MAKE-A-WISH FOUNDATION®
OF ARIZONA, INC.

Financial Statements

August 31, 2014

(With Independent Auditors' Report Thereon)

MAKE-A-WISH FOUNDATION® OF ARIZONA, INC.

Table of Contents

INDEPENDENT AUDITORS' REPORT

Board of Directors
Make-A-Wish Foundation® of Arizona
Phoenix, Arizona

We have audited the accompanying financial statements of Make-A-Wish Foundation® of Arizona, which comprise the statement of financial position as of August 31, 2014, and the related statements of activities, cash flows and functional expenses 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 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 Make-A-Wish Foundation® of Arizona as of August 31, 2014, and change 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Phoenix, Arizona
March 11, 2015

MAKE-A-WISH FOUNDATION® OF ARIZONA, INC.

Statement of Financial Position

August 31, 2014

Assets		**2014**
Cash and cash equivalents	$	3,841,597
Investments		807,515
Due from related entities		107,704
Prepaid expenses		21,600
Contributions receivable, net		197,259
Other assets		227,686
Property and equipment, net		268,615
Beneficial interest in assets held by others		264,162
Total assets	$	5,736,138
Liabilities and Net Assets		
Accounts payable and accrued expenses	$	354,208
Accrued pending wish costs		1,841,757
Due to related entities		29,648
Total liabilities		2,225,613
Net assets		
Unrestricted		1,158,213
Temporarily restricted		2,088,150
Permanently restricted		264,162
Total net assets		3,510,525
Total liabilities and net assets	$	5,736,138

See accompanying notes to financial statements.

MAKE-A-WISH FOUNDATION® OF ARIZONA, INC.

Statement of Activities

Year ended August 31, 2014

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues, gains, and other support:					
Public support:					
Contributions	$	4,307,450	2,104,234	—	6,411,684
Grants		123,519	—	—	123,519
Total public support		4,430,969	2,104,234	—	6,535,203
Internal Special events		940,863	—	—	940,863
Less costs of direct benefits to donors		(196,371)	—	—	(196,371)
Total special events		744,492	—	—	744,492
Investment income, net		21,125	269	—	21,394
Other income		6,077	—	—	6,077
Change in value of beneficial interests in assets held by others		—	—	29,709	29,709
Net assets released from restrictions		282,399	(282,399)	—	—
Total revenues, gains, and other support		5,485,062	1,822,104	29,709	7,336,875
Expenses:					
Program services:					
Wish granting		3,756,071	—	—	3,756,071
Program-related support		313,752	—	—	313,752
Public information		169,587	—	—	169,587
Total program services		4,239,410	—	—	4,239,410
Support services:					
Fundraising		787,531	—	—	787,531
Management and general		639,975	—	—	639,975
Total support services		1,427,506	—	—	1,427,506
Total program and support services expenses		5,666,916	—	—	5,666,916
Total expenses		5,666,916	—	—	5,666,916
Change in net assets		(181,854)	1,822,104	29,709	1,669,959
Net assets, beginning of the year		1,340,067	266,046	234,453	1,840,566
Net assets, end of the year	$	1,158,213	2,088,150	264,162	3,510,525

See accompanying notes to financial statements.

MAKE-A-WISH FOUNDATION® OF ARIZONA, INC.

Statement of Cash Flows

Year ended August 31, 2014

		2014
Cash flows from operating activities:		
Change in net assets	$	1,669,959
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization		50,634
Net realized and unrealized losses on investments		(3,297)
Change in value of beneficial interests in assets held by others		(29,709)
Contributions receivable		(2,867)
Due from related entities		74,774
Prepaid expenses		10,409
Other assets		(134,955)
Accounts payable and accrued expenses		(42,242)
Accrued pending wish costs		(249,531)
Due to related entities		20,177
Net cash provided by operating activities		1,363,352
Cash flows from investing activities:		
Proceeds from sales of investments		227
Purchases of property and equipment		(3,849)
Net cash used in investing activities		(3,622)
Net increase in cash and cash equivalents		1,359,730
Cash and cash equivalents, beginning of year		2,481,867
Cash and cash equivalents, end of year	$	3,841,597

See accompanying notes to financial statements.

MAKE-A-WISH FOUNDATION® OF ARIZONA, INC.

Statement of Functional Expenses

Year ended August 31, 2014

	Program services				Support services			
	Wish granting	**Program-related support**	**Public information**	**Total program services**	**Fundraising**	**Management and general**	**Total support services**	**Total**
Direct costs of wishes	$ 3,279,406	—	—	3,279,406	—	—	—	3,279,406
Salaries, taxes, and benefits	276,521	256,796	106,730	640,047	542,842	536,896	1,079,738	1,719,785
Printing, subscriptions, and publications	800	4,134	25,507	30,441	22,377	454	22,831	53,272
Professional fees	66	53	3,443	3,562	22,763	10,098	32,861	36,423
Rent and utilities	7,310	5,348	2,261	14,919	8,510	9,618	18,128	33,047
Postage and delivery	3,619	500	8,844	12,963	13,560	840	14,400	27,363
Travel	3,362	3,427	586	7,375	23,709	5,330	29,039	36,414
Meetings and conferences	5,913	21,192	3,052	30,157	26,657	10,544	37,201	67,358
Office supplies	4,954	3,342	861	9,157	11,053	5,995	17,048	26,205
Communications	4,308	1,104	751	6,163	5,295	3,282	8,577	14,740
Advertising and media (cash)	—	—	1,361	1,361	20,813	—	20,813	22,174
Advertising and media (in-kind)	—	—	7,385	7,385	32,523	—	32,523	39,908
Repairs and maintenance	10,961	8,109	6,260	25,330	15,917	16,118	32,035	57,365
Membership dues	—	—	308	308	5,316	250	5,566	5,874
National partnership dues	147,267	—	—	147,267	22,369	16,777	39,146	186,413
Miscellaneous	419	1,575	—	1,994	206	8,335	8,541	10,535
Depreciation and amortization	11,165	8,172	2,238	21,575	13,621	15,438	29,059	50,634
	$ 3,756,071	313,752	169,587	4,239,410	787,531	639,975	1,427,506	5,666,916

See accompanying notes to financial statements.

(1) Organization

Make-A-Wish Foundation® of Arizona (the Foundation) is an Arizona not-for-profit corporation, organized for the purpose of granting wishes to children with life-threatening medical conditions. The Foundation is an independently operating chapter of Make-A-Wish Foundation of America (National Organization), which operates to develop and implement national programs in public relations and fundraising for the benefit of all local chapters. In addition, the local chapter is obligated to comply with a chapter agreement with the National Organization and such guidelines, resolutions, and policies as may be adopted by the National Organization's board of directors.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The financial statements of the Foundation are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP).

(b) Cash and Cash Equivalents

The Foundation considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

(c) Investments

Investments are recorded at fair value. Investment income, including gains and losses on investments, is recorded as increases or decreases in unrestricted net assets unless its use is limited by donor-imposed restrictions or law. Certain investments are valued by using the net asset value (NAV) per share (or its equivalent), as a practical expedient.

(d) Contributions Receivable

Contributions receivable are unconditional promises to give. Such promises that are expected to be collected within one year are recorded at expected net realizable value when the promise is received. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. Contributions receivable are discounted using fair value rates. Contributions are written off when deemed uncollectible.

(e) Property and Equipment, Net

Property and equipment having a useful life of more than one year are capitalized at cost when purchased. Donated assets are capitalized at the estimated fair value at the date of receipt and restrictions are released once the asset has been placed into service. Depreciation on property and equipment is provided on a straight-line basis over the estimated useful lives of the assets, generally 5 to 30 years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are expensed as incurred.

Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances indicate a long-lived asset may be impaired, the asset value will be reduced to fair value. Fair value is determined through various valuation techniques including quoted market values and third-party independent appraisals, as considered necessary.

(f) Fair Value Measurements

The Foundation has adopted accounting provisions which permit the fair value measurement of financial assets and financial liabilities and fair value measurement of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. Those provisions define fair value as 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. Those provisions also established a framework for measuring fair value and expanded disclosures about fair value measurements.

The Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Foundation determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets (or liabilities) that the reporting entity has the ability to access at the measurement date.
- Level 2 Inputs: Prices for a similar asset (or liability), other than quoted prices included in Level 1 inputs, that are observable for the asset (or liability), either directly or indirectly. If the asset (or liability) has a specified term, a Level 2 input must be observable for substantially the full term of the asset (or liability).
- Level 3 Inputs: Unobservable inputs for the asset (or liability) used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset (or liability) at measurement date.

See additional information in Note 3.

(g) Net Assets

The Foundation's net assets and changes therein are classified and reported as follows:

- **Permanently restricted net assets** – Net assets subject to donor-imposed restrictions that the principal be maintained in perpetuity. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for unrestricted purposes.
- **Temporarily restricted net assets** – Net assets subject to restrictions imposed by donor or law that may be met either by actions of the Foundation or the passage of time.
- **Unrestricted net assets** – Net assets that are not subject to donor-imposed restrictions or law.

(h) Revenue Recognition

Unconditional promises to give are recognized initially at fair value as contributions revenue in the period such promises are made by donors. Fair value is estimated giving consideration to anticipated future cash receipts (after allowance is made for uncollectible contributions) and discounting such amounts at a risk-adjusted rate commensurate with the duration of the donor's payment plan.

Amortization of the discounts is recorded as additional contribution revenue. Conditional promises are recorded as revenue once the conditions are substantially met. Contributions, grants, and bequests are recognized as either temporarily or permanently restricted if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. When restrictions are met in the same period as the contribution is received, the Foundation records the contribution and the expense as unrestricted. Contributions of assets other than cash are recorded at their estimated fair value. Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The Foundation received in-kind contributions of assets and services that are included in the accompanying statements of activities as follows:

Contributions:		
Wish related	$	1,752,931
Professional services		1,512
Advertising and media		39,908
Other		31,369
Total	$	1,825,720
Special event revenue:		
Internal special events	$	29,995

An internal special event is a fundraising event coordinated and staffed by Foundation personnel rather than a third-party support group or organization. It is designed to attract people for the purpose of raising mission awareness, for increasing funding from existing donors, and the cultivation of future donors. Internal special event in-kind amounts are donated items recorded at fair value that are used in facilitating the event. Examples of such donated items are generally food, beverage, facility costs, and auction items.

Program or supporting services expenses were recorded at fair value totaling $1,840,201 in 2014, with the difference recorded as other assets representing primarily auction items received and not yet used.

Advertising and media is used to help the Foundation communicate its message or mission and includes fundraising materials, informational material, or advertising, and may be in the form of an audio or video tape of a public service announcement, a layout for a newspaper, media time or space for public service announcements, or other purposes. Advertising and media are reported as contribution revenue when received and fundraising or public information, if allocated as a joint cost, expense when received and the reporting of such contributions is unaffected by whether the Foundation could afford to purchase or would have purchased the assets at their fair value.

Wish related in-kind contributions consisted of the following:

Computer equipment, games and toys	$	153,343
Cruises		26,409
Lodging		923,971
Theme parks		161,939
Transportation		218,679
Other wish-related donations		268,590
Total	$	1,752,931

(i) Income Taxes

The Foundation is a not-for-profit organization exempt from federal income and Arizona income taxes under the provisions of Internal Revenue Code Section 501(c)(3) and Arizona Revised Statutes 43-1201(4). However, the Foundation remains subject to income taxes on any net income that is derived from a trade or business, regularly carried on and not in furtherance of the purpose for which it was granted exemption. No income tax provision has been recorded as the net income, if any, from any unrelated trade or business, in the opinion of management, is not material to the financial statements taken as a whole. Management believes that no uncertain tax positions exist for the Foundation at August 31, 2014. The Foundation files income tax returns in the U.S. federal jurisdiction and state jurisdiction. The Foundation is no longer subject to U.S. federal income tax examinations by tax authorities for the years before 2010.

Management believes that no uncertain tax positions exist for the Foundation at August 31, 2014.

(j) Functional Expenses

The Foundation performs five functions: wish granting, program-related support, public information, fundraising, and management and general. Definitions of these functions are as follows:

Wish Granting

Activities performed by the Foundation that grant wishes to children with life-threatening medical conditions.

Program-Related Support

Activities performed by the Foundation related to the wish program including the identification of wish candidates and the determination and delivery of each wish. Specific activities include, but are not limited to, the development of wish resources, handling of wish referrals, and administration of the wish program.

Public Information

Activities performed by the Foundation communicating the purpose and services of the Foundation to all potential sources of wish referrals.

Fundraising

Activities performed by the Foundation to generate funds and/or resources to support its programs and operations. During the fiscal year ended August 31, 2014, the Foundation incurred joint costs for activities that include fundraising appeals (primarily direct mail campaigns and newsletters), which have been allocated as follows:

Fundraising	$	4,521
Public information		13,708
Total	$	18,229

Management and General

All costs not identifiable with a single program or fundraising activity, but indispensable to the conduct of such programs and activities and to the Foundation's existence, are included as management and general expenses. This includes expenses for the overall direction of the Foundation, business management, general recordkeeping, budgeting, financial reporting, and activities relating to these functions such as salaries, rent, supplies, equipment, and other expenses.

Expenses that benefit more than one function of the Foundation are allocated among the functions based generally on the amount of time spent by employees on each function.

(k) Management Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make a number of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include the useful lives of property and equipment, valuation of investments and contributions receivable, accrued pending wish costs, net of attrition on pending wish costs and whether an allowance for uncollectible contributions receivable is required. The current economic environment has increased the degree of uncertainty inherent in those estimates and assumptions.

(3) Fair Value Measurements

(a) Fair Value of Financial Instruments

Fair value is defined as the amount 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.

The fair values of the financial instruments shown in the following tables as of August 31, 2014 represent the amounts that would be received to sell those assets or that would be paid to transfer those liabilities in an orderly transaction between market participants at that date. Those fair value measurements maximize the use of observable inputs. However, in situations where there is little, if any, market activity for the asset or liability at the measurement date, the fair value measurement reflects the Foundation's own judgments about the assumptions that market participants would use in pricing the asset or liability. Those judgments are developed by the Foundation based on the best information available in the circumstances, including expected cash flows and appropriately risk-adjusted discount rates, and available observable and unobservable inputs.

Overall Investment Objective

The overall investment objective of the Foundation is to invest its assets in a prudent manner that will achieve a long-term rate of return sufficient to fund a portion of its annual operating activities and increase investment value after inflation. The Foundation diversifies its investments among various asset classes incorporating multiple strategies and managers. Major investment decisions are authorized by the Board's Audit and Finance committee, which oversees the Foundation's investment program in accordance with established guidelines.

(b) Fair Value Hierarchy

The following table presents the placement in the fair value hierarchy of assets and liabilities that are measured at fair value on a recurring basis at August 31, 2014:

Description	August 31, 2014	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Recurring:				
Investments:				
Certificates of deposit	$ 807,515	—	—	—
Beneficial Interest in a perpetual trust	264,162	—	—	264,162
Total Recurring	$ 1,071,677	—	—	264,162

For the valuation of beneficial interest in assets held by others at August 31, 2014, the Foundation used significant unobservable inputs including net asset value, as a practical expedient. (Level 3).

Quantitative information about Level 3 fair value measurements

Type of investments	Fair value at August 31, 2014	Valuation technique	Unobservable input
Beneficial interests in assets held by others	$ 264,162	Net Asset Value (NAV)	Percentage of annual investment return applied to outstanding account

The following table presents a rollforward of activity for investments measured at fair value using significant unobservable inputs (Level 3) for the year ended August 31, 2014:

		(Level 3)
Beginning balance	$	234,453
Total gains or losses (realized/unrealized) included in changes in net assets		37,674
Distributions		(7,965)
Ending balance	$	264,162
Change in unrealized gains for the period included in the change in net assets relating to investments still held at end of the reporting period	$	29,709

The Foundation has a policy of appropriating for distribution each year the amount distributed to them from the community foundation that holds the investment. For the year ended August 31, 2014, such appropriations totaled $7,965.

Total investment income, gains, and losses for the year ended August 31, 2014 consist of the following:

Interest and dividend income	$	22,668
Realized and unrealized gains, net		33,006
Less investment expenses		(4,571)
Investment income, net	$	51,103

(4) Contributions Receivable

The following is a summary of the Foundation's contributions receivable at August 31, 2014:

Total amounts due in:		
One year	$	168,292
Two to five years		30,000
Gross contributions receivable		198,292
Less discount to present value		(1,033)
Contributions receivable, net	$	197,259

(5) Split Interest Agreements - Beneficial Interest in Trust

The Foundation is a named income beneficiary in a perpetual trust, the corpus of which is not controlled by the management of the Foundation. Under these arrangements, the Foundation has the irrevocable right to receive all or a portion of the income earned on the underlying assets held in perpetuity. Accordingly, permanently restricted contribution revenue and the related assets are recognized at fair value in the period in which the Foundation receives notice that the trust agreement conveys an unconditional right to receive benefits. Subsequent changes in the value of the underlying assets have been recorded in the accompanying statement of activities as a component of permanently restricted realized and unrealized gains and losses on investments.

(6) Transactions with Related Entities

The National Organization conducts national fundraising efforts for which cash and in-kind donations are received and shared with the Foundation. These funds represent revenues associated with: distributions from national partners, individual donation amounts collected via online and white mail donations, amounts for internal grants, travel and training scholarships, amounts to fund the Adopt-A-Wish® program, and other miscellaneous revenues. During the year ended August 31, 2014, the Foundation received $812,778 from these national revenue streams.

Conversely, the chapter pays amounts to the National Organization for annual dues, insurance, and other miscellaneous ancillary expenses that the National Organization pays on behalf of the Foundation. Amounts totaling $199,193 were paid from the Foundation to the National Organization during the year ended August 31, 2014.

These amounts are recorded in the statement of activities.

The Foundation paid to the National Organization the following amounts for the year ended August 31, 2014:

Partnership dues	$	186,415
Insurance		291
Other		12,487
Total amounts paid	$	199,193

Chapters that assist with the organization and granting of wishes from other chapters are paid a "fee for service" called the wish assist fee. Under this program, the Foundation received $2,550 for the year ended August 31, 2014, which is recorded in the accompanying statement of activities as other income.

Amounts due from and to related entities are as follows:

Balance at August 31:		
Due from National Organization	$	107,704
Total due from related entities	$	107,704
Due to National Organization	$	20,155
Due to other chapters		9,493
Total due to related entities	$	29,648

Amounts due from the National Organization represent contributions remitted to the National Organization that are identified for the Foundation's use but were not yet transferred to the Foundation as of year-end. Amounts due from other chapters represent amounts paid in assisting other chapters with their wish granting. Amounts due to other chapters represent amounts owed to other chapters who have assisted in the granting of wishes for the Foundation.

During 2014 the Foundation received contributions, both cash and in-kind, from board members totaling $3,098,210. In 2014, amounts due from board members totaled $22,500, and are included in contributions receivable in the accompanying statement of financial position. Amounts paid to related parties for goods and services used in the Foundation's operations totaled $0 in 2014.

(7) Property and Equipment, Net

Property and equipment as of August 31, 2014 consist of the following:

Land	$	79,367
Buildings and building improvements		538,453
Computer equipment and software		156,393
Office furniture		35,309
		809,522
Less accumulated depreciation and amortization		(540,907)
Property and equipment, net	$	268,615

Depreciation and amortization expense totaled $50,634 for the year ended August 31, 2014.

(8) Accrued Pending Wish Costs

The Foundation accrues for estimated costs of reportable pending wishes as unconditional promises to give when five certain, measurable wish criteria are met. Prior to meeting these five criteria, the wish is considered a conditional promise to give due to the inherent uncertainties surrounding these criteria and is therefore not accrued as a pending wish liability. Reportable pending wish criteria include:

1. Receiving a referral,
2. Obtaining the required medical eligibility form,
3. Contact with the wish family has occurred to determine the prospective wish,
4. Determination that the wish falls within the National Organization's wish granting policy, and
5. The wish is expected to be granted within the next 12 months.

The Foundation, as part of its estimate of accrued pending wish costs, also considers attrition on pending wish costs. An attrition rate is calculated by the Foundation by analyzing the trend of wishes that have been accrued for using the five criteria discussed above that have not been able to be completed within the past twelve months due to factors outside of the control of the chapter, such as the death of a child, the move of the family out of the chapter's territory, or loss of contact with the family. As of August 31, 2014, the Foundation had approximately 255 reportable pending wishes.

(9) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes for the year ended August 31, 2014:

Time restrictions	$	136,799
Purpose restrictions		1,951,351
Total temporarily restricted net assets	$	2,088,150

For the year ended August 31, 2014, permanently restricted net assets are restricted to:

Investments in perpetuity, the income from which is expendable to support any activities of the Foundation (See Note 5)	$	264,162
	$	264,162

(10) Retirement Plan

The Foundation has a defined contribution retirement plan (the Plan). Employees are eligible for participation in the Plan after reaching 18 years of age and upon completion of 1,000 hours or more of service. Under the provisions of the Plan, eligible employees may elect to defer a percentage of their salary subject to certain IRC limitations. The Foundation matches employee contributions up to 6% of the employee's salary. Foundation contributions to the Plan for the year ended August 31, 2014 were $56,966.

(11) Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to concentration of credit risk consist principally of cash, cash equivalents, and investments. The Foundation places its cash and investments with high credit quality financial institutions. From time to time throughout the year, the Foundation's cash balances may exceed the amount of the FDIC insurance coverage of $250,000.

In-kind contributions totaling $438,841 were received from a single donor for the year ended August 31, 2014, which represents 7% of total public support. Should these contribution levels decrease, the Foundation may be adversely affected.

Contributions totaling $2,100,000 were received from a single donor for the year ended August 31, 2014, which represents 38% of contributions, exclusive of In-kind contributions. Should these contribution levels decrease, the Foundation may be adversely affected.

(12) Litigation and Claims

The Foundation is not involved in litigation and claims arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Foundation's financial position, change in net assets, or liquidity.

(13) Subsequent Events

The Foundation has evaluated subsequent events from the statement of financial position date through March 11, 2015, the date at which the financial statements were available to be issued.