

PAT TILLMAN FOUNDATION

Financial Statements  
and  
Auditors' Report

December 31, 2016  
(with comparative totals for 2015)

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Independent Auditors' Report

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

**Report on the Financial Statements**

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, 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 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, 2016, 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 2015 financial statements, and our report dated May 3, 2016, 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, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Fester & Chapman P.C.*

April 13, 2017

Pat Tillman Foundation

STATEMENT OF FINANCIAL POSITION

December 31, 2016

(with comparative financial information as of December 31, 2015)

ASSETS

	<u>2016</u>	<u>2015</u>
Cash and cash equivalents	\$ 1,129,704	\$ 1,324,735
Investments	892,259	840,254
Contributions receivable	609,399	252,891
Prepaid expenses	41,352	38,453
Refundable deposit	11,132	11,132
Furniture and equipment, net	<u>12,680</u>	<u>18,377</u>
Total assets	<u>\$ 2,696,526</u>	<u>\$ 2,485,842</u>

LIABILITIES AND NET ASSETS

Accounts payable and other accrued expenses	\$ 30,820	\$ 26,414
Deferred event revenue	6,768	
Deferred rent	<u>8,514</u>	<u>15,085</u>
Total liabilities	46,102	41,499
Net assets:		
Unrestricted:		
Designated by the Board of Directors:		
Operating reserve	578,915	827,564
Scholarship renewals	<u>1,374,250</u>	<u>1,291,000</u>
Total unrestricted	1,953,165	2,118,564
Temporarily restricted	<u>697,259</u>	<u>325,779</u>
Total net assets	<u>2,650,424</u>	<u>2,444,343</u>
Total liabilities and net assets	<u>\$ 2,696,526</u>	<u>\$ 2,485,842</u>

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

Pat Tillman Foundation

STATEMENT OF ACTIVITIES

Year Ended December 31, 2016

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

	Unrestricted	Temporarily Restricted	Totals	
			2016	2015
Support, revenues, loss and gains:				
Special event - Pat's Run:				
Contributions, sponsorships and race entry fees	\$ 1,665,171	\$ 167,000	\$ 1,832,171	\$ 1,810,542
Contributed goods and services	386,627		386,627	1,031,601
Less direct benefits to participants and sponsors	(824,278)		(824,278)	(747,429)
Less direct in-kind benefits to participants and sponsors	(386,627)		(386,627)	(1,031,601)
	840,893	167,000	1,007,893	1,063,113
Contributions	1,910,621	420,254	2,330,875	1,754,392
Net gain (loss) on investments	52,005		52,005	(27,216)
Contributions in-kind				391,810
Net assets released from restrictions	215,774	(215,774)		
Total support, revenues, loss and gains	<u>3,019,293</u>	<u>371,480</u>	<u>3,390,773</u>	<u>3,182,099</u>
Functional expenses:				
Tillman Military Scholars and Tillman Scholars - ASU Program	<u>2,555,691</u>		<u>2,555,691</u>	<u>2,618,769</u>
Supporting services:				
Management and general	158,202		158,202	185,883
Fundraising	470,799		470,799	523,190
Total supporting services	<u>629,001</u>		<u>629,001</u>	<u>709,073</u>
Total expenses	<u>3,184,692</u>		<u>3,184,692</u>	<u>3,327,842</u>
Change in net assets	(165,399)	371,480	206,081	(145,743)
Net assets, beginning of year	<u>2,118,564</u>	<u>325,779</u>	<u>2,444,343</u>	<u>2,590,086</u>
Net assets, end of year	<u>\$ 1,953,165</u>	<u>\$ 697,259</u>	<u>\$ 2,650,424</u>	<u>\$ 2,444,343</u>

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

Pat Tillman Foundation

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2016

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

	PROGRAM SERVICES	SUPPORTING SERVICES			TOTALS	
	Tillman Military Scholars and Tillman Scholars-ASU Program	Management and general	Fundraising	Total	2016	2015
Expenses:						
Salaries and personnel services	\$ 339,469	\$ 81,204	\$ 178,675	\$ 259,879	\$ 599,348	\$ 627,982
Employee benefits	31,439	4,173	13,790	17,963	49,402	49,591
Payroll taxes	27,149	6,605	14,535	21,140	48,289	48,322
Total salaries and related expenses	398,057	91,982	207,000	298,982	697,039	725,895
Scholarships and program support	1,742,601		34,574	34,574	1,777,175	1,666,533
Professional services	40,934	42,890	11,598	54,488	95,422	89,166
Professional services (in-kind)						391,810
Public relations	64,238				64,238	15,872
Travel, training and meeting	218,512	2,900	48,122	51,022	269,534	219,758
Fundraising and database	1,588	58	127,075	127,133	128,721	77,177
Telephone and internet	12,576	2,217	4,536	6,753	19,329	23,565
Occupancy	29,039	10,361	23,188	33,549	62,588	55,702
Administrative fees		897		897	897	11,478
Printing	34,765	2,930	2,723	5,653	40,418	20,178
Postage and shipping	139	240	1,775	2,015	2,154	3,827
Miscellaneous	3,645	1,014	2,118	3,132	6,777	5,698
Office	3,419	1,015	1,803	2,818	6,237	8,107
Insurance	3,693	1,015	3,758	4,773	8,466	7,378
Total expenses before depreciation	2,553,206	157,519	468,270	625,789	3,178,995	3,322,144
Depreciation	2,485	683	2,529	3,212	5,697	5,698
Total expenses	\$ 2,555,691	\$ 158,202	\$ 470,799	\$ 629,001	\$ 3,184,692	\$ 3,327,842
Percentage of total	<u>80%</u>	<u>5%</u>	<u>15%</u>	<u>20%</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, 2016

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

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Change in net assets	\$ 206,081	\$ (145,743)
Adjustments to reconcile change in net assets to net cash and cash equivalents used by operating activities:		
Net (gain) loss on investments	(36,465)	44,373
Depreciation	5,697	5,698
Change in:		
Contributions receivable	(356,508)	(165,115)
Prepaid expenses	(2,899)	828
Accounts payable and other accrued expenses	4,406	(710)
Deferred event revenue	6,768	(33,143)
Deferred rent	<u>(6,571)</u>	<u>(13,232)</u>
Net cash and cash equivalents used by operating activities	(179,491)	(307,044)
Cash flows from investing activities:		
Purchases of investments	<u>(15,540)</u>	<u>(17,157)</u>
Net cash and cash equivalents used by investing activities	<u>(15,540)</u>	<u>(17,157)</u>
Change in cash and cash equivalents	(195,031)	(324,201)
Cash and cash equivalents, beginning of year	<u>1,324,735</u>	<u>1,648,936</u>
Cash and cash equivalents, end of year	<u>\$ 1,129,704</u>	<u>\$ 1,324,735</u>

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



Pat Tillman Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

(with comparative financial information as of and for the year ended December 31, 2015)

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, 2016 or 2015.

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, 2016

(with comparative financial information as of and for the year ended December 31, 2015)

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, 2016

(with comparative financial information as of and for the year ended December 31, 2015)

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

Contributions - Contributions are reported in accordance with the 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 the 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 and similar state provisions.

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.

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, 2015, from which the summarized information was derived.

Pat Tillman Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

(with comparative financial information as of and for the year ended December 31, 2015)

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

Subsequent Events - Subsequent events have been evaluated through April 13, 2017, which was the date the Foundation's financial statements were issued.

NOTE 2 - PROGRAM SERVICES

The programmatic pillar of the Pat Tillman Foundation is the Tillman Scholars (TS) Program. Founded in 2008, the TS Program supports our nation's active-duty service members, veterans and their spouses with an academic scholarship and programmatic support. The scholarship covers direct study-related expenses, including tuition and fees, books and living expenses, for scholars who are pursuing undergraduate, graduate or professional degrees as a full-time student at a public or private, U.S.-based accredited institution. Each year, the Foundation selects up to 60 Tillman Scholars who embody Pat's commitment to service, learning and action. The Scholars chosen demonstrate extraordinary academic and leadership potential, a track record of perseverance, and a deep desire to create positive change through their work in the fields of medicine, law, business, policy, technology, education and the arts.

Since its inception, the TS Program has evolved into a community of military veterans and spouses, accepting applicants based on merit and potential for impact. Overall, since inception the Foundation has invested over \$8 million in Tillman Scholar scholarships and has named over 450 Tillman Scholars at more than 100 academic institutions nationwide. Tillman Scholars represent all five branches of the United States military, including the National Guard and reserves, as well as military spouses.

Aided by a grassroots marketing effort, the Foundation received nearly 2,000 complete applications during the month-long submission window during the year ended December 31, 2016. After careful review and consideration among regional and final selection committees, 60 candidates (38 at-large and 22 through University Partners) were selected to join the eighth class of Tillman Military Scholars. During the years ended December 31, 2016 and 2015, the Foundation awarded \$1,711,000 and \$1,637,750, respectively, in scholarships. As of December 31, 2016 and 2015, the Board has designated \$1,374,250 and \$1,291,000, 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, 2016

(with comparative financial information as of and for the year ended December 31, 2015)

NOTE 3 - CASH AND CASH EQUIVALENTS

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

	<u>2016</u>	<u>2015</u>
Cash in bank	\$ 1,010,750	\$ 1,208,550
Money market funds	<u>118,954</u>	<u>116,185</u>
	<u>\$ 1,129,704</u>	<u>\$ 1,324,735</u>

NOTE 4 - INVESTMENTS AND 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).

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, and they are considered to be the most reliable evidence of fair value.

Level 2 inputs are observable inputs, either directly or indirectly, other than quoted prices included within Level 1. The Foundation currently does not have any financial instruments it values based on Level 2 inputs.

Level 3 inputs are unobservable and are used to measure fair value only when observable inputs are not available. 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, 2016 was as follows:

	<u>Level 1</u>
Mutual funds:	
US fixed income	\$ 228,418
Non-US fixed income	83,872
International equities	68,704
Large cap equity	259,648
Other	<u>251,617</u>
Total investments	<u>\$ 892,259</u>

Pat Tillman Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

(with comparative financial information as of and for the year ended December 31, 2015)

NOTE 4 - INVESTMENTS AND FAIR VALUE MEASUREMENTS - CONTINUED

Fair value of assets measured on a recurring basis at December 31, 2015 was as follows:

	<u>Level 1</u>
Mutual funds:	
US fixed income	\$ 218,466
Non-US fixed income	78,984
International equities	65,540
Large cap equity	237,792
Other	<u>239,472</u>
Total investments	<u><u>\$ 840,254</u></u>

Investments consist of shares in mutual funds, and are stated at fair value. Investment income consisted of the following for the years ended December 31:

	<u>2016</u>	<u>2015</u>
Interest and dividend income	\$ 15,540	\$ 17,157
Unrealized and realized (loss) gain	<u>36,465</u>	<u>(44,373)</u>
	<u><u>\$ 52,005</u></u>	<u><u>\$ (27,216)</u></u>

NOTE 5 - CONTRIBUTIONS RECEIVABLE, NET

The Foundation's contributions receivable were due as follows at December 31:

	<u>2016</u>	<u>2015</u>
Receivable in less than one year	\$ 609,399	\$ 152,891
Receivable in one year		<u>100,000</u>
	<u><u>\$ 609,399</u></u>	<u><u>\$ 252,891</u></u>

At December 31, 2016, 66% of contributions receivable were due from two donors. The Foundation considers the balances to be fully collectible and has not recorded an allowance for doubtful accounts at December 31, 2016 or 2015.

Pat Tillman Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

(with comparative financial information as of and for the year ended December 31, 2015)

NOTE 6 - FURNITURE AND EQUIPMENT, NET

Furniture and equipment consisted of the following at December 31:

	<u>2016</u>	<u>2015</u>
Furniture and equipment	\$ 61,961	\$ 61,961
Less: Accumulated depreciation	<u>(49,281)</u>	<u>(43,584)</u>
Furniture and equipment, net	<u>\$ 12,680</u>	<u>\$ 18,377</u>

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, 2016 is as follows:

	<u>Beginning Balance</u>	<u>Contributions</u>	<u>Releases</u>	<u>Ending Balance</u>
Time restriction on contributions receivable		\$ 100,000		\$ 100,000
Pat's Run sponsorships and registrations	\$ 15,000	167,000	\$ (15,000)	167,000
Other event sponsorships		150,000		150,000
Scholarships	200,779	100,000	(100,779)	200,000
Other program expenses	<u>110,000</u>	<u>70,254</u>	<u>(99,995)</u>	<u>80,259</u>
	<u>\$ 325,779</u>	<u>\$ 587,254</u>	<u>\$ (215,774)</u>	<u>\$ 697,259</u>

Temporarily restricted net asset activity for the year ended December 31, 2015 is as follows:

	<u>Beginning Balance</u>	<u>Contributions</u>	<u>Releases</u>	<u>Ending Balance</u>
Pat's Run sponsorships	\$ 60,000	\$ 15,000	\$ (60,000)	\$ 15,000
Other event scholarships	28,000		(28,000)	
Scholarships	69,000	210,000	(78,221)	200,779
Other program expenses	<u>5,000</u>	<u>110,000</u>	<u>(5,000)</u>	<u>110,000</u>
	<u>\$ 162,000</u>	<u>\$ 335,000</u>	<u>\$ (171,221)</u>	<u>\$ 325,779</u>

Pat Tillman Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

(with comparative financial information as of and for the year ended December 31, 2015)

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 Foundation recognized the following in-kind contributions:

	<u>2016</u>	<u>2015</u>
Professional services		\$ 391,810
Special event support	\$ 386,627	1,031,601
	<u>\$ 386,627</u>	<u>\$ 1,423,411</u>

NOTE 10 - OPERATING LEASE

The Foundation leases office space under a noncancellable operating lease expiring in 2018. Rent expense totaled \$62,588 and \$55,702 for the years ended December 31, 2016 and 2015, respectively. A deferred rent liability of \$8,514 and \$15,085 has been recorded as of December 31, 2016 and 2015, respectively, to account for escalating rent payments as required by generally accepted accounting principles.

Future payments are due as follows at December 31, 2016:

Year ending December 31,	
2017	\$ 65,973
2018	<u>5,566</u>
	<u>\$ 71,539</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, 2016 and 2015, net proceeds of \$1,007,893 and \$1,063,113, respectively, excluding in-kind contributions, comprised 30% and 33% of total revenue and support each year.



Pat Tillman Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

(with comparative financial information as of and for the year ended December 31, 2015)

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 companies or agencies.