

American Foundation for Suicide Prevention

Financial Report
June 30, 2015

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Independent Auditor's Report

To the Board of Directors
American Foundation for Suicide Prevention
New York, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the American Foundation for Suicide Prevention (the Foundation), which comprise the statement of financial position as of June 30, 2015 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.

Auditor's 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 auditor's 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 the Foundation as of June 30, 2015 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.

RSM US LLP

New York, New York
November 23, 2015

American Foundation for Suicide Prevention

**Statement of Financial Position
June 30, 2015**

| Assets | |
|--|----------------------|
| Current Assets | |
| Cash (Note 2) | \$ 2,444,928 |
| Investments (Note 3) | 6,351,701 |
| Unconditional promises to give and other receivables | 696,741 |
| Prepaid walk materials | 424,629 |
| Other prepaid expenses | 647,297 |
| Total current assets | 10,565,296 |
| Equipment, at Cost | |
| Furniture, fixtures and computer equipment | 538,075 |
| Less accumulated depreciation | 329,427 |
| Equipment, at cost less depreciation | 208,648 |
| Other Assets | |
| Restricted investments (Notes 3 and 5) | 1,222,462 |
| Investments - board-designated (Notes 3 and 5) | 1,921,449 |
| Educational films, net | 104,784 |
| Security deposits | 86,578 |
| Total other assets | 3,335,273 |
| Total assets | \$ 14,109,217 |
| Liabilities and Net Assets | |
| Current Liabilities | |
| Grants payable (Note 4) | \$ 2,164,165 |
| Accounts payable and accrued expenses | 1,453,239 |
| Deferred event revenue | 946,281 |
| Total current liabilities | 4,563,685 |
| Noncurrent Liabilities and Deferred Credits | |
| Grants payable (Note 4) | 970,399 |
| Deferred rent credit (Note 9) | 268,181 |
| Total liabilities | 5,802,265 |
| Commitments (Notes 4, 8 and 9) | |
| Net Assets | |
| Unrestricted: | |
| General operating | 4,144,176 |
| Board-designated (Notes 5 and 6) | 1,921,449 |
| | 6,065,625 |
| Temporarily restricted (Notes 5 and 6) | 1,407,487 |
| Permanently restricted (Notes 5 and 6) | 833,840 |
| Total net assets | 8,306,952 |
| Total liabilities and net assets | \$ 14,109,217 |

See Notes to Financial Statements.

American Foundation for Suicide Prevention

**Statement of Activities
Year Ended June 30, 2015**

| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
|--|---------------|---------------------------|---------------------------|---------------|
| Revenues, Gains and Other Support | | | | |
| Functions (Note 10): | | | | |
| Revenues | \$ 19,981,980 | \$ 63,774 | \$ - | \$ 20,045,754 |
| Direct expenses | (3,958,174) | - | - | (3,958,174) |
| Net functions income | 16,023,806 | 63,774 | - | 16,087,580 |
| Donations | 2,666,930 | 296,027 | - | 2,962,957 |
| Other revenues | 346,905 | - | - | 346,905 |
| Investment income (Note 3) | 90,104 | 29,397 | - | 119,501 |
| Net assets released from restrictions | 178,904 | (178,904) | - | - |
| Total revenues, gains and other support | 19,306,649 | 210,294 | - | 19,516,943 |
| Expenses | | | | |
| Program services | 14,724,664 | - | - | 14,724,664 |
| Management and general | 983,975 | - | - | 983,975 |
| Fund-raising | 2,096,512 | - | - | 2,096,512 |
| Total expenses | 17,805,151 | - | - | 17,805,151 |
| Change in net assets | 1,501,498 | 210,294 | - | 1,711,792 |
| Net Assets | | | | |
| Beginning | 4,564,127 | 1,197,193 | 833,840 | 6,595,160 |
| Ending | \$ 6,065,625 | \$ 1,407,487 | \$ 833,840 | \$ 8,306,952 |

See Notes to Financial Statements.

American Foundation for Suicide Prevention

**Statement of Functional Expenses
Year Ended June 30, 2015**

| | Program Services | | | | Supporting Services | | | Total Expenses |
|---|---------------------|--------------------------|-------------------------------|---------------------|------------------------|------------------------|---------------------|----------------------|
| | Research | Prevention and Education | Loss and Bereavement Programs | Advocacy Programs | Total Program Services | Management and General | Fund-Raising | |
| Grants | \$ 3,315,546 | \$ - | \$ - | \$ - | \$ 3,315,546 | \$ - | \$ - | \$ 3,315,546 |
| Salaries and wages | 464,322 | 2,232,239 | 1,338,508 | 734,251 | 4,769,320 | 528,355 | 1,019,000 | 6,316,675 |
| Employee health and retirement benefits | 60,398 | 270,804 | 168,898 | 93,848 | 593,948 | 57,811 | 130,060 | 781,819 |
| Research, educational and survivor conferences and programs | 142,655 | 525,373 | 254,291 | 256,574 | 1,178,893 | - | - | 1,178,893 |
| Out of Darkness programs | - | 532,289 | 638,747 | - | 1,171,036 | - | 251,422 | 1,422,458 |
| Office | 49,724 | 519,683 | 261,820 | 131,275 | 962,502 | 15,886 | 86,646 | 1,065,034 |
| Occupancy | 47,346 | 212,286 | 132,400 | 73,568 | 465,600 | 45,318 | 101,955 | 612,873 |
| Telecommunications and Internet | 8,451 | 101,113 | 37,015 | 22,627 | 169,206 | 5,155 | 73,389 | 247,750 |
| Equipment rental and maintenance | 11,315 | 66,704 | 41,717 | 45,115 | 164,851 | 10,066 | 41,693 | 216,610 |
| Travel | 109,315 | 350,364 | 153,473 | 389,570 | 1,002,722 | 170,889 | 325,694 | 1,499,305 |
| Consultants | 63,132 | 443,483 | 260,781 | 163,644 | 931,040 | 16,239 | 66,653 | 1,013,932 |
| Professional fees | - | - | - | - | - | 82,796 | - | 82,796 |
| Depreciation | - | - | - | - | - | 51,460 | - | 51,460 |
| Total 2015 | \$ 4,272,204 | \$ 5,254,338 | \$ 3,287,650 | \$ 1,910,472 | \$ 14,724,664 | \$ 983,975 | \$ 2,096,512 | \$ 17,805,151 |
| Percentage to total program and supporting services expenses | 24.0% | 29.5% | 18.5% | 10.7% | 82.7% | 5.5% | 11.8% | 100.0% |

See Notes to Financial Statements.

American Foundation for Suicide Prevention

Statement of Cash Flows
Year Ended June 30, 2015

| | |
|---|---------------------|
| Cash Flows From Operating Activities | |
| Change in net assets | \$ 1,711,792 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | |
| Depreciation | 51,460 |
| Amortization of educational film costs | 41,875 |
| Unrealized gains on investments | (25,045) |
| Deferred rent | 73,252 |
| Changes in assets and liabilities: | |
| Unconditional promises to give and other receivables | 252,274 |
| Prepaid walk materials and other prepaid expenses | (760,530) |
| Grants payable | 890,564 |
| Accounts payable and accrued expenses | 398,879 |
| Deferred event revenue | 236,847 |
| Net cash provided by operating activities | <u>2,871,368</u> |
| Cash Flows From Investing Activities | |
| Purchase of property and equipment | (22,582) |
| Acquisition of investments | (5,512,604) |
| Return of security deposits | 2,600 |
| Proceeds from sale of investments | 3,918,149 |
| Release of restricted certificate of deposit | 68,118 |
| Educational films | (65,000) |
| Net cash used in investing activities | <u>(1,611,319)</u> |
| Net increase in cash | 1,260,049 |
| Cash | |
| Beginning | <u>1,184,879</u> |
| Ending | <u>\$ 2,444,928</u> |

See Notes to Financial Statements.

American Foundation for Suicide Prevention

Notes to Financial Statements

Note 1. Organization and Summary of Significant Accounting Principles

Organization: American Foundation for Suicide Prevention (the Foundation) is a not-for-profit organization incorporated under the laws of the State of Delaware. The Foundation was established in 1987 by concerned scientists, business and community leaders, and survivors of suicide in an effort to support the research and education needed to prevent suicide. The Foundation is dedicated to funding suicide prevention research, and to offering educational programs and conferences for survivors, mental health professionals, physicians, and the public.

Basis of presentation: The financial statements have been prepared on an accrual basis and include the accounts of the New York National Office and the Foundation's 83 unincorporated chapters, including the two inactive international chapters.

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted net assets: Net assets that are not subject to donor-imposed restrictions.

Temporarily restricted net assets: Net assets subject to donor-imposed restrictions that expire by the passage of time or by actions of the Foundation. They are classified as temporarily restricted net assets until those amounts are appropriated for expenditures in a manner consistent with the donor's wishes and/or the passage of time.

Permanently restricted net assets: Net assets subject to donor-imposed restrictions that are to be permanently maintained by the Foundation.

Endowment: When the Foundation receives a contribution and the donor restricts the Foundation from spending the principal, the contribution is classified as an endowment, with the amount of the gift recorded as permanently restricted. The Foundation is subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA) of the State of Delaware, and has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. The remaining portion of the endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

Contributions: All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor 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 and reported in the statement of activities as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the support as unrestricted.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, provided by individuals possessing those skills and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. A number of unpaid volunteers have made a contribution of their time to develop the Foundation's programs. The value of this contributed time is not reflected in these financial statements, as they do not meet the criteria for recognition under accounting principles generally accepted in the United States of America (U.S. GAAP).

American Foundation for Suicide Prevention

Notes to Financial Statements

Note 1. Summary of Significant Accounting Principles (Continued)

Promises to give: Unconditional promises to give that are expected to be collected in future periods are recorded at their net realizable value. At June 30, 2015, all promises to give were expected to be collected within one year.

Depreciation: Depreciation of equipment is provided for by straight-line methods over the estimated useful lives of the related assets ranging from three to ten years. Donated equipment is recorded at their estimated fair value at the date of receipt.

Investments: Investments are reported at fair value, as described in Note 3, and unrealized gains and losses are included in the statement of activities. Realized gains and losses on investments are determined using the specific-identification method. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Educational films: Educational film production costs recorded as separate asset and amortized over the estimated use lives. Costs of \$548,456 relating to the development of four educational films have been deferred over the years. The film costs are amortized over estimated useful lives of five years, once it's ready for use. Amortization expense in fiscal 2015 was \$41,875.

Grants payable: The Foundation recognizes a liability for grants when the grant is deemed to be unconditional and commitment has been made to the grantee.

Deferred rent: Deferred rent credit results from the difference between rent expense being recorded on a straight-line basis over the lease term and rent payments made.

Functional expenses: The Foundation allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support services are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated.

Tax-exempt status: The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is a publicly supported organization as described in Section 509(a). In addition, the Foundation is not classified as a private foundation.

Management evaluated the Foundation's tax positions for all open tax years and has concluded that the Foundation had taken no uncertain tax positions that require adjustment or disclosure to these financial statements. Generally, the Foundation is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before fiscal 2012, which is the standard statute of limitations look-back period.

Use of estimates: The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

Subsequent events: The Foundation evaluates events occurring after the date of the financial statements to consider whether or not the impact of such events needs to be reflected and/or disclosed in the financial statements. Such evaluations are performed through the date the financial statements are available to be issued, which was November 23, 2015, for these financial statements.

American Foundation for Suicide Prevention

Notes to Financial Statements

Note 2. Cash

The Foundation maintains cash in bank accounts which, at times, may exceed federally insured limits. The Foundation hasn't experienced any losses in such accounts.

Note 3. Investments and Fair Value Measurements

The *Fair Value Measurements* Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) defines 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 and sets out a fair value hierarchy.

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

- Level 1 Quoted prices for identical assets and liabilities traded in active exchange markets, such as the New York Stock Exchange.
- Level 2 Observable inputs other than Level 1, including quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data. Level 2 also includes derivative contracts whose value is determined using a pricing model with observable market inputs or can be derived principally from or corroborated by observable market data.
- Level 3 Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation; also includes observable inputs for nonbinding single dealer quotes not corroborated by observable market data.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Foundation's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

For the year ended June 30, 2015, the application of valuation techniques applied to similar assets and liabilities has been consistent. The fair value of investment securities are based on quoted market prices, when available, or bid or evaluation market prices provided by recognized broker dealers.

Following is a description of the valuation methodologies used for assets measured at fair value.

Money market funds: Money market funds are priced daily. The funds have relatively low risks compared to mutual funds and pay dividends that generally reflect short-term interest rates.

Mutual funds: Shares of registered investment companies (mutual funds) are reported at fair value based on the quoted price of the fund.

American Foundation for Suicide Prevention

Notes to Financial Statements

Note 3. Investments and Fair Value Measurements (Continued)

Total investments included in the accompanying statement of financial position are as follows:

| | |
|--------------------------------|---------------------|
| Investments | \$ 6,351,701 |
| Restricted investments | 1,222,462 |
| Investments - board-designated | 1,921,449 |
| | <u>\$ 9,495,612</u> |

The Foundation's investments, measured at fair value on a recurring basis, consist of the following as of June 30, 2015:

| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
|---------------------------|---|---|--|---------------------|
| Money market funds | \$ 2,811,286 | \$ - | \$ - | \$ 2,811,286 |
| Mutual funds | | | | |
| Stock funds: | | | | |
| Small-cap | 616,778 | - | - | 616,778 |
| Mid-cap | 961,020 | - | - | 961,020 |
| Large blend | 1,595,937 | - | - | 1,595,937 |
| Foreign large blend | 713,116 | - | - | 713,116 |
| Total stock funds | <u>3,886,851</u> | <u>-</u> | <u>-</u> | <u>3,886,851</u> |
| Bond funds: | | | | |
| Intermediate government | 2,797,475 | - | - | 2,797,475 |
| Total mutual funds | <u>6,684,326</u> | <u>-</u> | <u>-</u> | <u>6,684,326</u> |
| | <u>\$ 9,495,612</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 9,495,612</u> |

Investment income and losses are reflected in unrestricted net assets unless there are explicit donor restrictions. Investment income reported in the statement of activities for the year ended June 30, 2015 is as follows:

| | |
|------------------------------|-------------------|
| Interest and dividend income | \$ 85,954 |
| Capital gains | 8,502 |
| Unrealized gains | 25,045 |
| | <u>\$ 119,501</u> |

American Foundation for Suicide Prevention

Notes to Financial Statements

Note 3. Investments and Fair Value Measurements (Continued)

Return objective and risk parameters: The Foundation's objective is to earn a respectable, long-term, risk-adjusted total rate of return to support the designated programs. In establishing the investment objectives of the portfolio, the board of directors and the Investment Committee have taken into account the financial needs and circumstances of the Foundation, the time horizon available for investment, the nature of the Foundation's cash flow and liabilities and other factors that affect their risk tolerance. The intermediate government funds are subject to prepayment risk in addition to other bond market risks. The Foundation takes a risk-averse balanced approach that emphasizes a stable and substantial source of current income and some capital appreciation over the long term. The Foundation recognizes that investment results over the long term may lag those of the typical balanced portfolio since the typical balanced portfolio tends to be more aggressively invested. Nevertheless, the portfolio is expected to earn long-term return that compares favorably to appropriate market indexes.

Note 4. Grants Payable

Grants payable include grants awarded in prior years and not paid as of the end of the fiscal year. Grants that are expected to be paid in future years are recorded at the present value of their estimated cash flows, discounted at market rate. They are scheduled for payment as follows:

Years Ending June 30,

| | |
|----------------------------|----------------------------|
| 2016 | \$ 2,164,165 |
| 2017 | <u>1,034,500</u> |
| | 3,198,665 |
| Net present value discount | <u>(64,101)</u> |
| | <u><u>\$ 3,134,564</u></u> |

The Foundation approved approximately \$4,022,000 of new grants, which are effective on October 1, 2015. Approximately \$2,598,000 of this balance is comprised of two three-year grants.

Note 5. Net Assets

Board-designated funds: The Foundation's board of directors designated certain of the Foundation's unrestricted net assets as endowment funds for future projects and operational uses. The board appropriates for expenditure in its annual budget up to 5% of the ending market value of the board designated-funds as of a certain period-end date as needed. Additional transfers may be made to operating cash at board's discretion. There is no transfer made for the year ending June 30, 2015. All board-designated funds are separately shown in the accompanying statement of financial position.

American Foundation for Suicide Prevention

Notes to Financial Statements

Note 5. Net Assets (Continued)

Temporarily restricted net assets: Temporarily restricted net assets consist of investments expendable in accordance with the terms of the contributions (see Note 1). They are restricted for the following:

| | | |
|--|----|----------------------------|
| Mental health service in the State of California | \$ | 257,500 |
| General education or location specific | | 632,558 |
| Clinical education | | 230,033 |
| Suicide causes research | | 158,589 |
| Other research | | 32,186 |
| Loss and bereavement | | 90,421 |
| Other | | 6,200 |
| Total temporarily restricted net assets | | <u><u>\$ 1,407,487</u></u> |

Total temporarily restricted assets released during fiscal 2015 are approximately \$179,000 for various specified purposes.

Note 6. Endowments

Permanently restricted net assets: Permanently restricted net assets as of June 30, 2015 represent the principal amounts of permanent endowments, for research of causes of suicide and clinical education.

The Foundation's endowment includes both donor-restricted endowment funds and funds designated by the board of directors to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation's endowment is invested in its investment pool (Note 3). The Foundation has a policy of appropriating for distribution each year, up to 5% of its endowment fund's average market value as needed as of a certain period-end date. No such appropriation for distribution was made during fiscal 2015. Through the combination of its investment strategy (Note 3) and spending policy, the Foundation strives to provide a reasonably consistent payout from endowment to support operations while preserving the purchasing power of the endowment assets.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Foundation to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported in unrestricted net assets, if any. In that case, future gains will be used to restore this reduction in unrestricted net assets before any net appreciation increases temporarily restricted assets. There were no deficiencies of this nature at June 30, 2015.

American Foundation for Suicide Prevention

Notes to Financial Statements

Note 6. Endowments (Continued)

The composition and changes in the Foundation's endowments as of and for the year ended June 30, 2015 are summarized below.

| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total Endowments |
|----------------------------------|---------------------|------------------------|------------------------|---------------------|
| Balance as of June 30, 2015 | | | | |
| Donor-restricted endowment funds | \$ - | \$ 388,622 | \$ 833,840 | \$ 1,222,462 |
| Board-designated endowment funds | 1,921,449 | - | - | 1,921,449 |
| Total endowed funds | \$ 1,921,449 | \$ 388,622 | \$ 833,840 | \$ 3,143,911 |
| | | | | |
| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total Endowments |
| Balance as of June 30, 2014 | \$ 1,845,628 | \$ 359,225 | \$ 833,840 | \$ 3,038,693 |
| Investment income | 75,821 | 29,397 | - | 105,218 |
| Balance as of June 30, 2015 | \$ 1,921,449 | \$ 388,622 | \$ 833,840 | \$ 3,143,911 |

Note 7. Contributed Legal Services

The Foundation has received legal services approximating \$39,000 during fiscal 2015, which has been reflected as a contribution and legal expense in the accompanying financial statements.

Note 8. Pension Plan

The Foundation sponsors a defined contribution retirement plan covering all employees meeting age and service requirements. Pension plan contributions are based on a percentage of an employee's salary. Pension plan contributions for the year ended June 30, 2015 amounted to \$294,662.

Note 9. Leases

The Foundation is obligated under various leases for office facilities extending through November 2025. Minimum annual rentals are as follows:

Years Ending June 30,

| | |
|------------|---------------------|
| 2016 | \$ 514,956 |
| 2017 | 558,012 |
| 2018 | 561,498 |
| 2018 | 567,195 |
| 2020 | 578,097 |
| Thereafter | 1,181,895 |
| | \$ 3,961,653 |

Rent expense (excluding rent allocated to events) is recorded on a straight-line basis and was approximately \$613,000 for the year ended June 30, 2015.

In connection with one of the office leases, the Foundation has provided the landlord with a \$68,118 standby letter of credit in lieu of a security deposit.

American Foundation for Suicide Prevention

Notes to Financial Statements

Note 10. Special Events

The Foundation sponsors certain special events annually, among which, “Out of Darkness” events are 20-mile walks. The purpose of the “Out of Darkness” walks is to raise funds and increase public awareness of the various causes promoted by the Foundation. The Foundation held two “Out of Darkness” walks during fiscal year 2015. In addition, the Foundation has organized smaller scale “Out of Darkness” community walks and campus walks, which take place in various cities around the country.

The gross revenue and direct expenses of various special events are as follows:

| | Revenues | Direct Expenses | Net Functions Income |
|---------------------------|----------------------|-----------------------|----------------------|
| “Out of Darkness” walks | \$ 18,334,798 | \$ (3,427,798) | \$ 14,907,000 |
| Lifesavers’ dinner | 342,395 | (193,368) | 149,027 |
| Other fund-raising events | 1,368,561 | (337,008) | 1,031,553 |
| | <u>\$ 20,045,754</u> | <u>\$ (3,958,174)</u> | <u>\$ 16,087,580</u> |