Denver Children's Advocacy Center

Consolidated Financial Report

December 31, 2018

Contents

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Independent Auditor's Report

To the Board of Directors
Denver Children's Advocacy Center

We have audited the accompanying consolidated financial statements of Denver Children's Advocacy Center (the "Organization"), which comprise the consolidated statement of financial position as of December 31, 2018 and the related consolidated statements of activities and changes in net assets, 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 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 consolidated 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 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 auditor's 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 entity'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 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 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 Denver Children's Advocacy Center as of December 31, 2018 and the results of its changes in net assets, functional expenses, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 2 to the consolidated financial statements, Denver Children's Advocacy Center adopted the provisions under Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

To the Board of Directors
Denver Children's Advocacy Center

Report on Prior Year Consolidated Financial Statements

The consolidated financial statements of Denver Children's Advocacy Center as of December 31, 2017 were audited by EKS&H LLLP, whose report dated April 11, 2018 expressed an unqualified opinion on those statements.

Plante & Moran, PLLC

May 15, 2019

Consolidated Statement of Financial Position

December 31, 2018 and 2017

	2018	2017
Assets		
Current Assets		
Cash	$ 963,146	$ 1,080,892
Investments (Note 4)	464,586	35,793
Grants, contributions, and accounts receivable	212,182	226,844
Prepaid expenses	5,874	2,738
Total current assets	1,645,788	1,346,267
Property and Equipment - Net (Note 5)	1,988,858	2,072,495
Total assets	**$ 3,634,646**	**$ 3,418,762**
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	$ 17,399	$ 29,781
Accrued expenses	32,445	26,192
Deferred revenue	215,089	8,481
Total liabilities	264,933	64,454
Net Assets (Note 7)		
Without donor restrictions	3,252,090	3,191,210
With donor restrictions	117,623	163,098
Total net assets	3,369,713	3,354,308
Total liabilities and net assets	**$ 3,634,646**	**$ 3,418,762**

Consolidated Statement of Activities and Changes in Net Assets

Years Ended December 31, 2018 and 2017

	2018			2017		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Other Support						
Private grants	$ 472,506	$ 144,807	$ 617,313	$ 395,183	$ 169,000	$ 564,183
Contributions	125,466	-	125,466	153,610	-	153,610
Government grants and contracts	874,831	-	874,831	1,016,422	-	1,016,422
Seminar fees	16,377	-	16,377	15,327	-	15,327
Fees earned on donated goods - Net	-	-	-	51,804	-	51,804
Investment income	4,892	-	4,892	135	-	135
In-kind contributions	53,062	-	53,062	23,713	-	23,713
Special event revenue net of expenses, $21,873 (2018) and $14,184 (2017)	165,886	-	165,886	56,774	-	56,774
Net assets released from restrictions	190,282	(190,282)	-	97,308	(97,308)	-
Total revenue and other support	1,903,302	(45,475)	1,857,827	1,810,276	71,692	1,881,968
Expenses						
Program expenses	1,486,038	-	1,486,038	1,411,337	-	1,411,337
Support services:						
Management and general	202,754	-	202,754	229,139	-	229,139
Fundraising	153,630	-	153,630	146,101	-	146,101
Total support services	356,384	-	356,384	375,240	-	375,240
Total expenses	1,842,422	-	1,842,422	1,786,577	-	1,786,577
Increase (Decrease) in Net Assets	60,880	(45,475)	15,405	23,699	71,692	95,391
Net Assets - Beginning of year	3,191,210	163,098	3,354,308	3,167,511	91,406	3,258,917
Net Assets - End of year	**$ 3,252,090**	**$ 117,623**	**$ 3,369,713**	**$ 3,191,210**	**$ 163,098**	**$ 3,354,308**

See notes to consolidated financial statements.

Consolidated Statement of Functional Expenses

Year Ended December 31, 2018

	Program Services	Management and General	Fundraising	Total
Payroll and related expenses	$ 1,129,023	$ 138,282	$ 75,930	$ 1,343,235
Depreciation and amortization	100,889	7,114	7,114	115,117
Grant writing and research	18,000	-	54,000	72,000
In-kind professional fees	52,738	162	162	53,062
Technology	36,950	2,335	2,335	41,620
Contract labor	35,577	1,593	1,929	39,099
Insurance	23,373	1,648	1,648	26,669
Occupancy expenses	21,995	1,560	1,560	25,115
Travel and entertainment	20,092	4,250	612	24,954
Professional fees	-	22,665	-	22,665
Bad debt expense	-	16,954	-	16,954
Printing and postage	12,491	857	2,604	15,952
Supplies	11,801	1,619	849	14,269
Staff training	9,062	2,610	1,315	12,987
Dues and subscriptions	8,588	459	3,229	12,276
Miscellaneous	5,459	546	343	6,348
Advertising	-	100	-	100
Total functional expenses	**$ 1,486,038**	**$ 202,754**	**$ 153,630**	**$ 1,842,422**

Consolidated Statement of Functional Expenses

Year Ended December 31, 2017

	Program Services	Management and General	Fundraising	Total
Payroll and related expenses	$ 1,023,589	$ 146,991	$ 70,111	$ 1,240,691
Depreciation and amortization	99,054	10,101	8,798	117,953
Contract labor	58,252	11,191	3,122	72,565
Grant writing and research	17,250	-	51,750	69,000
Insurance	34,557	3,524	3,069	41,150
Technology	30,002	3,059	2,665	35,726
Travel and entertainment	27,231	2,718	284	30,233
Staff training	27,282	2,656	119	30,057
Occupancy expenses	20,778	2,119	1,845	24,742
In-kind professional fees	21,563	2,150	-	23,713
Professional fees	-	21,669	-	21,669
Supplies	17,303	3,430	623	21,356
Interest	12,081	1,232	1,073	14,386
Printing and postage	11,713	1,194	1,040	13,947
Bad debt expense	-	11,839	-	11,839
Dues and subscriptions	9,041	922	803	10,766
Miscellaneous	1,641	4,344	699	6,684
Advertising	-	-	100	100
Total functional expenses	**$ 1,411,337**	**$ 229,139**	**$ 146,101**	**$ 1,786,577**

Consolidated Statement of Cash Flows

Years Ended December 31, 2018 and 2017

	2018	2017
Cash Flows from Operating Activities		
Increase in net assets	$ 15,405	$ 95,391
Adjustments to reconcile increase in net assets to net cash from operating activities:		
Depreciation and amortization	115,117	117,953
Bad debt expense	16,954	11,839
Write-off and amortization of debt issuance costs	-	11,120
Unrealized loss on investments	5,679	91
Changes in operating assets and liabilities that (used) provided cash:		
Grants, contributions, and accounts receivable	(2,292)	(7,960)
Prepaid expenses	(3,136)	(195)
Accounts payable	(12,382)	(4,081)
Accrued expenses	6,253	7,315
Deferred revenue	206,608	8,481
Net cash provided by operating activities	348,206	239,954
Cash Flows from Investing Activities		
Purchase of property and equipment	(31,480)	(15,073)
Purchase of investments	(4,252)	(226)
Maturity of certificate of deposit	-	101,054
Purchase of investments	(856,195)	(35,884)
Sale of investments	425,975	-
Net cash (used in) provided by investing activities	(465,952)	49,871
Cash Flows Used in Financing Activities - Payments on note payable	-	(397,231)
Net Decrease in Cash	(117,746)	(107,406)
Cash - Beginning of year	1,080,892	1,188,298
Cash - End of year	**$ 963,146**	**$ 1,080,892**
Supplemental Disclosure of Cash Flow Information - Cash paid for interest	$ -	$ 3,266

See notes to consolidated financial statements.

Note 1 - Nature of Business

Denver Children's Advocacy Center (the "Organization") is a not-for-profit organization whose mission is to prevent abuse, strengthen families, and restore childhood. The Organization strives to ensure that every child in the Denver metro area who has been traumatized by sexual abuse or by witnessing homicide or domestic violence receives immediate, compassionate, and effective forensic interviewing; assessment; and, if needed, mental health and medical treatment.

The Organization supports the following programmatic activities:

The Treatment and Integrated Services Program provides assessment and mental health services for children ages 1 to 17 who have been sexually abused or who have experienced other trauma. The Organization strengthens vulnerable families by ensuring their access to a wide range of supportive services.

The Rapid Response Program provides child forensic interviews and medical exams, which are of vital importance to the investigation and prosecution of child sexual assault and other crimes against children. Bilingual victim advocacy services are available to every client at the Organization.

The Community Outreach Program operates with the goal of providing effective tools to prevent abuse. When working with a school through the Denver Safe from the Start prevention program, the Organization educates parents, caregivers, and teachers on healthy sexual development, signs of abuse and neglect, and the resources to respond to abuse. Additional education is also offered in the form of trainings, workshops, and seminars for professionals, nonoffending family members, and the service community involved with child abuse and neglect.

The Advocacy Center Foundation (ACF), a supporting 501(c)(3) organization, was formed in May 2005 to administer the proceeds from donations of clothing and household articles given on behalf of the Organization. As a supporting organization, ACF is incorporated as a separate legal entity, and the Organization is the sole voting member of ACF. The activities of ACF are required to be consolidated under generally accepted accounting principles (U.S. GAAP). All significant interentity transactions have been eliminated.

ACF was formed to handle the proceeds from the conversion of donated clothing and household articles to cash in order to help support the Organization's exempt purpose. ACF was formerly contracted with a third party for the maintenance duties of donation drop boxes, as well as the pickup and delivery of the donated goods to the contracted purchaser. The contracted purchaser then paid ACF for the goods received, and ACF paid the third party for the maintenance duties.

For the year ended December 31, 2017, the Organization received $51,804 in net fees earned on donated goods.

The Organization was notified that the vendor ACF utilized to support the donation of clothes and household articles was no longer able to provide this service beginning March 2017. The Organization was unable to identify a replacement vendor, and ACF operations ceased in June 2017.

Note 2 - Significant Accounting Policies

Classification of Net Assets

Net assets of the Organization are classified based on the presence or absence for donor-imposed restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions, or the donor-imposed restrictions have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the Organization.

Note 2 - Significant Accounting Policies (Continued)

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Earnings, gains, and losses on donor-restricted net assets are classified as net assets without donor restrictions unless specifically restricted by the donor or by applicable state law.

Cash Equivalents

Cash includes cash on hand, amounts held in banks, and highly liquid investments. The Organization considers all investments with an original maturity of three months or less when purchased to be cash equivalents. At December 31, 2018 and 2017, the Organization had cash in excess of federally insured limits.

Investments

Short-term investments consist of certificate of deposit and mutual funds at December 31, 2018 and 2017. Certificates of deposit are interest bearing, are held at financial institutions, and are carried at cost plus accrued interest.

The Organization accounts for investments in equity securities at fair value with the change in unrealized gains or losses included in the consolidated statement of activities and changes in net assets.

Grants, Contributions, and Accounts Receivable

Accounts receivable represent amounts due from performance of services to third parties. Grants and contributions receivable consist of amounts due from grantors for performance of services provided to customers, clients, and third parties and unconditional pledges recognized as revenue in the period the pledge is received. Pledges are recorded at the net realizable value if expected to be collected in one year and at fair value based on the present value of the future cash flows if expected to be collected in more than one year. As of December 31, 2018 and 2017, no discount has been recorded, as the amount is insignificant to the consolidated financial statements.

An allowance for doubtful accounts is established based on historical collection experiences and a review of the current status of grants and contributions receivable. The Organization did not record an allowance for doubtful accounts on accounts receivable balances as of December 31, 2018 and 2017.

For the years ended December 31, 2018 and 2017, revenue by two contributors of the Organization accounted for 26 percent of total revenue and support. At December 31, 2018 and 2017, three contributors accounted for 65 and 63 percent, respectively, of total grants and contributions receivable.

Contributions

Unconditional promises to give cash and other assets to the Organization are reported at fair value on the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value on the date the gift is received. The gifts are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as contributions without restriction in the accompanying financial statements.

Contributions of marketable securities are recorded at fair value as of the date of the gift. It is the Organization’s practice to determine appropriate disposition of such gifts of securities at the time of receipt.

Note 2 - Significant Accounting Policies (Continued)

Grant and Contract Revenue

Grant revenue received for grants determined to be exchange transactions is recognized as services are provided. Grant money received in excess of that earned is recorded as deferred revenue. Grants that are considered contributions are recorded when received as either without donor restriction or with donor restriction based on the purpose of the grant.

Property and Equipment

Purchased property and equipment are recorded at cost. Donated property and equipment are recorded at fair value. The straight-line method is used for computing depreciation. Assets are depreciated over their estimated useful lives of five to seven years for equipment, 10 years for building improvements, and 30 years for buildings. Costs of maintenance and repairs are charged to expense when incurred.

Website development costs are included in property and equipment and are accounted for in accordance with U.S. GAAP, which requires all costs in the planning stage to be expensed as incurred and costs incurred in the website application and infrastructure development stage to be capitalized until the website is substantially complete and ready for its intended use. The capitalized costs are amortized on a straight-line basis over the expected benefit period of five years.

Income Taxes

The Organization is a not-for-profit corporation and is exempt from tax under the provisions of Internal Revenue Code Section 501(c)(3).

Functional Allocation of Expenses

Costs of providing program and support services have been reported on a functional basis in the consolidated statement of activities and changes in net assets. Costs have been allocated between the various programs and support services on an actual basis, where available, or based upon reasonable methods. Certain wages and benefits have been allocated based on time and effort. Occupancy and other expenses have been allocated based on headcount. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

Recently Adopted Accounting Pronouncement

For the year ended December 31, 2018, the Organization adopted Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities*. This standard requires net assets to be classified in two categories, net assets without donor restrictions and net assets with donor restrictions, rather than the three previous classifications. For the year ended December 31, 2017, net assets that were previously reported as temporarily restricted have been identified as net assets with donor restrictions. This standard also requires changes in the way certain information is aggregated and reported by the Organization, including disclosures of quantitative and qualitative information about the liquidity and availability of resources and the presentation of expenses by both functional and natural classification. The standard also clarifies the definition of management and general and prohibits certain expenses from being allocated out of management and general. Under the new standard, the Organization has elected to omit the disclosures about liquidity and availability of resources for periods prior to the period of adoption. There were no restatements to the prior year as a result of adopting the amendment.

Note 2 - Significant Accounting Policies (Continued)

Upcoming Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will supersede the current revenue recognition requirements in Topic 605, *Revenue Recognition*. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The new guidance will be effective for the Organization's year ending December 31, 2019. The ASU permits application of the new revenue recognition guidance using one of two retrospective application methods. This guidance may change the pattern of revenue recognition for private grants and government grants and contracts.

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which provides enhanced guidance to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal transactions) and (2) determining whether a contribution is conditional. The accounting guidance will result in more governmental contracts being accounted for as contributions and may delay revenue recognition for certain grants and contributions that no longer meet the definition of unconditional. The new guidance will be effective for the Organization’s year ending December 31, 2019 and will be applied on a modified prospective basis. The Organization does not expect the standard to have a significant impact on the timing of revenue recognition for government grants and contracts because these are already treated as exchange transactions, but has not yet determined the impact on the timing of recognition of foundation and individual grants and contributions.

Use of Estimates

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

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including May 15, 2019, which is the date the financial statements were available to be issued.

Note 3 - Liquidity and Availability of Resources

The Organization has $1,639,914 of financial assets available within one year of the consolidated statement of financial position date to meet cash needs for general expenditure consisting of cash of $963,146, accounts receivable of $212,182, and short-term investments of $464,586 at December 31, 2018. Of these financial assets, $117,623 is subject to donor restrictions, and cash in the amount of $215,089 is associated with deferred revenue. The Organization has a board-designated reserve of $82,000 to cover the cost of future facility repairs and maintenance, as mentioned in Note 7. However, these restrictions and the deferred revenue are largely program based and are projected to be released within one year. Furthermore, the associated expenses with these restrictions are part of the Organization's budgeted general expenditures for the year. Accounts receivable are expected to be collected within three months.

Note 3 - Liquidity and Availability of Resources (Continued)

The Organization has developed an investment policy and holds short-term, conservative investments in the forms of stocks, mutual funds, and a certificate of deposit maturing within one year. The Organization has structured its investment priorities to allow for great liquidity in order for all current assets to be available as its general expenditures, liabilities, and other obligations become due. The Organization has been fortunate to maintain cash reserves roughly equal to six months of operating expenses (approximating $150,000 per month) and has based its investment decisions on maintaining this position moving forward. Though the Organization has not needed a line of credit for general expenditures, the Organization believes a line would be obtainable in the future in the unlikely event that one were to be needed. The fact that the Organization owns its three-building campus would be beneficial in this scenario.

Note 4 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Organization’s assets measured at fair value on a recurring basis at December 31, 2018 and 2017 and the valuation techniques used by the Organization to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Organization has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management’s own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Organization’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

	Assets Measured at Fair Value on a Recurring Basis at December 31, 2018			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2018
Assets				
Certificates of deposit	$ -	$ 320,596	$ -	$ 320,596
Mutual funds	143,990	-	-	143,990
Total assets	$ 143,990	$ 320,596	$ -	$ 464,586

Note 4 - Fair Value Measurements (Continued)

	Assets Measured at Fair Value on a Recurring Basis at December 31, 2017			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2017
Assets - Mutual funds	$ 35,793	$ -	$ -	$ 35,793

The fair value of the certificate of deposit at December 31, 2018 was determined primarily based on Level 2 inputs. The Organization estimates the fair value of these investments based on yields currently available on comparable securities of the issuer or other issuers with similar credit ratings.

Note 5 - Property and Equipment

Property and equipment are summarized as follows:

	2018	2017
Buildings	$ 1,875,123	$ 1,875,123
Building improvements	440,799	414,916
Land	343,066	343,066
Furniture, fixtures, and equipment	282,972	277,825
Software	89,175	88,725
Total cost	3,031,135	2,999,655
Accumulated depreciation and amortization	1,042,277	927,160
Net property and equipment	$ 1,988,858	$ 2,072,495

Depreciation and amortization expense for 2018 and 2017 was $115,117 and $117,953, respectively.

Note 6 - Related Party Transactions

The following is a description of transactions between the Organization and related parties:

Individual board of directors members made contributions totaling $40,115 and $49,595 to the Organization for the years ended December 31, 2018 and 2017, respectively.

Note 7 - Net Assets

During 2018, the board designated a working capital reserve of $450,000 and a facility reserve of $82,000 to cover the cost of future facility repairs and maintenance. The board approved $321,000 of the reserve to be placed into a certificate of deposit and $82,000 to be invested in mutual funds. Net assets without donor restrictions consist of the following:

	2018	2017
Board-designated net assets	$ 532,000	$ -
Undesignated net assets	2,720,090	3,191,210
Total net assets without donor restrictions	$ 3,252,090	$ 3,191,210

Note 7 - Net Assets (Continued)

Net assets with donor restrictions as of December 31 are available for the following purposes:

	2018	2017
Programs	$ 114,290	$ 114,000
Time restrictions	3,333	49,098
Total	$ 117,623	$ 163,098

Note 8 - Retirement Plan

The Organization sponsors a defined contribution tax deferred annuity plan (the "Plan"), as outlined in Section 403(b) of the Code. Employees are eligible to participate in the Plan once they have satisfied the age and service requirements. The Organization contributed $9,076 and $7,780 to the Plan on behalf of participating employees during the years ended December 31, 2018 and 2017, respectively. The Organization also provides employees the opportunity to contribute additional amounts on a pretax basis to the Plan. The Plan allows employees to defer a discretionary amount of their salaries, not to exceed the limit defined by the Plan.

Note 9 - Operating Leases

The Organization is obligated under a noncancelable operating lease for office equipment, expiring in June 2020. Future minimum lease payments under this lease are approximately $4,300 in 2019 and $2,150 in 2020. Total rent expense under these leases was approximately $4,300 for 2018 and 2017, respectively.

Note 10 - In-kind Contributions

Donated services are provided to the Organization by individuals possessing skills that would typically be purchased if not provided by donation. These services include forensic interviews, counseling, and IT support. Donated services are recorded at their fair value in the period received. In-kind donations recognized by the Organization for the years ended December 31, 2018 and 2017 are as follows:

	2018	2017
Services	$ 53,062	$ 23,713

The Organization receives volunteer services that are not recordable under generally accepted accounting principles. The value of the volunteer services is not disclosed, since no objective basis is available to measure the value of such services.