

America's Charities and Affiliates

Consolidated Financial Report
December 31, 2016

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RSM US LLP

Independent Auditor's Report

To the Board of Directors
America's Charities
Chantilly, Virginia

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of America's Charities and Affiliates (America's Charities), which comprise the consolidated balance sheets as of December 31, 2016 and 2015, the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, 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 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 America's Charities and Affiliates as of December 31, 2016 and 2015, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

RSM US LLP

McLean, Virginia
June 7, 2017

America's Charities and Affiliates

Consolidated Balance Sheets December 31, 2016 and 2015

	2016	2015
Assets		
Cash	\$ 4,885,235	\$ 3,775,133
Promises to give (pledges)	2,931,392	4,113,211
Member charity fees receivable, net of allowance for doubtful accounts of \$49,217 and \$46,717, respectively	560,446	607,214
Other receivables	180,740	329,876
Other assets	118,114	143,962
Property and equipment, net	121,697	164,119
	<u>\$ 8,797,624</u>	<u>\$ 9,133,515</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 385,176	\$ 315,232
Campaign funds payable to member/nonmember charities	6,597,876	6,422,325
Deferred revenue	877,442	982,458
Deferred rent	123,987	129,474
Total liabilities	<u>7,984,481</u>	<u>7,849,489</u>
Commitment and contingencies (Notes 6, 7 and 8)		
Net assets – unrestricted:		
Undesignated	263,143	734,026
Board designated	550,000	550,000
Total net assets	<u>813,143</u>	<u>1,284,026</u>
	<u>\$ 8,797,624</u>	<u>\$ 9,133,515</u>

See notes to consolidated financial statements.

America's Charities and Affiliates

Consolidated Statements of Activities
Years Ended December 31, 2016 and 2015

	2016	2015
Support and revenue:		
Amounts raised in campaigns, net of estimated campaign expenses incurred by other organizations and shrinkage:		
Combined Federal Campaign	\$ 6,765,119	\$ 8,147,060
Campaign management services	12,584,665	15,025,953
Private sector	1,673,845	1,616,341
State and local	2,022,628	2,134,259
Total net amounts raised in campaigns	23,046,257	26,923,613
Less amounts raised on behalf of others	22,610,743	26,480,854
Support designated to America's Charities and Affiliates	435,514	442,759
Member charity fees	2,339,179	2,702,722
Campaign management fees	653,917	673,002
Campaign advertising fees	203,350	127,560
Donated services	992,569	957,588
Other	75,483	28,309
Total support and revenue	4,700,012	4,931,940
Expenses:		
Program services:		
Member campaign services	2,110,942	2,963,013
Campaign management services	1,774,595	1,132,372
Total program services	3,885,537	4,095,385
Supporting services:		
Management and general	810,450	659,360
Fundraising	474,908	582,257
Total supporting services	1,285,358	1,241,617
Total expenses	5,170,895	5,337,002
Change in net assets	(470,883)	(405,062)
Net assets:		
Beginning	1,284,026	1,689,088
Ending	\$ 813,143	\$ 1,284,026

See notes to consolidated financial statements.

America's Charities and Affiliates

Consolidated Statements of Cash Flows
Years Ended December 31, 2016 and 2015

	2016	2015
Cash flows from operating activities:		
Change in net assets	\$ (470,883)	\$ (405,062)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	70,037	59,436
Provision for doubtful accounts	2,500	17,776
Deferred rent	(5,487)	562
Changes in assets and liabilities:		
(Increase) decrease in:		
Promises to give	1,181,819	(415,893)
Member charity fees receivable	44,268	156,196
Other receivables	149,136	22,492
Other assets	25,848	(16,308)
(Increase) decrease in:		
Accounts payable and accrued expenses	69,944	(97,404)
Campaign funds payable to member/nonmember charities	175,551	(2,491,025)
Deferred revenue	(105,016)	(47,012)
Net cash provided by (used in) operating activities	1,137,717	(3,216,242)
Cash flows from investing activities:		
Purchases of property and equipment	(27,615)	(92,553)
Net cash used in investing activities	(27,615)	(92,553)
Net increase (decrease) in cash	1,110,102	(3,308,795)
Cash:		
Beginning	3,775,133	7,083,928
Ending	\$ 4,885,235	\$ 3,775,133

See notes to consolidated financial statements.

America's Charities and Affiliates

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: America's Charities and Affiliates (collectively, America's Charities) consists of four entities: America's Charities, Children First – America's Charities, Health First – America's Charities and Community First – America's Charities of Greater Washington D.C. All entities are affiliated through common support, activities and governance.

America's Charities was incorporated in 1988 in the District of Columbia. Through its efforts with the Combined Federal Campaign (CFC), many state and local public sector campaigns and private sector workplace-giving campaigns, America's Charities solicits contributions for its member charities through payroll deduction charitable giving campaigns. The contributions are originated through payroll deductions from military and civilian employees of the federal government, state and local public sector and private sector employees, and are received by America's Charities. America's Charities accesses private sector campaigns through three sources: America's Charities' individual efforts; the Charities @ Work, an alliance of four federations whose purpose is to access private sector campaigns; and local United Way organizations.

The campaign period is typically a 20-month period beginning in the September before the contribution period. The Fall 2016 Campaign began in September 2016 and will end in March 2018. The campaign collection period for the Fall 2016 Campaign covers primarily the period from April 2017 to March 2018. The Fall 2015 Campaign began in September 2015 and ended in March 2017. The campaign collection period for the Fall 2015 Campaign covers primarily the period from April 2016 to March 2017.

During the Fall 2015 and 2014 Campaigns, America's Charities served local campaigns governed by Local Federal Coordinating Committees (LFCCs) and managed by Principal Combined Fund Organizations (PCFOs). Additionally, during the Fall 2015 and 2014 Campaigns, America's Charities solicited contributions from state and municipal workplace-giving agencies and private sector workplace-giving campaigns.

Each PCFO, state employee campaign organization and private sector organization, except for those organizations' campaigns accessed through Charities @ Work, is responsible for compiling pledge information, collecting contributions and remitting the proceeds to America's Charities, net of campaign expenses. The members of Charities @ Work have designated America's Charities as fiscal agent for compiling pledge information, collecting contributions (in some campaigns) and remitting the proceeds to the members of Charities @ Work. America's Charities is paid a fiscal agent fee for acting in this capacity. Each member of Charities @ Work is responsible for remitting the proceeds to its members.

Children First – America's Charities (Children First) was incorporated in 2003 in the District of Columbia. Its purpose is to solicit contributions for its member charities that deal with children-related issues through payroll deduction charitable giving campaigns.

Health First – America's Charities (Health First) was incorporated in 2003 in the District of Columbia. Its purpose is to solicit contributions for its member charities that deal with health-related issues through payroll deduction charitable giving campaigns.

Community First – America's Charities of Greater Washington D.C. (Community First) was incorporated in 2008 in the District of Columbia. Its purpose is to solicit contributions for its member charities that serve in the Washington D.C. area and deal with various local area-related issues through payroll deduction charitable giving campaigns.

America's Charities and Affiliates

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

A summary of America's Charities significant programs are as follows:

Member campaign services: Activities related to the management of America's Charities members' participation in federal government, state and local government, and private sector workplace campaigns.

Campaign management services: Activities that support the collection, reporting and distribution of various workplace-giving campaigns.

Management and general: Activities that support America's Charities overall but are not directly allocable to programs or fundraising.

Fundraising: Activities that provide access for America's Charities' members to the various campaign types.

A summary of significant accounting policies of America's Charities follows:

Basis of accounting: The consolidated financial statements of America's Charities have been prepared on the accrual basis of accounting. Accordingly, revenue is recognized when earned and expenses are recognized when incurred.

Basis of presentation: The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). As required by the Not-for-Profit Entities topics of the FASB ASC, America's Charities is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. America's Charities had no temporarily and permanently restricted net assets at December 31, 2016 and 2015.

Consolidation policy: The consolidated financial statements include the accounts of America's Charities, Children First, Health First and Community First. All significant intercompany balances and transactions have been eliminated in the consolidation.

Financial risk: America's Charities maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. America's Charities believes it is not exposed to any significant financial risk on cash.

Promises to give: Promises to give are recorded in the consolidated financial statements upon receipt of pledge information from the campaigns. America's Charities honors designations made to each member and nonmember charity. As all promises to give are expected to be collected within one year, they are recorded at their estimated net realizable value. This is achieved by applying an allowance for estimated shrinkage to the campaign pledges. At the end of the year, any amounts receivable from the previous year's campaign are written off. Subsequent receipts relating to such amounts are set off against the shrinkage expense.

America's Charities and Affiliates

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Member charity fees receivable: Member charity fees receivable consist of member charities' fees due to America's Charities, which are expected to be collected within the next year. America's Charities records an allowance for doubtful accounts which is based on specifically identified amounts that America's Charities believes to be uncollectible. As a result, it is reasonably possible that America's Charities' estimate of the net carrying amounts of member charity fees receivable could change in the near term. After all attempts to collect a receivable have failed, the receivable is written off against the allowance.

Property and equipment: Property and equipment are recorded at cost and depreciated on the straight-line basis over estimated useful lives, which range from three to seven years. Leasehold improvements are recorded at cost and amortized over the shorter of the asset's useful life or the term of the lease. America's Charities capitalizes all property and equipment purchased with a cost of \$1,000 or more.

Valuation of long-lived assets: America's Charities 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 the long-lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted 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 estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell.

Campaign funds payable to member/nonmember charities: Pledges that are designated to America's Charities' member charities and nonmember charities are recorded as campaign funds payable to member/nonmember charities. Cash received from campaign pledges is allocated to each participating member charity in the ratio of designated pledges from the relevant campaign to the total cash received.

Deferred rent: America's Charities has a lease agreement for rental space in Chantilly, Virginia. This lease agreement provides for escalated payments over the life of the lease and a six-month period of rent abatement. The rent increases in future years and free rent are being recognized on a straight-line basis over the life of the lease agreement. The difference between the expense and the cash payments is reported as a deferred rent liability.

Deferred revenue: Amounts billed in advance for member charity fees are recorded as a receivable and deferred revenue and are thereafter recognized as revenue ratably over the remaining campaign distribution period.

Revenue and support:

Public support: Specific designations to America's Charities and certain undesignated pledges are recognized as public support to the extent remitted by the PCFO, the state employee agency or the private sector workplace. All pledges designated for a member charity are not recognized as revenue by America's Charities, but are reported as amounts raised in campaigns and offset by "less amounts raised on behalf of others" on the consolidated statements of activities.

America's Charities and Affiliates

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Member charity fees: Member charity fees are charged to each member charity based on a percentage of total pledges raised for each member charity with a minimum charge of \$9,000 for CFC/private sector. State and local public sector member charity fees are charged to each member charity electing to participate in this program based on a percentage of total pledges raised for each member charity with a minimum charge of \$7,000. Member charity fees are recognized as revenue ratably over the campaign distribution period to which they apply.

Campaign management fees: Campaign management fees are charged to each organization based on the amount of pledges raised and a fixed contract amount and are recognized as revenue ratably over the campaign collection period to which they apply, which are usually calendar year campaigns.

Donated services: Donated services are recorded at the fair market value at the time of donation.

Unrestricted net assets: Unrestricted net assets are neither permanently restricted nor temporarily restricted by donor-imposed stipulations. Certain amounts have been designated by America's Charities for specific purposes:

Undesignated: Represents the portion of expendable funds that are available for support of America's Charities operations.

Board designated: Represents unrestricted net assets that have been internally designated for future initiatives.

Campaign advertising expenses: Campaign advertising expenses are expensed during the period the advertising occurs.

Functional allocation of expenses: The costs of providing various program and supporting services have been summarized on a functional basis on the consolidated statements of activities. Accordingly, certain costs have been allocated between the program and supporting services benefited.

Income taxes: America's Charities, Children First, Health First and Community First are generally exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code (IRC). In addition, all entities qualify for charitable contribution deductions and have been classified as organizations that are not private foundations. Income that is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes. America's Charities had no unrelated business income for the years ended December 31, 2016 and 2015.

Management evaluated America's Charities tax positions and concluded that America's Charities has taken no uncertain tax positions that require adjustment to the consolidated financial statements. Generally, America's Charities is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2013.

Use of estimates: The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

America's Charities and Affiliates

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Recent accounting pronouncements: In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The new standard is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. America's Charities is currently evaluating the impact of its pending adoption of the new standard on its consolidated financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in generally accepted accounting principles in the United States of America (U.S. GAAP) when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14, which defers the effective date of ASU 2014-09 one year, making it effective for annual reporting periods beginning after December 15, 2018. America's Charities has not yet selected a transition method and is currently evaluating the effect that the standard will have on its consolidated financial statements.

In March 2016, the FASB issued ASU 2016-08, *Revenue from Contracts with Customers: Principal versus Agent Considerations*. The amendments in this ASU are intended to improve the guidance on principal versus agent considerations. The effective date for this ASU is the same as the effective date for ASU 2014-09, *Revenue from Contracts with Customers*. America's Charities is currently evaluating the impact of its pending adoption of the new standard on its consolidated financial statements.

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The amendments in this ASU make improvements to the information provided in financial statements and accompanying notes of not-for-profit entities. The amendments set forth the FASB's improvements to net asset classification requirements and the information presented about a not-for-profit organization's liquidity, financial performance and cash flows. The ASU will be effective for fiscal years beginning after December 15, 2017. Earlier adoption is permitted. The changes in this ASU should generally be applied on a retrospective basis in the year that the ASU is first applied. America's Charities has not evaluated the impact of this ASU on its consolidated financial statements.

Subsequent events: America's Charities evaluated subsequent events through June 7, 2017, which is the date the consolidated financial statements were available to be issued.

America's Charities and Affiliates

Notes to Consolidated Financial Statements

Note 2. Property and Equipment

Property and equipment consist of the following at December 31, 2016 and 2015:

	2016	2015
Software	\$ 1,617,914	\$ 1,594,813
Furniture and equipment	148,797	160,099
Computers	123,562	176,980
Leasehold improvements	19,847	19,847
	<u>1,910,120</u>	<u>1,951,739</u>
Less accumulated depreciation and amortization	1,788,423	1,787,620
	<u>\$ 121,697</u>	<u>\$ 164,119</u>

Depreciation and amortization expense was \$70,037 and \$59,436 for the years ended December 31, 2016 and 2015, respectively.

Note 3. Amounts Raised in Campaigns

Public support on the consolidated statements of activities is represented net of estimated campaign expenses incurred by other organizations and shrinkage of the campaigns. America's Charities includes funds raised in a campaign that it manages as the fiscal agent if it has had substantial involvement in that campaign. The following tables present gross pledges raised by America's Charities and the reconciliation to net amounts raised in campaigns for the years ended December 31, 2016 and 2015:

	2016		
	Gross Pledges	Shrinkage	Net Promises
Combined Federal Campaign	\$ 8,152,653	\$ (1,387,534)	\$ 6,765,119
Campaign management services	13,307,504	(722,839)	12,584,665
Private sector	1,886,469	(212,624)	1,673,845
State and local	2,268,212	(245,584)	2,022,628
	<u>\$ 25,614,838</u>	<u>\$ (2,568,581)</u>	<u>\$ 23,046,257</u>
	2015		
	Gross Pledges	Shrinkage	Net Promises
Combined Federal Campaign	\$ 9,755,028	\$ (1,607,968)	\$ 8,147,060
Campaign management services	15,927,668	(901,715)	15,025,953
Private sector	1,837,141	(220,800)	1,616,341
State and local	2,358,428	(224,169)	2,134,259
	<u>\$ 29,878,265</u>	<u>\$ (2,954,652)</u>	<u>\$ 26,923,613</u>

America's Charities and Affiliates

Notes to Consolidated Financial Statements

Note 4. Donated Services

America's Charities received donated services. The following table presents donated services separately from other expenses for the years ended December 31, 2016 and 2015:

	2016	2015
Expenses:		
Member campaign services	\$ 1,222,172	\$ 2,105,425
Campaign management services	1,731,345	1,102,372
Management and general	749,901	589,360
Fundraising	474,908	582,257
	<u>4,178,326</u>	<u>4,379,414</u>
Donated services	992,569	957,588
	<u>\$ 5,170,895</u>	<u>\$ 5,337,002</u>

Note 5. Retirement Plan

America's Charities has a 401(k) defined contribution retirement plan covering all full-time employees. Employees are eligible to participate upon the completion of 1,000 hours of service and 21 years of age. Under the terms of the plan, America's Charities can make a discretionary contribution; however, it historically contributed up to 10% of each employee's basic earnings to the plan. During 2016, the plan changed to a discretionary contribution of 6%. Employees are 100% vested after one year of service. Contributions were \$111,271 and \$215,850 for the years ended December 31, 2016 and 2015, respectively.

Note 6. Line of Credit

America's Charities has obtained an open-ended, revolving, secured \$250,000 line of credit to supplement its general working capital. This accrues an interest equal to the LIBOR index rate plus 2% per annum and requires a collateral account of \$250,000, which is included in cash on the consolidated balance sheet. The line of credit expires on August 10, 2017, and is renewed annually. There was no amount outstanding on the line at December 31, 2016 and 2015.

Note 7. Office Lease

America's Charities leases office space in Chantilly, Virginia, under an operating lease renewed on September 7, 2011, that expires on December 31, 2021. America's Charities was given the benefit of six months of rent abatement. Deferred rent liability of \$123,987 and \$129,474 as of December 31, 2016 and 2015, respectively, is recorded on the consolidated balance sheets in relation to the rental abatement and escalating lease payments.

Rent expense for the years ended December 31, 2016 and 2015, was \$208,740 and \$217,023, respectively.

America's Charities and Affiliates

Notes to Consolidated Financial Statements

Note 7. Office Lease (Continued)

Future minimum lease payments under this lease are as follows:

Years ending December 31:	
2017	\$ 212,504
2018	218,884
2019	225,497
2020	232,269
2021	239,206
	<u>\$ 1,128,360</u>

Note 8. Contingencies

Campaigns are subject to audit by the U.S. Office of Personnel Management. Pledges (OPM) received by member charities may be adjusted based on determinations of these audits. In the opinion of America's Charities' management, any adjustments resulting from any audits would not be material to the consolidated financial statements. No audit of the Fall 2015 and 2014 Campaigns has been performed by OPM as of the date of issuance of these consolidated financial statements.



RSM US LLP

Independent Auditor's Report on the Supplementary Information

To the Board of Directors
America's Charities
Chantilly, Virginia

We have audited the consolidated financial statements of America's Charities and Affiliates as of and for the years ended December 31, 2016 and 2015, and have issued our report thereon June 7, 2017, which contains an unmodified opinion on those consolidated financial statements. See pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole.

The consolidating and other supplementary information is presented for purposes of additional analysis rather than to present the financial position and results of activities of the individual entities, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating and other information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

RSM US LLP

McLean, Virginia
June 7, 2017

America's Charities and Affiliates

Consolidated Statement of Functional Expenses Year Ended December 31, 2016

	Member Campaign Services	Campaign Management Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses
Expenses:							
Salaries	\$ 611,065	\$ 992,036	\$ 1,603,101	\$ 474,281	\$ 263,206	\$ 737,487	\$ 2,340,588
Benefits	116,366	186,719	303,085	117,946	52,128	170,074	473,159
Total employee compensation	727,431	1,178,755	1,906,186	592,227	315,334	907,561	2,813,747
Facilities	103,311	165,753	269,064	82,178	53,156	135,334	404,398
Consultant fees	-	74,128	74,128	-	16,667	16,667	90,795
Campaign advertising	182,112	7,536	189,648	-	4,671	4,671	194,319
Professional fees	18,115	43,478	61,593	14,155	12,518	26,673	88,266
Service and bank fees	26,732	42,505	69,237	20,851	13,597	34,448	103,685
Travel and transportation	17,244	43,002	60,246	7,865	11,309	19,174	79,420
Depreciation	18,102	28,352	46,454	14,421	9,162	23,583	70,037
Printing and marketing promotions	17,720	67,330	85,050	262	15,473	15,735	100,785
Conferences and meetings	35,607	12,480	48,087	5,229	4,292	9,521	57,608
Campaign	35,038	1,266	36,304	-	857	857	37,161
Postage and shipping	6,350	5,545	11,895	521	1,441	1,962	13,857
Membership dues	1,240	1,432	2,672	400	411	811	3,483
Telephone	4,599	7,021	11,620	3,399	2,241	5,640	17,260
Insurance	6,767	10,599	17,366	5,391	3,425	8,816	26,182
Office supplies	3,332	7,805	11,137	2,598	2,259	4,857	15,994
Licenses and registrations	11,435	-	11,435	-	187	187	11,622
Managed campaign technology	-	33,584	33,584	-	7,551	7,551	41,135
Other	7,037	774	7,811	404	357	761	8,572
Donated services	888,769	43,250	932,019	60,550	-	60,550	992,569
Total expenses	1,383,510	595,840	1,979,350	218,224	159,574	377,798	2,357,148
Total	\$ 2,110,941	\$ 1,774,595	\$ 3,885,536	\$ 810,451	\$ 474,908	\$ 1,285,359	\$ 5,170,895

America's Charities and Affiliates

Consolidating Balance Sheet December 31, 2016

	America's Charities	Children First – America's Charities	Health First – America's Charities	Community First – Charities of Greater Washington, D.C.	Elimination	Total
Assets						
Cash	\$ 4,719,028	\$ 94,336	\$ 51,833	\$ 20,038	\$ -	\$ 4,885,235
Promises to give (pledges)	1,279,831	681,302	441,498	528,761	-	2,931,392
Member charity fees receivable, net of allowance for doubtful accounts of \$49,217.00	238,732	187,684	105,499	28,531	-	560,446
	-	-	-	-	-	-
Other receivables	181,397	137,803	114,002	12,911	(265,373)	180,740
Other assets	118,114	-	-	-	-	118,114
Property and equipment, net	121,697	-	-	-	-	121,697
	<u>\$ 6,658,799</u>	<u>\$ 1,101,125</u>	<u>\$ 712,832</u>	<u>\$ 590,241</u>	<u>\$ (265,373)</u>	<u>\$ 8,797,624</u>
Liabilities and Net Assets						
Liabilities:						
Accounts payable and accrued expenses	\$ 615,915	\$ -	\$ 2,670	\$ 31,964	\$ (265,373)	\$ 385,176
Campaign funds payable to member/nonmember charities	4,963,628	671,811	439,070	523,367	-	6,597,876
Deferred revenue	428,967	235,541	167,660	45,274	-	877,442
Deferred rent	123,987	-	-	-	-	123,987
Total liabilities	<u>6,132,497</u>	<u>907,352</u>	<u>609,400</u>	<u>600,605</u>	<u>(265,373)</u>	<u>7,984,481</u>
Net assets – unrestricted:						
Undesignated	(23,698)	193,773	103,432	(10,364)	-	263,143
Board designated	550,000	-	-	-	-	550,000
Total net assets	<u>526,302</u>	<u>193,773</u>	<u>103,432</u>	<u>(10,364)</u>	<u>-</u>	<u>813,143</u>
	<u>\$ 6,658,799</u>	<u>\$ 1,101,125</u>	<u>\$ 712,832</u>	<u>\$ 590,241</u>	<u>\$ (265,373)</u>	<u>\$ 8,797,624</u>

America's Charities and Affiliates

Consolidating Statement of Activities

Year Ended December 31, 2016

	America's Charities	Children First – America's Charities	Health First – America's Charities	Community First – Charities of Greater Washington, D.C.	Total
Support and revenue:					
Amounts raised in campaigns, net of campaign expenses incurred by other organizations and shrinkage:					
Combined Federal Campaign	\$ 2,351,024	\$ 1,648,256	\$ 1,149,961	\$ 1,615,878	\$ 6,765,119
Campaign management services	12,103,728	212,072	85,979	182,886	12,584,665
Private sector	1,211,778	278,509	175,753	7,805	1,673,845
State and local	1,033,909	587,862	399,121	1,736	2,022,628
Total net amounts raised in campaigns	16,700,439	2,726,699	1,810,814	1,808,305	23,046,257
Less amounts raised on behalf of others	16,324,487	2,695,064	1,802,183	1,789,009	22,610,743
Support designated to America's Charities and Affiliates	375,952	31,635	8,631	19,296	435,514
Member charity fees	1,033,842	661,094	499,907	144,336	2,339,179
Campaign management fees	653,917	-	-	-	653,917
Campaign advertising fees	81,000	67,500	13,500	41,350	203,350
Donated services	656,278	114,838	120,423	101,030	992,569
Other	75,483	-	-	-	75,483
Total support and revenue	2,876,472	875,067	642,461	306,012	4,700,012
Expenses:					
Program services:					
Member Campaign Services	1,285,015	402,608	289,538	133,781	2,110,942
Campaign management services	1,080,263	338,459	243,406	112,467	1,774,595
Total program services	2,365,278	741,067	532,944	246,248	3,885,537
Supporting services:					
Management and general	493,352	154,573	111,162	51,363	810,450
Fundraising	289,094	90,577	65,139	30,098	474,908
Total supporting services	782,446	245,150	176,301	81,461	1,285,358
Total expenses	3,147,724	986,217	709,245	327,709	5,170,895
Change in net assets	(271,252)	(111,150)	(66,784)	(21,697)	(470,883)
Net assets:					
Beginning	797,554	304,923	170,216	11,333	1,284,026
Ending	\$ 526,302	\$ 193,773	\$ 103,432	\$ (10,364)	\$ 813,143