

# **Special Olympics Wisconsin, Inc.**

Madison, Wisconsin

Financial Statements

Years Ended December 31, 2016 and 2015

# Special Olympics Wisconsin, Inc.

Financial Statements  
Years Ended December 31, 2016 and 2015

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## **Independent Auditor's Report**

Board of Directors  
Special Olympics Wisconsin, Inc.  
Madison, Wisconsin

### **Independent Auditor's Report**

We have audited the accompanying financial statements of Special Olympics Wisconsin, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities, functional expenses, and cash flows for the years then ended and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; 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. 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 Special Olympics Wisconsin, Inc. at December 31, 2016 and 2015, 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.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

Madison, Wisconsin  
June 13, 2017

# Special Olympics Wisconsin, Inc.

## Statements of Financial Position

December 31, 2016 and 2015

<i>Assets</i>	<b>2016</b>	<b>2015</b>
Current assets:		
Cash and cash equivalents	\$ 2,783,489	\$ 2,308,793
Contributions receivable	142,007	135,737
Prepaid expenses	51,532	27,525
<b>Total current assets</b>	<b>2,977,028</b>	<b>2,472,055</b>
Other assets:		
Investments	1,022,341	1,033,456
Contributions receivable, net	0	36,037
<b>Total other assets</b>	<b>1,022,341</b>	<b>1,069,493</b>
Property and equipment	195,899	208,599
Accumulated depreciation	( 183,501)	( 199,157)
<b>Property and equipment, net</b>	<b>12,398</b>	<b>9,442</b>
<b>TOTAL ASSETS</b>	<b>\$ 4,011,767</b>	<b>\$ 3,550,990</b>
<i>Liabilities and Net Assets</i>		
Current liabilities:		
Accounts payable	\$ 110,601	\$ 52,058
Grant funds received in advance	0	5,716
Other liabilities	12,230	15,565
Accrued payroll and related	66,156	49,265
<b>Total current liabilities</b>	<b>188,987</b>	<b>122,604</b>
Net assets:		
Unrestricted	2,580,475	2,177,160
Unrestricted - Board designated	1,000,000	1,000,000
<b>Total unrestricted net assets</b>	<b>3,580,475</b>	<b>3,177,160</b>
Temporarily restricted net assets	220,110	229,031
Permanently restricted net assets	22,195	22,195
<b>Total net assets</b>	<b>3,822,780</b>	<b>3,428,386</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 4,011,767</b>	<b>\$ 3,550,990</b>

See accompanying notes to financial statements.

# Special Olympics Wisconsin, Inc.

## Statements of Activities

Years Ended December 31, 2016 and 2015

	2016	2015
Changes in unrestricted net assets:		
Public support and revenue:		
Public support:		
Contributions	\$ 889,792	\$ 777,616
Fund-raising	4,254,801	4,125,276
In-kind	1,948,270	1,865,327
Total public support	7,092,863	6,768,219
Revenue:		
Registration fees	28,468	34,866
Investment income (loss)	95,962	( 2,596)
Other	46	157
Total revenue	124,476	32,427
Net assets released from restriction through satisfaction of program restrictions	229,031	152,850
Total public support and revenue	7,446,370	6,953,496
Expenses:		
Program activities:		
Public education	651,905	688,804
Training	2,258,623	2,177,948
Games and competition	1,396,559	1,359,114
Outreach	205,252	293,988
Agency	655,872	628,562
Total program services	5,168,211	5,148,416
Support services:		
Administration and management	361,506	249,570
Fund-raising	1,513,338	1,586,781
Total support services	1,874,844	1,836,351
Total expenses	7,043,055	6,984,767
Changes in unrestricted net assets	403,315	( 31,271)
Changes in temporarily restricted net assets:		
Contributions	220,110	229,031
Net assets released from restrictions	( 229,031)	( 152,850)
Changes in temporarily restricted net assets	( 8,921)	76,181
Changes in net assets	394,394	44,910
Net assets - Beginning of year	3,428,386	3,383,476
Net assets - End of year	\$ 3,822,780	\$ 3,428,386

# Special Olympics Wisconsin, Inc.

## Statements of Functional Expenses

Year Ended December 31, 2016

	PROGRAM SERVICES						SUPPORTING SERVICES			Total Expenses
	Public Education	Training	Games and Competition	Outreach	Agency	Total	Administration/ Management	Fund-raising	Total	
Salaries	\$ 270,598	\$ 354,869	\$ 401,619	\$ 101,073	\$ 0	\$ 1,128,159	\$ 187,707	\$ 414,436	\$ 602,143	\$ 1,730,302
Employee expenses	58,619	76,875	87,002	21,895	0	244,391	40,126	89,779	129,905	374,296
Insurance	0	19,261	19,261	0	585	39,107	23,175	1,000	24,175	63,282
Professional fees and services	55,973	37,059	78,381	13,375	10,604	195,392	21,075	146,865	167,940	363,332
Office expenses	19,379	30,870	91,525	18,213	71,329	231,316	30,459	268,247	298,706	530,022
Advertising and public relations/education	106,290	0	0	0	5,777	112,067	1,817	5,692	7,509	119,576
Recognition and awards	332	1,226	36,361	11,957	50,375	100,251	3,144	48,925	52,069	152,320
Occupancy	44,850	66,137	155,967	18,573	116,379	401,906	26,793	146,412	173,205	575,111
Travel and meetings	9,933	15,937	59,322	18,910	5,365	109,467	16,519	44,014	60,533	170,000
National fee assessment	0	36,790	36,791	0	0	73,581	0	0	0	73,581
Printing and publications	12,175	3,566	1,561	283	8,490	26,075	9,130	4,372	13,502	39,577
Competition and training	0	0	181,224	495	367,893	549,612	0	625	625	550,237
Fund-raising	72,395	0	122	0	11,863	84,380	0	258,544	258,544	342,924
Miscellaneous	40	0	0	0	0	40	672	0	672	712
Depreciation	1,321	1,948	2,326	478	0	6,073	789	2,651	3,440	9,513
<b>Total Expenses Before In-kind</b>	<b>651,905</b>	<b>644,538</b>	<b>1,151,462</b>	<b>205,252</b>	<b>648,660</b>	<b>3,301,817</b>	<b>361,406</b>	<b>1,431,562</b>	<b>1,792,968</b>	<b>5,094,785</b>
In-kind	0	1,614,085	245,097	0	7,212	1,866,394	100	81,776	81,876	1,948,270
<b>TOTAL EXPENSES</b>	<b>\$ 651,905</b>	<b>\$ 2,258,623</b>	<b>\$ 1,396,559</b>	<b>\$ 205,252</b>	<b>\$ 655,872</b>	<b>\$ 5,168,211</b>	<b>\$ 361,506</b>	<b>\$ 1,513,338</b>	<b>\$ 1,874,844</b>	<b>\$ 7,043,055</b>

See accompanying notes to financial statements.

# Special Olympics Wisconsin, Inc.

## Statements of Functional Expenses (Continued)

Year Ended December 31, 2015

	PROGRAM SERVICES					SUPPORTING SERVICES			Total Expenses	
	Public Education	Training	Games and Competition	Outreach	Agency	Total	Administration/ Management	Fund-raising		Total
Salaries	\$ 256,679	\$ 359,350	\$ 376,462	\$ 136,895	\$ 0	\$ 1,129,386	\$ 102,672	\$ 479,133	\$ 581,805	\$ 1,711,191
Employee expenses	54,186	75,860	79,473	28,899	0	238,418	21,674	101,147	122,821	361,239
Insurance	0	19,525	19,525	0	850	39,900	22,095	1,575	23,670	63,570
Professional fees and services	93,632	20,711	46,489	12,830	9,275	182,937	36,239	147,619	183,858	366,795
Office expenses	26,227	41,248	144,069	26,371	60,437	298,352	27,462	286,626	314,088	612,440
Advertising and public relations/education	102,560	0	0	0	3,300	105,860	3,281	1,223	4,504	110,364
Recognition and awards	2,052	2,536	32,800	13,922	53,372	104,682	129	42,797	42,926	147,608
Occupancy	48,580	68,012	151,297	28,880	108,974	405,743	20,912	136,406	157,318	563,061
Travel and meetings	9,074	35,426	53,759	13,997	8,989	121,245	4,688	33,970	38,658	159,903
National fee assessment	0	34,901	34,901	0	0	69,802	0	0	0	69,802
Printing and publications	27,904	2,570	3,154	443	8,421	42,492	9,334	2,079	11,413	53,905
Competition and training	0	0	162,957	9,947	356,360	529,264	0	425	425	529,689
Fund-raising	64,367	181	0	0	10,380	74,928	0	253,200	253,200	328,128
Grants	0	0	3,452	20,220	0	23,672	0	0	0	23,672
Depreciation	2,711	3,795	3,976	1,446	0	11,928	1,084	5,061	6,145	18,073
<b>Total Expenses Before In-kind</b>	<b>687,972</b>	<b>664,115</b>	<b>1,112,314</b>	<b>293,850</b>	<b>620,358</b>	<b>3,378,609</b>	<b>249,570</b>	<b>1,491,261</b>	<b>1,740,831</b>	<b>5,119,440</b>
In-kind	832	1,513,833	246,800	138	8,204	1,769,807	0	95,520	95,520	1,865,327
<b>TOTAL EXPENSES</b>	<b>\$ 688,804</b>	<b>\$ 2,177,948</b>	<b>\$ 1,359,114</b>	<b>\$ 293,988</b>	<b>\$ 628,562</b>	<b>\$ 5,148,416</b>	<b>\$ 249,570</b>	<b>\$ 1,586,781</b>	<b>\$ 1,836,351</b>	<b>\$ 6,984,767</b>

See accompanying notes to financial statements.



# Special Olympics Wisconsin, Inc.

## Statements of Cash Flows

Years Ended December 31, 2016 and 2015

	2016	2015
Increase in cash and cash equivalents:		
Cash flows from operating activities:		
Changes in net assets	\$ 394,394	\$ 44,910
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	9,513	18,073
Discount on contributions receivable	1,981	3,312
Realized and unrealized (gain) loss on investments	( 76,478)	23,529
Changes in operating assets and liabilities:		
Contributions receivable	27,786	78,635
Prepaid expenses	( 24,007)	3,052
Accounts payable	58,543	( 15,293)
Grant funds received in advance	( 5,716)	( 47,232)
Other liabilities	( 3,335)	( 3,336)
Accrued payroll and related	16,891	( 99,353)
Net cash provided by operating activities	399,572	6,297
Cash flows from investing activities:		
Purchase of property and equipment	( 12,469)	0
Purchase of investments	( 112,766)	( 121,091)
Proceeds from sale of investments	200,359	464,800
Net cash provided by investing activities	75,124	343,709
Changes in cash and cash equivalents	474,696	350,006
Cash and cash equivalents - Beginning of year	2,308,793	1,958,787
Cash and cash equivalents - End of year	\$ 2,783,489	\$ 2,308,793

See accompanying notes to financial statements.

# Special Olympics Wisconsin, Inc.

## Notes to Financial Statements

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### Note 1: Summary of Significant Accounting Policies

#### Nature of Operations

Special Olympics Wisconsin, Inc. (SOWI) was incorporated in 1972, as a nonprofit organization. The mission of SOWI is to provide year-round sports training and athletic competition in a variety of Olympic-type sports for children and adults with intellectual disabilities. SOWI provides them with continuing opportunities to develop physical fitness, demonstrate courage, experience joy, and participate in a sharing of gifts, skills, and friendship with their families, other Special Olympic athletes, and the community. The primary source of revenue is public support.

#### Organization Structure

SOWI is a statewide organization. With the Program Headquarters in Madison and seven Regional offices throughout the state, Special Olympics Wisconsin serves over 10,000 athletes in 170 communities. The financial position and results of activities of all are included in these financial statements. The following Regional programs are included in these financial statements:

<u>Area Number</u>	
2	North Central Region Special Olympics
3	Indianhead Region Special Olympics
4	Fox Valley Region Special Olympics
5	Northeastern Region Special Olympics
6	South Central Region Special Olympics
7	Southeastern Region Special Olympics
8	Greater Milwaukee Region Special Olympics

#### Basis of Presentation

All financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

#### Classification of Net Assets

Net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of SOWI and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations or where donor-imposed stipulations are met in the year of the contribution.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or may not be met, either by actions of SOWI and/or the passage of time. When a restriction expires, temporarily restricted net assets are transferred to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

# Special Olympics Wisconsin, Inc.

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Classification of Net Assets (Continued)**

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by SOWI. Generally, the donors of these assets permit SOWI to use all or part of the income earned on any related investments for general or specific purposes.

#### **Use of Estimates**

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### **Cash Equivalents**

For purpose of financial statement presentation, SOWI includes certificates of deposit as cash equivalents.

#### **Contributions Receivable**

Contributions receivable consists of general receivables and pledges receivable from SOWI's telemarketer. SOWI believes these receivables are fully collectible and no allowance for doubtful accounts has been recorded. If there are receivables due more than one year, they are discounted. The discount at December 31, 2016 and 2015, is \$0 and \$1,981 respectively.

#### **Investments**

Investments are carried at fair value. Realized and unrealized gains and losses are reflected in the statements of activities as changes in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or law.

#### **Property and Equipment**

Property and equipment are recorded at cost. Assets costing greater than \$2,500 and having estimated useful lives of greater than one year are capitalized and depreciated using the straight-line method. Donated assets are recorded at the estimated fair market value of the asset at the time of the donation.

#### **Income Taxes**

SOWI is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from Wisconsin franchise or income tax.

# Special Olympics Wisconsin, Inc.

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Uncertain Tax Positions**

SOWI is required to assess whether it is more likely than not that a tax position will be sustained upon examination on the technical merits of the position assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more likely than not recognition threshold, the benefit of that position is not recognized in the financial statements. SOWI has determined there are no amounts to record as assets or liabilities related to uncertain tax positions.

#### **Revenue Recognition**

Contributions are recognized when the donor makes a promise to give to SOWI that is, in substance, unconditional. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. When a restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statements of activities as released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

#### **In-Kind Contributions**

Donated services are recognized if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by SOWI. Donated services and expenses are recorded at market value and are recognized as revenue and expense in the period they are received.

SOWI receives a significant amount of other volunteer time in various capacities that does not meet the above definition. Therefore, these services do not meet the criteria for recognition. As a result, no amount has been recognized in the financial statements for these services.

Special Olympics Wisconsin, Inc. receives many in kind donations of tangible items and professional services which are reflected in these financial statements. However, we would be remiss if we didn't share the value of volunteer time not included in the financial statements because they do not meet the criterion under generally accepted accounting principles for recording. Special Olympics Wisconsin, Inc. could not deliver our mission without them.

Over 210,000 hours are annually contributed by the above nonprofessional volunteers. Special Olympics of Wisconsin, Inc. calculated the service contributed by nonprofessional volunteers during the year ended December 31, 2016 and 2015, was \$4,090,066 and \$4,566,990, respectively. This calculation utilized the Independent Sector's Value of Volunteer Time ([www.independentsector.org/volunteer\\_time](http://www.independentsector.org/volunteer_time)).

# Special Olympics Wisconsin, Inc.

## Notes to Financial Statements

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### Note 1: Summary of Significant Accounting Policies (Continued)

#### Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### Fund-Raising Costs

SOWI achieves some of its programmatic and management and general goals using direct mail and telemarketing campaigns that include requests for contributions. The costs of conducting those campaigns were \$144,722 and \$128,734 for the years ended December 31, 2016 and 2015, respectively. These joint costs are not directly attributable to the program, management and general, or the fund-raising components of the activities and were allocated as follows:

	2016	2015
Public education	\$ 72,361	\$ 64,367
Fund-raising	72,361	64,367
<b>Totals</b>	<b>\$ 144,722</b>	<b>\$ 128,734</b>

#### Subsequent Events

Subsequent events have been evaluated through June 13, 2017, which is the date the financial statements were available to be issued.

#### Financial Statement Reclassification

\$1,865,327 of contributions reported for the year ended December 31, 2015 has been reclassified into in-kind revenue to correspond with the reporting for the year ended December 31, 2016. There was no change to net assets as a result of the reclassification.

### Note 2: Concentration of Credit Risk

SOWI maintains cash balances and certificates of deposit at several financial institutions. Balances are insured at each financial institution up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). At certain times during the year, the bank balances may be in excess of FDIC coverage. SOWI has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash. SOWI's investments are not insured and are subject to market risk (see Note 3).

# Special Olympics Wisconsin, Inc.

## Notes to Financial Statements

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### Note 3: Investments

SOWI maintains an investment account at an investment firm. The investments are diversified to limit the amount of credit risk exposure and are carried at fair value.

As of December 31, investments consist of the following:

	2016	2015
Corporate bonds	\$ 180,375	\$ 191,737
Exchange traded funds	485,030	440,890
Common stocks	293,945	339,249
Government obligations	62,991	61,580
<b>Totals</b>	<b>\$ 1,022,341</b>	<b>\$ 1,033,456</b>

As of December 31, investment activity is summarized as follows:

	2016	2015
Investment income (loss):		
Interest and dividends	\$ 28,079	\$ 29,837
Realized and unrealized gain (loss)	76,478	( 23,529)
Subtotals	104,557	6,308
Fees	( 8,595)	( 8,904)
<b>Investment income (loss)</b>	<b>\$ 95,962</b>	<b>(\$ 2,596)</b>

### Note 4: Property and Equipment, Net

As of December 31, property and equipment is summarized as follows:

	2016	2015
Vehicles	\$ 0	\$ 25,941
Furniture and equipment	195,899	182,658
Subtotals	195,899	208,599
Accumulated depreciation	( 183,501)	( 199,157)
<b>Property and equipment, net</b>	<b>\$ 12,398</b>	<b>\$ 9,442</b>

# Special Olympics Wisconsin, Inc.

## Notes to Financial Statements

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### Note 5: Net Assets

Net assets consist of the following:

	2016	2015
Unrestricted net assets	\$ 2,591,658	\$ 2,177,160
Unrestricted - Board designated net assets	1,000,000	1,000,000
Temporarily restricted net assets	220,110	229,031
Permanently restricted net assets	22,195	22,195
<b>Totals</b>	<b>\$ 3,833,963</b>	<b>\$ 3,428,386</b>

The unrestricted net assets represent net assets that are available for use in operations of SOWI.

The unrestricted Board designated net assets represent net assets designated by the Board to be segregated from unrestricted net assets. SOWI has adopted the policy that certain net assets be maintained to ensure SOWI's ability to continue to provide quality services to athletes in the event of an emergency or changing economic conditions.

Temporarily restricted net assets represent contributions received that are restricted by time or purpose.

The permanently restricted net assets represent donations to the SOWI Endowment fund and may not be spent by SOWI. These funds are maintained in a separate bank account for which SOWI earns interest. This income is considered unrestricted and can be spent to support agency operations.

### Note 6: Fair Value Measurements

Accounting standards describe three levels of inputs that may be used to measure fair value (fair value hierarchy). The level of an asset or liability within the fair value hierarchy is based on the lowest level of input significant to the fair value measurement of that asset or liability. Following is a brief description of each level of the fair value hierarchy:

Level 1 - Fair value measurement is based on quoted prices for identical assets or liabilities in active markets.

Level 2 - Fair value measurement is based on (1) quoted prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in markets that are not active, or (3) valuation models and methodologies for which all significant assumptions are or can be corroborated by observable market data.

Level 3 - Fair value measurement is based on valuation models and methodologies that incorporate at least one significant assumption that cannot be corroborated by observable market data. Level 3 measurements reflect estimates about assumptions market participants would use in measuring fair value of the asset or liability.

# Special Olympics Wisconsin, Inc.

## Notes to Financial Statements

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### Note 6: Fair Value Measurements (Continued)

Some assets and liabilities are measured at fair value on a recurring basis. Other assets and liabilities, such as impaired investments, are measured at fair value on a nonrecurring basis. At December 31, 2016 and 2015 SOWI does not have any liabilities that are measured at fair value on a recurring basis, and there are no assets or liabilities measured on a nonrecurring basis.

Following is a description of the valuation methodology used for each asset measured at fair value on a recurring basis:

- U.S. Treasuries, preferred stock, mutual funds, and common stocks are valued at quoted market prices.
- Corporate bonds, certificates of deposit and bankers acceptances, and government obligations are valued using quotes from pricing vendors based on recent trading activity and other observable market data.

Information regarding the fair value of assets measured at fair value on a recurring basis as of December 31, 2016, is as follows:

	Total Assets Measured at Fair Value	Recurring Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Corporate bonds	\$ 180,375	\$ 0	\$ 180,375	\$ 0
Exchange traded funds	485,030	485,030	0	0
Common stocks	293,945	293,945	0	0
Government obligations	62,991	0	62,991	0
<b>Totals</b>	<b>\$ 1,022,341</b>	<b>\$ 778,975</b>	<b>\$ 243,366</b>	<b>\$ 0</b>

Information regarding the fair value of assets measured at fair value on a recurring basis as of December 31, 2015, is as follows:

	Total Assets Measured at Fair Value	Recurring Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Corporate bonds	\$ 191,737	\$ 0	\$ 191,737	\$ 0
Exchange traded funds	440,890	440,890	0	0
Common stocks	339,249	339,249	0	0
Government obligations	61,580	0	51,580	0
<b>Totals</b>	<b>\$ 1,033,456</b>	<b>\$ 780,139</b>	<b>\$ 253,317</b>	<b>\$ 0</b>



# Special Olympics Wisconsin, Inc.

## Notes to Financial Statements

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### Note 7: Lease Commitments

SOWI leases various facilities and equipment. Rent expense for the years ended December 31, 2016 and 2015, was \$318,307 and \$401,480, respectively. Future minimum lease payments on the leases having noncancelable terms beyond December 31, 2016, are as follows:

2017	\$	251,745
2018		246,705
2019		207,235
2020		137,486
2021		124,881
Thereafter		178,185
<hr/>		
Total	\$	<u>1,146,237</u>

### Note 8: Retirement Plan

SOWI has a defined contribution retirement plan authorized under Section 403(b) of the Internal Revenue Code. The plan is open to all employees who have been employed by SOWI for six months. The retirement benefits are fully vested upon contribution to the plan. The plan calls for discretionary contributions by SOWI. SOWI suspended contributions during 2015, and reinstated those contributions in 2016. SOWI's contributions for the years ended December 31, 2016 and 2015, were \$30,099 and \$7,078, respectively.

### Note 9: Fund-Raising

SOWI holds various fund-raising events. The revenue and costs directly associated with fund-raising events for the years ended December 31 are as follows:

	2016	2015
Gross revenue	\$ 4,339,494	\$ 4,212,394
Less - Cost of sales	66,298	77,421
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Totals	\$ 4,273,196	\$ 4,134,973