

Financial Statements

Hope Center for Children

Years Ended September 30, 2015 and 2014

**Hope Center for Children
Financial Statements
Years Ended September 30, 2015 and 2014**

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MEMBERS OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Hope Center for Children
Spartanburg, South Carolina

We have audited the accompanying statements of financial statements of Hope Center for Children (a non-profit organization) which comprise the statements of financial position as of September 30, 2015 and 2014 and the related statements of activities, functional expenses, 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 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 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 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 Hope Center for Children as of September 30, 2015 and 2014 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, reading "Gosnell Menard Robinson Infante". The signature is written in a cursive, flowing style.

Gosnell Menard Robinson Infante CPA's, PA
Spartanburg, SC

February 29, 2016

Hope Center for Children
Statements of Financial Position
For the Years Ended September 30, 2015 and 2014

Assets	<u>2015</u>	<u>2014</u>
Current Assets:		
Cash and cash equivalents - unrestricted	\$ 228,531	\$ 211,659
Cash and cash equivalents - restricted	62,846	55,750
Accounts receivable	124,048	179,167
Grants receivable	175,376	166,480
Prepaid expenses	<u>28,572</u>	<u>32,045</u>
Total current assets	<u>619,373</u>	<u>645,101</u>
Fixed Assets		
Land	356,786	356,786
Buildings	3,269,697	3,231,908
Furniture and equipment	680,375	674,150
Less: accumulated depreciation	<u>(2,170,956)</u>	<u>(2,093,043)</u>
Net fixed assets	<u>2,135,902</u>	<u>2,169,801</u>
Other Assets		
Security deposit	<u>1,200</u>	<u>2,900</u>
Total other assets	<u>1,200</u>	<u>2,900</u>
Investments		
Spartanburg County Foundation Trust	<u>884,808</u>	<u>915,141</u>
Total Assets	<u><u>\$ 3,641,283</u></u>	<u><u>\$ 3,732,943</u></u>

Hope Center for Children
Statements of Financial Position
For the Years Ended September 30, 2015 and 2014

Liabilities and Net Assets	<u>2015</u>	<u>2014</u>
Current Liabilities		
Accounts payable	\$ 23,871	\$ 32,303
Note payable, current portion	12,002	11,308
Deferred revenue	159,570	166,480
Accrued expenses	<u>34,803</u>	<u>40,967</u>
Total current liabilities	<u>230,246</u>	<u>251,058</u>
Long Term Liabilities		
Note payable, less current portion	<u>74,714</u>	<u>85,800</u>
Total liabilities	<u>304,960</u>	<u>336,858</u>
Net Assets		
Unrestricted net assets available for operations	1,137,575	1,170,534
Property and equipment	<u>2,135,902</u>	<u>2,169,801</u>
Total unrestricted net assets	<u>3,273,477</u>	<u>3,340,335</u>
Temporarily restricted net assets	<u>62,846</u>	<u>55,750</u>
Total net assets	<u>3,336,323</u>	<u>3,396,085</u>
Total Liabilities and Net Assets	<u><u>\$ 3,641,283</u></u>	<u><u>\$ 3,732,943</u></u>

Hope Center for Children
Statement of Activities
Year Ended September 30, 2015

	Unrestricted	Temporarily Restricted	Total
Support and Revenues			
Residential			
Department of Social Services	\$ 889,022	\$ -	\$ 889,022
Contributions	182,065	42,846	224,911
Fundraising	46,770	-	46,770
United Way	139,959	-	139,959
Grants	34,029	20,000	54,029
Spartanburg County	52,425	-	52,425
Capital Gain	3,500	-	3,500
Investment Income	(12,038)	-	(12,038)
VOCA	25,286	-	25,286
United States Department of Agriculture	28,822	-	28,822
Title I Grant	37,688	-	37,688
Empowering Families			
SAFY	377,328	-	377,328
Contributions	98,328	-	98,328
Fundraising	601	-	601
Grants	18,805	-	18,805
Investment Income	(6,001)	-	(6,001)
Strengthening Families			
Medicaid Family	14,529	-	14,529
Contributions	94,515	-	94,515
Fundraising	165,951	-	165,951
United Way	24,934	-	24,934
Grants	104,728	-	104,728
Investment Income	(6,001)	-	(6,001)
Transitional Living			
TLP Grant	197,530	-	197,530
Investment Income	(6,001)	-	(6,001)
Contributions	90,168	-	90,168
Fundraising	25,464	-	25,464
Grants	20,424	-	20,424
Net assets released from restriction	55,750	(55,750)	-
Total Support and Revenues	2,698,580	7,096	2,705,676
Expenses			
Program services - Residential	1,399,570	-	1,399,570
Program services - Strengthening Families	280,503	-	280,503
Program services - Empowering Families	430,013	-	430,013
Program services - Transitional Living	302,288	-	302,288
Management and general	353,064	-	353,064
Total expenses	2,765,438	-	2,765,438
Change in net assets	(66,858)	7,096	(59,762)
Net assets at beginning of year	3,340,335	55,750	3,396,085
Net assets at end of year	\$ 3,273,477	\$ 62,846	\$ 3,336,323

Hope Center for Children
Statement of Activities
Year Ended September 30, 2014

	Unrestricted	Temporarily Restricted	Total
Support and Revenues			
Residential			
Department of Social Services	\$ 830,015	\$ -	\$ 830,015
Contributions	262,700	5,000	267,700
Fundraising	103,771	-	103,771
United Way	128,447	-	128,447
Grants	3,878	42,550	46,428
Spartanburg County	63,075	24,350	87,425
Capital Gain	100	-	100
Investment Income	24,711	-	24,711
VOCA	30,452	-	30,452
United States Department of Agriculture	29,500	-	29,500
Medicaid Family			-
Miscellaneous income			-
Empowering Families			
SAFY	335,142	-	335,142
Contributions	60,141	-	60,141
Fundraising	45,669	-	45,669
United Way	4,869	-	4,869
Grants	5,896	-	5,896
Investment Income	12,337	-	12,337
Strengthening Families			
Grants	63,288	-	63,288
Contributions	46,729	-	46,729
Fundraising	44,832	-	44,832
Medicaid	1,531	-	1,531
United Way	12,435	-	12,435
Investment Income	12,310	-	12,310
Miscellaneous income	4,500	-	4,500
Transitional Living			
TLP Grant	218,337	-	218,337
Investment Income	12,331	-	12,331
Contributions	58,305	-	58,305
Fundraising	45,504	-	45,504
United Way	4,325	-	4,325
Grants	5,895	-	5,895
Net assets released from restriction	25,924	(25,924)	-
Total Support and Revenues	2,496,949	45,976	2,542,925
Expenses			
Program services - Residential	1,310,560	-	1,310,560
Program services - Strengthening Families	181,875	-	181,875
Program services - Empowering Families	374,958	-	374,958
Program services - Transitional Living	277,670	-	277,670
Management and general	357,485	-	357,485
Total expenses	2,502,548	-	2,502,548
Change in net assets	(5,599)	45,976	40,377
Net assets at beginning of year	3,345,934	9,774	3,355,708
Net assets at end of year	<u>\$ 3,340,335</u>	<u>\$ 55,750</u>	<u>\$ 3,396,085</u>

Hope Center for Children
Statement of Functional Expenses
Year Ended September 30, 2015

	Program Services			Supporting Services	Total Expenses	
	Residential	Strengthening Families	Empowering Families	Transitional Living		Management and Fund Raising
Salaries	\$ 719,010	\$ 147,084	\$ 272,427	\$ 158,934	\$ 270,408	\$ 1,567,863
Insurance - group and workers comp	69,728	17,967	26,906	17,363	29,242	161,206
Retirement and payroll taxes	75,928	14,090	28,782	15,231	28,055	162,086
Total salaries and related expenses	864,666	179,141	328,115	191,528	327,705	1,891,155
Rent	-	440	-	14,400	-	14,840
Computers and software	9,734	2,488	3,279	2,381	631	18,513
Repairs and maintenance	59,067	7,087	6,973	7,493	4,423	85,043
Telephone	7,712	3,280	4,630	5,055	1,726	22,403
Utilities	56,892	1,981	1,981	10,522	1,714	73,090
Copier lease	5,029	1,436	4,435	1,436	1,029	13,365
Auto expenses	31,204	10,204	19,843	3,861	130	65,242
Insurance - general	19,232	6,795	6,795	6,795	4,734	44,351
Professional development & training	21,105	8,374	6,669	8,114	2,232	46,494
Consultation fees	3,719	1,655	1,655	1,655	1,074	9,758
Professional fees	5,222	2,492	2,492	2,492	1,569	14,267
Contract services	446	223	223	223	-	1,115
Resident expense						
Family assistance	-	150	5,801	113	-	6,064
Household supplies	38,699	414	844	1,611	-	41,568
Food	67,908	100	109	9,500	-	77,617
Office supplies	5,796	3,227	3,263	2,611	1,295	16,192
Miscellaneous expenses	8,673	1,644	2,614	1,358	-	14,289
Academic education	33,120	-	-	829	-	33,949
Advertising	8,945	4,867	4,302	4,302	1,534	23,950
Postage	2,484	1,242	1,239	1,245	540	6,750
Fund raising	5,815	18,496	-	-	1,253	25,564
In-Kind expenses	90,441	-	-	-	-	90,441
Interest expense	3,983	-	-	-	-	3,983
Bank fees	6,206	3,031	3,015	3,028	1,475	16,755
Total expenses before depreciation	1,356,098	258,767	408,277	280,552	353,064	2,656,758
Depreciation expense	43,472	21,736	21,736	21,736	-	108,680
Total expenses	<u>\$ 1,399,570</u>	<u>\$ 280,503</u>	<u>\$ 430,013</u>	<u>\$ 302,288</u>	<u>\$ 353,064</u>	<u>\$ 2,765,438</u>

**Hope Center for Children
Statement of Functional Expenses
Year Ended September 30, 2014**

	Program Services			Supporting Services	Total Expenses	
	Residential	Strengthening Families	Empowering Families	Transitional Living		Management and Fund Raising
Salaries	\$ 658,005	\$ 93,620	\$ 225,200	\$ 139,120	\$ 253,702	\$ 1,369,647
Insurance - group and workers comp	55,502	8,344	24,602	11,304	32,868	132,620
Retirement and payroll taxes	66,975	7,294	22,978	12,004	31,721	140,972
Total salaries and related expenses	780,482	109,258	272,780	162,428	318,291	1,643,239
Rent	26,821	11,844	12,769	20,211	1,980	73,625
Computers and software	7,642	1,497	917	1,758	345	12,159
Repairs and maintenance	38,107	4,428	4,879	6,169	2,859	56,442
Telephone	6,923	2,127	3,277	3,437	1,315	17,079
Utilities	56,096	3,113	3,459	5,888	1,785	70,341
Copier lease	3,610	986	2,344	1,548	896	9,384
Auto expenses	37,451	7,157	21,211	1,774	135	67,728
Insurance - general	18,960	5,035	6,431	5,819	4,329	40,574
Professional development & training	16,066	7,931	4,450	5,411	1,795	35,653
Professional fees	8,248	4,113	4,039	4,034	2,526	22,960
Contract services	284	30	142	20,977	-	21,433
Resident expense						
Family assistance	50	-	4,508	-	-	4,558
Household supplies	19,097	1,453	455	6,520	-	27,525
Food	58,230	2,216	1,300	5,358	-	67,104
Office supplies	4,899	1,954	2,456	2,025	1,094	12,428
Miscellaneous expenses	255	-	-	10	-	265
Academic education	29,293	46	46	88	-	29,473
Advertising	7,389	2,896	3,376	3,419	1,168	18,248
Postage	2,100	657	871	829	388	4,845
Fund raising	9,558	4,182	4,252	4,238	1,145	23,375
In-Kind expenses	109,874	155	155	1,761	-	111,945
Interest expense	4,418	-	-	-	-	4,418
Bank fees	5,535	2,583	3,915	1,426	1,299	14,758
Total expenses before depreciation	1,251,388	173,661	358,032	265,128	341,350	2,389,559
Depreciation expense	59,172	8,214	16,926	12,542	16,135	112,989
Total expenses	\$ 1,310,560	\$ 181,875	\$ 374,958	\$ 277,670	\$ 357,485	\$ 2,502,548

Hope Center for Children
Statements of Cash Flows
Years Ended September 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities		
Change in net assets	\$ (59,762)	\$ 40,377
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	108,680	112,989
Investment income	30,333	(56,074)
Capital gain on sale of equipment	(3,500)	(100)
(Increase)/decrease in accounts receivable	55,119	32,018
(Increase)/decrease in grants receivable	(8,896)	29,746
(Increase)/decrease in prepaid expenses	3,473	(13,156)
(Increase)/decrease in security deposits	1,700	(2,900)
Increase/(decrease) in accounts payable	(8,432)	29,101
Increase/(decrease) in deferred revenue	(6,910)	(29,746)
Increase/(decrease) in payroll liabilities	-	(2,153)
Increase/(decrease) in accrued expenses	(6,164)	24,763
Net cash provided/(used) by operating activities	<u>105,641</u>	<u>164,865</u>
Cash flows from investing activities		
Building improvement purchases	(37,789)	-
Equipment purchases	(36,992)	-
Proceeds from sale of fixed assets	3,500	100
Net cash provided/(used) by investing activities	<u>(71,281)</u>	<u>100</u>
Cash flows from financing activities		
Repayment of note payable	(10,392)	(9,956)
Net cash provided/(used) by financing activities	<u>(10,392)</u>	<u>(9,956)</u>
Net increase in cash	23,968	155,009
Cash at beginning of year	<u>267,409</u>	<u>112,400</u>
Cash at end of year	<u>\$ 291,377</u>	<u>\$ 267,409</u>

Hope Center for Children
Notes to Financial Statements
Years Ended September 30, 2015 and 2014

Note A – Organization and Summary of Significant Accounting Policies

Organization

The Hope Center for Children (the Center) offers emergency shelter for children removed from their home due to abuse or neglect 24 hours a day, 365 days per year at the Faucette House. This “house” provides basic needs, gives love and support as the children heal, and helps to advocate for the best long-term environment.

The Anchor House provides around-the-clock care serving girls between 11 and 19 years old. The staff oversee activities designed to build skills necessary for meaningful and productive lives in the future.

The Transitional Living Program provides temporary shelter to youths between 16 and 21 years old who have no safe place to live as they move into adulthood. In addition, the program provides parenting skills designed to promote a strong mother-child bond.

The Center also provides a Family Strengthening Program and Empowering Families Program to prevent child abuse and neglect with the objective of building stable, healthy families.

Basis of Accounting

The financial statements of the Center are kept on the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

Basis of Presentation

The Center has adopted FASB ASC 958-205 Not-For-Profit Presentation of Financial Statements.

The Center is required to report 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. In addition the Center is required to present a statement of cash flows.

Hope Center for Children
Notes to Financial Statements
Years Ended September 30, 2015 and 2014

Note A – Organization and Summary of Significant Accounting Policies (Continued)

Donor-Imposed Restrictions

All 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. However, if a restriction is fulfilled in the same period in which the contribution is received, the Center reports that support as unrestricted.

Property and Equipment

Property and equipment are currently defined by the Center as assets with an initial, individual cost greater than or equal to \$5,000 and with an estimated useful life in excess of one year.

The Center follows the practice of capitalizing expenditures for furniture and equipment; the fair value of donated fixed assets is similarly capitalized. Depreciation is provided on a straight-line basis over the estimated useful life of the assets.

Contributed Items

Contributed items are recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

Donated Services

A substantial number of volunteers donated significant amounts of their time to the Center's program services. The value of these services has not been recorded in the financial statements because they do not meet the definition for recognition under generally accepted accounting principles.

In-Kind Donations

In-kind donations received by the Center for the years ended September 30, 2015 and 2014 was estimated at \$90,441 and \$111,945, respectively.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Center considers all highly liquid debt instruments purchases with maturity of three months or less from date of purchase to be cash equivalents.

Hope Center for Children
Notes to Financial Statements
Years Ended September 30, 2015 and 2014

Note A – Organization and Summary of Significant Accounting Policies (Continued)

Revenue Concentration

The Center received approximately 33 percent of its operating revenue from the Department of Social Services for the years ended September 30, 2015 and 2014. The Center also received 14 percent and 13 percent of its operating revenue from the Specialized Alternatives for Families and Youth of South Carolina, Inc. (SAFY) for the years ended September 30, 2015 and 2014, respectively.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs for the years ended September 30, 2015 and 2014 were \$23,950 and \$18,248, respectively.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the amounts of assets and liabilities at the reporting date and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Tax-Exempt Status

The Center is a not-for-profit corporation that is exempt from income taxes under section 501(c) (3) of the Internal Revenue Code.

FASB ASC 740-10-25 requires that the Center recognize the financial statement effects of a tax position based on a ‘more-likely-than-not’ threshold for positions taken or expected to be taken in a tax return. The Center has adopted the application of ASC 740-10-25 for the fiscal years ended September 30, 2015 and 2014. The Center’s accounting policy for evaluating uncertain tax positions is to recognize tax positions if they are probable of being ultimately realized. The Center does not believe there are any unrecognized tax benefits or liabilities that should be recorded.

Fair Value of Financial Instruments

The carrying values of cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities approximate fair value because of terms and relative short maturity of financial instruments. The carrying values, which are the fair value of investments, are based on values provided by an external investment manager or comparison to quoted market values.

Hope Center for Children
Notes to Financial Statements
Years Ended September 30, 2015 and 2014

Note B – Functional Allocation of Expense

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

Note C – Investment held at Spartanburg County Foundation

Hope Center for Children Fund

The Spartanburg Children’s Shelter, Inc. previously reported the Sylvia Stahley Legacy Fund in the organization’s financial statements. The merger caused this fund to be moved to the Hope Center for Children’s investment assets.

Ellen Hines Smith Girls’ Home fund was reported in the financial statements of The Spartanburg County Foundation as a special trust fund, therefore it was reported as a contingent asset in the financial statements of Ellen Hines Smith Girls’ Home.

A confirmation of the Fund balances was received from the Foundation for the fiscal years ended September 30, 2015 and 2014.

Hope Center for Children
Notes to Financial Statements
Years Ended September 30, 2015 and 2014

Note D – Contingent Assets

Ellen Hines Smith Girls’ Home Scholarship Fund

In August of 1998, a special trust fund was created by agreement between the Spartanburg County Foundation and the Girls’ Home to remember the endless endeavors of Ellen Hines Smith. An annual award of scholarship is to be made to a deserving resident or former resident of the Center who desires to pursue any level of further education.

A confirmation of the Fund balance was received from the Foundation for the fiscal years ended September 30, 2015 and 2014, which included the following financial data related to the Fund:

STATEMENT OF FINANCIAL POSITION		
	September 30, 2015	September 30, 2014
Assets		
Investments	\$ 37,029	\$ 38,701
Net Assets		
Unrestricted	\$ 37,029	\$ 38,701
STATEMENT OF ACTIVITIES		
	September 30, 2015	September 30, 2014
Revenues		
Contributions	\$ 2,900	\$ -
Investment income	676	639
Net gain/(loss) in investment	(1,935)	2,000
Total revenues	1,641	2,639
Expenses		
Scholarships	1,000	-
Grants	1,500	-
Fees	813	772
Total Expenses	3,313	772
Increase in net assets	(1,672)	1,867
Net assets, beginning of year	38,701	36,834
Net assets, end of year	\$ 37,029	\$ 38,701

Hope Center for Children
Notes to Financial Statements
Years Ended September 30, 2015 and 2014

Note E – Cash and Cash Equivalents

The Center maintains its cash balances at one bank in South Carolina. Cash accounts at the banks are insured by the Federal Deposit Insurance Corporation for up to \$250,000. As of September 30, 2015 the Center had a cash balance with a financial institution in excess of the federally insured limit by \$46,688. As of September 30, 2014 the Center had a cash balance with a financial institution in excess of the federally insured limit by \$14,688.

Note F – Accounts Receivable

Accounts receivable consists of the amounts described below and are considered by management to be fully collectable except for specific items determined to be uncollectable.

	2015	2014
Accounts receivable as of September 30,		
State and local grants	\$ 118,501	\$ 158,052
Contributions by individuals	5,547	21,115
Total accounts receivable	<u>\$ 124,048</u>	<u>\$ 179,167</u>

Note G – Tax-Sheltered Annuity Plan

Full-time employees may participate through payroll deduction in tax deferred retirement accounts through Edward Jones (employer matched Simple IRA). After one continuous year of employment, the Center will match an employee's contributions up to 3% of annual gross salary. Employer contributions for the years end September 30, 2015 and 2014 were \$9,429 and \$8,381, respectively.

Hope Center for Children
Notes to Financial Statements
Years Ended September 30, 2015 and 2014

Note H – Lease Commitment

The Center leases two copiers under 5 year operating leases from IKON Financial Services. The term of the leases started on February 6, 2012, and expires February 6, 2017. Total lease expense for the years ended September 30, 2015 and 2014 were \$2,542, respectively.

Future minimum lease payments are as follows:

<u>Year ending September 30</u>	<u>Amount</u>
2016	2,542
2017	<u>847</u>
Total minimum lease payments	<u><u>\$ 3,389</u></u>

Note I – Subsequent Events

Subsequent events have been evaluated through February 29, 2016 which is the date the financial statements were available to be issued.

Hope Center for Children
Notes to Financial Statements
Years Ended September 30, 2015 and 2014

Note J - Fair Value Measurements

The Organization's investments are reported at fair value using a fair value hierarchy defined by generally accepted accounting principles (GAAP) 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 under GAAP are:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 – Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability;
- Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (that is, inputs supported by little or no market

Year	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)
Spartanburg County Foundation Trusts - September 30, 2015	\$ 884,808	\$ 373,276	\$ 511,532
Spartanburg County Foundation Trusts - September 30, 2014	\$ 915,141	\$ 386,073	\$ 529,068

Investment income is reported on cash flow statement net of investment fees, grants, and contributions. The investment fees charged for the investment account for years ending September 30, 2015 and 2014 were \$9,373 and \$9,063, respectively.