

BREASTCANCER.ORG

FINANCIAL STATEMENTS

YEARS ENDED MAY 31, 2015 AND 2014

**BREASTCANCER.ORG
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YEARS ENDED MAY 31, 2015 AND 2014**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Breastcancer.org
Ardmore, Pennsylvania

We have audited the accompanying financial statements of Breastcancer.org (a nonprofit organization) which comprise the statements of financial position as of May 31, 2015 and 2014, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Consolidated 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 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 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 combined 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.

Board of Directors
Breastcancer.org

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Breastcancer.org as of May 31, 2015 and 2014, 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Plymouth Meeting, Pennsylvania
February 2, 2016

BREASTCANCER.ORG
STATEMENTS OF FINANCIAL POSITION
MAY 31, 2015 AND 2014

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 2,113,032	\$ 2,594,748
Pledges Receivable	484,089	847,017
Accounts Receivable, Other	256,962	215,280
Prepaid Expenses	28,666	25,132
Total Current Assets	2,882,749	3,682,177
WEBSITE COSTS AND EQUIPMENT	604,558	565,310
OTHER ASSETS		
Pledges Receivable, Net of Current Portion	79,984	545,935
Security Deposits	33,867	13,117
Total Other Assets	113,851	559,052
Total Assets	\$ 3,601,158	\$ 4,806,539
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 64,962	\$ 248,966
Total Current Liabilities	64,962	248,966
DEFERRED RENT		
	-	3,514
Total Liabilities	64,962	252,480
NET ASSETS		
Unrestricted		
Undesignated	3,081,781	3,008,104
Board Designated	54,361	54,357
Total Unrestricted	3,136,142	3,062,461
Temporarily Restricted	400,054	1,491,598
Total Net Assets	3,536,196	4,554,059
Total Liabilities and Net Assets	\$ 3,601,158	\$ 4,806,539

See accompanying Notes to Financial Statements.

BREASTCANCER.ORG
STATEMENTS OF ACTIVITIES
YEARS ENDED MAY 31, 2015 AND 2014

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE						
Contributions and Grants						
Corporate Grants	\$ 936,544	\$ 10,000	\$ 946,544	\$ 863,850	\$ 440,000	\$ 1,303,850
Foundation Grants	240,705	50,000	290,705	163,249	310,000	473,249
Individuals	553,796	104,440	658,236	496,391	-	496,391
Website Monetization Revenue	635,370	-	635,370	727,499	-	727,499
Fund-Raisers and Special Events	763,998	-	763,998	829,196	-	829,196
In-Kind Contributions	485,305	-	485,305	1,020,170	-	1,020,170
Investment Income	7,765	-	7,765	8,424	-	8,424
Other Income	2,841	-	2,841	3,315	-	3,315
Net Assets Released from Restrictions	1,255,984	(1,255,984)	-	1,030,979	(1,030,979)	-
Total Support and Revenue	<u>4,882,308</u>	<u>(1,091,544)</u>	<u>3,790,764</u>	<u>5,143,073</u>	<u>(280,979)</u>	<u>4,862,094</u>
EXPENDITURES						
Program Services	3,827,638	-	3,827,638	4,172,329	-	4,172,329
Development	661,541	-	661,541	660,978	-	660,978
General and Administrative	319,448	-	319,448	334,013	-	334,013
Total Expenditures	<u>4,808,627</u>	<u>-</u>	<u>4,808,627</u>	<u>5,167,320</u>	<u>-</u>	<u>5,167,320</u>
CHANGE IN NET ASSETS	73,681	(1,091,544)	(1,017,863)	(24,247)	(280,979)	(305,226)
Net Assets - Beginning of Year	<u>3,062,461</u>	<u>1,491,598</u>	<u>4,554,059</u>	<u>3,086,708</u>	<u>1,772,577</u>	<u>4,859,285</u>
NET ASSETS - END OF YEAR	<u>\$ 3,136,142</u>	<u>\$ 400,054</u>	<u>\$ 3,536,196</u>	<u>\$ 3,062,461</u>	<u>\$ 1,491,598</u>	<u>\$ 4,554,059</u>

See accompanying Notes to Financial Statements.

BREASTCANCER.ORG
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MAY 31, 2015

	Program Services						Total Program Services	Supporting Services		Total 2015
	Booklets	Core	Community	Prevention	Spanish	Research News		Development	General and Administrative	
COMPENSATION AND RELATED EXPENSES										
Salaries	\$ 30,110	\$ 1,019,175	\$ 119,043	\$ 430,057	\$ 39,186	\$ 54,888	\$ 1,692,459	\$ 314,226	\$ 170,215	\$ 2,176,900
Payroll Taxes and Employee Benefits	3,234	109,455	12,785	46,186	4,208	5,895	181,763	33,747	18,278	233,788
Total Compensation and Related Expenses	<u>33,344</u>	<u>1,128,630</u>	<u>131,828</u>	<u>476,243</u>	<u>43,394</u>	<u>60,783</u>	<u>1,874,222</u>	<u>347,973</u>	<u>188,493</u>	<u>2,410,688</u>
OTHER OPERATING EXPENSES										
Accounting	921	25,523	3,517	7,811	1,698	1,384	40,854	7,061	65,156	113,071
Business Insurance	82	13,521	2,630	692	151	123	17,199	626	763	18,588
Conferences, Meetings and Events	1,026	60,393	405	30,553	2,908	269	95,554	168,230	850	264,634
Depreciation	3,013	186,469	47,945	1,644	7,018	5,603	251,692	6,897	1,656	260,245
In-Kind Marketing	-	349,521	-	-	-	-	349,521	-	-	349,521
IT Support/Internet Connection	794	21,998	3,112	6,732	1,464	1,193	35,293	6,086	7,428	48,807
Legal	2,378	65,889	9,081	20,164	4,384	3,573	105,469	18,228	22,253	145,950
Marketing/Public Relations	6,949	7,814	-	170	-	-	14,933	1,288	-	16,221
Memberships/Dues/Subscriptions	32	3,471	121	819	58	47	4,548	280	295	5,123
Miscellaneous	72	3,122	424	715	132	108	4,573	1,584	671	6,828
Occupancy	2,025	57,184	7,734	17,173	3,734	3,043	90,893	15,525	18,952	125,370
Office Supplies	219	6,114	835	1,854	403	329	9,754	1,686	2,046	13,486
Postage	105	5,178	402	892	284	158	7,019	10,876	983	18,878
Printing/Brochures	31,244	1,328	40	16,178	124	16	48,930	33,715	97	82,742
Program Consultants	375	122,756	85,289	57,228	72,379	48,956	386,983	4,061	-	391,044
Service Charges	2,839	8,643	1,190	2,643	575	468	16,358	2,389	2,916	21,663
Software Licenses	681	61,888	5,449	5,778	1,506	1,214	76,516	17,079	6,377	99,972
Staff Recruitment	2	97	256	15	3	3	376	216	15	607
Travel	53	57,179	1,775	22,470	6,531	1,182	89,190	11,460	497	101,147
Website Maintenance and Development	156	204,503	27,522	62,000	12,355	1,225	307,761	6,281	-	314,042
Total Other Operating Expenses	<u>52,966</u>	<u>1,262,591</u>	<u>197,727</u>	<u>255,531</u>	<u>115,707</u>	<u>68,894</u>	<u>1,953,416</u>	<u>313,568</u>	<u>130,955</u>	<u>2,397,939</u>
Total Functional Expenses	<u>\$ 86,310</u>	<u>\$ 2,391,221</u>	<u>\$ 329,555</u>	<u>\$ 731,774</u>	<u>\$ 159,101</u>	<u>\$ 129,677</u>	<u>\$ 3,827,638</u>	<u>\$ 661,541</u>	<u>\$ 319,448</u>	<u>\$ 4,808,627</u>

See accompanying Notes to Financial Statements.

BREASTCANCER.ORG
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MAY 31, 2014

	Program Services						Total Program Services	Supporting Services		Total
	Booklets	Core	Community	Prevention	Spanish	Research News		Development	General and Administrative	2014
COMPENSATION AND RELATED EXPENSES										
Salaries	\$ 10,006	\$ 1,059,724	\$ 94,447	\$ 210,178	\$ 78,095	\$ 54,974	\$ 1,507,424	\$ 313,788	\$ 199,254	\$ 2,020,466
Payroll Taxes and Employee Benefits	1,113	117,865	10,505	23,377	8,685	6,114	167,659	34,900	22,284	224,843
Total Compensation and Related Expenses	11,119	1,177,589	104,952	233,555	86,780	61,088	1,675,083	348,688	221,538	2,245,309
OTHER OPERATING EXPENSES										
Accounting	548	23,594	1,960	2,736	2,023	930	31,791	4,890	69,174	105,855
Bad Debt Expense	-	-	-	-	-	-	-	19,250	-	19,250
Business Insurance	71	17,191	254	354	262	120	18,252	633	701	19,586
Conferences, Meetings and Events	35	87,071	127	2,848	6,524	60	96,665	175,369	353	272,387
Depreciation	2,762	153,835	44,820	9,933	8,268	3,362	222,980	11,803	644	235,427
In-Kind Marketing	-	944,817	-	-	-	-	944,817	-	-	944,817
IT Support/Internet Connection	407	17,545	1,458	2,035	1,504	691	23,640	3,636	4,035	31,311
Legal	1,147	49,408	4,105	5,730	7,961	1,947	70,298	10,239	11,362	91,899
Marketing/Public Relations	23,001	63,527	-	231	940	-	87,699	520	-	88,219
Memberships/Dues/Subscriptions	14	9,002	52	93	353	272	9,786	1,189	142	11,117
Miscellaneous	69	5,105	298	373	256	118	6,219	1,145	688	8,052
Occupancy	1,520	65,446	5,437	7,590	5,611	2,579	88,183	13,563	15,051	116,797
Office Supplies	210	9,259	753	1,051	777	357	12,407	1,878	2,086	16,371
Postage	86	6,066	307	440	317	146	7,362	13,936	850	22,148
Printing/Brochures	24,915	1,707	-	-	-	-	26,622	30,472	-	57,094
Program Consultants	2,495	119,121	55,020	66,567	130,190	43,634	417,027	2,904	343	420,274
Service Charges	2,597	9,192	764	1,066	788	362	14,769	1,905	2,108	18,782
Software Licenses	443	71,896	1,985	2,213	1,636	992	79,165	4,705	4,389	88,259
Staff Recruitment	1	58	210	7,507	5	2	7,783	12	13	7,808
Travel	54	58,397	193	14,531	3,074	92	76,341	7,305	536	84,182
Website Maintenance and Development	406	206,750	34,564	250	8,220	5,250	255,440	6,936	-	262,376
Total Other Operating Expenses	60,781	1,918,987	152,307	125,548	178,709	60,914	2,497,246	312,290	112,475	2,922,011
Total Functional Expenses	\$ 71,900	\$ 3,096,576	\$ 257,259	\$ 359,103	\$ 265,489	\$ 122,002	\$ 4,172,329	\$ 660,978	\$ 334,013	\$ 5,167,320

See accompanying Notes to Financial Statements.

BREASTCANCER.ORG
STATEMENTS OF CASH FLOWS
YEARS ENDED MAY 31, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in Net Assets	\$ (1,017,863)	\$ (305,226)
Adjustments to Reconcile Changes in Net Assets to		
Net Cash Provided (Used) by Operating Activities:		
Depreciation	260,245	235,427
(Increase) Decrease in Assets:		
Pledges Receivable	828,879	185,052
Accounts Receivable, Other	(41,682)	24,138
Prepaid Expenses	(3,534)	(6,538)
Security Deposits	(20,750)	-
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	(184,003)	32,881
Deferred Rent	(3,514)	(2,578)
Net Cash Provided (Used) by Operating Activities	(182,222)	163,156
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Website Costs and Equipment	(299,494)	(399,518)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(481,716)	(236,362)
Cash and Cash Equivalents - Beginning of Year	2,594,748	2,831,110
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 2,113,032	\$ 2,594,748

See accompanying Notes to Financial Statements.

BREASTCANCER.ORG
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015 AND 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Breastcancer.org (the "Organization") is a not-for-profit organization incorporated on May 21, 2001 in accordance with the provisions of the Pennsylvania Nonprofit Corporation Law of December 21, 1988, P.L. 1444, No. 177. The Organization's mission is to help women and their loved ones make sense of the complex medical, personal, and practical information about breast health and breast cancer, so they can make the best decisions for their lives. The Organization is dedicated to providing the most reliable, complete, and up-to-date medical information and on-line community support. Information is disseminated through Breastcancer.org's 6,000+ page website, including Research News articles, discussion boards and educational booklets. Breastcancer.org also provides information about prevention and risk reduction through content on its website and through live programs to diverse audiences around the country. The Organization also has a Spanish-language version of its website.

The Organization's bylaws provide for a board of directors, consisting of one or more directors elected for three-year terms by class (term commencement year), and until their successors are elected and qualified, each class represents one-third of the board.

The organization's primary funding comes from individuals, corporations, website monetization revenue, special events, and charitable foundations.

Presentation and Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred. All significant receivables, payables and other liabilities are included in the financial statements. The Organization reports information regarding its activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

The accompanying financial statements include the following classes of net assets:

Unrestricted – Unrestricted net assets are used for funds which have not been restricted by donors.

Board Designated Unrestricted Net Assets – The Board of Trustees designated \$54,361 and \$54,357 as of May 31, 2015 and 2014, respectively, to be used for the Lisa Kabnick Fund. The purpose of this fund is to provide continuing operating support for the work of the Organization.

Temporarily Restricted – Temporarily restricted net assets are contributions which are restricted by time or have been externally restricted for specific purposes. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

BREASTCANCER.ORG
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015 AND 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Presentation and Basis of Accounting (Continued)

Permanently Restricted – Permanently restricted net assets consist of contributions specifically restricted by the donor to be held in perpetuity. There are no permanently restricted net assets as of May 31, 2015 and 2014.

Use of Estimates

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

Cash and Cash Equivalents

The Organization considers money market funds and all highly-liquid investments with an original maturity date of 90 days or less to be cash equivalents. Cash equivalents are stated at cost, which approximates market value.

Pledges Receivable

Contributions are recognized when a donor makes a pledge to give the Organization that is, in substance, unconditional. Unconditional pledges are recorded as revenues or gain in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the contributions received. Conditional pledges to give are recognized when the conditions on which they depend are substantially met.

Pledges receivable (i.e., a promise dependent only on passage of time or demand by the donee for performance), with payments due to future periods, are required to be recorded as restricted support unless explicit donor stipulations or circumstances surrounding the receipt of a promise make it clear that the donor intended their contribution to be used to support activities within the current period. Unconditional pledges to give cash in future years generally increase temporarily restricted net assets.

The Organization records unconditional pledges to give at the estimated present value of the future cash flows, net of allowances to include net realizable value based upon management's analysis of specific pledges made (see Note 2). The allowance for uncollectible pledges was \$19,250 at both May 31, 2015 and 2014.

BREASTCANCER.ORG
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015 AND 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Website Costs and Equipment and Depreciation

Website costs and equipment are stated at cost, except for donated assets which are stated at fair value at the date of the gift. Depreciation is recorded using the straight-line method over the estimated useful life of the related assets. Maintenance, repairs and minor replacements are expensed as incurred. Replacements and betterments with a cost in excess of \$1,000 which increase the service capacity or prolong the service life beyond that originally contemplated are capitalized.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, and would otherwise be purchased by the Organization. Donated services that met the requirements for recognition have been recognized in income and the related expenses.

Functional Expenses

Functional expenses are charged directly to program, development or management and general expense categories based on specific identification. Indirect costs are allocated based upon total direct program, development and management costs.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, as an organization, contributions to which are deductible under Section 170(c) of the Code; and as an organization that is not a private foundation as defined in Section 509(a) of the Code. The Organization follows the income tax standard for uncertain tax positions. The application of this standard had no impact on the Organization's financial statements.

The Organization is not aware of any activities that would jeopardize its tax-exempt status.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through February 2, 2016, the date the financial statements were available to be issued.

BREASTCANCER.ORG
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015 AND 2014

NOTE 2 PLEDGES RECEIVABLE

Pledges receivable as of May 31, 2015 and 2014 are as follows:

	2015	2014
Receivable in One Year or Less	\$ 503,339	\$ 866,267
Receivable in Two to Five Years	83,540	565,884
Total Pledges Receivable Before Discount	586,879	1,432,151
Less Discount to Net Present Value	3,556	19,949
Less Allowance for Doubtful Accounts	19,250	19,250
Total Pledges Receivable	564,073	1,392,952
Pledges Receivable, Current Portion	484,089	847,017
Pledges Receivable, Net of Current Portion	\$ 79,984	\$ 545,935

A rate of 2.30% was used for discounting multi-year pledges received during the year ended May 31, 2015 to net present value. No such pledges were received during the year ended May 31, 2014.

NOTE 3 WEBSITE COSTS AND EQUIPMENT

Website costs and equipment and corresponding estimated useful lives as of May 31, 2015 and 2014 are as follows:

	2015			
	Estimated Useful Life in Years	Cost	Accumulated Depreciation	Net Book Value
Computer, Office Equipment and Furniture	3-5	\$ 224,220	\$ 203,782	\$ 20,438
Technology Upgrade	3	327,527	327,527	-
Website, Other Capitalized Costs	3-5	1,624,991	1,041,371	583,620
Total		\$ 2,177,238	\$ 1,572,680	\$ 604,558

	2014			
	Estimated Useful Life in Years	Cost	Accumulated Depreciation	Net Book Value
Computer, Office Equipment and Furniture	3-5	\$ 221,569	\$ 192,920	\$ 28,649
Technology Upgrade	3	327,527	327,527	-
Website, Other Capitalized Costs	3-5	1,328,648	791,987	536,661
Total		\$ 1,877,744	\$ 1,312,434	\$ 565,310

BREASTCANCER.ORG
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015 AND 2014

NOTE 4 LINE OF CREDIT

In December, 2010, the Organization obtained a \$200,000 line of credit from Beneficial Mutual Savings Bank. The maturity date of that line of credit was extended by the bank to March 1, 2016. The line of credit is secured by all of the assets of the Organization. Interest on borrowings is at the prime rate as reported by the Wall Street Journal (3.25% at May 31, 2015). There were no borrowings outstanding under the line of credit as of May 31, 2015 and 2014.

NOTE 5 RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets were available for the following purposes or periods as of May 31:

	2015	2014
Spanish Program	\$ -	\$ 17,683
Prevention Program	-	182,616
Research News	-	30,000
Booklets	10,000	10,000
Digital Media	-	363
Reconstruction Content	4,764	225,000
Editorial	-	175,000
Personalization	16,906	50,000
Unrestricted Promises to Give, Due after May 31	368,384	800,936
Total	\$ 400,054	\$ 1,491,598

Net assets released from donor restrictions by incurring expenses satisfying purpose or time restrictions specified by donors during the years ended May 31, 2015 and 2014 were as follows:

	2015	2014
Spanish Program	\$ 17,683	\$ 253,009
Prevention Program	182,616	77,384
Research News	30,000	22,883
Booklets	10,000	-
Digital Media	363	6,781
Reconstruction Content	220,236	-
Editorial	175,000	-
Personalization	83,094	-
Unrestricted Promises to Give, Time Restriction	536,992	670,922
Total	\$ 1,255,984	\$ 1,030,979

BREASTCANCER.ORG
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015 AND 2014

NOTE 6 IN-KIND CONTRIBUTIONS

For the years ended May 31, 2015 and 2014, the Organization recorded the following contributed services in the statements of activities as in-kind contributions and related expenses:

	<u>2015</u>	<u>2014</u>
AdWord Grant	\$ 349,521	\$ 480,934
Banner and Print Ad Placements	-	463,883
Legal Services	135,784	75,353
Total	<u>\$ 485,305</u>	<u>\$ 1,020,170</u>

No other amounts have been recorded for donated services since the value of such time is not susceptible to objective measurement and does not meet the criteria necessary for financial statement recognition.

NOTE 7 OPERATING LEASES

The Organization had a seven year office lease which expired in March 2015. In March 2015, the Organization entered into a month-to-month lease for temporary office space. In February 2015, the Organization entered into a new lease beginning September 11, 2015 for new permanent office space. Rent expense was \$94,276 and \$91,803 for all office leases for the years ended May 31, 2015 and 2014, respectively. The Organization records periodic rental expense over the life of the lease. Deferred rent was \$3,514 as of May 31, 2014.

The Organization also leases office equipment under two operating leases. Rental expense on leased equipment for the years ended May 31, 2015 and 2014 was \$8,699 and \$6,904, respectively.

Scheduled future minimum rental payments on all operating leases as of May 31, 2015 are as follows:

<u>Year Ending May 31,</u>	
2016	\$ 110,515
2017	163,315
2018	164,499
2019	166,320
2020	171,864
Thereafter	407,484
Total	<u>\$ 1,183,997</u>

NOTE 8 RELATED PARTY TRANSACTIONS

An attorney who sits on the Board of Directors is a partner in a law firm which donated legal services during the years ended May 31, 2015 and 2014 in the amount of \$135,784 and \$75,353, respectively.

BREASTCANCER.ORG
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015 AND 2014

NOTE 9 CONCENTRATIONS OF CREDIT RISK

The Organization maintains all of its cash balances in a financial institution, which at times exceed \$250,000 FDIC insured limits.

NOTE 10 PENSION PLAN

The Organization maintains a defined contribution retirement plan under Section 403(b) of the Internal Revenue Code covering all eligible employees. Employees may contribute a percentage of their eligible gross wages to the plan. The Organization also may make discretionary contributions to the plan based principally on employee compensation. No discretionary contributions were made to the plan for the years ended May 31, 2015 and 2014.