SAVE THE CHILDREN FEDERATION, INC. AND RELATED ENTITIES

Consolidated Financial Statements

December 31, 2015
(with summarized comparative financial information as of and
for the year ended December 31, 2014)

(With Independent Auditors' Report Thereon)

KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

The Board of Trustees
Save the Children Federation, Inc.:

We have audited the accompanying consolidated financial statements of Save the Children Federation, Inc. and related entities, which comprise the consolidated statement of financial position as of December 31, 2015, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Save the Children Federation, Inc. and its related entities as of December 31, 2015, and the changes in their net assets and their cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Report on Summarized Comparative Information

We have previously audited Save the Children Federation Inc.'s 2014 consolidated financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 18, 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 consolidated financial statements from which it has been derived.

KPMG LLP

May 13, 2016

SAVE THE CHILDREN FEDERATION, INC. AND RELATED ENTITIES

Consolidated Statement of Financial Position

December 31, 2015
(with comparative financial information as of December 31, 2014)

(In thousands)

Assets		**2015**	**2014**
Cash and cash equivalents (note 15)	$	28,285	24,659
Grants and contracts receivable (note 15)		55,955	55,948
Contributions receivable, net (note 7)		12,094	11,556
Inventory (note 2)		1,713	3,328
Due from Save the Children International, net (note 6)		27,190	17,651
Prepaid expenses and other assets		11,549	6,564
Investments (notes 3 and 4)		127,168	154,842
Assets of pooled income fund and charitable gift annuities (note 4)		3,019	3,005
Property, plant and equipment, net (note 8)		8,448	9,030
Beneficial interests in perpetual trusts held by third parties (note 4)		5,002	1,724
Total assets	$	280,423	288,307
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued liabilities	$	28,309	22,407
Short-term debt (note 9)		15,000	10,000
Deferred revenue (note 15)		50,280	56,762
Severance benefits for foreign national employees		817	2,237
Postretirement benefits other than pensions (note 11)		4,404	5,139
Total liabilities		98,810	96,545
Commitments and contingencies (notes 10, 11, 13, 14, and 15)			
Net assets:			
Unrestricted:			
Undesignated		3,844	10,760
Board designated-endowment (note 6)		93,799	105,820
Investment in property, plant and equipment		8,448	9,030
Total unrestricted net assets		106,091	125,610
Temporarily restricted (notes 6 and 12)		41,781	36,249
Permanently restricted (notes 6 and 12)		33,741	29,903
Total net assets		181,613	191,762
Total liabilities and net assets	$	280,423	288,307

See accompanying notes to consolidated financial statements.

SAVE THE CHILDREN FEDERATION, INC. AND RELATED ENTITIES

Consolidated Statement of Activities

Year ended December 31, 2015
(with summarized comparative financial information for the year ended December 31, 2014)

(In thousands)

	2015 Unrestricted	2015 Temporarily restricted	2015 Permanently restricted	2015 Total	2014 Total
Operating revenue:					
Contributions and private grants (note 2)	$ 209,503	75,796	—	285,299	298,266
U.S. government grants and contracts (note 15)	246,957	—	—	246,957	208,147
Sponsorships	—	60,193	—	60,193	60,806
Commodities and ocean freight (note 5)	66,241	—	—	66,241	100,044
Fee for service contracts	8,791	—	—	8,791	10,741
Bequests	3,268	311	—	3,579	3,774
Investment return appropriated for operations (note 3)	5,187	940	—	6,127	5,803
Other	1,090	—	—	1,090	1,312
	541,037	137,240	—	678,277	688,893
Net assets released from restrictions	129,759	(129,759)	—	—	—
Total operating revenue	670,796	7,481	—	678,277	688,893
Operating expenses:					
Program services:					
Program activities (note 16)	147,550	—	—	147,550	211,286
Program activities-SCI (note 16)	403,522	—	—	403,522	374,919
Program development and public policy support	35,415	—	—	35,415	31,118
Total program services	586,487	—	—	586,487	617,323
Supporting services:					
Management and general	21,721	—	—	21,721	20,571
Management and general-SCI	11,667	—	—	11,667	10,978
Fund-raising	55,178	—	—	55,178	44,335
Total supporting services	88,566	—	—	88,566	75,884
Total operating expenses	675,053	—	—	675,053	693,207
(Deficiency) excess of operating revenue over expenses	(4,257)	7,481	—	3,224	(4,314)
Nonoperating activities:					
Investment return less amount appropriated for operations (note 3)	(11,166)	(1,919)	—	(13,085)	(2,055)
Loss on lease termination (note 13)	(3,183)	—	—	(3,183)	—
Foreign currency exchange loss	(917)	—	—	(917)	(116)
Endowment contributions	4	(30)	560	534	690
Contributions and changes in value of split-interest agreements	—	—	3,278	3,278	(22)
Total nonoperating activities	(15,262)	(1,949)	3,838	(13,373)	(1,503)
(Decrease) increase in net assets	(19,519)	5,532	3,838	(10,149)	(5,817)
Net assets at beginning of year	125,610	36,249	29,903	191,762	197,579
Net assets at end of year	$ 106,091	41,781	33,741	181,613	191,762

See accompanying notes to consolidated financial statements.

SAVE THE CHILDREN FEDERATION, INC. AND RELATED ENTITIES

Consolidated Statement of Functional Expenses

Year ended December 31, 2015
(with summarized comparative financial information for the year ended December 31, 2014)

(In thousands)

	Program services			Supporting services				
	Program activities (note 16)	**Program development and public policy support**	**Total program services**	**Management and general**	**Fund-raising**	**Total supporting services**	**2015 Total**	**2014 Total**
Salaries	$ 49,757	15,252	65,009	12,029	14,501	26,530	91,539	89,342
Employee fringe benefits (notes 10 and 11)	13,237	4,285	17,522	3,106	3,698	6,804	24,326	20,250
Total salaries and related expenses	62,994	19,537	82,531	15,135	18,199	33,334	115,865	109,592
Grants to and charges from SCI	403,522	—	403,522	11,667	—	11,667	415,189	385,897
Grants to other agencies	45,184	128	45,312	15	3,303	3,318	48,630	57,998
Supplies, materials, etc.	13,070	518	13,588	857	597	1,454	15,042	21,144
Commodities and ocean freight	5,239	—	5,239	—	—	—	5,239	49,255
Travel	5,781	1,841	7,622	818	790	1,608	9,230	10,233
Professional fees	7,219	3,686	10,905	2,277	8,769	11,046	21,951	19,968
Other project costs	1,746	45	1,791	2	11	13	1,804	3,604
Advertising (note 2)	—	7,115	7,115	6	12,452	12,458	19,573	12,862
Occupancy	3,744	1,901	5,645	670	1,028	1,698	7,343	7,133
Printing	357	24	381	76	3,496	3,572	3,953	3,764
Telecommunications	633	172	805	221	1,609	1,830	2,635	2,460
Postage and shipping	281	21	302	48	2,270	2,318	2,620	2,518
Depreciation and amortization	764	88	852	1,087	681	1,768	2,620	2,307
Other	538	339	877	509	1,973	2,482	3,359	4,472
Total expenses	$ 551,072	35,415	586,487	33,388	55,178	88,566	675,053	693,207

See accompanying notes to consolidated financial statements.

SAVE THE CHILDREN FEDERATION, INC. AND RELATED ENTITIES

Consolidated Statement of Cash Flows

Year ended December 31, 2015
(with comparative financial information for the year ended December 31, 2014)

(In thousands)

		2015	2014
Cash flows from operating activities:			
Decrease in net assets	$	(10,149)	(5,817)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:			
Depreciation and amortization		2,620	2,307
Loss on lease termination		3,183	—
Loss on disposal of building and equipment		4	44
Change in gifts-in-kind and other inventory		(505)	86
Net depreciation (appreciation) in fair value of investments		7,650	(2,915)
Contributions restricted for long-term investment		(560)	(675)
Contributions and changes in value of split-interest agreements		(3,278)	22
Changes in operating assets and liabilities:			
Grants and contracts receivable		(7)	(7,608)
Contributions receivable		(538)	7,217
Commodities inventory		2,120	7,924
Due from SCI, net		(7,477)	(5,009)
Prepaid expenses and other assets		(4,985)	(151)
Accounts payable and accrued liabilities		2,719	6,105
Deferred revenue		(6,482)	(28,614)
Severance benefits for foreign national employees		(1,420)	(175)
Postretirement benefits other than pensions		(735)	650
Net cash used in operating activities		(17,840)	(26,609)
Cash flows from investing activities:			
Purchases of proprety, plant and equipment		(2,042)	(1,730)
Purchases of investments		(77,391)	(28,982)
Proceeds from sale of investments		97,415	40,849
Loan to SCI		(3,173)	(2,500)
Loan repayment from SCI		1,111	320
Net cash provided by investing activities		15,920	7,957
Cash flows from financing activities:			
Proceeds from short-term debt		15,000	10,000
Repayment of short-term debt		(10,000)	(10,000)
Contributions restricted for long-term investment		560	675
Contribution (distribution) of split interest agreements, net		(14)	103
Net cash provided by financing activities		5,546	778
Net increase (decrease) in cash and cash equivalents		3,626	(17,874)
Cash and cash equivalents at beginning of year		24,659	42,533
Cash and cash equivalents at end of year	$	28,285	24,659
Supplemental cash flow information:			
Donated goods and services	$	24,293	19,668
Commodities		58,208	94,525

See accompanying notes to consolidated financial statements.

(1) Organization and Purpose

Save the Children Federation, Inc. (SCUS) was established in 1932 and operates as a voluntary, nonsectarian, nonprofit organization in the United States of America and throughout the world providing services for children and community self-help assistance.

SCUS is a member of Save the Children Association (SCA), a Swiss membership organization. SCA currently has 30 independent, autonomous, nonprofit, private voluntary membership organizations that bear the name Save the Children or a related designation (the Members). SCA created Save the Children International (SCI), a United Kingdom based charitable entity, of which SCA is the sole member, and therefore, SCI is a wholly owned subsidiary of SCA.

In 2011, SCUS, in concert with the 29 other independent Members, entered into a series of agreements to create a single global program delivery platform through SCI. Under these agreements, SCUS works with other Members through the SCI platform to deliver nondomestic programs to benefit children. SCUS continues to design programs, coordinate with donors, and provide technical assistance to ensure program quality, monitoring, and reporting. The costs of implementing programs through the SCI structure are covered by program funds raised by SCUS (and other Members) and the allocation of administrative expenses among the Members.

In addition to the program delivery platform and cost-sharing, SCUS and other Members agreed to transfer certain in-country program assets to SCI to facilitate the delivery of programs overseas. SCUS started to transition country offices in 2011. As of December 31, 2015, one country office had not yet transitioned to SCI. The plan is to transition this office in 2016.

SCUS Head Start Programs, Inc. (Head Start) began operations in 2012 as a voluntary, nonsectarian, nonprofit organization in the United States of America delivering early childhood development programming. SCUS is the sole member of Head Start, and accordingly, Head Start is a consolidated related entity.

Save the Children Action Network, Inc. (SCAN) was established in March 2014 as a nonprofit organization organized and operated exclusively for purposes related to the social welfare of children. SCUS is the sole member of SCAN, and accordingly, SCAN is a consolidated related entity.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The consolidated financial statements include the accounts of SCUS, Head Start, and SCAN (collectively, the Organization) and have been prepared using the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. All significant intercompany account balances and transactions have been eliminated in consolidation.

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the Organization’s net assets and changes therein are classified and reported as follows:

- Unrestricted net assets – net assets that are not subject to donor-imposed restrictions or the donor-imposed restrictions have expired. As reflected in the accompanying consolidated financial statements and discussed below, the Organization’s Board of Trustees has designated a portion of the unrestricted net assets for specific purposes.
- Temporarily restricted net assets – net assets that are subject to donor-imposed restrictions that permit the Organization to use or expend the assets as specified. The restrictions are satisfied either by the passage of time or by actions of the Organization.
- Permanently restricted net assets – net assets that are subject to donor-imposed restrictions that they be maintained permanently by the Organization and only the income be used as specified by the donor. Permanently restricted net assets consist primarily of the historical dollar value of contributions to donor-restricted endowment funds.

Revenues are reported as increases in unrestricted net assets unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. If an expense is incurred for a purpose for which temporarily restricted net assets are available, a donor-imposed restriction is fulfilled to the extent of the expense incurred. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported as release from restrictions in the consolidated statement of activities. Gains and losses on investments are reported as increases or decreases in unrestricted net assets unless their use is restricted by donors or by law.

(b) Grants and Contracts

The Organization receives funding under grants and contracts from the government of the United States of America, United Nations agencies, and other grantors, for direct and indirect program costs and to provide certain whole or partial subgrants to other agencies. This funding is subject to contractual restrictions, which must be met through incurring qualifying expenses for particular programs.

Revenue from grants and contracts is recognized only when funds are utilized by the Organization to carry out the activity stipulated in the grant or contract agreement. Grants and contracts receivable represent amounts due from funding organizations for reimbursable expenses incurred. Cash received under grants and contracts in advance of incurring the related expenses is reported as deferred revenue.

(c) Contributions

Contributions which include unconditional promises to give are recognized as revenue at fair value when received or pledged. Fair value is estimated giving consideration to anticipated future cash receipts (after allowance is made for uncollectible contributions) and discounting anticipated future cash receipts at a risk-adjusted rate for the duration of the donor's payment plan. Amortization of the discount is recorded as additional contribution revenue. An allowance for uncollectible contributions is estimated based upon prior year collection history and analysis of past-due amounts. Bequest income is recorded when the will has gone through probate, is declared legally valid, and the interests that the Organization has in a decedent's estate are reasonably estimated and assured to be received.

Contributions received with donor-imposed conditions are recognized as revenue when the conditions have been substantially met. Amounts received in advance of satisfying the donor-imposed conditions are reported as deferred revenue until the conditions are met.

(d) Donated Services, Commodities, and Gifts-in-Kind (GIK)

Donated services are reported as contributions and expenses in amounts equal to their estimated fair value on the date of receipt.

A substantial number of individuals have volunteered significant amounts of their time to program and supporting functions; however, these services do not meet the criteria for recognition in accordance with U.S. generally accepted accounting principles and, therefore, are not recorded in the accompanying consolidated financial statements.

Approximately $7,645 and $9,936 respectively, of in-kind media and broadcast time in the form of public service announcements was received during the years ended December 31, 2015 and 2014. A third party is engaged to assist in arriving at the estimated fair value of such public service announcements, utilizing billing rates normally charged to other customers under similar circumstances.

GIK are reported as contributions at their estimated fair value on the date of receipt and reported as expense when utilized. GIK are valued based upon an estimate of the wholesale values that would be received for selling the goods in their principal market considering their condition and utility for use at the time the goods are contributed by the donor. Donated GIK is not sold and goods are only distributed for program use.

Pharmaceutical GIK contributions are valued using a hierarchy of pricing inputs that approximates wholesale prices overseas where the GIK are distributed. The International Drug Price Indicator (IDPI) is the primary source for the exit market value.

Nonpharmaceutical GIK contributions received have been valued at their estimated wholesale value as provided by the donors, or, in the absence of the donors' valuation, using "like-kind" methodology that references U.S. wholesale pricing data for similar products.

(Continued)

Donated commodities are reported at fair value and recognized as revenue and expense when the commodities are distributed for program purposes and received by the recipients.

Food commodities supplied to the Organization through U.S. government programs managed by U.S. Agency for International Development (USAID) or U.S. Department of Agriculture (USDA) are valued according to commercial prices paid as stated on the purchase order and ocean bill of lading. USAID/USDA food commodities are procured by the Farm Service Agency (FSA), the procurement arm of USDA that purchases all food commodities on behalf of international nongovernmental organizations (NGOs) and the World Food Program (WFP), on the U.S. commercial market using funds granted to the Organization.

Other WFP commodities are procured through the conduct of its own competitive tender solicitations in various countries around the world. The value of those commodities is the amount WFP pays to its commercial vendors. The freight portion of the WFP commodity value is the amount WFP pays to carriers who are contracted through the solicitation of competitive offers.

(e) Split-Interest Agreements

Split-interest agreements consist of charitable gift annuities, charitable remainder unitrusts, charitable lead annuity trusts, pooled income funds, and perpetual trusts. Two new perpetual trusts with an asset value of $3,437 as of December 31, 2015 were received in 2015 and these trusts are included in beneficial interests in perpetual trusts held by third parties in the consolidated statement of financial position. The liability related to split- interest agreements totaled $2,003 and $1,944 as of December 31, 2015 and 2014, respectively, and is included in accounts payable and accrued liabilities in the accompanying consolidated statement of financial position.

(f) Functional Expenses

The Organization allocates expenses on a functional basis among its various programs and supporting services. Expenses that can be identified with a specific program or supporting service are reported accordingly. Other expenses that are common to several functions are allocated by various statistical bases (for example, rent expense is allocated based on square footage by department, then further allocated to a specific program or supporting service). Other project costs represent the aggregate of various other program service costs (including event expense and bank/credit card fees) not individually classified in the accompanying consolidated statement of functional expenses due to their varying nature and amount from year to year.

Program activities include costs of the Organization associated with the delivery of programs relating to emergencies, education, health and nutrition, hunger, livelihoods, HIV/AIDS, child protection, and child rights governance. Program activities – SCI include these activities implemented through SCI. Program development and public policy support relate to the development and technical support of programs and the advocacy efforts in support of the children. Management and general – SCI represents the Organization’s allocation of SCI’s management and general expense.

(g) Measure of Operations

The Organization includes in its measure of operations all revenues and expenses that are integral to its program services and supporting services. The measure of operations for the years ended December 31, 2015 and 2014 includes investment return appropriated for operations and excludes investment returns in excess of or less than the amount appropriated for operations, increases or decreases in permanently restricted net assets, foreign currency exchange gains/losses, endowment contributions and changes in value of split-interest agreements, and other nonrecurring transactions.

(h) Foreign Currency Translation

Assets and liabilities denominated in foreign currencies are translated into U.S. dollars, the reporting currency, at exchange rates in effect on reporting dates, and revenue and expenses are translated at rates which approximate those in effect on transaction dates. Net transaction and translation gains and losses are included as foreign currency exchange gain or loss in the accompanying consolidated statement of activities.

(i) Cash and Cash Equivalents

The Organization considers all highly liquid debt instruments purchased with maturities of three months or less, other than those held as part of the investment portfolio, to be cash equivalents.

(j) Investments

Investments consist of cash equivalents, fixed income, public equity, private equity, alternative hedged strategies and a real estate investment trust. Fixed income includes mutual funds, common collective trust funds, and government securities. Public equity includes mutual funds, common collective trust funds, and hedge funds. Private equity are interests in investment funds that own direct equity securities in companies that are not publicly traded on a stock exchange. Alternative hedged strategies include hedge funds. Common collective trust funds, hedge funds, private equity, alternative hedged strategies and real assets are reported at net asset value, as a practical expedient for estimated fair value, as provided by the investment managers of the respective funds. These values are reviewed and evaluated by the Organization’s management for reasonableness. The reported values may differ from the values that would have been reported had a ready market for these investments existed. All other investments are stated at fair value based upon quoted market prices in active markets.

Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses are determined on the basis of average cost of securities sold and are reflected in the consolidated statement of activities. Dividend income is recorded on the ex-dividend date, and interest income is recorded on an accrual basis.

(k) Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an

(Continued)

orderly transaction between market participants on the measurement date. U.S. generally accepted accounting principles require the Organization to disclose the fair value of each of its assets and liabilities based on the level of observable inputs. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement.

(l) Fair Value of Financial Instruments

The carrying value of cash equivalents, receivables, inventory, payables, and deferred revenue approximates fair value as of December 31, 2015 and 2014, due to the relative short maturities of these instruments. The fair value of cash equivalents would be considered to be Level 1 in the fair value hierarchy. The fair value of receivables, inventory, payables, and deferred revenue involve unobservable inputs and would be considered to be Level 3 in the fair value hierarchy.

(m) Inventory (Commodities and GIK)

Commodities and GIK in-transit and on-hand in warehouses at year-end are reported as inventory. During 2015 and 2014, GIK pharmaceutical vitamins to be distributed in its School, Health, and Nutrition programs were received. The GIK and other inventory of such pharmaceutical vitamins and program supplies to be distributed in the future as of December 31, 2015 and 2014 were $875 and $370, respectively. Commodities inventory was $838 and $2,958 as of December 31, 2015 and 2014, respectively. Inventory is valued on a first-in, first-out basis.

(n) Property, Plant and Equipment

Property, plant and equipment are stated at cost or fair value on date of contribution. Depreciation and amortization is computed on a straight-line basis over the estimated useful lives of the respective assets. Capitalizable costs incurred in connection with ongoing capital projects are recorded as capital projects in progress. These costs will be reclassified into categories and depreciated once placed in service.

(Amounts in thousands)

The estimated useful lives by asset class are as follows:

	Years
Buildings	25–50
Buildings improvements	10
Vehicles	5
Furniture and office equipment	5
Software and computer equipment	3–5

(o) Tax Status

The Internal Revenue Service has ruled that, pursuant to Section 501(c)(3) of the Internal Revenue Code (the Code), SCUS and Head Start are exempt from federal income taxes and are publicly supported organizations, as defined in Section 509(a)(1) of the Code. Effective March 11, 2014, the Internal Revenue Service determined that SCAN is exempt from federal income tax under Section 501(c)(4) of the Code. As not-for-profit organizations, SCUS, Head Start, and SCAN are also exempt from state and local income taxes.

The Organization follows the guidance of Accounting Standards Codification (ASC) 740, *Income Taxes* (ASC 740), related to uncertainties in income taxes, which prescribes a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. The Organization believes it has taken no significant uncertain tax positions.

(p) Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates made in the preparation of the consolidated financial statements include fair value of alternative investments, net realizable value of contributions receivable, postretirement benefits other than pensions, depreciation, fair value of GIK and commodities, and functional expense allocations. Actual results could differ from those estimates.

(q) New Authoritative Accounting Pronouncements

In 2015, the Organization early adopted Accounting Standards Update (ASU) No. 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)*, which removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient and removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient.

(Amounts in thousands)

(r) Presentation of Certain Prior Year Information

The consolidated financial statements include certain prior year summarized financial information for comparative purposes only. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended December 31, 2014 from which the summarized information was derived.

(s) Reclassifications

Certain reclassifications of 2014 amounts have been made to conform to the 2015 presentation.

(3) Investments

Investments consisted of the following at December 31, 2015 and 2014:

		Fair value	
		2015	**2014**
Cash equivalents	$	23,786	22,075
Fixed income		15,511	16,538
Public equity		68,645	84,677
Private equity		182	744
Alternative hedged strategies		18,706	30,433
Real assets		338	375
	$	127,168	154,842

The Organization is obligated under certain limited partnership investment fund agreements to advance additional funding periodically up to specified levels. Unfunded commitments as of December 31, 2015 were not material.

Information pertaining to investment strategies follows:

- Cash equivalents provide short term liquidity and serve as a funding source for distributions and rebalancing.
- The fixed income category comprises strategies that invest principally in debt instruments issued by governments or companies, or through the securitization of certain types of collateral. Fixed income provides stability and protection in deflationary environments.
- The public equity category comprises investment strategies that invest principally in publicly traded equity securities. These strategies are generally designed with reference to a benchmark that itself comprises equity securities that are traded on a recognized exchange. Public equities may include hedge funds whose investment objectives are benchmarked to equity markets.

(Amounts in thousands)

- The private equity category comprises investment strategies that invest principally in privately issued equity-related securities. This category includes strategies that participate in venture capital, leveraged buyouts and control-oriented distressed situations.
- The alternative hedged strategies category comprises strategies that seek to generate return streams that are not highly correlated to broad capital markets and that rely less on the general direction of capital markets to produce positive returns. These strategies may take a variety of forms including long or short positions in the public equity or credit markets that seek to capitalize on perceived mispricing or on the anticipated outcome of an "event," such as a merger or bankruptcy proceeding. Alternative hedged strategies are employed to offer market comparable returns with lower expected volatility.
- Real assets comprise strategies that invest in securities relating to real estate, the natural resources/energy, and commodities. This strategy provides the portfolio with a diversified hedge against inflation as well as a yield component. As of December 31, 2015 and 2014, the real assets strategy consisted of a real estate investment trust.

The above asset categories are managed to create a portfolio effect to balance risk and return to meet investment objectives.

The following summarizes total investment return and its classification in the accompanying consolidated statement of activities for the years ended December 31, 2015 and 2014:

		2015	
	Unrestricted	**Temporarily restricted**	**Total**
Dividends and interest, net of investment management fees of $991	$ 580	112	692
Net depreciation in fair value of investments	(6,559)	(1,091)	(7,650)
Total return	(5,979)	(979)	(6,958)
Appropriated for operations	(5,187)	(940)	(6,127)
Nonoperating investment return less amount appropriated for operations	$ (11,166)	(1,919)	(13,085)

(Amounts in thousands)

		2014		
		Unrestricted	Temporarily restricted	Total
Dividends and interest, net of investment management fees of $1,051	$	680	153	833
Net appreciation in fair value of investments		2,445	470	2,915
Total return		3,125	623	3,748
Appropriated for operations		(4,786)	(1,017)	(5,803)
Nonoperating investment return less amount appropriated for operations	$	(1,661)	(394)	(2,055)

(4) Fair Value Measurements

The following table presents investments by strategy and fair value as of December 31:

		2015					
		Measured	Investments classified in fair value hierarchy				
		at NAV	Level 1	Level 2	Level 3	Total	2014 Total
Long-term investment strategies:							
Cash equivalents	$	—	23,786	—	—	23,786	22,075
Fixed income:							
Domestic mutual funds		—	2,693	—	—	2,693	2,071
Common collective trust fund		8,695	—	—	—	8,695	9,259
Domestic government securities		—	4,117	6	—	4,123	5,208
Public equity:							
Domestic		—	10,321	—	—	10,321	24,266
Global		—	4,203	—	—	4,203	4,631
Common collective trust fund		7,171	—	—	—	7,171	15,478
Hedge funds		46,950	—	—	—	46,950	40,302
Private equity		182	—	—	—	182	744
Alternative hedged strategies		18,706	—	—	—	18,706	30,433
Real assets:							
Real estate investment trust		338	—	—	—	338	375
Total investments	$	82,042	45,120	6	—	127,168	154,842

(Amounts in thousands)

	2015					
	Measured at NAV	Investments classified in fair value hierarchy				
		Level 1	Level 2	Level 3	Total	2014 Total
Assets of Pooled Income Funds (PIF) and Charitable Gift Annuities (CGA)						
Cash equivalents	$ —	20	—	—	20	29
Fixed income	691	172	80	—	943	819
Public equity	1,856	200	—	—	2,056	2,157
Total assets of PIF and CGA	$ 2,547	392	80	—	3,019	3,005
Beneficial interests in perpetual trusts held by third parties	$ —	—	—	5,002	5,002	1,724

The following table includes a roll forward for the years ended December 31, 2015 and 2014 for financial instruments classified within Level 3.

	Perpetual trusts
Balance, December 31, 2013	1,746
Distributions	—
Fees	—
Net depreciation	(22)
Balance, December 31, 2014	1,724
Distributions	—
Contributions	3,437
Fees	—
Net depreciation	(159)
Balance, December 31, 2015	5,002

(Amounts in thousands)

Alternative investments contain various daily, monthly, quarterly, and annual redemption restrictions with required written notice ranging from 1 to 90 days. In addition, certain of these investments are restricted by lockup periods. As of December 31, 2015 and 2014, the following table summarizes the composition of such investments by the various redemption and lockup provisions:

Redemption period	Days notice for redemption	Amount 2015	Amount 2014
Daily: Public equity – common collective trust fund	1	$ 7,171	15,478
Monthly: Fixed income – common collective trust fund and Public equity – hedge funds	10	14,706	9,259
Quarterly: Public equity – hedge funds	30–60	40,939	40,302
Quarterly: Alternative strategies– hedge funds	65	—	11,581
Annually: Alternative hedged strategies	90	18,706	18,852
Lockup (a): Private equity	Not applicable	182	744
Lockup (a): Real assets	Not applicable	338	375
Total		$ 82,042	96,591

(a) The amount subject to redemption lockups at December 31, 2015 that are set to expire are as follows:

Fiscal year	Amount
2017:	
Private equity	$ 182
Real assets	338
Total	$ 520

(5) Commodities and Ocean Freight

During the years ended December 31, 2015 and 2014, the Organization was granted and distributed certain agricultural commodities under famine relief contracts with the U.S. government. These commodities and related ocean freight services, amounted to $33,616 and $30,300 for the years ended December 31, 2015 and 2014, respectively. The Organization also received and distributed food aid commodities under agreements with WFP. These commodities and related ocean freight, amounted to $31,760 and $69,744 for the years ended December 31, 2015 and 2014, respectively. In 2015, the Organization also received and distributed medical commodities under an agreement with The Global Fund, which amounted to $865.

(Continued)

(6) Endowments

The Organization endowment consists of 91 individual funds established for a variety of purposes and includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by U.S. generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

(a) Interpretation of Relevant Law

The Organization is subject to the State of Connecticut's version of the Uniform Prudent Management of Institutional Funds Act (CUPMIFA). Based on the interpretation of CUPMIFA by the Board of Trustees of the Organization, applicable accounting guidance, and absent explicit donor stipulations to the contrary, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. 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 Board of Trustees of the Organization in a manner consistent with the standard of prudence prescribed by CUPMIFA. In accordance with CUPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization
- Funds with deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or CUPMIFA requires the Organization to retain as a fund of perpetual duration. Deficiencies of this nature, which are reported in unrestricted net assets were $1,022 and $75 as of December 31, 2015 and 2014, respectively. These deficiencies resulted from unfavorable market fluctuations and continued appropriation for certain programs that was deemed prudent by the Board of Trustees.

(b) Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce a real return, net of inflation and investment management costs, of at least 4.5% over the long term while shouldering an acceptable level of risk and maintaining adequate liquidity. Actual returns in any given year may vary from this amount.

(c) Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based and alternative investments to achieve its long-term objective within prudent risk constraints.

(d) Spending Policy and How the Investment Objectives Relate to Spending Policy

The policy governing the investment of the Organization's endowment is twofold: to provide a reasonable and prudent level of currently expendable income in accordance with the spending policy set by the Finance and Administration Committee of the Organization's Board of Trustees at 4.5% (in 2015 and 2014) of the average of the endowment's total market value for the 12 quarters ending June 30 of the previous year in which distribution is planned; and to support the Organization and its mission over the long term by ensuring that the future growth of the endowment is sufficient to offset normal inflation plus reasonable spending, thereby preserving the constant dollar value and purchasing power of the endowment for the benefit of future generations of children in need.

The Finance and Administration Committee, after consideration of the factors provided in CUPMIFA, approved a policy which states that, absent donor-imposed directions, it is prudent given the current market climate to apply the current spending policy to below historic value funds until such funds hit the threshold of 50% of historic value.

(Amounts in thousands)

At December 31, 2015 and 2014, endowment net assets, excluding beneficial interests in perpetual trusts held by third parties, consist of the following:

	2015			
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Donor-restricted funds	$ (1,022)	1,907	28,739	29,624
Board-designated funds	93,799	—	—	93,799
Total endowments	$ 92,777	1,907	28,739	123,423

	2014			
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Donor-restricted funds	$ (75)	3,965	28,179	32,069
Board-designated funds	105,820	—	—	105,820
Total endowments	$ 105,745	3,965	28,179	137,889

(Amounts in thousands)

Changes in endowment net assets for the years ended December 31, 2015 and 2014 consisted of the following:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, December 31, 2013	$ 109,569	4,363	27,504	141,436
Investment return:				
Investment income	636	143	—	779
Net appreciation (realized and unrealized)	2,378	470	—	2,848
Total investment gain, net	3,014	613	—	3,627
Contributions	—	26	675	701
Transfer from board designated funds	(2,180)	—	—	(2,180)
Spending rate	(4,658)	(1,004)	—	(5,662)
Additional appropriation for expenditure	—	(33)	—	(33)
Endowment net assets, December 31, 2014	105,745	3,965	28,179	137,889
Investment return:				
Investment income	471	112	—	583
Net depreciation (realized and unrealized)	(6,518)	(1,091)	—	(7,609)
Total investment loss, net	(6,047)	(979)	—	(7,026)
Contributions	—	17	560	577
Transfer from board designated funds	(2,062)	—	—	(2,062)
Spending rate	(4,859)	(1,067)	—	(5,926)
Additional appropriation for expenditure	—	(29)	—	(29)
Endowment net assets, December 31, 2015	$ 92,777	1,907	28,739	123,423

(Continued)

(Amounts in thousands)

On August 1, 2014, the Organization entered into a three-year loan agreement with SCI to help fund the Member Growth Fund, a fund established by SCI to help smaller Members with their growth strategies. The Organization agreed to loan up to $3,000 in 2014 and an additional $3,000 in 2015. These loans bear interest at 4% per annum. As of December 31, 2015 and 2014, loan principal of $4,242 and $2,180, respectively is outstanding and included in amounts due from Save the Children International, net, in the accompanying consolidated statement of financial position. Board designated endowment funds were used to fund the loan disbursements to SCI.

(7) Contributions Receivable, Net

Contributions receivable consisted of the following as of December 31, 2015 and 2014:

	2015	2014
Pledges receivable:		
Due within one year	$ 6,007	8,192
Due within two to five years	5,050	2,105
Due beyond five years	400	600
	11,457	10,897
Less discount to present value	(84)	(10)
Pledges receivable, net	11,373	10,887
Charitable remainder unitrusts receivable	527	562
Bequests receivable	194	107
Total contributions receivable, net	$ 12,094	11,556

At December 31, 2015, amounts receivable from one donor represents approximately 35% of the net contributions receivable.

(Amounts in thousands)

(8) Property, Plant and Equipment, Net

Property, plant and equipment consisted of the following as of December 31, 2015 and 2014:

		2015	2014
Land	$	2	2
Buildings and improvements		539	539
Software and computer equipment		15,704	19,623
Vehicles		716	886
Furniture and office equipment		209	678
		17,170	21,728
Accumulated depreciation and amortization		(10,743)	(13,387)
Systems and construction in progress		2,021	689
Total property, plant and equipment, net	$	8,448	9,030

(9) Short-Term Debt

During 2015, the Organization obtained a $20,000 unsecured revolving line of credit which expires July 31, 2016. Borrowings under such line of credit bear interest at the 1-month London Interbank Offered Rate (LIBOR) plus 0.75%. In 2014, the Organization had a $20,000 unsecured revolving line of credit, bearing interest at the 1-month London Interbank Offered Rate (LIBOR) plus 0.75%, which expired July 31, 2015. As of December 31, 2015 and 2014, borrowings outstanding under such agreements amounted to $15,000 and $10,000, respectively. Such amounts were repaid in January 2016 and February 2015, respectively.

(10) Employee Benefits

The Organization maintains two defined contribution plans covering all eligible employees. The plans require the Organization to contribute 4% of each eligible employee's compensation and match 100% of the first 4% contributed by each eligible employee. During the years ended December 31, 2015 and 2014, total pension expense under the defined contribution plans was $4,123 and $3,850, respectively.

In 2015, the Organization moved to self-insured group health benefit plans, including comprehensive medical, dental and prescription drug coverage. As of January, 2016, the maximum claims cost was $100 per person up to $10,800 in claims.

(Amounts in thousands)

(11) Postretirement Benefits Other than Pensions

In addition to providing pension benefits, the Organization provides healthcare benefits for certain retired employees. To be eligible for these benefits, employees must complete at least 10 years of service and have reached age 55. Dental, life, and accidental death and dismemberment benefits for participants who retired before October 1, 1995 are also provided. The expected cost of providing postretirement benefits to employees and their beneficiaries and covered dependents, if applicable, is accrued during the years that the employees render service. The following tables set forth amounts relating to postretirement benefits other than pensions recognized as of and for the years ended December 31, 2015 and 2014:

	2015	2014
Change in benefit obligation:		
Benefit obligation at beginning of year	$ 5,139	4,489
Service cost	209	164
Interest cost	178	184
Plan participant contributions	236	236
Actuarial (gain) loss	(941)	727
Benefits paid	(417)	(661)
Benefit obligation at end of year	4,404	5,139
Change in plan assets:		
Fair value of plan assets at beginning of year	—	—
SCUS contribution	181	425
Plan participant contributions	236	236
Benefits paid	(417)	(661)
Fair value of plan assets at end of year	—	—
Postretirement benefits other than pensions liability	$ 4,404	5,139

(Amounts in thousands)

		2015	2014
Components of net periodic benefit cost:			
Service cost	$	209	164
Interest cost		178	184
Amortization of prior service cost		—	(10)
Amortization of net (gain) loss		3	—
Net periodic benefit cost	$	390	338

	2015	2014
Assumption used for benefit obligation as of December 31, 2015 and 2014:		
Discount rate	3.81%	3.59%
Assumptions used for benefit cost for the years ended December 31, 2015 and 2014:		
Discount rate	3.59%	4.28%

		2015	2014
The components of postretirement benefit cost other than net periodic benefit cost for the years ended December 31, 2015 and 2014, reported in fringe benefit expenses:			
Net actuarial (gain) loss	$	(941)	727
Amortization of prior service cost		—	10
Amortization of loss		(3)	—
Total	$	(944)	737
Amounts not yet recognized as a component of net periodic benefit cost as of December 31, 2015 and 2014:			
Net actuarial (gain) loss	$	(390)	554
Total	$	(390)	554
Amounts expected to be recognized as components of net periodic benefit cost in the next fiscal year:			
Amortization of loss	$	—	4
Total	$	—	4

(Continued)

(Amounts in thousands)

The following future benefit payments, which reflect expected future service, as appropriate, are expected to be paid as follows:

Years	Amount
2016	$ 306
2017	317
2018	328
2019	327
2020	328
2021–2025	1,640

The benefit obligation takes into account several assumptions, including the incidence and magnitude of medical claims by age, medical trend, employee turnover, and mortality. The mortality assumption includes projections of improved longevity in the future. The medical trend assumption has limited impact on the benefit obligation because of the employer capping its cost portion at January 1, 2001 levels. Effective January 1, 2002, retirees began paying for cost increases in excess of the January 1, 2001 levels.

The Organization has not identified any provisions of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act that would be expected to have a significant impact on the measured obligation at December 31, 2015 and 2014.

(12) Temporarily Restricted and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes for the years ended December 31, 2015 and 2014:

	2015	2014
Asia programs	$ 2,269	5,442
Middle East/Eurasia programs	1,080	1,177
Africa programs	1,679	4,235
Latin America/Caribbean programs	1,075	903
U.S. programs	1,387	1,897
International programs including match	4,477	1,726
Sector/thematic programs (Emergency, Education, Health, etc.)	18,618	12,806
GIK programs	831	314
Other	10,365	7,749
	$ 41,781	36,249

(Amounts in thousands)

Permanently restricted net assets at December 31, 2015 and 2014 included $28,739 and $28,179 of permanent endowment funds and $5,002 and $1,724 of beneficial interests in perpetual trusts held by third parties, respectively. The income is expendable primarily to support donor-specified purposes such as emergency relief.

(13) Lease Commitments

The following is a schedule of the minimum future lease commitments for operating leases having initial or remaining noncancelable lease terms greater than one year as of December 31, 2015:

		Amount
Year:		
2016	$	3,991
2017		4,150
2018		4,286
2019		4,336
2020		4,299
Thereafter		46,266
	$	67,328

Rent expense, included in occupancy on the consolidated statement of functional expenses, amounted to $4,622 and $4,680 for the years ended December 31, 2015 and 2014, respectively. On July 16, 2015, the Organization entered into a 15-year lease for office space in Washington, D.C. commencing on April 1, 2016. Simultaneous with the new lease, the Organization entered into an agreement for early termination of the lease for its previous Washington, D.C. office space, resulting in a loss on lease termination of $3,183, which has been reported as non-operating activities in the accompanying 2015 consolidated statement of activities.

(14) Commitments and Contingencies

The Organization is involved in various legal proceedings and claims arising in the normal course of business. Management does not expect the ultimate resolution of these actions to have a material adverse effect on the Organization's financial position, changes in net assets, or cash flows.

The Organization receives funding from governmental agencies for various activities, which are subject to audit. Although such audits may result in disallowance of certain expenditures, which would be absorbed by the Organization, in management's opinion, the ultimate outcome of such audits would not have a significant effect on the financial position, changes in net assets, or cash flows of the Organization.

Bolivia – Government of Bolivia vs. Save the Children – Save the Children is a cooperating sponsor with USAID in connection with USAID's Food for Peace/Title II (USAID/FFP) commodity monetization program in Bolivia. Due to a long unresolved disagreement between the Government of Bolivia and the

Government of the United States in connection with the tax exemptions applicable to donated commodities that are monetized in Bolivia, in December 2008, the Government of Bolivia began asserting claims of past due taxes on Title II shipments monetized in Bolivia against Save the Children and other NGOs working with the USAID/FFP program. As of December 31, 2015, the Bolivian customs agency has served Save the Children's office in Bolivia with 64 separate claims totaling approximately $16.3 million for allegedly unpaid customs charges and penalties in connection with shipments of Title II commodities between 2002 and 2009. Save the Children is vigorously defending the claims and has filed objections to each claim. As of December 31, 2015, no amounts have been accrued relating to this matter due to the uncertainty of the outcome of this event.

(15) Significant Funders and Concentrations of Credit Risk

Revenue from U.S. government grants and contracts, including U.S. government commodities and ocean freight, represented 41.4% and 34.6% of total operating revenue for 2015 and 2014, respectively. During the years ended December 31, 2015 and 2014, 85.1% and 87.2%, respectively, of such U.S. government revenue were received from USAID through direct and pass-through awards. At December 31, 2015 and 2014, 60.9% and 63.5% of grants and contracts receivable and 3.9% and 3.4%, respectively, of deferred revenue received under grants and contracts were related to USAID. The operations of the Organization's programs at present levels are dependent upon continued funding from USAID.

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of foreign cash and cash equivalents. At December 31, 2015 and 2014, 2.7% and 6.1%, respectively, of cash and cash equivalents (including liquid investments) were deposited in banks in foreign locations.

(Amounts in thousands)

(16) Program Activities

A summary of program activities (without Program Development and Public Policy Support) by sector and type for the years ended December 31, 2015 and 2014 is as follows:

	2015								
	Emergencies	Education	Health and Nutrition	Hunger/ Livelihoods	HIV/AIDS	Child Protection	Child Rights Governance	Total	2014
Salaries	$ 3,448	25,733	13,805	4,426	431	1,810	104	49,757	50,952
Employee fringe benefits	953	6,741	3,532	1,244	187	556	24	13,237	11,338
Total salaries and related expenses	4,401	32,474	17,337	5,670	618	2,366	128	62,994	62,290
Grants to and charges from SCI	95,103	67,298	136,843	38,036	47,113	18,220	909	403,522	374,919
Grants to other agencies	10,060	14,944	10,032	7,759	49	2,231	109	45,184	54,793
Supplies, material, etc.	589	7,533	3,541	1,184	23	185	15	13,070	18,934
Commodities and ocean freight	5,239	—	—	—	—	—	—	5,239	49,255
Travel	415	1,791	1,940	1,232	97	294	12	5,781	7,001
Professional fees	731	2,998	2,117	839	121	407	6	7,219	7,199
Other project costs	37	501	419	781	—	8	—	1,746	3,578
Occupancy	262	2,786	437	168	11	77	3	3,744	3,940
Printing	17	119	78	104	—	39	—	357	625
Telecommunications	65	380	114	55	3	15	1	633	825
Postage and shipping	36	145	61	25	1	13	—	281	316
Depreciation	114	333	188	93	5	29	2	764	796
Other	69	209	141	81	3	31	4	538	1,734
Total expenses	$ 117,138	131,511	173,248	56,027	48,044	23,915	1,189	551,072	586,205

(17) Subsequent Events

In connection with the preparation of the consolidated financial statements, the Organization evaluated subsequent events from December 31, 2015 through May 13, 2016, which was the date the consolidated financial statements were available for issuance.