

Dale Rogers Training Center, Inc.

Financial Report
June 30, 2016

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Independent Auditor's Report

To the Board of Directors
Dale Rogers Training Center, Inc.
Oklahoma City, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of Dale Rogers Training Center, Inc. (an Oklahoma nonprofit corporation), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. 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 of 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 Dale Rogers Training Center, Inc., as of June 30, 2016 and 2015, and its activities and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information in Relation to Financial Statements

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements, or the basic 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 financial statements as a whole.

RSM US LLP

Oklahoma City, Oklahoma
December 22, 2016

Dale Rogers Training Center, Inc.

**Statements of Financial Position
June 30, 2016 and 2015**

	2016	2015
Assets		
Current assets:		
Cash	\$ 4,221,392	\$ 5,295,973
Certificates of deposits	481,719	-
Investments	1,679,394	1,681,706
Contracts receivable	2,763,736	1,768,472
Accounts receivable	59,990	65,621
Inventory	177,972	202,418
Prepaid expenses	204,588	242,201
Assets held for sale	106,264	159,344
Total current assets	9,695,055	9,415,735
Property and equipment, net	4,164,961	4,288,878
Other noncurrent assets:		
Beneficial interest in assets held by others	83,702	86,544
Total assets	\$ 13,943,718	\$ 13,791,157
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 354,803	\$ 659,575
Accrued expenses	577,455	806,547
Total liabilities	932,258	1,466,122
Net assets:		
Unrestricted	12,799,870	12,224,867
Temporarily restricted	136,638	25,216
Permanently restricted	74,952	74,952
Total liabilities and net assets	\$ 13,943,718	\$ 13,791,157

See notes to financial statements.

Dale Rogers Training Center, 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
Revenues and support:								
Cash contributions	\$ 26,424	\$ 425	\$ -	\$ 26,849	\$ 40,301	\$ 2,574	\$ -	\$ 42,875
Noncash contributions	7,475	152,284	-	159,759	1,600	-	-	1,600
SourceAmerica contracts	14,754,629	-	-	14,754,629	15,601,336	-	-	15,601,336
Other contracts	217,803	-	-	217,803	206,238	-	-	206,238
United Way	-	155,701	-	155,701	-	160,265	-	160,265
State financial assistance	2,113,548	-	-	2,113,548	2,098,262	-	-	2,098,262
Revenue from acrylic, frames, gifts, pizza and labor	866,603	-	-	866,603	949,827	-	-	949,827
Investment income (loss)	(72)	-	-	(72)	(26,818)	-	-	(26,818)
Distributions from OCCF	14,612	-	-	14,612	16,538	-	-	16,538
Auxiliary services	15,914	-	-	15,914	14,662	-	-	14,662
Vocational training	5,865	-	-	5,865	-	-	-	-
Camp Tumbleweed	13,392	-	-	13,392	13,415	-	-	13,415
Loss on sale of assets	583	-	-	583	(500)	-	-	(500)
Miscellaneous	26,200	-	-	26,200	25,227	-	-	25,227
Net assets released from restrictions:								
Satisfaction of program and donor restrictions	196,988	(196,988)	-	-	171,244	(171,244)	-	-
Total revenues and support	18,259,964	111,422	-	18,371,386	19,111,332	(8,405)	-	19,102,927
Expenses and distributions:								
Tinker work project/food service	1,362,285	-	-	1,362,285	1,477,464	-	-	1,477,464
Altus work project/food service	198,496	-	-	198,496	908,445	-	-	908,445
Tinker work project/custodial	5,079,403	-	-	5,079,403	5,369,398	-	-	5,369,398
Tinker work project/administration custodial	3,197,349	-	-	3,197,349	3,172,165	-	-	3,172,165
GSA custodial	959,277	-	-	959,277	924,436	-	-	924,436
US Marshal custodial	50,031	-	-	50,031	52,186	-	-	52,186
FAA custodial	2,028,701	-	-	2,028,701	2,040,731	-	-	2,040,731
AFRC/Mustang custodial	-	-	-	-	18,505	-	-	18,505
AFRC/Norman custodial	-	-	-	-	25,987	-	-	25,987
Lockheed Martin Partnership	162,774	-	-	162,774	156,887	-	-	156,887
Vocational Services program	1,921,945	-	-	1,921,945	1,962,815	-	-	1,962,815
Mobile Workforce program	195,886	-	-	195,886	177,370	-	-	177,370
Employment Services program	802,948	-	-	802,948	845,756	-	-	845,756
Transition program	147,161	-	-	147,161	128,235	-	-	128,235
Camp Tumbleweed program	29,404	-	-	29,404	32,058	-	-	32,058
Special Needs program	136,192	-	-	136,192	129,445	-	-	129,445
Auxiliary Transportation program	156,295	-	-	156,295	162,547	-	-	162,547
Auxiliary Day Care program	17,465	-	-	17,465	20,053	-	-	20,053
Management and general	1,074,486	-	-	1,074,486	1,032,710	-	-	1,032,710
Total expenses and distributions	17,520,098	-	-	17,520,098	18,637,193	-	-	18,637,193
Change in net assets from continuing operations	739,866	111,422	-	851,288	474,139	(8,405)	-	465,734
Discontinued operations:								
Loss on discontinued operations	(164,863)	-	-	(164,863)	(117,712)	-	-	(117,712)
Change in net assets	575,003	111,422	-	686,425	356,427	(8,405)	-	348,022
Net assets at beginning of year	12,224,867	25,216	74,952	12,325,035	11,868,440	33,621	74,952	11,977,013
Net assets at end of year	<u>\$ 12,799,870</u>	<u>\$ 136,638</u>	<u>\$ 74,952</u>	<u>\$ 13,011,460</u>	<u>\$ 12,224,867</u>	<u>\$ 25,216</u>	<u>\$ 74,952</u>	<u>\$ 12,325,035</u>

See notes to financial statements.

Dale Rogers Training Center

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

	2016	2015
Cash flows from operating activities:		
Change in net assets	\$ 686,425	\$ 348,022
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	476,256	445,386
(Gain) loss on sale of property and equipment	(583)	500
Loss on investments	33,651	63,424
Non cash contribution of vehicles	(149,784)	-
Change in value of beneficial interest in assets held by others	(426)	(2,816)
Change in operating assets and liabilities:		
Receivables	(989,633)	874,675
Inventory	24,446	15,695
Prepaid expenses	37,613	(89,482)
Accounts payable	(304,772)	97,775
Accrued expenses	(229,092)	13,559
Net cash provided by (used in) operating activities	(415,899)	1,766,738
Cash flows from investing activities:		
Purchase of investments	(31,339)	(283,718)
Purchase certificate of deposits	(481,719)	-
Proceeds from beneficial interest in assets held by others	3,268	-
Proceeds from sale of property and equipment	1,062	-
Purchases of property and equipment	(149,954)	(42,813)
Net cash used in investing activities	(658,682)	(326,531)
Net change in cash and cash equivalents	(1,074,581)	1,440,207
Cash and cash equivalents at beginning of year	5,295,973	3,855,766
Cash and cash equivalents at end of year	\$ 4,221,392	\$ 5,295,973
Supplemental disclosure information:		
Vehicles acquired by donation	\$ 149,784	\$ -

See notes to financial statements.

Dale Rogers Training Center, Inc.

Notes to Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: Dale Rogers Training Center, Inc. (the Organization) is a private, nonprofit agency supporting people with disabilities through paid vocational training, in-house programs, and work opportunities, as well as competitive community employment and federal contracts in the Organization's designated geographical area.

On January 1, 1993, the Organization expanded its operations and contracted with the U.S. Air Force (SourceAmerica contract) to provide full food services for military dining facilities at Tinker Air Force Base in Midwest City, Oklahoma. Since the inception of this contract, Dale Rogers has entered into numerous contracts with Tinker Air Force Base, Altus Air Force Base, GSA—Oklahoma City, FAA—Mike Monroney Aeronautical Center, Armed Forces Reserves, and US Marshals for full food services and/or custodial services. During the fiscal year, seven contracts were in effect related to SourceAmerica, making up approximately 80 percent of the Organization's revenues.

The remainder of the Organization's revenues comes from a private facility service contract with Lockheed Martin Corporation; federal and state grants; various subcontracts with area businesses; sales of acrylic products, spice gift sets, frames, and framing supplies; pizza sales and individual contributions.

Basis of accounting: The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Accordingly, reflect all significant receivables, payables, and other assets and liabilities. In the statement of activities, revenues are recognized when earned, and expenses are recognized when an obligation has been incurred.

Financial statement presentation: The Organization reports 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 has classified its financial statements to present the classes of net assets as follows:

Unrestricted net assets: Unrestricted net assets are not subject to donor-imposed stipulations.

Board-designated funds net assets: Board-designated funds net assets are designated as noted in Note 4 for specific purposes.

Temporarily restricted net assets: Temporarily restricted net assets are subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Permanently restricted net assets: Permanently restricted net assets are subject to donor-imposed stipulations that are to be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

Basis of presentation: Contributions received, including unconditional promises to give, are reported as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. The Organization reports gifts of cash and other assets as restricted contributions if they are received with donor stipulations that limit the use of the donated assets.

Dale Rogers Training Center, Inc.

Notes to Financial Statements

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

When a donor restriction is satisfied, 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 statements of activities as net assets released from restrictions. Contributions made, including unconditional promises to give, are recognized as expenses in the period made at their fair values. Conditional promises to give, whether received or made, are recognized when they become unconditional, that is, when the conditions are substantially met.

Cash and cash equivalents: The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Certificate of deposits: Certificates of deposits are reported at cost which approximates fair market value.

Concentrations of credit risk: The Organization maintains 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 that it is not exposed to any significant credit risk on cash or cash equivalents maintained.

Fair value measurements: Fair value is defined 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. Generally accepted accounting principles establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

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

Level 2: Inputs that are derived principally from or corroborated by observable market data; and

Level 3: Inputs that are unobservable and significant to the overall fair value measurement.

Financial assets and liabilities carried at fair value on a recurring basis include investments, endowment fund and beneficial interest held by the Oklahoma City Community Foundation (OCCF).

Property and equipment: It is the Organization's policy to capitalize property and equipment with a cost basis of over \$1,000. Lesser amounts or items that do not contribute value to future periods or extend the life of an asset are expensed. In addition, the threshold for capitalization increases for ground and building renovations to \$5,000. The following table details the useful lives of the fixed assets by asset class:

Fixed Asset Class	Useful Lives
Building and improvements	10 - 39 years
Machinery and equipment	3-10 years
Vehicle	3-10 years

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Notes to Financial Statements

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

Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method. Maintenance and repairs are charged to operations when incurred. Betterments and renewals are capitalized. When property and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included as a component of the change in net assets.

Investments: Investments are stated at fair market value and consist primarily of mutual funds and equity securities. Investments in marketable securities with readily determinable fair values are measured at fair value. Fair value is determined based on quoted market prices, if available, or by a reasonable estimate of fair value based on management's determination. Unrealized gains and losses are recognized in the change in net assets. The Organization has investments in various investment securities, which in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Further, due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes could materially affect the amounts reported in the Organization's financial statements.

Receivables and credit policies: Accounts and contract receivables are uncollateralized customer obligations due under normal trade terms generally requiring payment within 30 days from the invoice date. Receivables are recorded based on the amounts invoiced to customers. Interest and delinquency fees are not assessed. Discounts allowed for early payment or other contract provisions, if any, are charged against income when the payment is received. Payments of accounts receivable are allocated to the specific invoices identified on the customer's remittance advice or, if unspecified, are applied to the earliest unpaid invoices.

The carrying amounts of accounts receivable are reduced by an allowance for doubtful accounts that reflects management's best estimate of the amounts that will not be collected. Management provides for probable uncollectible amounts through a charge to earnings and a credit to the allowance for doubtful accounts based on historical collection trends and an assessment of the creditworthiness of current customers. The adequacy of the allowance for doubtful accounts is evaluated periodically through an individual assessment of potential losses on customer accounts giving particular emphasis to accounts with invoices more than 90 days past the due date. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and a credit to trade accounts receivable. Recoveries on accounts previously written off are credited back to the allowance for doubtful accounts. Changes in the allowance for doubtful accounts have not been material to the financial statements.

Beneficial interest in assets held by others: The Organization follows the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) guidance, which requires a not-for-profit organization that transfers assets to a community foundation and specifies itself as the beneficiary to recognize its beneficial interest in the assets transferred (see Note 5). The Organization carries its beneficial interest in the assets held by the OCCF at fair value.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Notes to Financial Statements

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

Significant estimates: Estimates that are particularly susceptible to significant change include the valuation of investments and beneficial interest in assets held by others. Investments in securities and beneficial interest in assets held by others in general are exposed to various risks, such as interest rate, credit, and overall market volatility.

Due to the level of risk associated with certain investments and beneficial interests, it is reasonably possible that changes in the values of these assets will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position. Significant fluctuations in fair values could occur from year to year, and the amounts the Organization will ultimately realize could differ materially.

Inventory: Inventory is made up of materials and supplies used in the production of acrylic products, products sold by the gift shop, pizza, and framing supplies. Other materials and supplies on hand are not considered significant, and it is the Organization's policy to expense these items when purchased. Inventory is stated at the lower of cost or market using the first-in, first-out method.

Functional allocation of expenses: Costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Costs are allocated between program costs for manufacturing and service contracts; program services, other, and management and general based on evaluations of the related activities.

Program costs for manufacturing and service contracts include those expenses directly related to the Organization's manufacturing operations and labor provided for service contracts, both of which employ disabled individuals in keeping with the Organization's mission. Program services, other, includes those expenses related to the rehabilitation services as well as other programs offered by the Organization for the disabled. Management and general expenses include those expenses that are not directly identifiable with any other specific function but which provide for the overall support and direction of the Organization.

Income taxes: The Organization is a nonprofit organization and is exempt from federal income taxes under Internal Revenue Code section 501(c) (3) on earnings related to its exempt purpose.

Accounting for uncertain tax positions: Accounting principles generally accepted in the United States of America require the Organization to evaluate tax positions taken. Management evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustment to the financial statements at June 30, 2016 and 2015.

Recently issued accounting pronouncements: In February 2016, the 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 balance sheet 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 income statement. The new standard is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Organization is currently evaluating the impact of our pending adoption of the new standard on our financial statements.

Dale Rogers Training Center, Inc.

Notes to Financial Statements

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

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 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. The Organization has not yet selected a transition method and is currently evaluating the effect that the standard will have on the consolidated financial statements.

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 new standard changes presentation and disclosure requirements with the intention of helping not-for-profits provide more relevant information about their resources to donors, creditors, and other financial statement users. This pronouncement decreases the number of net assets classes from three to two. The new classes will be *net assets with donor restrictions* and *net assets without donor restrictions*. The standard will take effect for annual statements issued for fiscal years beginning after December 15, 2017, and for interim periods with fiscal years beginning after December 15, 2018. Therefore, this ASU will be effective for the Organization fiscal year ending June 30, 2019. Management is in the process of evaluating the impact of the new guidance.

Subsequent events: Management has evaluated subsequent events through December 22, 2016, the date the financial statements were available to be issued. There were no subsequent events besides the items described in Note 12.

Note 2. Temporarily Restricted Net Assets

The Organization's balance of temporarily restricted net assets consists of the following at June 30:

	2016	2015
Contributions from Oklahoma Department of Human Services	\$ 136,638	\$ 25,216

The Organization's balance of permanently restricted net assets consists of the following at June 30:

	2016	2015
Amount of initial contribution to the endowment for operations	\$ 74,952	\$ 74,952

Net assets were released from donor restrictions by incurring expenses satisfying the purpose specified by donors as follows for the years ended June 30, 2016 and 2015:

	2016	2015
Other expenses	\$ 2,925	\$ 2,574
United Way allocation	155,701	160,265
Oklahoma Department of Human Services 5-year contribution	38,362	8,405
	<u>\$ 196,988</u>	<u>\$ 171,244</u>

Dale Rogers Training Center, Inc.

Notes to Financial Statements

Note 3. Contracts Receivable

As of June 30, 2016 and 2015, accounts receivable from contracts were composed of the following:

	2016	2015
Department of Human Services	\$ 144,094	\$ 275,594
SourceAmerica contracts	2,582,761	1,455,837
Lockheed Martin contracts	36,881	37,041
	<u>\$ 2,763,736</u>	<u>\$ 1,768,472</u>

The Organization considers all receivables to be fully collectible. Accordingly, no allowance for uncollectible receivables has been provided at June 30, 2016 and 2015.

Note 4. Designated Funds

The Organization has designated funds of \$3,232,749 and \$3,317,560 as of June 30, 2016 and 2015. This is a decrease over the previous year funded by the SourceAmerica contract operation earnings that were designated by the Board for expansion, development, and reserve purposes. The Organization's goal is to have a 60- to 90-day reserve due to the large cash flow requirements of the SourceAmerica contracts.

Currently, the reserve balances are just over 62 days. These designated funds are not considered available for regular workshop program operations, but the Board could release funds if workshop operating reserves were depleted.

Note 5. Beneficial Interest in Assets Held by Others

In the current and previous years, the Organization transferred funds to the Oklahoma City Community Foundation, Inc. (the Foundation) and specified itself as the beneficiary of the funds. Annually, distributions from the funds are paid to the Organization according to the Foundation's spending policy. The Foundation maintains variance power over these funds, which totaled \$83,702 and \$86,544 at June 30, 2016 and 2015, respectively. Variance power assures donors that if the charitable purpose of their contribution becomes impractical or impossible, the distributions will be directed to similar purposes in the community. The Foundation also maintains legal ownership of the funds. However, accounting principles generally accepted in the United States of America require that the Organization reflect its beneficial interest in these assets in its financial statements.

In addition to the funds discussed above, the Foundation maintains other funds that have been contributed by various donors to the Foundation for the benefit of the Organization. These funds are not included as assets of the Organization, as the Organization has been designated as the recipient of all earnings of the donated funds, and are subject to investment and distribution policies of the Oklahoma City Community Foundation. For the years ended June 30, 2016 and 2015, the Organization received \$14,612 and \$16,538, respectively, from these funds. At June 30, 2016 and 2015, the fair value of the funds was approximately \$302,781 and \$312,740, respectively.

Dale Rogers Training Center, Inc.

Notes to Financial Statements

Note 6. Fair Value Measurements

The Organization's assets measured at fair value on a recurring basis are classified within the fair value hierarchy as follows:

	June 30, 2016			
	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds	\$ 122,974	\$ -	\$ -	\$ 122,974
Common stocks	851,675	-	-	851,675
Mutual funds	704,745	-	-	704,745
Total investments	1,679,394	-	-	1,679,394
Beneficial Interest in assets held by other	-	-	83,702	83,702
	<u>\$ 1,679,394</u>	<u>\$ -</u>	<u>\$ 83,702</u>	<u>\$ 1,763,096</u>

	June 30, 2015			
	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds	\$ 143,737	\$ -	\$ -	\$ 143,737
Common stocks	840,874	-	-	840,874
Fixed-income mutual funds	582,517	-	-	582,517
Equity mutual funds	114,578	-	-	114,578
Total investments	1,681,706	-	-	1,681,706
Beneficial interest in assets held by other	-	-	86,544	86,544
	<u>\$ 1,681,706</u>	<u>\$ -</u>	<u>\$ 86,544</u>	<u>\$ 1,768,250</u>

Following is a description of methodologies used for the classification of financial instruments measured at fair value on a recurring basis:

Investment money market funds, common stocks, and mutual funds: When quoted prices are available in an active market, securities are classified within Level 1 of the hierarchy. Money market funds and equity and fixed-income mutual funds are classified within Level 1 of the hierarchy as the fair value is determined by the net asset value of the fund, which is publicly traded.

Beneficial interest in assets held by others: Beneficial interests in assets held by others are primarily pooled investment funds held and managed by the Oklahoma City Community Foundation, which the Organization does not have the ability to redeem. Based on the methodology of determining fair value of beneficial interest in assets held by others and the nonredeemable nature of the assets, they are categorized as Level 3 within the hierarchy.

Dale Rogers Training Center, Inc.

Notes to Financial Statements

Note 6. Fair Value Measurements (Continued)

Change in the fair value of the Organization's Level 3 investments for the years ended June 30, 2016 and 2015, is as follows:

	Endowment Funds Held by Community Foundation	
	2016	2015
Beginning of year	\$ 86,544	\$ 83,728
Distribution	(3,268)	-
Change in value of beneficial interest	426	2,816
End of year	<u>\$ 83,702</u>	<u>\$ 86,544</u>

The summary of changes in fair value of Level 3 assets has been prepared to reflect the activity in the same categories as those provided to the Organization by the Oklahoma City Community Foundation. Net investment performance includes realized and unrealized gains (losses) on investments, investment income and administrative fees and is included in change in value of beneficial interest in assets held by the Oklahoma City Community Foundation in the statement of activities. Distributions from the Oklahoma City Community Foundation decrease the Organization's beneficial interest and increase cash at the time of distribution.

The following table summarizes the valuation techniques and significant unobservable inputs used by the Organization that are categorized within Level 3 of the fair value hierarchy as of June 30.

Investment Type	Fair Value		Valuation Techniques	Unobservable Input (b)	Range of Inputs (Weighted Average)
	2016	2015			
Beneficial interests in assets held by the community	<u>\$ 83,702</u>	<u>\$ 86,544</u>	Income Approach (c)	Discount Rate (a)	0% (0%)

- (a) Represents amounts used when the reporting entity has determined that market participants would take into account these returns when pricing the investments.
- (b) Significant increases or decreases in any of the above unobservable inputs in isolation may result in a significantly lower or higher fair value measurement.
- (c) Fair value of the asset/liability is the expected future cash inflows/outflows, which is based on the fair value of the underlying investment assets, and at this time management believes no discounts to the fair values is appropriate.

The Organization's investments in certain entities that calculate net asset value (NAV) per share for which there is not a readily determinable fair market value include the following:

Dale Rogers Training Center, Inc.

Notes to Financial Statements

Note 6. Fair Value Measurements (Continued)

Beneficial interest in assets held by others: This investment is directed by the Oklahoma City Community Foundation and is designed to achieve endowment returns consistent with the Foundation's adopted investment policies. The Foundation's investment portfolio consists of common and preferred stocks, asset backed obligations, mutual and index funds, government obligations, and cash equivalent funds. The beneficial interest cannot be redeemed at the current NAV as the Organization is only the beneficiary of the investment earnings, which are distributed in accordance with the spending policy.

Note 7. Property and Equipment

Property and equipment are stated at cost (or fair value if donated) as follows at June 30:

	2016	2015
Land	\$ 225,547	\$ 225,547
Buildings and improvements	4,894,955	4,858,880
Machinery and equipment	2,350,927	2,319,671
Vehicles	727,908	523,957
	<u>8,199,337</u>	<u>7,928,055</u>
Less accumulated depreciation	(4,034,376)	(3,639,177)
	<u>\$ 4,164,961</u>	<u>\$ 4,288,878</u>

Property and equipment are depreciated using the straight-line method. Depreciation expense was approximately \$439,000 and \$443,000 for the years ended June 30, 2016 and 2015, respectively.

Note 8. Operating Lease Commitments

As of June 30, 2016, the total remaining operating lease payments under noncancelable operating leases, which pertain to office equipment and vehicles, are as follows:

Years ending June 30:	
2017	\$ 64,725
2018	53,321
2019	29,526
2020	17,659
	<u>\$ 165,231</u>

Rental expense under operating leases was approximately \$43,000 and \$62,000, respectively, for the years ended June 30, 2016 and 2015.

Note 9. Retirement Plan

The Organization provides a 403(b) retirement plan that is totally employee funded. The Organization does not make any contributions to the fund. Annual enrollment is offered to full time employees with a \$25 monthly minimum contribution required.

Dale Rogers Training Center, Inc.

Notes to Financial Statements

Note 10. Endowment Disclosures

The Organization's endowment consists of a one-time gift from a donor. The endowment was created through donor-restricted endowment funds. The initial contribution may not be spent but all earnings generated from the corpus may be spent as designated by the Organization's board of directors. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of relevant law: The board of directors of the Organization has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Board of Directors in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund,
- The purposes of the Organization and the donor-restricted endowment fund,
- General economic conditions,
- The possible effect of inflation and deflation,
- The expected total return from income and the appreciation of investments,
- Other resources of the Organization, and
- The investment policies of the Organization.

Endowment net asset composition by type of fund as of June 30, 2016, is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ -	\$ 74,952	\$ 74,952
Board-designated endowment funds	121,966	-	-	121,966
	<u>\$ 121,966</u>	<u>\$ -</u>	<u>\$ 74,952</u>	<u>\$ 196,918</u>

Dale Rogers Training Center, Inc.

Notes to Financial Statements

Note 10. Endowment Disclosures (Continued)

Changes in endowment net assets for the fiscal year ended June 30, 2016, are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$ 121,917	\$ -	\$ 74,952	\$ 196,869
Investment return	49	-	-	49
Endowment net assets, end of year	<u>\$ 121,966</u>	<u>\$ -</u>	<u>\$ 74,952</u>	<u>\$ 196,918</u>

Endowment net asset composition by type of fund as of June 30, 2015, is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ -	\$ 74,952	\$ 74,952
Board-designated endowment funds	121,917	-	-	121,917
	<u>\$ 121,917</u>	<u>\$ -</u>	<u>\$ 74,952</u>	<u>\$ 196,869</u>

Changes in endowment net assets for the fiscal year ended June 30, 2015, are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$ 123,405	\$ -	\$ 74,952	\$ 198,357
Investment loss	(1,488)	-	-	(1,488)
Endowment net assets, end of year	<u>\$ 121,917</u>	<u>\$ -</u>	<u>\$ 74,952</u>	<u>\$ 196,869</u>

Funds with deficiencies: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires the Organization to retain as a fund of perpetual duration. Deficiencies of this nature are required to be reported in unrestricted net assets. There were no deficiencies at June 30, 2016 and 2015, required to be reported in unrestricted net assets.

Return objectives and risk parameters: The Organization 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. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Board of Directors, the endowment assets are invested with the trustees whose investment policy emphasizes preservation of capital, protection against inflation, and a continuing source of income.

Spending policy and how the investment objectives relate to spending policy: The distribution policy of the trustees to beneficiary organization is determined by the Organization board of directors' based on the original endowment agreement. The Organization has evaluated the investment and spending policies of the trustees to sufficiently protect the purchasing power of the endowments and allocates distributions received to be available for use in specific programs.

Dale Rogers Training Center, Inc.

Notes to Financial Statements

Note 11. Investment Income (Loss)

The investment income (loss) consists of the realized and unrealized gains (losses), dividends on investments, and change in the value of the beneficial interest, net of investment fees. The breakdown of the investment loss for the years ended June 30 were as follows:

	2016	2015
Realized gains (losses)	\$ (11,478)	\$ 18,190
Unrealized losses	(22,173)	(81,614)
Dividend and interest	55,779	55,603
Investment fees	(22,626)	(21,813)
Change in value of beneficial interest	426	2,816
	<u>\$ (72)</u>	<u>\$ (26,818)</u>

Note 12. Discontinued Operations

In July 2016, the Organization discontinued its operation of its Papa Murphy's franchise. The Organization is in the process of selling the fixed assets from its Papa Murphy's location. The franchise rights will be returned to Papa Murphy's corporate office but no proceeds are expected from the return of the franchise rights.

The Organization reclassified the net book value fixed assets and unamortized franchise fees for the Papa Murphy's operation to the assets held for sales in the accompany statement of financial position. The net book value of the fixed assets was \$106,264 and \$124,969 as of June 30, 2016 and 2015. The Papa Murphy's franchise fees were \$-0- and \$34,375 as of June 30, 2016 and 2015.

The following summarizes the results of operations for the Papa Murphy's for the years ended June 30, 2016 and 2015.

	2016	2015
Revenues	\$ 278,289	\$ 307,589
Expenses	443,152	425,301
Loss on discontinued operations	<u>\$ (164,863)</u>	<u>\$ (117,712)</u>

Supplementary Information

Dale Rogers Training Center, Inc.

Supplemental Schedule of Revenues and Support
Years Ended June 30, 2016 and 2015

	Vocational Services	Mobile Workforce	Employment Services	Transition	Camp Tumbleweed	Special Needs	Auxiliary Transportation	Auxiliary Day Care	Mgmt. & General	Papa Murphy's Pizza	Tinker Food Service
Income:											
SourceAmerica and other contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,596,494
Other contracts	-	-	-	-	-	-	-	-	-	-	-
Papa Murphy's Pizza	-	-	-	-	-	-	-	-	-	277,950	-
Sheltered Workshop—DDSD	283,585	-	-	-	-	21,389	-	-	-	-	-
Adult day care—DDSD	12,744	-	-	-	-	1,140	-	-	-	-	-
CIE—DDSD	-	25,448	35,605	-	-	-	-	-	-	-	-
Center-based waiver	351,082	-	-	-	-	72,992	-	-	-	-	-
Supplemental supports waiver	13,329	-	-	-	-	20,447	-	-	-	-	-
Direct supports waiver	-	-	-	-	-	4,368	-	-	-	-	-
Homemaker waiver	3,569	-	-	-	6,962	1,203	-	-	-	-	-
Non-federal medical services	11,823	853	-	-	-	1,157	-	-	-	-	-
Community waiver services	-	49,128	-	-	-	-	-	-	-	-	-
Job coach waiver services	-	178,157	-	-	-	-	-	-	-	-	-
Mileage waiver services	-	7,594	-	-	-	165	-	-	-	-	-
Individual job coach/stabilization waiver services	-	-	18,953	-	-	-	-	-	-	-	-
Supported employment—DRS	-	-	546,507	-	-	-	-	-	-	-	-
Employment and retention—DRS	-	-	297,295	-	-	-	-	-	-	-	-
Job placement—DRS	-	-	1,250	-	-	-	-	-	-	-	-
Support services—DRS	-	-	900	-	-	-	-	-	-	-	-
Project Search—DRS	-	-	4,933	-	-	-	-	-	-	-	-
Jobs- DRS	-	-	2,500	-	-	-	-	-	-	-	-
Ticket to Work—SSA	-	-	23,774	-	-	-	-	-	-	-	-
iJobs—DRS	-	-	-	2,870	-	-	-	-	-	-	-
Transition school to work—DRS	-	-	-	97,958	-	-	-	-	-	-	-
PETS- DRS	-	-	-	-	999	-	-	-	-	-	-
Camp Tumbleweed—private pay	-	-	-	-	13,392	-	-	-	-	-	-
Workshop sales	250,410	-	-	-	-	-	-	-	-	-	-
Acrylic sales	414,821	-	-	-	-	-	-	-	-	-	-
Frame sales	187,235	-	-	-	-	-	-	-	-	-	-
Online store sales	14,132	-	-	-	-	-	-	-	-	-	-
Transportation—public waiver	-	-	-	-	-	-	12,870	-	-	-	-
Transportation—private pay	-	-	-	-	-	-	9,723	-	-	-	-
Day care—private pay	-	-	-	-	-	-	-	6,191	-	-	-
Vacational service - private pay	5,865	-	-	-	-	-	-	-	-	-	-
United Way allocation	70,003	-	-	-	12,816	15,919	50,213	6,750	-	-	-
Loss on sale of assets	-	-	-	-	-	-	-	-	583	-	-
Miscellaneous income	4,663	-	-	-	-	-	-	3,109	-	171	-
Restricted contributions	-	-	-	-	-	-	-	-	152,709	-	-
Other revenue	32,919	5,287	18,864	2,041	692	2,811	1,474	261	2,522	168	-
Total income	\$ 1,656,180	\$ 266,467	\$ 950,581	\$ 102,869	\$ 34,861	\$ 141,591	\$ 74,280	\$ 16,311	\$ 155,814	\$ 278,289	\$ 1,596,494

(Continued)

Dale Rogers Training Center, Inc.

Supplemental Schedule of Revenues and Support (Continued)
Years Ended June 30, 2016 and 2015

	Altus Food Service	Tinker Custodial	Tinker Admin Custodial	GSA Custodial	US Marshal Custodial	FAA Custodial	Lockheed Martin Partnership	Total	
								2016	2015
Income:									
SourceAmerica and other contracts	\$ 208,575	\$ 6,221,104	\$ 3,494,434	\$ 970,990	\$ 69,485	\$ 2,193,547	\$ -	\$ 14,754,629	\$ 15,601,336
Other contracts	-	-	-	-	-	-	217,803	217,803	206,238
Papa Murphy's Pizza	-	-	-	-	-	-	-	277,950	307,405
Sheltered Workshop—DDSD	-	-	-	-	-	-	-	304,974	289,446
Adult day care—DDSD	-	-	-	-	-	-	-	13,884	13,098
CIE—DDSD	-	-	-	-	-	-	-	61,053	56,460
Center-based waiver	-	-	-	-	-	-	-	424,074	389,973
Supplemental supports waiver	-	-	-	-	-	-	-	33,776	39,565
Direct supports waiver	-	-	-	-	-	-	-	4,368	3,837
Homemaker waiver	-	-	-	-	-	-	-	11,734	5,416
Non-federal medical services	-	-	-	-	-	-	-	13,833	10,153
Community waiver services	-	-	-	-	-	-	-	49,128	44,276
Job coach waiver services	-	-	-	-	-	-	-	178,157	213,435
Mileage waiver services	-	-	-	-	-	-	-	7,759	9,705
Individual job coach/stabilization waiver services	-	-	-	-	-	-	-	18,953	22,350
Supported employment—DRS	-	-	-	-	-	-	-	546,507	472,707
Employment and retention—DRS	-	-	-	-	-	-	-	297,295	345,192
Job placement—DRS	-	-	-	-	-	-	-	1,250	8,825
Support services—DRS	-	-	-	-	-	-	-	900	915
Project Search—DRS	-	-	-	-	-	-	-	4,933	1,959
Jobs- DRS	-	-	-	-	-	-	-	2,500	-
Ticket to Work—SSA	-	-	-	-	-	-	-	23,774	21,886
iJobs—DRS	-	-	-	-	-	-	-	2,870	5,467
Transition school to work—DRS	-	-	-	-	-	-	-	97,958	132,573
PETS- DRS	-	-	-	-	-	-	-	999	-
Camp Tumbleweed—private pay	-	-	-	-	-	-	-	13,392	13,415
Workshop sales	-	-	-	-	-	-	-	250,410	273,380
Acrylic sales	-	-	-	-	-	-	-	414,821	370,899
Frame sales	-	-	-	-	-	-	-	187,235	299,457
Online store sales	-	-	-	-	-	-	-	14,132	6,092
Transportation—public waiver	-	-	-	-	-	-	-	12,870	11,025
Transportation—private pay	-	-	-	-	-	-	-	9,723	8,225
Day care—private pay	-	-	-	-	-	-	-	6,191	6,212
Vacational service - private pay	-	-	-	-	-	-	-	5,865	225
United Way allocation	-	-	-	-	-	-	-	155,701	160,265
Loss on sale of assets	-	-	-	-	-	-	-	583	(500)
Miscellaneous income	-	-	-	-	-	-	-	7,943	5,597
Restricted contributions	-	-	-	-	-	-	-	152,709	2,574
Other revenue	-	-	-	-	-	-	-	67,039	51,433
Total income	\$ 208,575	\$ 6,221,104	\$ 3,494,434	\$ 970,990	\$ 69,485	\$ 2,193,547	\$ 217,803	\$ 18,649,675	\$ 19,410,516

Dale Rogers Training Center, Inc.

Supplemental Schedule of Functional Expenses
Years Ended June 30, 2016 and 2015

	Program Expense										
	Vocational Services	Mobile Workforce	Employment Services	Transition	Camp Tumbleweed	Special Needs	Auxiliary Transportation	Auxiliary Day Care	Papa Murphy's Pizza	Tinker Food Service	Altus Food Service
Salaries	\$ 1,188,746	\$ 145,131	\$ 601,563	\$ 105,823	\$ 22,557	\$ 103,788	\$ 67,292	\$ 11,806	\$ 112,955	\$ 731,151	\$ 119,962
Employee benefits	53,713	12,009	47,287	7,295	1,428	8,327	388	-	1,092	270,422	42,503
Workers' compensation	41,612	4,288	24,491	4,148	817	4,102	251	2,627	5,226	33,891	6,145
Payroll taxes	65,632	7,786	36,818	5,563	1,306	5,343	3,584	304	8,941	63,552	11,032
Total compensation	1,349,703	169,214	710,159	122,829	26,108	121,560	71,515	14,737	128,214	1,099,016	179,642
Contract services	15,171	-	-	-	-	-	-	-	3,026	-	-
Professional fees	1,079	168	1,347	251	112	168	-	-	812	3,756	53
Royalties	-	-	-	-	-	-	-	-	14,040	-	-
SourceAmerica commission	-	-	-	-	-	-	-	-	-	60,957	5,579
Supplies	387,912	3,289	10,520	3,408	1,173	4,381	3,043	988	138,365	92,364	-
Telephone	14,536	469	13,936	790	133	938	577	150	6,050	4,875	654
Postage	174	-	-	-	-	-	-	-	-	24	-
Uniforms/rentals	4,140	-	-	-	-	-	-	-	1,858	30,329	-
Occupancy	55,279	2,125	7,042	2,669	701	4,253	2,615	681	41,982	-	-
Maintenance and repairs	34,156	1,317	1,731	2,044	46	2,637	1,621	422	11,787	15,651	-
Insurance	14,019	6,248	7,331	4,862	602	1,620	20,203	487	1,466	2,273	369
Printing and publications	7	-	-	-	-	-	-	-	147	-	-
Transportation	13,340	12,858	40,785	9,640	529	553	56,721	-	23	2,120	2,985
Conventions and meetings	2,110	148	923	131	-	82	-	-	306	300	-
Subscriptions/publications	579	-	-	-	-	-	-	-	200	-	-
Organizational dues	-	-	-	-	-	-	-	-	257	-	-
Recruitment/advertising	19,804	-	8,911	513	-	-	-	-	39,899	2,039	-
Miscellaneous expense	9,936	50	263	24	-	-	-	-	7,067	2,759	1,000
Equipment	-	-	-	-	-	-	-	-	1,350	1,893	-
Total operating expense	1,921,945	195,886	802,948	147,161	29,404	136,192	156,295	17,465	396,849	1,318,356	190,282
Overhead reimb/expense	-	-	-	-	-	-	-	-	8,223	42,994	7,890
Designated funds expense	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	21,243	935	324
Asset impairment	-	-	-	-	-	-	-	-	16,837	-	-
Uncollectible accounts	-	-	-	-	-	-	-	-	-	-	-
Total expenses	\$ 1,921,945	\$ 195,886	\$ 802,948	\$ 147,161	\$ 29,404	\$ 136,192	\$ 156,295	\$ 17,465	\$ 443,152	\$ 1,362,285	\$ 198,496

(Continued)

Dale Rogers Training Center, Inc.

Supplemental Schedule of Functional Expenses (Continued)
Years Ended June 30, 2016 and 2015

	Program Expense							Total	
	Tinker Custodial	Tinker Admin Custodial	GSA Custodial	US Marshal Custodial	FAA Custodial	Lockheed Martin Partnership	Mgmt. & General	2016	2015
Salaries	\$ 2,428,477	\$ 1,353,809	\$ 505,881	\$ 25,646	\$ 982,489	\$ 80,707	\$ 393,982	\$ 8,981,765	\$ 9,599,895
Employee benefits	876,006	464,747	162,520	8,826	352,579	3,546	76,428	2,389,116	2,473,731
Workers' compensation	184,257	90,074	34,721	1,760	71,749	5,990	24,619	540,768	439,921
Payroll taxes	193,912	110,654	39,172	1,783	76,912	6,275	81,998	720,567	756,298
Total compensation	3,682,652	2,019,284	742,294	38,015	1,483,729	96,518	577,027	12,632,216	13,269,845
Contract services	208,513	346,019	34,556	-	71,013	-	110,683	788,981	1,110,814
Professional fees	21,836	6,086	2,235	122	4,436	488	15,828	58,777	65,286
Royalties	-	-	-	-	-	-	-	14,040	15,332
SourceAmerica commission	239,513	134,536	36,989	2,675	84,452	-	-	564,701	594,273
Supplies	573,085	504,937	58,475	6,647	283,330	2,795	29,206	2,103,918	2,162,316
Telephone	28,657	15,268	10,821	788	4,064	5,864	25,294	133,864	133,974
Postage	299	24	20	-	20	-	13,511	14,072	14,012
Uniforms/rentals	31,708	413	-	-	3,061	-	-	71,509	104,335
Occupancy	1,281	903	18,090	-	(102)	1,713	13,330	152,562	162,088
Maintenance and repairs	9,271	1,675	3,745	153	450	5,180	7,188	99,074	131,757
Insurance	39,273	24,458	6,499	72	14,029	5,409	27,954	177,174	183,973
Printing and publications	-	-	-	-	-	-	17,810	17,964	9,103
Transportation	27,180	18,679	769	-	8,726	37,269	27,520	259,697	274,710
Conventions and meetings	2,267	1,358	712	-	(753)	262	7,855	15,701	21,274
Subscriptions/publications	-	-	-	-	-	-	3,820	4,599	4,559
Organizational dues	30	15	-	-	-	-	5,264	5,566	7,049
Recruitment/advertising	3,531	3,996	-	-	3,292	314	22,534	104,833	160,830
Miscellaneous expense	20,573	8,158	8,489	63	3,970	1,554	26,254	90,160	89,211
Equipment	15,769	33,502	1,050	30	5,586	129	43,134	102,443	93,317
Total operating expense	4,905,438	3,119,311	924,744	48,565	1,969,303	157,495	974,212	17,411,851	18,608,058
Overhead reimb/expense	129,354	64,233	31,004	1,116	49,669	3,017	(337,500)	-	-
Designated funds expense	-	-	-	-	-	-	15,251	15,251	9,050
Depreciation	44,611	13,805	3,529	350	9,729	2,262	345,559	442,347	445,386
Asset impairment	-	-	-	-	-	-	-	16,837	-
Uncollectible accounts	-	-	-	-	-	-	76,964	76,964	-
Total expenses	\$ 5,079,403	\$ 3,197,349	\$ 959,277	\$ 50,031	\$ 2,028,701	\$ 162,774	\$ 1,074,486	\$ 17,963,250	\$ 19,062,494

