CONSORTIUM OF CATHOLIC ACADEMIES

Financial Statements

June 30, 2016 and 2015

(With Independent Auditors' Report Thereon)

KPMG LLP
1676 International Drive
McLean, VA 22102

Independent Auditors' Report

The Corporate Members and Board of Directors
Consortium of Catholic Academies:

We have audited the accompanying financial statements of the Consortium of Catholic Academies (the Consortium), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities 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 U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Consortium of Catholic Academies as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

KPMG LLP

December 13, 2016

CONSORTIUM OF CATHOLIC ACADEMIES

Statements of Financial Position

June 30, 2016 and 2015

Assets		**2016**	**2015**
Cash and cash equivalents (note 9)	$	1,519,499	969,756
Tuition receivable, net		27,817	34,107
Pledges receivable, net (notes 2 and 8)		1,044,934	1,118,292
Funds held by others (note 8)		1,867,775	2,063,196
Accounts receivable		41,873	622,767
Prepaid expense		30,063	45,035
Furniture and equipment, net (note 3)		71,458	92,811
Cash held for long term purposes		50,965	153,286
Total assets	$	4,654,384	5,099,250
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued expenses (note 8)	$	284,540	186,774
Accrued salaries and benefits (note 8)		632,152	580,147
Funds held on behalf of others (note 8)		324,369	—
Refundable advances		—	35,000
Deferred tuition and fees		111,427	102,120
Note payable, net (note 4)		354,793	411,795
Total liabilities		1,707,281	1,315,836
Net assets:			
Unrestricted:			
Board designated (note 8)		1,863,196	2,063,196
Undesignated		464,517	805,016
Total unrestricted		2,327,713	2,868,212
Temporarily restricted (note 5)		569,390	763,052
Permanently restricted (note 6)		50,000	152,150
Total net assets		2,947,103	3,783,414
Total liabilities and net assets	$	4,654,384	5,099,250

See accompanying notes to financial statements.

CONSORTIUM OF CATHOLIC ACADEMIES

Statements of Activities

Years ended June 30, 2016 and 2015

	2016				2015			
	Unrestricted	Temporarily restricted	Permanently restricted	Total	Unrestricted	Temporarily restricted	Permanently restricted	Total
Changes in net assets:								
Revenue:								
Tuition and academic fees	$ 4,121,360	—	—	4,121,360	4,312,312	—	—	4,312,312
Contributions from the Archdiocese of Washington and affiliates (note 8):								
Tuition and fees	781,101	218,899	—	1,000,000	831,515	168,485	—	1,000,000
Contributed rent from parishes	603,000	—	—	603,000	605,000	—	—	605,000
Other contributions	961,863	—	—	961,863	933,848	—	—	933,848
Parish support	78,453	—	—	78,453	63,850	—	—	63,850
Contributions and fundraising revenue	1,270,924	72,629	—	1,343,553	4,402,496	403,339	—	4,805,835
Other income	5,596	309	—	5,905	2,839	306	—	3,145
Net assets released from restrictions (note 7)	256,530	(256,530)	—	—	377,646	(377,646)	—	—
Total revenue	8,078,827	35,307	—	8,114,134	11,529,506	194,484	—	11,723,990
Expenses (note 8):								
Program services:								
Instruction	7,285,729	—	—	7,285,729	7,012,779	—	—	7,012,779
Nursery school, daycare, and other services	254,803	—	—	254,803	231,912	—	—	231,912
Total program services	7,540,532	—	—	7,540,532	7,244,691	—	—	7,244,691
Supporting services:								
General and administrative	1,078,794	—	—	1,078,794	1,108,427	—	—	1,108,427
Development	—	—	—	—	367,551	—	—	367,551
Total supporting services	1,078,794	—	—	1,078,794	1,475,978	—	—	1,475,978
Total expenses	8,619,326	—	—	8,619,326	8,720,669	—	—	8,720,669
Change in net assets before transfer	(540,499)	35,307	—	(505,192)	2,808,837	194,484	—	3,003,321
Net assets transfer (note 11)	—	(228,969)	(102,150)	(331,119)	—	—	—	—
Change in net assets after transfer	(540,499)	(193,662)	(102,150)	(836,311)	2,808,837	194,484	—	3,003,321
Net assets, beginning of year	2,868,212	763,052	152,150	3,783,414	59,375	568,568	152,150	780,093
Net assets, end of year	$ 2,327,713	569,390	50,000	2,947,103	2,868,212	763,052	152,150	3,783,414

See accompanying notes to financial statements.

CONSORTIUM OF CATHOLIC ACADEMIES

Statements of Cash Flows

Years ended June 30, 2016 and 2015

		2016	2015
Cash flows from operating activities:			
Change in net assets	$	(836,311)	3,003,321
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:			
Depreciation		22,794	12,523
Imputed interest on note payable		20,999	24,353
Changes in assets and liabilities:			
Tuition receivable		6,290	25,679
Pledges receivable		73,358	75,131
Funds held by others		195,421	(2,063,196)
Accounts receivable		580,894	(620,582)
Prepaid expense		14,972	(36,975)
Accounts payable and accrued expenses		97,766	(532,456)
Accrued salaries and benefits		52,005	(37,245)
Funds held on behalf of others		324,369	—
Refundable advances		(35,000)	(70,000)
Deferred tuition and fees		9,307	30,986
Net cash provided by (used in) operating activities		526,864	(188,461)
Cash flows from investing activity:			
Purchase of furniture and equipment		(1,442)	(90,551)
Net cash used in investing activity		(1,442)	(90,551)
Cash flows from financing activity:			
Principal payments on note payable		(78,000)	(78,000)
Net cash used in financing activity		(78,000)	(78,000)
Net increase (decrease) in cash and cash equivalents		447,422	(357,012)
Cash and cash equivalents at beginning of year		1,123,042	1,480,054
Cash and cash equivalents at end of year	$	1,570,464	1,123,042
Noncash financing activity:			
Imputed interest on note payable	$	20,999	24,353

See accompanying notes to financial statements.

(1) Organization and Summary of Significant Accounting Policies

(a) Organization

The Consortium of Catholic Academies (the Consortium), formerly the Center City Consortium, is the cornerstone of a project called "Faith in the City," which was formed in 1997 under the direction of the Archbishop of the Archdiocese of Washington, DC (the Archdiocese). The Consortium was officially incorporated in 2001. The goal of the Consortium is to stabilize and revitalize the inner-city Catholic schools located in the neediest neighborhoods of Washington, DC.

The Consortium fulfills its mission by operating the following inner city Catholic schools: Sacred Heart, St. Francis Xavier, St. Thomas More, and St. Anthony. Under canon law, all real property is titled to the Archbishop of Washington and the facilities in which the schools operate are considered to be property of the respective parishes.

The Consortium helps establish a consistent academic curriculum across the individual schools while also delivering administrative and financial support to ensure the schools remain affordable and continue to provide students with an excellent education. The Consortium strives to instill in students a sense of faith, a love of learning and, ultimately, produce value-centered graduates who will face the future with hope.

(b) Basis of Presentation

The accompanying financial statements include the financial position, changes in net assets, and cash flows of the Consortium on the accrual basis of accounting.

(c) Cash and Cash Equivalents

The Consortium considers highly liquid, short-term investments consisting of savings, and money market accounts to be cash equivalents. Cash equivalents are reported at fair value. A portion of cash and cash equivalents as reported in the statements of cash flows is presented as cash held for long-term purposes on the statements of financial position.

(d) Furniture and Equipment

Furniture and equipment are recorded at cost. Donated equipment is recorded at fair value at the time of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is estimated to be three to seven years.

Because the schools' facilities are the property of the sponsoring parishes, the value of these assets is not included in these financial statements. The Consortium does have formal lease arrangements with the respective parishes for the use of the school buildings, and as a result, improvements to school buildings paid for by the Consortium are expensed as incurred. Each year an estimated value for the use of the building is recorded as both contributed rent from parishes and instruction expense.

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(e) Net Assets

Net assets and revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions; accordingly, the net assets of the Consortium and changes therein are classified and reported as follows:

Unrestricted Net Assets – Represent amounts that are available for the operations of the Consortium and are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets – Represent amounts that are specifically restricted by donors for various programs, purposes, or time periods.

Permanently Restricted Net Assets – Represent amounts subject to donor-imposed stipulations that the net assets be held in perpetuity by the Consortium.

Revenue is reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. Expenses are reported as decreases in unrestricted net assets. Expirations of temporary restrictions on net assets (i.e., the donor's stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

(f) Revenue Recognition

The Consortium recognizes tuition and fees as revenue over the term of the school year. Deferred tuition and fees represents amounts received during the current fiscal year that pertain to the next school year.

Contributions, which include unconditional promises to give, are recognized as revenue in the period the promise is made by the donor. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date of gift.

Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of the discount is recorded as additional revenue and used in accordance with donor-imposed restrictions, if any, on the contributions. Pledges receivable that are past due are individually analyzed and an allowance is recognized for potentially uncollectible pledges.

Contributed services are recognized if the services create or enhance nonfinancial assets or require specialized skills and would need to be purchased, if not provided by donation. Contributed services, equipment, and rent are recorded at fair value as unrestricted contributions, unless specifically restricted by the donor.

The Consortium records awards from the Catholic Education Foundation (CEF) as tuition and fees revenue in the year applied to the students' accounts. Amounts approved by CEF to be carried forward to future years are recorded as temporarily restricted and are released from restriction when applied to students.

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(g) Income Taxes

The Consortium is recognized as exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code. No provision has been made for income taxes during the fiscal years ended June 30, 2016 and 2015 since the Consortium had no significant unrelated business income.

Tax positions are recognized or derecognized based on a more-likely than-not threshold. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which change in judgment occurs. This applies to positions taken or expected to be taken in a tax return. The Consortium recognizes interest accrued related to unrecognized tax benefits and penalties related to unrecognized tax benefits in accounts payable and accrued liabilities, if assessed. No interest expense or penalties have been recognized as of and for the years ended June 30, 2016 and 2015. Management annually reviews its tax positions and has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

(h) Functional Allocation of Expenses

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

(i) Use of Estimates

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

(2) Pledges Receivable

Pledges receivable are summarized as follows as of June 30:

		2016	2015
Unconditional promises expected to be collected in:			
Less than one year	$	712,582	707,940
One year to five years		312,000	312,000
Greater than five years		20,352	98,352
	$	1,044,934	1,118,292

As of June 30, 2016 and 2015, pledges receivable includes $488,352 and $488,352, respectively, from the Archdiocese for the liabilities existing at June 30, 2008, when the Consortium was restructured. The pledges receivable balance relating to the restructuring is to be received as the external note payable is repaid. Additionally, as of June 30, 2016, a tuition assistance receivable for $280,896 for school year 2015–2016 and funds for future year awards of $218,899 remain due from CEF and as of June 30, 2015, a tuition assistance receivable for $361,641 for school year 2014-2015 and funds for future year awards of $168,485 remain due from CEF. The Consortium also has pledges receivable from CEF of $56,787 and $72,064 at

June 30, 2016 and 2015, respectively. Pledges receivable from unrelated donors at June 30, 2015 totaled $27,750.

(3) Furniture and Equipment

The Consortium held the following furniture and equipment as of June 30:

		2016	2015
Equipment	$	354,892	353,451
Furniture		132,992	132,992
Furniture and equipment, gross		487,884	486,443
Less accumulated depreciation		(416,426)	(393,632)
Furniture and equipment, net	$	71,458	92,811

For the years ended June 30, 2016 and 2015, depreciation expense of $22,794 and $12,523, respectively, is included in the accompanying statements of activities.

(4) Note Payable

On January 26, 2011, the Consortium signed an amendment to an original loan agreement dated October 6, 2005 with Building Hope, a private foundation. The original promissory note provided funding for certain renovations of the Consortium's schools and specific schools that were previously overseen by the Consortium. Under the amended terms, the total loan commitment is $839,345 with a maturity date of October 1, 2021. The loan bears no interest unless there is an event of default, at which time the interest rate of 8% per annum shall apply to the remaining balance until such defaulted installment is paid in full. The Consortium makes principal payments of $6,500 on a monthly basis.

The future minimum principal payments required on the note payable are as follows at June 30, 2016:

Year ending June 30:		
2017	$	78,000
2018		78,000
2019		78,000
2020		78,000
2021		78,000
Thereafter		20,352
		410,352
Unaccreted discount		(55,559)
	$	354,793

(5) Temporarily Restricted Net Assets

The temporarily restricted net assets of the Consortium are available for the following programs or purposes as of June 30:

		2016	2015
Archdiocesan tuition assistance	$	218,899	168,485
Other tuition assistance		293,967	276,954
Endowment earnings		965	1,136
Restricted due to time:			
Imputed interest on loan		55,559	76,557
Paula Nowakowski Scholarship Fund		—	239,920
	$	569,390	763,052

(6) Endowments

Effective January 23, 2008, the District of Columbia enacted the Uniform Prudent Management of Institutional Funds Act (the Act), the provisions of which apply to funds existing on or established after that date.

The Board of Directors of the Consortium has interpreted the Act as allowing the Consortium to spend or accumulate the amount of an endowment fund that the Consortium determines is prudent for the uses, benefits, purposes and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. For accounting and reporting purposes, the Consortium 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 organization in a manner consistent with the standard of prudence prescribed by the Act. If the disbursements under the spending rate policy exceed accumulated earnings, the deficiency is classified as an offset to unrestricted net assets until such time as it is recovered by future earnings. In accordance with the Act, the Consortium 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 the Consortium 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 and the appreciation of investments, (6) other resources of the Consortium, and (7) the investment policies of the Consortium.

The Consortium plans to adopt 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 once assets are of sufficient size to warrant such adoption. Endowment assets include those assets of donor-restricted funds that the Consortium must hold in perpetuity. Because of the small size of the endowments, endowment assets are currently held in cash equivalents until a more appropriate investment vehicle is available. No disbursements have been made from either endowment corpus or earnings.

Endowment net assets composition by type of fund was as follows as of June 30:

	2016			
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Donor-restricted endowment funds	$ —	965	50,000	50,965

	2015			
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Donor-restricted endowment funds	$ —	1,136	152,150	153,286

The only change in endowment net assets for the year ended June 30, 2016 represents the transfer of the Paula Nowakowski Funds to Monumental Scholars Fund (MSF) for $331,119. (note 11).

(7) Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses or by the passage of time as follows during the year ended June 30:

	2016	**2015**
Tuition assistance	$ 222,601	240,729
Paula Nowakowski scholarships awarded	12,930	12,564
Passage of time-collection of pledge receivable	—	100,000
Passage of time-accretion of discount on loan	20,999	24,353
	$ 256,530	377,646

(8) Related-Party Transactions

The Consortium has significant transactions with parishes and related entities of the Archdiocese, of which it is also an affiliate. The nature of these relationships is described below. This is a summary of the impact of significant transactions with these related parties on the statements of financial position and statements of activities as of and for the years ended June 30:

		2016	2015
(a) Archdiocesan amounts:			
Pledges receivable (from CPA)	$	488,352	488,352
Pledges receivable (from CEF)		556,582	602,190
Other receivable (from CPA)		39,635	622,178
Funds held by others (from CPA)		1,863,196	2,063,196
Funds held by others (from CEF)		4,579	—
Accounts payable and accrued expenses (to CPA)		137,979	8,887
Accrued salaries and benefits (to CPA)		—	66,160
Tuition assistance revenue (from CEF)		1,000,000	1,000,000
Gift from CPA		—	225,000
Insurance program expenses (with CPA)		736,452	715,319
Administrative expenses (with CPA)		372,812	754,492
(b) Support from parishes:			
Contributed rent revenue and instruction expense		603,000	605,000
Consortium parish support		78,453	63,850
(c) Other contributions:			
Gifts from other parishes		961,863	933,848
(d) Support from board members and employees		1,400	217,500

(a) Archdiocesan Support

The Consortium receives support from the Archdiocese in the form of tuition assistance. CEF has indicated that it expects to provide up to $1,000,000 in tuition assistance support to students attending Consortium schools for the year ended June 30, 2017. Uncollected tuition assistance from prior years is recorded as pledges receivable.

Funds held by others of $2,063,196 at June 30, 2015 represents a one-time gift received by the Central Pastoral Administration of the Archdiocese of Washington (CPA) in 2015 for the benefit of the Consortium. Funds held by others at June 30, 2016 includes $1,863,196 and $4,579 representing the net balance of the 2015 gift and the Consortium’s share of donations received by the Catholic Education Foundation (CEF) fundraising initiative, respectively. During the fiscal year ended June 30, 2016 the Board approved a resolution to eliminate and invest these unrestricted funds, allowing for a $200,000 annual disbursement to support the Consortium’s operating budget.

The CPA pays certain expenses on behalf of the Consortium and bills the Consortium for the amounts paid. The balance due is included in accounts payable and accrued expenses.

The Consortium participates in the Archdiocesan insurance programs, which are self-insured up to certain limits, for property casualty, workers' compensation, life insurance, and health claims. The CPA provides accounting and administrative services, rents office space, and provides maintenance for Consortium school buildings. These costs are allocated in accordance with the functional allocation of expenses policy.

The Archdiocese has committed to provide future financial stability to the Consortium to ensure continued operations at least through December 31, 2017.

(b) Support from Parishes

The Consortium's schools utilize space in buildings owned by parishes within the Archdiocese of Washington. The value of space utilized by the Consortium is based on the estimated amount of depreciation that would be recognized on the replacement cost of these facilities. The Consortium also received general operating support shown as parish support from the Consortium parishes.

(c) Other Contributions

The Consortium receives contributions through the Archdiocese representing gifts from parishes of certain former Consortium schools.

(d) Support from Board Members and Employees

Members of the Board of Directors and employees provide contributions to the Consortium on a regular basis.

(9) Concentration of Risk

The Consortium maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Consortium has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its bank balances.

For the year ended June 30, 2015, the Consortium recognized $1.9 million in contribution revenue from a fundraising event, which is now hosted by another organization. During the years ended June 30, 2016 and 2015, the Consortium recognized $2.2 million and $3.3 million in contributions in total from that other organization, a single donor and a related party donor. Tuition and academic fees revenue includes $2.4 million and $2.6 million from parents participating in the DC Opportunity Scholarship Program for the years ended June 20, 2016 and 2015, respectively. These sources of revenue combined equal 57% and 66% of total revenue for the years ended June 30, 2016 and 2015, respectively.

(10) Retirement Plan

The Consortium participates in the Retirement Plan of the Archdiocese of Washington (the Retirement Plan), a defined-benefit plan, which was frozen effective December 31, 2012. No further benefits will be accrued. To be eligible for participation in the Retirement Plan, an employee must have completed one year of service, been 21 years of age, and regularly worked 20 or more hours per week. Information as to vested and nonvested benefits, as well as plan assets and unfunded liabilities, related solely to the Consortium is not readily determinable. In accordance with Accounting Standards Codification 715-30-55-63, the Consortium accounts for its participation in the Retirement Plan as a multiemployer plan.

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Effective January 1, 2013, the Consortium also participates in a 403(b) plan, the Archdiocese of Washington Retirement Savings Plan (the Plan). The Plan is a defined-contribution plan covering all employees immediately upon date of hire who regularly work 20 hours or more per week. Participants are eligible to make contributions as salary deductions from 1% to 100% of pay up to a maximum of $18,000 per year for employees less than 50 years of age and up to $24,000 for those 50 and older. For the first 4% of salary an employee contributes to the plan, the Consortium provides a 50% match. The Consortium also provides an annual contribution between 1% and 4% based on years of service, regardless of employee participation in the Plan. Employer contributions vest at a rate of 20% per year for five years. The multiemployer plan is approximately 70% funded, or yellow zone status, at June 30, 2016.

During the years ended June 30, 2016 and 2015, the Consortium's portion of retirement costs was $327,759 and $321,512, respectively. Beginning January 1, 2013, it is anticipated that approximately 50% of the retirement cost, net of expenses, will fund the new 403(b) plan and the other portion will be used to fund the deficit of the frozen defined-benefit plan.

(11) Transfer of Net Assets

The Consortium has entered into a memorandum of understanding with Monumental Scholars Fund (MSF) in regard to the transfer of the Paula Nowakowski Scholarship Funds being held by the Consortium. The memorandum was signed effective May 10, 2016. Both parties agreed that the ownership and assets of the Paula Endowment and Scholarship be transferred to MSF. As of June 30, 2016, the balance of the Paula funds in the temporarily restricted and permanently restricted net assets which were transferred to the unrestricted net assets totaled $228,969 and $102,150, respectively. A liability and expense were recorded effective June 30, 2016 for the $331,119, which will be disbursed during the year ending June 30, 2017.

(12) Subsequent Events

In preparing these financial statements, the Consortium has evaluated events and transactions for potential recognition or disclosure through December 13, 2016, the date the financial statements were available to be issued. There were no events or transactions that were discovered during the evaluation that required accrual or further disclosure.