

**National Governors Association  
and National Governors  
Association Center for Best  
Practices**

Consolidated Financial Report  
June 30, 2016

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## Independent Auditor's Report

The Executive Committee/Board of Directors  
National Governors Association and National Governors  
Association Center for Best Practices  
Washington, D.C.

### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of National Governors Association (NGA) and National Governors Association Center for Best Practices (NGA Center), which comprise the consolidated balance sheets as of June 30, 2016 and 2015, the related consolidated statements of activities and cash flows for the years then ended and the related notes to the consolidated financial statements (collectively, 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 National Governors Association and National Governors Association Center for Best Practices as of June 30, 2016 and 2015, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our reports dated March 31, 2017 and February 2, 2016, on our consideration of NGA and NGA Center's internal control over financial reporting and on our tests of their compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering NGA and NGA Center's internal control over financial reporting and compliance.

*RSM US LLP*

Washington, D.C.  
March 31, 2017

**National Governors Association and National Governors  
Association Center for Best Practices**

**Consolidated Balance Sheets  
June 30, 2016 and 2015**

	2016	2015
<b>Assets</b>		
Equity in pooled assets	\$ 10,793,911	\$ 14,736,270
Pooled assets held for others	4,812,662	3,968,713
Investments	25,699,229	26,146,898
Accounts receivable, net	1,595,939	1,781,932
Prepaid expense	378,977	232,228
Foundation grant promises to give, net	6,270,905	6,034,862
Property and equipment, net	1,307,667	476,951
	<u>\$ 50,859,290</u>	<u>\$ 53,377,854</u>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 1,510,690	\$ 1,313,616
Pooled assets held for others	4,812,662	3,968,713
Deferred revenue	211,825	976,005
Deferred rent	391,199	436,677
	<u>6,926,376</u>	<u>6,695,011</u>
Commitments and contingencies (Notes 7 and 11)		
Net assets:		
Unrestricted:		
Operating funds NGA and NGA Center	6,893,602	7,133,553
NGA Center endowment	14,260,595	14,516,430
NGA endowment	11,438,634	11,630,464
	<u>32,592,831</u>	<u>33,280,447</u>
Temporarily restricted	11,340,083	13,402,396
	<u>43,932,914</u>	<u>46,682,843</u>
	<u>\$ 50,859,290</u>	<u>\$ 53,377,854</u>

See notes to consolidated financial statements.

**National Governors Association and National Governors  
Association Center for Best Practices**

**Consolidated Statement of Activities  
Year Ended June 30, 2016**

	Unrestricted			Total Unrestricted	Temporarily Restricted	Total
	NGA and NGA Center Operating	NGA Center Endowment	NGA Endowment			
Support and revenue:						
Foundation grants	\$ -	\$ -	\$ -	\$ -	\$ 6,552,956	\$ 6,552,956
Federal grants and contracts	3,692,956	-	-	3,692,956	-	3,692,956
Member dues	4,235,070	-	-	4,235,070	-	4,235,070
Net losses on investments	(32,677)	(463,726)	(352,139)	(848,542)	(22,437)	(870,979)
Corporate fellows and other contributions	3,178,474	-	-	3,178,474	1,155,000	4,333,474
Registration fees	367,145	-	-	367,145	-	367,145
Interest and dividends	329,581	207,891	160,309	697,781	29,588	727,369
Employment/vocational training fees	471,334	-	-	471,334	-	471,334
Administrative service fees	164,100	-	-	164,100	-	164,100
Other income	221,727	-	-	221,727	-	221,727
Net assets released from restrictions	9,980,266	-	-	9,980,266	(9,980,266)	-
<b>Total support and revenue</b>	<b>22,607,976</b>	<b>(255,835)</b>	<b>(191,830)</b>	<b>22,160,311</b>	<b>(2,265,159)</b>	<b>19,895,152</b>
Expenses:						
Program services:						
Education division	3,568,900	-	-	3,568,900	-	3,568,900
Health division	3,517,605	-	-	3,517,605	-	3,517,605
Economic opportunity division	2,179,874	-	-	2,179,874	-	2,179,874
Environment, energy and transportation division	1,542,587	-	-	1,542,587	-	1,542,587
Meetings	1,374,577	-	-	1,374,577	-	1,374,577
Homeland security and public safety division	1,067,528	-	-	1,067,528	-	1,067,528
Management consulting and training	676,112	-	-	676,112	-	676,112
Communications	553,851	-	-	553,851	-	553,851
Government relations	530,606	-	-	530,606	-	530,606
Health and human services committee	157,436	-	-	157,436	-	157,436
Workforce development technical assistance program	383,779	-	-	383,779	-	383,779
Economic development and commerce committee	260,697	-	-	260,697	-	260,697
Other program costs	235,931	-	-	235,931	-	235,931
Education/early childhood committee	167,961	-	-	167,961	-	167,961
Council of Governors	127,472	-	-	127,472	-	127,472
International initiatives	688,354	-	-	688,354	-	688,354
Natural resources committee	172,883	-	-	172,883	-	172,883
Homeland security and public safety committee	150,415	-	-	150,415	-	150,415
<b>Total program services</b>	<b>17,356,568</b>	<b>-</b>	<b>-</b>	<b>17,356,568</b>	<b>-</b>	<b>17,356,568</b>
Supporting services:						
Management and administration	4,727,330	-	-	4,727,330	-	4,727,330
Fundraising	561,183	-	-	561,183	-	561,183
<b>Total supporting services</b>	<b>5,288,513</b>	<b>-</b>	<b>-</b>	<b>5,288,513</b>	<b>-</b>	<b>5,288,513</b>
<b>Total expenses</b>	<b>22,645,081</b>	<b>-</b>	<b>-</b>	<b>22,645,081</b>	<b>-</b>	<b>22,645,081</b>
<b>Change in net assets before transfers</b>	<b>(37,105)</b>	<b>(255,835)</b>	<b>(191,830)</b>	<b>(484,770)</b>	<b>(2,265,159)</b>	<b>(2,749,929)</b>
Transfer from unrestricted net assets	(202,846)	-	-	(202,846)	202,846	-
<b>Change in net assets</b>	<b>(239,951)</b>	<b>(255,835)</b>	<b>(191,830)</b>	<b>(687,616)</b>	<b>(2,062,313)</b>	<b>(2,749,929)</b>
Net assets:						
Beginning	7,133,553	14,516,430	11,630,464	33,280,447	13,402,396	46,682,843
Ending	\$ 6,893,602	\$ 14,260,595	\$ 11,438,634	\$ 32,592,831	\$ 11,340,083	\$ 43,932,914

See notes to consolidated financial statements.

**National Governors Association and National Governors  
Association Center for Best Practices**

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

	Unrestricted			Total Unrestricted	Temporarily Restricted	Total
	NGA and NGA Center Operating	NGA Center Endowment	NGA Endowment			
Support and revenue:						
Foundation grants	\$ -	\$ -	\$ -	\$ -	\$ 14,456,994	\$ 14,456,994
Federal grants and contracts	4,222,680	-	-	4,222,680	-	4,222,680
Member dues	4,434,781	-	-	4,434,781	-	4,434,781
Net (losses) gains on investments	(405,438)	344,664	305,609	244,835	(31,831)	213,004
Corporate fellows and other contributions	1,904,412	-	-	1,904,412	60,000	1,964,412
Registration fees	920,519	-	-	920,519	-	920,519
Interest and dividends	314,149	252,931	179,193	746,273	9,569	755,842
Employment/vocational training fees	481,613	-	-	481,613	-	481,613
Administrative service fees	172,908	-	-	172,908	-	172,908
Other income	23,472	-	-	23,472	-	23,472
Transfer within unrestricted net assets	374,560	(374,560)	-	-	-	-
Net assets released from restrictions	9,197,967	-	-	9,197,967	(9,197,967)	-
<b>Total support and revenue</b>	<b>21,641,623</b>	<b>223,035</b>	<b>484,802</b>	<b>22,349,460</b>	<b>5,296,765</b>	<b>27,646,225</b>
Expenses:						
Program services:						
Education division	3,311,498	-	-	3,311,498	-	3,311,498
Health division	3,136,260	-	-	3,136,260	-	3,136,260
Economic opportunity division	1,667,144	-	-	1,667,144	-	1,667,144
Environment, energy and transportation division	1,612,708	-	-	1,612,708	-	1,612,708
Meetings	1,429,872	-	-	1,429,872	-	1,429,872
Homeland security and public safety division	1,150,535	-	-	1,150,535	-	1,150,535
Management consulting and training	972,428	-	-	972,428	-	972,428
Communications	541,982	-	-	541,982	-	541,982
Government relations	463,779	-	-	463,779	-	463,779
Health and human services committee	254,905	-	-	254,905	-	254,905
Workforce development technical assistance program	444,062	-	-	444,062	-	444,062
Economic development and commerce committee	319,188	-	-	319,188	-	319,188
Other program costs	341,941	-	-	341,941	-	341,941
Education/early childhood committee	207,439	-	-	207,439	-	207,439
Council of Governors	96,155	-	-	96,155	-	96,155
International initiatives	364,695	-	-	364,695	-	364,695
Natural resources committee	155,700	-	-	155,700	-	155,700
Homeland security and public safety committee	202,441	-	-	202,441	-	202,441
<b>Total program services</b>	<b>16,672,732</b>	<b>-</b>	<b>-</b>	<b>16,672,732</b>	<b>-</b>	<b>16,672,732</b>
Supporting services:						
Management and administration	4,395,625	-	-	4,395,625	-	4,395,625
Fundraising	542,860	-	-	542,860	-	542,860
<b>Total supporting services</b>	<b>4,938,485</b>	<b>-</b>	<b>-</b>	<b>4,938,485</b>	<b>-</b>	<b>4,938,485</b>
<b>Total expenses</b>	<b>21,611,217</b>	<b>-</b>	<b>-</b>	<b>21,611,217</b>	<b>-</b>	<b>21,611,217</b>
<b>Change in net assets</b>	<b>30,406</b>	<b>223,035</b>	<b>484,802</b>	<b>738,243</b>	<b>5,296,765</b>	<b>6,035,008</b>
Net assets:						
Beginning	7,103,147	14,293,395	11,145,662	32,542,204	8,105,631	40,647,835
Ending	\$ 7,133,553	\$ 14,516,430	\$ 11,630,464	\$ 33,280,447	\$ 13,402,396	\$ 46,682,843

See notes to consolidated financial statements.

**National Governors Association and National Governors  
Association Center for Best Practices**

**Consolidated Statements of Cash Flows  
Years Ended June 30, 2016 and 2015**

	2016	2015
Cash flows from operating activities:		
Change in net assets	\$ (2,749,929)	\$ 6,035,008
Adjustments to reconcile change in net assets to net equity in pooled assets (used in) provided by operating activities:		
Net realized and unrealized loss (gain) on investments	815,865	(650,380)
Decrease in allowance for doubtful accounts	-	(2,466,126)
Depreciation expense	177,469	198,455
Deferred rent	(45,478)	(15,539)
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	185,993	1,692,457
Prepaid expense	(146,749)	(67,027)
Foundation grant promises to give, net	(236,043)	(3,569,239)
Increase (decrease) in:		
Accounts payable and accrued expenses	197,074	(154,858)
Deferred revenue	(764,180)	285,090
<b>Net equity in pooled assets (used in) provided by operating activities</b>	<b>(2,565,978)</b>	<b>1,287,841</b>
Cash flows from investing activities:		
Purchases of investments	(9,334,984)	(10,875,423)
Proceeds from sales and maturities of investments	8,966,788	10,818,342
Purchases of property and equipment	(1,008,185)	(257,753)
<b>Net equity in pooled assets used in investing activities</b>	<b>(1,376,381)</b>	<b>(314,834)</b>
<b>Net (decrease) increase in equity in pooled assets</b>	<b>(3,942,359)</b>	<b>973,007</b>
Equity in pooled assets:		
Beginning	14,736,270	13,763,263
Ending	<u>\$ 10,793,911</u>	<u>\$ 14,736,270</u>

See notes to consolidated financial statements.



**National Governors Association and National Governors  
Association Center for Best Practices**

**Notes to Consolidated Financial Statements**

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**Note 1. Nature of Activities and Significant Accounting Policies**

**Nature of activities:** National Governors Association (NGA) is an instrumentality of the states of the United States of America whose membership is restricted to the governors of the states, the U.S. Virgin Islands, Guam, American Samoa, the Commonwealth of Puerto Rico and the Commonwealth of the Northern Mariana Islands.

NGA's purposes include:

Providing a medium for the exchange of views and experiences on subjects of general importance to the people of the United States;

- Fostering interstate cooperation;
- Promoting greater uniformity of state laws;
- Attaining greater efficiency in state administration;
- Facilitating and improving state-local and state-federal relationships; and
- Vigorously representing the interests of the states in the federal system.

National Governors Association Center for Best Practices (NGA Center) is a separately incorporated 501(c)(3) entity organized for the general purpose of establishing and maintaining a center for tracking, evaluating and disseminating information on state innovations and best practices. The membership of NGA Center is the same as that of NGA and the organizations operate under the oversight of common management. NGA Center's Board of Directors is appointed by the NGA Chair and Vice Chair.

A summary of NGA and NGA Center's significant accounting policies follows:

**Principles of consolidation:** The consolidated financial statements include the accounts of NGA and NGA Center. All material intercompany transactions and balances have been eliminated in the consolidation.

**Basis of accounting:** The consolidated financial statements are prepared on the accrual basis of accounting, whereby revenue is recognized when earned, unconditional support is recognized when received and expenses are recognized when incurred.

**Basis of presentation:** NGA and NGA Center report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. There were no permanently restricted net assets at June 30, 2016 or 2015, respectively.

**Equity in pooled assets:** NGA and NGA Center participate, with certain other public interest organizations, in a common pool of cash and investments, recorded at fair value, to improve investment diversification and earnings. NGA is the fiscal agent for the pool, which had assets totaling \$15,606,573 and \$18,704,983 at June 30, 2016 and 2015, respectively.

Assets held within the pool for the benefit of other participating public interest organizations are reported as a liability in pooled assets held for others in the accompanying consolidated balance sheets. Participants are permitted to borrow from the pool by creating an overdraft in their account and are charged interest on their borrowings.

Investment income or expense, based on each participant's ending balance, is allocated each month to the participants.

**National Governors Association and National Governors  
Association Center for Best Practices**

**Notes to Consolidated Financial Statements**

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

**Financial risk:** NGA and NGA Center maintain their cash in bank deposit accounts which, at times, may exceed federally-insured limits. NGA and NGA Center have not experienced any losses in such accounts. NGA and NGA Center believe they are not exposed to any significant financial risk on cash.

NGA and NGA Center invest in professionally managed portfolios that contain various investments that are exposed to risks such as market, interest and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near-term would materially affect investment balances and the amounts reported in the consolidated financial statements.

**Investments and equity in pooled assets:** Investments and equity in pooled assets with readily determinable fair values are reflected at fair market value. To adjust the carrying values of these securities, the unrealized gains and losses are recorded as net (losses) gains on investments in the accompanying consolidated statements of activities.

**Accounts receivable:** Accounts receivable are carried at original invoice amounts less an estimate made for doubtful receivables based on a review of all outstanding amounts on a quarterly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded as revenue when received. There is no provision for doubtful accounts at June 30, 2016 or 2015.

**Foundation grant promises to give:** Unconditional foundation grant promises to give are recognized as support in the period acknowledged. Conditional foundation grant promises to give are only recognized when the conditions on which they depend are substantially met. Unconditional foundation grant promises to give are carried at fair value less an estimate made for doubtful promises based on a review of all outstanding promises on a monthly basis. Management determines the allowance for doubtful promises to give by using the historical experience applied to an aging of promises. Promises to give are written off when deemed uncollectible. Recoveries of promises to give previously written off are recorded as revenue when received. The provision for doubtful promises to give was \$200,000 at both June 30, 2016 and 2015.

**Property and equipment:** Property and equipment purchases are capitalized at cost and depreciated on a straight-line basis over their estimated useful lives. Amortization of leasehold improvements is computed using the straight-line method over the shorter of the lease term or the life of the asset. NGA capitalizes all property and equipment purchased with a cost of \$1,000 or more. NGA Center does not purchase any property or equipment.

**Valuation of long-lived assets:** Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of long-lived assets is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less cost to sell.

**National Governors Association and National Governors  
Association Center for Best Practices**

**Notes to Consolidated Financial Statements**

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

**Deferred rent:** NGA's lease for office space includes escalations of the base rent and lease incentives. Rent expense is recorded on a straight-line basis over the entire lease term. Lease incentives, including improvement allowances, are amortized over the entire lease term. The deferred rent liability recorded in the accompanying consolidated balance sheets represents the cumulative difference between the monthly rent expense and rent paid, as well as the unamortized portion of the lease incentives.

**Unconditional support and revenue:** Unconditional foundation grants and contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions, when received. 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 consolidated statements of activities as net assets released from restrictions. Conditional contributions are recorded when the conditions have been met.

NGA Center receives grants and contracts from various federal agencies for various purposes. Grant and contract award funds not yet received are accrued to the extent unreimbursed expenses have been incurred for the purposes specified by an approved grant.

Member dues revenue is recognized in the fiscal year to which the dues relate. Member dues payments received in advance of the fiscal year to which they relate are recorded as deferred revenue.

Registration fees revenue is recognized at the time of the event. Payments received in advance of the event are recorded as deferred revenue.

**Functional allocation of expenses:** The costs of providing various programs and support activities have been summarized on a functional basis in the accompanying consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and support services benefited.

**Income taxes:** The Internal Revenue Service (IRS) has determined that NGA is not subject to federal income taxes as it is deemed to be an instrumentality of the states of the United States of America.

NGA Center is exempt from income tax under the provisions of Internal Revenue Code (IRC) Section 501(c)(3) and the applicable income tax regulations of the District of Columbia, except on net income from unrelated activities. No provision for income taxes was required as of June 30, 2016 and 2015, respectively, as NGA Center had no net unrelated business income.

Management has evaluated NGA Center's tax positions and has concluded that NGA Center has taken no uncertain tax positions that require adjustment to the consolidated financial statements. NGA Center files information returns in the U.S. federal jurisdiction.

**Use of estimates:** The preparation of these financial statements requires management to make certain estimates and assumptions. These estimates and assumptions may affect reported amounts and disclosures in the financial statements. Actual results could differ from these estimates.

**National Governors Association and National Governors  
Association Center for Best Practices**

**Notes to Consolidated Financial Statements**

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

**Pending accounting pronouncements:** In February 2016, Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in *Topic 840, Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the consolidated statement of activities. The new standard is effective for fiscal years beginning after December 15, 2019.

In August 2016, the FASB issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The amendments in this ASU make improvements to the information provided in financial statements and accompanying notes of not-for-profit entities. The amendments set forth the FASB's improvements to net asset classification requirements and the information presented about a not-for-profit entity's liquidity, financial performance and cash flows. The ASU will be effective for fiscal years beginning after December 15, 2017. Earlier adoption is permitted. The changes in this ASU should generally be applied on a retrospective basis in the year that the ASU is first applied.

In May 2014, the FASB issued ASU No. 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 generally accepted accounting principles in the United States of America (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 No. 2015-14, which defers the effective date of ASU No. 2014-09 one year, making it effective for annual reporting periods beginning after December 15, 2018. NGA and NGAC have not yet selected a transition method.

**Subsequent events:** NGA and NGA Center evaluated subsequent events through March 31, 2017, which is the date the consolidated financial statements were available to be issued.

**Note 2. Equity in Pooled Assets**

NGA and NGA Center participate in a common pool of cash and investments. At June 30, 2016 and 2015, NGA and NGA Center's equity in pooled assets consists of the following:

	2016	2015
Corporate bonds	\$ 4,485,500	\$ 5,254,101
Foreign bonds	292,403	-
Fixed income mutual funds	4,307,266	4,834,882
Exchange traded funds	2,437,645	3,187,810
Certificates of deposit	2,189,060	3,041,215
Cash	1,845,342	2,171,780
Money market funds	-	151,226
Accrued interest	49,357	63,969
	<u>15,606,573</u>	<u>18,704,983</u>
Less pooled assets held for others	(4,812,662)	(3,968,713)
	<u>\$ 10,793,911</u>	<u>\$ 14,736,270</u>

**National Governors Association and National Governors  
Association Center for Best Practices**

**Notes to Consolidated Financial Statements**

**Note 2. Equity in Pooled Assets (Continued)**

For the years ended June 30, 2016 and 2015, the net investment income (loss) earned by NGA and NGA Center on equity in pooled assets consists of the following:

	2016	2015
Net realized and unrealized loss	\$ (55,113)	\$ (437,376)
Interest and dividends	359,169	323,759
	<u>\$ 304,056</u>	<u>\$ (113,617)</u>

Investment revenue allocated to other participating public interest organizations and therefore not recognized in the consolidated statements of activities, was \$123,919 and \$(32,411) for the years ended June 30, 2016 and 2015, respectively.

Investment income from pooled assets is reported as net of investment management fees, which were approximately \$58,111 and \$54,000 for 2016 and 2015, respectively.

**Note 3. Investments**

At June 30, 2016 and 2015, investments consist of the following:

	2016	2015
Corporate equity securities	\$ 8,783,526	\$ 10,759,397
Exchange traded funds	6,043,584	6,924,452
Mutual funds	1,803,244	3,013,931
Corporate debt securities	5,407,274	2,023,139
Government debt securities	2,253,156	1,852,186
Municipal bonds	234,020	217,904
Cash	1,174,425	1,355,889
	<u>\$ 25,699,229</u>	<u>\$ 26,146,898</u>

For the years ended June 30, 2016 and 2015, investment (loss) income consists of the following:

	2016	2015
Realized and unrealized (loss) gain, net	\$ (815,865)	\$ 650,380
Interest and dividends	509,561	432,083
Management fees	(141,361)	(145,091)
	<u>\$ (447,665)</u>	<u>\$ 937,372</u>

**National Governors Association and National Governors  
Association Center for Best Practices**

**Notes to Consolidated Financial Statements**

**Note 4. Accounts Receivable**

At June 30, 2016 and 2015, accounts receivable consist of the following:

	2016	2015
Grants and contracts	\$ 1,245,869	\$ 1,592,579
Tenant improvement allowance	124,430	132,307
Other	225,640	57,046
	<u>\$ 1,595,939</u>	<u>\$ 1,781,932</u>

**Note 5. Foundation Grant Promises to Give**

At June 30, 2016 and 2015, foundation grant promises to give are as follows:

	2016	2015
Receivable in one year or less	\$ 5,545,124	\$ 4,752,392
Receivable in one to five years	925,781	1,482,470
	<u>6,470,905</u>	<u>6,234,862</u>
Less allowance for doubtful promises	(200,000)	(200,000)
	<u>\$ 6,270,905</u>	<u>\$ 6,034,862</u>

**Note 6. Property and Equipment**

Property and equipment and accumulated depreciation at June 30, 2016 and 2015, and depreciation expense for the years then ended, are as follows:

Asset Category	Estimated Lives	2016			
		Cost	Accumulated Depreciation	Net	Depreciation Expense
Computer equipment and software	3 years	\$ 1,561,474	\$ 1,349,434	\$ 212,040	\$ 146,955
Leasehold improvements	Various	1,119,518	1,036,135	83,383	22,192
Furniture and equipment	5 years	632,428	579,344	53,084	8,322
Work in progress	10 years	959,160	-	959,160	-
		<u>\$ 4,272,580</u>	<u>\$ 2,964,913</u>	<u>\$ 1,307,667</u>	<u>\$ 177,469</u>

Asset Category	Estimated Lives	2015			
		Cost	Accumulated Depreciation	Net	Depreciation Expense
Computer equipment and software	3 years	\$ 1,358,935	\$ 1,202,480	\$ 156,455	\$ 174,547
Leasehold improvements	Various	1,112,500	1,013,943	98,557	17,256
Furniture and equipment	5 years	594,901	571,023	23,878	6,652
Work in progress	10 years	198,061	-	198,061	-
		<u>\$ 3,264,397</u>	<u>\$ 2,787,446</u>	<u>\$ 476,951</u>	<u>\$ 198,455</u>

**National Governors Association and National Governors  
Association Center for Best Practices**

**Notes to Consolidated Financial Statements**

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**Note 7. Lease Commitment**

Office facilities for NGA and NGA Center are leased from State Services Organization (SSO) under a non-cancelable operating lease agreement that expires in January 2020. Rental payments are comprised of a base rental rate plus annual escalations, real estate taxes and building operating costs.

Future minimum lease payments under this office lease at June 30, 2016, are as follows:

Years ending June 30:	
2017	\$ 1,301,460
2018	1,330,743
2019	1,360,685
2020	805,142
	<u>\$ 4,798,030</u>

Rental expense was approximately \$1,300,000 for the years ended June 30, 2016 and 2015, respectively.

**Note 8. Net Assets**

**Unrestricted designations:** The NGA Center endowment represents unrestricted contributions that are used to support NGA Center's activities. The NGA endowment represents unrestricted funds related to royalties previously received from the selling of commemorative ingots and medals. The Executive Committee of NGA has designated that earnings on the NGA endowment fund may be allocated to support the operations of NGA and NGA Center. In addition, earnings on the NGA Center endowment funds may be allocated annually to support NGA Center operations. Revenue and expenses not otherwise classified in NGA Center or NGA endowment funds are presented within the operating funds.

Endowment funds are invested to provide for a total return consisting of growth, plus dividend and interest income. Endowment funds are invested in a portfolio consisting of a mix of corporate equity securities, exchange traded funds, mutual funds, debt securities and cash, which may reflect varying rates of return. Spending of earnings of the endowment is at the Board of Directors' discretion. For the years ended June 30, 2016 and 2015, no earnings from the endowment were spent.

NGA and NGA Center's endowment funds consist of the following at June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
NGA Center Endowment	\$ 14,260,595	\$ 14,516,430
NGA Endowment	11,438,634	11,630,464
	<u>\$ 25,699,229</u>	<u>\$ 26,146,894</u>

**National Governors Association and National Governors  
Association Center for Best Practices**

**Notes to Consolidated Financial Statements**

**Note 8. Net Assets (Continued)**

The NGA Center endowment and NGA endowment net assets consist of the following at June 30, 2016 and 2015:

	2016	2015
NGA Center Endowment:		
Investments	\$ 14,260,595	\$ 14,516,430
NGA Endowment:		
Investments	11,438,634	11,630,464
Total endowments	<u>\$ 25,699,229</u>	<u>\$ 26,146,894</u>

**Temporarily restricted:** Temporarily restricted net assets consist of foundation and corporate contributions and are available for the following purposes:

	Balance at June 30, 2015	Additions	Releases	Balance at June 30, 2016
Education division	\$ 4,632,762	\$ 1,643,016	\$ (3,863,896)	\$ 2,411,882
Economic, human services and workforce division	3,497,393	3,295,428	(1,939,213)	4,853,608
Health division	4,496,125	998,148	(3,273,273)	2,221,000
Environment, energy and transportation division	567,189	170,000	(533,722)	203,467
Homeland security and public safety division	148,927	1,811,361	(320,162)	1,640,126
Corporate Fellows	60,000	-	(50,000)	10,000
	<u>\$ 13,402,396</u>	<u>\$ 7,917,953</u>	<u>\$ (9,980,266)</u>	<u>\$ 11,340,083</u>

	Balance at June 30, 2014	Additions	Releases	Balance at June 30, 2015
Education division	\$ 3,849,926	\$ 4,712,410	\$ (3,929,574)	\$ 4,632,762
Health division	2,648,805	4,474,567	(2,627,247)	4,496,125
Economic, human services and workforce division	476,024	4,127,755	(1,106,386)	3,497,393
Corporate Fellows	650,000	60,000	(650,000)	60,000
Homeland security and public safety division	244,726	415,000	(510,799)	148,927
Environment, energy and transportation division	236,150	705,000	(373,961)	567,189
	<u>\$ 8,105,631</u>	<u>\$ 14,494,732</u>	<u>\$ (9,197,967)</u>	<u>\$ 13,402,396</u>



**National Governors Association and National Governors  
Association Center for Best Practices**

**Notes to Consolidated Financial Statements**

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**Note 9. Administrative Services**

Pursuant to service agreements, NGA provides certain other public interest organizations with administrative and supporting services. NGA is reimbursed for such services based on a negotiated cost reimbursement formula. Fees for such services totaled \$164,100 and \$163,797 per year for the years ended June 30, 2016 and 2015, respectively.

**Note 10. Benefit Plan**

NGA participates in a defined contribution plan which covers substantially all of its employees. Participants may elect to have up to the IRS limit of their compensation contributed on a pre-tax basis to a 457(b) plan. NGA makes a matching contribution to a 401(a) plan of amounts contributed by participants up to 5% of each participant's compensation, plus a discretionary contribution to the 401(a) plan of 5% of each participant's compensation.

Pension costs approximated \$780,200 and \$741,000 for the years ended June 30, 2016 and 2015, respectively.

**Note 11. Commitments and Contingencies**

NGA Center participates in a number of federally assisted grant programs and contracts, which are subject to financial and compliance audits by the federal government or its representative. As such, a contingent liability exists for potential questioned costs that may result from such audits. Management does not anticipate any significant adjustments as a result of such audits.

NGA has contracted hotel space for various future meetings. In the event NGA cancels or reduces its contracted room nights, NGA may be liable for cancellation fees and liquidated damages for rooms that the hotel is not able to resell.

**Note 12. Fair Value Measurements**

The Fair Value Measurement topic of the Codification 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 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.

In determining the appropriate levels, NGA and NGA Center perform a detailed analysis of the assets and liabilities that are subject to fair value measurement. At each reporting period, any assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3.

**National Governors Association and National Governors  
Association Center for Best Practices**

**Notes to Consolidated Financial Statements**

**Note 12. Fair Value Measurements (Continued)**

The following tables represent NGA's and NGA Center's fair value hierarchy for those assets measured at fair value on a recurring basis at June 30, 2016 and 2015:

	As of June 30, 2016			
	Level 1	Level 2	Level 3	Total
Fixed income:				
Corporate bonds (a)	\$ -	\$ 9,892,774	\$ -	\$ 9,892,774
Foreign bonds	-	292,403	-	292,403
Certificates of deposit	-	2,189,060	-	2,189,060
Government securities	-	2,253,156	-	2,253,156
Municipal bonds	-	234,020	-	234,020
	-	14,861,413	-	14,861,413
Corporate equity securities:				
Services	1,526,012	-	-	1,526,012
Technology	1,805,095	-	-	1,805,095
Healthcare	1,251,203	-	-	1,251,203
Financial	1,135,674	-	-	1,135,674
Consumer goods	1,064,157	-	-	1,064,157
Industrial goods	576,011	-	-	576,011
Basic materials	613,951	-	-	613,951
Other equities	207,178	-	-	207,178
Utilities	470,827	-	-	470,827
Consumer discretionary	133,419	-	-	133,419
	8,783,527	-	-	8,783,527
Mutual funds:				
World bond	2,145,124	-	-	2,145,124
Emerging market bond	1,145,829	-	-	1,145,829
International	1,092,865	-	-	1,092,865
High yield bond	994,596	-	-	994,596
Bank loan	732,095	-	-	732,095
	6,110,509	-	-	6,110,509
Equity exchange traded funds	6,043,584	-	-	6,043,584
Fixed income exchange traded funds	2,437,645	-	-	2,437,645
Total assets at fair value	\$ 23,375,265	\$ 14,861,413	\$ -	\$ 38,236,678

**National Governors Association and National Governors  
Association Center for Best Practices**

**Notes to Consolidated Financial Statements**

**Note 12. Fair Value measurements (Continued)**

	As of June 30, 2015			
	Level 1	Level 2	Level 3	Total
Fixed income:				
Corporate bonds (a)	\$ -	\$ 7,277,240	\$ -	\$ 7,277,240
Certificates of deposit	-	3,041,215	-	3,041,215
Government securities	-	1,852,186	-	1,852,186
Municipal bonds	-	217,904	-	217,904
	-	12,388,545	-	12,388,545
Corporate equity securities:				
Services	1,939,455	-	-	1,939,455
Technology	1,888,579	-	-	1,888,579
Healthcare	1,786,395	-	-	1,786,395
Financial	1,422,652	-	-	1,422,652
Consumer goods	1,308,781	-	-	1,308,781
Industrial goods	696,672	-	-	696,672
Basic materials	677,214	-	-	677,214
Other equities	586,384	-	-	586,384
Utilities	364,894	-	-	364,894
Consumer discretionary	88,371	-	-	88,371
	10,759,397	-	-	10,759,397
Mutual funds:				
International	6,364,976	-	-	6,364,976
Diversified emerging market fixed income	837,546	-	-	837,546
Multistrategy	646,291	-	-	646,291
	7,848,813	-	-	7,848,813
Equity exchange traded funds	6,924,452	-	-	6,924,452
Fixed income exchange traded funds	3,187,810	-	-	3,187,810
Money market funds	151,226	-	-	151,226
Total assets at fair value	\$ 28,871,698	\$ 12,388,545	\$ -	\$ 41,260,243

(a) Based on their analysis of the nature and risks of these investments, NGA and NGA Center have determined that presenting them as a single class is appropriate.

Corporate equity securities, mutual funds, exchange traded funds and money market funds are considered Level 1 securities because they are actively traded and fair market values for identical assets are readily obtainable.

Corporate bonds, certificates of deposit, government securities and municipal bonds are considered Level 2 securities because they are not actively traded and fair market values for similar assets are readily obtainable.

The tables above include investments and equity in pooled assets reported at fair value as of June 30, 2016 and 2015, respectively. Cash and accrued interest of \$3,069,124 and \$3,591,638 at June 30, 2016 and 2015, are excluded as they are not reported at fair value.



RSM US LLP

## **Independent Auditor's Report on the Supplementary Information**

The Executive Committee/Board of Directors  
National Governors Association and National Governors  
Association Center for Best Practices  
Washington, D.C.

We have audited the consolidated financial statements of National Governors Association (NGA) and National Governors Association Center for Best Practices (NGA Center) as of and for the years ended June 30, 2016 and 2015, and have issued our report thereon, dated March 31, 2017, which contains an unmodified opinion on those consolidated financial statements. See pages 1 and 2. Our audits were performed for the purpose of forming an opinion on the consolidated financial statements as a whole.

The accompanying consolidating information is presented for purposes of additional analysis rather than to present the financial position and results of activities of the individual entities and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*RSM US LLP*

Washington, D.C.  
March 31, 2017

**National Governors Association and National Governors  
Association Center for Best Practices**

**Consolidating Balance Sheet  
June 30, 2016**

	National Governors Association	National Governors Association Center for Best Practices	Consolidated Totals
<b>Assets</b>			
Equity in pooled assets	\$ 5,421,988	\$ 5,371,923	\$ 10,793,911
Pooled assets held for others	4,812,662	-	4,812,662
Investments	11,438,634	14,260,595	25,699,229
Accounts receivable, net	337,065	1,258,874	1,595,939
Prepaid expense	373,176	5,801	378,977
Foundation grant promises to give, net	-	6,270,905	6,270,905
Property and equipment, net	1,307,667	-	1,307,667
	<u>\$ 23,691,192</u>	<u>\$ 27,168,098</u>	<u>\$ 50,859,290</u>
<b>Liabilities and Net Assets</b>			
Liabilities:			
Accounts payable and accrued expenses	\$ 1,280,273	\$ 230,417	\$ 1,510,690
Pooled assets held for others	4,812,662	-	4,812,662
Deferred revenue	115,155	96,670	211,825
Deferred rent	391,199	-	391,199
	<u>6,599,289</u>	<u>327,087</u>	<u>6,926,376</u>
Net assets:			
Unrestricted:			
Operating funds NGA and NGA Center	5,653,269	1,240,333	6,893,602
NGA Center endowment	-	14,260,595	14,260,595
NGA endowment	11,438,634	-	11,438,634
Temporarily restricted	-	11,340,083	11,340,083
	<u>17,091,903</u>	<u>26,841,011</u>	<u>43,932,914</u>
	<u>\$ 23,691,192</u>	<u>\$ 27,168,098</u>	<u>\$ 50,859,290</u>

**National Governors Association and National Governors  
Association Center for Best Practices**

**Consolidating Statement of Activities  
Year Ended June 30, 2016**

	National Governors Association	National Governors Association Center for Best Practices	Consolidated Totals
<b>Support and revenue:</b>			
Foundation grants and contracts	\$ -	\$ 6,552,956	\$ 6,552,956
Federal grants and contracts	-	3,692,956	3,692,956
Member dues	4,235,070	-	4,235,070
Net losses on investments	(429,670)	(441,309)	(870,979)
Corporate fellows and other contributions	60,000	4,273,474	4,333,474
Registration fees	231,250	135,895	367,145
Interest and dividends	393,921	333,448	727,369
Employment/vocational training fees	-	471,334	471,334
Administrative service fees	37,820	126,280	164,100
Other income	179,347	42,380	221,727
<b>Total support and revenue</b>	<b>4,707,738</b>	<b>15,187,414</b>	<b>19,895,152</b>
<b>Expenses:</b>			
<b>Economic development and commerce committee:</b>			
Salaries and employee benefits	210,996	-	210,996
Other direct costs	49,701	-	49,701
	<b>260,697</b>	<b>-</b>	<b>260,697</b>
<b>Health and human services committee:</b>			
Salaries and employee benefits	128,595	-	128,595
Other direct costs	28,841	-	28,841
	<b>157,436</b>	<b>-</b>	<b>157,436</b>
<b>Homeland security and public safety committee:</b>			
Salaries and employee benefits	120,145	-	120,145
Other direct costs	30,270	-	30,270
	<b>150,415</b>	<b>-</b>	<b>150,415</b>
<b>Education/early childhood and workforce committee:</b>			
Salaries and employee benefits	134,432	-	134,432
Other direct costs	33,529	-	33,529
	<b>167,961</b>	<b>-</b>	<b>167,961</b>
<b>Natural resources committee:</b>			
Salaries and employee benefits	144,295	-	144,295
Other direct costs	28,588	-	28,588
	<b>172,883</b>	<b>-</b>	<b>172,883</b>

(Continued)

**National Governors Association and National Governors  
Association Center for Best Practices**

**Consolidating Statement of Activities (Continued)  
Year Ended June 30, 2016**

	National Governors Association	National Governors Association Center for Best Practices	Consolidated Totals
<b>Council of Governors:</b>			
Salaries and employee benefits	\$ 35,460	\$ -	\$ 35,460
Other direct costs	92,012	-	92,012
	<u>127,472</u>	<u>-</u>	<u>127,472</u>
<b>International initiatives:</b>			
Salaries and employee benefits	-	312,176	312,176
Other direct costs	2,730	373,448	376,178
	<u>2,730</u>	<u>685,624</u>	<u>688,354</u>
<b>Government relations:</b>			
Salaries and employee benefits	389,483	-	389,483
Other direct costs	141,123	-	141,123
	<u>530,606</u>	<u>-</u>	<u>530,606</u>
<b>Education division:</b>			
Salaries and employee benefits	-	1,295,137	1,295,137
Other direct costs	-	2,273,763	2,273,763
	<u>-</u>	<u>3,568,900</u>	<u>3,568,900</u>
<b>Economic opportunity division:</b>			
Salaries and employee benefits	-	941,178	941,178
Other direct costs	-	1,238,696	1,238,696
	<u>-</u>	<u>2,179,874</u>	<u>2,179,874</u>
<b>Workforce development technical assistance program:</b>			
Salaries and employee benefits	-	141,172	141,172
Other direct costs	-	242,607	242,607
	<u>-</u>	<u>383,779</u>	<u>383,779</u>
<b>Health division:</b>			
Salaries and employee benefits	-	1,718,038	1,718,038
Other direct costs	-	1,799,567	1,799,567
	<u>-</u>	<u>3,517,605</u>	<u>3,517,605</u>
<b>Environment, energy and transportation division:</b>			
Salaries and employee benefits	-	760,255	760,255
Other direct costs	-	782,332	782,332
	<u>-</u>	<u>1,542,587</u>	<u>1,542,587</u>
<b>Homeland security and public safety division:</b>			
Salaries and employee benefits	-	668,070	668,070
Other direct costs	-	399,458	399,458
	<u>-</u>	<u>1,067,528</u>	<u>1,067,528</u>

(Continued)

**National Governors Association and National Governors  
Association Center for Best Practices**

**Consolidating Statement of Activities (Continued)  
Year Ended June 30, 2016**

	National Governors Association	National Governors Association Center for Best Practices	Consolidated Totals
<b>Communications:</b>			
Salaries and employee benefits	\$ 119,777	\$ 226,635	\$ 346,412
Other direct costs	133,913	73,526	207,439
	<u>253,690</u>	<u>300,161</u>	<u>553,851</u>
<b>Management consulting and training:</b>			
Salaries and employee benefits	436,673	-	436,673
Other direct costs	239,439	-	239,439
	<u>676,112</u>	<u>-</u>	<u>676,112</u>
<b>Meetings:</b>			
Salaries and employee benefits	307,619	148,403	456,022
Other direct costs	890,021	28,534	918,555
	<u>1,197,640</u>	<u>176,937</u>	<u>1,374,577</u>
<b>Other program costs:</b>			
Salaries and employee benefits	57,343	-	57,343
Other direct costs	191,509	(12,921)	178,588
	<u>248,852</u>	<u>(12,921)</u>	<u>235,931</u>
<b>Management and administration:</b>			
Salaries and employee benefits	723,612	2,798,951	3,522,563
Other direct costs	246,186	958,581	1,204,767
	<u>969,798</u>	<u>3,757,532</u>	<u>4,727,330</u>
<b>Fundraising:</b>			
Salaries and employee benefits	-	316,682	316,682
Other direct costs	-	244,501	244,501
	<u>-</u>	<u>561,183</u>	<u>561,183</u>
<b>Total expenses</b>	<u>4,916,292</u>	<u>17,728,789</u>	<u>22,645,081</u>
<b>Change in net assets</b>	(208,554)	(2,541,375)	(2,749,929)
<b>Net assets:</b>			
Beginning	17,300,457	29,382,386	46,682,843
Ending	<u>\$ 17,091,903</u>	<u>\$ 26,841,011</u>	<u>\$ 43,932,914</u>



**National Governors Association and National Governors  
Association Center for Best Practices**

**Consolidating Statements of Changes in Net Assets  
Years Ended June 30, 2016 and 2015**

	National Governors Association				National Governors Association Center for Best Practices				Consolidated Total
	Operating Fund	NGA Endowment	Temporarily Restricted	Total	Operating Fund	Center Endowment	Temporarily Restricted	Total	
Balance, June 30, 2014	\$ 5,614,707	\$ 11,145,662	\$ 350,000	\$ 17,110,369	\$ 1,488,440	\$ 14,293,395	\$ 7,755,631	\$ 23,537,466	\$ 40,647,835
Change in net assets before allocation	5,286	484,802	(300,000)	190,088	(349,440)	597,595	5,596,765	5,844,920	6,035,008
Transfer within unrestricted net assets	-	-	-	-	374,560	(374,560)	-	-	-
Balance, June 30, 2015	5,619,993	11,630,464	50,000	17,300,457	1,513,560	14,516,430	13,352,396	29,382,386	46,682,843
Change in net assets before allocation	33,276	(191,830)	(50,000)	(208,554)	(273,227)	(255,835)	(2,012,313)	(2,541,375)	(2,749,929)
<b>Balance, June 30, 2016</b>	<b>\$ 5,653,269</b>	<b>\$ 11,438,634</b>	<b>\$ -</b>	<b>\$ 17,091,903</b>	<b>\$ 1,240,333</b>	<b>\$ 14,260,595</b>	<b>\$ 11,340,083</b>	<b>\$ 26,841,011</b>	<b>\$ 43,932,914</b>