets:						
Cash	\$ 514,715	\$ 307,668	\$ 822,383	\$ 418,029	\$ 180,763	\$ 598,792
Membership support and pledges receivable	-	26,500	26,500	480	213,500	213,980
Prepaid expenses	6,374	-	6,374	7,806	-	7,806
Total current assets	<u>521,089</u>	<u>334,168</u>	<u>855,257</u>	<u>426,315</u>	<u>394,263</u>	<u>820,578</u>
Other Assets:						
Leasehold improvements, equipment and technology, net	51,076	-	51,076	30,656	-	30,656
Cash - fiscal agent	182,827	-	182,827	113,308	-	113,308
Security deposit	27,833	-	27,833	27,833	-	27,833
Total other assets	<u>261,736</u>	<u>-</u>	<u>261,736</u>	<u>171,797</u>	<u>-</u>	<u>171,797</u>
Total assets	<u>\$ 782,825</u>	<u>\$ 334,168</u>	<u>\$ 1,116,993</u>	<u>\$ 598,112</u>	<u>\$ 394,263</u>	<u>\$ 992,375</u>
Liabilities and Net Assets						
Current Liabilities:						
Accounts payable	\$ 39,963	\$ -	\$ 39,963	\$ 26,846	\$ -	\$ 26,846
Accrued expenses	13,211	-	13,211	22,472	-	22,472
Total current liabilities	<u>53,174</u>	<u>-</u>	<u>53,174</u>	<u>49,318</u>	<u>-</u>	<u>49,318</u>
Fiscal Agent Payable	<u>182,827</u>	<u>-</u>	<u>182,827</u>	<u>113,308</u>	<u>-</u>	<u>113,308</u>
Total liabilities	<u>236,001</u>	<u>-</u>	<u>236,001</u>	<u>162,626</u>	<u>-</u>	<u>162,626</u>
Net Assets:						
Unrestricted:						
Operating	495,748	-	495,748	404,830	-	404,830
Leasehold improvements, equipment and technology	51,076	-	51,076	30,656	-	30,656
Temporarily restricted:						
Program activities	-	201,668	201,668	-	254,963	254,963
Time	-	132,500	132,500	-	139,300	139,300
Total net assets	<u>546,824</u>	<u>334,168</u>	<u>880,992</u>	<u>435,486</u>	<u>394,263</u>	<u>829,749</u>
Total liabilities and net assets	<u>\$ 782,825</u>	<u>\$ 334,168</u>	<u>\$ 1,116,993</u>	<u>\$ 598,112</u>	<u>\$ 394,263</u>	<u>\$ 992,375</u>

The accompanying notes are an integral part of these statements.

ASSOCIATED GRANT MAKERS, INC.

Statements of Activities and Changes in Net Assets
For the Years Ended December 31, 2015 and 2014

	2015					2014				
	Unrestricted		Temporarily Restricted	Total		Unrestricted		Temporarily Restricted	Total	
	Operating	Board Designated				Total Unrestricted	Operating			
Operating Support and Revenues:										
Designated contributions:										
Summer fund	\$ 821,519	\$ -	\$ 821,519	\$ 115,895	\$ 937,414	\$ 918,129	\$ -	\$ 918,129	\$ 178,621	\$ 1,096,750
Other	33,435	-	33,435	9,064	42,499	10,520	-	10,520	36,000	46,520
Membership support and contributions	357,450	-	357,450	132,500	489,950	342,695	-	342,695	139,300	481,995
Program fees and other income	250,430	-	250,430	-	250,430	235,136	-	235,136	-	235,136
Donated goods and services	7,694	-	7,694	-	7,694	20,693	-	20,693	-	20,693
Interest and dividends	1,612	-	1,612	-	1,612	1,049	-	1,049	-	1,049
Net assets released from restrictions:										
Satisfaction of time restrictions	139,300	-	139,300	(139,300)	-	130,000	-	130,000	(130,000)	-
Satisfaction of purpose restrictions:										
Summer fund	178,254	-	178,254	(178,254)	-	285,895	-	285,895	(285,895)	-
Other	-	-	-	-	-	47,786	-	47,786	(47,786)	-
Total operating support and revenues	<u>1,789,694</u>	<u>-</u>	<u>1,789,694</u>	<u>(60,095)</u>	<u>1,729,599</u>	<u>1,991,903</u>	<u>-</u>	<u>1,991,903</u>	<u>(109,760)</u>	<u>1,882,143</u>
Operating Expenses:										
Summer Fund	1,013,795	-	1,013,795	-	1,013,795	1,204,024	-	1,204,024	-	1,204,024
Member and Grantmaker Services	431,661	-	431,661	-	431,661	503,592	-	503,592	-	503,592
Nonprofit Partner Services	232,900	-	232,900	-	232,900	188,614	10,066	198,680	-	198,680
Total operating expenses	<u>1,678,356</u>	<u>-</u>	<u>1,678,356</u>	<u>-</u>	<u>1,678,356</u>	<u>1,896,230</u>	<u>10,066</u>	<u>1,906,296</u>	<u>-</u>	<u>1,906,296</u>
Changes in net assets	111,338	-	111,338	(60,095)	51,243	95,673	(10,066)	85,607	(109,760)	(24,153)
Net Assets:										
Beginning of year	<u>435,486</u>	<u>-</u>	<u>435,486</u>	<u>394,263</u>	<u>829,749</u>	<u>339,813</u>	<u>10,066</u>	<u>349,879</u>	<u>504,023</u>	<u>853,902</u>
End of year	<u>\$ 546,824</u>	<u>\$ -</u>	<u>\$ 546,824</u>	<u>\$ 334,168</u>	<u>\$ 880,992</u>	<u>\$ 435,486</u>	<u>\$ -</u>	<u>\$ 435,486</u>	<u>\$ 394,263</u>	<u>\$ 829,749</u>

The accompanying notes are an integral part of these statements.

ASSOCIATED GRANT MAKERS, INC.

Statements of Cash Flows

For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash Flows from Operating Activities:		
Changes in net assets	\$ 51,243	\$ (24,153)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	8,175	8,176
Changes in operating assets and liabilities:		
Membership support and pledges receivable	187,480	(63,140)
Prepaid expenses	1,432	2,896
Accounts payable	13,117	13,884
Accrued expenses	(9,261)	(657)
	<u>252,186</u>	<u>(62,994)</u>
Net cash provided by (used in) operating activities		
	252,186	(62,994)
Cash Flows from Investing Activities:		
Acquisition of leasehold improvements, equipment and technology	<u>(28,595)</u>	<u>-</u>
Net Change in Cash	223,591	(62,994)
Cash:		
Beginning of year	<u>598,792</u>	<u>661,786</u>
End of year	<u>\$ 822,383</u>	<u>\$ 598,792</u>

ASSOCIATED GRANT MAKERS, INC.

Statement of Functional Expenses
 For the Year Ended December 31, 2015
 (With Summarized Comparative Totals for the Year Ended December 31, 2014)

	2015								2014	
	Program			Program Support					Total	Total
	Summer Fund	Member and Grantmaker Services	Nonprofit Partner Services	Total Program	General and Administration	Marketing	Member Development	Total Program Support		
Grants Awarded	\$ 785,527	\$ -	\$ -	\$ 785,527	\$ -	\$ -	\$ -	\$ -	\$ 785,527	\$ 953,731
Payroll and Related:										
Salaries	111,018	114,827	84,032	309,877	89,093	36,638	59,318	185,049	494,926	488,403
Fringe benefits	17,943	11,118	9,113	38,174	9,904	1,645	4,017	15,566	53,740	54,676
Payroll taxes	8,383	9,424	6,000	23,807	7,115	3,883	4,452	15,450	39,257	43,815
Total payroll and related	137,344	135,369	99,145	371,858	106,112	42,166	67,787	216,065	587,923	586,894
Other:										
Rent	14,173	25,495	19,600	59,268	21,812	6,876	7,998	36,686	95,954	87,425
Leadership training	47,578	-	-	47,578	-	-	-	-	47,578	66,820
Meetings and conferences	2,573	19,198	7,935	29,706	-	-	-	-	29,706	35,319
Professional fees	-	-	-	-	16,731	-	-	16,731	16,731	36,549
Telephone	1,547	4,185	3,786	9,518	2,686	1,196	958	4,840	14,358	14,217
Miscellaneous	610	4,296	3,847	8,753	5,541	-	-	5,541	14,294	6,180
Website and database	-	-	-	-	13,349	-	-	13,349	13,349	17,744
Supplies	215	7,587	2,149	9,951	1,882	606	153	2,641	12,592	17,757
Registration fees, dues and subscriptions	-	-	-	-	10,608	-	100	10,708	10,708	7,754
Equipment rental and repair	3,736	-	-	3,736	5,131	1,172	-	6,303	10,039	30,574
Outside services	408	-	-	408	3,027	5,295	-	8,322	8,730	11,471
Utilities and insurance	906	1,093	1,148	3,147	4,382	510	351	5,243	8,390	8,466
Depreciation	-	2,507	1,711	4,218	2,209	794	954	3,957	8,175	8,176
Food and travel	-	5,607	439	6,046	-	2,072	-	2,072	8,118	7,764
Printing and graphics	-	-	-	-	-	4,390	-	4,390	4,390	7,136
Postage and delivery	42	219	513	774	999	3	18	1,020	1,794	2,319
Total other	71,788	70,187	41,128	183,103	88,357	22,914	10,532	121,803	304,906	365,671
Total expenses before allocation of program support	994,659	205,556	140,273	1,340,488	194,469	65,080	78,319	337,868	1,678,356	1,906,296
Allocation of Program Support	19,136	226,105	92,627	337,868	(194,469)	(65,080)	(78,319)	(337,868)	-	-
Total expenses	\$ 1,013,795	\$ 431,661	\$ 232,900	\$ 1,678,356	\$ -	\$ -	\$ -	\$ -	\$ 1,678,356	\$ 1,906,296

ASSOCIATED GRANT MAKERS, INC.

Statement of Functional Expenses
For the Year Ended December 31, 2014

	Program			Program Support					Total
	Summer Fund	Member and Grantmaker Services	Nonprofit Partner Services	Total Program	General and Administration	Marketing	Member Development	Total Program Support	
Grants Awarded	\$ 953,731	\$ -	\$ -	\$ 953,731	\$ -	\$ -	\$ -	\$ -	\$ 953,731
Payroll and Related:									
Salaries	102,535	140,425	56,772	299,732	93,755	34,498	60,418	188,671	488,403
Fringe benefits	18,531	7,816	10,309	36,656	11,485	1,755	4,780	18,020	54,676
Payroll taxes	9,428	12,502	5,089	27,019	8,383	3,100	5,313	16,796	43,815
Total payroll and related	130,494	160,743	72,170	363,407	113,623	39,353	70,511	223,487	586,894
Other									
Rent	13,392	36,591	16,560	66,543	17,535	3,347	-	20,882	87,425
Leadership training	66,820	-	-	66,820	-	-	-	-	66,820
Meetings and conferences	3,372	18,308	13,404	35,084	235	-	-	235	35,319
Professional fees	-	7,694	-	7,694	28,855	-	-	28,855	36,549
Telephone	-	5,689	3,472	9,161	2,847	1,018	1,191	5,056	14,217
Miscellaneous	-	-	-	-	5,672	-	508	6,180	6,180
Website and database	-	-	-	-	17,744	-	-	17,744	17,744
Supplies	937	8,620	4,819	14,376	2,571	500	310	3,381	17,757
Registration fees, dues and subscriptions	-	735	-	735	7,019	-	-	7,019	7,754
Equipment rental and repair	-	-	616	616	28,950	1,008	-	29,958	30,574
Outside services	-	-	566	566	4,050	6,855	-	10,905	11,471
Utilities and insurance	-	1,986	1,120	3,106	4,942	391	27	5,360	8,466
Depreciation	-	2,851	1,306	4,157	2,500	685	834	4,019	8,176
Food and travel	-	7,441	305	7,746	18	-	-	18	7,764
Printing and graphics	-	-	-	-	-	7,136	-	7,136	7,136
Postage and delivery	-	350	643	993	1,297	27	2	1,326	2,319
Total other	84,521	90,265	42,811	217,597	124,235	20,967	2,872	148,074	365,671
Total expenses before allocation of program support	1,168,746	251,008	114,981	1,534,735	237,858	60,320	73,383	371,561	1,906,296
Allocation of Program Support	35,278	252,584	83,699	371,561	(237,858)	(60,320)	(73,383)	(371,561)	-
Total expenses	\$ 1,204,024	\$ 503,592	\$ 198,680	\$ 1,906,296	\$ -	\$ -	\$ -	\$ -	\$ 1,906,296

The accompanying notes are an integral part of these statements.

ASSOCIATED GRANT MAKERS, INC.

Notes to Financial Statements
December 31, 2015 and 2014

1. OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES

OPERATIONS

Associated Grant Makers, Inc. (AGM) is a regional professional association of leading grantmakers and their partners in the nonprofit community, primarily servicing Massachusetts and surrounding areas. AGM was incorporated in Massachusetts in 1969 to support the practice and expansion of philanthropic giving. AGM also acts as fiscal agent for and collaborates with several other organizations and programs (see Note 4).

NONPROFIT STATUS

AGM is exempt from Federal income taxes as an organization (not a private foundation) formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code (IRC). AGM is also exempt from state income taxes. Donors may deduct contributions made to AGM within the requirements of the IRC and applicable regulations.

SIGNIFICANT ACCOUNTING POLICIES

AGM's financial statements have been prepared in accordance with generally accepted accounting standards and principles established by the Financial Accounting Standard Board (FASB). References to U.S. GAAP in these footnotes are to the FASB Accounting Standards Codification (ASC).

Estimates

The preparation of financial statements in conformity with U.S. GAAP 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

AGM recognizes designated contributions as temporarily restricted revenue and net assets when received or unconditionally committed by the donor. Unrestricted contributions are recognized as revenue when received or unconditionally pledged. Net assets released from restrictions represent transfers to unrestricted net assets as costs are incurred, time restrictions have lapsed, or services are provided satisfying the restricted purposes specified by donors. Donor restricted grants and contributions received and satisfied in the same period are included in unrestricted net assets. Membership support is recognized as unrestricted support and revenue and net assets during the membership period. Membership support received or committed in advance of the membership period is recognized as temporarily restricted revenue and net assets (see page 10). Program fees, other income and interest and dividends are recognized as earned.

Donated Goods and Services

During 2015 and 2014, AGM received donated software and related services with a fair value of \$7,694 and 20,693, respectively, as determined by the donor. These amounts have been recorded as donated goods and services and professional fees in the accompanying financial statements.

ASSOCIATED GRANT MAKERS, INC.

Notes to Financial Statements
December 31, 2015 and 2014

1. OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recognition of Grants Awarded

AGM generally pays grants at the time of the awards. When AGM awards unconditional grants for a multiple-year period or for a future year, the entire obligation is recognized in the year the grants are awarded.

Cash - Fiscal Agent and Fiscal Agent Payable

Cash - fiscal agent and fiscal agent payable represent funds held by AGM on behalf of other organizations (see Note 4).

Leasehold Improvements, Equipment, Technology and Depreciation

Purchased leasehold improvements, equipment and technology are recorded at cost or fair value at the date of purchase. Renewals and betterments are recorded as additions to the related asset accounts, while repairs and maintenance costs are expensed as incurred. Depreciation is computed using the straight-line method over estimated useful lives of three to five years.

Fair Value Measurements

AGM follows the accounting and disclosure standards pertaining to ASC Topic, *Fair Value Measurements*, for qualifying assets and liabilities. Fair value is defined as the price that AGM would receive upon selling an asset or pay to settle a liability in an orderly transaction between market participants.

AGM uses a framework for measuring fair value that includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. This hierarchy is broken down into three levels based on inputs that market participants would use in valuing the financial instruments based on market data obtained from sources independent of AGM. Inputs refer broadly to the assumptions that market participants would use in pricing the financial instrument, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the financial instrument developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset developed based on the best information available. The three-tier hierarchy of inputs is summarized in the three broad levels as follows:

- Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets at the measurement date.
- Level 2 - Inputs other than quoted prices that are observable for the asset either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3 - Inputs that are unobservable and which require significant judgment or estimation.

An asset or liability's level within the framework is based upon the lowest level of any input that is significant to the fair value measurement. All assets and liabilities are considered level 1 within the fair value hierarchy.

ASSOCIATED GRANT MAKERS, INC.

Notes to Financial Statements
December 31, 2015 and 2014

1. OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Subsequent events have been evaluated through May 18, 2016, which is the date the financial statements were available to be issued. There were no events that met the criteria for recognition or disclosure in the financial statements.

Income Taxes

AGM accounts for uncertainty in income taxes in accordance with ASC Topic, *Income Taxes*. This standard clarifies the accounting for uncertainty in tax positions and prescribes a recognition threshold and measurement attribute for the financial statement regarding a tax position taken or expected to be taken in a tax return. AGM has determined that there are no uncertain tax positions which qualify for either recognition or disclosure in the financial statements at December 31, 2015 and 2014. AGM's information returns are subject to examination by the Federal and state jurisdictions and generally remain open for the most recent three years.

Functional Allocation of Expenses

Management allocates specific expenses directly to each function. Other expenses are allocated to functions based on management's estimate of the percentage attributable to each function.

Net Assets

Unrestricted:

Unrestricted net assets bear no external restrictions and include the following components:

- **Operating** - Funds available for AGM's operations.
- **Leasehold improvements, equipment and technology** - Net book value of leasehold improvements and equipment used in carrying out AGM's services.
- **Board designated** - Funds set aside by the Board of Directors for AGM's Nonprofit Effectiveness Fund (NEF). The NEF was created to promote activities undertaken to improve the performance of small and medium sized nonprofit organizations in Massachusetts and New Hampshire. Expenses are authorized by the Board of Directors for related purposes. During 2014, the Board of Directors authorized releases of \$10,066, which is shown in the accompanying statements of activities and changes in net assets.

ASSOCIATED GRANT MAKERS, INC.

Notes to Financial Statements
December 31, 2015 and 2014

1. OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets (Continued)

Temporarily Restricted:

Temporarily restricted net assets include donor-restricted funds for which AGM has not yet incurred the expenses or carried out the donor-designated purpose or the time period for use of the funds has not expired. These funds include amounts AGM holds in connection with program collaborations (see Note 4). Also included is membership support received or committed in advance for the following program year. Temporarily restricted net assets are restricted for the following purposes at December 31:

	<u>2015</u>	<u>2014</u>
Summer Fund (see Note 4)	\$ 170,986	\$ 233,345
Membership support (see page 7)	132,500	139,300
Other programs	<u>30,682</u>	<u>21,618</u>
	<u>\$ 334,168</u>	<u>\$ 394,263</u>

Membership Support and Pledges Receivable

Membership support and pledges receivable at December 31, 2015 and 2014, consist of membership support, contributions and other unconditionally pledged support. As of December 31, 2015 and 2014, all amounts were deemed collectible and there was no allowance for doubtful accounts.

2. LEASE AGREEMENTS

AGM leases office space under an agreement expiring in August 2018. Rent is payable in equal monthly installments of approximately \$8,000 and \$7,600, respectively, during 2015 and 2014. The monthly lease payments increase annually each September as defined in the lease agreement. AGM must maintain certain insurance coverage and pay its proportionate share of common area maintenance costs. AGM records rent expense under this agreement based on the monthly lease payments, which approximates the straight-line rent computed, in accordance with the *Accounting for Leases* standards under U.S. GAAP. Total rent expense was \$95,954 and \$87,425 for 2015 and 2014, respectively.

AGM leases office equipment with monthly payments of \$418 through August 2018.

Future minimum payments over the lease terms are as follows:

	<u>Facility</u>	<u>Equipment</u>
2016	\$ 103,816	\$ 5,020
2017	\$ 108,328	\$ 5,020
2018	\$ 92,780	\$ 3,347

ASSOCIATED GRANT MAKERS, INC.

Notes to Financial Statements
December 31, 2015 and 2014

3. RETIREMENT PLAN

AGM offers an elective deferred retirement plan pursuant to IRC Section 401(k) which covers all eligible employees with greater than 1,000 hours of service. Employees may elect to defer their salary within IRC limits. The Board of Directors approved an employer contribution of 4% of eligible employees' salaries. AGM's contributions vest after employees have been employed at AGM for three years. AGM contributed \$15,164 and \$16,996 to the plan in 2015 and 2014, respectively, which is included in fringe benefits in the accompanying statements of functional expenses.

4. COLLABORATIVE PROGRAMS AND FISCAL AGENT ACCOUNTS

AGM is the fiscal sponsor of the Summer Fund (the Fund), an unincorporated collaborative of private funders in Greater Boston. The Fund generates resources to support and strengthen summer camps serving the low-income neighborhoods of Boston, Cambridge, Chelsea, and Somerville, Massachusetts. The Fund contributes to summer camps that provide youth with opportunities for skill development, personal growth and new experiences. The Fund raises funds from corporations, foundations and individuals to provide operational support to summer camps. The Fund directly raised and granted funds to various summer programs of \$785,527 and \$953,731 in 2015 and 2014, respectively.

During July 2015, the Fund became a program of AGM. Prior to July 2015, AGM and the Fund's Advisory Board (the Board) operated according to a Memorandum of Understanding (MOU), which set forth the general principles to guide the parties' fiscal sponsorship relationship. Per the terms of the MOU, AGM was designated as a fiscal sponsor for the Fund. The Fund reimbursed AGM for the use of facilities and various administrative services. During 2015, the Board voted to terminate the MOU and incorporate the Fund into AGM as a program. During 2015, there was \$14,022 of program support allocation not charged against the Fund's restricted net assets.

Activity in the Fund is as follows:

Net Assets, December 31, 2013	\$ 340,619
Contributions	1,096,750
Expenditures	<u>(1,204,024)</u>
Net Assets, December 31, 2014	233,345
Contributions	937,414
Expenditures	<u>(999,773)</u>
Net Assets, December 31, 2015	<u>\$ 170,986</u>

AGM has been designated as a fiscal agent for various other collaboratives. The combined balances on hand for these fiscal agent arrangements of \$182,827 and \$113,308 are included in cash - fiscal agent and fiscal agent payable in the accompanying statements of financial position at December 31, 2015 and 2014, respectively. AGM has no variance power over the disbursement of these funds, and accordingly, the revenues and expenses for these collaboratives are not reflected in the accompanying financial statements.

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5. LEASEHOLD IMPROVEMENTS, EQUIPMENT AND TECHNOLOGY

Leasehold improvements, equipment and technology consist of the following as of December 31:

	<u>2015</u>	<u>2014</u>
Leasehold improvements	\$ 39,785	\$ 39,785
Technology	28,595	-
Equipment	<u>1,089</u>	<u>1,089</u>
	69,469	40,874
Less - accumulated depreciation	<u>18,393</u>	<u>10,218</u>
	<u>\$ 51,076</u>	<u>\$ 30,656</u>

6. CONCENTRATIONS

AGM maintains its cash balances in one bank and a brokerage firm in Massachusetts. Cash balances maintained in the bank are insured within the limits of the Federal Deposit Insurance Corporation (FDIC). At certain times during the year, cash balances exceeded the insured amounts. Cash balances maintained in the brokerage firm are not insured. AGM has not experienced any losses in these accounts. AGM believes it is not exposed to any significant credit risk on cash.

At December 31, 2015, 94% of outstanding pledges receivable were from one donor. At December 31, 2014, outstanding pledges receivable from four donors represent approximately 96% of the membership support and pledges receivable balance.

7. LINE OF CREDIT

AGM has a \$100,000 working capital line of credit agreement with a bank. Borrowings are due on demand and interest is payable monthly at the bank's index rate 3.5% and 3.25% at December 31, 2015 and 2014, respectively, plus 1%; subject to a minimum interest rate of 4.5%. All borrowings are secured by AGM's business property. The agreement expires in June 2016. There are no amounts outstanding as of December 31, 2015 and 2014.