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April 2, 2018

Board of Directors  
Woodland Child Development Center, Inc.  
3027 J.F. Mahoney Drive  
Hammond, IN 46323

We have reviewed the report prepared by Woodland Child Development Center, Inc. and opined upon by McMahon & Associates, CPAs, PC, Independent Public Accountants, for the period January 1, 2015 to December 31, 2015. Per the *Independent Auditors' Report* the financial statements included in the report present fairly the financial condition of Woodland Child Development Center, Inc. as of December 31, 2015 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, McMahon & Associates, CPAs, PC prepared all required independent auditor's reports in accordance with generally accepted auditing standards and guidelines established by the State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

  
Paul D. Joyce, CPA  
State Examiner

WOODLAND CHILD DEVELOPMENT  
CENTER, INC.

AUDITED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2015  
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2014)

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WOODLAND CHILD DEVELOPMENT CENTER, INC.

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Woodland Child Development Center, Inc.  
Hammond, Indiana

### Report on the Financial Statements

We have audited the accompanying financial statements of Woodland Child Development Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2015, 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.

### 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Woodland Child Development Center, Inc., as of December 31, 2015, 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.

Report on Summarized Comparative Information

We have previously audited the Woodland Child Development Center, Inc.'s 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 30, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2016, on our consideration of Woodland Child Development Center, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Woodland Child Development Center, Inc.'s internal control over financial reporting and compliance.

  
McMahon & Associates Certified Public Accountants, P.C.  
Munster, Indiana

June 16, 2016

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors  
Woodland Child Development Center, Inc.  
Hammond, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Woodland Child Development Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 16, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Woodland Child Development Center, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Woodland Child Development Center, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Woodland Child Development Center, Inc.'s internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Woodland Child Development Center, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
McMahon and Associates Certified Public Accountants, P.C.  
Munster, IN

June 16, 2016

WOODLAND CHILD DEVELOPMENT CENTER, INC.

STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2015  
(With comparative totals for December 31, 2014)

ASSETS

	<u>2015</u>	<u>2014</u>
<u>CURRENT ASSETS:</u>		
Cash and cash equivalents	\$ 39,384	\$ 53,230
Child care fees receivable (net of allowance of \$6,041 in 2015 and \$4,867 in 2014)	114,783	92,662
Total current assets	<u>154,167</u>	<u>145,892</u>
<u>FIXED ASSETS (NET)</u>	<u>1,295,393</u>	<u>1,458,799</u>
<u>TOTAL ASSETS</u>	<u>\$ 1,449,560</u>	<u>\$ 1,604,691</u>

LIABILITIES AND NET ASSETS

<u>CURRENT LIABILITIES:</u>		
Current portion of long-term debt	\$ 41,244	\$ 39,507
Accounts payable	52,995	33,427
Accrued payroll and deductions	40,182	34,102
Accrued compensated absences	11,770	18,644
Accrued property taxes	0	120,205
Total current liabilities	<u>146,191</u>	<u>245,885</u>
<u>LONG TERM DEBT</u>	<u>329,934</u>	<u>371,177</u>
<u>TOTAL LIABILITIES</u>	<u>476,125</u>	<u>617,062</u>
<u>NET ASSETS:</u>		
Unrestricted net assets	947,377	966,404
Temporarily restricted net assets	26,058	21,225
Total net assets	<u>973,435</u>	<u>987,629</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 1,449,560</u>	<u>\$ 1,604,691</u>

WOODLAND CHILD DEVELOPMENT CENTER, INC.

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(With comparative totals for the year ended December 31, 2014)

	2015			2014
	Unrestricted	Temporarily Restricted	Total	Total
<u>REVENUE AND SUPPORT:</u>				
<u>PUBLIC SUPPORT:</u>				
Contributions	\$ 17,703	\$ 15,000	\$ 32,703	\$ 33,795
Grants	0	263,095	263,095	0
Child care food program grant	146,435	0	146,435	156,630
Special events	9,296	0	9,296	9,088
Total public support	<u>173,434</u>	<u>278,095</u>	<u>451,529</u>	<u>199,513</u>
<u>REVENUE:</u>				
Program service fees	1,272,270	0	1,272,270	1,383,038
Interest	1	0	1	1
Miscellaneous	441	0	441	2,662
Assets released from restrictions	273,262	(273,262)	0	0
Total revenue	<u>1,545,974</u>	<u>(273,262)</u>	<u>1,272,712</u>	<u>1,385,701</u>
Revenue and support	<u>1,719,408</u>	<u>4,833</u>	<u>1,724,241</u>	<u>1,585,214</u>
<u>EXPENSES:</u>				
Program expenses	1,555,341	0	1,555,341	1,450,310
Management and general expenses	165,135	0	165,135	168,212
Special events	4,510	0	4,510	10,906
Bad debt expense	13,450	0	13,450	7,022
Total expenses	<u>1,738,436</u>	<u>0</u>	<u>1,738,436</u>	<u>1,636,450</u>
INCREASE (DECREASE) IN NET ASSETS BEFORE OTHER EXPENSES	(19,028)	4,833	(14,195)	(51,236)
<u>OTHER EXPENSES</u> - Property taxes	<u>0</u>	<u>0</u>	<u>0</u>	<u>111,706</u>
INCREASE (DECREASE) IN NET ASSETS	(19,028)	4,833	(14,195)	(162,942)
NET ASSETS - BEGINNING OF YEAR	<u>966,404</u>	<u>21,225</u>	<u>987,629</u>	<u>1,150,571</u>
<u>NET ASSETS - END OF YEAR</u>	<u>\$ 947,376</u>	<u>\$ 26,058</u>	<u>\$ 973,434</u>	<u>\$ 987,629</u>

WOODLAND CHILD DEVELOPMENT CENTER, INC.

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(With comparative totals for the year ended December 31, 2014)

	<u>Program Services</u>		Total 2015	Total 2014
	<u>Child Care</u>	<u>Mgmt and Genl Expenses</u>		
Salaries and Related Expenses				
Salaries	\$ 887,088	\$ 120,966	\$ 1,008,054	\$ 1,000,547
Employee benefits	5,150	702	5,852	11,266
Payroll taxes	69,878	9,529	79,407	77,595
	<hr/>	<hr/>	<hr/>	<hr/>
Total salaries and related expenses	962,116	131,197	1,093,313	1,089,408
Advertising	911	0	911	3,573
Conferences and training	2,582	352	2,934	5,010
Contracted services	22,906	3,124	26,030	32,431
Equipment expenses	11,780	1,024	12,804	10,886
Interest expense	15,567	1,354	16,921	18,584
Local transportation	672	2,016	2,688	6,400
Miscellaneous	8,274	720	8,994	11,728
Occupancy	143,453	12,474	155,927	136,363
Penalties	0	25	25	0
Postage	32	97	129	465
Special assistance to individuals	107,652	0	107,652	8,720
Supplies for classroom and office	27,769	3,787	31,556	32,672
Supplies food	201,448	0	201,448	202,031
Telephone	2,457	2,457	4,914	6,540
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses before depreciation	1,507,619	158,627	1,666,246	1,564,811
Depreciation	47,722	6,508	54,230	53,711
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	\$ 1,555,341	\$ 165,135	\$ 1,720,476	\$ 1,618,522

WOODLAND CHILD DEVELOPMENT CENTER, INC.

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(With comparative totals for the year ended December 31, 2014)

	<u>2015</u>	<u>2014</u>
<u>OPERATING ACTIVITIES:</u>		
Contributions	\$ 32,703	\$ 33,795
Program service fees	1,250,149	1,414,227
Grants	263,095	0
Child care food program grant	146,435	156,630
Special events	9,296	9,088
Interest income	1	1
Miscellaneous income	441	2,662
Interest expense	(16,921)	(18,584)
Cash paid for expenses	<u>(1,648,352)</u>	<u>(1,538,126)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	36,847	59,693
<u>INVESTING ACTIVITIES</u> - Purchase of fixed assets	(11,187)	(6,942)
<u>FINANCING ACTIVITIES</u> - Mortgage payments	<u>(39,506)</u>	<u>(37,844)</u>
NET INCREASE (DECREASE) IN CASH	(13,846)	14,907
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>53,230</u>	<u>38,323</u>
<u>CASH AND CASH EQUIVALENTS - END OF YEAR</u>	<u>\$ 39,384</u>	<u>\$ 53,230</u>
<u>RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u>		
<u>OPERATING ACTIVITIES:</u>		
Change in net assets	\$ (14,195)	\$ (162,942)
Add non-cash items		
Depreciation	54,230	53,711
Loss on disposal of assets	159	0
Decrease (increase) in assets:		
Child care fees receivable (net of allowance of \$4,867 in 2014 and \$6,538 in 2013)	(22,121)	31,189
Prepaid expenses	0	(12)
Increase (decrease) in liabilities:		
Accounts payable	19,568	4,160
Accrued payroll and deductions	6,080	11,316
Accrued compensated absences	(6,874)	10,565
Accrued property taxes	0	111,706
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u>	<u>\$ 36,847</u>	<u>\$ 59,693</u>
<u>SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION:</u>		
Non-cash investing and financing activities - tax sale on property:		
Land	\$ (120,205)	\$ 0
Property tax accrual	<u>\$ 120,205</u>	<u>\$ 0</u>

WOODLAND CHILD DEVELOPMENT CENTER, INC.

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities - Woodland Child Development Center, Inc. is a non-profit agency in Northwest Indiana that provides quality childcare and early learning programs for families with infants through twelve years of age. The program is accredited by the National Association for the Education of Young Children.

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting, which is used for both income tax and financial reporting purposes.

Financial Statement Presentation - The Organization has adopted Financial Accounting Standards Board's Accounting Standards Codification (ASC) 958-205, which provided guidance to reporting on not-for-profit organizations. Under ASC 958-205, the Organization 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. Contributions whose restrictions are met in the same period as the recognition of the contribution are considered unrestricted for reporting purposes. There were no permanently restricted net assets at December 31, 2015. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Use of Estimates in Preparation of Financial Statements - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates of revenues and expenses during the reporting period.

Cash and Cash Equivalents - Cash and cash equivalents as presented on the accompanying statement of financial position and statement of cash flows includes cash on hand and deposits in interest bearing and non-interest bearing accounts in financial institutions. Cash equivalents consist of highly liquid accounts with original maturities of 90 days or less. Certificates of deposit and other securities with original maturities over 90 days are classified as short-term investments and stated at cost, which approximates market value.

Fixed Assets - The Organization capitalizes expenses over \$1,000 with an expected useful life of more than one year, as determined by management. The fair market value of donated fixed assets is also capitalized. Depreciation expense is computed using straight-line methods over the estimated useful life of the assets. When fixed assets are retired or otherwise disposed of, the cost of related accumulated depreciation is removed from the accounts and any gain or loss resulting from the transactions is recognized as income for the period. The cost of repairs and maintenance is charged to income as incurred; significant renewals and betterments are capitalized.

WOODLAND CHILD DEVELOPMENT CENTER, INC.

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Child Care Food Program Grant - The Organization records the child care revenue when it is earned. Reimbursement through the state voucher program is recorded as a receivable when it is earned. Uncollectable receivables are directly written off. These amounts are generally immaterial.

Income Taxes - Woodland Child Development Center, Inc. is a not-for-profit corporation organized under the laws of the State of Indiana. The Internal Revenue Service has given the Organization a favorable determination under Section 501 (c) (3) of the Internal Revenue Code, exempting the Organization from taxation.

Contributed (In-Kind) Services, Materials, and Facilities - Certain contributed services, food, household supplies and facilities are recorded as support and expensed at fair market value when determinable, otherwise at values indicated by the donor. Volunteer services neither create nor enhance non-financial assets and do not require specialized skills, and thus are not recognized as support in the accompanying Statement of Activities. Nevertheless, a substantial number of volunteers donated significant amounts of their time in the Organizations' program services.

Advertising - Advertising costs are included in operating expenses and are expensed as incurred. Advertising expense was \$911 for the year ended December 31, 2015.

Concentration - The Organization received \$792,706, which is 46% of their revenue and support, from their voucher program during 2015.

Accounts Receivable - The Organization carries its accounts receivable for parent accounts at cost less an allowance for doubtful accounts. On a periodic basis, the Organization evaluates its accounts receivable and adjusts its allowance for doubtful accounts, when deemed necessary, based on its history of past write-offs and collections.

Comparative Amounts - The financial statements include certain prior year summarized comparative information in total but not by net asset category. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2014, from which the summarized financial information was derived.

Subsequent Events - In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 16, 2016, the date the financial statements were available to be issued.

WOODLAND CHILD DEVELOPMENT CENTER, INC.

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015

NOTE 2 - FIXED ASSETS

Depreciation expense was \$54,230 for the year ended December 31, 2015.

Fixed assets consist of the following at December 31, 2015:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Buildings	\$ 1,889,212	\$ 619,671	\$ 1,269,541
Equipment	170,062	144,210	25,852
Total fixed assets - net	<u>\$ 2,059,274</u>	<u>\$ 763,881</u>	<u>\$ 1,295,393</u>

NOTE 3 - PROFIT SHARING PLAN

The Organization has a profit sharing plan effective January 1, 1993. Employees must meet age and service requirements to be eligible for the profit sharing plan. At December 31, 2015, there are no un-funded retirement plan costs. The Organization made no discretionary contributions during 2015.

NOTE 4 - LEASES

The Organization leases the land on which they are located from the Parks District of the City of Hammond for \$10 per year. The lease began in 2003 and is for 50 years; expiring in 2052. The Organization also leases an electrical sign for \$510, which is an annual lease.

The Organization leases an office copier for \$218 each month through May 2016. The Organization also leases computers for \$283 each month through March 2017.

The lease expenses are recorded on the Statement of Functional Expenses in the equipment expenses line. For the year ended December 31, 2015 the lease expense was \$6,529.

Minimum lease payments for the next five years are:

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2016	\$ 4,493
2017	858
2018	10
2019	10
2020	10
Thereafter	<u>320</u>
Total	<u>\$ 5,701</u>

WOODLAND CHILD DEVELOPMENT CENTER, INC.

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015

NOTE 5 - NOTE PAYABLE

The Organization had the following debt outstanding at December 31, 2015:

Mortgage Loan

Payable to Chase Bank, bearing interest at 4.25%, due in monthly payments of \$4,702, with a balloon payment in September 2018, secured by the building, all the equipment, fixtures, and other property in the building and the leasehold with the Parks Department of the City of Hammond.

	\$ 371,178
Less: current portion	41,244
Long - term debt	<u>\$ 329,934</u>

The following are maturities of debt over the next three years:

2016	\$ 41,244
2017	43,056
2018	286,878
Total	<u>\$ 371,178</u>

NOTE 6 - GOVERNMENT FUNDS RECEIVED

The Organization is a contracted provider with the Indiana Family and Social Services Administration to provide day care to eligible participants through the Lake County Child Care Voucher Program. On an accrual basis the total funds received for day care were \$792,706 for 2015. Also, under a contract with the Indiana Family and Social Services Administration, Title XX funds were received for day care in the amount of \$75,520 for 2015 on an accrual basis.

The Organization provided meals to participants on a paid, reduced, or free basis as part of the U.S. Department of Agriculture through the Indiana Department of Education Child and Adult Food Program. On an accrual basis the total funds received under this program were \$146,435 for 2015.

WOODLAND CHILD DEVELOPMENT CENTER, INC.

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015

NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS

The Organization received grants in 2015 for designated purposes that have not been met as of December 31, 2015. As of December 31, 2015, the Organization had \$26,058 that had not yet been released for their restricted purpose from current and prior years. This amount is shown in the Organization's financial statements as temporarily restricted net assets.

Temporarily restricted net assets are available for the following purposes for the year ended December 31, 2015:

	<u>Temporarily Restricted</u>
Kemper Funds	\$ 15,905
On My Way PreK	<u>10,153</u>
Total Temporarily Restricted Net Assets	<u>\$ 26,058</u>

NOTE 8 - CONTINGENCIES

The Organization has been unsuccessful in appealing a significant reassessment of the value of a parcel of land that was purchased in 1999, but was never developed. In 2007 the county conducted an assessment and quadrupled the taxes associated with this property. The Organization hasn't paid property taxes since 2007, as they were disputing the additional tax. The land was sold in a tax sale during 2015. The board chose not to dispute the tax sale and lost title to the land. The property tax accrual and the land were written off in 2015. The remaining unpaid tax obligation was discharged upon the sale of the land at auction.

NOTE 9 - INCOME TAX UNCERTAINTIES

The Organization has adopted the provisions of ASC 740-10-25, which requires an organization to disclose any income tax uncertainties, including tax positions, for which it is reasonably possible that the unrecognized tax benefit will significantly change in the next 12 months. The Organization believes that all income tax positions are reasonable and that the total amounts of unrecognized tax benefits will not significantly increase or decrease within 12 months of the reporting date. As a non-profit organization, the entity is exempt from income taxes. The Organization has not recognized any interest in the December 31, 2015 financial statements, but there was \$25 in penalties that was recognized. In general, the Organization is no longer subject to examinations for years prior to 2013.