

**NONPROFIT CONNECT**  
**FINANCIAL STATEMENTS**

**Year Ended December 31, 2016**  
**with**  
**Independent Auditors' Report**

# NONPROFIT CONNECT

## FINANCIAL STATEMENTS

December 31, 2016

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Keller & Owens, LLC

*Certified Public Accountants*

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
**Nonprofit Connect**

We have audited the accompanying financial statements of **Nonprofit Connect** (the "Organization"), which comprise the statement of financial position as of December 31, 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. 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 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 auditors consider 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.

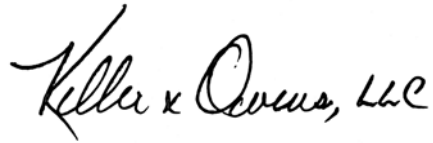
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Nonprofit Connect** as of December 31, 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.

## **Report on Summarized Comparative Information**

We have previously audited **Nonprofit Connect**'s 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 25, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in black ink that reads "Keller & Owens, LLC". The signature is written in a cursive style with a large initial 'K' and 'O'.

Overland Park, Kansas  
April 26, 2017

# NONPROFIT CONNECT

## STATEMENT OF FINANCIAL POSITION

As of December 31, 2016

(with comparative totals as of December 31, 2015)

### ASSETS

	<u>2016</u>	<u>2015</u>
Cash and cash equivalents	\$ 122,885	\$ 225,202
Accounts receivable, net	5,724	6,035
Prepaid expenses	9,048	4,489
Investments	777,819	608,473
Property and equipment, net	<u>48,210</u>	<u>65,976</u>
 Total Assets	 <u>\$ 963,686</u>	 <u>\$ 910,175</u>

### LIABILITIES AND NET ASSETS

Accounts payable and accrued liabilities	\$ 36,662	\$ 18,697
Deferred revenue	129,027	101,286
Refundable advances	<u>-</u>	<u>92,022</u>
 Total Liabilities	 165,689	 212,005
 Net Assets:		
Unrestricted	723,710	625,890
Permanently restricted	<u>74,287</u>	<u>72,280</u>
 Total Net Assets	 <u>797,997</u>	 <u>698,170</u>
 Total Liabilities and Net Assets	 <u>\$ 963,686</u>	 <u>\$ 910,175</u>

*See accompanying notes*

# NONPROFIT CONNECT

## STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2016

(with comparative totals for the year ended December 31, 2015)

	2016			2015
	Unrestricted	Permanently Restricted	Total	Total
Support and Revenue:				
Membership dues	\$ 231,346	\$ -	\$ 231,346	\$ 189,792
JobLink postings	187,675	-	187,675	205,150
Awards luncheon	185,055	-	185,055	187,706
Philly Awards	21,450	-	21,450	21,358
Educational programs	139,431	-	139,431	116,475
Contributions and grants	98,432	-	98,432	92,642
Investment income (loss)	46,056	2,007	48,063	(13,755)
Other	2,308	-	2,308	4,088
Total Support and Revenue	911,753	2,007	913,760	803,456
Expenses:				
Program services	641,175	-	641,175	546,386
Management and general	147,931	-	147,931	127,445
Fundraising	24,827	-	24,827	24,138
Total Expenses	813,933	-	813,933	697,969
Change in Net Assets	97,820	2,007	99,827	105,487
Net Assets at Beginning of Year	625,890	72,280	698,170	592,683
Net Assets at End of Year	\$ 723,710	\$ 74,287	\$ 797,997	\$ 698,170

*See accompanying notes*

# NONPROFIT CONNECT

## STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2016

(with comparative totals for the year ended December 31, 2015)

	2016							2015 Total
	Program Services				Management and General	Fundraising	Total	
	Education	Events	Resources	Total Program				
Wages and taxes	\$ 101,532	\$ 93,605	\$ 105,550	\$ 300,687	\$ 88,173	\$ 17,835	\$ 406,695	\$ 315,505
Employee benefits	17,817	13,787	15,546	47,150	12,986	2,627	62,763	51,201
Professional services	58,233	66,672	5,495	130,400	15,452	313	146,165	155,820
Rent	13,713	10,097	3,105	26,915	6,095	1,523	34,533	33,163
Depreciation	12,230	5,435	2,718	20,383	5,436	1,359	27,178	26,790
Bank and credit card fees	10,636	5,643	2,315	18,594	4,029	44	22,667	21,726
Member services	5,316	894	20,081	26,291	894	-	27,185	21,709
Printing and reproduction	6,371	4,323	-	10,694	3,954	-	14,648	16,925
Marketing and public relations	4,163	1,789	1,115	7,067	2,014	435	9,516	11,324
Gifts to others	6,424	3,833	-	10,257	-	-	10,257	15,007
Supplies	6,309	9,130	-	15,439	-	-	15,439	11,090
Office expense	5,115	2,118	1,059	8,292	2,139	530	10,961	8,210
Other	5,436	1,873	11,697	19,006	6,759	161	25,926	9,499
Total Expenses	<u>\$ 253,295</u>	<u>\$ 219,199</u>	<u>\$ 168,681</u>	<u>\$ 641,175</u>	<u>\$ 147,931</u>	<u>\$ 24,827</u>	<u>\$ 813,933</u>	<u>\$ 697,969</u>

*See accompanying notes*

# NONPROFIT CONNECT

## STATEMENT OF CASH FLOWS For the Year Ended December 31, 2016

(with comparative totals for the year ended December 31, 2015)

	2016	2015
Cash Flows from Operating Activities:		
Change in net assets	\$ 99,827	\$ 105,487
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	27,178	26,790
Interest and dividends restricted for long-term investment	(2,261)	(1,926)
Net realized and unrealized (gains) losses	(31,128)	24,163
(Increase) decrease in:		
Accounts receivable	311	235
Prepaid expenses	(4,559)	4,474
Increase (decrease) in:		
Accounts payable	11,393	(8,880)
Deferred revenue	27,741	35,701
Refundable advances	(92,022)	12,846
	36,480	198,890
Net Cash Provided by Operating Activities	36,480	198,890
Cash Flows from Investing Activities:		
Purchases of property and equipment	(2,840)	(1,103)
Purchases of investments	(241,955)	(604,452)
Proceeds from sales of investments	103,737	371,413
	(141,058)	(234,142)
Net Cash Used by Investing Activities	(141,058)	(234,142)
Cash Flows From Financing Activities:		
Interest and dividends restricted for reinvestment	2,261	1,926
	2,261	1,926
Net Cash Provided by Financing Activities	2,261	1,926
Net Decrease in Cash and Cash Equivalents	(102,317)	(33,326)
Cash and Cash Equivalents at Beginning of Year	225,202	258,528
Cash and Cash Equivalents at End of Year	\$ 122,885	\$ 225,202

### NONCASH INVESTING AND FINANCING ACTIVITIES

Purchases of Property and Equipment:

Using Trade Payables	\$ 6,572	\$ -
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*See accompanying notes*



# NONPROFIT CONNECT

## NOTES TO FINANCIAL STATEMENTS

December 31, 2016

### 1. ORGANIZATION AND SUMMARY OF ACCOUNTING POLICIES

**Organization – Nonprofit Connect** (the “Organization”) is a membership organization that links the nonprofit community to education, resources, and networking so organizations can more effectively achieve their missions. Founded in 1974, the Organization serves as the hub of Greater Kansas City’s nonprofit sector. The Organization is a regional association uniquely serving individuals in the management of nonprofit organizations. The Organization currently has more than 2,500 professional members from over 600 organizations representing local, regional and national nonprofit organizations of all sizes, as well as for-profit businesses and community funders. Distinctively, the Organization unites nonprofits, foundations, community and business leaders in a way that is rare across the country to strengthen their organizations and impact the future of and the nonprofit sector.

The program service areas for Nonprofit Connect are categorized into three areas:

#### Education

**Educational Programs** – Professional development programs are offered to meet the diverse training needs of Board of Directors, Executive Directors, advanced professionals, volunteer managers, fundraisers, operations, communications, funders, and young professionals. The eLearning Center, is a component of the organization’s educational programs, includes on-demand training, best practice toolkits, and aides in a variety of topics.

**Young Nonprofit Professionals Network of Kansas City (YNPNkc)** – Promotes the recruitment, development, and retention of young professionals in the nonprofit sector to support and enhance a strong, dynamic nonprofit community.

#### Events

**Philanthropy Awards Luncheon** – This is the Organization’s largest event and only fundraiser and is now in its 33rd year. The luncheon honors the philanthropist, business philanthropist, volunteer, and nonprofit professional of the year, as well as rising stars of philanthropy. This event, held every May, and gathers nearly 1,000 members of the nonprofit and for-profit community.

**Philly Awards** – The Philly Awards recognize nonprofits and their creative partners for excellence in marketing and communications. This event is held annually in the fall.

# NONPROFIT CONNECT

## NOTES TO FINANCIAL STATEMENTS

December 31, 2016

### 1. ORGANIZATION AND SUMMARY OF ACCOUNTING POLICIES (continued)

#### Resources

**Membership** – When a nonprofit joins the Organization, it is connected to a network of 550 members that spans all budget sizes and activity areas in the metro. Because of our expansive membership base, the Organization draws upon the expertise and knowledge of this network to develop programs and services that inform, promote, connect, and strengthen individual nonprofits and the nonprofit sector.

**Website** – The website at [www.npconnect.org](http://www.npconnect.org) is the region's nonprofit career headquarters, offering one of the premier nonprofit job information portals on the web. On any given day over 200 job openings are posted on JobLink, which receives an average of 150,000 page views per month. Another popular portal on the website is The Foundation Directory, a benefit provided to members, which is a searchable database of nearly 1,000 funders that make grants in Greater Kansas City. Members can also access ResourceLink, a database of best practices, templates, and tools, which covers all aspects of nonprofit management. The eLearning Center is also housed on the Organization's website.

**Accounts receivable** – Accounts receivable primarily consist of amounts due for memberships, sponsorships, and registration fees. Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. The allowance as of December 31, 2016 and 2015 was \$3,175 and \$-0-, respectively.

**Advertising** – The Organization's policy is to expense advertising costs as the costs are incurred. Total advertising costs for 2016 and 2015 were \$295 and \$35, respectively.

**Basis of accounting** – The Organization prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

*Unrestricted net assets* – include unrestricted resources which represent the portion of funds that are available for the operating objectives of the Organization. Board-designated net assets consist of endowed funds as described in Note 5.

# NONPROFIT CONNECT

## NOTES TO FINANCIAL STATEMENTS

December 31, 2016

### 1. ORGANIZATION AND SUMMARY OF ACCOUNTING POLICIES (continued)

*Temporarily restricted net assets* – consist of donor-restricted contributions. Contributions restricted by donors for a specific purpose are deemed to be earned and reported as temporarily restricted revenue, when received, and such unexpended amounts are reported as temporarily restricted net assets at year-end. When the donor restriction expires, that is, when a stipulated time or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as “net assets released from restriction.” Gifts having donor stipulations which are satisfied in the period the gift is received are reported as unrestricted revenue and net assets.

*Permanently restricted net assets* – consist of donor-restricted contributions, which are required to be held in perpetuity. Income from the assets held is available for either general operations or specific purposes, in accordance with donor stipulations.

**Cash and cash equivalents** – For purposes of the statement of cash flows, cash and cash equivalents consists of cash in financial institutions and excludes deposits in money market funds and other cash in brokerage accounts, which are considered to be part of investments on the statement of financial position.

**Comparative financial information** – The financial statements include certain prior year summarized information in total, but not by net asset category. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2015, from which the summarized information is derived.

**Concentrations of credit risk** – The Organization maintains its cash in bank accounts in amounts that may exceed federally insured limits at times. The Organization has not experienced any losses in these accounts in the past, and management believes the Organization is not exposed to significant credit risks as they periodically evaluate the strength of the financial institutions in which it deposits funds.

**Donated services** – Donated services consist primarily of printing, photography, and graphic design services for the Philanthropy Awards Luncheon and are reflected as contributions at their estimated fair values at date of receipt. The contributions totaled \$7,500 and \$11,956 for the years ended December 31, 2016 and 2015, respectively, and are included in contributions and grants on the statement of activities. A number of volunteers donated services to the Organization in 2016 and 2015. These services do not meet the criteria for recognition as a contribution and are not reflected in the accompanying financial statements.

# NONPROFIT CONNECT

## NOTES TO FINANCIAL STATEMENTS

December 31, 2016

### 1. ORGANIZATION AND SUMMARY OF ACCOUNTING POLICIES (continued)

**Estimates** – The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**Functional allocation of expenses** – Expenses are charged to program services and supporting activities on the basis of directly identifiable costs. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

**Income taxes** – The Organization is a non-profit organization exempt from Federal income taxes, except on unrelated income, under Section 501(c)(3) of the Internal Revenue Code (“the Code”). Contributions to the Organization are deductible within the limitations of the Code. The Organization has been classified as a publicly-supported entity, which is not a private foundation under Section 509(a) of the Code.

**Investments** – Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment return – interest and dividends and gains – restricted by donors are reported as increases in unrestricted net assets if the restrictions are met in the reporting period in which the income and gains are recognized.

**Property and equipment** – Property and equipment are stated at cost. Expenditures for major renewals and betterments exceeding \$1,000 that extend the useful life of assets are capitalized. Depreciation and amortization are charged to operations using the straight-line method over the estimated useful lives of the assets. The estimated useful lives are as follows:

	<u>Estimated Useful Life</u>
Computer and office equipment	5 - 7 years
Leasehold improvements	6 years
Website	3 years

# NONPROFIT CONNECT

## NOTES TO FINANCIAL STATEMENTS

December 31, 2016

### 1. ORGANIZATION AND SUMMARY OF ACCOUNTING POLICIES (continued)

**Refundable advances** – Conditional promises to give are not included as support until the conditions are substantially met; funds collected prior to meeting such conditions are recorded as refundable advances in the statement of financial position.

**Revenue recognition** – Membership dues are recognized over the term of the membership period. Registrations and sponsorships for educational programs and awards luncheons are recognized when the underlying events occur. JobLink revenue is recognized at the time of sale. Deferred revenue consists primarily of unearned membership dues and event registrations and sponsorships received in advance of the underlying event taking place.

**Subsequent events** – Management has evaluated events and transactions that have occurred since December 31, 2016 and reflected their effects, if any, in these financial statements through April 26, 2017, the date the financial statements were available to be issued.

### 2. INVESTMENTS

Investments are carried at their fair value and consist of the following at December 31:

	<u>2016</u>	<u>2015</u>
Money market funds	\$ 35,328	\$ 16,110
Mutual funds:		
Equity	427,581	346,223
Fixed income	<u>314,910</u>	<u>246,140</u>
Total Investments	<u>\$ 777,819</u>	<u>\$ 608,473</u>

Investment income (loss) consisted of the following for the years ended December 31:

Interest and dividends	\$ 16,935	\$ 10,408
Net realized and unrealized gains (losses)	<u>31,128</u>	<u>(24,163)</u>
Total Investment Income (Loss)	<u>\$ 48,063</u>	<u>\$ (13,755)</u>

# NONPROFIT CONNECT

## NOTES TO FINANCIAL STATEMENTS

December 31, 2016

### 3. CONDITIONAL PROMISES TO GIVE

Conditional promises to give consisted of the following at December 31:

	<u>2016</u>	<u>2015</u>
Community foundation grants conditioned upon meeting donor stipulations and allowing donors to unilaterally revoke the grants	\$ <u>          -</u>	\$ <u>  92,022</u>
Total Conditional Promises to Give	\$ <u>          -</u>	\$ <u>  92,022</u>

### 4. PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31:

Computer and office equipment	\$ 29,594	\$ 20,754
Leasehold improvements	135,680	135,108
Website	2,950	2,950
Less accumulated depreciation	<u>(120,014)</u>	<u>(92,836)</u>
Total Property and Equipment, net	\$ <u>  48,210</u>	\$ <u>  65,976</u>

### 5. ENDOWMENT

The Organization's endowment consists of a Board-designated endowment and a permanently restricted endowment, which are collectively invested. This endowment was established in conjunction with an agreement from a local foundation (the Foundation) on February 1, 2005. The agreement includes the following key provisions:

- The Organization placed \$50,000 in an account during 2005 as a Board-designated investment.
- The Foundation matched the \$50,000 with an additional \$50,000 in the first month of 2006 as a permanently restricted investment.

# NONPROFIT CONNECT

## NOTES TO FINANCIAL STATEMENTS

December 31, 2016

### 5. ENDOWMENT (continued)

- The Foundation may offer annually an additional contribution which will be funded if the Organization can match the proposed contribution amount.
- On an annual basis, 20% of the net investment return or loss is allocated to the permanently restricted endowment and the remaining 80% is allocated to the Board-designated endowment.

The Board of Directors of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (1) the original value of gifts donated to the permanent endowment, (2) subsequent gifts to the endowment, and (3) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as Board-designated net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund.
- The purposes of the Organization and the donor-restricted endowment funds.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Other resources of the Organization.
- The investment policies of the Organization.

The Organization's agreement with the Foundation stipulates that a distribution from the Board-designated endowment can be made at any time, provided that the fair value of the Board-designated endowment is greater than 50% of the fair value of the permanently restricted endowment. The distribution rate is determined by the Board of Directors on an annual basis. During 2016 and 2015, there were no distributions made from the Board-designated endowment.

# NONPROFIT CONNECT

## NOTES TO FINANCIAL STATEMENTS

December 31, 2016

### 5. ENDOWMENT (continued)

The endowment's long-term investment objective is to achieve a total annualized return (aggregate return from interest, dividends and capital appreciation), consistent with acceptable risk levels, that will meet or exceed the sum of the endowment's spending rate, inflation, and fees. To achieve the endowment objective, the endowment assets are invested following guidance and input from the Foundation.

The following is a summary of the Organization's endowment net asset composition by type of fund as of December 31:

	2016		
	Unrestricted	Permanently Restricted	Total
Donor restricted endowment funds	\$ -	\$ 74,287	\$ 74,287
Board-designated endowment funds	78,619	-	78,619
Total Endowment Assets	\$ 78,619	\$ 74,287	\$ 152,906
	2015		
	Unrestricted	Permanently Restricted	Total
Donor restricted endowment funds	\$ -	\$ 72,280	\$ 72,280
Board-designated endowment funds	70,588	-	70,588
Total Endowment Assets	\$ 70,588	\$ 72,280	\$ 142,868

Changes in the Organization's endowment net assets for the years ended December 31, 2016 and 2015 are as follows:

	2016		
	Unrestricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$ 70,588	\$ 72,280	\$ 142,868
Investment return:			
Interest and dividends, net of fees	1,809	452	2,261
Net realized and unrealized gains	6,222	1,555	7,777
Total Investment Return	8,031	2,007	10,038
Endowment net assets, end of year	\$ 78,619	\$ 74,287	\$ 152,906



# NONPROFIT CONNECT

## NOTES TO FINANCIAL STATEMENTS

December 31, 2016

### 5. ENDOWMENT (continued)

	2015		
	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 72,670	\$ 72,800	\$ 145,470
Investment return:			
Interest and dividends, net of fees	1,541	385	1,926
Net realized and unrealized gains	<u>(3,623)</u>	<u>(905)</u>	<u>(4,528)</u>
Total Investment Return	<u>(2,082)</u>	<u>(520)</u>	<u>(2,602)</u>
Endowment net assets, end of year	<u>\$ 70,588</u>	<u>\$ 72,280</u>	<u>\$ 142,868</u>

### 6. LEASE COMMITMENTS

The Organization has an operating lease for office space expiring June 30, 2018 and another for office equipment expiring December 31, 2018. Rental payments associated with the operating leases are expensed as incurred.

Minimum future lease payments under the non-cancelable operating leases are as follows:

<u>Year Ending December 31:</u>	
2017	\$ 37,130
2018	<u>21,714</u>
Total	<u>\$ 58,844</u>

Rent expense related to these leases was \$30,472 and 29,726 for the years ended December 31, 2016 and 2015, respectively.

### 7. RETIREMENT PLAN

The Organization sponsors a SIMPLE benefit plan for the benefit of its employees, matching 100% of the first 3% of employee elective deferrals. The Organization contributed \$11,114 and \$8,350 to the plan during the years ended December 31, 2016 and 2015, respectively.

# NONPROFIT CONNECT

## NOTES TO FINANCIAL STATEMENTS

December 31, 2016

### 8. FAIR VALUE MEASUREMENTS

The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three-tier hierarchy of inputs is summarized in the three broad levels below:

- Level 1 - inputs are unadjusted quoted market prices in active independent markets for identical assets and liabilities;
- Level 2 - inputs are directly or indirectly observable estimates from quotes for similar but not identical assets and liabilities, market trades for identical assets not actively traded or other external independent means;
- Level 3 - inputs are unobservable and reflect assumptions on the part of the reporting entity.

The following tables set forth information about the levels within the fair value hierarchy at which the Organization's financial assets and liabilities are measured on a recurring basis at December 31, 2016 and 2015:

<u>December 31, 2016</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 35,328	\$ -	\$ -	\$ 35,328
Mutual funds:				
Equity	427,581	-	-	427,581
Fixed income	<u>314,910</u>	<u>-</u>	<u>-</u>	<u>314,910</u>
Total	<u>\$ 777,819</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 777,819</u>
<u>December 31, 2015</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 16,110	\$ -	\$ -	\$ 16,110
Mutual funds:				
Equity	346,223	-	-	346,223
Fixed income	<u>246,140</u>	<u>-</u>	<u>-</u>	<u>246,140</u>
Total	<u>\$ 608,473</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 608,473</u>