

I Have a Dream[®] Foundation
of Boulder County, Inc.

Consolidated Financial Statements and Report
of
Independent Auditor

December 31, 2015 and 2014

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**Haynie &
Company**

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Independent Auditor's Report

Board of Directors

I Have a Dream® Foundation of Boulder County, Inc.

We have audited the accompanying consolidated financial statements of I Have a Dream® Foundation of Boulder County, Inc. (a nonprofit organization) and subsidiary, which comprise the consolidated statements of financial position as of December 31, 2015 and 2014, and the related consolidated statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of I Have a Dream® Foundation of Boulder County, Inc. and subsidiary as of December 31, 2015 and 2014, 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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying Consolidating Statement of Financial Position and Consolidating Statement of Activities are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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.

A handwritten signature in cursive script that reads "Haynie & Co".

Littleton, Colorado
August 9, 2016

I Have a Dream® Foundation of Boulder County, Inc.
Consolidated Statements of Financial Position
As of December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Current Assets		
Cash (Note 2)	\$ 1,539,046	\$ 1,430,494
Accounts receivable (Note 3)	30,823	17,340
Prepaid expenses	17,555	29,092
Security deposits	-	4,342
Unconditional promise to give (Note 3)	63,423	40,575
Total Current Assets	1,650,847	1,521,843
Scholarship investments (Note 2)	2,603,680	2,370,271
Temporarily restricted program investments	1,559,928	1,584,353
Temporarily restricted certificates of deposit	153,080	152,793
Property and Equipment- Net (Note 4)	1,289,289	52,494
Total Assets	\$ 7,256,824	\$ 5,681,754
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 51,129	\$ 25,520
Tenant deposits	2,300	2,650
Accrued compensated absences & payroll liabilities	18,649	12,341
Property taxes payable	5,934	-
Income taxes payable	2,200	-
Current portion of note payable	22,945	-
Total Current Liabilities	103,157	40,511
Long-term Liabilities		
Note payable (Note 15)	841,862	-
Less current portion	(22,945)	-
Total Long-term Liabilities	818,917	-
Net Assets		
Unrestricted — undesignated	1,692,614	1,259,119
— designated (Note 8)	325,448	274,707
Temporarily restricted (Note 7)	4,316,688	4,107,417
Total Net Assets	6,334,750	5,641,243
Total Liabilities and Net Assets	\$ 7,256,824	\$ 5,681,754

The accompanying notes are an integral part of these financial statements.

I Have a Dream® Foundation of Boulder County, Inc.
Consolidated Statements of Activities
For the Years Ended December 31, 2015 and 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total 2015</u>	<u>Total 2014</u>
Support				
Special events	\$ 250,392	\$ 331,047	\$ 581,439	\$ 395,670
Cash/grant contributions (Note 2)	1,211,799	916,635	2,128,434	1,847,510
In-kind contributions (Note 5)	343,895	-	343,895	297,735
Investment income (Note 9)	-	4,160	4,160	115,519
Miscellaneous income	9,651	-	9,651	25,894
Rental income	44,141	-	44,141	-
Release from restrictions (Note 7)	<u>1,042,571</u>	<u>(1,042,571)</u>	<u>-</u>	<u>-</u>
Total Support	<u>2,902,449</u>	<u>209,271</u>	<u>3,111,720</u>	<u>2,682,328</u>
Expenses				
Program services	1,980,573	-	1,980,573	1,638,634
Supporting services	328,477	-	328,477	250,302
Fundraising	<u>109,163</u>	<u>-</u>	<u>109,163</u>	<u>60,622</u>
Total Expenses	<u>2,418,213</u>	<u>-</u>	<u>2,418,213</u>	<u>1,949,558</u>
Increase in Net Assets	484,236	209,271	693,507	732,770
Net Assets—Beginning of Year	<u>1,533,826</u>	<u>4,107,417</u>	<u>5,641,243</u>	<u>4,908,473</u>
Net Assets—End of Year	<u>\$2,018,062</u>	<u>\$4,316,688</u>	<u>\$6,334,750</u>	<u>\$5,641,243</u>

The accompanying notes are an integral part of these financial statements.

I Have a Dream® Foundation of Boulder County, Inc.
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Change in Cash		
Net Cash from Operating Activities:		
Cash received from donors	\$2,731,704	\$2,257,491
Cash received from rents	44,141	-
Cash paid to suppliers, employees and program expenses	<u>(1,978,518)</u>	<u>(1,580,382)</u>
Net Cash from Operating Activities	<u>797,327</u>	<u>677,109</u>
Cash Flows from Investing Activities		
Net (purchase) of investments	(253,394)	(306,157)
(Purchase) of fixed assets	<u>(1,277,015)</u>	<u>(3,380)</u>
Net Cash from Investing Activities	<u>(1,530,409)</u>	<u>(309,537)</u>
Cash Flows from Financing Activities		
Proceeds from note payable	<u>841,862</u>	<u>-</u>
Net Cash from Financing Activities	<u>841,862</u>	<u>-</u>
Net Change in Cash	108,780	367,572
Cash—Beginning of Year	<u>1,430,494</u>	<u>1,062,922</u>
Cash—End of Year	<u>\$1,539,274</u>	<u>\$1,430,494</u>
Reconciliation of Change in Net Assets to		
Net Cash from Operating Activities:		
Operating income	<u>\$ 693,507</u>	<u>\$ 732,770</u>
Adjustments to reconcile operating income to net cash used for operating activities:		
Depreciation	40,220	19,324
Unrealized (gain) loss on investments	44,351	(64,923)
Net changes in assets and liabilities:		
Accounts receivable	(36,331)	(1,557)
Security deposits	4,342	-
Prepaid expenses	11,537	(15,003)
Accounts payable	25,609	6,486
Tenant deposits	(350)	-
Accrued compensated absences & payroll liabilities	6,308	12
Property taxes payable	5,934	-
Income taxes payable	<u>2,200</u>	<u>-</u>
Total Adjustments	<u>103,820</u>	<u>(55,661)</u>
Net Cash from Operating Activities	<u>\$ 797,327</u>	<u>\$ 677,109</u>

Noncash items of \$343,895 (2015) and \$297,735 (2014) for in-kind transactions have been eliminated from the above activity.

The accompanying notes are an integral part of these financial statements.

I Have a Dream® Foundation of Boulder County, Inc.
Consolidated Statements of Functional Expenses
For the Year Ended December 31, 2015

	<u>Program Services</u>	<u>Supporting Services</u>	<u>Fundraising</u>	<u>Total</u>
Programming expenses				
Academic/enrichment activities	\$ 196,160	\$ -	\$ -	\$ 196,160
AmeriCorps expenses	490,503	-	-	490,503
Computer lab	14,293	-	-	14,293
Depreciation	30,165	10,055	-	40,220
Dues, fees and memberships	13,926	1,977	-	15,903
Insurance	23,399	3,875	-	27,274
Interest	13,176	13,176	-	26,352
Income taxes - unrelated business income	-	2,200	-	2,200
Meetings, trainings and workshops	13,305	9,974	-	23,279
Miscellaneous	2,304	20,952	-	23,256
Occupancy	28,091	28,091	-	56,182
Office supplies	7,773	14,744	-	22,517
Postage	1,988	2,166	-	4,154
Professional services	5,147	9,919	-	15,066
Program education & recruitment	3,562	-	-	3,562
Salaries and related costs	834,531	206,727	-	1,041,258
Social/cultural activities	19,291	-	-	19,291
Telephone	7,204	1,323	-	8,527
Transportation and travel	<u>28,185</u>	<u>3,298</u>	-	<u>31,483</u>
Programming expenses total	1,733,003	328,477	-	2,061,480
Scholarship expenses				
I Have A Dream scholarships	166,820	-	-	166,820
Other scholarships	65,309	-	-	65,309
Investment management fees	<u>15,441</u>	-	-	<u>15,441</u>
Scholarship expenses total	247,570	-	-	247,570
Fundraising expenses	<u>-</u>	<u>-</u>	<u>109,163</u>	<u>109,163</u>
Total Expenses	<u>\$ 1,980,573</u>	<u>\$ 328,477</u>	<u>\$ 109,163</u>	<u>\$ 2,418,213</u>

The accompanying notes are an integral part of these financial statements.

I Have a Dream® Foundation of Boulder County, Inc.
Statement of Functional Expenses
For the Year Ended 2014

	Program Services	Supporting Services	Fundraising	Total
Programming expenses				
Academic/enrichment activities	\$ 173,447	\$ -	\$ -	\$ 173,447
AmeriCorps expenses	368,122	-	-	368,122
Computer lab	8,242	-	-	8,242
Depreciation	14,493	4,831	-	19,324
Dues, fees and memberships	11,446	1,805	-	13,251
Insurance	19,805	2,488	-	22,293
Meetings, trainings and workshops	5,603	6,549	-	12,152
Miscellaneous	8,255	20,198	-	28,453
Occupancy	26,714	26,369	-	53,083
Office supplies	10,375	7,555	-	17,930
Postage	1,205	1,148	-	2,353
Professional services	1,613	8,298	-	9,911
Program recruitment	1,914	-	-	1,914
Salaries and related costs	664,963	167,674	-	832,637
Social/cultural activities	22,511	-	-	22,511
Telephone	7,053	1,769	-	8,822
Transportation and travel	26,613	1,618	-	28,231
Programming expenses total	1,372,374	250,302	-	1,622,676
Scholarship expenses				
I Have A Dream scholarships	220,162	-	-	220,162
Other scholarships	32,961	-	-	32,961
Investment management fees	13,137	-	-	13,137
Scholarship expenses total	266,260	-	-	266,260
Fundraising expenses	-	-	60,622	60,622
Total	\$ 1,638,634	\$ 250,302	\$ 60,622	\$ 1,949,558

The accompanying notes are an integral part of these financial statements.

I Have a Dream[®] Foundation of Boulder County, Inc.

Notes to Financial Statements

December 31, 2015 and 2014

1. Organization

Organization

I Have a Dream[®] Foundation of Boulder County, Inc. (the “Organization”) was formed in 1990 to facilitate and promote life-long learning, school success, and self-sufficiency through extensive educational and support services. Low-income, at-risk youth are selected to receive post-secondary school scholarships and the long-term support needed to stay in school and achieve their personal academic and vocational goals.

Manhattan Circle LLC was formed in 2015 to own and lease the building occupied by the Organization. It is a wholly owned subsidiary of the Organization. Two additional units within the building are leased by unrelated third parties.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of I Have a Dream[®] Foundation of Boulder County, Inc. and its wholly owned subsidiary Manhattan Circle, LLC.

Cash and Cash Equivalents

The Organization considers all highly liquid unrestricted investments with an initial maturity of three months or less to be cash equivalents.

Cash deposits are held in several institutions. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

At year ended, December 31, 2015, the Organization had a cash carrying value of \$1,539,046, bank balances of \$1,849,995, of which \$1,330,097 was fully insured by the FDIC limits.

Investments

Accounting standards for investments provide a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

I Have a Dream[®] Foundation of Boulder County, Inc.
Notes to Financial Statements
December 31, 2015 and 2014

2. Summary of Significant Accounting Policies (continued)

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

Level 2 – Inputs to the valuation methodology include:

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

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

Investments are composed of various types of investments, and are carried at fair value as of December 31, 2015 and 2014, respectively, as follows:

	2015	2014
<u>Level 1</u>		
Mutual Funds	\$4,163,608	\$3,954,624
Certificates of Deposit	139,967	139,739
Money Market	<u>13,113</u>	<u>13,054</u>
Total Investments	<u>\$4,316,688</u>	<u>\$4,107,417</u>

Accounts Receivable

Accounts receivable are stated at unpaid balances, less any allowances for doubtful accounts. Allowances are based on experience and other circumstances that may affect the ability of donors to meet obligations. As of December 31, 2015 and 2014, management has determined that no allowance is necessary.

Property and Equipment

Property and equipment are stated at cost for purchased items over \$1,000 and at fair market value at date of gift for donated items, net of accumulated depreciation

I Have a Dream[®] Foundation of Boulder County, Inc.
Notes to Financial Statements, continued
December 31, 2015 and 2014

2. Summary of Significant Accounting Policies (continued)

Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on the straight-line basis using the following estimated useful lives:

	Life in Years
Building and Improvements	39
Vehicles	5
Computers and Equipment	5

Grants

Most grant income is immediately recorded as temporarily restricted income and released as expenditures can be matched. In some cases, grants are promised based on an after the fact submission of actual expenses. In these cases, income is not recognized until it can be matched against the specific expenditures which are to be submitted for reimbursement.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. During 2014, the Organization had no unrelated business activities. During 2015, The Organization formed a wholly owned limited liability company which acts as lessor of the building occupied by the Organization. Net rental income from two unrelated tenants is subject to tax on unrelated business income. At December 31, 2015, the Organization recorded a tax liability of \$2,200 on this unrelated business activity and believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization's federal tax returns (Form 990) for 2015 and 2014 are subject to examination by the IRS, generally for three years after they were filed.

Use of Estimates

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Prior Year Presentation

Certain 2014 balances have been reclassified in order to conform with current year presentation.

I Have a Dream[®] Foundation of Boulder County, Inc.
Notes to Financial Statements, continued
December 31, 2015 and 2014

3. Unconditional Promise to Give and Accounts Receivable

On the statement of financial position, unconditional promise to give from various sponsors, as of December 31, 2015 and 2014 were \$63,423 and \$40,575, respectively. All amounts are receivable within one year.

On the statement of financial position, accounts receivable as of December 31, 2015 and 2014 were \$30,823 and \$17,340, respectively. All amounts are receivable within one year.

4. Property and Equipment

Property and equipment consists of the following items at December 31, 2015 and 2014:

	2015	2014
Land	\$ 475,000	\$ -
Building and improvements	736,831	-
Computers and equipment	105,936	102,488
Vehicles	229,035	171,435
Less accumulated depreciation	<u>(241,651)</u>	<u>(221,429)</u>
Net property and equipment	<u>\$ 1,289,289</u>	<u>\$ 52,494</u>

5. In-Kind Contributions

The Organization receives equipment and services in substantial amounts in furtherance of various programs. These items are recorded in the financial records as they relate to ongoing activities and if an objective value can be assigned. The following amounts have been recorded in the financial statements for the years ended December 31, 2015 and 2014:

	2015	2014
AmeriCorps Volunteers	\$ 293,895	\$ 250,235
America Reads	<u>50,000</u>	<u>47,500</u>
Total in-kind contributions	<u>\$ 343,895</u>	<u>\$ 297,735</u>

I Have a Dream[®] Foundation of Boulder County, Inc.
Notes to Financial Statements, continued
December 31, 2015 and 2014

6. Related Party Transactions

During 2015 and 2014, board members made cash contributions of \$263,361 and \$193,872, respectively.

The owner of the leased office space is a Board member. Management has determined that the leased space is in line with competitive market rates. The organization leased this space through May 2015.

The Chairman of the Board of the Organization is the Market President at Guaranty Bank and Trust, where the Organization secured financing to purchase their building. The Organization went through the loan application process with various banks.

7. Temporarily Restricted Net Assets

Temporarily restricted net assets, consisting of contributions designated for future use for scholarships and long-term program operating, for the years ended December 31, 2015 and 2014 are listed below by class:

	2015	2014
Iris scholarships	\$ 255,094	\$ 255,975
Casa scholarships	125,938	125,814
Sanchez scholarships	110,088	109,961
Columbine scholarships	198,128	197,928
Phoenix scholarships	363,567	364,183
Eagle scholarships	317,786	318,324
Ryan scholarships	317,786	318,325
Reserve scholarships	13,113	13,054
Dakota scholarships	6,677	8,671
Aspen scholarships	283,000	283,478
Rocky Mountain scholarships	256,894	258,076
Oak scholarships	247,314	-
Programs and operations	<u>1,821,303</u>	<u>1,853,628</u>
Total	<u>\$ 4,316,688</u>	<u>\$ 4,107,417</u>

Net assets in the amount of \$1,085, 238 and \$1,222,180 were released from restrictions during 2015 and 2014, respectively, by incurring expenses satisfying the purpose or time restrictions specified by donors.

I Have a Dream[®] Foundation of Boulder County, Inc.
Notes to Financial Statements, continued
December 31, 2015 and 2014

8. Board Designated Funds

The Board designated amounts reflect the Board requirement of 3 months of budgeted cash program expenses, excluding in-kind and depreciation expenses, as a cash operating reserve. The undesignated funds represent the cash reserves on hand over that requirement. As of December 31, 2015 and 2014 the board designated \$325,448 and \$274,707, respectively.

9. Investment Income

Temporarily restricted investment gains, consisting of funds designated for future use, consisted of the following for the years ended December 31, 2015 and 2014:

	2015	2014
Interest and dividends	\$ 48,283	\$ 50,596
Gains/(losses)	<u>(44,351)</u>	<u>64,923</u>
Total temporarily restricted investment income	<u>\$ 3,932</u>	<u>\$ 115,519</u>

10. Employee Benefit Plan

Employees who work 20 or more hours per week are eligible to participate in a 403(b) employee benefit program after one year of employment. The Organization contributes 3% of an eligible employee's base salary toward the plan. Employees are fully vested upon four years of participation in the plan. Total contributions to the plan by the Organization for the years ended December 31, 2015 and 2014 were \$13,705 and \$14,153, respectively.

11. Commitments

The Organization has one copy machine lease. This lease calls for total monthly payments of \$385. In October of 2014, the Organization upgraded their copier lease and refinanced it for \$349 a month for 63 months, with a \$1 purchase option. Lease expense on the copier lease for 2015 and 2014 was \$4,100 and \$4,548, respectively. Over the next 5 years, and thereafter, the annual lease payments will be \$4,188 until 2020.

During 2004, the Organization entered into an operating lease for office space. The lease commenced on January 1, 2005. The lease was extended for five years through an amendment signed in November 2009 that commenced January 1, 2010, which required monthly payments of \$3,537, inclusive of tax and utilities, until December 31, 2014.

I Have a Dream[®] Foundation of Boulder County, Inc.
Notes to Financial Statements, continued
December 31, 2015 and 2014

11. Commitments (continued)

As of January 2015, the Organization extended the agreement to a month to month lease until May 2015, with monthly payments of \$3,874. The office space was leased from a member of the board of directors.

A portion of the leased space was subleased to an unaffiliated not-for-profit organization through May 2015. For 2015 and 2014, sublease income was \$7,425 and \$18,000, respectively.

Rent expense for 2015 and 2014 was \$13,958 and \$42,522, respectively.

12. Conditional Promises to Give—The Community Foundation of Boulder County

During 2001, I Have A Dream entered into agreements with The Community Foundation, which established two designated agency endowment funds in which the Organization is the beneficiary. The Community Foundation collects cash gifts on behalf of the Organization and manages the assets. The Organization receives the net income on the endowment funds. At December 31, 2015, the balances in The Community Foundation endowment funds were \$103,997 and \$66,611 and the total 2015 net investment gains were \$720. At December 31, 2014, the balances in The Community Foundation endowment funds were \$110,697 and \$70,903, and the total 2014 net investment gains were \$3,937.

13. Contingencies

I Have A Dream is committed to fund "last dollar" tuition-assistance scholarships through the contributions of sponsors. The Organization anticipates that this will be funded through additional sponsor contributions and general fundraising efforts. The Organization's most recent scholarship projections indicate no additional funds will be needed to cover scholarship disbursement obligations through 2018; however, this projection is based on assumptions of future contributions and market returns and can change.

14. Special Events

I Have A Dream raised \$472,276 net of expenses from Special Events in 2015. The proceeds from the Dream Maker Luncheon and Dream Maker Breakfast of \$331,047 were designated towards the Carbon Valley and Elk classes.

I Have a Dream[®] Foundation of Boulder County, Inc.
Notes to Financial Statements, continued
December 31, 2015 and 2014

15. Note Payable

On January 30, 2015, the Organization formed a wholly owned limited liability company which purchased a new office building in Boulder, Colorado for \$1,150,979. The Organization drew a new outstanding loan from Guaranty Bank and Trust in the amount of \$862,000. The loan extends through January 2025, with a fixed rate of 3.35% for the first 3 years, and a variable rate for the remainder of the term. The note includes a balloon payment in January 2025 of \$612,669. The Organization renovated the building in April of 2015 for a total of \$61,831, which are capitalized with the cost of the building.

The Organization entered into two lease agreements for unused office suites in the new building, collecting \$2,632 a month in rent.

Following is a schedule of the future loan payments:

Years ending December 31:	
2016	\$ 22,945
2017	23,816
2018	24,212
2019	25,053
2020	25,108
Thereafter	<u>720,728</u>
Less current portion	(22,945)
Total Long-term note payable	<u>\$ 818,917</u>

16. Leasing Activities

The Organization's wholly owned subsidiary, Manhattan Circle LLC, leases two office suites to unrelated entities under operating leases. The leases are gross leases and the lease terms end in June 2016 and November 2016. Minimum future rental income on each noncancelable operating lease totals \$5,188 and \$16,170 in 2016.

17. Subsequent Events

Subsequent events were evaluated through August 9, 2016, which is the date the financial statements were available to be issued.

I Have a Dream® Foundation of Boulder County, Inc.

Supplemental Information

I Have a Dream® Foundation of Boulder County, Inc.
Consolidating Information—Statement of Financial Position
December 31, 2015

	I Have a Dream® Foundation of Boulder County, Inc.	Manhattan Circle LLC	Eliminations	Consolidated Total
ASSETS				
Cash	\$1,511,563	\$ 27,483	\$ -	\$ 1,539,046
Accounts receivable	25,533	5,290	-	30,823
Related party receivables	-	14,786	(14,786)	-
Prepaid expenses	17,555	-	-	17,555
Unconditional promises to give	63,423	-	-	63,423
Investment in subsidiary	393,432	-	(393,432)	-
Scholarship investments	2,603,680	-	-	2,603,680
Temporarily restricted program investments	1,559,928	-	-	1,559,928
Temporarily restricted certificates of deposit	153,080	-	-	153,080
Property and equipment, net	93,320	1,195,969	-	1,289,289
Total assets	<u>\$6,421,514</u>	<u>\$ 1,243,528</u>	<u>\$ (408,218)</u>	<u>7,256,824</u>
Liabilities and Net Assets				
LIABILITIES				
Accounts payable, trade	\$ 51,129	\$ -	\$ -	\$ 51,129
Related party payables	14,786	-	(14,786)	-
Tenant deposits	-	2,300	-	2,300
Accrued compensated absences & payroll liabilities	18,649	-	-	18,649
Property taxes payable	-	5,934	-	5,934
Income taxes payable	2,200	-	-	2,200
Note payable	-	841,862	-	841,862
Total liabilities	<u>86,764</u>	<u>850,096</u>	<u>(14,786)</u>	<u>922,074</u>
NET ASSETS				
Unrestricted				
Undesignated	\$1,299,182	\$ -	\$ -	\$ 1,299,182
Designated	325,448	-	-	325,448
Equity in earnings of consolidated entity	393,432	-	(393,432)	-
Total unrestricted	<u>2,018,062</u>	<u>393,432</u>	<u>(393,432)</u>	<u>2,018,062</u>
Temporarily restricted	4,316,688	-	-	4,316,688
Total net assets	<u>6,334,750</u>	<u>393,432</u>	<u>(393,432)</u>	<u>6,334,750</u>
Total liabilities and net assets	<u>\$6,421,514</u>	<u>\$ 1,243,528</u>	<u>\$ (408,218)</u>	<u>\$ 7,256,824</u>

I Have a Dream® Foundation of Boulder County, Inc.
Consolidating Information—Statement of Activities
For the Year Ended December 31, 2015

	I Have a Dream® Foundation of Boulder County, Inc.	Manhattan Circle LLC	Eliminations	Consolidated Total
Unrestricted Support				
Special events	\$ 250,392	\$ -	\$ -	\$ 250,392
Cash/grant contributions	1,211,799	-	-	1,211,799
In-kind contributions	343,895	-	-	343,895
Investment income	-	-	-	-
Miscellaneous income	9,651	-	-	9,651
Rental income	-	73,193	(29,052)	44,141
Release from restrictions	1,042,571	-	-	1,042,571
Total Support	<u>2,858,308</u>	<u>73,193</u>	<u>(29,052)</u>	<u>2,902,449</u>
Expenses				
Program Services	1,995,099	-	(14,526)	1,980,573
Management and general	281,734	61,269	(14,526)	328,477
Fundraising	109,163	-	-	109,163
Total expenses	<u>2,385,996</u>	<u>61,269</u>	<u>(29,052)</u>	<u>2,418,213</u>
Change in unrestricted net assets	<u>472,312</u>	<u>11,924</u>	<u>-</u>	<u>484,236</u>
Temporarily Restricted				
Contributions	1,251,842	-	-	1,251,842
Net assets released from restrictions	(1,042,571)	-	-	(1,042,571)
Change in temporarily restricted net assets	<u>209,271</u>	<u>-</u>	<u>-</u>	<u>209,271</u>
Change in Net Assets	681,583	11,924	-	693,507
Net Assets, Beginning of Year	<u>5,641,243</u>	<u>-</u>	<u>-</u>	<u>5,641,243</u>
Net Assets, End of Year	<u>\$ 6,322,826</u>	<u>\$ 11,924</u>	<u>\$ -</u>	<u>\$ 6,334,750</u>