OPEN MEDIA FOUNDATION

Financial Statements

For the Years Ended
December 31, 2016 and 2015

INDEX TO FINANCIAL STATEMENTS

Ryan, Gunsauls & O'Donnell, LLC
Certified Public Accountants

Independent Auditors' Report

To the Board of Directors of
Open Media Foundation

We have audited the accompanying financial statements of the Open Media Foundation, a Colorado not-for-profit corporation, which comprise the statement of financial position as of December 31, 2016, 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. 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 auditor considers internal control relevant to the Foundation'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 Foundation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects the financial position of the Open Media Foundation as of December 31, 2016, 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 2016 financial statements of the Open Media Foundation, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 14, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Ryan, Gunsauls & O'Donnell, Ltd

Denver, Colorado
May 23, 2017

OPEN MEDIA FOUNDATION
Statements of Financial Position
December 31, 2016 and 2015

ASSETS

	2016	2015
Current assets:		
Cash and cash equivalents	$ 388,452	$ 360,205
Restricted cash	607,528	613,680
Restricted cash - fiscal sponsorship	12,758	27,796
Accounts receivable; net allowance	105,276	196,677
Contributions and pledges receivable	4,000	8,965
Prepaid expenses	-	350
Total current assets	**1,118,014**	**1,207,673**
Investments:		
Managed fund, long-term - Denver Foundation	2,073	21,038
Permanent endowment - Community First	250,000	196,148
Total investments	**252,073**	**217,186**
Total assets	**$ 1,370,087**	**$ 1,424,859**

LIABILITIES AND NET ASSETS

	2016	2015
Liabilities:		
Accounts payable	$ 30,422	$ 59,547
Accrued expenses	46,976	149,781
Fiscal sponsorship liability	12,758	27,796
Accrued payroll liabilities	486	22,160
Total liabilities	**90,642**	**259,284**
Net assets related to operations:		
Unrestricted net assets	946,390	877,335
Temporarily restricted net assets	2,073	20,909
Permanently restricted net assets	250,000	200,000
Total net assets related to operations	**1,198,463**	**1,098,244**
Unrealized gain	80,982	67,331
Total net assets	**1,279,445**	**1,165,575**
Total liabilities and net assets	**$ 1,370,087**	**$ 1,424,859**

See accompanying independent auditors' report and notes to financial statements.

OPEN MEDIA FOUNDATION
Statements of Activities
For the Year Ended December 31, 2016 with Summarized Comparative Totals for 2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	2016 Total	2015 (Summarized)
Government:					
Capitalized equipment maintenance fund	$ 40,763	$ -	$ -	$ 40,763	$ 90,184
Contributed support:					
In-kind contributions	763,634	-	-	763,634	537,422
Foundation grants	85,578	-	10,000	95,578	56,000
Individual contributions	40,660	-	-	40,660	40,568
Fundraising contributions	37,679	-	-	37,679	0
Corporate contributions	10,559	-	-	10,559	4,500
Board contributions	155	-	-	155	1,970
Total contributions	**979,028**	**-**	**10,000**	**989,028**	**730,644**
Release from restriction	**18,965**	**(18,965)**	**-**	**-**	**-**
Earned revenue:					
Video and production	592,081	-	-	592,081	518,654
Web and design	627,107	-	40,000	667,107	482,863
Access	198,868	-	-	198,868	119,408
Education and training	89,912	-	-	89,912	84,225
General and administrative	62,202	-	-	62,202	42,572
Interest income	18,329	-	3,852	22,181	16,366
Total earned revenue	**1,588,499**	**-**	**43,852**	**1,632,351**	**1,264,088**
Total earned revenue and contributions	**2,586,492**	**(18,965)**	**53,852**	**2,621,379**	**1,994,732**
Expenses:					
Program services	2,318,900	-	-	2,318,900	1,710,938
Fundraising	97,412	-	-	97,412	79,929
General and administrative	104,848	-	-	104,848	79,258
Total expenses	**2,521,160**	**-**	**-**	**2,521,160**	**1,870,125**
Change in net assets	**65,332**	**(18,965)**	**53,852**	**100,219**	**124,607**
Net assets, beginning of year	881,058	21,038	196,148	1,098,244	973,637
Net assets related to operations	**946,390**	**2,073**	**250,000**	**1,198,463**	**1,098,244**
Unrealized gain	80,982	-	-	80,982	67,331
Net assets, end of year	**$ 1,027,372**	**$ 2,073**	**$ 250,000**	**$ 1,279,445**	**$ 1,165,575**

See accompanying independent auditors' report and notes to financial statements.

OPEN MEDIA FOUNDATION
Statements of Functional Expenses
For the Year Ended December 31, 2016 with Summarized Comparative Totals for 2015

	Program Services	General and Administration	Fund-raising	2016 Total	2015 (Summarized)
Compensation expenses:					
Salaries and wages	$ 574,958	$ 15,576	$ 31,663	$ 622,197	$ 488,325
Officer compensation	59,985	11,770	7,998	79,753	69,309
Payroll taxes	48,444	8,948	2,021	59,413	46,157
Employee benefits	19,284	550	1,016	20,850	27,402
Total compensation expense	702,671	36,844	42,698	782,213	631,193
Non-compensation expenses:					
In-kind expense	718,737	16,158	28,739	763,634	537,421
Discounts and grants	591,533	208	-	591,741	441,046
Professional services	105,429	5,488	17,509	128,426	94,533
Bandwidth and internet	51,626	1,191	42	52,859	39,165
Occupancy	45,787	3,196	971	49,954	36,930
Travel	33,149	5,537	770	39,456	7,195
Miscellaneous and bad debt	16,033	14,207	5,316	35,556	22,563
Accounting fees	11,273	2,666	1,183	15,122	9,577
Supplies	2,457	4,172	5,076	11,705	8,172
Staff development	7,177	2,081	156	9,414	12,078
Special events	7,772	400	797	8,969	-
Dues and subscriptions	6,664	1,655	412	8,731	5,167
Insurance	6,966	443	163	7,572	6,925
Telephone	2,999	1,302	266	4,567	4,654
Equipment rental and maintenance	4,336	-	-	4,336	8,045
Bank and credit card fees	1,239	1,489	689	3,417	2,593
Printing and copying	2,877	258	61	3,196	1,449
Postage and delivery	175	117	-	292	1,419
Total non-compensation expenses	1,616,229	60,568	62,150	1,738,947	1,238,932
Total expenses	**$ 2,318,900**	**$ 97,412**	**$ 104,848**	**$ 2,521,160**	**$ 1,870,125**

See accompanying independent auditors' report and notes to financial statements.

OPEN MEDIA FOUNDATION
Statements of Cash Flows
For the years ended December 31, 2016 and 2015

		2016		2015
Cash flows from operating activities:				
Change in net assets	$	100,219	$	124,607
Adjustments to reconcile change in net assets				
to net cash provided by (used in) operating activities:				
Change in unrealized gains (losses)		13,651		(22,493)
Unrealized loss on investments		14,477		3,723
Decrease (increase) in operating assets:				
Accounts receivable; net allowance		91,401		(147,556)
Contributions and pledges receivable		4,965		550
Prepaid expenses		350		-
(Decrease) increase in operating liabilities:				
Accounts payable		(28,489)		41,360
Accrued expenses		(102,805)		(161,727)
Fiscal sponsorship liability		(15,038)		27,796
Accrued payroll liabilities		(21,674)		7,506
Net cash provided by (used in) operating activities		**57,057**		**(126,234)**
Cash flows from investing activities:				
Contribution to permanent endowment		(50,000)		(50,000)
Net cash used in investing activities		**(50,000)**		**(50,000)**
Net change in cash and cash equivalents		**7,057**		**(176,234)**
Cash and cash equivalents, beginning of year		1,001,681		1,177,915
Restricted cash, end of year		(620,286)		(641,476)
Cash and cash equivalents, end of year	**$**	**388,452**	**$**	**360,205**

See accompanying independent auditors' report and notes to financial statements.

Note 1: Nature of Operations

The Open Media Foundation (the Foundation) was incorporated on June 2, 2004 under the name Deproduction, Inc.: The [denverevolution] Production Group. In 2009, the Foundation changed its name to the Open Media Foundation. The Foundation provides communications services, training, and tools to individuals, nonprofits, and governments. The Foundation believes communication drives social values, and wants everyone to have a voice in creating the new media conversation. The Foundation offers professional video production, web development, and branding services, similar to a public relations firm or ad agency for nonprofits and governments only. For people who want to "do it themselves," the Foundation teaches classes such as studio or field video production or animation and video editing. The Foundation provides high-end equipment, facilities, and web and TV distribution via Denver Open Media (Denver's Public Access TV Station) so everyone has access to the tools they need to make and spread their own media.

Note 2: Summary of Significant Accounting Policies

This summary of significant accounting policies of the Foundation is presented to assist in understanding the Foundation's financial statements. The financial statements and notes are representations of the Foundation's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of financial statements.

Basis of Accounting

The Foundation's financial statements are prepared on the accrual basis and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the *Financial Statements of Not-For-Profit Organizations* guidance. Under the guidance, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets. In addition, the Foundation is required to present a statement of cash flows.

Cash and Cash Equivalents

The Foundation considers all unrestricted highly liquid investments amounts retained in the investment accounts that are classified as available-to-spend or with an original maturity of three months or less to be cash equivalents.

Note 2: Summary of Significant Accounting Policies, continued

Restricted Cash

Restricted cash includes unearned equipment fund amounts and a board restricted account held by financial institutions. The carrying value of the restricted cash accounts approximates fair value and total $607,528 and $613,680 at December 31, 2016 and 2015, respectively.

Restricted Cash – Fiscal Sponsorship

The Organization acts as a pass-through entity for other non-profit entities and holds funds for these entities to be dispensed at their discretion as specified in agreements. Restricted cash and the related fiscal sponsorship liability totaled $12,758 and $27,796 at December 31, 2016 and 2015, respectively.

Accounts Receivable

Accounts receivable consists of receivables for services rendered by earned income programs, primarily web and video production clients. Based on the judgment of the Foundation and past collection histories, no allowances for bad debts were deemed necessary at December 31, 2015. As of December 31, 2016, an allowance was created for a potential uncollectable account in the amount of $2,693. The Foundation wrote off bad debts of $12,793 and $500 during the years ended December 31, 2016 and 2015, respectively.

Contributions and Pledges Receivable

Under *Accounting for Contributions Received and Contributions Made*, contributions are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are re-classified to unrestricted net assets.

The Foundation's contributions receivable consist of foundation grants award and not yet received, which have historically proven to be fully collectible. Pledge receivables are unconditional promises to give and are recognized in revenues in the period they are earned. Accordingly, an allowance for bad debts is not considered necessary and the direct write-off method is used for recognizing bad debts. Using the direct write-off method does not result in a material difference from the allowance method.

Note 2: Summary of Significant Accounting Policies, continued

Property and Equipment

The Foundation is the exclusive public access provider for the City and County of Denver (the Agency) and receives equipment and maintenance support funds specifically designated for that equipment annually from the Agency to provide the contracted services. This purchased equipment remains the property of the Agency until it expends its useful life or becomes obsolete and the Agency decides to surplus the equipment. At this time, the Foundation has the option to take ownership of the purchased equipment. During the years ended December 31, 2016 and 2015, the Foundation did not take ownership of any equipment.

It is the Foundation's policy to capitalize property and equipment received from the Agency over the Foundation's expected useful lives of the assets. Property and equipment are stated at market value, and depreciation is calculated using the straight-line method. Audio video equipment is depreciated over 5 years and computer and software equipment is depreciated over 2 years. Gains and losses on fixed assets are recognized in the year of disposal. Repairs and maintenance charges, which do not increase the useful lives of the assets, are charged to operations as incurred.

Revenue and Support

The primary source of revenue for the Foundation is earned income which is derived from membership dues, education and certification fees, production services, and equipment and studio rental. In addition, contributions are received (cash and in-kind) from the Agency and contributions from individuals and corporations. Revenue is recognized when it is earned.

The Foundation accounts for contributions in accordance with the recommendations of the guidance for *Accounting for Contributions Received and Contributions Made.*

In accordance with the guidance, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending upon the existence and/or nature of any donor restrictions.

All other restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When the restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Note 2: Summary of Significant Accounting Policies, continued

Income Taxes

No provision for income taxes is provided as the Foundation is exempt under Section 501(c)(3) of the Internal Revenue Code and the Colorado Income Tax Act of 1964. As a charitable organization, only unrelated business income, as defined by Section 509(a)(2) of the Internal Revenue Code, is subject to federal income tax. The Foundation had no unrelated business income tax liability at December 31, 2016 and 2015.

The Foundation has evaluated its tax positions for all open tax years. Currently, the years open for tax authority examination are 2012 through 2015 by the Internal Revenue Service. However, the Foundation is not currently under audit nor has it been contacted by this taxing authority. Based on the evaluation of the Foundation's tax positions, management believes all tax positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions have been recorded for the years ended December 31, 2016 and 2015.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Indirect expenses are allocated to program and supporting services on the basis of the function and areas benefited and use of the assets. All other costs can be specifically identified with a particular function and are charged directly to that function.

Use of Estimates

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. In preparing financial statements, management is required to make estimates and assumptions that affect the reported period. Actual results could differ from those estimates.

Summarized Financial Information for 2015

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the audited financial statements for the year ended December 31, 2015, from which the summarized information was derived.

Note 3: Off Balance Sheet Credit Risk

The Foundation maintains its cash balances with financial institutions which at times may exceed amounts covered by insurance provided by the Federal Deposit Insurance Corporation (FDIC). The maximum deposit insurance amount was $250,000 for interest bearing accounts, per depositor, per institution. As of December 31, 2016 and 2015, the Foundation had $417,958 and $366,953 in excess of FDIC limits, respectively. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.

Note 4: Investments

The Foundation entered into an agreement with the Agency to provide Public Access TV services, including internet, audio, and television media services to the local public. Subsequently, the Foundation was approached to exchange one of its three Comcast Cable TV channels for a digital-tier channel. To compensate the Foundation and the Agency, Comcast contributed $250,000, which was to be invested by the Agency to subsidize the Foundation's Public Access operations. With approval from City Council, the Foundation made arrangements to invest $225,000 with two fund foundations in the local area as described below, with the aim of providing long-term sustainability for Public Access TV operations. The remaining $25,000 was used according to contract requirements in 2007 and 2008.

Managed Fund

The Foundation invested $125,000 with the Denver Foundation at market rates for a 10-year period with disbursements scheduled from 2008 through 2017. The Foundation agreed upon a disbursement option where the Foundation is allowed to transfer a percentage of the quarterly balance as defined in the agreement for general operations. As of December 31, 2016, the Foundation chose to leave the funds in the investment account until needed. The amount of Denver Foundation funds considered available-to-spend at December 31, 2016 and 2015 were $163,683 and $137,806, respectively. These amounts are included in cash and cash equivalents.

The cumulative change in investment from December 31, 2015 to December 31, 2016 is as follows:

Beginning investment balance	$ 158,844
Realized gain on investment	5,965
Unrealized gain on investment	3,657
Administration and management fees	(2,710)
Ending investment balance	165,756
Less available to spend balance	(163,683)
Restricted investment balance	$ 2,073

Note 4: Investments, continued

Permanent Endowment

The Foundation invested the remaining $100,000 with the Community First Foundation (Community First), which agreed to match $.50 for every $1.00 invested within the first two years of investing. The total invested in the permanent endowment is $150,000. The Foundation is allowed to use the earnings on the invested amounts to subsidize operations, but the principle and matching contribution amounts are to remain invested in perpetuity with Community First. Community First guarantees a 5% interest rate on the investment for the first 24 months of investment. After 24 months, the amounts invested will accrue interest and earnings at prevailing market rates. During 2016 and 2015, an additional $40,000 was contributed to the endowment with an additional $10,000 matching contribution for each year. As of December 31, 2016 and 2015, permanent endowment investments totaled $250,000 and $196,148, respectively.

The cumulative change in investment from inception to December 31, 2016 is as follows:

Beginning investment balance	$ 150,000
Donor contributions	80,000
Matching grant	20,000
Investment income	45,399
Realized gain on investment	26,124
Unrealized gain on investment	46,012
Earnings disbursement	(95,852)
Administration and management fees	(12,552)
Ending investment balance	259,131
Less available to spend balance	(9,131)
Restricted investment balance	$ 250,000

Unrealized Gains and Losses

The unrealized gains and losses recognized on the above investments are presented as a non-operating line item on the statement of activities. The Foundation intends to track the fluctuations of these investments directly to net assets as they do not represent the core functions of the Foundation.

Note 5: Fair Values of Financial Instruments

The Foundation follows *Fair Value Measurements and Disclosures* guidance. This guidance defines fair values, establishes a consistent framework for measuring fair value, and expands disclosure requirements. Assets and liabilities are grouped in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

- Level 1 – Valuation is based upon quoted prices for identical instruments traded in active markets.
- Level 2 – Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.
- Level 3 – Valuation is generated from model-based techniques that use significant assumptions not observable in the market. These unobserved assumptions reflect the Foundation's own estimates of assumptions that market participants would use in pricing the asset or liability. Valuation techniques include the use of option pricing models, discounted cash flow models and similar techniques.

The Foundation bases fair values on 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. Fair value measurements for assets and liabilities where there exists limited or no observable market data and, therefore, are based primarily upon the Foundation's estimates, are often calculated based on current pricing policy, the economic and competitive environment, the characteristics of the asset or liability and other such factors. Therefore, the results cannot be determined with precision and may not be realized in an actual sale or immediate settlement of the asset or liability. Additionally, there may be inherent weaknesses in any calculation technique, and changes in the underlying assumptions used, including discount rates and estimates of future cash flows, that could significantly affect the results of current or future values.

Fair value measurements for assets recorded at fair value on a recurring basis at December 31, 2016 and 2015 are $252,073 and $217,186, respectively. The Foundation does not have any Level 2 or Level 3 investments.

Note 6: Donor-designated Endowments

The Foundation's permanent endowment consists of one individual fund and earnings and appreciations thereof. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Note 6: Donor-designated Endowments, continued

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets the original value of gifts donated to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investment, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

Investment Return Objectives, Risk Parameters and Strategies. The investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, including fixed-income securities, equity securities, and alternative investments. The asset mix is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to grow the funds if possible. Therefore, the Foundation expects its endowment asset, over time, to produce an average rate of return of approximately 5% annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Endowment net asset composition for donor-designated endowment funds as of December 31 is as follows:

	2016	2015
Unrestricted	$ 172,814	$ 137,805
Temporarily restricted	2,073	21,038
Permanently restricted	250,000	196,148
Total net endowment assets	$ 424,887	$ 354,991

Note 7: Restrictions on Net Assets

At December 31, 2016 and 2015, certain net assets have been classified as permanently or temporarily restricted for the following purposes:

Temporarily Restricted:	2016	2015
Denver Foundation	$ 2,073	$ 21,038
Total	$ 2,073	$ 21,038
Permanently Restricted:		
Community First – Endowment	$ 180,000	$ 140,000
Community First Match – Endowment	70,000	60,000
Total	$ 250,000	$ 200,000

Note 8: In-Kind Contributions and Expense

Donated equipment is recorded at estimated fair value as revenue and expense or as capitalized assets, depending on the nature of the donation. The contribution of services is recognized if the services received either create or enhance non-financial assets or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

In-kind donations of equipment and services recognized for the years ending December 31, 2016 and 2015 are as follows:

	2016	2015
Advertising	$ 440,000	$ 240,000
Equipment, leased	276,000	272,263
Equipment, consumable	14,397	2,644
Professional services	25,002	22,515
Other	8,235	-
Total	$ 763,634	$ 537,422

Note 9: Concentration

The Foundation's has certain concentrations in specific categories; these concentrations represent 10% or more of total revenues. If a significant reduction in the level of these revenue sources occurs, it may have an effect on the Organization's program and activities.

	2016	**2015**
In-kind donations (29% and 27%)	$ 763,634	$ 537,422
Of which is donated equipment	276,000	272,263
Of which is donated supplies	440,000	240,000
Web and design (25% and 24%)	$ 667,107	$ 500,402
Of which is development	279,365	382,983
Video and production (23% and 26%)	$ 592,081	$ 518,654
Of which is government	199,187	208,021
Of which is other nonprofit groups	392,884	310,610

Note 10: Commitments – Operating Lease

The Foundation leased office space under a month-to-month lease agreement. Rental expense for the years ending December 31, 2016 and 2015 was $49,954 and $36,930, respectively

Note 11: Related Party Transactions

As of December 31, 2016 and 2015, $155 and $1,970 of unconditional contributions were contributed from Board members of the Foundation. These amounts were included in contributions reported in the statements of activities during the years the pledges were received.

Note 12: Evaluation of Subsequent Events

The Foundation has evaluated subsequent events through May 23, 2017, the date at which the financial statements were available to be issued, and determined that no events have occurred subsequent to that date that required disclosure.