SCHALL & ASHENFARB Certified Public Accountants, LLC

IRA L. SCHALL, CPA
DAVID C. ASHENFARB, CPA
MICHAEL L. SCHALL, CPA

THE GLAUCOMA FOUNDATION, INC.

Audited Financial Statements

December 31, 2018

SCHALL & ASHENFARB Certified Public Accountants, LLC

IRA L. SCHALL, CPA
DAVID C. ASHENFARB, CPA
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Independent Auditor's Report

To the Board of Directors of
The Glaucoma Foundation, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of The Glaucoma Foundation, Inc. (the "Foundation"), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization'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 organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Glaucoma Foundation, Inc. as of December 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the Foundation adopted Accounting Standards Update ("ASU") No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities.* Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited the Foundation's 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 3, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Schall & Ashenfarb

Schall & Ashenfarb
Certified Public Accountants, LLC

April 4, 2019

THE GLAUCOMA FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
AT DECEMBER 31, 2018
(With comparative totals at December 31, 2017)

	12/31/18	12/31/17
Assets		
Cash and cash equivalents	$1,201,559	$1,308,832
Pledges receivable	113,253	334,038
Prepaid expenses and other assets	3,915	5,199
Security deposit	27,796	27,796
Property and equipment, net (Note 3)	4,125	4,401
Investments held for endowments (Note 5)	5,299,615	6,121,951
Total assets	$6,650,263	$7,802,217
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	$67,176	$50,534
Grants payable	90,000	240,000
Deferred rent	5,175	9,476
Total liabilities	162,351	300,010
Net assets:		
Without donor restrictions:		
Operations	617,666	721,440
Board designated for medical research grants	570,631	408,816
Board designated for endowment	1,511,123	1,700,719
Total net assets without donor restrictions	2,699,420	2,830,975
With donor restrictions:		
For future periods (Note 4)	0	250,000
Donor restricted endowment (Note 5)	3,788,492	4,421,232
Total net assets with donor restrictions	3,788,492	4,671,232
Total net assets	6,487,912	7,502,207
Total liabilities and net assets	$6,650,263	$7,802,217

The attached notes and auditor's report are an integral part of these financial statements.

THE GLAUCOMA FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018
(With comparative totals for the year ended December 31, 2017)

	Without Donor Restrictions	With Donor Restrictions: Donor Restricted Support	With Donor Restrictions: Donor Restricted Endowment	With Donor Restrictions: Total	Total 12/31/18	Total 12/31/17
Support and revenue:						
Contributions	$1,026,627		$10,050	$10,050	$1,036,677	$960,402
Special event income (net expenses with a direct benefit to donor (Note 6)				0	0	57,000
Interest income	14,697			0	14,697	6,566
Net assets released from restrictions	402,500	($250,000)	(152,500)	(402,500)	0	0
Total support and revenue	1,443,824	(250,000)	(142,450)	(392,450)	1,051,374	1,023,968
Expenses:						
Program services	1,053,692			0	1,053,692	1,210,934
Supporting services:						
Management and general	177,640			0	177,640	114,505
Fundraising	154,451			0	154,451	185,772
Total supporting services	332,091	0	0	0	332,091	300,277
Total expenses	1,385,783	0	0	0	1,385,783	1,511,211
Change in net assets from operating activities	58,041	(250,000)	(142,450)	(392,450)	(334,409)	(487,243)
Non-operating activities:						
Investment income/(loss) (Note 5)	(189,596)		(490,290)	(490,290)	(679,886)	1,092,589
Total non-operating activities	(189,596)	0	(490,290)	(490,290)	(679,886)	1,092,589
Change in net assets	(131,555)	(250,000)	(632,740)	(882,740)	(1,014,295)	605,346
Net assets - beginning of year	2,830,975	250,000	4,421,232	4,671,232	7,502,207	6,896,861
Net assets - end of year	$2,699,420	$0	$3,788,492	$3,788,492	$6,487,912	$7,502,207

The attached notes and auditor's report are an integral part of these financial statements.

THE GLAUCOMA FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018
(With comparative totals for the year ended December 31, 2017)

	Program Services			Supporting Services				
	Education	Medical Research	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses 12/31/18	Total Expenses 12/31/17
Salaries	$217,641	$165,599	$383,240	$44,954	$22,110	$67,064	$450,304	$437,566
Payroll taxes and benefits	51,041	38,837	89,878	10,541	5,185	15,726	105,604	98,192
Total salaries and related costs	268,682	204,436	473,118	55,495	27,295	82,790	555,908	535,758
Research grants		180,000	180,000			0	180,000	321,500
Think tank conference		131,647	131,647			0	131,647	134,693
Professional fees	44,243		44,243	100,449	44,242	144,691	188,934	114,404
Office expense	9,492	7,222	16,714	1,961	965	2,926	19,640	23,618
Direct mail (Note 10)	77,697		77,697		77,697	77,697	155,394	169,822
Occupancy	38,202	29,067	67,269	7,891	3,880	11,771	79,040	80,844
Postage and shipping	16,935		16,935	1,332		1,332	18,267	15,489
Conventions and travel	10,319		10,319	174		174	10,493	21,861
Insurance	2,792	2,125	4,917	577	284	861	5,778	5,678
Depreciation	869	660	1,529	178	88	266	1,795	1,720
Other	1,370		1,370	9,583		9,583	10,953	13,786
Community outreach	27,934		27,934			0	27,934	35,382
Event expenses (Note 6)			0			0	0	71,056
Total expenses before direct event expenses netted with revenue	498,535	555,157	1,053,692	177,640	154,451	332,091	1,385,783	1,545,611
Less: direct special event expenses netted with revenue			0			0	0	(34,400)
Total expenses	$498,535	$555,157	$1,053,692	$177,640	$154,451	$332,091	$1,385,783	$1,511,211

The attached notes and auditor's report are an integral part of these financial statements.

THE GLAUCOMA FOUNDATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018
(With comparative totals for the year ended December 31, 2017)

	12/31/18	12/31/17
Cash flows from operating activities:		
Change in net assets	($1,014,295)	$605,346
Adjustments to reconcile change in net assets to net cash used for from operating activities:		
Depreciation	1,795	1,720
Net unrealized and realized gain on investments	670,779	(1,081,864)
Endowment contributions	(10,050)	(20,050)
Changes in assets and liabilities:		
Pledges receivable	220,785	237,892
Prepaid expenses and other assets	1,284	(565)
Accounts payable and accrued expenses	16,642	(7,696)
Grants payable	(150,000)	122,500
Deferred rent	(4,301)	(6)
Total adjustments	746,934	(748,069)
Net cash flows used for operating activities	(267,361)	(142,723)
Cash flows from investing activities:		
Purchases of property and equipment	(1,519)	(2,788)
Transfers to operations	142,450	274,596
Proceeds from sales of investments	1,591,389	1,817,292
Purchases of investments/reinvested income	(1,582,282)	(1,848,332)
Net cash flows provided by investing activities	150,038	240,768
Cash flows from financing activities:		
Endowment contributions	10,050	20,050
Net cash flows provided by investing activities	10,050	20,050
Net (decrease)/increase in cash and cash equivalents	(107,273)	118,095
Cash and cash equivalents - beginning of year	1,308,832	1,190,737
Cash and cash equivalents - end of year	$1,201,559	$1,308,832
Supplemental disclosures:		
Interest and taxes paid	$0	$0

The attached notes and auditor's report are an integral part of these financial statements.

THE GLAUCOMA FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 1 - Organization

The Glaucoma Foundation, Inc. (the "Foundation"), incorporated in New York State in 1984, was founded to stimulate and support basic and applied research in glaucoma, to gain and disseminate new information about the biological causes and treatment of glaucoma, and to identify and develop novel approaches to preserve visual function and reversal of blindness caused by glaucoma.

The Foundation is a not-for-profit organization and has been notified by the Internal Revenue Service that it is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and has not been determined to be a private foundation as defined in Section 509(a).

Note 2 - Summary of Significant Accounting Policies

a. Basis of Accounting
The financial statements have been prepared on the accrual basis of accounting which is the process of recognizing revenue and expenses when earned or incurred rather than received or paid.

Effective January 1, 2018, the Organization adopted the requirements of the Financial Accounting Standards Board's Accounting Standards Update No. 2016-14 – Not-for-Profit Entities (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions. A footnote on liquidity has also been added (Note 7).

Implementation of ASU 2016-14 did not require any reclassification or restatement of any opening balances related to the periods presented.

b. Basis of Presentation
The Foundation reports information regarding their financial position and activities according to the following classes of net assets:

- *Net Assets Without Donor Restrictions* – represent those resources for which there are no restrictions by donors as to their use. The board has designated funds to be used for medical research grants in the amount of $570,631 and for the growth of the LaMotta Endowment for Glaucoma Research, in the amount of $1,511,123. As the funds are internally designated, they are reflected on the financial statement as without donor restrictions.

- *Net Assets with Donor Restrictions* – represent those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact, in perpetuity. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor.

c. Contributions

Contributions are recognized at the earlier of when cash is received or at the time a pledge becomes unconditional in nature. Contributions are recorded in the net asset classes referred to above depending on the existence and/or nature of any donor-imposed restriction. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. If donor restricted contributions are satisfied in the same period they were received, they are classified as without donor restrictions.

d. Cash and Cash Equivalents

The Foundation considers cash held in checking accounts and money market funds with a maturity of three months or less to be cash and cash equivalents.

e. Concentration of Credit Risk

Financial instruments which potentially subject the Foundation to concentration of credit risk consist of cash accounts which are placed with financial institutions that management deems to be creditworthy. At times, balances may exceed federally insured limits. While at year end the Foundation had uninsured balances, management feels they have little risk and have not experienced any losses due to bank failure.

f. Pledges Receivable

Pledges that are expected to be received in less than one year are recorded at net realizable value. Those that are due in greater than one year are recorded at fair value, which is calculated using risk-adjusted present value techniques if deemed material. Long-term pledges are considered time-restricted until the period they are due, at which time they will be released from restriction and counted towards operations. All pledges receivable as of December 31, 2018 are expected to be received within one year.

Based on historical experience and a specific review of outstanding receivables, no allowance for doubtful accounts has been recorded.

Conditional promises to give are recognized when the conditions on which they depend are substantially met.

g. Fair Value Measurement

Fair value refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Accounting standards have established a fair value hierarchy giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are not observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

h. Property and Equipment

Purchases of furniture, equipment, and other fixed assets that have a useful life of greater than one year are capitalized at cost or, if donated, at their fair value at the date of the gift. Property and equipment is depreciated using the straight-line method over the estimated useful life of the asset.

i. Deferred Rent

Rent expense is recognized evenly over the life of the lease using the straight-line method. In the earlier years of the lease, as rent expense exceeds amounts paid, a deferred rent liability is created. In later years of the lease, as payments exceed the amount of expense recognized, deferred rent will be reduced until it is zero at the end of the lease.

j. Contributed Services

Donated services are recognized in circumstances when they create or enhance non-financial assets or where those services require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided in-kind.

Board members and other individuals volunteer their time and perform a variety of tasks that assist the Foundation. These services have not been recorded in the financial statements because they do not meet the criteria for recognition as outlined above.

k. Management Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

l. Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

The following costs are allocated:

- Salaries
- Payroll taxes and benefits
- Office expense
- Occupancy
- Insurance
- Depreciation

Direct mail is allocated evenly between program and fundraising due to the content distributed in mailings. See Note 10 for details.

m. Prior-Year Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2017, from which the summarized information was derived.

n. Accounting for Uncertainty of Income Taxes

The Foundation does not believe its financial statements include any material uncertain tax positions. Tax filings for periods ending December 31, 2015 and later are subject to examination by applicable taxing authorities.

o. Subsequent Events

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through April 4, 2019, the date the financial statements were available to be issued. No events have occurred subsequent to the statement of financial position date through our evaluation date that would require adjustment to or disclosure in the financial statements.

p. New Accounting Pronouncement

On June 21, 2018, FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.* The ASU which becomes effective for the December 31, 2019 year, provides guidance on whether a receipt from a third-party resource provider should be accounted for as a contribution (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as an exchange (reciprocal) transactions.

In addition, FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers.* The ASU, which becomes effective for the December 31, 2019 year, focuses on a principle-based model. It highlights the identification of performance obligations of the contract, determining the price and allocating that price to the performance obligation so that revenue is recognized as each performance obligation is satisfied.

Lastly, FASB issued ASU No. 2016-02, *Leases.* The ASU which becomes effective for the December 31, 2020 year, requires the full obligation of long-term leases to be recorded as a liability with a corresponding "right to use asset" on the statement of financial position.

The Foundation is in the process of evaluating the impact these standards will have on future financial statements.

Note 3 - Property and Equipment

Property and equipment consists of the following:

	12/31/18	12/31/17
Computer software *(5 years)*	$37,027	$37,027
Furniture and equipment *(5 years)*	49,959	48,440
	86,986	85,467
Less: accumulated depreciation	(82,861)	(81,066)
Net: property and equipment	$4,125	$4,401

Note 4 - Net Assets With Donor Restrictions

The following summarizes the nature of net assets with donor restrictions:

	12/31/18	12/31/17
Endowment:		
Corpus:		
Joe LaMotta research endowment	$1,510,137	$1,500,087
DM Mendelshon endowment	20,000	20,000
Total corpus	1,530,137	1,520,087
Endowment earnings:		
Joe LaMotta research endowment	2,257,804	2,900,932
DM Mendelshon endowment	551	213
Total endowment earnings	2,258,355	2,901,145
Total endowment (See Note 5)	3,788,492	4,421,232
Time restricted	0	250,000
Total net assets with donor restrictions	$3,788,492	$4,671,232

The following summarizes net assets released from restrictions:

	12/31/18	12/31/17
Joe LaMotta research endowment - earnings	$152,500	$274,596
Time restricted	250,000	250,000
Total released from restriction	$402,500	$524,596

Note 5 - Investments Held for Endowments

The Foundation's endowment includes donor restricted individual and corporate funds to be held indefinitely and board designated funds for the growth of the endowment. The income from these investments can be used to support the Foundation's research reserve for medical research grants.

Interpretation of Relevant Law

On September 17, 2010, New York State adopted New York Prudent Management of Institutional Funds Act ("NYPMIFA"), which the Foundation has interpreted as requiring certain amounts to be retained in perpetuity. Absent explicit donor stipulations to the contrary, the Foundation will preserve the fair value of the original gift as of the gift date of all donor-restricted endowment funds. However, under certain circumstances, the Foundation has the right to appropriate for expenditure the fair value of the original gift in a manner consistent with the standard of prudence specifically prescribed by NYPMIFA.

As a result of this interpretation, the Foundation classifies as endowment corpus (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the donor's intention.

When endowment funds have earnings in excess of amounts that need to be retained as part of the corpus, their earnings are restricted until the board appropriates for expenditure, therefore, they have been classified in the class of net assets with donor restrictions.

Spending Policies

In accordance with NYPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Foundation and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Foundation
(7) The investment policies of the Foundation
(8) Where appropriate and circumstances would otherwise warrant alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the Foundation

The Foundation's spending policy allows for semi-annual distributions of 2.5% of the previous year's balance to fund glaucoma research if the total market valuation of the endowment assets is above $5,000,000.

Changes in endowment net assets were as follows:

	December 31, 2018			
	Board Designated	Endowment Earnings	Endowment Corpus	Total
Endowment net assets, beginning	$1,700,719	$2,901,145	$1,520,087	$6,121,951
Contributions	0	0	10,050	10,050
Appropriations	0	(152,500)	0	(152,500)
Interest and dividend income	25,602	66,589	0	92,191
Net loss on investments	(215,198)	(556,879)	0	(772,077)
Endowment net assets, end of year	$1,511,123	$2,258,355	$1,530,137	$5,299,615

	December 31, 2017			
	Board Designated	Endowment Earnings	Endowment Corpus	Total
Endowment net assets, beginning	$1,408,187	$2,375,419	$1,500,037	$5,283,643
Contributions	265	0	20,050	20,315
Appropriations	0	(274,596)	0	(274,596)
Interest and dividend income	22,342	61,313	0	83,655
Net gain on investments	269,925	739,009	0	1,008,934
Endowment net assets, end of year	$1,700,719	$2,901,145	$1,520,087	$6,121,951

Funds with Deficiencies

From time to time, the fair market value of assets associated with the individual donor-restricted endowment funds may fall below the level that the donor or NYPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no such deficiencies as of December 31, 2018 and 2017.

Cash and investments held for endowment consist of:

	December 31, 2018		
	Total	Level 1	Level 2
Equities – US diversified	$4,359,747	$4,359,747	$0
Short term treasuries and money market account	627,173	627,173	0
US Treasury securities	224,328	0	224,328
US Corporate bonds	88,367	0	88,367
Total	$5,299,615	$4,986,920	$312,695

	December 31, 2017		
	Total	Level 1	Level 2
Equities – US diversified	$5,884,353	$5,884,353	$0
Short term treasuries and money market account	237,598	237,598	0
Total	$6,121,951	$6,121,951	$0

Level 1 securities are valued at the closing price reported on the active market they are traded on. Level 2 securities are valued using observable market inputs for securities that are similar to those owned. This method produces a fair value calculation that may not be indicative of net realizable value or reflective of future values. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements.

The following summarizes investment income:

	12/31/18	12/31/17
Interest and dividend income	$92,191	$83,655
Investment fees	(101,298)	(72,930)
Realized gain on sales of investments	319,407	436,567
Unrealized (loss)/gain	(990,186)	645,297
Total	($679,886)	$1,092,589

Note 6 - Special Events

There was no awards gala held during the year ended December 31, 2018. The following is a summary of the awards gala held during the year ended December 31, 2017:

	12/31/17
Gross revenue	$91,400
Less: expenses with a direct benefit to donor	(34,400)
	57,000
Less: other event expenses	(36,656)
Net income from special event	$20,344

The event included requests for contributions as well as program components. The costs of conducting the event included joint costs, which are not specifically attributable to particular components of the activities. These joint costs were allocated as follows:

	12/31/17
Program services	$9,163
Fundraising	27,493
Total	$36,656

Note 7 - Availability and Liquidity

Financial assets at year-end:		
Cash and cash equivalents	$1,201,559	
Pledges receivable	113,253	
Investments held for endowments	5,299,615	
Total financial assets		6,614,427
Less amounts not available for general expenditures:		
Board designated for medical research grants	(570,631)	
Board designated for endowment	(1,511,123)	
Donor restricted endowment corpus	(1,530,137)	
Donor restricted endowment earnings less amount appropriated for spending	(2,126,355)	
Total amounts not available for general expenditures		(5,738,246)
Financial assets available to meet cash needs for general expenditures within one year		$876,181

The Foundation's endowment funds are held for long term purposes and consist of donor-restricted endowments and a board designated endowment. Therefore, these assets are not considered available for general expenditures.

Note 8 - Retirement Plan

The Foundation offers a SIMPLE IRA retirement plan which allows all employees who earn at least $5,000 during the preceding calendar year and expect to earn $5,000 in the current calendar year, to participate. Employees may elect to defer a portion of their salary and contribute to this plan up to statutory amounts on a monthly basis. The employer will contribute a matching contribution equal to the employee's deferrals, limited to 3% of the employee's compensation for the calendar year. Contributions made by the Foundation to the plan totaled $13,451 and $13,122 during the years ended December 31, 2018 and 2017, respectively.

Note 9 - Commitments

The Foundation occupies office space under a non-cancelable lease which expires on December 31, 2024.

Future minimum payments are as follows:

Year ending:	December 31, 2019	$82,446
	December 31, 2020	86,175
	December 31, 2021	88,760
	December 31, 2022	91,423
	December 31, 2023	94,166
	December 31, 2024	96,990
Total		$539,960

Note 10 - Direct Mail

The Foundation allocated joint costs of direct mail in accordance with FASB ASC 958-720-45-29, *Classification of the Costs of a Joint Activity*. The following joint costs were allocated:

	December 31, 2018		
	Program	Fundraising	Total
Direct mail	$77,697	$77,697	$155,394
Professional fees	44,243	44,242	88,485
Total	$121,940	$121,939	$243,879

	December 31, 2017		
	Program	Fundraising	Total
Direct mail	$84,911	$84,911	$169,822
Professional fees	41,286	41,289	82,575
Total	$126,197	$126,200	$252,397