

## **CONNECTICUT HEALTH FOUNDATION, INC.**

### **FINANCIAL STATEMENTS**

**DECEMBER 31, 2017 AND 2016**

# CONNECTICUT HEALTH FOUNDATION, INC.

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# BlumShapiro

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## **Independent Auditors' Report**

To the Board of Directors  
Connecticut Health Foundation, Inc.  
Hartford, Connecticut

We have audited the accompanying financial statements of Connecticut Health Foundation, Inc., which comprise the statements of financial position as of December 31, 2017 and 2016, 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.

### **Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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 Connecticut Health Foundation, Inc., as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Blum, Shapiro & Company, P.C.*

West Hartford, Connecticut  
March 12, 2018

# CONNECTICUT HEALTH FOUNDATION, INC.

## STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,442,344	\$ 1,641,331
Investments	110,486,813	97,742,754
Prepaid expenses and deposits	81,385	229,606
Property and equipment, net	<u>124,426</u>	<u>137,895</u>
<b>Total Assets</b>	<b><u>\$ 112,134,968</u></b>	<b><u>\$ 99,751,586</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 130,729	\$ 153,773
Grants payable	1,233,195	1,103,324
Deferred excise tax liability	<u>344,000</u>	<u>142,000</u>
Total liabilities	<u>1,707,924</u>	<u>1,399,097</u>
<b>Unrestricted Net Assets</b>	<u>110,427,044</u>	<u>98,352,489</u>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 112,134,968</u></b>	<b><u>\$ 99,751,586</u></b>

The accompanying notes are an integral part of the financial statements

# CONNECTICUT HEALTH FOUNDATION, INC.

## STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<b>Revenues</b>		
Unrealized investment gains	\$ 10,095,928	\$ 2,614,938
Realized investment gains	6,865,592	1,208,052
Interest and dividend income	754,186	1,083,616
Grant and other revenue	103,117	155,080
Total revenues	<u>17,818,823</u>	<u>5,061,686</u>
<b>Expenses</b>		
Grants and program related expenses	3,971,645	3,699,809
General administrative expenses	936,521	884,822
Investment expenses	470,719	522,592
Provision for excise tax	365,383	149,116
Total expenses	<u>5,744,268</u>	<u>5,256,339</u>
<b>Change in Net Assets</b>	12,074,555	(194,653)
<b>Net Assets - Beginning of Year</b>	<u>98,352,489</u>	<u>98,547,142</u>
<b>Net Assets - End of Year</b>	<u>\$ 110,427,044</u>	<u>\$ 98,352,489</u>

The accompanying notes are an integral part of the financial statements

# CONNECTICUT HEALTH FOUNDATION, INC.

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 12,074,555	\$ (194,653)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	41,039	47,123
Loss on sale of property and equipment	-	1,150
Unrealized gain on investments	(10,095,928)	(2,614,938)
Realized gain on investments	(6,865,592)	(1,208,052)
Decrease in operating assets:		
Prepaid expenses and deposits	148,221	97,528
Increase (decrease) in operating liabilities:		
Accounts payable and accrued liabilities	(23,044)	(18,811)
Grants payable	129,871	(440,229)
Deferred excise tax liability	202,000	52,000
Net cash used in operating activities	<u>(4,388,878)</u>	<u>(4,278,882)</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of property and equipment	(27,570)	(11,554)
Purchases of investments	(99,184,408)	(53,454,857)
Proceeds from the sale of investments	103,401,869	58,659,881
Net cash provided by investing activities	<u>4,189,891</u>	<u>5,193,470</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(198,987)	914,588
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>1,641,331</u>	<u>726,743</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 1,442,344</u>	<u>\$ 1,641,331</u>

The accompanying notes are an integral part of the financial statements

# CONNECTICUT HEALTH FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Connecticut Health Foundation, Inc. (the Foundation) is a not-for-profit corporation organized under the laws of the State of Connecticut. The Foundation, established in 1999, is the largest independent health philanthropy foundation in Connecticut. The mission of the Foundation is to improve the health and wellbeing of all Connecticut residents using a systems change approach with the immediate focus on expanding health equity by helping more people gain access to quality, affordable health care - especially those who disproportionately lack it now, people of color.

#### **Basis of Accounting and Presentation**

The Foundation prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Net assets, revenues and expenses are classified based on the existence or absence of donor-imposed restrictions. Under applicable accounting standards, the net assets of the Foundation are considered to be unrestricted.

#### **Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Management has made estimates based on assumptions for the fair value of financial instruments, specifically alternative investments. Accordingly, actual results could differ from those estimates.

#### **Cash and Cash Equivalents**

Cash equivalents are defined as highly liquid investments with original maturities of 90 days or less. The Foundation maintains deposits in financial institutions that may, at times, exceed federal depository insurance limits. Management believes it adequately mitigates this risk by only investing in major financial institutions. However, the Foundation has not experienced any losses in such accounts and management believes the Foundation is not exposed to any significant credit risk on cash and cash equivalents.

#### **Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is 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. See Note 2 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on the trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net realized and unrealized gains (losses) on investments include the Foundation's gains and losses on investments bought and sold as well as held during the year. Realized and unrealized gains and losses and investment income are classified as increases and decreases in unrestricted net assets.

The Foundation's investments in debt and equity securities are exposed to interest rate, market, credit and other risks depending on the nature of the specific investment. Accordingly, it is at least reasonably possible that these factors will result in changes in the value of the Foundation's investments, which could materially affect amounts reported in the financial statements.



# CONNECTICUT HEALTH FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

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### Property and Equipment

Purchases of \$1,000 or more, whether individually or in the aggregate, are capitalized. Furniture, fixtures and equipment are stated at cost, less accumulated depreciation, and are depreciated using the straight-line method over the estimated useful lives of the assets, which range from two to ten years. Leasehold improvements are stated at cost, less accumulated depreciation, and are depreciated using the straight-line method over the remaining term of the lease.

Repairs and maintenance are charged to expense as incurred. Depreciation expense for the years ended December 31, 2017 and 2016, was \$41,039 and \$47,123, respectively.

### Federal Excise Taxes

As an organization described in Section 501(c)(3) of the Internal Revenue Code, the Foundation is exempt from federal income taxes and has been classified as a private foundation. In accordance with the applicable provisions of the Internal Revenue Code, the Foundation is subject to an excise tax on net investment income, including realized gains, and to tax on unrelated business income in connection with certain partnership investments. Excise tax expense for the years ended December 31, 2017 and 2016, was \$163,383 and \$97,116, respectively.

The Foundation has provided for deferred income taxes at the excise tax rate of 2%. Deferred excise taxes relate to net unrealized investment gains or losses that have been recognized in the financial statements but are deferred from taxable income until realized. Total deferred excise expense recorded on the statements of activities for the years ended December 31, 2017 and 2016, is \$202,000 and \$52,000, respectively.

In accordance with private foundation regulations, qualified minimum distributions are required to be made by the Foundation on an annual basis. Qualified distributions for the fiscal years ended December 31, 2017 and 2016, were \$5,115,351 and \$4,730,259 respectively.

### Spending Policy

The Foundation follows a spending policy based upon the trailing twenty-quarter average market value as of September 30 of the preceding fiscal year. The spending formula is designed specifically to stabilize annual spending levels and to preserve the real value of the fund portfolio over time. The Foundation's spending is capped at 5.4% of a twenty-quarter running average of total invested assets. Spending will be sufficient to ensure that the 5% minimum requirement established by the Internal Revenue Service is met. Distributions were under the minimum requirement by \$147,187 and \$667,388 for the years ended December 31, 2017 and 2016, respectively. The Foundation had excess distributions of \$3,097,954 as of December 31, 2016 to offset distributions under the minimum requirement in 2017. Varying amounts of the excess distributions expire annually through 2021.

### Risks and Uncertainties

Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risk in the near term could materially affect the amounts reported in the statements of financial position and the statements of activities.

# CONNECTICUT HEALTH FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

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### Reclassifications

Certain amounts in the 2016 financial statements have been reclassified to conform to the current year's presentation.

### Subsequent Events

In preparing these financial statements, management has evaluated subsequent events through March 12, 2018, which represents the date the financial statements were available to be issued.

### NOTE 2 - FAIR VALUE

Generally accepted accounting principles establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

#### Level 1

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access. Liquidity of this level of investments is daily.

#### Level 2

Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. The liquidity of this level of investments ranges from greater than daily through quarterly.

#### Level 3

Inputs to the valuation methodology are unobservable and significant to the fair value measurement. The liquidity of this level of investment ranges from more than quarterly to illiquid.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. As a practical expedient, certain investments are measured at fair value on the basis of net asset value. The fair value of these investments is not included in the fair value hierarchy.

The following is a description of the valuation methodologies used for assets measured at fair value:

#### Mutual Fund Equities

Equities are valued at the closing price reported in the active market in which the individual securities are traded.

# CONNECTICUT HEALTH FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

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### **Domestic Equity**

Domestic equity is valued at the closing price reported in the active market in which the individual securities are traded. This investment class seeks to outperform equity market indices on a risk-adjusted basis. The redemption period for these investments ranges from daily to quarterly. There are no unfunded commitments related to this investment class.

### **International Equity**

International equity is valued at the closing price reported in the active market in which the individual securities are traded. This investment class seeks to outperform the non-U.S. equity market indices on a risk-adjusted basis. The redemption period for these investments ranges from daily to every 36 months, with 0-45 days notice. There are no unfunded commitments related to this investment class.

### **Private Equity**

This includes illiquid investments, defined as assets that are traded very infrequently and cannot be sold without great penalty, in legal entities that focus on providing venture capital, growth capital, buyout capital, mezzanine debt, distressed debt and other opportunistic capital to companies and markets. These investments are valued using the net asset value as reported by the investment manager. There was \$6,231,651 in unfunded commitments related to this investment class at December 31, 2017.

### **Fixed Income**

Fixed income is valued at the closing price reported in the active market in which the individual securities are traded. This investment class invests in U.S. treasuries, securities and diversified fixed income strategies, which invest in corporate credits, including bank loans, high yield and investment grade bonds. The redemption period for these investments ranges from daily to illiquid, with 0-60 days notice. There are no unfunded commitments related to this investment class.

### **Hedge Fund of Funds**

Interests in hedge fund of funds are valued using net asset values as determined by the investment manager of the fund. This net asset value is based on the fair value of the underlying assets and liabilities of the related fund at the measurement date. This investment class seeks long-term equity-like returns with minimal correlation to the major market average. There are no unfunded commitments related to this investment class.

### **Natural Resources**

Interests in natural resources are valued using net asset values as determined by the investment manager of the fund. This investment class invests in a diversified portfolio of global natural resource and commodity securities. The fund does not have a specific return or volatility target, but rather focuses on generating absolute returns in all markets. The redemption period for these investments is quarterly, with 60 days notice. There are no unfunded commitments related to this investment class.

There have been no changes in the methodologies used at December 31, 2017 and 2016.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

# CONNECTICUT HEALTH FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

The following tables set forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of December 31, 2017 and 2016:

	2017				
	Fair Value Measurements Using			Investments Measured at Net Asset Value (a)	December 31, 2017
	Level 1	Level 2	Level 3		
Mutual funds:					
Equity	\$ -	\$ -	\$ -	\$ 10,128,538	\$ 10,128,538
Domestic equity:					
Large cap equity	1,207,936	-	-	8,900,983	10,108,919
Small cap equity	536,357	-	-	-	536,357
International equity:					
Developed	2,184,085	1,763,579	-	2,257,000	6,204,664
Emerging	4,208,624	3,904,158	-	7,600,721	15,713,503
Global equity	-	-	-	22,292,500	22,292,500
Private equity	-	-	-	9,413,750	9,413,750
Fixed income:					
Domestic governmental bonds	3,904,176	-	-	-	3,904,176
U.S. bonds	5,395,771	-	-	-	5,395,771
Opportunistic fund	1,532	-	-	-	1,532
Mortgage backed securities	-	-	1,120,044	-	1,120,044
Marketable alternatives:					
Hedge fund of funds	2,040,741	87,998	1,127,850	20,441,343	23,697,932
Natural resources	-	-	-	1,404,774	1,404,774
Total investments at fair value	19,479,222	5,755,735	2,247,894	82,439,609	109,922,460
Cash held by portfolio managers	564,353	-	-	-	564,353
Total Investments	\$ 20,043,575	\$ 5,755,735	\$ 2,247,894	\$ 82,439,609	\$ 110,486,813

# CONNECTICUT HEALTH FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

	2016				
	Fair Value Measurements Using			Investments Measured at Net Asset Value (a)	December 31, 2016
	Level 1	Level 2	Level 3		
Mutual funds:					
Equity	\$ -	\$ -	\$ -	\$ 4,172,845	\$ 4,172,845
Domestic equity:					
Large cap equity	2,486,493	-	-	14,278,875	16,765,368
Small cap equity	465,761	-	-	-	465,761
International equity:					
Developed	3,368,085	1,642,455	-	6,645,009	11,655,549
Emerging	2,002,314	1,314,624	-	4,056,060	7,372,998
Global equity	-	-	-	13,722,442	13,722,442
Private equity	-	-	-	6,564,908	6,564,908
Fixed income:					
Domestic governmental bonds	3,282,781	-	-	-	3,282,781
U.S. bonds	6,572,606	-	-	-	6,572,606
Opportunistic fund	1,440	-	-	453,833	455,273
Mortgage backed securities	-	-	3,513,354	-	3,513,354
Marketable alternatives:					
Hedge fund of funds	2,041,924	972,590	1,274,212	17,724,687	22,013,413
Natural resources	-	-	-	939,658	939,658
Total investments at fair value	20,221,404	3,929,669	4,787,566	68,558,317	97,496,956
Cash held by portfolio managers	245,798	-	-	-	245,798
Total Investments	\$ 20,467,202	\$ 3,929,669	\$ 4,787,566	\$ 68,558,317	\$ 97,742,754

(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

There were no transfers between levels of investments during the years ended December 31, 2017 and 2016.

# CONNECTICUT HEALTH FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

Additional information regarding investments that report fair value based on net asset value per share or unit as of December 31, 2017 is as follows:

Description	Fair Value	Unfunded Commitments	Redemption Terms	Redemption Restrictions
Mutual fund - equity	\$ 10,128,538	\$ -	Daily to Weekly	-
Domestic equity - large cap	8,900,983	-	Daily to Quarterly	-
International equity - developed	2,257,000	-	Daily	-
International equity - emerging	7,600,721	-	Daily to Quarterly with lock up period of 1 year	0-45 days written notice
International equity - global equity	22,292,500	-	Daily to every 36 months on anniversary of purchase price	0-30 days written notice
Private equity	9,413,750	6,231,651	Illiquid	-
Hedge fund of funds	20,441,343	-	Monthly to annually with lock up periods of 27 to 37 months	0-65 days written notice
Natural resources	1,404,774	-	Daily	-
Total	\$ <u>82,439,609</u>	\$ <u>6,231,651</u>		

The investment strategies of the portfolio maintained by the Foundation are as follows:

- a. The investment objective is to provide a reliable source of funds to support the Foundation's spending needs, which include grantmaking, program-related initiatives and operations and administrative expenses, while achieving an investment return sufficient to maintain the funds' purchasing power in perpetuity.
- b. The performance objective is to achieve a real total annualized return greater than the combined total of the spending policy and investment expenses, on average, over a typical market cycle (generally considered to be five years). The target of real return, net of all investment expenses, is 5% over any rolling five-year period.
- c. The fund will be invested in a manner that is expected to preserve its purchasing power in real terms after spending and maximize its long-term total return with reasonable and acceptable levels of investment risk. Investment risk is defined in two ways: (i) the possibility of the investments' decline in value and (ii) the expected performance volatility of the investments in the portfolio. The portfolio will comprise investments made in multiple asset categories in order to safeguard the portfolio's capital and to lower overall portfolio risk.

# CONNECTICUT HEALTH FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

The table below sets forth a summary of changes in the fair value of the Foundation's Level 3 assets for the years ended December 31, 2017 and 2016:

	<u>Marketable Alternatives - Hedge Fund of Funds</u>	<u>Fixed Income - Mortgage Backed Securities</u>
Balance - January 1, 2016	\$ 1,658,469	\$ 3,624,441
Total losses (realized and unrealized) included in the change in net assets	(184,685)	(111,087)
Sales	(617,916)	-
Purchases	418,344	-
Balance - December 31, 2016	1,274,212	3,513,354
Total gains (realized and unrealized) included in the change in net assets	238,638	143,347
Sales	(385,000)	(2,536,657)
Balance - December 31, 2017	\$ <u>1,127,850</u>	\$ <u>1,120,044</u>

Gains and losses (realized and unrealized) included in changes in net assets for the years ended December 31, 2017 and 2016, are reported in unrealized investment gains and realized investment gains in the statements of activities.

The Board of Directors approves the overall investment strategy and guidelines of the Foundation, which are implemented with full discretion by the external Chief Investment Officer. Management fees for investment managers and advisors were \$385,878 and \$422,928 for the years ended December 31, 2017 and 2016, respectively.

### NOTE 3 - GRANTS PAYABLE

Grants authorized but unpaid at year end are reported as liabilities. The following is a summary of grants authorized and payable at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
To be paid in 2017	\$ -	\$ 1,103,324
To be paid in 2018	1,233,195	-
Total	\$ <u>1,233,195</u>	\$ <u>1,103,324</u>

**CONNECTICUT HEALTH FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 4 - RETIREMENT PLANS**

The Foundation sponsors a safe-harbor 401(k) and a Roth 401(k) plan for all eligible employees. The election period for new participants is generally within one month of employment. After one year of service, the employer will match dollar for dollar up to 3% of the employee’s eligible compensation. The employer will also match fifty cents per dollar for contributions between 3% and 5%. These dollars are 100% vested at the time they are paid. The plan provides for a discretionary profit-sharing contribution of between 0% and 3%. A 2% contribution was declared in 2017 and 2016. For the years ended December 31, 2017 and 2016, total cost to the Foundation was \$44,060 and \$48,637, respectively.

**NOTE 5 - OPERATING LEASES**

The Foundation leases office space in Hartford, Connecticut, under an operating lease that expires August 2021. The lease requires escalating monthly payments ranging from \$10,328 to \$10,872 over the term of the lease. The Foundation recognizes rent expensed on a straight-line basis over the respective lease term of the underlying agreement. Rent expense under this method was \$117,396 for the years ended December 31, 2017 and 2016.

The Foundation entered into a lease agreement in November 2016 to lease a copier under a noncancelable operating lease with a term of more than one year. Rental expense amounted to \$7,104 and \$1,184 for the years ended December 31, 2017 and 2016, respectively.

The Foundation entered into a lease agreement in February 2012 to lease a copier under a noncancelable operating lease with a term of more than one year, which ended in November 2016. Rental expense amounted to \$6,635 for the year ended December 31, 2016.

The following is a schedule of future minimum payments required under the above leases as of December 31, 2017:

**Year Ending December 31**

2018	\$ 137,564
2019	137,564
2020	137,564
2021	<u>82,022</u>
	<u>\$ 494,714</u>