

OUTDOOR LAB FOUNDATION

FINANCIAL REPORT

(Reviewed)

June 30, 2017 and June 30, 2016

OUTDOOR LAB FOUNDATION  
TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1-2
FINANCIAL STATEMENTS:	
Statement of Financial Position	3
Statements of Activities and Changes in Net Assets for the year ended June 30, 2017	4
Statements of Activities and Changes in Net Assets for the year ended June 30, 2016	5
Statements of Cash Flows	6
Notes to the Financial Statements	7 - 10
SUPPLEMENTARY INFORMATION:	
Statement of Functional Expenses for the year ended June 30, 2017	11
Statement of Functional Expenses for the year ended June 30, 2016	12



## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors  
Outdoor Lab Foundation  
3000 Youngfield, Suite 167  
Wheat Ridge, CO 80212

We have reviewed the accompanying financial statements of Outdoor Lab Foundation (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017 and 2016, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **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.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.


### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

### **Supplementary Information**

The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been

subjected to the review procedures applied in our review of the financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion in such information.

A handwritten signature in cursive script that reads "Martillaro Raub and Associates".

Martillaro Raub and Associates  
Wheat Ridge, Colorado  
January 10, 2018

OUTDOOR LAB FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2017 AND 2016

ASSETS

	<u>2017</u>	<u>2016</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,026,618	\$ 931,793
DEPOSIT	<u>1,704</u>	<u>1,704</u>
TOTAL ASSETS	<u>\$ 1,028,322</u>	<u>\$ 933,497</u>

LIABILITIES AND NET ASSETS

LIABILITIES

CURRENT LIABILITIES:		
Accounts payable	<u>\$ 3,307</u>	<u>\$ 1,683</u>
TOTAL LIABILITIES	<u>\$ 3,307</u>	<u>\$ 1,683</u>

NET ASSETS

NET ASSETS:		
Unrestricted net assets	\$ 984,605	\$ 894,998
Temporarily restricted net assets	<u>40,410</u>	<u>36,816</u>
TOTAL NET ASSETS	<u>\$ 1,025,015</u>	<u>\$ 931,814</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,028,322</u>	<u>\$ 933,497</u>

The accompanying notes are an integral part of the financial statements.

OUTDOOR LAB FOUNDATION  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 2017

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	<u>Total</u>
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Grants	\$ 40,000	\$ -	\$ 40,000
Contributions	321,413	1,000	322,413
Fundraising	631,111	-	631,111
In-Kind Donations	43,822	-	43,822
Investment Income	(545)	4,408	3,863
Net Assets Released from Restriction Due to Satisfaction of Program Restrictions	<u>1,814</u>	<u>(1,814)</u>	<u>-</u>
<b>TOTAL REVENUES, GAINS AND OTHER SUPPORT</b>	<b>1,037,615</b>	<b>3,594</b>	<b>1,041,209</b>
<b>EXPENSES</b>			
Program Services			
Outdoor Lab Schools	508,249	-	508,249
Supporting Services			
General and Administrative	403,999	-	403,999
Fundraising	<u>35,760</u>	<u>-</u>	<u>35,760</u>
<b>TOTAL EXPENSES</b>	<b>\$ 948,008</b>	<b>\$ -</b>	<b>\$ 948,008</b>
CHANGE IN NET ASSETS (Excess of Revenue over (under) Expenses)	<u>\$ 89,607</u>	<u>\$ 3,594</u>	<u>\$ 93,201</u>
NET ASSETS AT THE BEGINNING OF THE YEAR	<u>\$ 894,998</u>	<u>\$ 36,816</u>	<u>\$ 931,814</u>
NET ASSETS AT THE END OF THE YEAR	<u>\$ 984,605</u>	<u>\$ 40,410</u>	<u>\$ 1,025,015</u>

The accompanying notes are an integral part of the financial statements.

OUTDOOR LAB FOUNDATION  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 2016

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	<u>Total</u>
REVENUES, GAINS, AND OTHER SUPPORT			
Grants	\$ 14,700	\$ -	\$ 14,700
Contributions	257,508	2,500	260,008
Fundraising	571,856	-	571,856
In-Kind Donations	38,146	-	38,146
Investment Income	787	(362)	425
Net Assets Released from Restriction Due to Satisfaction of Program Restrictions	<u>4,328</u>	<u>(4,328)</u>	<u>-</u>
TOTAL REVENUES, GAINS AND OTHER SUPPORT	887,325	(2,190)	885,135
EXPENSES			
Program Services			
Outdoor Lab Schools	446,818	-	446,818
Supporting Services			
General and Administrative	277,800	-	277,800
Fundraising	76,744	-	76,744
TOTAL EXPENSES	<u>\$ 801,362</u>	<u>\$ -</u>	<u>\$ 801,362</u>
CHANGE IN NET ASSETS (Excess of Revenue over (under) Expenses)	<u>\$ 85,963</u>	<u>\$ (2,190)</u>	<u>\$ 83,773</u>
NET ASSETS AT THE BEGINNING OF THE YEAR	<u>\$ 809,035</u>	<u>\$ 39,006</u>	<u>\$ 848,041</u>
NET ASSETS AT THE END OF THE YEAR	<u>\$ 894,998</u>	<u>\$ 36,816</u>	<u>\$ 931,814</u>

The accompanying notes are an integral part of the financial statements.

OUTDOOR LAB FOUNDATION  
STATEMENT OF CASH FLOWS  
YEARS ENDED JUNE 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (Decrease) in net assets	\$ 93,201	\$ 83,773
Adjustments to reconcile net income to net cash provided by operations:		
(Increase) Decrease in:		
Deposit	0	(1,704)
Increase (Decrease) in:		
Accounts payable	<u>1,624</u>	<u>(515)</u>
NET CASH PROVIDED BY (USED BY) OPERATING ACTIVITIES	94,825	81,554
NET INCREASE (DECREASE) IN CASH	\$ 94,825	\$ 81,554
CASH AT THE BEGINNING OF THE YEAR	<u>\$ 931,793</u>	<u>\$ 850,239</u>
CASH AT THE END OF THE YEAR	<u>\$ 1,026,618</u>	<u>\$ 931,793</u>
NON-CASH TRANSACTIONS		
In-Kind Donations	<u>\$ 43,822</u>	<u>\$ 38,146</u>

The accompanying notes are an integral part of the financial statements.



OUTDOOR LAB FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017 AND 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

The Outdoor Lab Foundation (the “Foundation”) was incorporated on July 22, 2003, to provide cooperation and support to the Jefferson County Public Schools Outdoor Education Lab Schools.

BASIS OF ACCOUNTING

The Foundation follows the standards of accounting and financial reporting for non-profit organizations which are in conformity with the recommendations of the American Institute of Certified Public Accountants. The Foundation utilizes the accrual basis of accounting

BASIS OF PRESENTATION

*Cash and Cash Equivalents* - For purposes of the statement of cash flows, cash equivalents include highly liquid investments with an original maturity of ninety days or less. Investments are reported at market value, and realized and unrealized gains and losses are reflected in the statement of activities.

*Support and Revenue* - The Foundation receives revenues from grants and contributions from individuals, corporations and other foundations. In addition, the Foundation sponsors various fundraising activities, including an annual gala and the sale of grocery coupons.

Grants and contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

*In-Kind Donations* - Donations of skilled services, food, software, and other supplies are reflected as in-kind contributions in the financial statements. In-kind contributions are reported at the fair market value on the date of donation.

*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.

OUTDOOR LAB FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017 AND 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INCOME TAXES

The Foundation is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. However, income from activities not directly related to the Foundation's tax-exempt purpose is subject to taxation as unrelated business income. Accordingly, no provisions for income taxes is reported in the financial statements. The Foundation's federal income tax returns are generally open for examination for three years after the filing date of the related return.

ADVERTISING COSTS

Advertising costs are expensed as incurred. Total advertising expense for the years ended June 30, 2017 and 2016 totaled \$6,153 and \$3,566, respectively.

FAIR VALUES OF ASSETS AND LIABILITIES

FASB ASC 820-10, "*Fair Value Measurement and Disclosures*," provides a framework for measuring fair value under GAAP. It defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between the market participants on the measurement date. It requires valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. It also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels.

FASB ASC 820-10, "*Fair Value Measurement and Disclosures*," requires disclosure of fair value information about financial instruments, whether or not recognized in the balance sheet. The following methods and assumptions were used by the Organization in estimating its fair value measurements.

FAIR VALUE MEASUREMENTS ON A RECURRING BASIS

Cash and cash equivalents: Fair value approximates carrying value due to these initial maturities of these instruments being three months or less.

Accounts payable: The carrying amounts reported on the balance sheets approximate fair value.

OUTDOOR LAB FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017 AND 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

RESTRICTED AND UNRESTRICTED REVENUE AND SUPPORT

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other 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 statements of activities as net assets released from restriction.

NOTE 2: ENDOWMENTS

During 2008, the Foundation established a board-designated endowment fund at the Community First Foundation. All resources of the endowment fund will be used for the purpose and mission of the Foundation, at the sole discretion of the Foundation. The balance of the endowment fund at June 30, 2017 and 2016, totaled \$17,667 and \$15,849, respectively.

In October 2013, the Leslie Bohn Memorial Endowment Fund was established, and is held and invested by the Community First Foundation. Distributions from the endowment will be made no more frequently than annually and will not exceed 5% of the average net fair market value of the assets of the endowment on the last business day of each of the three preceding calendar years. Distributions will be used to enable students with special medical, physical or psychiatric needs who would not otherwise be able to attend the Outdoor Lab. The balance of the Leslie Bohn Memorial Endowment Fund at June 30, 2017 and 2016, totaled \$40,410 and \$36,816, respectively.

NOTE 3: RESTRICTIONS ON NET ASSETS

Restrictions on net assets relate to donor specified contributions. Temporary restrictions on net assets include contributions received by the Organization for specific expenses.

Temporarily restricted net assets available for the following purposes at June 30:	<u>2017</u>	<u>2016</u>
Students with special needs	<u>\$40,410</u>	<u>\$36,816</u>

OUTDOOR LAB FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017 AND 2016

NOTE 3: RESTRICTIONS ON NET ASSETS (Continued)

During the years ended June 30, 2017 and 2016, temporarily restricted net assets of \$1,814 and \$4,328, respectively, were released from donor restrictions by incurring expenses satisfying the restricted purpose.

NOTE 4: CONCENTRATION OF CREDIT RISK

Cash is maintained in bank deposits at a financial institution in Colorado. The financial institution is insured by the Federal Deposit Insurance Corporation (FDIC). Insured limits established by the FDIC at June 30, 2017 were \$250,000. The Organization had cash balances in excess of this amount of \$290,059 and \$152,893 at June 30, 2017 and 2016, respectively.

NOTE 5: OPERATING LEASE COMMITMENTS

As of March 8, 2016 the Organization entered into a thirty six month non-cancelable operating lease for property requiring monthly rent of \$1,703. The lease required a refundable deposit in the amount of \$1,703 which is recorded on the statement of financial position. The lease allows the Organization to renew the lease at the end of the lease term. Rent expense for the years ended June 30, 2017 and 2016 totaled \$20,435 and \$5,109, respectively. The future minimum payments required under the lease for the years ending June 30, 2017 is as follows:

2018	\$	20,435
2019	\$	15,326
Total	\$	<u>35,761</u>

NOTE 6: SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through January 10, 2018, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

OUTDOOR LAB FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2017

EXPENSES	Program Services	Supporting Services	Fundraising	Total
	<u>Outdoor Lab Schools</u>	<u>General and Administrative</u>		
Salaries	\$ -	\$ 228,427	\$ -	\$ 228,427
Benefits	-	36,441	-	36,441
Professional and Technical Services	17,457	15,165	3,093	35,715
Building Rent	-	20,435	-	20,435
Other Purchased Services	-	17,554	7,342	24,896
Insurance	-	2,172	-	2,172
Travel	-	8,843	-	8,843
Supplies	4,427	71,742	25,325	101,494
Membership Dues and Fees	-	3,220	-	3,220
Contribution to Outdoor Lab Schools	486,365	-	-	486,365
<b>TOTAL EXPENSES</b>	<b>\$ 508,249</b>	<b>\$ 403,999</b>	<b>\$ 35,760</b>	<b>\$ 948,008</b>

The accompanying notes are an integral part of the financial statements.

OUTDOOR LAB FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2016

	<u>Program Services</u>	<u>Supporting Services</u>		
	<u>Outdoor Lab Schools</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
EXPENSES				
Salaries	\$ -	\$ 191,522	\$ -	\$ 191,522
Benefits	-	24,257	-	24,257
Professional and Technical Services	-	17,267	-	17,267
Building Rent	-	5,108	-	5,108
Other Purchased Services	-	8,722	3,628	12,350
Insurance	-	1,530	-	1,530
Travel	-	14,024	-	14,024
Supplies	-	12,603	73,116	85,719
Membership Dues and Fees	-	2,767	-	2,767
Contribution to Outdoor Lab Schools	446,818	-	-	446,818
TOTAL EXPENSES	<u>\$ 446,818</u>	<u>\$ 277,800</u>	<u>\$ 76,744</u>	<u>\$ 801,362</u>

The accompanying notes are an integral part of the financial statements.