



**WOMEN'S BUSINESS ENTERPRISE  
NATIONAL COUNCIL, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL, INC.

TABLE OF CONTENTS  
DECEMBER 31, 2015

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	<u>Pages</u>
Independent Auditors' Report.....	3-4
Financial Statements	
Statement of Financial Position .....	5
Statement of Activities.....	6
Statement of Cash Flows .....	7
Notes to Financial Statements.....	8-15
Independent Auditors' Report on Supplementary Information .....	16
Schedule of Functional Expenses .....	17



7910 WOODMONT AVENUE  
SUITE 500  
BETHESDA, MD 20814  
(T) 301.986.0600  
(F) 301.986.0432

1901 L STREET, NW  
SUITE 750  
WASHINGTON, DC 20036  
(T) 202.822.0717  
(F) 202.822.0739

## Independent Auditors' Report

To the Board of Directors  
Women's Business Enterprise National Council, Inc.  
Washington, D.C.

We have audited the accompanying financial statements of the Women's Business Enterprise National Council, Inc., (WBENC) which comprise the statement of financial position as of December 31, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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 WBENC as of December 31, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



To the Board of Directors  
Women's Business Enterprise National Council, Inc.

***Report on Summarized Comparative Information***

We have previously audited WBENC's 2014 financial statements, and we expressed an unmodified audit opinion on those financial statements in our report dated July 27, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Councilor, Buchanan + Mitchell, P.C.*

Certified Public Accountants

Washington, D.C.  
September 16, 2016

**WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL, INC.**

**STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2015**

(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2014)

	2015	2014
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 4,502,829	\$ 3,198,877
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$82,500 in 2015 and \$76,000 in 2014	1,332,271	1,669,356
Prepaid Expenses	274,560	293,106
Other Current Assets	15,774	11,039
<b>Total Current Assets</b>	<b>6,125,434</b>	<b>5,172,378</b>
<b>Fixed Assets, Net</b>	<b>160,834</b>	<b>369,132</b>
<b>Restricted Cash</b>	<b>1,282,992</b>	<b>1,693,889</b>
<b>Security Deposits</b>	<b>34,774</b>	<b>34,774</b>
<b>Cash Surrender Value of Life Insurance</b>	<b>193,576</b>	<b>163,520</b>
<b>Total Assets</b>	<b>\$ 7,797,610</b>	<b>\$ 7,433,693</b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts Payable and Accrued Expenses	\$ 733,674	\$ 667,859
Deferred Rent	26,648	8,990
Deferred Revenue	2,996,067	2,820,860
<b>Total Current Liabilities</b>	<b>3,756,389</b>	<b>3,497,709</b>
<b>Deferred Compensation Payable</b>	<b>193,576</b>	<b>163,520</b>
<b>Deferred Rent, Less Current Portion</b>	<b>113,241</b>	<b>139,890</b>
<b>Total Liabilities</b>	<b>4,063,206</b>	<b>3,801,119</b>
<b>Net Assets</b>		
Unrestricted Net Assets	2,451,412	2,255,628
Temporarily Restricted Net Assets	1,209,892	1,303,846
Permanently Restricted Net Assets	73,100	73,100
<b>Total Net Assets</b>	<b>3,734,404</b>	<b>3,632,574</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 7,797,610</b>	<b>\$ 7,433,693</b>

*See accompanying Notes to Financial Statements.*

**WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL, INC.**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2014)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2015 Total</u>	<u>2014 Total</u>
<b>Revenue</b>					
Membership Dues	\$ 3,914,250	\$ -	\$ -	\$ 3,914,250	\$ 3,665,458
Contributions	82,082	72,000	-	154,082	177,113
Exhibitor Fees	735,799	-	-	735,799	755,750
Conference Fees	1,560,353	-	-	1,560,353	1,342,443
Sponsorships	3,759,755	-	-	3,759,755	3,776,579
Interest Income	-	46	-	46	59
Certification Fees	27,090	-	-	27,090	11,500
Other Income	223,571	-	-	223,571	245,949
Net Assets Released from Restrictions	166,000	(166,000)	-	-	-
<b>Total Revenue</b>	<b>10,468,900</b>	<b>(93,954)</b>	<b>-</b>	<b>10,374,946</b>	<b>9,974,851</b>
<b>Expenses</b>					
Program Services					
Membership	706,184	-	-	706,184	676,713
Salute	1,218,828	-	-	1,218,828	1,167,121
National Conference and Business Fair	3,794,998	-	-	3,794,998	3,418,058
Certification	2,294,321	-	-	2,294,321	2,022,014
Other Programs	855,116	-	-	855,116	914,815
<b>Total Program Services</b>	<b>8,869,447</b>	<b>-</b>	<b>-</b>	<b>8,869,447</b>	<b>8,198,721</b>
Supporting Services					
Management and General	994,687	-	-	994,687	1,055,618
Fundraising	408,982	-	-	408,982	426,711
<b>Total Expenses</b>	<b>10,273,116</b>	<b>-</b>	<b>-</b>	<b>10,273,116</b>	<b>9,681,050</b>
<b>Change in Net Assets</b>	<b>195,784</b>	<b>(93,954)</b>	<b>-</b>	<b>101,830</b>	<b>293,801</b>
<b>Net Assets, Beginning of Year</b>	<b>2,255,628</b>	<b>1,303,846</b>	<b>73,100</b>	<b>3,632,574</b>	<b>3,338,773</b>
<b>Net Assets, End of Year</b>	<b>\$ 2,451,412</b>	<b>\$ 1,209,892</b>	<b>\$ 73,100</b>	<b>\$ 3,734,404</b>	<b>\$ 3,632,574</b>

*See accompanying Notes to Financial Statements.*

**WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL, INC.**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2014)**

	<u>2015</u>	<u>2014</u>
<b>Cash Flows from Operating Activities</b>		
<b>Change in Net Assets</b>	<b>\$ 101,830</b>	<b>\$ 293,801</b>
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation and Amortization	221,080	221,182
Decrease (Increase) in Accounts Receivable	337,085	(411,125)
Decrease (Increase) in Prepaid Expenses	18,546	(30,127)
(Increase) Decrease in Other Current Assets	(4,735)	7,321
Increase in Cash Surrender Value of Life Insurance	(30,056)	(38,471)
Increase (Decrease) in Accounts Payable and Accrued Expenses	65,815	(86,072)
(Decrease) Increase in Deferred Rent	(8,991)	7,988
Increase in Deferred Compensation Payable	30,056	38,471
Increase in Deferred Revenue	175,207	558,210
	<u>905,837</u>	<u>561,178</u>
<b>Net Cash Provided by Operating Activities</b>	<b>905,837</b>	<b>561,178</b>
<b>Cash Flows from Investing Activities</b>		
Decrease (Increase) in Restricted Cash	410,897	(45,151)
Purchases of Fixed Assets	(12,782)	(40,336)
	<u>398,115</u>	<u>(85,487)</u>
<b>Net Cash Used in Investing Activities</b>	<b>398,115</b>	<b>(85,487)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>1,303,952</b>	<b>475,691</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>3,198,877</b>	<b>2,723,186</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b><u>\$ 4,502,829</u></b>	<b><u>\$ 3,198,877</u></b>

*See accompanying Notes to Financial Statements.*

WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Organization*

Women's Business Enterprise National Council, Inc., (WBENC), is a not-for-profit organization incorporated under the laws of the District of Columbia.

WBENC's programs educate the general public and corporations on the need to foster diversity and eliminate prejudice and discrimination in the marketplace. WBENC's programs not only instruct and train individuals to develop their individual capabilities, but also indirectly by working with local economic development organizations and corporations in order to establish capacity building programs in their respective communities on procurement and marketing. WBENC provides funding through allocations to fourteen such not-for-profit organizations that help WBENC provide its programs throughout the United States. Corporations also partner in these efforts that are intended to establish capacity building programs in their respective communities dealing with procurement and marketing.

WBENC's principal sources of revenues are membership dues, sponsorships, and conference registration fees.

*Basis of Presentation*

The accompanying financial statements are presented on the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses when incurred.

*Cash and Cash Equivalents*

WBENC considers cash equivalents to be all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of ninety days or less at the time of purchase.

*Fixed Assets*

WBENC records property and equipment at cost. All acquisitions of property and equipment in excess of \$1,000 and with a useful life of more than one year are capitalized. Donated property and equipment is recorded at fair market value at the date of donation. Depreciation of property and equipment is being provided for by the straight-line method over the estimated useful lives of the related assets.

*Functional Allocation of Expenses*

The allocation of expenses among program services, management and general and fundraising activities, where applicable, is based on direct expenses incurred. Any expenditures not charged directly have been allocated based on estimates made by management.



WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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

*Accounts Receivable*

Accounts receivable consists of amounts due for sponsorships, exhibitor fees, and membership dues. WBENC records accounts receivable at estimated net realizable value. Allowances for doubtful accounts are estimated based on the length of time outstanding, past history and economic circumstances based on individual customers. Accounts receivable are written off against the allowance as deemed uncollectible.

*Revenue Recognition*

WBENC reports contributions and grants as unrestricted and available for general operations unless specifically restricted by the donor. If such contributions and grants are received with donor stipulations that limit the use of the donated funds for a particular purpose or for a specific period of time, they are reported as temporarily restricted. When the stipulated time restriction ends or the purpose of the restriction is met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Net assets subject to donor-imposed stipulations that they be maintained permanently by WBENC are classified as permanently restricted net assets. Generally, the donors of these assets permit WBENC to use all or part of the income earned on any related investments for general or specific purposes.

*Donated Goods and Services*

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by WBENC. Volunteers also provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

*Lease Commitment*

Rent expense is recognized on a straight-line basis over the term of the lease.

*Income Taxes*

WBENC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. WBENC is exempt from the payment of taxes on income other than net unrelated business income.

*Accounting for Uncertain Tax Positions*

WBENC requires that a tax position be recognized or derecognized based on a "more-likely-than-not" threshold. This applies to positions taken or expected to be taken in a tax return. WBENC does not believe its financial statements include, or reflect, any uncertain tax positions. WBENC's Form 990, *Return of Organization Exempt from Income Tax*, is generally subject to examination by the taxing authorities for three years after filing.

WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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

*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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

*Prior Year Information*

The financial statements include certain prior year summarized comparative totals as of and for the year ended December 31, 2014. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended December 31, 2014, from which the summarized information was derived.

*Reclassifications*

Certain 2014 amounts have been reclassified for comparative purposes.

2. OPERATING LEASES

WBENC leases office space in Washington, D.C., under two leases, through December 31, 2018, with renewal options for an additional five years. The main lease includes annual rent escalations, the payment of real estate taxes, a two-month free rent period, and a construction allowance provided by the landlord. The other lease includes annual rent escalations and the payment of real estate taxes. Accounting principles generally accepted in the United States of America require that lease incentives and scheduled rent increases be recognized on a pro-rata basis over the term of the leases. Thus, a deferred rent liability has been recorded and is being amortized over the lease terms. Rent expense, net of sublease income of approximately \$130,500, was \$330,700 for the year ended December 31, 2015.

Future minimum lease payments for base rent required as of December 31, 2015, are as follows:

<u>For the Years Ending December 31,</u>	<u>Amount</u>
2016	\$ 459,104
2017	477,468
2018	496,567
<b>Total Future Minimum Lease Payments</b>	<b>\$ 1,433,139</b>

Total minimum future rental payments have not been reduced by approximately \$148,600 of sublease rentals to be received in the future under non-cancelable subleases.

WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

3. **FIXED ASSETS**

Fixed assets consisted of the following as of December 31, 2015:

<u>Description</u>	<u>Amount</u>
Equipment	\$ 238,036
Software Development Costs	422,886
Leasehold Improvements	35,580
Furniture and Fixtures	127,125
	<u>823,627</u>
Less Accumulated Depreciation and Amortization	<u>(662,793)</u>
<b>Fixed Assets, Net</b>	<b><u>\$ 160,834</u></b>

4. **TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets of \$1,209,892 as of December 31, 2015, are available for the Dorothy Brothers Scholarship Fund. Net assets were released from donor restrictions by incurring expenses satisfying the purpose restrictions specified by donors for the Dorothy Brothers Scholarship Fund totaling \$166,000 for the year ended December 31, 2015.

5. **LINE OF CREDIT**

In 2007, WBENC established a \$300,000 line of credit with a bank. Interest was payable monthly at the bank's prime rate plus 1.50 percentage points. Any borrowings under the line of credit would be secured by substantially all of WBENC's assets. During the year ending December 31, 2015, there were no line of credit transactions. The line of credit expired on July 10, 2015.

6. **CONCENTRATIONS**

WBENC maintains cash balances at financial institutions in Washington, D.C., which are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At times during the year, WBENC's cash balance exceeded the FDIC insurance amount. Management believes the risk in this situation to be minimal.

7. **ENDOWMENT**

Permanently restricted net assets represent funds that are to be invested in perpetuity for the Dorothy Brothers Scholarship Fund with the investment income, as available, used for scholarships. Permanently restricted net assets as of December 31, 2015, were approximately \$73,100. There was no activity in this endowment for the year ended December 31, 2015.

***Interpretation of Relevant Law***

WBENC follows the Uniform Prudent Management of Institutional Funds Act (the Act) as requiring the preservation of the purchasing power (real value) of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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7. ENDOWMENT (CONTINUED)

*Interpretation of Relevant Law (Continued)*

WBENC classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment funds, (b) the original value of subsequent gifts to the permanent endowments, and (c) accumulations to the permanent endowments made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. If the endowment assets earn investment returns beyond the amount necessary to maintain the endowment assets' real value, which excess is available for appropriation and, therefore, is classified as temporarily restricted net assets until appropriated by WBENC for expenditure.

In accordance with the Act, WBENC considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of WBENC and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income
- (6) Other resources of WBENC

*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 the Act requires WBENC to retain as a fund of perpetual duration. There were no such deficiencies as of December 31, 2015.

*Return Objectives and Risk Parameters*

WBENC has adopted policies for endowment assets that attempt to provide a predictable, secure stream of funding to programs supported by its endowment assets. Endowment assets include those assets of donor-restricted funds that the WBENC must hold in perpetuity or for donor-specified periods.

*Spending Policy and How the Investment Objectives Relate to Spending Policy*

WBENC has a goal of protecting the principal investment of the funds supporting its endowments. Therefore, annual expenses charged to the fund are not to exceed the annual net earnings of the fund plus current year temporarily restricted contributions.

8. RESTRICTED CASH

Restricted cash is maintained in two separate checking accounts for the Dorothy Brothers Scholarship Fund. One of the accounts holds the permanently restricted balance of \$73,100 and the other account holds the temporarily restricted net assets for the scholarship fund.

**WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

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**9. DEFINED CONTRIBUTION PLAN**

WBENC maintains a 401(k) plan (the Plan) for all eligible employees. The Plan has a safe harbor provision where eligible employees can elect to have portions of their compensation contributed to the Plan on a tax-deferred basis. WBENC matches employee contributions up to 3% of compensation at the rate of 100% and matches employee contributions of the next 2% of compensation at a rate of 50%. Employer safe harbor contributions for 2015 were approximately \$61,000. WBENC may also make additional discretionary contributions to the Plan. A discretionary contribution of \$73,500 was accrued for 2015.

**10. COMMITMENTS**

WBENC has entered into contracts with facilities in connection with future meetings and conferences. In the event of cancellation of these agreements by WBENC or if attendance is less than agreed-upon minimum levels, WBENC would be responsible for certain fees. Management of WBENC does not anticipate cancellation of these events or attendance below minimum levels.

In addition, WBENC has non-cancelable contracts for services through 2016 for a total commitment of \$216,400.

**11. RELATED PARTY TRANSACTIONS**

WBENC receives support from organizations that employ members of its Board of Directors. Support from these organizations totaled approximately \$3,067,000 for the year ended December 31, 2015. Accounts receivable as of December 31, 2015, includes approximately \$491,000 due from these organizations.

WBENC makes various payments to its affiliated Regional Partner Organizations (RPOs). The allocation payments, to offset the cost of their certification operations, totaled approximately \$1,635,900 for the year ended December 31, 2015. Included in accrued expenses as of December 31, 2015, is approximately \$270,900 payable to various RPOs.

WBENC purchases services from companies who employ members of its Board of Directors in the normal course of doing business. For a portion of the year ending December 31, 2015, WBENC had a line of credit with a bank that employs a member of WBENC's Board of Directors.

WBENC has a retainer agreement with the law firm that employs one of its directors. During the year ended December 31, 2015, WBENC paid approximately \$72,000 to the law firm and received approximately \$12,600 in pro-bono services from the law firm. In addition, WBENC subleases office space to two affiliates. Sublease income of \$130,500 was received by WBENC for the year ended December 31, 2015.

**12. ALLOCATION PAYMENTS**

WBENC provides direct funding to affiliated regional partner organizations (RPOs) to offset the cost of their certification operations. The allocations provided are required to be used for WBENC certification. Each calendar year, the Board of Directors, through the Development Committee, budgets a sum that is available for allocation to RPOs.

**WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**12. ALLOCATION PAYMENTS (CONTINUED)**

The total amount of the annual allocation pool is approximately 17% of cash-basis unrestricted revenue, payable in five installments. The pool is allocated among individual RPOs in three ways: fixed equal portions of \$20,000 each; a payment of 20% of the profit from the annual Women In Business Conference (Conference) to the RPO that hosts the Conference; and, a performance-based allocation. The performance-based allocation consists of an amount, weighted at 70%, based on the number of certifications handled by each RPO, and another amount, weighted at 30%, based on the number of attendees and exhibitors at the Conference from each RPO's territory.

**13. DEFERRED COMPENSATION PLAN**

WBENC maintains a Supplemental Executive Retirement Plan (SERP) to provide benefits to certain key members of management. WBENC has maintained life insurance policies to provide supplemental retirement benefits for WBENC's presidents under the SERP. The cash surrender value of the policies has been recorded on the books as an asset with an offsetting liability as deferred compensation. The related expense for the year ended December 31, 2015, was \$40,000.

FASB Accounting Standards Codification 820, Fair Value Measurements and Disclosures (ASC 820), clarifies the definition of fair value, establishes a framework for measuring fair value and expands disclosures on fair value measurements. The cash surrender value of the life insurance asset and the related deferred compensation payable liability are classified as Level 2 financial instruments under ASC 820. The valuation is based on the fair value of the underlying assets owned by the insurer.

**14. DONATED FACILITIES AND SERVICES**

The value of donated facilities and services included as revenue and expenses in the financial statements are as follows:

<u>Description</u>	<u>Membership</u>	<u>Salute</u>	<u>National Conference and Business</u>			<u>Management and General</u>		<u>Total</u>
			<u>Fair</u>	<u>Certification</u>	<u>Other</u>	<u>General</u>		
Conferences and Meetings	\$ -	\$ 143,780	\$ 331,575	\$ -	\$ 139,548	\$ -	\$ 614,903	
Professional Fees and Outside Services	8,500	-	-	9,630	-	3,005	21,135	
Travel	7,611	750	18,139	3,056	3,028	3,111	35,695	
<b>Total</b>	<b>\$ 16,111</b>	<b>\$ 144,530</b>	<b>\$ 349,714</b>	<b>\$ 12,686</b>	<b>\$ 142,576</b>	<b>\$ 6,116</b>	<b>\$ 671,733</b>	

**15. BOARD DESIGNATED NET ASSETS**

In 2015, WBENC's Board of Directors adopted an Unrestricted Net Asset Policy (UNA) under which WBENC would accumulate, over-time, unrestricted net assets approximating 6 to 12 months of operating expenses, to serve as a reserve. Management's target amount under the UNA is currently estimated at approximately \$3,700,000. Therefore, at December 31, 2015, WBENC's unrestricted net assets totaling approximately \$2,451,400, are considered to be Unrestricted Net Assets - Board Designated.

**WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

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**16. SUBSEQUENT EVENTS**

Subsequent events were evaluated through September 16, 2016, which is the date the financial statements were available to be issued.



7910 WOODMONT AVENUE  
SUITE 500  
BETHESDA, MD 20814  
(T) 301.986.0600  
(F) 301.986.0432

1901 L STREET, NW  
SUITE 750  
WASHINGTON, DC 20036  
(T) 202.822.0717  
(F) 202.822.0739

## Independent Auditors' Report on Supplementary Information

To the Board of Directors  
Women's Business Enterprise National Council, Inc.  
Washington, D.C.

We have audited the financial statements of the Women's Business Enterprise National Council, Inc., as of and for the year ended December 31, 2015, and have issued our report thereon dated September 16, 2016, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Councilor, Buchanan + Mitchell, P.C.*

Certified Public Accountants

Washington, D.C.  
September 16, 2016





**WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL, INC.**

**SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<b>Membership</b>	<b>Salute</b>	<b>National Conference and Business Fair</b>	<b>Certification</b>	<b>Other Programs</b>	<b>Total Programs</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
Salaries and Benefits	\$ 496,250	\$ 321,103	\$ 700,588	\$ 671,397	\$ 145,956	\$ 2,335,294	\$ 437,867	\$ 145,956	\$ 2,919,117
Conferences and Meetings	-	756,643	2,446,210	83,586	370,104	3,656,543	84,165	36,174	3,776,882
Temporary Help	-	-	-	-	735	735	48,029	15,411	64,175
Professional Fees and Outside Services	12,291	42,861	54,813	81,349	133,390	324,704	213,459	134,542	672,705
Travel	64,616	750	18,139	55,309	4,013	142,827	31,625	20,066	194,518
Awards and Scholarships	-	-	-	-	161,088	161,088	-	-	161,088
Occupancy	56,224	36,380	79,375	76,068	16,537	264,584	49,610	16,537	330,731
Postage and Shipping	-	-	-	187	-	187	6,481	142	6,810
Printing and Publications	8,506	-	-	1,569	8,506	18,581	22	18,603	37,206
Supplies	-	-	-	1,021	232	1,253	11,210	1,186	13,649
Telecommunications	2,057	789	197	11,475	746	15,264	44,571	8,458	68,293
Equipment Maintenance and Repair	-	-	-	-	-	-	15,295	-	15,295
Dues and Subscriptions	-	-	-	350	-	350	395	853	1,598
Bank Fees and Interest	17,991	35,983	59,972	-	2,399	116,345	3,598	-	119,943
Depreciation and Amortization	37,584	24,319	53,059	50,848	11,054	176,864	33,162	11,054	221,080
Insurance	-	-	-	-	-	-	11,986	-	11,986
Payments to Affiliated Organizations	-	-	382,645	1,253,226	-	1,635,871	-	-	1,635,871
Miscellaneous	10,665	-	-	7,936	356	18,957	3,212	-	22,169
<b>Total Expenses</b>	<b>\$ 706,184</b>	<b>\$ 1,218,828</b>	<b>\$ 3,794,998</b>	<b>\$ 2,294,321</b>	<b>\$ 855,116</b>	<b>\$ 8,869,447</b>	<b>\$ 994,687</b>	<b>\$ 408,982</b>	<b>\$ 10,273,116</b>

*See Independent Auditors' Report on Supplementary Information.*