



Report of Independent Auditors and
Financial Statements

**Anita Borg Institute for Women &
Technology**

December 31, 2014 and 2013

MOSS-ADAMS_{LLP}

Certified Public Accountants | Business Consultants

CONTENTS

	PAGE
REPORT OF INDEPENDENT AUDITORS	1
 FINANCIAL STATEMENTS	
Statements of financial position.....	3
Statements of activities.....	4
Statements of cash flows.....	6
Statements of functional expenses.....	7
Notes to financial statements.....	9

REPORT OF INDEPENDENT AUDITORS

The Board of Trustees
Anita Borg Institute for Women & Technology

Report on Financial Statements

We have audited the accompanying financial statements of Anita Borg Institute for Women & Technology, which comprise the statement of financial position as of December 31, 2014, and the related statement of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Anita Borg Institute for Women & Technology as of December 31, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

The financial statements of Anita Borg Institute for Women & Technology as of December 31, 2013, were audited by other auditors whose report dated July 30, 2014, expressed an unmodified opinion on these statements.

Mass Adams LLP

San Francisco, California
May 27, 2015

FINANCIAL STATEMENTS

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY
STATEMENTS OF FINANCIAL POSITION
December 31, 2014 and 2013

	ASSETS	<u>2014</u>	<u>2013</u>
CURRENT ASSETS			
Cash and cash equivalents		\$ 2,196,975	\$ 1,333,628
Restricted cash		235,457	20,422
Contributions receivable		1,421,502	955,808
Prepaid expenses		<u>125,968</u>	<u>107,119</u>
Total current assets		<u>3,979,902</u>	<u>2,416,977</u>
EQUIPMENT, NET			
Total assets		<u>\$ 4,019,817</u>	<u>\$ 2,444,416</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable		\$ 258,761	\$ 166,698
Accrued expenses		404,599	286,470
Deferred revenue		<u>333,250</u>	<u>337,100</u>
Total current liabilities		<u>996,610</u>	<u>790,268</u>
LONG-TERM LIABILITIES			
Deferred revenue		<u>33,000</u>	<u>33,000</u>
Total long-term liabilities		<u>33,000</u>	<u>33,000</u>
Total liabilities		<u>1,029,610</u>	<u>823,268</u>
NET ASSETS			
Unrestricted		2,569,750	1,536,177
Temporarily restricted		212,457	84,971
Permanently restricted		<u>208,000</u>	<u>-</u>
Total net assets		<u>2,990,207</u>	<u>1,621,148</u>
Total liabilities and net assets		<u>\$ 4,019,817</u>	<u>\$ 2,444,416</u>

See accompanying notes.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY
STATEMENT OF ACTIVITIES
Year Ended December 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUE, GAINS, AND OTHER SUPPORT				
Public support:				
Contributions	\$ 7,768,995	\$ 204,723	\$ 208,000	\$ 8,181,718
In-kind contributions	71,453	-	-	71,453
Donated services	122,217	-	-	122,217
Grants	313,908	-	-	313,908
Registration fees	2,851,369	-	-	2,851,369
Other program service fees	(4,000)	-	-	(4,000)
Interest income	4,884	-	-	4,884
Other income	250	-	-	250
Net assets released from donor restrictions	77,237	(77,237)	-	-
Total revenue, gains, and other support	<u>11,206,313</u>	<u>127,486</u>	<u>208,000</u>	<u>11,541,799</u>
EXPENSES				
Program services	8,739,547	-	-	8,739,547
Management and general	1,185,034	-	-	1,185,034
Fund development	248,159	-	-	248,159
Total expenses	<u>10,172,740</u>	<u>-</u>	<u>-</u>	<u>10,172,740</u>
CHANGE IN NET ASSETS	1,033,573	127,486	208,000	1,369,059
NET ASSETS, beginning of year	<u>1,536,177</u>	<u>84,971</u>	<u>-</u>	<u>1,621,148</u>
NET ASSETS, end of year	<u><u>\$ 2,569,750</u></u>	<u><u>\$ 212,457</u></u>	<u><u>\$ 208,000</u></u>	<u><u>\$ 2,990,207</u></u>

See accompanying notes.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY
STATEMENT OF ACTIVITIES
Year Ended December 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE, GAINS, AND OTHER SUPPORT				
Public support:				
Contributions	\$ 4,301,769	\$ 67,470	\$ -	\$ 4,369,239
In-kind contributions	61,392	-	-	61,392
Donated services	94,125	-	-	94,125
Grants	154,707	-	-	154,707
Registration fees	2,491,135	-	-	2,491,135
Other program service fees	8,000	-	-	8,000
Interest income	5,466	-	-	5,466
Other income	40	-	-	40
Net assets released from donor restrictions	52,650	(52,650)	-	-
Total revenue, gains, and other support	<u>7,169,284</u>	<u>14,820</u>	<u>-</u>	<u>7,184,104</u>
EXPENSES				
Program services	5,763,237	-	-	5,763,237
Management and general	881,647	-	-	881,647
Fund development	473,391	-	-	473,391
Total expenses	<u>7,118,275</u>	<u>-</u>	<u>-</u>	<u>7,118,275</u>
CHANGE IN NET ASSETS	51,009	14,820	-	65,829
NET ASSETS, beginning of year	<u>1,485,168</u>	<u>70,151</u>	<u>-</u>	<u>1,555,319</u>
NET ASSETS, end of year	<u>\$ 1,536,177</u>	<u>\$ 84,971</u>	<u>\$ -</u>	<u>\$ 1,621,148</u>

See accompanying notes.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY
STATEMENT OF CASH FLOWS
Years Ended December 31, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 1,369,059	\$ 65,829
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	19,386	14,902
(Increase) decrease in assets:		
Contributions receivable	(465,694)	181,201
Prepaid expenses	(18,849)	23,577
Increase (decrease) in liabilities:		
Accounts payable	92,063	23,779
Accrued expenses	118,129	74,757
Deferred revenue	(3,850)	(95,700)
Net cash provided by operating activities	1,110,244	288,345
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(31,862)	(25,627)
Net cash used in investing activities	(31,862)	(25,627)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Increase) decrease in restricted cash	(215,035)	4,729
Net cash provided by (used in) financing activities	(215,035)	4,729
NET INCREASE IN CASH	863,347	267,447
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,333,628	1,066,181
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 2,196,975	\$ 1,333,628
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Interest paid	\$ 3,034	\$ 1,435

See accompanying notes.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY
STATEMENT OF FUNCTIONAL ACTIVITIES
Year Ended December 31, 2014

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Development</u>	<u>Total</u>
Leased employees and related benefits	\$ 2,593,095	\$ 835,786	\$ 102,525	\$ 3,531,406
Professional services	1,526,792	171,822	60,309	1,758,923
Other event direct costs	3,307,782	3,011	2,668	3,313,461
Office expenses	235,907	74,414	16,261	326,582
Travel	321,199	66,409	62,497	450,105
Grants	573,685	-	-	573,685
Advertising and promotions	89,352	7,330	1,050	97,732
Rent	55,453	17,874	2,192	75,519
Insurance	20,687	766	94	21,547
Depreciation	14,235	4,588	563	19,386
Interest	-	3,034	-	3,034
Currency exchange loss	1,360	-	-	1,360
Total	<u>\$ 8,739,547</u>	<u>\$ 1,185,034</u>	<u>\$ 248,159</u>	<u>\$ 10,172,740</u>

See accompanying notes.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY
STATEMENT OF FUNCTIONAL ACTIVITIES
Year Ended December 31, 2013

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Development</u>	<u>Total</u>
Leased employees and related benefits	\$ 1,984,993	\$ 507,557	\$ 352,730	\$ 2,845,280
Professional services	1,020,441	160,211	34,418	1,215,070
Other event direct costs	1,708,363	8,242	533	1,717,138
Office expenses	269,542	71,036	17,504	358,082
Travel	210,953	91,044	52,485	354,482
Grants	342,870	-	-	342,870
Advertising and promotions	147,756	23,669	8,902	180,327
Rent	45,482	14,446	5,338	65,266
Insurance	18,339	709	262	19,310
Depreciation	10,385	3,298	1,219	14,902
Interest	-	1,435	-	1,435
Currency exchange loss	4,113	-	-	4,113
Total	<u>\$ 5,763,237</u>	<u>\$ 881,647</u>	<u>\$ 473,391</u>	<u>\$ 7,118,275</u>

See accompanying notes.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – NATURE OF BUSINESS

The Anita Borg Institute for Women & Technology (the “Organization”) was founded in 1997 and is a nonprofit organization that provides platforms designed to ensure women’s voices, ideas, and spirits will result in higher levels of technical innovation. The Organization delivers programs that are changing the world for women and for technology. The participants in the Organization’s programs are an unusual mix of academics and industry professionals, and include many of the technology thought leaders of today. The Organization’s impact is significant on the lives and careers of women who work in the technology field and are affected by technology. The Organization’s mission is to increase the impact of women on all aspects of technology, and to increase the positive impact of technology on the lives of the world’s women.

The Organization works with academia to develop programs that change the way in which technology is taught, and with industry to develop programs that change product/technology development. These programs are designed to help industry, academia, and government recruit, retain, and develop women technology leaders. The Organization provides events, awards, and coverage that celebrates the women who change the face of technology and increase their visibility with others.

Sources of revenue include contributions, qualified event sponsorships, registration and application fees, and grants from corporations, foundations, individuals, and government agencies.

On December 3, 2014, Anita Borg Institute for Women and Technology India was incorporated under the government of India. As of December 31, 2014, there was no activity in the India entity.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting – The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Use of estimates – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of presentation – The Organization’s financial statements are presented on the basis of unrestricted, temporarily restricted, and permanently restricted net assets.

Unrestricted net assets represent unrestricted resources available to support the Organization’s operations and temporarily restricted resources, which became available for use by the Organization in accordance with the intentions of donors.

Temporarily restricted net assets represent contributions that are limited in use by the Organization in accordance with temporary donor imposed stipulations. These stipulations may expire with time or may be satisfied and removed by the actions of the Organization according to the terms of the contributions. Upon satisfaction of such stipulations, the associated net assets are released from temporarily restricted net assets and recognized as unrestricted net assets. If a restriction is fulfilled in the same fiscal year in which the contribution is received, the Organization classifies the support as unrestricted.

Permanently restricted net assets represent contributions to be held as investments in perpetuity as directed by the original donor. The Organization has \$208,000 restricted for endowment in permanently restricted net assets as of December 31, 2014.

Cash and cash equivalents – For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an original maturity of three months or less and certificates of deposit with no early withdrawal penalty to be cash equivalents.

Restricted cash – Restricted cash represents contributions received that are restricted by the donors for the Systems-Pass-It-On program, for time and for an endowment.

Equipment – Equipment is carried at cost or, if donated, at the approximate fair value at the time of donation. Depreciation is provided for using the straight-line method over the estimated useful lives of the assets which are currently 3 years for computer and related equipment. Expenditures for property and equipment in excess of \$1,000 are capitalized. Maintenance and repairs are expensed when incurred.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY
NOTES TO FINANCIAL STATEMENTS

Donated services, goods, and facilities – Professional services donated by officers, directors, and other professionals are recorded at their estimated fair market value as increases in revenues and increases in program or management services, as applicable. Donated materials are recorded at their estimated fair market value as increases in revenues and increases in related expenses. Donated property, facilities, and other noncash donations are included as contributions at their estimated market value as of the dates they are received.

Revenue recognition – Contributions are recognized as revenue when they are received or unconditionally promised. Other income is recognized as revenue when it is earned. Deferred revenue consists of sponsorships received for conferences or events to be held in future years and is required to be refunded if the conference or event is cancelled.

The Organization uses the allowance method to determine uncollectible contribution receivables. The allowance is based on prior years' experience and management's analysis of specific promises made. As of December 31, 2014 and 2013, there were no allowances provided.

Functional allocation of expenses – The cost of providing various programs and other activities has been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among program and supporting services benefited. Fundraising expenses for the years ended December 31, 2014 and 2013, were \$24,932 and \$26,447, respectively.

Income taxes – The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and under Section 23701d of the California Revenue and Taxation Code.

U.S. GAAP requires the Organization to evaluate tax positions taken by the Organization and recognize a tax liability if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the applicable tax authority. The Organization has reviewed its tax positions for all open tax years and believes that it has appropriate support for the tax positions taken. Therefore, no liability has been recorded.

The Organization files United States federal and California tax returns. The Organization is no longer subject to federal tax examinations before 2011 or California tax examinations before 2010.

Concentration of credit risk – The Organization maintains its cash in bank accounts, which at times, may exceed federally insured limits. The deposits at the financial institution bear the credit risk associated with the institution. The Organization has not experienced any losses in such accounts.

Concentration of contributors or grants – Five donors accounted for 15% and 20% of the Organization's revenue in 2014 and 2013, respectively, of which \$324,404 and \$271,100 was included in contribution receivables as of December 31, 2014 and 2013, respectively.

NOTE 3 – EQUIPMENT

	<u>2014</u>	<u>2013</u>
Computer and related equipment	\$ 152,299	\$ 120,437
Less: accumulated depreciation	<u>112,384</u>	<u>92,998</u>
Total	<u>\$ 39,915</u>	<u>\$ 27,439</u>

Depreciation for the years ended December 31, 2014 and 2013, was \$19,386 and \$14,902, respectively.

NOTE 4 – LINE OF CREDIT

The Organization has a loan agreement with a bank for a revolving line of credit with an authorized limit of \$500,000. The outstanding principal bears interest at the prime rate plus 0% points per annum rounded upward to the nearest one-eighth of one percentage point or 0.125% (3.25% and 3.25% at December 31, 2014 and 2013, respectively). The line of credit was renewed in November 2014 for the same terms and conditions and the entire unpaid principal balance and all accrued and unpaid interest is due and payable by November 3, 2015. The line of credit is secured by the Organization's bank accounts, equipment, and accounts receivable. There was no outstanding balance on the line of credit as of December 31, 2014 and 2013, respectively.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY
NOTES TO FINANCIAL STATEMENTS

Interest expense relating to the above note for the years ended December 31, 2014 and 2013, amounted to \$3,034 and \$1,435, respectively.

NOTE 5 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at December 31, 2014 and 2013, consist of amounts received from donors that are restricted for the following purposes:

	<u>2014</u>	<u>2013</u>
Systems Pass-It-On grants	\$ 27,457	\$ 19,971
Time based restriction	<u>185,000</u>	<u>65,000</u>
Total	<u>\$ 212,457</u>	<u>\$ 84,971</u>

NOTE 6 – BONUS PLAN

The Organization has a bonus plan (the “Plan”) to recognize the contributions that certain employees make to the Organization by way of their judgment, initiative and efforts, all of which contribute to the continued success of the Organization. Participation in the Plan is in the sole discretion of the Board and shall be determined on an award period by award period basis. Each actual award shall be paid solely from the general assets of the Organization. The Organization, by action of the Board, in its sole discretion, may amend or terminate the Plan, or any part thereof, at any time and for any reason. The amendment, suspension, or termination of the Plan shall not, without the consent of the participant, alter or impair any rights or obligations under any actual award theretofore earned by such participant. No award may be granted during any period of suspension or after termination of the Plan. Amounts earned under the bonus plan for the years ended December 31, 2014 and 2013, were \$313,540 and \$179,650, respectively, of which \$257,025 and \$139,800, respectively, was reflected in accrued expenses on the statement of financial position.

NOTE 7 – IN-KIND CONTRIBUTIONS AND DONATED SERVICES

During the years ended December 31, 2014 and 2013, the Organization received the following in-kind contributions and donated services:

	<u>2014</u>	<u>2013</u>
Free use of facilities (rent)	\$ 71,453	\$ 61,392
Legal fees (professional services)	119,217	92,722
Marketing services (advertising and promotion)	<u>3,000</u>	<u>1,403</u>
Total	<u>\$ 193,670</u>	<u>\$ 155,517</u>

NOTE 8 – RELATED PARTIES

The Organization’s Board members participate in fundraising and other events, as well as make contributions. Included in contributions revenue is \$160,000 and \$150,000 from Board members for the years ended December 31, 2014 and 2013, respectively. The Organization requires all board members to read and sign a conflict of interest policy annually.

NOTE 9 – ENDOWMENT

The Organization’s endowment consists of one individual fund established for scholarships to the Grace Hopper Celebration of Women in Computing Conference. The net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

ANITA BORG INSTITUTE FOR WOMEN & TECHNOLOGY
NOTES TO FINANCIAL STATEMENTS

The Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization 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 standards of prudence prescribed by UPMIFA.

The Organization currently holds the endowment funds in a money market account until it is able to establish investment and spending policies for the endowment assets. From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as funds of perpetual duration. When donor endowment deficits exist, they are classified as a reduction of unrestricted net assets. There were no such deficiencies as of December 31, 2014.

The changes in endowment net assets for the year ended December 31, 2014, were as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, January 1, 2014	\$ -	\$ -	\$ -	\$ -
Contributions	-	-	208,000	208,000
Endowment net assets, December 31, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 208,000</u>	<u>\$ 208,000</u>

Endowment net asset composition by type of fund as of December 31, 2014:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor restricted endowment funds	\$ -	\$ -	\$ 208,000	\$ 208,000
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 208,000</u>	<u>\$ 208,000</u>

NOTE 10 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date but before financial statements are issued. The Organization recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. The Organization’s financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position but arose after the statement of financial position date and before the financial statements were available to be issued.

The Organization has performed an evaluation of subsequent events through May 27, 2015, which is the date the financial statements were available to be issued. The Organization determined no additional disclosure is necessary.