

PAT TILLMAN FOUNDATION

Financial Statements
and
Auditors' Report

December 31, 2014
(with comparative totals for 2013)

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Independent Auditors' Report

To the Board of Directors of
Pat Tillman Foundation
San Jose, California

We have audited the accompanying financial statements of Pat Tillman Foundation (the Foundation, a California nonprofit public benefit corporation), which comprise the statement of financial position as of December 31, 2014, 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 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 Pat Tillman Foundation as of December 31, 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Pat Tillman Foundation's 2013 financial statements, and our report dated April 28, 2014, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Fester & Chapman P.C.

May 5, 2015

Pat Tillman Foundation

STATEMENT OF FINANCIAL POSITION

December 31, 2014

(with comparative financial information as of December 31, 2013)

ASSETS

	<u>2014</u>	<u>2013</u>
Cash and cash equivalents	\$ 1,648,936	\$ 1,306,366
Investments	867,470	838,367
Contributions receivable	87,776	153,726
Prepaid expenses	39,281	110,910
Refundable deposit	11,132	14,932
Furniture and equipment, net	<u>24,075</u>	<u>17,898</u>
Total assets	<u>\$ 2,678,670</u>	<u>\$ 2,442,199</u>

LIABILITIES AND NET ASSETS

Accounts payable and other accrued expenses	\$ 27,124	\$ 22,080
Deferred event revenue	33,143	77,680
Deferred rent	<u>28,317</u>	<u>21,338</u>
Total liabilities	88,584	121,098
Net assets:		
Unrestricted:		
Designated by the Board:		
Operating reserve	1,242,836	1,088,875
Scholarship renewals	<u>1,185,250</u>	<u>1,050,500</u>
Total unrestricted	2,428,086	2,139,375
Temporarily restricted	<u>162,000</u>	<u>181,726</u>
Total net assets	<u>2,590,086</u>	<u>2,321,101</u>
Total liabilities and net assets	<u>\$ 2,678,670</u>	<u>\$ 2,442,199</u>

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

Pat Tillman Foundation

STATEMENT OF ACTIVITIES

Year Ended December 31, 2014

(with comparative financial information for the year ended December 31, 2013)

	Unrestricted	Temporarily Restricted	Totals	
			2014	2013
Support, revenue and gains:				
Special event - Pat's Run:				
Contributions, sponsorships and race entry fees	\$ 1,996,447	\$ 60,000	\$ 2,056,447	\$ 1,677,707
Contributed goods and services	929,649		929,649	996,726
Less direct benefits to participants and sponsors	(791,377)		(791,377)	(542,310)
Less direct in-kind benefits to participants and sponsors	(929,649)		(929,649)	(996,726)
	1,205,070	60,000	1,265,070	1,135,397
Contributions	1,363,628	278,000	1,641,628	1,289,409
Investment income	39,591		39,591	84,612
Contributions in-kind	462,465		462,465	350
Net assets released from restrictions	357,726	(357,726)		
Total support, revenue and gains	<u>3,428,480</u>	<u>(19,726)</u>	<u>3,408,754</u>	<u>2,509,768</u>
Functional expenses:				
Tillman Military Scholars and Tillman Scholars - ASU Program	<u>2,406,458</u>		<u>2,406,458</u>	<u>1,603,810</u>
Supporting services:				
Management and general	199,739		199,739	159,552
Fundraising	533,572		533,572	379,261
Total supporting services	<u>733,311</u>		<u>733,311</u>	<u>538,813</u>
Total expenses	<u>3,139,769</u>		<u>3,139,769</u>	<u>2,142,623</u>
Change in net assets	288,711	(19,726)	268,985	367,145
Net assets, beginning of year	<u>2,139,375</u>	<u>181,726</u>	<u>2,321,101</u>	<u>1,953,956</u>
Net assets, end of year	<u>\$ 2,428,086</u>	<u>\$ 162,000</u>	<u>\$ 2,590,086</u>	<u>\$ 2,321,101</u>

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

Pat Tillman Foundation

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2014

(with comparative financial information for the year ended December 31, 2013)

	PROGRAM SERVICES	SUPPORTING SERVICES			TOTALS	
	Tillman Military Scholars and Tillman Scholars-ASU Program	Management and general	Fundraising	Total	2014	2013
Expenses:						
Salaries and personnel services	\$ 228,373	\$ 55,641	\$ 292,088	\$ 347,729	\$ 576,102	\$ 563,053
Employee benefits	24,087	3,375	18,399	21,774	45,861	48,670
Payroll taxes	18,298	4,156	23,959	28,115	46,413	40,506
Total salaries and related expenses	270,758	63,172	334,446	397,618	668,376	652,229
Scholarships and program support	1,454,450				1,454,450	1,026,599
Professional services	50,158	35,055	15,108	50,163	100,321	62,678
Professional services (in-kind)	396,398	66,067		66,067	462,465	
Public relations	1,467	206	5,061	5,267	6,734	37,603
Travel, training and meeting	168,790	8,147	30,809	38,956	207,746	183,996
Fundraising and database		499	50,135	50,634	50,634	44,263
Telephone and internet	18,571	5,457	5,988	11,445	30,016	32,741
Occupancy	27,258	6,836	50,944	57,780	85,038	69,097
Administrative fees		6,487	6,157	12,644	12,644	5,372
Printing	12,065	3,298	5,533	8,831	20,896	4,344
Postage and shipping	96	1,129	1,948	3,077	3,173	3,547
Miscellaneous	325	1,640	15,983	17,623	17,948	1,428
Office	2,334	1,072	4,211	5,283	7,617	5,283
Insurance	2,219	363	4,250	4,613	6,832	5,185
Total expenses before depreciation	2,404,889	199,428	530,573	730,001	3,134,890	2,134,365
Depreciation	1,569	311	2,999	3,310	4,879	8,258
Total expenses	\$ 2,406,458	\$ 199,739	\$ 533,572	\$ 733,311	\$ 3,139,769	\$ 2,142,623
Percentage of total	<u>77%</u>	<u>6%</u>	<u>17%</u>	<u>23%</u>	<u>100%</u>	

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

Pat Tillman Foundation

STATEMENT OF CASH FLOWS

Year Ended December 31, 2014

(with comparative financial information for the year ended December 31, 2013)

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Change in net assets	\$ 268,985	\$ 367,145
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:		
Donated securities		(9,964)
Net gains on investments	(39,591)	(84,612)
Depreciation	4,879	8,258
Loss on disposal of furniture and equipment	1,253	
Change in:		
Contributions receivable	65,950	(83,327)
Prepaid expenses	71,629	1,706
Refundable deposit	3,800	(11,132)
Accounts payable and other accrued expenses	5,044	21,201
Deferred event revenue	(44,537)	(8,370)
Deferred rent	<u>6,979</u>	<u>21,338</u>
Net cash provided by operating activities	<u>344,391</u>	<u>222,243</u>
Cash flows from investing activities:		
Sale (purchases) of investments	10,478	(100,000)
Purchases of furniture and equipment	<u>(12,299)</u>	<u>(16,189)</u>
Net cash used by investing activities	<u>(1,821)</u>	<u>(116,189)</u>
Change in cash and cash equivalents	342,570	106,054
Cash and cash equivalents, beginning of year	<u>1,306,366</u>	<u>1,200,312</u>
Cash and cash equivalents, end of year	<u>\$ 1,648,936</u>	<u>\$ 1,306,366</u>

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

Pat Tillman Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

(with comparative financial information as of and for the year ended December 31, 2013)

NOTE 1 - BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In 2004, the Pat Tillman Foundation (the Foundation) was created by Tillman family and friends to honor Pat's legacy, as a 501(c)(3) nonprofit public benefit corporation. Pat Tillman was born in San Jose, California in 1976. He attended Arizona State University, and in 1998 was drafted by the Arizona Cardinals in the seventh round. In July of 2002, Pat placed his NFL career on hold to serve his country. Following Pat's death in 2004, while serving with the U.S. Army's 75th Ranger Regiment in Afghanistan, his family and friends established the Pat Tillman Foundation.

The significant accounting policies of the Foundation are as follows:

Basis of Presentation - The Foundation follows standards of accounting and financial reporting for voluntary health and welfare organizations as prescribed by accounting principles generally accepted in the United States of America. In accordance with the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) topic of *Not-for-Profit Entities*, the Foundation reports its financial position and operating activities in three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets include those assets over which the Board of Directors has discretionary control in carrying out the operations of the Foundation. Under this category the Foundation maintains an operating fund, plus any net assets designated by the Board for specific purposes. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

Temporarily restricted net assets include those assets which are subject to donor or time restrictions, and for which the applicable restriction was not met as of the year end of the current reporting period.

Permanently restricted net assets include those assets which are subject to non-expiring donor restrictions, such as endowments. The Foundation had no permanently restricted net assets at December 31, 2014 or 2013.

Use of Estimates - In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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.

Pat Tillman Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

(with comparative financial information as of and for the year ended December 31, 2013)

NOTE 1 - BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -
CONTINUED

Cash and Cash Equivalents - For the purposes of the statement of cash flows, the Foundation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Foundation maintains its cash and cash equivalents in bank deposit accounts, which at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts. Management believes it is not exposed to any significant risks on cash accounts.

Investments - Investments are recorded at fair value. Unrealized gains and losses are accounted for as investment income.

Contributions Receivable - Unconditional promises to give that are expected to be collected within one year are recorded as contributions receivable at net realizable value. Management considers its contributions receivable to be fully collectible, and accordingly, no allowance for doubtful accounts has been recorded.

Prepaid Expenses - Prepaid expenses consist of amounts paid in advance for expenses relating to the Pat's Run event to be held in the subsequent year, as well as business liability and Directors and Officers liability insurance premiums.

Furniture and Equipment - Furniture and equipment costing more than \$5,000 is capitalized and stated at historical cost. Donated furniture and equipment meeting the capitalization threshold is stated at estimated fair value at the date of donation. The cost of repairs and maintenance which do not improve or extend the lives of the respective assets is expensed as incurred. Furniture and equipment is depreciated over 5 years using the straight-line method.

Deferred Rent - The Foundation accounts for rent abatements contained in its leases on the straight-line basis over the lease term for which rent is to be paid.

Revenue Recognition - The Foundation recognizes support and revenue on the accrual basis of accounting. Entry fees received for events held in a subsequent fiscal year are recorded as deferred event revenue when received, and recognized as revenue in the period in which the event occurs.

Pat Tillman Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

(with comparative financial information as of and for the year ended December 31, 2013)

NOTE 1 - BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -
CONTINUED

Contributions - Contributions are reported in accordance with FASB ASC topic of *Not-for-Profit Entities*. Contributions are recognized when the donor makes a pledge to give that is, in substance, an unconditional promise. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the nature of donor restrictions and depending on whether the restrictions are met in the current fiscal period. Restricted contributions are reported as increases in unrestricted net assets if the restrictions have been met in the current fiscal period. If the restriction has not been met by fiscal year end, the amount is reported as an increase in temporarily or permanently restricted net assets. When the restriction is finally met on a contribution received in a prior fiscal period, the amount is shown as a reclassification of restricted net assets to unrestricted net assets.

Contributions In-Kind - Contributions in-kind are also recognized in accordance with the provisions of FASB ASC topic of *Not-for-Profit Entities*. Donated equipment and other donated goods are recorded at their estimated fair value as of the date of the donation. Contributed services, which require a specialized skill and which the Foundation would have paid for if not donated, are recorded at the estimated fair value at the time the services are rendered. The Foundation also receives donated services that do not require specific expertise, but which are nonetheless central to the Foundation's operations. No volunteer services are recognized in the accompanying financial statements as they do not meet the above criteria; however, a substantial number of volunteers have donated significant amounts of their time to the Foundation.

Income Taxes - The Foundation is exempt from federal and state income taxes as an organization other than a private foundation under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Foundation's tax-exempt purpose is subject to taxation as unrelated business income. The Foundation's Forms 990 *Return of Organization Exempt From Income Tax* are generally subject to examination for three years after they are filed, and the related State of Arizona Forms 99 are generally subject to examination for four years from the later of the due date or the file date of the tax return.

Functional Expense Allocation - The costs of providing program and other activities are reported on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated to program and supporting services benefited based on directly identifiable expenses, or on management's estimates of employee hours and facility usage devoted to each function.

Pat Tillman Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

(with comparative financial information as of and for the year ended December 31, 2013)

NOTE 1 - BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Prior Year Summarized Information - The financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should only be read in conjunction with the Foundation's financial statements for the year ended December 31, 2013, from which the summarized information was derived.

Reclassifications - Certain reclassifications were made to the 2013 financial statements in order to conform to the 2014 presentation.

Subsequent Events - Subsequent events have been evaluated through May 5, 2015, which was the date the Foundation's financial statements were issued.

NOTE 2 - PROGRAM SERVICES

The mission of the Pat Tillman Foundation is to invest in military veterans and their spouses through educational scholarships; building a diverse community of leaders committed to service to others. Founded in 2008, the Tillman Military Scholars program supports our nation's active-duty service members, veterans and military spouses by investing in their higher education. The scholarship covers direct study-related expenses, including tuition and fees, books and living stipends, for scholars who are pursuing undergraduate, graduate or post-graduate degrees as full-time students at U.S.-based accredited institutions. Since its inception, the Tillman Military Scholars program has grown in both scope and impact investing over \$6 million in scholarships for 347 Tillman Military Scholars at 98 academic institutions nationwide. The program unites the best talent and leadership from the military to make a significant, positive impact for our country and communities through their studies in medicine, law, business, government, education and the arts.

Aided by a grassroots marketing effort, the Foundation received 2,429 complete applications during the month-long submission window during the year ended December 31, 2014. After careful review and consideration among regional and final selection committees, 58 candidates (32 at-large and 26 through University Partners) were selected to join the sixth class of Tillman Military Scholars. During the years ended December 31, 2014 and 2013, the Foundation awarded \$1,408,000 and \$1,379,000, respectively, in scholarships. As of December 31, 2014 and 2013, the Board has designated \$1,185,250 and \$1,050,500, respectively, in funds for anticipated scholarship fund renewals for current Tillman Military Scholars. Prior to focusing on veterans' education, the Foundation fully endowed the Leadership Through Action™ program at Arizona State University, serving promising undergraduate students with a unique personal development and leadership curriculum.

Pat Tillman Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

(with comparative financial information as of and for the year ended December 31, 2013)

NOTE 3 - CASH AND CASH EQUIVALENTS

The Foundation's cash and cash equivalents consisted of the following at December 31:

	<u>2014</u>	<u>2013</u>
Cash in bank	\$ 1,532,763	\$ 1,200,530
Money market funds	<u>116,173</u>	<u>105,836</u>
	<u>\$ 1,648,936</u>	<u>\$ 1,306,366</u>

NOTE 4 - INVESTMENTS

Investments consist of shares in mutual funds, and are stated at fair value (see Note 13). Investment income consisted of the following for the years ending December 31:

	<u>2014</u>	<u>2013</u>
Interest and dividend income	\$ 19,888	\$ 14,880
Unrealized and realized gain	<u>19,703</u>	<u>69,732</u>
	<u>\$ 39,591</u>	<u>\$ 84,612</u>

NOTE 5 - CONTRIBUTIONS RECEIVABLE, NET

The Foundation had \$87,776 and \$153,726 in contributions receivable at December 31, 2014 and 2013, respectively, for amounts pledged to the Foundation by donors, with all amounts due within one year. The Foundation considers the balances to be fully collectible and has not recorded an allowance for doubtful accounts.

NOTE 6 - FURNITURE AND EQUIPMENT, NET

Furniture and equipment consisted of the following at December 31:

	<u>2014</u>	<u>2013</u>
Furniture and equipment	\$ 61,961	\$ 68,280
Less: Accumulated depreciation	<u>(37,886)</u>	<u>(50,382)</u>
Furniture and equipment, net	<u>\$ 24,075</u>	<u>\$ 17,898</u>

Pat Tillman Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

(with comparative financial information as of and for the year ended December 31, 2013)

NOTE 7 - BOARD RESTRICTED NET ASSETS

The Foundation's Board of Directors has established funds designated for operating reserves for its estimates of approximately one year's operating costs and anticipated scholarship renewals for current Tillman Military Scholars. These amounts have been included in unrestricted net assets as designations imposed by the Board and are not donor restricted.

NOTE 8 - NET ASSETS RELEASED FROM RESTRICTIONS

Temporarily restricted net asset activity for the year ended December 31, 2014 is as follows:

	Beginning <u>Balance</u>	<u>Contributions</u>	<u>Releases</u>	Ending <u>Balance</u>
Time restriction on contributions receivable	\$ 149,726		\$ (144,726)	\$ 5,000
Pat's Run sponsorships	28,000	\$ 60,000	(28,000)	60,000
Other event sponsorships		28,000		28,000
Scholarships	4,000	250,000	(185,000)	69,000
	<u>\$ 181,726</u>	<u>\$ 338,000</u>	<u>\$ (357,726)</u>	<u>\$ 162,000</u>

Temporarily restricted net asset activity for the year ended December 31, 2013 is as follows:

	Beginning <u>Balance</u>	<u>Contributions</u>	<u>Releases</u>	Ending <u>Balance</u>
Time restriction on contributions receivable		\$ 149,726		\$ 149,726
Pat's Run sponsorships	\$ 30,000	28,000	\$ (30,000)	28,000
Scholarships		18,000	(14,000)	4,000
	<u>\$ 30,000</u>	<u>\$ 195,726</u>	<u>\$ (44,000)</u>	<u>\$ 181,726</u>

NOTE 9 - CONTRIBUTIONS IN-KIND

The estimated fair value of donated materials, facilities, travel, and expert services received are recorded as contributions in-kind. The Foundation strives to offset real costs wherever possible with donated goods and services, utilizing its signature fundraiser as a valuable sponsorship asset. During the years ended December 31, the following in-kind contributions were received by the Foundation:

	<u>2014</u>	<u>2013</u>
Donated supplies		\$ 350
Professional services	\$ 462,465	
Special event support	929,649	996,726
	<u>\$ 1,392,114</u>	<u>\$ 997,076</u>

Pat Tillman Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

(with comparative financial information as of and for the year ended December 31, 2013)

NOTE 10 - OPERATING LEASE

The Foundation leases office space under a noncancellable operating lease expiring in 2018. Rent expense totaled \$85,038 and \$69,097 for the years ended December 31, 2014 and 2013, respectively. A deferred rent liability of \$28,317 and \$21,338 has been recorded as of December 31, 2014 and 2013, respectively, to account for escalating rent payments as required by generally accepted accounting principles.

Future payments are due as follows at December 31, 2014:

Year ending December 31,	
2015	\$ 63,522
2016	64,747
2017	65,973
2018	<u>5,566</u>
	<u>\$ 199,808</u>

NOTE 11 - CONCENTRATIONS

The Foundation sponsors several fundraising events each year to help fund its Tillman Military Scholars Program. The largest event, Pat's Run, is a 4.2 mile run/walk held in Tempe, Arizona annually. During the years ended December 31, 2014 and 2013, net proceeds of \$1,265,070 and \$1,135,397, respectively, excluding in-kind contributions, comprised 37% and 45% of total revenue and support each year.

NOTE 12 - CONFLICT OF INTEREST POLICY

Included among the Foundation's Board of Directors and officers are volunteers from the community who provide valuable assistance to the Foundation in the development of policies and programs and in the evaluation of business transactions. The Foundation has adopted a conflict of interest policy whereby Board members are disqualified from participation in the final decisions regarding any action affecting their related company or agency.

NOTE 13 - FAIR VALUE MEASUREMENTS

Generally accepted accounting principles establishes 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 and liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

Pat Tillman Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

(with comparative financial information as of and for the year ended December 31, 2013)

NOTE 13 - FAIR VALUE MEASUREMENTS - CONTINUED

The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities.

Level 2 inputs generally are available indirect information, such as quoted prices for similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active. The Foundation currently does not have any financial instruments it values based on Level 2 inputs.

Level 3 inputs are the most subjective, and are generally based on the entity's own assumptions on how knowledgeable parties would price assets or liabilities, and are developed using the best information available in the circumstances. The Foundation currently does not have any financial instruments it values based on Level 3 inputs.

Fair value of assets measured on a recurring basis at December 31, 2014 was as follows:

	<u>Level 1</u>
Investments:	
Fixed income mutual funds	\$ 300,144
Equities	313,157
Other	<u>254,169</u>
Toal investments	<u>\$ 867,470</u>

Fair value of assets measured on a recurring basis at December 31, 2013 was as follows:

	<u>Level 1</u>
Investments:	
Fixed income mutual funds	\$ 289,237
Equities	295,105
Other	<u>254,025</u>
Toal investments	<u>\$ 838,367</u>