Research!America

Financial Report
December 31, 2016

Contents

Independent Auditor's Report

To the Board of Directors
Research!America
Arlington, Virginia

Report on the Financial Statements
We have audited the accompanying financial statements of Research!America (the Organization), which comprise the balance sheet as of December 31, 2016, 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 Organization 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 May 12, 2016. 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.

RSM US LLP

McLean, Virginia
May 11, 2017

Research!America

Balance Sheet
December 31, 2016
(With Comparative Totals for 2015)

	2016	2015
Assets		
Cash and cash equivalents	**$ 481,876**	$ 745,978
Investments	**899,555**	854,564
Contributions and grants receivable, net	**882,360**	400,831
Prepaid expenses	**30,916**	44,542
Deposits and other assets	**45,936**	44,192
Property and equipment, net	**594,699**	139,498
Deferred compensation investments	**262,097**	215,548
	$ 3,197,439	$ 2,445,153
Liabilities and Net Assets		
Liabilities:		
Accounts payable	**$ 24,829**	$ 5,867
Accrued expenses	**195,514**	159,731
Refundable advances	**55,747**	976
Deferred rent	**626,864**	26,290
Deferred compensation	**262,097**	215,548
Total liabilities	**1,165,051**	408,412
Commitments and contingencies (Notes 6, 7 and 9)		
Net assets:		
Unrestricted:		
Undesignated	**366,045**	713,891
Board designated	**399,472**	399,472
	765,517	1,113,363
Temporarily restricted	**1,266,871**	923,378
	2,032,388	2,036,741
	$ 3,197,439	$ 2,445,153

See notes to financial statements.

Research!America

Statement of Activities
Year Ended December 31, 2016
(With Comparative Totals for 2015)

	2016			
	Unrestricted	**Temporarily Restricted**	**Total**	2015 Total
Support and revenue:				
Dues	**$ 1,375,050**	**$ -**	**$ 1,375,050**	$ 1,394,800
Advocacy Awards Event	**563,140**	**797,500**	**1,360,640**	956,500
National Forum	**360,600**	**-**	**360,600**	340,875
Grants	**52,967**	**-**	**52,967**	140,000
General contributions	**93,527**	**10,700**	**104,227**	159,031
Partner programs	**338,100**	**50,000**	**388,100**	369,450
In-kind support	**119,040**	**-**	**119,040**	118,677
Other	**21,329**	**-**	**21,329**	40,051
Interest and dividends	**16,165**	**-**	**16,165**	6,653
Net assets released from restrictions	**514,707**	**(514,707)**	**-**	-
Total support and revenue	**3,454,625**	**343,493**	**3,798,118**	3,526,037
Expenses:				
Program	**2,723,556**	**-**	**2,723,556**	2,751,763
Operating	**604,416**	**-**	**604,416**	398,189
Fundraising	**477,448**	**-**	**477,448**	485,960
Total expenses	**3,805,420**	**-**	**3,805,420**	3,635,912
Change in net assets before other (losses) gains	**(350,795)**	**343,493**	**(7,302)**	(109,875)
Other gains (losses):				
Realized and unrealized gains (losses)	**29,242**	**-**	**29,242**	(34,265)
Loss on disposal of fixed assets	**(26,293)**	**-**	**(26,293)**	-
Total other gains (losses)	**2,949**	**-**	**2,949**	(34,265)
Change in net assets	**(347,846)**	**343,493**	**(4,353)**	(144,140)
Net assets:				
Beginning	**1,113,363**	**923,378**	**2,036,741**	2,180,881
Ending	**$ 765,517**	**$ 1,266,871**	**$ 2,032,388**	$ 2,036,741

See notes to financial statements.

Research!America

Statement of Functional Expenses
Year Ended December 31, 2016
(With Comparative Totals for 2015)

	2016				2015
	Program	**Operating**	**Fundraising**	**Total**	Total
Salaries	**$ 1,236,470**	**$ 375,812**	**$ 349,654**	**$ 1,961,936**	$ 1,866,531
Fringe benefits	**216,502**	**73,524**	**60,681**	**350,707**	328,632
Rent and parking	**177,562**	**47,736**	**28,144**	**253,442**	269,589
Professional services	**200,917**	**12,860**	**3,137**	**216,914**	242,771
Events	**184,463**	**-**	**-**	**184,463**	171,185
Advertising/news placement	**144,475**	**-**	**-**	**144,475**	128,817
Meetings and workshops	**121,296**	**323**	**-**	**121,619**	100,287
Lobbying	**80,261**	**-**	**-**	**80,261**	86,552
Accounting and legal	**61,815**	**6,439**	**7,652**	**75,906**	48,189
Computers and equipment	**57,251**	**8,683**	**8,221**	**74,155**	74,395
Depreciation	**13,232**	**51,091**	**2,098**	**66,421**	44,446
Public opinion polls	**52,350**	**-**	**-**	**52,350**	32,000
Travel	**43,295**	**251**	**8,640**	**52,186**	60,347
Dues, subscriptions and registration fees	**49,040**	**2,399**	**379**	**51,818**	76,438
Printing and publications	**28,207**	**1,840**	**-**	**30,047**	31,710
Board meetings	**8,622**	**8,278**	**1,331**	**18,231**	12,133
Telephone and fax	**13,468**	**2,357**	**1,810**	**17,635**	8,878
Supplies	**11,424**	**1,729**	**1,807**	**14,960**	9,766
Taxes and licenses	**5,017**	**2,367**	**795**	**8,179**	7,119
Insurance	**5,408**	**1,909**	**857**	**8,174**	5,794
Maintenance and repairs	**6,291**	**731**	**976**	**7,998**	5,822
Moving expense	**-**	**4,754**	**-**	**4,754**	-
Postage and delivery	**3,025**	**343**	**972**	**4,340**	3,759
Contribution to other organizations	**-**	**-**	**-**	**-**	17,830
Miscellaneous	**3,165**	**990**	**294**	**4,449**	2,922
Total expenses	**$ 2,723,556**	**$ 604,416**	**$ 477,448**	**$ 3,805,420**	$ 3,635,912

See notes to financial statements.

Research!America

Statement of Cash Flows
Year Ended December 31, 2016
(With Comparative Totals for 2015)

	2016	2015
Cash flows from operating activities:		
Change in net assets	**$ (4,353)**	$ (144,140)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	**66,421**	44,446
Deferred rent	**76,136**	(48,491)
Loss on disposal of fixed assets	**26,293**	-
Realized and unrealized (gain) loss on investments, net	**(29,242)**	34,265
Change in pledge discount	**10,860**	20,285
Changes in assets and liabilities:		
Increase (decrease) in:		
Contributions and grants receivable	**(492,389)**	224,484
Prepaid expenses	**13,626**	(13,445)
Deposits and other assets	**(1,744)**	(7,372)
(Increase) decrease in:		
Accounts payable	**18,962**	(34,876)
Accrued expenses	**35,783**	(16,251)
Deferred compensation liability	**46,549**	17,661
Refundable advances	**54,771**	(6,488)
Net cash (used in) provided by operating activities	**(178,327)**	70,078
Cash flows from investing activities:		
Purchase of property and equipment	**(23,477)**	(25,489)
Purchase of investments	**(269,124)**	(871,878)
Sales of investments	**253,375**	265,781
Purchase of deferred compensation investments	**(46,549)**	(17,661)
Net cash used in investing activities	**(85,775)**	(649,247)
Net decrease in cash and cash equivalents	**(264,102)**	(579,169)
Cash and cash equivalents:		
Beginning	**745,978**	1,325,147
Ending	**$ 481,876**	$ 745,978
Supplemental disclosure of noncash investing activities:		
Leasehold improvements acquired through tenant allowance	**$ 524,438**	$ -

See notes to financial statements.

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: Research!America (the Organization) was incorporated in the District of Columbia as a not-for-profit organization. Its mission is to achieve better health for all through education and support for medical research as a national priority; to increase resources available for medical research; to make medical research a highly visible, urgent and understandable priority on the national agenda; to increase public awareness of the importance of research and research careers; and to enhance the nation's scientific leadership in biology and medicine.

The following is a summary of the Organization's significant accounting policies:

Basis of accounting: The accompanying financial statements are presented in accordance with the accrual basis of accounting, whereby unconditional support is recognized when received, revenue is recognized when earned and expenses are recognized when incurred.

Basis of presentation: The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). As required by the Not-for-Profit Entities Topic of the FASB ASC, Financial Statements of Not-for-Profit Organizations, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization had no permanently restricted net assets at December 31, 2016.

Cash and cash equivalents: For the purpose of reporting cash flows, the Organization considers money market accounts to be cash equivalents.

Financial risk: The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant financial risk on cash and cash equivalents.

Investments: Investments are reported at fair value. Investments received by gift are initially recorded at fair value at the date of donation. Certificates of deposit are not subject to the provisions of fair value measurements as they are recorded at cost. Deferred compensation plan assets are recorded at fair value. Fair value on short-term investments and marketable securities is based on quoted market price. To adjust the carrying value of these securities, the change in fair market value is recorded as a component of realized and unrealized gains (losses) within other (gains) losses in the statement of activities.

Investments consist of various types of securities which are exposed to various risks such as interest rate, market and credit risk. Due to the level of risk associated with certain securities and the level of uncertainty related to changes in the value of securities, it is possible that changes in risks in the near term could materially affect the amounts reported in the financial statements.

Contributions receivable: Unconditional contributions receivable are recognized as support and revenue in the period acknowledged. Unconditional contributions receivable expected to be collected within one year are carried at original amount promised. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows using a discount rate commensurate with the risk of the contributions receivable. Management determines the allowance for doubtful accounts by regularly evaluating individual contributions receivable and considering the prior history of donors and proven collectability of past donations. Management believes all contributions receivable are fully collectable and as such, there was no allowance for doubtful promises at December 31, 2016. Contributions receivable are written off against the allowance for doubtful promises when deemed uncollectable. Recoveries of receivables previously written off are recorded when received.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Conditional contributions receivable are recognized when the conditions on which they depend are substantially met. Until that point, any amounts received are reported as refundable advances.

Property and equipment: Property and equipment are recorded at cost and depreciated over the estimated useful lives of the respective assets on a straight-line basis. Leasehold improvements are recorded at cost and amortized over the shorter of the asset's useful life or the term of the lease. The Organization capitalizes all property and equipment purchased with a cost of $500 or more.

Board designated net assets: In prior years, the Board of Directors (the Board) designated an amount of $500,000 for a future use to be determined at a later time and only upon approval of the Board. During the year ended December 31, 2016, the Board did not approve any expenditures from the designated funds. At December 31, 2016, the remaining balance is $399,472.

Deferred rent: The Organization has a lease agreement for rental space in Arlington, Virginia. Under the terms of the lease agreement, the Organization received a landlord improvement allowance for leasehold improvements. The benefits that the Organization received from the allowance and rent increases in future years are being allocated on a straight-line basis over the term of the lease. The difference between the expense and the cash payments plus the unamortized landlord improvement allowance is reported as deferred rent.

Support and revenue recognition: Amounts received for Dues, Advocacy Awards Gala, the National Forum, and partner programs are accounted for as contributions in the year received.

Unconditional contributions received, including the majority of grants, are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the 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 and reported in the statement of activities as net assets released from restrictions. Restrictions that are met by the Organization in the year in which they were received are recognized as unrestricted support.

In-kind support: The Organization receives contributions of services from businesses toward the fulfillment of program objectives, specifically for internet advertising. Those services have been included in revenue and expense categories and are recorded at their estimated fair values as of the date of the donation.

Expenses: Direct costs associated with specific programs are recorded as program expenses. Administrative overhead expenses are allocated to the various programs based on personnel time spent on these activities. Fringe benefits are allocated based on labor dollars spent on these activities. Personnel and administrative costs and rent have been allocated between program, fundraising and operating expenses based on level of effort. Operating expenses consist of general and administrative expenses. Fundraising expenses consist of development expenses.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Income taxes: The Organization is exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for charitable contribution deductions and has been classified as an organization that is not a private foundation. Business income which is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes. The Organization did not have any net unrelated business income for the year ended December 31, 2016.

Management evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustments to the financial statements. Generally, the Organization is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2013.

Use of estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Prior period information: The financial statements include certain prior year summarized comparative information in total but not by net asset class or function. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2015, from which the summarized information was derived.

Pending accounting pronouncements: In August 2016, the FASB issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which simplifies and improves how a nonprofit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance and cash flows. Among other changes, the ASU replaces the three current classes of net assets with two new classes, net assets with donor restrictions and net assets without donor restrictions, and expands disclosures about the nature and amount of any donor restrictions. ASU 2016-14 is effective for annual periods beginning after December 15, 2017, with early adoption permitted. Management is currently evaluating the impact the adoption of this guidance will have on its financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842*), which requires that lessees to recognize right-of-use assets and lease liabilities for all leases not considered short-term leases. The ASU is effective for the Organization for the year ending December 31, 2019. The adoption of this standard is expected to result in the Organization's recognizing right-of-use assets and lease liabilities for some leases currently accounted for as operating leases under the legacy lease accounting guidance. Management is evaluating the impact of this standard on the Organization's financial statements.

In May 2015, FASB issued ASU 2015-07, *Fair Value Measurement (Topic 850): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, which removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. ASU 2015-07 also limits certain disclosures to investments for which the entity has elected to measure the fair value using the practical expedient. This ASU will be effective for the Organization for fiscal years beginning after December 15, 2016. Early adoption is permitted and the amendments in ASU 2015-07 should be applied retrospectively to all periods presented. As ASU 2015-07 only amends and eliminates certain disclosures, the Organization does not anticipate its adoption will have a material impact on its financial statements.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14 which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2018. The Organization has not yet selected a transition method and is currently evaluating the effect that the standard will have on the financial statements.

Subsequent events: The Organization evaluated subsequent events through May 11, 2017, which is the date the financial statements were available to be issued.

Note 2. Contributions and Grants Receivable

Contributions and grants receivable at December 31, 2016, consist of general contributions as well as contributions and grants promised to fund specific programs.

These amounts are expected to be received as follows:

Due in one year or less	$	640,197
Due in one to five years		260,723
		900,920
Less present value discount		18,560
	$	882,360

Note 3. Investments

Investments at December 31, 2016, consist of the following:

Equity securities	$	504,540
Fixed income		368,082
Certificate of deposit		17,019
Money market fund		9,914
	$	899,555

Investment gain is composed of the following for the year ended December 31, 2016:

Unrealized and realized gain on investments, net	$	29,242
Interest and dividend income		16,165
	$	45,407

Note 4. Property and Equipment

Property and equipment and accumulated depreciation at December 31, 2016, and depreciation expense for the year ended December 31, 2016, are as follows:

	Estimated Useful Lives	Cost	Accumulated Depreciation	Net	Depreciation Expense
Furniture and equipment	3 to 10 years	$ 79,144	$ 49,821	$ 29,323	$ 3,380
Website development	5 years	107,463	33,252	74,211	20,700
Leasehold improvements	11 years	524,438	33,273	491,165	42,341
		$ 711,045	$ 116,346	$ 594,699	$ 66,421

Note 5. Temporarily Restricted Net Assets

Temporarily restricted net assets include donor-restricted funds, which are available for program services or restricted for time. Temporarily restricted net assets were released from restrictions during the year ended December 31, 2016, due to the time restriction ending or the purpose restriction being accomplished.

Changes in temporarily restricted net assets during the year ended December 31, 2016, are as follows:

	Balance December 31, 2015	Additions	Releases	Balance December 31, 2016
Time restricted:				
Awards Dinner	$ 422,500	$ 797,500	$ 202,904	$ 1,017,096
Campaign for the Future	205,837	10,700	113,717	102,820
Science Policy Grant	60,000	-	60,000	-
Purpose restricted:				
Internship Program	140,041	-	43,086	96,955
Investment Report	60,000	-	60,000	-
Partner Programs	35,000	50,000	35,000	50,000
	$ 923,378	$ 858,200	$ 514,707	$ 1,266,871

Note 6. Office Lease

The Organization had a lease agreement for office space in Alexandria, Virginia that expired on June 30, 2016. In December 2015, the Organization entered into a new lease agreement in Arlington, Virginia, beginning July 1, 2016. The new lease expires August 31, 2027. Rent expense is being recognized on a straight-line basis over the term of the lease. The total future minimum lease payments for the new lease at December 31, 2016, are as follows:

Years ending December 31:		
2017	$	254,305
2018		260,663
2019		267,180
2020		273,859
2021		280,705
2022-Thereafter		1,619,319
	$	2,956,031

Rent expense, including parking, for the year ended December 31, 2016, was $253,442.

Note 7. Retirement Plans

The Organization has a defined contribution plan (the Plan) that currently covers all full-time employees after one year of service. Contributions to the Plan are based on 8% of participants' salaries. For the year ended December 31, 2016, pension expense was $123,662.

The Organization has a funded, non-qualified deferred compensation plan, to provide deferred compensation for selected key employees. Increases to the plan for contributions and investment income activity, were $46,549 for the year ended December 31, 2016. The balance of deferred compensation at December 31, 2016, is $262,097.

Note 8. Fair Value Measurements

The Fair Value Measurement Topic of the FASB ASC establishes a single authoritative definition of fair value, sets out a framework for measuring fair value, and requires additional disclosures about fair value measurements. It enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. This topic applies to all assets and liabilities that are being measured and reported on a fair value basis. This topic requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Note 8. Fair Value Measurements (Continued)

In determining the appropriate levels, the Organization performs a detailed analysis of the assets and liabilities that are subject to ASC Topic 820. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3. There were no Level 3 inputs for any assets held by the Organization at December 31, 2016.

The table below presents the balance of assets and liabilities measured at fair value on a recurring basis by level within the hierarchy:

	Total	Level 1	Level 2	Level 3
Equities:				
International	$ 84,486	$ 84,486	$ -	$ -
Technology	78,428	78,428	-	-
Healthcare	68,312	68,312	-	-
Consumer Goods	67,254	67,254	-	-
Services	56,552	56,552	-	-
Financial	53,733	53,733	-	-
Basic Materials	48,884	48,884	-	-
Industrial Goods	36,459	36,459	-	-
Utilities	10,432	10,432	-	-
	504,540	504,540	-	-
Bonds:				
Corporate bonds	368,082	368,082	-	-
Money market fund	9,914	9,914	-	-
	$ 882,536	$ 882,536	$ -	$ -

Excluded from the table is the certificate of deposit for $17,019 at December 31, 2016.

The Organization's deferred compensation plan assets consist of separate investment accounts holding pools of mutual funds in which the value of the investment account is calculated based on the net assets of the underlying pool of the mutual funds. There are no future commitments to these funds and the Organization can liquidate as needed. The assets are classified as Level 2 based on the ability of the Organization to redeem amounts as a net asset value per share in the near term.

	Total	Level 1	Level 2	Level 3
Deferred compensation assets:				
Investments – large blend equity index	$ 262,097	$ -	$ 262,097	$ -
Deferred compensation liability	$ 262,097	$ -	$ 262,097	$ -

Deferred compensation liability is based on the fair market value of the deferred compensation plan assets that are observable inputs, but the liability is not publicly traded and is, therefore, classified as Level 2.

Note 9. Commitments and Contingencies

Employee contract: The Organization has an employment contract with the President through February 1, 2018. The contract contains a non-cancelable commitment in the event of termination under certain circumstances. At December 31, 2016, the maximum non-cancellable commitment was $433,630.

Line of credit: The Organization entered into a line of credit with a financial institution on June 23, 2015, for $250,000. Any outstanding balance incurs interest at 4.48%. The line of credit is for a term of one year, subject to renewal annually and is secured by the Organization's investments. There was no outstanding balance at December 31, 2016.

Note 10. Related Party Transactions

During the year ended December 31, 2016, the Organization received $48,672 in contributions from Directors.