

**FOUNDATION FOR INDIVIDUAL RIGHTS  
IN EDUCATION, INC.**

**FINANCIAL STATEMENTS**

**YEARS ENDED JUNE 30, 2016 AND 2015**

**FOUNDATION FOR INDIVIDUAL RIGHTS  
IN EDUCATION, INC.  
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YEARS ENDED JUNE 30, 2016 AND 2015**

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Foundation for Individual Rights in Education, Inc.  
Philadelphia, Pennsylvania

We have audited the accompanying financial statements of Foundation for Individual Rights in Education, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities, functional expenses, and cash flows for the years 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 audits. We conducted our audits 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.

Board of Directors  
Foundation for Individual Rights in Education, Inc.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Foundation for Individual Rights in Education, Inc. as of June 30, 2016 and 2015, 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.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Plymouth Meeting, Pennsylvania  
October 28, 2016

**FOUNDATION FOR INDIVIDUAL RIGHTS  
IN EDUCATION, INC.  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2016 AND 2015**

	2016	2015
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 1,554,529	\$ 2,133,844
Certificates of Deposit	3,636,000	2,500,000
Accounts Receivable	4,501	354
Pledge Receivable	705,000	887,500
Prepaid Expenses	617,440	375,046
Total Current Assets	6,517,470	5,896,744
<b>LEASEHOLD IMPROVEMENTS, EQUIPMENT AND WEBSITE DESIGN, NET</b>	1,160,602	75,627
<b>OTHER ASSETS</b>		
Security Deposit	91,309	98,186
Total Assets	\$ 7,769,381	\$ 6,070,557
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 182,912	\$ 105,852
<b>LONG TERM LIABILITIES</b>		
Deferred Rent	232,305	49,417
Deferred Lease Obligation	733,528	-
Total Long-Term Liabilities	965,833	49,417
Total Liabilities	1,148,745	155,269
<b>NET ASSETS</b>		
Unrestricted	4,145,562	3,226,665
Temporarily Restricted	2,451,742	2,665,322
Permanently Restricted	23,332	23,301
Total Net Assets	6,620,636	5,915,288
Total Liabilities and Net Assets	\$ 7,769,381	\$ 6,070,557

See accompanying Notes to Financial Statements.

**FOUNDATION FOR INDIVIDUAL RIGHTS  
IN EDUCATION, INC.  
STATEMENTS OF ACTIVITIES  
YEARS ENDED JUNE 30, 2016 AND 2015**

	2016				2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>SUPPORT AND REVENUE</b>								
Contributions and Grants	\$ 4,552,270	\$ 1,608,540	\$ -	\$ 6,160,810	\$ 4,088,700	\$ 3,146,743	\$ -	\$ 7,235,443
Interest Income	27,730	-	31	27,761	15,193	-	2	15,195
Realized Gains (Losses) on Stock Donations	4,260	-	-	4,260	5,450	-	-	5,450
Other Income	170,660	-	-	170,660	258,895	-	-	258,895
Total	<u>4,754,920</u>	<u>1,608,540</u>	<u>31</u>	<u>6,363,491</u>	<u>4,368,238</u>	<u>3,146,743</u>	<u>2</u>	<u>7,514,983</u>
Net Assets Released from Restrictions	<u>1,822,120</u>	<u>(1,822,120)</u>	<u>-</u>	<u>-</u>	<u>1,245,446</u>	<u>(1,245,446)</u>	<u>-</u>	<u>-</u>
Total Support and Revenue	6,577,040	(213,580)	31	6,363,491	5,613,684	1,901,297	2	7,514,983
<b>EXPENSES</b>								
Program Services	4,528,451	-	-	4,528,451	3,558,410	-	-	3,558,410
Administrative Services	472,815	-	-	472,815	346,472	-	-	346,472
Development	656,877	-	-	656,877	391,420	-	-	391,420
Total Expenses	<u>5,658,143</u>	<u>-</u>	<u>-</u>	<u>5,658,143</u>	<u>4,296,302</u>	<u>-</u>	<u>-</u>	<u>4,296,302</u>
<b>CHANGE IN NET ASSETS</b>	918,897	(213,580)	31	705,348	1,317,382	1,901,297	2	3,218,681
Net Assets - Beginning of Year	<u>3,226,665</u>	<u>2,665,322</u>	<u>23,301</u>	<u>5,915,288</u>	<u>1,909,283</u>	<u>764,025</u>	<u>23,299</u>	<u>2,696,607</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 4,145,562</u>	<u>\$ 2,451,742</u>	<u>\$ 23,332</u>	<u>\$ 6,620,636</u>	<u>\$ 3,226,665</u>	<u>\$ 2,665,322</u>	<u>\$ 23,301</u>	<u>\$ 5,915,288</u>

See accompanying Notes to Financial Statements.

**FOUNDATION FOR INDIVIDUAL RIGHTS  
IN EDUCATION, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2016**

	Program Services						Management and General	Development	Total
	Individual Rights Defense Program	FIRE Student Network	FIRE Litigation Project	Policy Reform Project	Public Awareness Project	Total Program Services			
Awards and Scholarships	\$ 1,071	\$ 2,585	\$ 241	\$ 1,549	\$ 3,145	\$ 8,591	\$ 847	\$ 1,358	\$ 10,796
Business Insurance	2,190	3,241	493	3,167	6,433	15,524	1,733	2,777	20,034
Communications	5,927	8,930	1,343	8,543	17,523	42,266	4,592	8,062	54,920
Computer and Network Costs	7,020	9,210	1,387	8,917	33,162	59,696	18,244	7,950	85,890
Depreciation	-	-	-	-	-	-	86,430	-	86,430
Dues and Subscriptions	743	800	122	3,048	2,017	6,730	600	835	8,165
Event Expense	79	73,125	18	132	1,955	75,309	85	15,114	90,508
Lectures and Conferences	2,783	27,252	512	3,637	17,064	51,248	1,799	2,882	55,929
Licenses & Permits	68	103	16	101	934	1,222	54	3,586	4,862
Occupancy	43,428	64,042	9,816	62,628	127,128	307,042	34,160	54,761	395,963
Office Expenses	8,421	12,404	2,027	11,991	29,419	64,262	19,494	12,629	96,385
Postage and Delivery	2,777	5,273	623	4,007	12,343	25,023	2,215	30,281	57,519
Printing and Reproduction	3,133	10,090	5,493	22,194	19,284	60,194	2,479	41,923	104,596
Professional Fees	16,984	27,534	781,555	153,786	55,487	1,035,346	13,107	22,429	1,070,882
Publicity and Advertising	1,411	10,078	263	1,688	9,596	23,036	923	1,979	25,938
Research Services	1,072	554	-	10,574	9,302	21,502	18	8,742	30,262
Staff Training and Development	4,138	7,197	828	5,689	23,261	41,113	3,068	5,930	50,111
Travel and Entertainment	18,292	64,321	9,137	39,439	85,983	217,172	26,242	23,547	266,961
Wages, Payroll Taxes and Benefits	325,003	539,203	180,142	470,088	958,739	2,473,175	256,725	412,092	3,141,992
<b>Total</b>	<b>\$ 444,540</b>	<b>\$ 865,942</b>	<b>\$ 994,016</b>	<b>\$ 811,178</b>	<b>\$ 1,412,775</b>	<b>\$ 4,528,451</b>	<b>\$ 472,815</b>	<b>\$ 656,877</b>	<b>\$ 5,658,143</b>

See accompanying Notes to Financial Statements.

**FOUNDATION FOR INDIVIDUAL RIGHTS  
IN EDUCATION, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2015**

	Individual Rights Defense Program	Individual Rights Education Program	Campus Freedom Network	Free Speech Litigation Project	Policy Reform	Total Program Services	Management and General	Development	Total
Awards and Scholarships	1,993	\$ 1,644	\$ 2,041	\$ -	\$ 2,733	\$ 8,411	\$ 650	\$ 643	\$ 9,704
Business Insurance	3,196	2,731	1,636	-	4,456	12,019	1,500	1,485	15,004
Communications	8,265	7,035	4,239	-	11,504	31,043	3,876	3,851	38,770
Computer and Network Costs	20,280	17,091	10,464	156	28,093	76,084	9,381	9,508	94,973
Depreciation	-	-	-	-	-	-	30,272	-	30,272
Dues and Subscriptions	1,324	1,114	684	380	1,832	5,334	619	696	6,649
Event Expense	25,243	21,484	16,128	51	35,132	98,038	12,527	11,762	122,327
Lectures and Conferences	8,012	6,657	39,505	81	11,024	65,279	3,729	3,790	72,798
Licenses & Permits	557	475	286	-	776	2,094	261	260	2,615
Occupancy	58,973	50,378	30,183	-	82,221	221,755	27,685	27,414	276,854
Office Expenses	14,953	12,526	7,744	-	20,655	55,878	17,364	8,128	81,370
Postage and Delivery	7,853	6,454	4,104	-	10,738	29,149	3,639	3,823	36,611
Printing and Reproduction	20,344	17,422	10,411	1,763	28,366	78,306	9,551	9,456	97,313
Professional Fees	34,066	29,486	25,654	739,232	47,482	875,920	13,123	15,841	904,884
Publicity and Advertising	6,032	4,957	3,158	-	8,258	22,405	1,352	1,893	25,650
Research Services	5,661	4,620	2,976	-	7,725	20,982	-	-	20,982
Staff Training and Development	5,480	4,230	2,969	-	7,290	19,969	2,496	2,705	25,170
Travel and Entertainment	56,391	40,354	31,852	7,754	66,919	203,270	20,259	22,536	246,065
Wages, Payroll Taxes and Benefits	421,247	358,582	219,570	143,603	589,472	1,732,474	188,188	267,629	2,188,291
Total	<u>\$ 699,870</u>	<u>\$ 587,240</u>	<u>\$ 413,604</u>	<u>\$ 893,020</u>	<u>\$ 964,676</u>	<u>\$ 3,558,410</u>	<u>\$ 346,472</u>	<u>\$ 391,420</u>	<u>\$ 4,296,302</u>

See accompanying Notes to Financial Statements.



**FOUNDATION FOR INDIVIDUAL RIGHTS  
IN EDUCATION, INC.  
STATEMENTS OF CASH FLOWS  
YEARS ENDED JUNE 30, 2016 AND 2015**

	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 705,348	\$ 3,218,681
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	86,430	30,272
(Increase) Decrease in:		
Accounts Receivable	(4,147)	(354)
Pledge Receivable	182,500	(714,783)
Prepaid Expenses	(242,394)	(195,215)
Security Deposit	6,877	(54,622)
Increase (Decrease) in:		
Accounts Payable and Accrued Expenses	77,060	(26,201)
Deferred Rent	182,888	15,606
Deferred Lease Obligation	733,528	-
Net Cash Provided (Used) by Operating Activities	1,728,090	2,273,384
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Certificates of Deposit	(2,136,000)	(1,500,000)
Redemption of Certificate of Deposit	1,000,000	1,000,000
Purchase of Leasehold Improvements, Equipment and Website Design	(1,171,405)	(49,098)
Net Cash Used by Investing Activities	(2,307,405)	(549,098)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(579,315)	1,724,286
Cash and Cash Equivalents - Beginning of Year	2,133,844	409,558
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 1,554,529	\$ 2,133,844
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Non-Cash Additions to Leasehold Improvements	\$ 775,964	\$ -

See accompanying Notes to Financial Statements.

**FOUNDATION FOR INDIVIDUAL RIGHTS  
IN EDUCATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016 AND 2015**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

The Foundation for Individual Rights in Education, Inc. (the "Foundation") was incorporated on April 8, 1999. The Foundation is a Massachusetts non-profit corporation, based in Philadelphia, Pennsylvania, whose mission is to defend and sustain individual rights at America's colleges and universities. These rights include freedom of speech, legal equality, due process, religious liberty, and sanctity of conscience – the essential qualities of individual liberty and dignity. The Foundation's core mission is to protect the unprotected and to educate the public and communities of concerned Americans about threats to these rights on our campuses and about the means to preserve them. The Foundation is supported through private contributions and grants.

**Basis of Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting.

**Classification of Net Assets**

Resources in the accompanying financial statements are classified for accounting and reporting purposes into three classes of net assets according to the existence or absence of donor-imposed restrictions as follows:

**Permanently Restricted Net Assets**

Net assets that are subject to donor-imposed restrictions that are to be maintained permanently by the Foundation or used to account for funds which have been accepted with donor stipulations that principal be maintained intact in perpetuity. At June 30, 2016 and 2015, the Foundation had permanently restricted net assets of \$23,332 and \$23,301, respectively.

**Temporarily Restricted Net Assets**

Net assets that are subject to donor-imposed restrictions relating to use and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. At June 30, 2016 and 2015, the Foundation had temporarily restricted net assets of \$2,451,742 and \$2,665,322, respectively.

**Unrestricted Net Assets**

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

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are generally reported as decreases in unrestricted net assets. Expirations of donor-imposed stipulations that simultaneously increase one class of net assets and decrease another are reported as net assets released from restrictions.

**FOUNDATION FOR INDIVIDUAL RIGHTS  
IN EDUCATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016 AND 2015**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclose 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.

**Cash and Cash Equivalents**

The Foundation considers all highly liquid investments in traditional bank accounts, money market funds, and certificates of deposit with a maturity of three months or less when purchased to be cash equivalents. The balances are insured by the Federal Deposit Insurance Corporation up to certain limits. At times, cash in bank may exceed FDIC insurable limits.

**Pledges Receivable**

Unconditional promises to give are recognized as revenue and pledges receivable in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

**Leasehold Improvements, Equipment and Website Design**

Assets purchased with an estimated useful life in excess of one year and in excess of \$2,000 are stated at cost and depreciated over the estimated useful lives of the related assets. Depreciation is computed over the estimated useful lives. Maintenance and repairs are charged to the operations when incurred. Significant betterments and renewals are capitalized. When property and equipment are sold or otherwise disposed of, the asset accounts and related accumulated depreciation accounts are relieved, and any gain or loss is included in operations.

Office Equipment	5-10 Years
Leasehold Improvements	10 Years
Website Design	3 Years

**Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future use 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 temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. These contributions consist of funds received from individuals, corporations, foundations and other nonprofit organizations for various activities provided by the Foundation.

**FOUNDATION FOR INDIVIDUAL RIGHTS  
IN EDUCATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016 AND 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Donated Securities**

The Foundation will receive, on occasion, donated securities from its donors. Once a security has been received, the Foundation will immediately sell at the securities fair market value with the proceeds being used based on the donor's stipulations. All realized gains and losses at the time of the sale are included in the Foundation's statement of activities.

**Functional Allocation of Expenses**

The costs of providing the Foundation's programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses, which cannot be directly identified with specific functions, are allocated based on estimates of staff hours devoted to various functions.

**Income Taxes**

The Foundation is a non-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. Accordingly, there is no provision for income taxes. The Foundation is not aware of any activities that would jeopardize its tax-exempt status, nor is it aware of any of its activities that are subject to tax on unrelated business income taxes.

The Foundation follows the guidance in the income tax standard regarding the recognition and measurement of uncertain tax positions. The guidance clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements. The guidance further prescribes recognition and measurement of tax provisions taken or expected to be taken on a tax return that are not certain to be realized. The application of this standard had no impact on the Foundation's financial statements.

The Foundation's income tax returns are subject to review and examination by federal, state and local authorities.

**Subsequent Events**

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through October 28, 2016, the date the financial statements were available to be issued.

**FOUNDATION FOR INDIVIDUAL RIGHTS  
IN EDUCATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016 AND 2015**

**NOTE 2 PLEDGE RECEIVABLE**

The Foundation receives gifts from time to time in the form of pledges, which are to be received in the upcoming years. Management believes the entire amounts of the pledge receivables from these donors are fully collectible and, accordingly, has not provided an allowance on such receivables. Pledge receivables are as follows:

	<u>2016</u>	<u>2015</u>
Receivable in Less Than One Year	\$ 705,000	\$ 887,500
Total Pledge Receivable	<u>\$ 705,000</u>	<u>\$ 887,500</u>

**NOTE 3 LEASEHOLD IMPROVEMENTS, EQUIPMENT AND WEBSITE DESIGN**

Leasehold improvements, equipment and website design assets as of June 30, 2016 and 2015 were recorded at cost as follows:

	<u>2016</u>	<u>2015</u>
Computer Equipment	\$ -	\$ 42,535
Furniture and Fixtures	239,007	92,823
Leasehold Improvements	929,996	22,447
Website Design	123,937	97,937
Total	<u>\$ 1,292,940</u>	<u>\$ 255,742</u>
Less: Accumulated Depreciation	132,338	180,115
Total Equipment and Website Design, Net	<u>\$ 1,160,602</u>	<u>\$ 75,627</u>

Depreciation expense for the years ended June 30, 2016 and 2015 was \$86,430 and \$30,272, respectively.

**FOUNDATION FOR INDIVIDUAL RIGHTS  
IN EDUCATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016 AND 2015**

**NOTE 4 TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes as of June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Time Restricted	\$ 705,000	\$ -
Purpose Restricted:		
iPhone Application	15,000	15,000
Stand Up For Speech Litigation Project	527,917	1,275,322
Legal Transformation Project	992,165	1,300,000
Spotlight Database and Website Project	90,430	75,000
First Amendment Library	81,230	-
FSN Conference	40,000	-
Total Purpose Restricted	<u>1,746,742</u>	<u>2,665,322</u>
Total	<u>\$ 2,451,742</u>	<u>\$ 2,665,322</u>

Temporarily restricted net assets released from restrictions for the years ended June 30, 2016 and 2015 are as follows:

	<u>2016</u>	<u>2015</u>
Legislative and Policy Project	\$ -	\$ 130,000
Video Fellow	50,000	24,923
Legal Transformation Project	307,835	-
Stand Up For Speech Litigation Project	1,354,445	982,323
First Amendment Library Proposal	18,770	-
Spotlight Database and Website Project	79,570	75,000
Summer Intern Program	10,000	13,500
15th Anniversary Gala	-	19,700
FSN Conference	1,500	-
Total	<u>\$ 1,822,120</u>	<u>\$ 1,245,446</u>

**FOUNDATION FOR INDIVIDUAL RIGHTS  
IN EDUCATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016 AND 2015**

**NOTE 5 PERMANENTLY RESTRICTED NET ASSETS**

**Endowment**

The Foundation's endowment consists of one individual fund established primarily to fund operations. The endowment includes only donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions or Pennsylvania Law.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a US Treasury Money Market Fund.

The financial activity of the endowment fund is reflected on the statement of activities under the heading permanently restricted.

**NOTE 6 OPERATING LEASES**

The Foundation leases office space in Philadelphia and Washington, DC, and office equipment expiring in various years through 2028. Rent expense incurred under operating leases for the years ended June 30, 2016 and 2015 was \$395,963 and \$276,854, respectively.

Minimum future rental payments under non-cancelable operating leases having initial or remaining terms in excess of one year as of June 30, 2016 are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2017	\$ 476,434
2018	574,816
2019	586,681
2020	494,709
2021	453,217
Thereafter	<u>2,941,443</u>
Total	<u>\$ 5,527,300</u>

On May 22, 2015, the Foundation entered into a new office lease for one hundred twenty eight months. In connection with that lease renewal, the landlord provided renovations and improvements to the Center's office space in the amount of \$775,964. Those leasehold improvements were capitalized and are being depreciated over the term of occupancy; in addition, a corresponding deferred lease obligation liability was recorded by the Center, which will be amortized over the term of the lease.

**FOUNDATION FOR INDIVIDUAL RIGHTS  
IN EDUCATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016 AND 2015**

**NOTE 7      PENSION PLAN**

The Foundation has a defined contribution salary deferral plan (403(b) plan), covering substantially all employees. The Foundation matched, dollar-for-dollar, employees' contributions up to a maximum of \$2,500 per year per employee. The total pension expense for the years ended June 30, 2016 and 2015 was \$40,116 and \$29,975, respectively.

**NOTE 8      RELATED PARTY TRANSACTIONS**

During the year ended June 30, 2015 the Foundation paid \$2,046 to the Foundation's Vice President's wife, who performed various program and administrative functions. In addition, the Foundation paid \$750 during the year ended June 30, 2015 to the Director of Legal and Public Advocacy's wife, who provided graphical design services the Foundation. There were no amounts paid to these individuals during the year ended June 30, 2016.