

PROJECT A.L.S., INC.
FINANCIAL STATEMENTS
YEARS ENDED JULY 31, 2017 AND 2016

PROJECT A.L.S., INC.
FOR THE YEARS ENDED JULY 31, 2017 AND 2016

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Project A.L.S., Inc.

We have audited the accompanying financial statements of Project A.L.S., Inc. (the "Organization") (a not-for-profit organization), which comprise the statements of financial position as of July 31, 2017 and 2016, 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.

Auditor's 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 audits 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 auditor's 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 Organization'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 Organization'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 Project A.L.S., Inc. as of July 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.



CERTIFIED PUBLIC ACCOUNTANTS

Braintree, Massachusetts
July 31, 2018

PROJECT A.L.S., INC.
STATEMENTS OF FINANCIAL POSITION
JULY 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 4,054,295	\$ 2,092,216
Investments	77,095	150,551
Contributions and grants receivable	53,063	101,827
Prepaid expenses and other assets	94,028	142,283
Equipment, less accumulated depreciation of \$5,228 (2017 and 2016)	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 4,278,481</u>	<u>\$ 2,486,877</u>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accounts payable and accrued expenses	\$ 39,217	\$ 247,389
Grants payable	3,901,396	2,116,872
Deferred special event revenue	<u>25,000</u>	<u>10,000</u>
Total liabilities	3,965,613	2,374,261
Commitments (Notes 2 and 6)		
Unrestricted net assets	<u>312,868</u>	<u>112,616</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,278,481</u>	<u>\$ 2,486,877</u>

See accompanying notes to financial statements.

PROJECT A.L.S., INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JULY 31, 2017 AND 2016

	<u>2017</u>			<u>2016</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues:						
Special events revenue, net of direct benefits to donors of \$623,544 in 2017 and \$516,490 in 2016	\$ 4,184,586	\$ -	\$ 4,184,586	\$ 1,192,254	\$ -	\$ 1,192,254
Grants and contributions	787,314	45,000	832,314	764,738	26,500	791,238
Other fund-raising	429,536	-	429,536	384,309	-	384,309
Investment income	85,697	-	85,697	(35,610)	-	(35,610)
Net assets released from restrictions	<u>45,000</u>	<u>(45,000)</u>	<u>-</u>	<u>94,330</u>	<u>(94,330)</u>	<u>-</u>
Total revenues	<u>5,532,133</u>	<u>-</u>	<u>5,532,133</u>	<u>2,400,021</u>	<u>(67,830)</u>	<u>2,332,191</u>
Expenses:						
Programs:						
Grants and research	4,372,587	-	4,372,587	1,764,223	-	1,764,223
Education	<u>377,207</u>	<u>-</u>	<u>377,207</u>	<u>355,481</u>	<u>-</u>	<u>355,481</u>
Total programs	<u>4,749,794</u>	<u>-</u>	<u>4,749,794</u>	<u>2,119,704</u>	<u>-</u>	<u>2,119,704</u>
Supporting services:						
Management and general	271,064	-	271,064	207,523	-	207,523
Fund-raising	<u>311,023</u>	<u>-</u>	<u>311,023</u>	<u>195,071</u>	<u>-</u>	<u>195,071</u>
Total supporting services	<u>582,087</u>	<u>-</u>	<u>582,087</u>	<u>402,594</u>	<u>-</u>	<u>402,594</u>
Total expenses	<u>5,331,881</u>	<u>-</u>	<u>5,331,881</u>	<u>2,522,298</u>	<u>-</u>	<u>2,522,298</u>
Changes in net assets	200,252	-	200,252	(122,277)	(67,830)	(190,107)
Net assets - beginning	<u>112,616</u>	<u>-</u>	<u>112,616</u>	<u>234,893</u>	<u>67,830</u>	<u>302,723</u>
NET ASSETS - ENDING	<u>\$ 312,868</u>	<u>\$ -</u>	<u>\$ 312,868</u>	<u>\$ 112,616</u>	<u>\$ -</u>	<u>\$ 112,616</u>

See accompanying notes to financial statements.

PROJECT A.L.S., INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JULY 31, 2017

	Programs			Supporting Services		
	Grants and Research	Education	Total	Management and General	Fund-raising	Total
Salaries	\$ 287,801	\$ 87,216	\$ 375,017	\$ 143,236	\$ 54,889	\$ 573,142
Payroll taxes and employee benefits	42,657	12,927	55,584	21,230	8,135	84,949
Grants to others	3,921,210	-	3,921,210	-	-	3,921,210
Professional fees and outside services	4,995	67,500	72,495	54,087	76,740	203,322
Special events costs, net of direct benefits to donors	-	99,405	99,405	-	136,439	235,844
Telephone	9,389	2,845	12,234	4,671	1,790	18,695
Office supplies and expenses	30,583	9,268	39,851	15,221	5,833	60,905
Occupancy costs	23,444	7,105	30,549	11,668	4,471	46,688
Postage and shipping	1,538	2,768	4,306	923	923	6,152
Printing, publications and website	-	52,152	52,152	1,673	7,346	61,171
Conferences, meetings and travel	45,092	22,109	67,201	1,335	2,850	71,386
Newsletter	-	11,555	11,555	-	608	12,163
Other expenses	5,878	2,357	8,235	17,020	10,999	36,254
TOTAL EXPENSES	<u>\$ 4,372,587</u>	<u>\$ 377,207</u>	<u>\$ 4,749,794</u>	<u>\$ 271,064</u>	<u>\$ 311,023</u>	<u>\$ 5,331,881</u>

See accompanying notes to financial statements.

PROJECT A.L.S., INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JULY 31, 2016

	Programs			Supporting Services		
	Grants and Research	Education	Total	Management and General	Fund-raising	Total
Salaries	\$ 316,340	\$ 71,244	\$ 387,584	\$ 110,724	\$ 37,977	\$ 536,285
Payroll taxes and employee benefits	50,085	11,280	61,365	17,531	6,013	84,909
Grants to others	1,292,765	-	1,292,765	-	-	1,292,765
Professional fees and outside services	-	30,000	30,000	41,426	49,648	121,074
Special events costs, net of direct benefits to donors	-	82,083	82,083	-	75,032	157,115
Telephone	10,791	2,431	13,222	3,777	1,295	18,294
Office supplies and expenses	19,545	4,402	23,947	6,841	2,346	33,134
Occupancy costs	28,050	6,317	34,367	9,818	3,367	47,552
Postage and shipping	1,133	2,038	3,171	679	679	4,529
Printing, publications and website	-	119,232	119,232	-	6,275	125,507
Conferences, meetings and travel	40,891	14,870	55,761	372	567	56,700
Depreciation	264	60	324	93	32	449
Newsletter	-	9,966	9,966	-	524	10,490
Other expenses	<u>4,359</u>	<u>1,558</u>	<u>5,917</u>	<u>16,262</u>	<u>11,316</u>	<u>33,495</u>
TOTAL EXPENSES	<u>\$ 1,764,223</u>	<u>\$ 355,481</u>	<u>\$ 2,119,704</u>	<u>\$ 207,523</u>	<u>\$ 195,071</u>	<u>\$ 2,522,298</u>

See accompanying notes to financial statements.

PROJECT A.L.S., INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JULY 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Changes in net assets	\$ 200,252	\$ (190,107)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	-	449
Contribution of stock	(52,900)	-
Realized and unrealized (gains) losses on investments	(80,385)	43,856
Changes in assets and liabilities:		
Contributions and grants receivable	48,764	26,592
Prepaid expenses and other assets	48,255	5,496
Deferred special event revenue	15,000	(191,308)
Accounts payable and accrued expenses	(208,172)	4,341
Grants payable	<u>1,784,524</u>	<u>(366,106)</u>
Net cash provided by (used in) operating activities	<u>1,755,338</u>	<u>(666,787)</u>
Cash flows from investing activities:		
Purchase of investments	(21,725)	-
Proceeds from sales of investments	<u>228,466</u>	<u>-</u>
Net cash provided by investing activities	<u>206,741</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	1,962,079	(666,787)
Cash and cash equivalents - beginning	<u>2,092,216</u>	<u>2,759,003</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 4,054,295</u>	<u>\$ 2,092,216</u>

See accompanying notes to financial statements.

PROJECT A.L.S., INC.
NOTES TO FINANCIAL STATEMENTS
JULY 31, 2017 AND 2016

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Project A.L.S., Inc. (the "Organization") is a nonprofit corporation incorporated in the state of New York in August 1998 to fund research efforts in order to find effective treatments and a cure for Amyotrophic Lateral Sclerosis ("ALS") and to raise public awareness about the disease through educational efforts.

Basis of Financial Statements

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and are presented in accordance with accounting requirements for not-for-profit organizations. These requirements provide that all not-for-profit organizations provide a statement of financial position, a statement of activities, and a statement of cash flows, and that net assets are classified as unrestricted, temporarily restricted, or permanently restricted based on the existence or absence of donor stipulations regarding the use of such assets.

The net assets of the Organization and changes therein are classified and reported as follows:

- Unrestricted net assets represent net assets that are not subject to donor-imposed stipulations.
- Temporarily restricted net assets are net assets whose use has been limited by donors to a specific time period and/or purpose.
- Permanently restricted net assets are subject to donor-imposed stipulations that the principal corpus be maintained in perpetuity. At July 31, 2017 and 2016, the Organization has no permanently restricted net assets.

Functional Expenses

The costs of providing the Organization's various programs and supporting services have been summarized on a functional basis in the accompanying statements of activities. Program service costs include costs directly associated with the mission of the Organization, including education, research and grant making efforts related to finding treatments and a cure for ALS. Management and general expenses include costs indirectly related to the Organization's purpose or mission, such as back-office accounting, office and personnel administration. Fund-raising expenses include costs incurred in connection with solicitation activities undertaken by the Organization.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

PROJECT A.L.S., INC.
NOTES TO FINANCIAL STATEMENTS
JULY 31, 2017 AND 2016

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Organization considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents. Cash equivalents are comprised of a money market fund held with a brokerage firm.

Investments

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 7 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Unrealized gains and losses represent the net change in the carrying value of securities owned as of the date of the statement of financial position. Realized gains and losses on investments are determined using the specific-identification method. Earnings from dividends are recognized when earned.

Revenue Recognition

Contributions are recognized when a donor makes a promise to give to the Organization that is, in substance, unconditional. Conditional promises to give are recognized as contributions when substantially all conditions are met.

Contributions received are measured at their fair value and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit their use or if they are designated as support for future periods. When a donor restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as "Net assets released from restrictions."

In addition, a number of unpaid volunteers have made or have agreed to make significant contributions of their time. The value of such contributions is not reflected in these financial statements since these services do not require specialized skills.

Contributions and Grants Receivable

Contributions and grants receivable are stated at the amount management expects to collect from outstanding balances. Contributions and grants receivable are due in less than one year; therefore, no discount to present value is required.

Management evaluates such receivables and establishes an allowance for doubtful accounts based on a history of write-offs and collections and current credit conditions.

The Organization has determined that all receivables are fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to expense when that determination is made.

PROJECT A.L.S., INC.
NOTES TO FINANCIAL STATEMENTS
JULY 31, 2017 AND 2016

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equipment

The Organization capitalizes those items with a useful life over one year. If purchased, equipment is recorded at cost; donated equipment is recorded at its estimated fair value at the date of donation. Equipment is depreciated using the straight-line method over its estimated useful lives.

Deferred Special Event Revenue

Contributions related to and received in advance of a fund-raising event are deferred until the actual occurrence of the event.

Tax Status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is also exempt from state and local taxes.

The Organization recognizes and measures its unrecognized tax benefits in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 740, *Income Taxes*. Under that guidance, the Organization assesses the likelihood, based on their technical merit, that tax positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available, or when an event occurs that requires a change.

Management has evaluated the Organization's tax positions and has concluded that the Organization has taken no uncertain tax positions that require adjustment to the financial statements.

Fair Value Measurements

FASB ASC 820, *Fair Value Measurement*, establishes 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). Under this standard, fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date.

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

PROJECT A.L.S., INC.
NOTES TO FINANCIAL STATEMENTS
JULY 31, 2017 AND 2016

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (continued)

Level 2 inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and, 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.

Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Recently Issued but not yet Effective Accounting Pronouncements

Effective for the year ending July 31, 2019, the Organization will be required to adopt FASB Accounting Standards Update ("ASU") 2016-14, *Presentation of Financial Statements of Not-for-profit Entities*, which changes the presentation of not-for-profit financial statements. The new guidance reduces the number of net asset classes from three to two, and increases disclosures about financial measures and liquidity risks, among other changes. The effect of adopting this new guidance on the Organization's financial statements has not yet been determined.

FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"), which requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU will replace most existing revenue recognition guidance in U.S. GAAP, including industry-specific guidance, when it becomes effective. This guidance is effective for years beginning after July 31, 2019. The Organization is evaluating the effect that ASU 2016-02 will have on its financial statements and related disclosures.

FASB issued ASU No. 2016-02, *Leases* ("ASU 2016-02"). This ASU requires all leases with terms greater than 12 months to be recognized on the balance sheet through a right-of-use asset and a lease liability and the disclosure of key information pertaining to leasing arrangements. This new guidance is effective for the years beginning after July 31, 2020, with early adoption permitted. The Organization is evaluating the effect that ASU 2016-02 will have on its financial statements and related disclosures.

Reclassifications

Certain amounts in the 2016 financial statements have been reclassified, where appropriate, to conform to the presentation used in the 2017 financial statements. These reclassification adjustments had no effect on the Organization's previously reported change in net assets.

PROJECT A.L.S., INC.
NOTES TO FINANCIAL STATEMENTS
JULY 31, 2017 AND 2016

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

In accordance with FASB ASC 855, *Subsequent Events*, the Organization has evaluated subsequent events through July 31, 2018, the date on which these financial statements were available to be issued. Except as disclosed in Note 6, there were no material subsequent events that required recognition or additional disclosure in these financial statements.

NOTE 2. GRANTS PAYABLE

As part of its mission, the Organization has committed to provide grants and assistance to various health organizations, specific individuals, and medical research facilities involved in finding a cure for ALS. During 2017 and 2016, the Organization provided funds under such commitments to Children's Hospital, Columbia University, Cornell University, New York University, Harvard Medical School, Salk Institute, New York Genome Center, University of Tubingen, Sloan Kettering and the University of California, San Francisco.

At July 31, 2017, the following summarizes the Organization's grant payments due over the remaining commitment periods:

<u>Year ending July 31:</u>	<u>Amount</u>
2018	\$ 3,021,123
2019	730,273
2020	125,000
2021	<u>25,000</u>
	<u>\$ 3,901,396</u>

NOTE 3. EQUIPMENT

A summary of equipment at July 31, 2017 and 2016, is as follows:

	<u>2017</u>	<u>2016</u>
Equipment	\$ 5,228	\$ 5,228
Less: accumulated depreciation	<u>(5,228)</u>	<u>(5,228)</u>
Equipment, net	<u>\$ -</u>	<u>\$ -</u>

Depreciation expense was \$- and \$449 for the years ended July 31, 2017 and 2016, respectively.

NOTE 4. CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash on deposit with a commercial bank and investments with a brokerage firm.

At times, the Organization's cash and cash equivalents and investments may exceed federally provided insurance coverage. The Organization has not experienced any losses in such accounts.

For the years ended July 31, 2017 and 2016, one contributor accounted for 17% and 16%, respectively, of the Organization's total contributions received.

PROJECT A.L.S., INC.
NOTES TO FINANCIAL STATEMENTS
JULY 31, 2017 AND 2016

NOTE 5. TEMPORARILY RESTRICTED NET ASSETS

During the years ended July 31, 2017 and 2016, net assets were released from donor restrictions by incurring expenses satisfying the following temporarily restricted purposes or by the passage of time:

	2017	2016
Research fellowships	\$ 45,000	\$ 94,330

NOTE 6. COMMITMENT

The Organization is committed under a non-cancelable operating lease agreement for rental of office space. The original lease expired in February 2014, and has been subsequently renewed through February 2019 under five one-year extensions. The remaining commitments in connection with this operating lease are as follows: \$40,512 (2018) and \$23,632 (2019).

NOTE 7. FAIR VALUE MEASUREMENTS

Assets and liabilities measured at fair value are based on one or more of three valuation techniques identified in the table below. The valuation techniques are as follows:

- (a) *Market approach.* Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities;
- (b) *Cost approach.* Amount that would be required to replace the service capacity of an asset (replacement cost); and
- (c) *Income approach.* Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing and excess earnings models).

The following tables present the Organization's assets on a recurring basis using the fair value hierarchy as of July 31, 2017 and 2016:

Description	Total				Valuation
	July 31, 2017	Level 1	Level 2	Level 3	Technique
Investments:					
Common stock	\$ 12,643	\$ 12,643	\$ -	\$ -	(a)
Exchange-traded fund	64,452	64,452	-	-	(a)
Total investments	77,095	77,095	-	-	
Cash equivalents:					
Money market fund	284,436	284,436	-	-	(a)
Total	\$ 361,531	\$ 361,531	\$ -	\$ -	

PROJECT A.L.S., INC.
NOTES TO FINANCIAL STATEMENTS
JULY 31, 2017 AND 2016

NOTE 7. FAIR VALUE MEASUREMENTS (CONTINUED)

Description	Total July 31, 2016	Level 1	Level 2	Level 3	Valuation Technique
Investments:					
Common stock	\$ 150,551	\$ 150,551	\$ -	\$ -	(a)
Cash equivalents:					
Money market fund	<u>53,727</u>	<u>53,727</u>	<u>-</u>	<u>-</u>	(a)
Total	<u>\$ 204,278</u>	<u>\$ 204,278</u>	<u>\$ -</u>	<u>\$ -</u>	

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

- Money market fund is valued at net asset value, which represents fair value based on end-of-year values.
- Common stock and exchange-traded funds are valued based on quoted market prices, when available, or on market prices provided by recognized broker-dealers or fund managers.

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

The preceding 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, although the Organization believes its valuation methods are appropriate and consistent with those of 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.

NOTE 8. RETIREMENT PLAN

The Organization sponsors a defined contribution 403(b) retirement plan covering substantially all of its full-time employees. No contributions were made to the plan on behalf of the employees for the years ended July 31, 2017 and 2016, respectively.