FOR YOUTH DEVELOPMENT®
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

ACCOUNTING FOR OUR CAUSE

Consolidated Financial Statements and Report of Independent Certified Public Accountants and Single Audit Reports

April 2016
YMCA OF THE USA

What follows are YMCA of the USA's 2015 and 2014 consolidated financial statements and report of independent certified public accountants, Grant Thornton, which were prepared in April 2016. Please refer questions to YMCA of the USA's finance department at 800-872-9622.

Contents

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
National Council of Young Men's Christian Associations
of the United States of America and Affiliate

Report on the financial statements

We have audited the accompanying consolidated financial statements of the National Council of Young Men's Christian Associations of the United States of America and Affiliate (Y-USA), which comprise the consolidated statements of financial position as of December 31, 2015 and 2014, and the related consolidated statements of activities, cash flows and functional expenses 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 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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 Y-USA'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 Y-USA'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 reasonable 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 the National Council of Young Men's Christian Associations of the United States of America and Affiliate as of December 31, 2015 and 2014, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other matters

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information as of and for the years ended December 31, 2015 and 2014, on pages 36 through 39 and the schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report, dated April 6, 2016, on our consideration of Y-USA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Y-USA's internal control over financial reporting and compliance.

Grant Thornton LLP

Chicago, Illinois
April 6, 2016

National Council of Young Men's Christian Associations
of the United States of America and Affiliate
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2015 and 2014
(In thousands)

ASSETS

	2015	2014
ASSETS		
Cash and cash equivalents	$ 18,402	$ 21,275
Prepaid expenses and other assets	4,288	1,009
Pledges receivable, net	28,510	17,542
Fair Share and other receivables, net	5,348	3,979
Investments	83,329	85,070
Land, building and equipment, net	7,371	9,002
Jerusalem property development, net at December 31, 2015	8,958	22,129
Beneficial interests in perpetual trusts	7,520	8,047
TOTAL ASSETS	$ 163,726	$ 168,053

LIABILITIES AND NET ASSETS

	2015	2014
LIABILITIES		
Accounts payable and accrued liabilities	$ 15,465	$ 16,059
Deferred revenue	2,424	2,323
Notes payable	7,870	8,253
Deferred lease payments	-	7,951
Total liabilities	25,759	34,586
NET ASSETS		
Unrestricted		
Undesignated	731	8,672
Board-designated	48,109	48,047
Total unrestricted	48,840	56,719
Temporarily restricted	70,095	57,258
Permanently restricted	19,032	19,490
Total net assets	137,967	133,467
TOTAL LIABILITIES AND NET ASSETS	$ 163,726	$ 168,053

The accompanying notes are an integral part of these statements.

National Council of Young Men's Christian Associations
of the United States of America and Affiliate
CONSOLIDATED STATEMENT OF ACTIVITIES
For the year ended December 31, 2015
(In thousands)

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues and support				
Contributions and support				
Government and other grants	$ 9,807	$ 53,170	$ -	$ 62,977
Corporate and foundation gifts	-	8,230	-	8,230
General	2,448	110	69	2,627
World Service campaign	-	1,470	-	1,470
Net assets released from restrictions	49,822	(49,822)	-	-
Total contributions and support	62,077	13,158	69	75,304
Financial support from member YMCAs	64,961	-	-	64,961
Program and service revenue	5,672	-	-	5,672
Jerusalem International YMCA program revenue	4,616	-	-	4,616
Royalties and other revenue	855	-	-	855
Income from third party trusts	467	99	-	566
Allocation of investment earnings for current operations	3,122	778	-	3,900
Total revenues and support	141,770	14,035	69	155,874
Expenses				
Program activities				
Social responsibility	41,206	-	-	41,206
Youth development	51,272	-	-	51,272
Healthy living	34,458	-	-	34,458
Total program activities	126,936	-	-	126,936
Supporting services				
Management and general	10,916	-	-	10,916
Fund-raising	2,498	-	-	2,498
Total supporting services	13,414	-	-	13,414
Total expenses	140,350	-	-	140,350
Change in net assets from operations	1,420	14,035	69	15,524
Non-operating activities				
Investment return in deficit of amounts designated for current operations	(3,158)	(1,198)	-	(4,356)
Change in beneficial interests in perpetual trusts	-	-	(527)	(527)
Impairment of Jerusalem Development Project	(6,141)	-	-	(6,141)
Total non-operating activities	(9,299)	(1,198)	(527)	(11,024)
CHANGE IN NET ASSETS	(7,879)	12,837	(458)	4,500
Net assets at beginning of year	56,719	57,258	19,490	133,467
Net assets at end of year	$ 48,840	$ 70,095	$ 19,032	$ 137,967

The accompanying notes are an integral part of this statement.

National Council of Young Men's Christian Associations
of the United States of America and Affiliate
CONSOLIDATED STATEMENT OF ACTIVITIES
For the year ended December 31, 2014
(In thousands)

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues and support				
Contributions and support				
Government and other grants	$ 8,110	$ 30,143	$ -	$ 38,253
Corporate and foundation gifts	150	7,589	-	7,739
General	293	857	857	2,007
World Service campaign	-	1,531	-	1,531
Net assets released from restrictions	37,726	(37,726)	-	-
Total contributions and support	46,279	2,394	857	49,530
Financial support from member YMCAs	57,629	-	-	57,629
Program and service revenue	5,508	-	-	5,508
Jerusalem International YMCA program revenue	5,366	-	-	5,366
Royalties and other revenue	1,340	-	-	1,340
Income from third party trusts	255	41	-	296
Allocation of investment earnings for current operations	3,124	778	-	3,902
Total revenues and support	119,501	3,213	857	123,571
Expenses				
Program activities				
Social responsibility	45,209	-	-	45,209
Youth development	36,755	-	-	36,755
Healthy living	30,258	-	-	30,258
Total program activities	112,222	-	-	112,222
Supporting services				
Management and general	9,665	-	-	9,665
Fund-raising	2,034	-	-	2,034
Total supporting services	11,699	-	-	11,699
Total expenses	123,921	-	-	123,921
Change in net assets from operations	(4,420)	3,213	857	(350)
Non-operating activities				
Investment return in excess of amounts designated for current operations	744	145	-	889
Change in beneficial interests in perpetual trusts	-	-	(44)	(44)
Transfer of net assets for JIY endowment	-	(230)	(4,234)	(4,464)
Total non-operating activities	744	(85)	(4,278)	(3,619)
CHANGE IN NET ASSETS	(3,676)	3,128	(3,421)	(3,969)
Net assets at beginning of year	60,395	54,130	22,911	137,436
Net assets at end of year	$ 56,719	$ 57,258	$ 19,490	$ 133,467

The accompanying notes are an integral part of this statement.

National Council of Young Men's Christian Associations
of the United States of America and Affiliate
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2015 and 2014
(In thousands)

	2015	2014
Cash flows from operating activities		
Change in net assets	$ 4,500	$ (3,969)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation and amortization	2,059	2,298
Provision for bad debts	590	487
Net realized and unrealized losses (gains) on investments	675	(4,566)
Impairment of Jerusalem Development Project	6,141	-
Change in beneficial interests in perpetual trusts	527	44
Permanently restricted contributions	(69)	(857)
Changes in operating assets and liabilities		
Accounts payable and accrued liabilities	(594)	(1,495)
Fair Share, pledges receivable and other receivables, net	(12,927)	206
Deferred revenue and lease payments	43	987
Prepaid expenses and other assets	(3,279)	(65)
Net cash used in operating activities	(2,334)	(6,930)
Cash flows from investing activities		
Jerusalem property development	(863)	(8,787)
Acquisitions of land, building and equipment	(428)	(1,070)
Sales of investments	4,380	24,721
Purchases of investments	(3,314)	(19,874)
Net cash used in investing activities	(225)	(5,010)
Cash flows from financing activities		
Proceeds from notes payable	7,617	8,221
Permanently restricted contributions	69	857
Payments on notes payable	(8,000)	(84)
Net cash (used in) provided by financing activities	(314)	8,994
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,873)	(2,946)
Cash and cash equivalents at beginning of year	21,275	24,221
Cash and cash equivalents at end of year	$ 18,402	$ 21,275
Supplemental disclosure of cash flow information		
Cash paid for interest	$ 24	$ 10

The accompanying notes are an integral part of these statements.

National Council of Young Men's Christian Associations
of the United States of America and Affiliate
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2015
(In thousands)

	Program activities				Supporting services			
	Social responsibility	Youth development	Healthy living	Total	Management and general	Fund-raising	Total	Total
Personnel costs	$ 18,466	$ 14,792	$ 13,326	$ 46,584	$ 6,147	$ 2,009	$ 8,156	$ 54,740
Awards and grants to associations	5,764	18,523	6,385	30,672	-	-	-	30,672
Purchased, contract or donated services	6,513	8,181	7,749	22,443	1,846	-	1,846	24,289
Communications and supplies	4,302	4,289	2,257	10,848	263	82	345	11,193
Travel and meeting expenses	3,258	3,424	2,380	9,062	937	298	1,235	10,297
Occupancy and insurance	1,843	1,439	1,349	4,631	717	109	826	5,457
Depreciation and amortization	819	494	447	1,760	299	-	299	2,059
Organizational dues	52	8	6	66	628	-	628	694
Provision for uncollectable accounts	67	31	471	569	21	-	21	590
Financing costs	113	84	81	278	27	-	27	305
Miscellaneous	9	7	7	23	31	-	31	54
Total functional expenses	$ 41,206	$ 51,272	$ 34,458	$ 126,936	$ 10,916	$ 2,498	$ 13,414	$ 140,350

The accompanying notes are an integral part of this statement.

National Council of Young Men's Christian Associations
of the United States of America and Affiliate
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2014
(In thousands)

	Program activities				Supporting services			
	Social responsibility	Youth development	Healthy living	Total	Management and general	Fund-raising	Total	Total
Personnel costs	$ 17,852	$ 13,562	$ 12,884	$ 44,298	$ 5,490	$ 1,594	$ 7,084	$ 51,382
Awards and grants to associations	10,189	9,009	4,878	24,076	-	-	-	24,076
Purchased, contract or donated services	6,491	5,670	5,924	18,085	1,723	-	1,723	19,808
Communications and supplies	3,841	3,559	2,083	9,483	221	83	304	9,787
Travel and meeting expenses	3,468	2,613	2,158	8,239	852	217	1,069	9,308
Occupancy and insurance	2,050	1,558	1,571	5,179	298	140	438	5,617
Depreciation and amortization	950	562	503	2,015	283	-	283	2,298
Organizational dues	76	10	28	114	677	-	677	791
Provision for uncollectible accounts	160	119	139	418	68	-	68	486
Financing costs	120	83	78	281	24	-	24	305
Miscellaneous	12	10	12	34	29	-	29	63
Total functional expenses	$ 45,209	$ 36,755	$ 30,258	$ 112,222	$ 9,665	$ 2,034	$ 11,699	$ 123,921

The accompanying notes are an integral part of this statement.

NOTE A - DESCRIPTION OF ORGANIZATION

The National Council of Young Men's Christian Associations of the United States of America (Y-USA) is an Illinois not-for-profit organization with headquarters in Chicago, Illinois. Jerusalem International YMCA (JIY) is registered in Israel as a not-for-profit in accordance with the Association's Law (1980).

As the national resource office for the nation's 2,700 YMCAs, Y-USA's basic objective is to build the capacity of YMCAs to advance our cause of strengthening community through youth development, healthy living and social responsibility. Youth development aims to nurture the potential of every child and teen through programs such as childcare, education and leadership, swim and camp. Healthy living programs aim to improve the nation's health and well-being through programs that focus on family time, well-being and fitness, sports and recreation. Social responsibility incorporates giving back and providing support to our neighbors with programs that include social services, global services, volunteerism and advocacy.

Y-USA's funding comes from various sources, the most significant being from YMCA associations throughout the United States. These associations are autonomous corporations, separately incorporated in their respective states, have independent boards and issue separate, individual financial statements, which are not included in the accompanying consolidated financial statements.

Y-USA is governed by its Board of Directors (the National Board). Objectives, purposes, powers and functions of Y-USA are performed, carried out and made effective by the National Board.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting and include the accounts of Y-USA and its subsidiary, JIY. Inter-organization balances and transactions have been eliminated in consolidation.

The Investment Committee has the responsibility of overseeing and protecting the endowment assets. Certain endowments and gifts contain restrictions that specify the use of income and/or principal. All distributions from the endowment fund continue to be made in accordance with the original donor restrictions and board designations and are accounted for in accordance with accounting principles generally accepted in the United States of America, adherence to Illinois law and the Uniform Prudent Management of Institutional Funds Act (UPMIFA). All disbursements are made for the express purpose of furthering YMCA work throughout the world.

Net Assets

Net assets have been recorded and reported as changes in unrestricted, temporarily restricted or permanently restricted net assets.

Unrestricted **- Unrestricted net assets consist of resources that are available for use in carrying out the mission of Y-USA and include those expendable resources that have been designated for special use by the National Board.**

Temporarily restricted **- Temporarily restricted net assets represent those amounts that are donor restricted with respect to purpose or time. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of a restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as net assets released from restrictions.**

Permanently restricted **- Permanently restricted net assets result from contributions with donor restrictions that mandate the original principal be invested in perpetuity. Permanently restricted net assets include beneficial interests in perpetual trusts held by third parties. The majority of the earnings from permanently restricted net assets are available for the general use of Y-USA. On July 18, 2013, the National Board approved the transfer of all endowment funds given by donors to Y-USA over the years for support of JIY's programs, operations and capital needs. JIY's board, concerned about their ability to manage the endowment, transferred the funds to Friends of JIY to manage the endowment funds. Y-USA completed the final transfer of the endowment funds to the Friends of JIY in February 2014. JIY understands the nature of all donor agreements and related restrictions on the funds and is committed to abide by those restrictions in holding and expending the funds.**

Revenues

In the absence of donor restrictions, contributions and bequests are considered to be available for unrestricted use. All revenue is recognized in the period when the contribution, pledge or unconditional promise to give is received. As the national resource office for the nation's 2,700 YMCAs, Y-USA has 856 corporate members that pay annual Fair Share dues that provide financial support to the national office. Annual Fair Share dues are billed and recognized on a monthly basis. Y-USA also generates program and service revenue from program and registration fees as well as YMCA program certification from training and development courses offered to the nation's YMCAs and their members. Program and service revenues are recognized at the completion of the courses.

Contributed Services and In-kind Media

A substantial number of unpaid volunteers have made significant contributions of their time in the furtherance of Y-USA's activities. Such services do not meet the criteria for recognition as contributions; therefore, their value is not reflected in the accompanying consolidated financial statements.

Contributed services are reported as contributions if such services create or enhance non-financial assets or if they would have been purchased if not provided by contribution, require

specialized skills and are provided by individuals possessing such specialized skills. Contributed services are recognized at their estimated fair values at date of receipt with an equal and offsetting amount in unrestricted functional expenses in the consolidated statements of activities, resulting in no net impact on the change in net assets during the year. Contributed services recognized related to consulting, support payments and travel were $450 and $78 for the years ended December 31, 2015 and 2014, respectively.

Printing, publications and promotions includes public service announcements (PSA) on radio, national cable and magazines. Y-USA produces and distributes PSAs to a third party who then distributes them to television, radio, Internet and magazines that focus attention on the YMCA programs. These carriers provide airtime and print space to deliver PSAs to assist Y-USA in its mission, free of charge. Y-USA has contracted with independent outside agencies to track the date and time that each PSA displays and to estimate the fair value of the announcement and printed advertisement based on the date, time and market. For the years ended December 31, 2015 and 2014, Y-USA recorded $8,053 and $6,912, respectively.

Awards and Grants to Associations

These grants represent amounts distributed to member and international YMCAs to assist them in furthering their individual missions.

Investments

Publicly traded investments are recorded at fair value determined on the basis of closing market prices or bid quotations. Other investments are recorded at fair value based on Y-USA's unit share of the fair value of the underlying investments. Purchases and sales of investments are recorded on a trade-date basis. Dividend income is recorded on the ex-dividend date. Net realized and unrealized gains and losses are reflected in both operating and non-operating activities. The endowment allocation is reflected under operating activities while investment-related activity (realized/unrealized gains and losses and investment income) are reflected net in the non-operating activities section of the consolidated statements of activities.

Accounts and Pledges Receivable

Accounts and pledges receivable are due from member associations, donors and other entities, and are recorded net of allowances for uncollectible accounts. Y-USA determines its allowance for uncollectible accounts by considering a number of factors, including the length of time receivables are past due, Y-USA's previous collection history, the member association's or entity's current ability to pay its obligation to Y-USA, and the condition of the general economy and the industry as a whole. Y-USA writes off accounts and pledges receivable when they become uncollectible, and the payments subsequently received on such receivables are credited to revenue.

Land, Building and Equipment

Land, building, equipment and leasehold improvements are recorded at cost. Depreciation is provided using the straight-line method based on the estimated useful lives of the related assets, ranging from three to 30 years. Amortization on leasehold improvements is provided over the life of the lease. Y-USA's fixed asset capitalization policy is to capitalize long-lived assets with a value greater than $5.

Beneficial Interests in Perpetual Trusts

Y-USA has beneficial interests in certain perpetual trusts, which are held by third parties. Y-USA recognizes revenue equal to its proportionate share of the fair value of the trust assets upon notification and determination that its right to receive benefits under the agreement is unconditional and irrevocable. Changes in the fair value of Y-USA's interest in the trust assets are reflected as gains or losses in the consolidated statements of activities in the period in which they occur. The distributions are recognized as investment income.

Concentration of Credit Risk

Y-USA has certain financial instruments that subject it to potential credit risk. Those financial instruments consist primarily of cash and cash equivalents. Y-USA maintains its cash balance with financial institutions. At times, these balances may exceed the Federal Deposit Insurance Corporation insured limits. Y-USA has not experienced any loss on these accounts and believes there is no significant exposure of credit risk on cash and cash equivalents.

Use of Estimates

Management of Y-USA has made certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

Income Taxes

Y-USA has received a favorable determination letter from the Internal Revenue Service stating that they are exempt from federal income taxes under Section 501(a) of the Internal Revenue Code of 1986 (IRC), as an organization described in Section 501(c)(3), except for income taxes pertaining to unrelated business income. The Financial Accounting Standards Board (FASB) issued guidance that requires tax effects from uncertain tax positions to be recognized in the financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. Management has determined that there are no material uncertain positions that require recognition in the consolidated financial statements. Additionally, no provision for income taxes is reflected in these consolidated financial statements, and there is no interest or penalties recognized in the consolidated statements of activities or statements of financial position. The fiscal years ended 2012, 2013, 2014 and 2015 are still open to audit for both federal and state purposes.

Fair Value Measurements

The FASB has issued guidance that defines fair value, establishes a framework for measuring fair value, specifies a fair value hierarchy based on the inputs used to measure fair value and specifies disclosure requirements for fair value measurements. The guidance also maximizes the use of observable inputs by requiring that observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing an asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The fair value hierarchy is broken down into three levels based on the transparency of inputs as follows:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the report date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.

Inputs are used in applying the various valuation techniques and broadly refer to assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes observable requires significant judgment by Y-USA. Y-USA considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the fair value hierarchy is based on the pricing transparency of the instrument and does not necessarily correspond to Y-USA's perceived risk of that instrument.

Investments for which values are based on quoted market prices in active markets, and are therefore classified within Level 1, include mutual funds, common and preferred stock, and short-term money market mutual funds. Y-USA does not adjust the quoted price for such instruments, even in situations where Y-USA holds a large position and a sale could reasonably impact the quoted price.

Level 2 - Investments that trade in markets that are not considered to be active, but that are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs, are classified within Level 2. As Level 2 investments include positions that are not traded in active markets and/or subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Level 3 - Investments classified within Level 3 have significant unobservable inputs as they trade infrequently or not at all. When observable prices are not available for these investments, Y-USA uses one or more valuation techniques (e.g., the market approach, the income approach or the cost approach) for which sufficient and reliable data is available.

Y-USA has no investments recorded as Level 2 or Level 3 as of December 31, 2015 and 2014.

Y-USA's beneficial interests in perpetual trusts held by others are valued using the fair value of the assets in the trust as a practical expedient, unless facts and circumstances indicate that the fair values of the assets in the trust differ from the fair value of the beneficial interests. Perpetual trusts held by others are classified within Level 3 of the fair value hierarchy.

Prior-year Reclassifications

Certain amounts in the 2014 consolidated financial statements have been reclassified to conform to the 2015 presentation. These reclassifications had no effect on the change in consolidated net assets.

New Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers*, which supersedes most of the current revenue recognition requirements. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The guidance provides a five-step analysis of transactions to determine when and how revenue is recognized. Other major provisions include capitalization of certain contract costs, consideration of time value of money in the transaction price and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The guidance is currently effective for Y-USA for 2019 (early adoption is not permitted). The guidance permits the use of either a retrospective or cumulative effect transition method. Y-USA is evaluating whether this will have a material impact on Y-USA's consolidated financial statements.

In April 2015, the FASB issued ASU 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, which exempts investments measured using the net asset value (NAV) practical expedient in Accounting Standards Codification (ASC) 820, *Fair Value Measurement*, from categorization within the fair value hierarchy and related disclosures. This ASU requires presentation of the carrying amount of investments measured at the NAV practical expedient as a reconciling item between the total amount of investments categorized within the fair value hierarchy and total investments measured at fair value on the face of the financial statements. This ASU is effective for Y-USA for 2017; however, early adoption is permitted, and Y-USA has adopted the ASU for 2015, with retrospective application. The revised disclosures are included in note F to the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). The underlying principle of ASU 2016-02 is that lessees should be required to recognize the assets and liabilities arising from leases on the statements of financial position. The guidance requires a lessee to recognize a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. The recognition, measurement and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed from previous generally accepted accounting principles. There continues to be a differentiation between finance leases and operating leases. However, the principal difference from previous guidance is that the lease assets and lease liabilities arising from operating leases should be recognized in the consolidated statements of financial position. The guidance is currently effective for Y-USA for 2020, and early adoption is permitted for all entities. Lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. Y-USA is currently evaluating the impact that the adoption of ASU 2016-02 will have on its consolidated financial statements.

(In thousands)

NOTE C - ACCOUNTS AND PLEDGES RECEIVABLE

Accounts receivable consist of the following at December 31:

	2015	2014
Fair Share dues	$4,907	$ 5,668
Other receivables	1,389	1,405
Total accounts receivable	6,296	7,073
Less allowance for doubtful accounts	(948)	(3,094)
Accounts receivable, net	$5,348	$ 3,979

Pledges receivable at December 31, 2015 and 2014, are due in future periods as follows:

	2015	2014
Pledges due in varying amounts through 2015, non-interest-bearing, discounted using an interest rate of 2%		
Less than one year	$16,784	$15,830
One to five years	12,156	1,812
Total pledges	28,940	17,642
Less		
Provision for uncollectible accounts	(30)	(30)
Discount to present value	(400)	(70)
Pledges, net	$28,510	$17,542

Pledges are restricted for the following purposes:

- Youth Development
- Healthy Living
- Social Responsibility

(In thousands)

NOTE D - ALLOWANCE FOR DOUBTFUL ACCOUNTS

Changes in Y-USA's allowance for doubtful accounts receivable and financial support are as follows for the years ended December 31:

	2015	2014
Beginning balance	$ 3,124	$ 4,194
Provision for bad debts	590	487
Accounts written off	(2,736)	(1,557)
Total allowance for doubtful accounts	$ 978	$ 3,124

NOTE E - INVESTMENTS

At December 31, 2015 and 2014, investments comprised the following:

	2015	2014
Publicly traded		
Mutual funds	$13,708	$13,667
Common and preferred stock	43,236	46,026
Total publicly traded	56,944	59,693
Other investments		
Commingled funds	9,780	10,551
Invested cash in pending security purchases	2,789	2,117
Limited partnerships	11,444	12,213
Receivable from redemption of investment	1,889	-
Jerusalem Foundation	483	496
Total other investments	26,385	25,377
Total investments	$83,329	$85,070

(In thousands)

For the years ended December 31, 2015 and 2014, investment income consisted of the following:

	2015	2014
Interest and other investment income, net	$ 219	$ 225
Realized and unrealized (losses) gains, net	(675)	4,566
Total investment return	(456)	4,791
Allocation of investment earnings for current operations	(3,900)	(3,902)
Investment return in excess of amounts available for current operations	$(4,356)	$ 889

Interest and other investment income have been presented net of investment fees of $548 and $655 for the years ended December 31, 2015 and 2014, respectively.

NOTE F - FAIR VALUE MEASUREMENTS

The following table summarizes assets by fair value measurement level as of December 31:

	2015			
	Level 1	Level 2	Level 3	Total
Mutual funds	$13,708	$ -	$ -	$13,708
Common and preferred stock	43,236	-	-	43,236
	$56,944	$ -	$ -	56,944
Alternative investments, measured at NAV				
Commingled funds				9,780
Limited partnerships				11,444
Jerusalem Foundation				483
Total investments at fair value				78,651
Receivable from redemption of investment				1,889
Invested cash in pending security purchases				2,789
Total investments				$83,329
Beneficial interests in perpetual trusts			$7,520	$ 7,520

(In thousands)

	2014			
	Level 1	Level 2	Level 3	Total
Mutual funds	$13,667	$ -	$ -	$13,667
Common and preferred stock	46,026	-	-	46,026
	$59,693	$ -	$ -	59,693
Alternative investments, measured at NAV				
Commingled funds				10,551
Limited partnerships				12,213
Jerusalem Foundation				496
Total investments at fair value				82,953
Invested cash in pending security purchases				2,117
Total investments				$85,070
Beneficial interests in perpetual trusts			$8,047	$ 8,047

All net realized and unrealized gains or losses in the tables above are reflected in the accompanying consolidated statements of activities.

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

	2015			
	Fair value	Unfunded commitments	Redemption frequency	Redemption notice period
Limited partnerships	$ 3,876	$ -	Annual	100 days
Limited partnerships	3,202	-	Quarterly	100 days
Limited partnerships	4,366	-	Monthly	Trade plus 5 days
Commingled funds	2,819	-	Monthly	Trade plus 5 days
Commingled funds	1,670	-	Monthly	Trade plus 5 days
Commingled funds	1,681	-	Anytime	Trade plus 7 days
Commingled funds	3,610	-	Monthly	Trade plus 30 days
	$21,224	$ -		

(In thousands)

	2014			
	Fair value	Unfunded commitments	Redemption frequency	Redemption notice period
Limited partnerships	$ 3,630	$ -	Annual	100 days
Limited partnerships	1,884	-	Annual	100 days
Limited partnerships	2,154	-	Quarterly	100 days
Limited partnerships	4,545	-	Monthly	Trade plus 5 days
Commingled funds	2,823	-	Anytime	Trade plus 5 days
Commingled funds	1,940	-	Anytime	Trade plus 5 days
Commingled funds	1,998	-	Anytime	Trade plus 7 days
Commingled funds	3,790	-	Monthly	Trade plus 30 days
	$22,764	$ -		

The changes in Level 3 assets for the years ended December 31, 2015 and 2014, consisted of the following:

	Balance, December 31, 2014	Additions	Transfers	Change in value	Balance, December 31, 2015
Beneficial interests in perpetual trust funds	$8,047	$ -	$ -	$(527)	$7,520

	Balance, December 31, 2013	Additions	Transfers	Change in value	Balance, December 31, 2014
Beneficial interests in perpetual trust funds	$8,091	$ -	$ -	$(44)	$8,047

Commingled Funds

Harris Associates L.P. (Harris)

Harris is an international value-oriented manager. All of the underlying assets are marketable securities. Harris's strategy is to invest in companies that trade at a substantial discount to their underlying business value and are run by managers that think as owners. By purchasing quality businesses at a discount to underlying value, the managers hope to produce superior performance with below-average risk. The fund may invest up to 15% of the fund's assets in emerging markets. The fund utilizes the MSCI EAFE benchmark. The fund allows for monthly redemptions with 30 days' notice. Proceeds are payable within 30 days of withdrawal. In the first year of investment, any withdrawal is subject to a 2% charge, which may be waived at the sole discretion of the general partner. The fair value of the fund was $3,610 and $3,790 at December 31, 2015 and 2014, respectively.

Prudential Institutional Core Plus Fixed Income (Prudential)

Prudential is a fixed income portfolio. All of the underlying assets are marketable securities. This is an actively managed strategy targeting +150 basis points over the Barclays Aggregate benchmark. Both benchmark and non-benchmark sectors are used in the portfolio, with an emphasis on credit-oriented sectors. The fund, in aggregate, is investment-grade. On average, approximately 65% of the portfolio is rated A3/A- or better. The fund allows for liquidity upon five days' written notice. The fair value of the fund was $2,819 and $2,823 at December 31, 2015 and 2014, respectively.

Oppenheimer Funds, Inc.

The OFI Institutional Emerging Markets Equity Fund, LP is an emerging markets fund. The fund invests in common stocks of companies whose principal activities are in at least three developing markets. The fund invests in growth companies in any market capitalization. The selection process takes into account some top-down thematic trends: Mass Affluence, Restructuring, Technology and Trading. The fund is benchmarked against the MSCI Emerging Markets Index. All of the underlying assets are marketable securities. The fund allows for daily withdrawals with three to five days' written notice, and will be payable next day. The fair value of the fund was $1,670 and $1,940 at December 31, 2015 and 2014, respectively.

Polunin Capital Partners Limited

The Polunin Emerging Markets fund invests in emerging market companies that have strong balance sheets and whose value relative to replacement costs are compelling based on Polunin's proprietary evaluation process. Trading liquidity is a key consideration. Typically, the portfolio comprises up to 100 stocks across 25 countries and 20 industrial sectors, and the majority of the portfolio is made up of out-of-index stocks at any point in time. This fund does not hedge currency exposure. The fund is benchmarked against the MSCI Emerging Markets Index. All of the underlying assets are marketable securities. The fund allows for monthly withdrawals with seven business days' written notice, and will be payable within five business days. The fair value of the fund was $1,681 and $1,998 at December 31, 2015 and 2014, respectively.

Limited Partnerships

Permal Fixed Income Holdings

This fund is registered with the U.S. Securities and Exchange Commission. The objective of the fund is to achieve above-average returns over time while maintaining a lower risk profile than traditional investments. The pool is globally focused and the investments are both credit spread and non-credit spread related. The credit spread strategies include Fixed Income - Hedged and Fixed Income - Developed and Emerging Markets. The non-credit spread strategies include Global Macro, Relative Value Arbitrage and Event Driven strategies. The NAV of the fund is determined monthly. The fund allows for quarterly liquidity with 20 days' written notice. The fair value of the fund was $4,366 and $4,545 at December 31, 2015 and 2014, respectively.

The Investment Fund for Foundations (TIFF) Absolute Return Pool

TIFF is a non-profit organization, the mission of which is to improve the investment returns of endowed non-profit organizations. The objective of the Absolute Return Pool is to generate, over three-year periods, an annualized return greater than 91-day treasury bills plus 5%. The pool holds domestic and international holdings. The NAV of the fund is determined monthly using the market value, or fair value if market data is unavailable, of all of the underlying securities. The fund allows liquidity based on the class of shares held. There is a three-year initial lock on Class A shares and an initial one-year lock on Class B shares. Redemption is annual. Notice of intent to redeem is required in September (100 days' notice), with distribution the following January. The fair value of the fund was $-0- and $1,861 at December 31, 2015 and 2014, respectively.

Pointer Offshore Ltd.

The Pointer Offshore, Ltd. Fund is a fund of funds with a long/short equity focus. The objective of this Fund is to preserve capital and generate attractive risk-adjusted returns. The managers that are employed by the Fund are fundamentally driven, bottom-up, research-intensive stock pickers who use moderate leverage. The NAV of the Fund is determined monthly. After an initial two-year lock-up, the Fund allows for annual liquidity on December 31 provided that a written notice is received by September 15. The fair value of the Fund was $3,876 and $3,630 at December 31, 2015 and 2014, respectively.

Easterly U.S. Government Properties

Easterly is a private real estate equity fund that focuses primarily on the acquisition, development and management of Class A commercial properties that are leased to U.S. Government agencies through the U.S. General Services Administration (GSA). Easterly owns 29 commercial properties in the United States, including 26 that are leased primarily to U.S. Government tenant agencies and three properties that are leased to private tenants, encompassing approximately 2.1 million square feet in the aggregate. Easterly generates substantially all of its revenue by leasing its properties to such agencies through the GSA. Its objective is to generate attractive risk-adjusted returns for its stockholders over the long term through dividends and capital appreciation. The NAV of the fund is determined quarterly. The fair value of Easterly was $2,334 and $1,946 at December 31, 2015 and 2014, respectively

Fort Washington PE Opp II

Fort Washington is an institutional private equity fund-of-funds manager. Fort Washington works primarily with institutional investors, typically endowments, foundations and public pension plans. Fort Washington is active in both the primary and secondary markets, providing fund strategies to fit their client's investment needs with the private equity asset class. Fort Washington also manages customized separate account programs for a range of larger institutional investors. The NAV of the fund is determined quarterly. The fair value of Fort Washington was $868 and $208 at December 31, 2015 and 2014, respectively

(In thousands)

NOTE G - LAND, BUILDING AND EQUIPMENT

Land, building and equipment consist of the following at December 31:

	2015	2014
Land	$ 346	$ 346
Building	1,419	1,419
Leasehold improvements	11,625	11,624
Equipment	20,315	19,887
Total land, building and equipment	33,705	33,276
Less depreciation and amortization	(26,334)	(24,274)
Land, building and equipment, net	$ 7,371	$ 9,002

NOTE H - JERUSALEM PROPERTY DEVELOPMENT

This project involves the expansion of the JIY YMCA facilities and the construction of residential units, an underground parking structure and retail space. In December 1999, a contract was signed with an Israeli developer to carry out the project. The contract, amended in 2002, called for an up-front payment of $9,000 followed by payments of $250 quarterly through 2006. Y-USA has received a total of $10,750 to date, while the remainder was held by the developer as an estimated capital gains tax on the transaction. In June 2013, the developer transferred $3,750 to the Israel Tax Authority as partial settlement of the capital gains tax liability. In October 2013, Y-USA paid the balance of $1,350 as the final settlement of the tax liability. Y-USA's portion of the tax has been capitalized in the Jerusalem property development. In addition to the cash payment, the contract called for the developer to construct and deliver to Y-USA, as custodian, a new sports center, a portion of the parking structure and related improvements. Y-USA has received assurance of performance of the developer through bank guarantees. The developer has received a 150-year lease on the land, ownership of the condominiums and a portion of the parking structure. Revenue on the lease is being recognized over the 150-year lease period.

In 2015, Y-USA entered into discussions with JIY to transfer Y-USA's interest in the property development to JIY for $8,958, comprised primarily of repayment of an Israel property tax liability originally paid by Y-USA and the related interest, in the amount of $8,232, as well as an escrow account in the amount of $725. As a result, Y-USA recorded a write down of a portion of the Jerusalem Development Project. The total asset of $22,990 was written down by $6,141 and the remaining asset of $16,489 was netted against future deferred lease payments totaling $7,891 as of December 31, 2015. This resulted in a remaining asset for the property development of $8,958 on the consolidated statements of financial position as of December 31, 2015.

(In thousands)

NOTE I - NOTES PAYABLE

Notes payable consisted of the following at December 31:

	2015	2014
Note payable for the Three Arches Hotel at an interest rate of LIBOR plus 1.5%, with principal and interest payments due through December 2016.	$ 370	$ 253
Note payable at an interest rate of 1.75% payable quarterly. Principal is payable annually beginning January 1, 2016, in the amount of $500, with all remaining unpaid principal due and payable in full on February 1, 2016.	-	8,000
Note payable at an interest rate of 1.92% payable monthly. Principal is payable annually beginning December 15, 2016, in the amount of $500, with all remaining unpaid principal due and payable in full on December 15, 2018.	7,500	-
Total notes payable	$7,870	$8,253

Maturities of the notes payable as of December 31, 2015, are as follows:

2016	$ 870
2017	500
2018	6,500
Total notes payable	$7,870

The covenant related to the $7,500 note required that Y-USA maintain a debt service coverage ratio greater than 1.5. Y-USA is in compliance with the debt covenant as of December 31, 2015.

NOTE J - LETTERS OF CREDIT

At December 31, 2015, Y-USA maintained unsecured, irrevocable letters of credit in the amount of $100 to secure the $1,000 deductible on its general liability coverage to cover any liability or exposure from claims that could have been generated prior to 2008. No claims have been made against these letters of credit.

On September 4, 2015, Y-USA renewed its line of credit of $5,000 with Bank of America. This is a revolving line of credit and Y-USA can repay principal amounts and re-borrow them, provided Y-USA does not exceed the principal balance. This line of credit will be available until September 30, 2017. As of December 31, 2015, Y-USA had not drawn on the available line of credit. If drawn on, interest payments are due monthly, calculated at LIBOR plus 1 percentage point on the outstanding principal.

(In thousands)

NOTE K - BOARD-DESIGNATED NET ASSETS

At December 31, 2015 and 2014, board-designated net assets consisted of the following:

	2015	2014
Armed services work	$38,235	$39,793
International work	6,097	6,352
Education and training	895	892
Y-USA board designated	475	283
Advancing our Cause	-	178
Other domestic work	2,407	549
Total board-designated net assets	$48,109	$48,047

NOTE L - TEMPORARILY RESTRICTED NET ASSETS

At December 31, 2015 and 2014, temporarily restricted net assets were available for the following purposes:

	2015	2014
Specific grant programs	$52,749	$37,960
Time restricted	4,426	5,650
International work	2,793	2,961
Armed services work	2,771	2,911
J.R. Mott Scholarship	2,659	2,806
Other programs	1,848	2,103
Geographically restricted domestic work	948	1,027
Other scholarship	871	865
World Service campaign	828	749
Jerusalem work	128	154
Specific sponsored programs	74	72
Total temporarily restricted net assets	$70,095	$57,258

(In thousands)

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restriction specified by donors as follows:

	2015	2014
Specific grant programs	$38,275	$22,148
Other programs	9,794	12,633
World Service campaign	1,482	1,958
Specific sponsorship programs	101	698
Scholarships	170	289
	$49,822	$37,726

NOTE M - PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets are restricted as investments in perpetuity and include the beneficial interests in perpetual trusts, with restrictions specified by donors and consisting of the following at December 31:

	2015	2014
Endowments	$11,285	$10,649
Beneficial interests in perpetual trusts	7,519	8,047
Other	228	794
Total permanently restricted net assets	$19,032	$19,490

The following table illustrates the purpose of the earnings of permanently restricted net assets at December 31:

.	2015	2014
Unrestricted	$7,133	$ 8,123
International work	3,876	4,021
Time-restricted endowment	3,295	2,659
Scholarships	1,943	1,874
Specific programs	1,566	1,566
Jerusalem work	291	303
Armed services work	928	944
Total permanently restricted net assets	$19,032	$19,490

NOTE N - ENDOWMENTS

Y-USA's endowment consists of various individual funds established for different purposes as detailed above, but primarily to support YMCA programs worldwide. The endowment consists of internally designated endowment funds, donor-restricted endowment funds and board-designated endowments. Net assets associated with the endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

UPMIFA, as enacted by the state of Illinois, applies to Y-USA's donor-restricted endowment funds. As required by UPMIFA, Y-USA accounts for endowment net assets by preserving the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result, Y-USA classifies as permanently restricted net assets (1) the original value of gifts donated to the permanent endowment, (2) the original value of subsequent gifts to the permanent endowment and (3) 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, either in accordance with donor stipulations or an implied time restriction, until those amounts are appropriated for expenditure by management for the donor-stipulated purpose. Y-USA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund.
- The purpose of Y-USA and the donor-restricted endowment fund.
- General economic conditions.
- The possible effects of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Other resources of Y-USA.
- The investment policies of Y-USA.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the donor requires the fund to retain as a fund of perpetual duration. Deficiencies of this nature are reported in unrestricted net assets of $74 and $28 as of December 31, 2015 and 2014, respectively. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that were deemed prudent by the board of directors.

Y-USA has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the National Board, the endowment assets are invested in a manner that is intended to provide adequate liquidity, maximize returns on all funds invested and achieve full employment of all available funds as earning assets. Y-USA has an active Investment Committee that meets regularly to ensure that the objectives of the investment policies are met, and that the strategies used to meet the objectives are in accordance with the investment policies. Endowments are comprised of both investments and cash and cash equivalents on the consolidated statements of financial position at December 31, 2015 and 2014.

(In thousands)

The National Board has adopted a spending policy calculated as 5% of the funds' 28-quarter rolling average balance, with a cap of no more than 6% of the funds' current market value as of June 30. In establishing spending policy, the National Board considered the long-term expected return on its endowment. Over the long term, the board of directors expects the current spending policy to allow its endowment to grow at an average of 4% annually. This is consistent with Y-USA's objective of maintaining the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

Endowment net assets composition by type of fund as of December 31, 2015, consisted of the following:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Internally designated endowment funds	$10,757	$ -	$ -	$10,757
Donor-restricted endowment funds	(74)	14,911	11,285	26,122
Board-designated endowment funds	46,503	-	-	46,503
Total funds	$57,186	$14,911	$11,285	$83,382

(In thousands)

During the year ended December 31, 2015, Y-USA had the following endowment-related activities:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, beginning of year	$57,725	$16,802	$10,649	$85,176
Investment return				
Investment income	175	44	-	219
Net appreciation (depreciation) (realized and unrealized)	496	(1,157)	-	(661)
Total investment return	671	(1,113)	-	(442)
Contributions and additions	1,912	-	636	2,548
Other changes				
Appropriation of endowment assets for expenditures	(3,122)	(778)	-	(3,900)
Endowment net assets, end of year	$57,186	$14,911	$11,285	$83,282

Endowment net assets composition by type of fund as of December 31, 2014, consisted of the following:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Internally designated endowment funds	$10,768	$ -	$ -	$10,768
Donor-restricted endowment funds	(28)	16,802	10,649	27,423
Board-designated endowment funds	46,985	-	-	46,985
Total funds	$57,725	$16,802	$10,649	$85,176

(In thousands)

During the year ended December 31, 2014, Y-USA had the following endowment-related activities:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, beginning of year	$57,013	$16,887	$14,518	$88,418
Investment return				
Investment income	179	46	-	225
Net appreciation (realized and unrealized)	3,657	877	-	4,534
Total investment return	3,836	923	-	4,759
Contributions and additions	-	-	365	365
Other changes				
Appropriation of endowment assets for expenditures	(3,124)	(778)	-	(3,902)
Transfer of assets	-	(230)	(4,234)	(4,464)
Endowment net assets, end of year	$57,725	$16,802	$10,649	$85,176

NOTE O - RETIREMENT PLAN

Y-USA participates in a defined contribution, individual account, money purchase retirement plan that is administered by the YMCA Retirement Fund (a separate corporation). This plan is for the benefit of all eligible professional and support staff of Y-USA who qualify under applicable participation requirements.

The YMCA Retirement Fund is operated as a church pension plan and is a not-for-profit, tax-exempt, state of New York Corporation. Participation is available to all duly organized and recognized YMCAs in the United States. As a defined contribution plan, the YMCA Retirement Fund has no unfunded benefit obligations.

In accordance with the agreement with the YMCA Retirement Fund, Y-USA and employee contributions are a percentage of the participating employees' salaries, paid for by Y-USA, and are remitted to the YMCA Retirement Fund monthly. Y-USA contributions charged to retirement expense were $3,888 and $3,714 for the years ended December 31, 2015 and 2014, respectively.

(In thousands)

NOTE P - COMMITMENTS AND CONTINGENCIES

Minimum rental commitments for office space and office equipment under operating leases in effect as of December 31, 2015, are as follows:

Payable in years ending December 31,	
2016	$ 1,871
2017	1,845
2018	1,888
2019	1,932
2020	1,955
Thereafter	9,413
Total commitments	$18,904

Rental expense related to these operating leases was $2,412 and $2,489 for the years ended December 31, 2015 and 2014, respectively.

Member associations are separate autonomous corporations, the operations of which are not under the control of Y-USA. However, Y-USA has, on occasion, been included as a defendant in litigation arising from incidents at member associations. Y-USA has to date been dismissed from these cases. In addition, litigation has been filed against a former subsidiary of Y-USA.

Counsel, named by Y-USA insurers during the discovery process, is normally unable to express an opinion as to the liability and damage aspects of the cases. If Y-USA were to be held liable, it is possible that the plaintiff may, to the extent that the liability of Y-USA exceeds its insurance coverage, attempt enforcement action against the funds of Y-USA. It is the opinion of management that the outcome of any present litigation matters will not materially affect the net assets of Y-USA.

NOTE Q - SUBSEQUENT EVENTS

Y-USA evaluated its December 31, 2015, consolidated financial statements for subsequent events through April 6, 2016, the date the consolidated financial statements were available to be issued. Y-USA is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

National Council of Young Men's Christian Associations
of the United States of America and Affiliate
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2015
(In thousands)

ASSETS	Y-USA	JIY	Consolidated
ASSETS			
Cash and cash equivalents	$ 18,258	$ 144	$ 18,402
Prepaid expenses and other assets	4,278	10	4,288
Pledges receivable, net	28,510	-	28,510
Fair Share and other receivables, net	4,902	446	5,348
Investments	83,329	-	83,329
Land, building and equipment, net	6,653	718	7,371
Jerusalem property development	8,958	-	8,958
Beneficial interests in perpetual trusts	7,520	-	7,520
TOTAL ASSETS	$ 162,408	$ 1,318	$ 163,726

LIABILITIES AND NET ASSETS	Y-USA	JIY	Consolidated
LIABILITIES			
Accounts payable and accrued liabilities	$ 10,365	$ 5,100	$ 15,465
Deferred revenue	2,124	300	2,424
Notes payable	7,500	370	7,870
Total liabilities	19,989	5,770	25,759
NET ASSETS			
Unrestricted			
Undesignated	5,306	(4,575)	731
Board-designated	48,109	-	48,109
Total unrestricted	53,415	(4,575)	48,840
Temporarily restricted	69,972	123	70,095
Permanently restricted	19,032	-	19,032
Total net assets	142,419	(4,452)	137,967
TOTAL LIABILITIES AND NET ASSETS	$ 162,408	$ 1,318	$ 163,726

National Council of Young Men's Christian Associations
of the United States of America and Affiliate
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2014
(In thousands)

ASSETS	Y-USA	JIY	Consolidated
ASSETS			
Cash and cash equivalents	$ 21,109	$ 166	$ 21,275
Prepaid expenses and other assets	982	27	1,009
Pledges receivable, net	17,542	-	17,542
Fair Share & Other receivables, net	3,404	575	3,979
Investments	85,070	-	85,070
Land, building and equipment, net	8,167	835	9,002
Jerusalem property development	22,129	-	22,129
Beneficial interests in perpetual trusts	8,047	-	8,047
TOTAL ASSETS	$ 166,450	$ 1,603	$ 168,053

LIABILITIES AND NET ASSETS	Y-USA	JIY	Consolidated
LIABILITIES			
Accounts payable and accrued liabilities	$ 10,979	$ 5,080	$ 16,059
Deferred revenue	2,005	318	2,323
Notes payable	8,000	253	8,253
Deferred lease payments	7,951	-	7,951
Total liabilities	28,935	5,651	34,586
NET ASSETS			
Unrestricted			
Undesignated	12,829	(4,157)	8,672
Board-designated	48,047	-	48,047
Total unrestricted	60,876	(4,157)	56,719
Temporarily restricted	57,149	109	57,258
Permanently restricted	19,490	-	19,490
Total net assets	137,515	(4,048)	133,467
TOTAL LIABILITIES AND NET ASSETS	$ 166,450	$ 1,603	$ 168,053

National Council of Young Men's Christian Associations
of the United States of America and Affiliate
CONSOLIDATING STATEMENT OF ACTIVITIES
For the year ended December 31, 2015
(In thousands)

	Y-USA	JIY	Eliminations	Consolidated
Revenues and support				
Contributions and support				
Government and other grants	$ 62,977	$ -	$ -	$ 62,977
Corporate and foundation gifts	8,230	-	-	8,230
General	2,392	345	(110)	2,627
World Service campaign	1,470	-	-	1,470
Total contributions and support	75,069	345	(110)	75,304
Financial support from member YMCAs	64,961	-	-	64,961
Program and service revenue	5,672	-	-	5,672
Jerusalem International YMCA program revenue	-	4,616	-	4,616
Royalties and other revenue	653	202	-	855
Income from third party trusts	334	232	-	566
Allocation of investment earnings for current operations	3,900	-	-	3,900
Total revenues and support	150,589	5,395	(110)	155,874
Expenses				
Program activities				
Social responsibility	39,383	1,933	(110)	41,206
Youth development	49,339	1,933		51,272
Healthy living	32,525	1,933		34,458
Total program activities	121,247	5,799	(110)	126,936
Supporting services				
Management and general	10,916	-	-	10,916
Fund-raising	2,498	-	-	2,498
Total supporting services	13,414	-	-	13,414
Total expenses	134,661	5,799	(110)	140,350
Change in net assets from operations	15,928	(404)	-	15,524
Non-operating activities				
Investment return in deficit of amounts designated for current operations	(4,356)	-	-	(4,356)
Change in beneficial interests in perpetual trusts	(527)	-	-	(527)
Write-down of Jerusalem Development Project	(6,141)	-	-	(6,141)
Total non-operating activities	(11,024)	-	-	(11,024)
CHANGE IN NET ASSETS	4,904	(404)	-	4,500
Net assets at beginning of year	137,515	(4,048)	-	133,467
Net assets at end of year	$ 142,419	$ (4,452)	$ -	$ 137,967

National Council of Young Men's Christian Associations
of the United States of America and Affiliate
CONSOLIDATING STATEMENT OF ACTIVITIES
For the year ended December 31, 2014
(In thousands)

	Y-USA	JIY	Eliminations	Consolidated
Revenues and support				
Contributions and support				
Government and other grants	$ 38,253	$ -	$ -	$ 38,253
Corporate and foundation gifts	7,589	150	-	7,739
General	1,703	1,073	(769)	2,007
World Service campaign	1,531	-	-	1,531
Total contributions and support	49,076	1,223	(769)	49,530
Financial support from member YMCAs	57,629	-	-	57,629
Program and service revenue	5,508	-	-	5,508
Jerusalem International YMCA program revenue	-	5,366	-	5,366
Royalties and other revenue	966	374	-	1,340
Income from third party trusts	296	-	-	296
Allocation of investment earnings for current operations	3,902	-	-	3,902
Total revenues and support	117,377	6,963	(769)	123,571
Expenses				
Program activities				
Social responsibility	42,922	2,287	-	45,209
Youth development	35,237	2,287	(769)	36,755
Healthy living	27,971	2,287	-	30,258
Total program activities	106,130	6,861	(769)	112,222
Supporting services				
Management and general	9,665	-	-	9,665
Fund-raising	2,034	-	-	2,034
Total supporting services	11,699	-	-	11,699
Total expenses	117,829	6,861	(769)	123,921
Change in net assets from operations	(452)	102	-	(350)
Non-operating activities				
Investment return in excess of amounts designated for current operations	889	-	-	889
Change in beneficial interests in perpetual trusts	(44)	-	-	(44)
Transfer of net assets for JIY endowment	-	(4,464)	-	(4,464)
Total non-operating activities	845	(4,464)	-	(3,619)
CHANGE IN NET ASSETS	393	(4,362)	-	(3,969)
Net assets at beginning of year	137,122	314	-	137,436
Net assets at end of year	$ 137,515	$ (4,048)	$ -	$ 133,467

SINGLE AUDIT REPORTS

National Council of Young Men's Christian Associations
of the United States of America and Affiliate
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2015

Federal grantor/pass-through grantor/program title	Federal CFDA number	Pass-through entity or contract identifying number	Amounts provided to sub-recipients	Federal expenditures
U.S. Department of Health and Human Services				
Health Care Innovation Awards (HCIA)	93.610		$ 485,090	$ 3,590,353
NON-ACA/PPHF—Building Capacity of the Public Health System to Improve Population Health through National Nonprofit Organizations	93.424		353,750	1,228,512
Building Capacity of the Public Health System to Improve Population Health through National, Non-Profit Organizations - financed in part by Prevention and Public Health Funds (PPHF)	93.524		250,000	951,966
PPHF: Chronic Disease Innovation Grants - financed solely by Public Prevention Health Funds	93.739		127,641	631,474
Passed through				
National Association of Chronic Disease Directors				
Chronic Diseases: Research, Control, and Prevention	93.068	1322013/1092014	-	132,271
Wake Forest University Health Sciences				
Aging Research	93.866	WFUHS 112485	-	65,926
University of Washington				
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	762469	-	39,599
Northwestern University				
Assistance Programs for Chronic Disease Prevention and Control	93.945	60030231 YMCA	-	10,174
Centers for Disease Control and Prevention: Investigations and Technical Assistance	93.283	2242013	-	8,153
Family Health International 360				
Injury Prevention and Control Research and State and Community Based Programs	93.136		-	911
Total U.S. Department of Health and Human Services			1,216,481	6,659,339
U.S. Department of Justice				
Office of Juvenile Justice and Delinquency Prevention				
Juvenile Mentoring Program	16.726		1,973,636	2,305,047
U.S. Department of the Interior				
Conservation Activities by Youth Service Organizations	15.931		368,956	450,610
21st Century Conservation Service Corps	15.154		-	375,000
Total U.S. Department of the Interior			368,956	825,610
Total expenditures of federal awards			$ 3,559,073	$ 9,789,996

The accompanying notes are an integral part of this schedule.

NOTE A - NATURE OF ENTITY

The National Council of Young Men's Christian Associations of the United States of America and Affiliate (Y-USA) is an Illinois not-for-profit organization with headquarters in Chicago, Illinois. The basic objectives of Y-USA are to serve as a means through which YMCAs can achieve their purposes and goals as a national movement, and to make available services that will enrich and strengthen YMCAs in carrying out their work.

Federal Program Background

Y-USA receives its federal funding from the U.S. Department of Health and Human Services (HHS), the Department of Justice (DOJ) and the Department of the Interior (DOI).

The funding from the Centers for Disease Control and Prevention (CDC) supports the following programs: Diabetes Prevention Program (DPP) and various capacity building programs including Million Hearts (MH). REACH seeks to reduce or eliminate chronic disease health disparities in racial and ethnic groups. DPP is an evidence-based lifestyle change program in populations at high-risk for developing type 2 diabetes (African American; American Indian/Alaska Native; Hispanic/Latino, Low Social Economic Status; Women with a history of Gestational Diabetes). MH seeks to increase the number of effective and evidence-based hypertension control models, partnerships and licensures, resources available to deliver the model, and YMCA pilot testing the model for national dissemination. The overall goal of capacity building assistance is to ensure improvements in the public health infrastructure so that it is prepared for responding to both acute and chronic threats relating to the nation's health such as emerging infections, disparities in health status, and increases in chronic disease and injury rates.

The funding from Centers for Medicare and Medicaid Services supports new models of service delivery/payment improvements that show substantial promise of delivering the Three-Part Aim of better health, better health care and lower costs through improved quality for Medicare, Medicaid and Children's Health Insurance Program (CHIP) beneficiaries.

Y-USA partnered with the National Association of Chronic Disease Directors as a subrecipient of an award from the CDC. The primary goal is to establish a national dissemination framework for the delivery of evidence-based arthritis interventions with an emphasis on populations that are not currently reached via the CDC's state arthritis programs.

Y-USA partnered with Northwestern University as a subrecipient of an award from the CDC. The primary goal is to document engagement, participation, self-monitoring records and weight loss levels for individual United Health Group clients who participate in the DPP.

Y-USA partnered with the Wake Forest University Health Sciences as a subrecipient of an award from the CDC. The primary goal is to encourage biomedical, social, and behavioral research and research training directed toward greater understanding of the aging process and the diseases, special problems and needs of people as they age.

Y-USA partnered with the Family Health International 360 as a subrecipient of an award from the CDC. The primary goals are to rigorously apply and evaluate current and new interventions, methods, and strategies that focus on the prevention and control of injuries and to bring the knowledge and expertise of Injury Control Research Centers to bear on the development of effective public health programs for injury control.

The funding from DOJ provides mentoring services to high-risk populations that are underserved due to location, shortage of mentors, special physical or mental challenges of the targeted population, or other analogous situations identified by the community in need of mentoring services.

The goal of the DOI partnership will be to engage individuals between 6 and 35 years of age in recreational, educational, volunteer service and employment opportunities in national park sites and affiliated areas. Accordingly, the partnership will develop a new generation of natural and cultural resource conservation stewards.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Y-USA and is presented on the accrual basis of accounting. The information in the schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic consolidated financial statements.

Indirect Cost Rate

Y-USA elected not to use the option of the 10% de minimis indirect cost rate.

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Board of Directors
National Council of Young Men's Christian Associations
of the United States of America and Affiliate

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of the National Council of Young Men's Christian Associations of the United States of America and Affiliate (Y-USA), which comprise the consolidated statement of financial position as of December 31, 2015, and the related consolidated statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 6, 2016.

Internal control over financial reporting

In planning and performing our audit of the consolidated financial statements, we considered Y-USA's internal control over financial reporting (internal control) to design audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of Y-USA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Y-USA's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in Y-USA's internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and other matters

As part of obtaining reasonable assurance about whether Y-USA's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Intended purpose

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Y-USA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Y-USA's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Grant Thornton LLP

Chicago, Illinois
April 6, 2016

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
National Council of Young Men's Christian Associations of the United States of America and Affiliate

Report on compliance for each major federal program

We have audited the compliance of the National Council of Young Men's Christian Associations of the United States of America (Y-USA) with the types of compliance requirements described in the U.S. Office of Management and Budget's *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015. Y-USA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to Y-USA's federal programs.

Auditor's responsibility

Our responsibility is to express an opinion on compliance for each of Y-USA's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Y-USA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Y-USA's compliance.

Opinion on each major federal program

In our opinion, Y-USA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

Report on internal control over compliance

Management of Y-USA is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Y-USA's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Y-USA's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify

all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in Y-USA's internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This purpose of this report on Internal Control Over Compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Grant Thornton LLP

Chicago, Illinois
April 6, 2016

National Council of Young Men's Christian Associations
of the United States of America and Affiliate
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended December 31, 2015

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	**Unmodified**
Internal control over financial reporting:	
• **Material weakness(es) identified?**	____ Yes _X_ No
• **Significant deficiency(ies) identified that are not considered to be material weaknesses?**	____ Yes _X_ None reported
Noncompliance material to financial statements noted?	____ Yes _X_ No

Federal Awards

Internal control over major programs:	
• **Material weakness(es) identified?**	____ Yes _X_ No
• **Significant deficiency(ies) identified that are not considered to be material weaknesses?**	____ Yes _X_ None reported
Type of auditor's report issued on compliance for major programs?	**Unmodified**
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ Yes _X_ No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
	U.S. Department of Health and Human Services
93.424	NON-ACA/PPHF – Building Capacity of the Public Health System to Improve Population Health through National Nonprofit Organizations
16.726	U.S. Department of Justice Juvenile Mentoring Program

Dollar threshold used to distinguish between type A and type B programs:	**$750,000**
Auditee qualified as low-risk auditee?	_X_ Yes ____ No

II. FINANCIAL STATEMENT FINDINGS

No matters reported.

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

No matters reported.

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