SCHALL & ASHENFARB Certified Public Accountants, LLC

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TANENBAUM
COMBATING RELIGIOUS PREJUDICE

TANENBAUM CENTER FOR INTERRELIGIOUS UNDERSTANDING

Audited Financial Statements

December 31, 2016

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Independent Auditors' Report

To the Board of Directors of
Tanenbaum Center for Interreligious Understanding

Report on the Financial Statements

We have audited the accompanying financial statements of Tanenbaum Center for Interreligious Understanding (the "Organization"), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization'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 organization'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.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tanenbaum Center for Interreligious Understanding as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Organization's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 14, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Schall & Ashenfarb
Certified Public Accountants, LLC

October 2, 2017

TANENBAUM CENTER FOR INTERRELIGIOUS UNDERSTANDING
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2016
(With comparative totals as of December 31, 2015)

Assets

	12/31/16	12/31/15
Cash and cash equivalents	$234,933	$523,666
Investments (Note 4)	1,607,528	1,587,296
Pledges receivable, net (Note 3)	429,708	750,314
Other receivables	36,342	4,673
Prepaid expenses and other assets	68,253	114,537
Security deposit (Note 8)	90,388	90,388
Investments restricted for endowment (Notes 4 and 7)	180,833	202,353
Pledges receivable, net - restricted for endowment (Notes 3 and 7)	279,193	267,811
Fixed assets, net (Note 5)	7,256	11,107
Total assets	$2,934,434	$3,552,145

Liabilities and Net Assets

	12/31/16	12/31/15
Liabilities:		
Accounts payable and accrued expenses	$44,501	$24,922
Deferred rent	3,809	11,437
Deferred revenue	139,167	139,167
Total liabilities	187,477	175,526
Commitments (Note 8)		
Net assets:		
Unrestricted	1,666,766	1,658,616
Temporarily restricted (Note 6)	668,038	1,284,012
Permanently restricted (Note 7)	412,153	433,991
Total net assets	2,746,957	3,376,619
Total liabilities and net assets	$2,934,434	$3,552,145

The attached notes and auditors' report are an integral part of these financial statements.

TANENBAUM CENTER FOR INTERRELIGIOUS UNDERSTANDING
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016
(With comparative totals for the year ended December 31, 2015)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 12/31/16	Total 12/31/15
Revenue and support:					
Contributions	$233,094	$319,879	$11,382	$564,355	$1,882,370
In-kind contributions (Note 2i)	731,260			731,260	332,987
Event income (net of direct benefit to donors) (Note 10)	400,020			400,020	645,919
Program fees and other income	376,350			376,350	281,543
Investment income	43,762	11,700	(33,220)	22,242	69,525
Net assets released from restrictions:					
Satisfaction of program restrictions (Note 6)	947,553	(947,553)		0	0
Total revenue and support	2,732,039	(615,974)	(21,838)	2,094,227	3,212,344
Expenses:					
Program services	2,180,848			2,180,848	1,645,773
Supporting services:					
Management and general	183,939			183,939	196,283
Fundraising	359,102			359,102	359,394
Total supporting services	543,041	0	0	543,041	555,677
Total expenses	2,723,889	0	0	2,723,889	2,201,450
Change in net assets	8,150	(615,974)	(21,838)	(629,662)	1,010,894
Net assets - beginning of year	1,658,616	1,284,012	433,991	3,376,619	2,365,725
Net assets - end of year	$1,666,766	$668,038	$412,153	$2,746,957	$3,376,619

The attached notes and auditors' report are an integral part of these financial statements.

TANENBAUM CENTER FOR INTERRELIGIOUS UNDERSTANDING
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2016
(With comparative totals for the year ended December 31, 2015)

		Supporting Services				
	Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses 12/31/16	Total Expenses 12/31/15
Salaries	$763,861	$26,408	$103,869	$130,277	$894,138	$881,985
Payroll taxes and employee benefits	88,009	3,300	13,410	16,710	104,719	111,883
Total salaries and related costs	851,870	29,708	117,279	146,987	998,857	993,868
Professional fees	69,595	68,000	154,298	222,298	291,893	257,165
Special project - MFA professional fees	173,597				173,597	148,652
In-kind professional fees	362,264	28,143	26,545	54,688	416,952	332,987
In-kind public service announcements	314,308			0	314,308	0
Occupancy	172,064	27,711	16,811	44,522	216,586	216,887
Supplies	13,585	1,000	1,093	2,093	15,678	7,705
Printing and reproduction	16,635	3,269	10,957	14,226	30,861	27,257
Postage and mailing	5,167	326	619	945	6,112	11,957
Program events	44,953	310	10,464	10,774	55,727	45,363
Telephone	17,982	1,394	2,483	3,877	21,859	20,271
Travel	104,256	2,590	6,651	9,241	113,497	76,049
Equipment and rental	20,180	991	4,061	5,052	25,232	26,962
Insurance	6,069	348	1,445	1,793	7,862	5,695
Dues and subscriptions	1,247	62	6,156	6,218	7,465	7,704
Depreciation		6,167		6,167	6,167	4,576
Bad debt		650		650	650	4,250
Other	7,076	13,270	240	13,510	20,586	14,102
Total expenses	$2,180,848	$183,939	$359,102	$543,041	$2,723,889	$2,201,450

The attached notes and auditors' report are an integral part of these financial statements.

TANENBAUM CENTER FOR INTERRELIGIOUS UNDERSTANDING
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016
(With comparative totals for the year ended December 31, 2015)

	12/31/16	12/31/15
Cash flows from operating activities:		
Change in net assets	($629,662)	$1,010,894
Adjustments to reconcile change in net assets to net cash (used for)/provided by operating activities:		
Depreciation	6,167	4,576
Realized and unrealized loss on investments	44,324	3,612
Changes in assets and liabilities:		
Pledges receivable	320,606	(662,114)
Other receivables	(31,669)	(875)
Prepaid expenses and other assets	46,284	(84,757)
Accounts payable and accrued expenses	19,579	(3,687)
Deferred rent	(7,628)	(7,627)
Deferred revenue	0	8,902
Total adjustments	397,663	(741,970)
Net cash (used for)/provided by operating activities	(231,999)	268,924
Cash flows from investing activities:		
Pledges receivable, net - restricted for endowment	(11,382)	(10,918)
Purchase of investments	(450,000)	(413,082)
Sale of investments	406,964	346,388
Purchase of fixed assets	(2,316)	(3,625)
Net cash used for investing activities	(56,734)	(81,237)
Net (decrease)/increase in cash and cash equivalents	(288,733)	187,687
Cash and cash equivalents - beginning	523,666	335,979
Cash and cash equivalents - ending	$234,933	$523,666
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest and taxes	$0	$0

The attached notes and auditors' report are an integral part of these financial statements.

TANENBAUM CENTER FOR INTERRELIGIOUS UNDERSTANDING
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

Note 1 - Organization

The Tanenbaum Center for Interreligious Understanding (the "Organization") promotes mutual respect with practical programs that bridge religious difference and combat prejudice and violence in areas of armed conflict, schools, workplaces, and health care settings. The Organization is a not-for-profit, secular, and non-sectarian nonprofit that operates in the United States and abroad. For over nearly twenty-five years, the Organization has trained educators to teach about religious differences and combat bullying, helped medical professionals develop skills to care for religiously diverse patients and prevent disparities in care, created inclusive work environments in some of the world's largest companies to counter religious harassment, and supported a network of courageous *Peacemakers* in the world's most contentious conflict zones.

The Education program counters bullying and religious conflicts in schools by training teachers to run multicultural and multi-religious classrooms. By training teachers to use the Organization's pedagogy and curricular materials, teachers can help prepare students to put respect into practice and utilize concrete skills in conflict resolution. In 2015, Tanenbaum added a new initiative called Combating Extremism, which provides data, inspirational content and easily accessible materials for adults and students to critically assess and counter hatemongering, stereotyping and the increasing divisions in our global society.

The Workplace program engages with business leaders, global employers, managers and human resources professionals to counter harassment and discrimination. Through trainings and materials on how to effectively work with a global and increasingly religiously-diverse workforce, companies become more productive and inclusive environments for their national and global workforces.

The Health Care program provides targeted trainings and hands-on materials for health care providers at all levels on how to offer religiously-competent health care and thereby prevent disparities in treatment.

The Conflict Resolution and Peacebuilding program identifies and coordinates a Peacemakers' Network of religiously motivated peacemakers worldwide, who support and cooperate with each other to counter violence and war. The Organization also studies and documents their work through publications so that their specialized techniques can be shared and replicated by others. In addition, we help diplomats become familiar with *Peacemaker* efforts and begin to identify ways to work with them in overcoming conflict and building stable, peaceful societies. Over the long-term, this program is advancing the recognition and institutionalization of the vocation of religious peacemaking.

The Multifaith Alliance for Syrian Refugees is a project of Tanenbaum that works to mobilize global multifaith support to alleviate the Syrian humanitarian crisis, heighten awareness of its growing dangers and advance future stability in the region. With over 60 organizations, this project enlists religious and civil society leaders to address the ongoing suffering of Syria's war victims.

Note 2 - Significant Accounting Policies

a. Basis of Presentation

The accompanying financial statements are prepared on the accrual basis of accounting, which is the process of recognizing revenue and expenses when earned or incurred rather than received or paid.

Net assets are classified based upon the existence or absence of donor-imposed restrictions as follows:

- *Unrestricted* – represent those resources for which there are no restrictions by donors as to their use.

- *Temporarily restricted* – represent those resources, the uses of which have been restricted by donors to specific purposes or the passage of time. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor.

- *Permanently restricted* – represent those assets that have been restricted by the donor and must remain intact, in perpetuity.

b. Contributions

Contributions are recognized at the earlier of when cash is received or at the time a pledge becomes unconditional in nature. Contributions are recorded in the permanently restricted, temporarily restricted or unrestricted class of net assets, depending on the existence and/or nature of any donor imposed restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets. However, when the restriction from a temporarily restricted contribution has been met in the year of donation, it is classified as unrestricted. All other contributions that do not contain donor restrictions are also recorded as unrestricted.

Contributions expected to be received within one year are recorded at net realizable value. Long-term pledges are recorded at fair value, using risk-adjusted present value techniques. Conditional contributions are recognized as income when the conditions have been substantially met.

Management assesses the collectability of all outstanding receivables based upon historical trends and experience with donors. Based on that review, management has concluded that all receivables are collectible. As such, no allowance for uncollectible accounts was deemed necessary.

c. Cash and Cash Equivalents

All highly liquid investments purchased with a maturity of three months or less are considered to be cash and cash equivalents, other than those held as part of the endowment.

d. Concentration of Credit Risk

Financial instruments which potentially subject the Organization to concentration of credit risk consist of cash, money market accounts and investment securities that have been placed with financial institutions that management deems to be creditworthy. At times, balances may exceed federally insured limits, however, although during the year the Organization occasionally had uninsured balances, it has not experienced losses in any of those accounts due to bank failure.

e. Investments
Investments are recorded at fair value, which is defined as the price that would be received when selling an asset in an orderly transaction between market participants at the measurement date. Unrealized gains and losses are included in the statement of activities.

f. Fixed Assets, Net
Fixed assets that exceed pre-determined amounts and that have a useful life of greater than one year are recorded at cost or at fair value on the date of gift, if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets, as follows:

Office equipment – *3 to 5 years*
Furniture and fixtures – *5 years*
Leasehold improvements – *Life of lease or assets, whichever is shorter*

g. Deferred Revenue
Deferred revenue consists of fees received in advance of when services are to be performed.

h. Deferred Rent
Rent expense is recognized evenly over the life of the lease using the straight-line basis. Rent expense recognized in excess of cash payments is reflected as deferred rent. When payments exceed the amount of rent recognized as expense, the deferred rent is reduced until it becomes zero at the end of the lease.

i. In-Kind Contributions
Donated services are recognized when they create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided in-kind. Donated assets are recorded at the estimated fair value.

The Organization received donated legal and other professional services, valued at $416,952 and $332,987 for the years ended December 31, 2016 and 2015, respectively, which has been reflected in the financial statements. Additionally, in 2016, the Organization received a donated public service announcement, which has been recognized as a contribution for its MFA project at the estimated fair value of $314,308.

Other than services that involve specific professional skills, these volunteer activities do not meet the criteria to be recorded, and have not been included in the financial statements. Board members and other individuals volunteer their time and perform a variety of tasks that assist the Organization. Other than services that involve specific skills, these volunteer activities and services do not meet the criteria to be recorded, and have not been included in the financial statements.

j. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

k. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

l. Summarized Comparative 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 be read in conjunction with the Organization's audited financial statements for the year ended December 31, 2015, from which the summarized information was derived.

m. Accounting for Uncertainty of Income Taxes

The Organization does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending December 31, 2013 and later are subject to examination by applicable taxing authorities.

n. Subsequent Events

Management has evaluated whether potential recognition and disclosure events exists subsequent to the date of the statement of financial position through October 2, 2017, the date the financial statements were available to be issued. All events that have occurred subsequent to the statement of financial position date through our evaluation date that would require adjustment to or disclosure in the financial statements have been made.

o. New Pronouncements

On August 18, 2016, the Financial Accounting Standards Board (FASB) issued an Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. The ASU, which becomes effective for the December 31, 2018 year, with early implementation permitted, focuses on improving the current net asset classification requirements and information presented in the financial statements and notes that is useful in assessing a not-for-profit's liquidity, financial performance and cash flows.

In addition, FASB issued ASU No. 2016-02, *Leases*. The ASU, which becomes effective for the December 31, 2020 year, requires the full obligation of long term leases to be recorded as a liability with a corresponding "right to use asset" on the statement of financial position.

The Organization has not yet evaluated the impact these standards will have on future financial statements.

Note 3 - Pledges Receivable, Net

Pledges receivable, net of the present value of future cash flows, are as follows:

	12/31/16	12/31/15
Within 1 year	$429,708	$419,654
2 to 5 years	0	334,000*
Greater than 5 years	500,000	500,000
Total pledges	929,708	1,253,654
Less: discount to fair value	(220,807)	(235,529)
Pledges receivable, net	$708,901	$1,018,125

Pledges receivable are for the following purposes:

	12/31/16	12/31/15
Pledges – MFA project	$250,000	$500,000
Other pledges	179,708	250,314
Total pledges for operations	429,708	750,314
Pledges for endowment	279,193	267,811
	$708,901	$1,018,125

*This represented a pledge for the MFA project.

Note 4 - Investments

Accounting standards have established a fair value hierarchy giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The following summarizes the composition of investments:

	12/31/16	12/31/15
Corporate bonds	$342,504	$934,444
Foreign stock	132,960	166,180
U.S. common stocks	332	275
Mutual funds – bond funds	1,312,565	688,750
	$1,788,361	$1,789,649

Level 1 securities are valued at the closing price reported on the active market they are traded on.

The following summarizes investment income:

	12/31/16	12/31/15
Interest and dividends income	$66,566	$73,137
Realized and unrealized loss on investments	(44,324)	(3,612)
Total investment income	$22,242	$69,525

Note 5 - Fixed Assets

Fixed assets consisted of the following:

	12/31/16	12/31/15
Computers	$116,782	$114,466
Furniture and equipment	120,828	120,828
Leasehold improvements	46,419	46,419
	284,029	281,713
Less: accumulated depreciation	(276,773)	(270,606)
Total fixed assets, net	$7,256	$11,107

Note 6 - Temporarily Restricted Net Assets

Net assets were released from restriction due to satisfaction of donor stipulations for the following programs:

	12/31/16	12/31/15
Conflict resolution	$77,294	$47,027
Education	81,896	98,635
Technology and operations	0	145
Health care	80,313	70,073
Restricted by time	109,000	0
Appropriated endowment earnings	32	32
Sustainability	116,902	0
Special Project (MFA)	482,116	358,674
Total restrictions	$947,553	$574,586

Net assets are temporarily restricted by donors for the following purposes:

	12/31/16	12/31/15
Conflict resolution	$110,270	$128,748
Education	30,250	37,144
Restricted by time	84,000	193,000
Health care	75,000	80,313
Sustainability	0	116,902
Special Project (MFA)	368,518	27,905
Total restrictions	$668,038	$1,284,012

Note 7 - Permanently Restricted Net Assets

Permanently restricted net assets consist of donor funds to be held in perpetuity. Absent other donor stipulations, the income from these investments can be used to support general activities.

During the year ended December 31, 2015, a donor released the permanent restrictions on their original donation to that fund. Those funds are now reported as unrestricted.

At December 31, 2016, permanently restricted net assets consisted of investments of $180,833 and pledges receivable (net of discount) of $279,193.

Interpretation of Relevant Law

On September 17, 2010, New York State adopted New York Prudent Management of Institutional Funds Act ("NYPMIFA"). Absent explicit donor stipulations to the contrary, the Organization preserves the fair value of the original gift as of the gift date of all donor-restricted permanently restricted net assets. Under certain circumstances, the Organization has the right to appropriate for expenditure the fair value of the original gift in a manner consistent with the standard of prudence specifically prescribed by NYPMIFA.

As a result of this interpretation, permanently restricted net assets consist of (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, less any amounts restricted or unrestricted at the direction of the donor. One donor has encouraged the Organization to retain a specific investment. The reported value in the permanently restricted class of net assets is increased and decreased by the change in value of that investment.

Absent any other specific donor-stipulations, NYPMIFA requires that any remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets be classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization. Under previous law, unappropriated accumulations were classified as unrestricted net assets on the financial statements.

Spending Policies

In accordance with NYPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted permanently restricted net assets:

(1) The duration and preservation of the fund;
(2) The purposes of the Organization and the donor-restricted endowment fund;
(3) General economic conditions;
(4) The possible effect of inflation and deflation;
(5) The expected total return from income and the appreciation of investments;

(6) Other resources of the Organization;
(7) The investment policies of the Organization;
(8) Where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the Organization.

The following summarizes the changes in endowment net assets:

	December 31, 2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$0	$36,173	$433,991	$470,164
Adjustment to discount of long term pledges	0	0	11,382	11,382
Realized and unrealized gain/(loss) on investments	0	0	(33,220)	(33,220)
Interest and dividends	0	11,700	0	11,700
Endowment net assets, end of year	$0	$47,873	$412,153	$460,026

	December 31, 2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$0	$53,042	$394,723	$447,765
Adjustment to discount of long term pledges	0	0	10,918	10,918
Donor release from restriction	1,000		(1,000)	0
Realized and unrealized gain/(loss) on investments	0	0	29,350	29,350
Interest and dividends	0	13,190	0	13,190
Net transfers	(1,000)	0	0	(1,000)
Appropriations for expenditure	0	(30,059)	0	(30,059)
Endowment net assets, end of year	$0	$36,173	$433,991	$470,164

The endowment consists of:

	12/31/16	12/31/15
Pledges receivable (net of discount)	$279,193	$267,811
Investments	180,833	202,353
Total	$460,026	$470,164

Endowment Investment Policies

An investment policy for endowment assets has been adopted that is consistent with the investment policy of the Organization's unrestricted investments. The goal is to protect its endowment investment principal, while obtaining a reasonable and competitive return on its assets.

Funds with Deficiencies

From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or NYPMIFA requires to be retained as a fund of perpetual duration. There were no funds with deficiencies at year end.

Note 8 - Commitments

The Organization has a ten-year lease for office space which began on July 1, 2007. Under the terms of the lease, a security deposit was required to be established under a letter of credit in the amount of $90,388. Subsequent to year end, the Organization entered into a 5-year lease for new office space. The space is currently under renovation and the move in date has yet to be determined. The Organization is currently being housed in a temporary space under the same terms as the 5-year lease. Future minimum lease payments under these arrangements are as follows:

Year ending:	December 31, 2017	$81,360

During 2014, the Organization entered into a sublease agreement with a third party whereby the third party rented a portion of the Organization's office space. In connection with the sublease, the Organization obtained a $4,500 security deposit. Rental income amounted to $54,000 and $52,964 during 2016 and 2015 respectively. Subsequent to year end, the sublease was terminated in June 2017 and the security deposit was returned.

Note 9 - Other Concentrations and Related Parties

Included in outstanding pledges receivable is approximately $279,000 and $265,000 (net of discount) from one donor, who is an officer of the Organization, as of December 31, 2016 and 2015, respectively. The spouse of the officer is a principal in a foreign company in which the Organization holds stock, which has been valued at $132,960 and $166,180 at December 31, 2016 and 2015, respectively.

Note 10 - Special Event

	12/31/16	12/31/15
Gala revenue	$508,054	$781,112
Less: expenses where donor receives a direct benefit	(108,034)	(135,193)
	400,020	645,919
Less: other event expenses	(63,144)	(104,241)
Net gala revenue	$336,876	$541,678

Note 11 - Subsequent Events

Subsequent to the year end, the Organization's sponsorship relationship with Multifaith Alliance for Syrian Refugees (MFA) was completed and MFA moved its operations to a new sponsor, Tides Center. Pledges for 2017, including anticipated donations to the

Organization for administrative services, were transferred to Tides. Money that was restricted for MFA that had not been drawn down in 2017 was also transferred to Tides.

In 2017, the Organization received a gift of $2.42 million from a long-standing donor. The gift requires the Organization to maintain funds in an endowment until the occurrence of a specified future event.