YEAR SIX IN THE DECADE OF ENERGY EFFICIENCY
2015 YEAR IN REVIEW
From our domestic and international policy efforts, to our expanding public outreach strategies and signature event successes, to our impactful education program, **2015 was full of critical wins for the Alliance’s energy efficiency cause.** Significant highlights from the Alliance’s past year include the first **energy efficiency legislation** signed during President Obama’s tenure, strong efforts aimed at showcasing efficiency’s key role in the **Clean Power Plan** and the unveiling of the **Energy 2030 Roadmap**.

As we forge ahead into the second half of our self-proclaimed Decade of Energy Efficiency, we are excited to build on this past year’s efforts in our mission to **create more energy-productive homes, businesses, factories, buildings, cities and economies.** We appreciate your ongoing support and invite you to read on to learn more about the past year of energy efficiency successes and progress at the Alliance to Save Energy.
The Alliance’s campaign to build awareness of, and catalyze support for, the goal of doubling energy productivity by 2030 gained significant momentum in 2015, thanks in large measure to our Accelerate Energy Productivity 2030 (AccEP) Partnership with the U.S. Department of Energy (DOE) and the Council on Competitiveness (COC).

In 2015, the AccEP 2030 Partnership hosted a series of public dialogues and executive roundtables in Raleigh, N.C., Seattle, Wash., and St. Paul, Minn. to garner additional support for the goal and to inform the creation of a roadmap for achieving the goal. Outreach efforts resulted in 38 additional endorsements of the goal and the submission of 11 "Success Stories" outlining specific gains that endorsers have made in energy productivity. Since 2013, the Alliance has visited a total of 13 cities and secured 130 endorsements as part of our Energy 2030 On the Road Campaign and AccEP 2030 Partnership. The Energy 2030 Campaign Stops report provides additional details about the specific events associated with both initiatives. Combined, these efforts have supported the institutionalization of the doubling energy productivity goal.
goal in the federal Executive Branch, state and local governments, and in the private sector.

On September 16, 2015, one year after the initiative was announced, the Partnership's efforts culminated at the Accelerate Energy Productivity 2030 Summit in Washington, D.C., where Energy Secretary Ernest Moniz publicly unveiled Accelerate Energy Productivity 2030: A Strategic Roadmap for American Energy Innovation, Economic Growth, and Competitiveness (Roadmap).

The Roadmap outlines a set of pathways and identifies specific actions a broad range of stakeholders (businesses; federal, state and local governments; universities and community colleges; and individual consumers) can take to achieve the national goal of doubling energy productivity by 2030. The Roadmap's analysis demonstrates that by using "off the shelf" technologies, U.S. energy productivity can be doubled by 2030, yielding a 4.3 percent increase in GDP and a 24 percent decline in energy use above baseline forecasts.
The Alliance, along with our energy efficiency champions in Congress and the Administration, made great strides in 2015. In April, Congress passed S. 535, the Energy Efficiency Improvement Act of 2015, the first energy efficiency legislation signed by President Obama. This served as a catalyst as energy efficiency became a focal point during the development of energy bills in both the House and Senate.

The year-end omnibus contained appropriations and tax legislation that increase funding for critical programs and extend valuable tax incentives that will encourage homeowners and businesses to make wise energy efficiency investments. Meanwhile, the Administration recently announced historic new energy efficiency standards that, added to Obama-era standards altogether, will save $535 billion by 2030.

The Alliance contributed policy expertise and advocacy on diverse energy efficiency issues, hosting congressional staff on an educational field trip to San Francisco, Calif. and offering access to cutting-edge research and leading programs. We hosted Capitol Hill briefings on topics ranging from innovative residential technologies to the positive effects of energy efficiency on national productivity and competitiveness.
On August 3, the U.S. Environmental Protection Agency (EPA) unveiled the final rule for the Clean Power Plan (CPP), a landmark regulation designed to reduce CO2 emissions from existing fossil fuel power plants 32 percent by 2030 compared to 2005 levels. The Alliance responded with a strategy to educate policymakers, industry participants and energy efficiency advocates about the structure and implications of this highly complex rulemaking, all while underscoring that energy efficiency is the fastest, easiest and most cost-effective compliance mechanism available.

We delivered our message through media engagements, webinars, conference presentations and technical fact sheets housed on an Alliance CPP landing page. We also launched a CPP Events Calendar, listing EPA outreach sessions as well as stakeholder efforts announced by each state subject to these regulations. In December, the Alliance submitted to EPA formal written comments for improving the proposed Clean Energy Incentive Program (CEIP) – a voluntary complement to the CPP that is intended to incent early deployment of energy efficiency and renewable energy projects. We hope these comments will help increase the potential role for energy efficiency within the CEIP.
In May, the Alliance launched the Global Alliance for Energy Productivity, kicking off a broad set of activities to promote global public and private sector commitments to double energy productivity.

As secretariat of the Global Alliance, we developed partnerships with influential global initiatives to provide information, tools and outreach on energy productivity issues; participated in numerous high-profile international events (including the UNFCCC COP21 in Paris) to publicize U.S. policy achievements and promote partnerships and synergies with public and private efforts around the world; and laid the groundwork for working with other national and subnational governments (e.g. India, Europe, China and Brazil) to develop policy roadmaps for doubling energy productivity.

Additionally, the Alliance continued to educate policymakers in the U.S. and abroad on energy efficiency best practices. As part of the USAID Vietnam Clean Energy Program, the Alliance led a U.S. study tour for high-level Vietnamese officials in June. The policymakers held discussions in Washington, D.C., Orlando, Fla. and Los Angeles, Calif. on best practices in green building, energy efficiency and sustainable planned development policy.
With a strengthened communications staff, the Alliance's public outreach efforts gained traction with traditional media, social media channels and email marketing.

Expanding our circle of media contacts to help broaden our reach, the Alliance received over 2,800 media hits during 2015, averaging more than 230 media hits per month.


Additionally, the Alliance's social media presence grew throughout the year, particularly with engagements and interactivity. With over 2,000 social media posts in 2015, our accounts received almost 25,000 engagements (comments, likes, retweets, etc.). We reached over 330,000 users on Facebook and 225,000 email recipients through our weekly, monthly and seasonal email updates on Alliance initiatives.

We also engaged more than 18,000 Efficiency NOW Advocates in response to Alliance advocacy alerts, generating almost 6,000 letters to individual members of Congress.
EVENTS

Advancing Energy Productivity across the Nation and the Globe

In 2015, the Alliance held over 20 events offering Alliance Associate members and supporters ample opportunities to hear from energy efficiency experts and policy leaders. The offered events included congressional briefings, Policy Perspectives breakfasts, energy productivity dialogues and signature events.

On May 12-13, we hosted the eighth annual Energy Efficiency Global Forum, which convened more than 400 industry experts from over 27 countries for two days of unparalleled networking and learning. Delegates heard from efficiency leaders including Sens. Jeanne Shaheen (D-N.H.) and Chris Coons (D-Del.) and international visionaries including Dr. Kandeh Yumkella, former CEO of Sustainable Energy for All. And, in keeping with past forums, the audience was as impressive as the speaker roster, with 70 percent of attendees identifying as director-level or above.

Our 23rd annual Evening with the Stars of Energy Efficiency Awards Dinner saw a revamp with a new suite of award categories, including the Rising Star Awards honoring a student and young professional. Nearly 400 industry leaders gathered on September 17 to honor seven deserving award recipients, including Cinemark, L’Oreal USA, PSE&G and Danfoss.
2015 was a year of innovation and expansion for the Alliance's education programs. The PowerSave Schools program launched new projects, including new partnerships with the Sacramento Municipal Utility District, New Jersey Natural Gas and Siemens—expanding overall school reach by 30 percent. In California and Tennessee, PowerSave Schools partnerships educated K-12 students about energy efficiency, helping them save over 2.8 million kWhs and over $450,000. Assemblies with the Energy Hog mascot inspired over 5,000 students to save energy at school and at home.

The PowerSave Campus program continued its work with California investor-owned utilities, reaching 328,955 people in 2015, employing 75 students from 16 campuses and spreading the energy efficiency message to their campuses and local communities. PowerSave Campus interns also realized total energy savings of over 10.3 million kWh and total cost savings of over $2 million.

Additionally, the Alliance partnered with the city of Knoxville on the Knoxville Extreme Energy Makeover, a consumer education program that will weatherize over 1,200 moderate and low-income homes by September 2017.
The Alliance designed CarbonCount™ to sustain and accelerate the growth of the emerging green bond market by providing a reliable and consistent assessment tool.

Combining project data already used for credit ratings, sophisticated publicly available emissions modeling software and clearly documented assumptions, CarbonCount™ produces a quantitative score that is credible without being administratively or financially burdensome. CarbonCount™ was the winner of a prestigious Finance for Resilience (FiRe) prize at the Bloomberg New Energy Finance Summit in April.

We issued our first certification of a green bond in September and have engaged with other bond issuers to encourage their adoption of the metric. Capping off this effort with a year-end success, the Connecticut Green Bank announced in December its decision to employ CarbonCount™ to certify CO2 reductions associated with up to $100 million in energy efficiency and renewable energy projects. The projects will be financed using the Bank’s innovative Commercial Property Assessed Clean Energy (C-PACE) program.
2015 ALLIANCE ASSOCIATES

3M Company
Acuity Brands Lighting
Advanced Power Control, Inc.
AERCO International, Inc.
Air-Conditioning, Heating and Refrigeration Institute
Air Movement and Control Association International
Alliance for Sustainable Energy LLC/NREL
Alliance for Water Efficiency
American Chemistry Council
American Council for an Energy-Efficient Economy
American Council on Renewable Energy
American Gas Association
American Institute of Architects
American Lighting Association
American Public Gas Association
American Public Power Association
American Public Transportation Association
American Water
Andersen Corporation
A.O. Smith
ASERTTI
ASHRAE
Association of Energy Engineers
Association of Home Appliance Manufacturers
Austin Energy
Australian Alliance to Save Energy
Big Ass Solutions
Bonneville Power Administration
Brookhaven National Laboratory
BSH Home Appliances Corporation
Building Codes Assistance Project
Building Performance Institute, Inc.
CALMAC Manufacturing Corporation
Center for Energy Efficiency & Sustainability
China-U.S. Energy Efficiency Alliance
Citigroup
CMC Energy Services
Collaborative for High Performance Schools
Conservation Services Group
Copper Development Association
Covestro
Cree
Dallas/Fort Worth International Airport
Danfoss
DENEFF
Dentons
Edison Electric Institute
Electric Power Research Institute
European Alliance to Save Energy
Exelon Corporation
Fiberlite Technologies
Green Building Initiative
GreenerU
Habitat for Humanity International
Hannon Armstrong Sustainable Infrastructure Capital, Inc.
Home Performance Coalition
ICF International
Illuminating Engineering Society
Ingersoll Rand
International Association of Lighting Designers
International Copper Association, Ltd.
International Window Film Association
Johns Manville
Johnson Controls
Jupiter Oxygen Corporation
Knauf Insulation
KONE, Inc.
Large Public Power Council
Lawrence Berkeley National Laboratory
Legrand
LG
Lime Energy
Lockheed Martin
Los Alamos County Department of Public Utilities
Los Angeles Department of Water & Power
Midwest Energy Efficiency Alliance
Nalco, An Ecolab Company
National Association of State Energy Officials
National Association of Water Companies
National Electrical Manufacturers Association
National Fenestration Rating Council
National Grid USA
National Insulation Association
National Rural Electric Cooperative Association
Natural Resources Defense Council
New York Power Authority
New York State Energy and Research Development Authority
North American Insulation Manufacturers Association
Northern California Power Agency
Northwest Energy Efficiency Alliance
Nu-Wool Co., Inc.
Oak Ridge National Laboratory
OPOWER
OSRAM SYLVANIA
Panasonic
PG&E Corporation
Polyisocyanurate Insulation Manufacturers Association
Rinnai Corporation
Sacramento Municipal Utility District
San Diego Gas & Electric
Schneider Electric
Seattle City Light
Siemens Industry, Inc.
Snohomish County Public Utility District
Southeast Energy Efficiency Alliance
Southern California Edison
Southern California Gas Co.
Southern Company
Tennessee Valley Authority
The Dow Chemical Company
The Stella Group
U.S. Climate Action Network
U.S. Green Building Council
United Technologies Corporation
Univ. of California, Davis-Energy Efficiency Center
USES Manufacturing Inc.
Vermont Energy Investment Corporation
Washington Gas
Whirlpool Corporation
World Business Council for Sustainable Development

* Founder-level Associates are denoted in bold for their voluntary contribution of $25,000
2015 BOARD OF DIRECTORS

FIRST VICE-CHAIR
William Von Hoene
Senior Executive Vice President & Chief Strategy Officer
Exelon Corporation

PRESIDENT
Kateri Callahan
Alliance to Save Energy

SECRETARY
Francis J. Murray
Former President
New York State Energy Research and Development Authority

TREASURER
Carolyn Green
Co-Founder & Managing Partner
EnerGreen Capital Management, LLC

CHAIR EMERITUS
Dean Langford
Former President
Osram Sylvania

William Sisson
Former U.S. Senator

Daniel J. Evans
Former U.S. Senator

Timothy E. Wirth
Former U.S. Senator

The Late H. John Heinz III

Helen Burt
Senior Vice President of Corporate Affairs
PG&E Corporation

Paul Camuti
Senior Vice President, Innovation & Chief Technology Officer
Ingersoll Rand

Ralph Cavanagh
Sr Attorney And Co-Director of Energy Program
Natural Resources Defense Council

Kemel Dawkins
Former Vice President for Strategic Infrastructure Planning & Facilities
Michigan State University

Jeffrey W. Eckel
President, CEO & Chairman of the Board
Hannon Armstrong

Anthony Eggert
Program Director
ClimateWorks Foundation

Jeffrey Hohn
Vice President and General Manager, Renewable Energy Division
3M

Dave Hopping
President, Building Technologies Division - Americas
Siemens Industry, Inc.

Thomas R. Kuhn
President
Edison Electric Institute (EEI)

Mark Lantrip
President and CEO
Southern Company Services

Randy Leslie
Vice President of Marketing, Distribution and Product Support, Building Efficiencies Group
Johnson Controls, Inc.

Terry McCallister
Chairman and CEO
Washington Gas

Dave McCurdy
President & CEO
American Gas Association

Rose McKinney-James
Managing Principal
Energy Works LLC and McKinney-James & Associates

Greg Merritt
Vice President of Marketing and Public Affairs
Cree, Inc.

Kevin B. Self
Senior Vice President of Strategy, Business Development & Government Relations
Schneider Electric

Kevin Payne
Senior Vice President of Customer Service
Southern California Edison

Robert Pratt
Chairman & CEO
GreenerU

Gil Quiniones
President & CEO
New York Power Authority

John Rhodes
President & CEO
New York State Energy Research and Development Authority

Curt Rich
President & CEO
North American Insulation Manufacturers Association

William Sisson
Director of Sustainability
United Technologies Corporation

Cathy Snyder
Vice President of Energy & Environment Government Relations
Lockheed Martin Washington Operations

Dr. Susan Tierney
Senior Advisor
Analysis Group

Terence Sobolewski
Senior Vice President & CEO
National Grid

Fred Stephan
Senior Vice President and General Manager of Insulation Systems
Johns Manville

Susan Story
President & CEO
American Water

Dave Szczupak
Executive Vice President of Global Product Organization
Whirlpool Corporation

Clinton Vince
Chair of Energy Sector
Dentons

NEXT »
Independent Auditor's Report

To the Board of Directors
Alliance to Save Energy
Washington, D.C.

Report on the Consolidated Financial Statements

We have audited the accompanying financial statements of the Alliance to Save Energy, which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the year ended December 31, 2015, 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 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 the Alliance to Save Energy as of December 31, 2015 and 2014, and the changes in its net
Independent Auditor's Report

assets and its cash flows for the year ended December 31, 2015, in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the December 31, 2014 financial statements of the Alliance to Save Energy, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 12, 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.

CALIBRE CPA GROUP
Certified Public Accountants

Bethesda, MD
May 6, 2016
# Financials

## Balance Sheet

**December 31, 2015 and 2014**

<table>
<thead>
<tr>
<th>Item</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$100,185</td>
<td>$120,454</td>
</tr>
<tr>
<td>Temporary investments</td>
<td>$39,714</td>
<td>$154,914</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>$794,041</td>
<td>$740,662</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>$67,919</td>
<td>$103,770</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>$142,209</td>
<td>$156,220</td>
</tr>
<tr>
<td>Security deposits</td>
<td>$72,374</td>
<td>$72,374</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$1,216,442</strong></td>
<td><strong>$1,348,394</strong></td>
</tr>
</tbody>
</table>

## Liabilities and Net Assets

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$709,013</td>
<td>$635,435</td>
</tr>
<tr>
<td>Loan payable</td>
<td>$215,190</td>
<td>$209,093</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>$276,000</td>
<td>$241,364</td>
</tr>
<tr>
<td>Deferred lease incentives</td>
<td>$21,453</td>
<td>$7,833</td>
</tr>
<tr>
<td>Loan payable, net of current portion</td>
<td>$769,570</td>
<td>$984,008</td>
</tr>
<tr>
<td>Deferred lease incentives, net of current portion</td>
<td>$258,355</td>
<td>$279,808</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$2,248,581</strong></td>
<td><strong>$2,330,541</strong></td>
</tr>
</tbody>
</table>

**Net Assets - (Deficit) Unrestricted**

- Unrestricted: (1,495,164) (1,168,442)
- Temporarily restricted: 463,025 186,295
- Total net assets (deficit): (1,032,139) (982,147)

**Total Net Assets**: (1,032,139) (982,147)

## Statement of Activities

**Year Ended December 31, 2015**

<table>
<thead>
<tr>
<th>Revenue and Support</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants</td>
<td>$4,634,895</td>
<td>$3,921,862</td>
</tr>
<tr>
<td>Governments</td>
<td>$347,147</td>
<td>$545,636</td>
</tr>
<tr>
<td>Special events, net of cost of direct benefit to donors</td>
<td>$890,399</td>
<td>$1,224,516</td>
</tr>
<tr>
<td>Membership contributions</td>
<td>$890,850</td>
<td>$1,098,100</td>
</tr>
<tr>
<td>Donated services</td>
<td>$194,528</td>
<td>$170,631</td>
</tr>
<tr>
<td>Rental income</td>
<td>$174,038</td>
<td>-</td>
</tr>
<tr>
<td>Other income (loss)</td>
<td>$(40,131)</td>
<td>$150,380</td>
</tr>
<tr>
<td>Total revenue and support</td>
<td><strong>$7,091,726</strong></td>
<td><strong>$7,111,105</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program services</td>
<td>$5,460,772</td>
<td>$5,345,815</td>
</tr>
<tr>
<td>General and administrative</td>
<td>$1,582,988</td>
<td>$1,766,252</td>
</tr>
<tr>
<td>Fundraising</td>
<td>$97,958</td>
<td>$251,968</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>$7,141,718</strong></td>
<td><strong>$7,364,035</strong></td>
</tr>
</tbody>
</table>

**Change in net assets**

- (49,992) (252,930)

**Net Assets**

- Beginning, as previously reported: (982,147) (729,217)
- Ending (Deficit): (1,032,139) (982,147)
## STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2015  With Comparative Totals For 2014

<table>
<thead>
<tr>
<th>Program Services</th>
<th>2015 TOTAL</th>
<th>2014 TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROGRAM SERVICES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Demonstration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Policy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communications</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Program Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General and Administrative</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>$ 2,528,108</td>
<td>$ 2,783,661</td>
</tr>
<tr>
<td>Employee benefits and payroll taxes</td>
<td>787,748</td>
<td>859,595</td>
</tr>
<tr>
<td>Professional fees and contract services</td>
<td>1,650,533</td>
<td>1,520,471</td>
</tr>
<tr>
<td>Occupancy and utilities</td>
<td>661,186</td>
<td>626,591</td>
</tr>
<tr>
<td>Supplies and miscellaneous</td>
<td>86,925</td>
<td>86,790</td>
</tr>
<tr>
<td>Meetings and conferences</td>
<td>723,191</td>
<td>405,614</td>
</tr>
<tr>
<td>Travel</td>
<td>476,353</td>
<td>371,564</td>
</tr>
<tr>
<td>Telephone</td>
<td>68,313</td>
<td>77,492</td>
</tr>
<tr>
<td>Depreciation</td>
<td>23,321</td>
<td>39,851</td>
</tr>
<tr>
<td>Printing and publication</td>
<td>28,684</td>
<td>18,664</td>
</tr>
<tr>
<td>Periodicals, dues, and subscriptions</td>
<td>26,024</td>
<td>20,054</td>
</tr>
<tr>
<td>Postage and shipping</td>
<td>9,366</td>
<td>9,424</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>14,619</td>
<td>29,733</td>
</tr>
<tr>
<td>Interest expense</td>
<td>57,347</td>
<td>53,405</td>
</tr>
<tr>
<td>Bad debt expense and reconciliation adjustments</td>
<td>-</td>
<td>461,126</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total direct costs</td>
<td>$ 7,141,718</td>
<td>$ 7,364,035</td>
</tr>
<tr>
<td>Indirect allocation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total expenses</td>
<td>$ 7,141,718</td>
<td>$ 7,364,035</td>
</tr>
</tbody>
</table>
## STATEMENT OF CASH FLOWS

**Year Ended December 31, 2015**

### CASH FLOWS FROM OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets</td>
<td>(49,992)</td>
<td>(252,930)</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash (used in) operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>» Donated Securities</td>
<td>-</td>
<td>(4,866)</td>
</tr>
<tr>
<td>» Depreciation and amortization expense</td>
<td>23,321</td>
<td>39,850</td>
</tr>
<tr>
<td>» Bad dept expense</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>» Unrealized and realized loss (gain) on investments</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>» Allowance for doubtful accounts</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>» Deferred rent</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>» Changes in assets and liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) decrease in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>» Accounts receivable</td>
<td>(53,379)</td>
<td>323,660</td>
</tr>
<tr>
<td>» Prepaid expenses and deposit</td>
<td>35,851</td>
<td>134,473</td>
</tr>
<tr>
<td>Increase (decrease) in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>» Accounts payable</td>
<td>73,578</td>
<td>1,735,387</td>
</tr>
<tr>
<td>» Accrued expenses</td>
<td>0,00</td>
<td>(31,150)</td>
</tr>
<tr>
<td>» Deferred revenue</td>
<td>60,636</td>
<td>(124,956)</td>
</tr>
<tr>
<td>» Deferred lease incentives</td>
<td>(7,833)</td>
<td>(39,469)</td>
</tr>
<tr>
<td>» Refundable advances</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net cash used in operating activities</td>
<td>82,182</td>
<td>(365,330)</td>
</tr>
</tbody>
</table>

### CASH FLOWS FROM INVESTING ACTIVITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from sale of investments</td>
<td>265,220</td>
<td>-</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(150,020)</td>
<td>-</td>
</tr>
<tr>
<td>Purchases of property and equipment</td>
<td>(9,310)</td>
<td>(35,808)</td>
</tr>
<tr>
<td>Reinvestment of interest income</td>
<td>-</td>
<td>(83,626)</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(105,890)</td>
<td>(83,626)</td>
</tr>
</tbody>
</table>

### CASH FLOWS FROM FINANCING ACTIVITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net proceeds on line of credit</td>
<td>(266,899)</td>
<td>(266,899)</td>
</tr>
<tr>
<td>Payments on loan payable</td>
<td>(208,341)</td>
<td>-</td>
</tr>
<tr>
<td>Net cash provided by financing activities</td>
<td>-</td>
<td>83,626</td>
</tr>
<tr>
<td>Net (decrease) increase in cash and cash equivalents</td>
<td>-</td>
<td>(281,704)</td>
</tr>
</tbody>
</table>

### CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning</td>
<td>120,454</td>
<td>402,158</td>
</tr>
<tr>
<td>Ending</td>
<td>100,185</td>
<td>120,454</td>
</tr>
<tr>
<td>Interest paid during the year</td>
<td>57,347</td>
<td>53,405</td>
</tr>
</tbody>
</table>