



Audited Financial Statements

December 31, 2015

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Committee to Protect Journalists, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Committee to Protect Journalists, Inc. ("CPJ"), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization'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 organization'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.

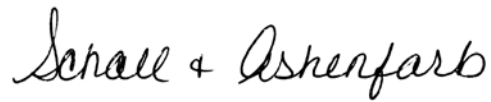
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Committee to Protect Journalists, Inc. as of December 31, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited CPJ's 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 3, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Schall & Ashenfarb
Certified Public Accountants, LLC

May 16, 2016

COMMITTEE TO PROTECT JOURNALISTS, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2015
(With comparative totals as of December 31, 2014)

Assets

	<u>12/31/15</u>	<u>12/31/14</u>
Cash and cash equivalents	\$1,089,278	\$858,636
Pledges receivable, net (Note 3)	3,198,621	3,376,656
Prepaid expenses and other receivable	100,942	64,904
Investments (Note 4)	12,179,794	13,042,120
Fixed assets (net of accumulated depreciation) (Note 5)	182,916	135,112
Security deposit	<u>83,130</u>	<u>83,058</u>
 Total assets	 <u>\$16,834,681</u>	 <u>\$17,560,486</u>

Liabilities and Net Assets

Liabilities:		
Accounts payable and accrued expenses	\$389,701	\$263,950
Deferred rent	183,329	220,196
Conditional contribution (Note 6)	<u>300,000</u>	<u>300,000</u>
 Total liabilities	 <u>873,030</u>	 <u>784,146</u>
Net assets:		
Unrestricted	1,259,088	862,860
Temporarily restricted (Note 7)	5,202,563	6,413,480
Permanently restricted (Note 8)	<u>9,500,000</u>	<u>9,500,000</u>
 Total net assets	 <u>15,961,651</u>	 <u>16,776,340</u>
 Total liabilities and net assets	 <u>\$16,834,681</u>	 <u>\$17,560,486</u>

The attached notes and auditors' report are an integral part of these financial statements.

COMMITTEE TO PROTECT JOURNALISTS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015
(With comparative totals for the year ended December 31, 2014)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u> (Note 7)	<u>Permanently Restricted</u> (Note 8)	<u>Total 12/31/15</u>	<u>Total 12/31/14</u>
Public support and revenue:					
Contributions	\$2,166,939	\$1,550,000		\$3,716,939	\$5,348,032
Gala (net of expenses where donor received benefits of \$382,786)	1,163,434			1,163,434	983,739
Net (loss)/investment income (Note 4)	(2,036)	(264,746)		(266,782)	515,376
Miscellaneous income	2,261			2,261	19,954
In-kind services (Note 11)	162,428			162,428	166,469
Net assets released from restriction	<u>2,496,171</u>	<u>(2,496,171)</u>		<u>0</u>	<u>0</u>
 Total public support and revenue	 <u>5,989,197</u>	 <u>(1,210,917)</u>	 <u>0</u>	 <u>4,778,280</u>	 <u>7,033,570</u>
Expenses:					
Program services	4,352,282			4,352,282	4,029,657
Management and general	353,306			353,306	276,841
Fundraising	<u>887,381</u>			<u>887,381</u>	<u>811,565</u>
 Total expenses	 <u>5,592,969</u>	 <u>0</u>	 <u>0</u>	 <u>5,592,969</u>	 <u>5,118,063</u>
Change in net assets	396,228	(1,210,917)	0	(814,689)	1,915,507
Net assets - beginning of year	<u>862,860</u>	<u>6,413,480</u>	<u>9,500,000</u>	<u>16,776,340</u>	<u>14,860,833</u>
Net assets - end of year	<u><u>\$1,259,088</u></u>	<u><u>\$5,202,563</u></u>	<u><u>\$9,500,000</u></u>	<u><u>\$15,961,651</u></u>	<u><u>\$16,776,340</u></u>

The attached notes and auditors' report are an integral part of these financial statements.

COMMITTEE TO PROTECT JOURNALISTS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015
(With comparative totals for the year ended December 31, 2014)

	Program Services			Total Program Services	Management and General	Fundraising	Total Expenses 12/31/15	Total Expenses 12/31/14
	General Programs	Advocacy and Communications	Editorial					
Salaries	\$1,092,851	\$263,981	\$593,643	\$1,950,475	\$76,719	\$392,474	\$2,419,668	\$2,198,209
Payroll taxes & benefits	296,385	64,231	167,622	528,238	29,675	109,303	667,216	521,720
Professional fees (including in-kind) (Note 11)	365,579	117,011	239,917	722,507	198,485	134,699	1,055,691	1,015,491
Occupancy	176,671	38,235	100,989	315,895	13,504	64,882	394,281	382,128
Travel (including in-kind) (Note 11)	267,185	36,834	8,546	312,565	7,675	52,604	372,844	410,087
Grants	215,376			215,376			215,376	140,886
Office supplies & maintenance	18,978	5,131	10,779	34,888	1,635	7,370	43,893	73,055
Telephone & internet	24,851	5,284	10,902	41,037	2,606	7,012	50,655	47,237
Publications, printing & postage (including in-kind) (Note 11)	5,971	10,475	62,109	78,555	432	40,621	119,608	114,300
Insurance	17,339	3,883	9,346	30,568	1,194	9,210	40,972	37,281
Fees	11,024	2,048	5,282	18,354	1,154	41,541	61,049	34,587
Depreciation	25,981	6,437	17,001	49,419	2,256	10,923	62,598	62,297
Bad debt expense					10,240		10,240	18,640
Other	10,204	38,214	5,987	54,405	7,731	16,742	78,878	62,145
Total	\$2,528,395	\$591,764	\$1,232,123	\$4,352,282	\$353,306	\$887,381	\$5,592,969	\$5,118,063

The attached notes and auditors' report are an integral part of these financial statements.

COMMITTEE TO PROTECT JOURNALISTS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015
(With comparative totals for the year ended December 31, 2014)

	<u>12/31/15</u>	<u>12/31/14</u>
Cash flows from operating activities:		
Change in net assets	(\$814,689)	\$1,915,507
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	62,598	62,297
Realized gain on sale of investments	(63,327)	(483,058)
Unrealized loss on sale of investments	586,759	284,491
Changes in assets and liabilities:		
Pledges receivable	178,035	(1,248,751)
Prepaid expenses and other receivable	(36,038)	(39,338)
Security deposit	(72)	(1,491)
Accounts payable and accrued expenses	125,751	(57,922)
Deferred rent	(36,867)	(30,762)
Conditional contribution	0	300,000
Total adjustments	<u>816,839</u>	<u>(1,214,534)</u>
Net cash flows provided by operating activities	<u>2,150</u>	<u>700,973</u>
Cash flows from investing activities:		
Purchase of fixed assets	(110,402)	(63,853)
Interest income reinvested	(329,916)	(396,369)
Purchase of investments	(5,334,210)	(4,028,188)
Proceeds from sale of investments	<u>6,003,020</u>	<u>4,412,412</u>
Net cash flows provided by/(used for) investing activities	<u>228,492</u>	<u>(75,998)</u>
Net increase in cash and cash equivalents	230,642	624,975
Cash and cash equivalents - beginning of year	<u>858,636</u>	<u>233,661</u>
Cash and cash equivalents - end of year	<u>\$1,089,278</u>	<u>\$858,636</u>

No interest or income taxes were paid.

The attached notes and auditors' report are an integral part of these financial statements.

COMMITTEE TO PROTECT JOURNALISTS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1 - Nature of Entity

The Committee to Protect Journalists, Inc. ("CPJ") is a not-for-profit corporation dedicated to supporting journalists and news organizations across the world who have been subjected to violation of their professional and human rights.

CPJ is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has not been determined to be a private foundation as defined in Section 509(a).

Note 2 - Summary of Significant Accounting Policies

a. Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting which is the process of recognizing revenue and expenses when earned or incurred rather than when received or paid.

b. Basis of Presentation

As a not-for-profit organization, CPJ is required to report information regarding its financial position and activities according to the following classes of net assets:

- *Unrestricted* – represents all activity without donor imposed restrictions as well as activity with donor imposed restrictions, which expire within the same period that the donation is received.
- *Temporarily restricted* – accounts for activity based on specific donor restrictions that are expected to be satisfied by passage of time or performance of activities.
- *Permanently restricted* – accounts for activity restricted by donors that must remain intact in perpetuity.

c. Cash and Cash Equivalents

All liquid investments that are not restricted or held by the investment custodian and have an initial maturity of three months or less are considered cash and cash equivalents.

d. Concentration of Credit Risk

Financial instruments which potentially subject CPJ to concentration of credit risk consist of cash, money market accounts and investment securities which have been placed with financial institutions that management deems to be creditworthy. The market value of investments is subject to fluctuation; however management believes that the investment policy is prudent for the long term welfare of CPJ. At year-end and at certain times throughout the year, CPJ had uninsured balances; however no losses have been suffered due to the failure of any of these institutions.

e. Pledges Receivable

Pledges expected to be received within one year are recorded at net realizable value. Long-term pledges are recorded at fair value using risk adjusted present value techniques. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Pledges receivable were approximately \$2,200,000 from four donors in 2015, and \$1,850,000 from one donor in 2014. This represented 69% and 55% of total pledges receivable in 2015 and 2014, respectively.

All outstanding balances at year-end are reviewed for collectability through a review of specific accounts that factor in historical trends. Management has established a reserve for uncollectable pledges totaling \$5,000 and \$10,000 for 2015 and 2014, respectively.

f. Investments

Investments are recorded at fair value, which is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Realized and unrealized gains and losses are included in income on the statement of activities. (See Note 4 for additional information.)

g. Fixed Assets

Fixed assets to which CPJ retains title and capital items purchased which benefit future periods are capitalized at cost, or if donated, at the estimated fair value at the time of donation.

Fixed assets are depreciated or amortized over their useful lives and lease terms using the straight-line method with a one-half year convention in the year placed in service.

h. Deferred Rent

Rent expense is recognized evenly over the life of the lease using the straight-line basis. Rent expense recognized in excess of cash payments, primarily due to free rent received at the beginning of the lease, is reflected as deferred rent. In future years, when payments exceed the amount of rent recognized as expense, the deferred rent will be reduced until it is zero at the end of the lease.

i. Contributions

Contributions are recognized at the earlier of when cash is received or at the time a pledge becomes unconditional in nature. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted, depending on the existence and/or nature of any donor restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction. Restricted contributions that are satisfied in the same reporting period are classified as unrestricted.

j. Management Estimates

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

k. Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of CPJ.

l. Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with CPJ's financial statements for the year ended December 31, 2014, from which the summarized information was derived.

m. Accounting for Uncertainty of Income Taxes

CPJ does not believe its financial statements include any uncertain tax positions. Tax filings for the periods ending December 31, 2012 and later are subject to examination by applicable taxing authorities.

n. Subsequent Events

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through May 16, 2016, the date the financial statements were available to be issued. No events have occurred subsequent to the statement of financial position date through our evaluation date that would require adjustment to or disclosure in the financial statements.

Note 3 - Pledges Receivable

Pledges receivable are due to be collected in the following years:

	<u>2015</u>	<u>2014</u>
Year ending: December 31, 2015	\$0	\$2,490,748
December 31, 2016	2,513,009	462,854
December 31, 2017	<u>704,706</u>	<u>454,848</u>
	3,217,715	3,408,450
Less: allowance for doubtful accounts	(5,000)	(10,000)
Less: adjustment to fair value	<u>(14,094)</u>	<u>(21,794)</u>
Total	<u>\$3,198,621</u>	<u>\$3,376,656</u>

Note 4 - Investments

Accounting standards establish a fair value hierarchy giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that CPJ has the ability to access.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Investments consist of:

	<u>December 31, 2015</u>		
	<u>Level 1</u>	<u>Level 3</u>	<u>Total</u>
Cash	\$4,617	\$0	\$4,617
Bond funds	1,684,955	0	1,684,955
Equity funds	8,388,099	0	8,388,099
Exchange traded funds	659,172	0	659,172
Hedge funds	<u>0</u>	<u>1,442,951</u>	<u>1,442,951</u>
	<u>\$10,736,843</u>	<u>\$1,442,951</u>	<u>\$12,179,794</u>

	<u>December 31, 2014</u>		
	<u>Level 1</u>	<u>Level 3</u>	<u>Total</u>
Cash	\$14,147	\$0	\$14,147
Bond funds	1,998,325	0	1,998,325
Equity funds	9,702,388	0	9,702,388
Hedge funds	<u>0</u>	<u>1,327,260</u>	<u>1,327,260</u>
	<u>\$11,714,860</u>	<u>\$1,327,260</u>	<u>\$13,042,120</u>

Level 1 securities are valued at the closing price reported on the active market that they are traded on. Level 3 securities are valued based on the asset value reported by investment custodian. These methods produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements.

Investments are designated as follows:

	<u>2015</u>	<u>2014</u>
Conditional contribution (Note 6)	\$286,905	\$309,485
Endowment (Note 8)	<u>11,892,889</u>	<u>12,732,635</u>
	<u>\$12,179,794</u>	<u>\$13,042,120</u>

Net investment (loss)/income consist of:

	<u>2015</u>	<u>2014</u>
Interest and dividends	\$335,150	\$396,613
Unrealized (loss)/gain	(586,759)	(284,491)
Realized gain on sale of investments	63,327	483,058
Less: investment fees	<u>(78,500)</u>	<u>(79,804)</u>
Net investment (loss)/income	<u>(\$266,782)</u>	<u>\$515,376</u>

Changes in level 3 investments are as follows:

	<u>2015</u>	<u>2014</u>
Investments at fair value – January 1	\$1,327,260	\$1,283,157
Purchases	114,000	0
Increase in market value	<u>1,691</u>	<u>44,103</u>
Investments at fair value - December 31	<u>\$1,442,951</u>	<u>\$1,327,260</u>

Note 5 - Fixed Assets

Fixed assets at December 31, 2015 and 2014 consist of:

	<u>2015</u>	<u>2014</u>
Furniture	\$428,895	\$428,895
Office equipment	52,159	52,159
Websites	199,257	199,257
Leasehold improvements	86,275	86,275
Database	<u>117,902</u>	<u>7,500</u>
	884,488	774,086
Less: accumulated depreciation	<u>(701,572)</u>	<u>(638,974)</u>
Total fixed assets - net	<u>\$182,916</u>	<u>\$135,112</u>

Note 6 - Conditional Contribution

CPJ received funds to be used to invest as a term endowment. Investment earnings may be spent on a current basis to support CPJ's programs. As the donor has the unilateral right to reassign the full principal amount of \$300,000 to any other qualified charitable institution within a five year term, which ends March 26, 2019, this clause is deemed a condition that does not permit CPJ to recognize the contribution as income. A liability for the full principal amount has been established.

Note 7 - Temporarily Restricted Net Assets

Net assets were released from restriction due to satisfaction of donor stipulations as follows:

	<u>2015</u>	<u>2014</u>
Program restrictions:		
Impunity	\$66,666	\$167,495
Free the Press	66,667	260,992
Journalist Assistance	111,667	114,810
OSI Fellowships	105,537	25,000
Press Freedom in Europe	246,348	61,881
Database Innovation	126,686	0
New Initiatives	100,000	0
America Program	0	1,899
Other Programs	0	4,277
Communications	0	9,698
Special Reports	0	77,438
Fundraising	0	1,593
Social Media	100	69,613
General Management	<u>0</u>	<u>19,305</u>
Total program restrictions	823,671	814,001
Time restrictions	1,097,500	30,000
Endowment appropriations	<u>575,000</u>	<u>569,174</u>
Total	<u>\$2,496,171</u>	<u>\$1,413,175</u>

At year-end, net assets are temporarily restricted by donors for the following purposes:

	<u>2015</u>	<u>2014</u>
Program restrictions:		
Impunity	\$133,334	\$200,000
Free the Press	133,333	200,000
Journalist Assistance	133,333	245,000
OSI Fellowships	179,463	135,000
Press Freedom in Europe	438,897	685,245
Database Innovation	331,314	458,000
New Initiatives	0	100,000
Other Programs	<u>0</u>	<u>100</u>
Total program restrictions	1,349,674	2,023,345
Time restrictions:		
General Operations	1,460,000	1,157,500
Unappropriated endowment earnings	<u>2,392,889</u>	<u>3,232,635</u>
Total	<u>\$5,202,563</u>	<u>\$6,413,480</u>

Note 8 - Permanently Restricted Net Assets

CPJ's endowment consists of four permanently restricted individual funds that are required to be held indefinitely. The income from these investments can be used to support general activities.

At December 31, 2015, permanently restricted net assets consist of the following:

Knight Endowment	\$5,000,000
Ford Foundation Endowment	1,500,000
Bloomberg Endowment	2,000,000
Annenberg Endowment	<u>1,000,000</u>
Total	<u>\$9,500,000</u>

Interpretation of Relevant Law

CPJ follows the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). The Board of Directors of CPJ has interpreted NYPMIFA as requiring certain amounts to be retained permanently. Absent explicit donor stipulations to the contrary, the fair value of the original gift as of the gift date for all donor-restricted endowment funds will be preserved. However, under certain circumstances, CPJ has the right to appropriate for expenditure the fair value of the original gift in a manner consistent with the standard of prudence specifically prescribed by NYPMIFA.

As a result of this interpretation, CPJ 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.

Absent any specific donor-stipulations, 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 CPJ.

Spending Policies

In accordance with NYPMIFA, the following factors are considered in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund;
- (2) The purposes of CPJ's mission and the donor-restricted endowment fund;
- (3) General economic conditions;
- (4) The possible effect of inflation and deflation;
- (5) The expected total return from income and the appreciation of investments;
- (6) Other resources available;
- (7) The investment policies;
- (8) Where appropriate and circumstances would otherwise warrant alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have.

The board appropriated \$575,000 and \$569,174 from the endowment during 2015 and 2014, respectively.

Changes in endowment net assets were as follows:

	<u>December 31, 2015</u>			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$0	\$3,232,635	\$9,500,000	\$12,732,635
Net loss on investments	0	(513,031)	0	(513,031)
Interest and dividends	0	248,285	0	248,285
Appropriations for expenditure	<u>0</u>	<u>(575,000)</u>	<u>0</u>	<u>(575,000)</u>
Endowment net assets, end of year	<u>\$0</u>	<u>\$2,392,889</u>	<u>\$9,500,000</u>	<u>\$11,892,889</u>

	<u>December 31, 2014</u>			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$0	\$3,331,408	\$9,500,000	\$12,831,408
Net gain on investments	0	198,137	0	198,137
Interest and dividends	0	272,264	0	272,264
Appropriations for expenditure	<u>0</u>	<u>(569,174)</u>	<u>0</u>	<u>(569,174)</u>
Endowment net assets, end of year	<u>\$0</u>	<u>\$3,232,635</u>	<u>\$9,500,000</u>	<u>\$12,732,635</u>

All endowment net assets are donor restricted.

Endowment Investment Policies

CPJ has adopted an investment policy for endowment assets that relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A diversified asset allocation is targeted that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or NYPMIFA requires to be retained as a fund of perpetual duration. There were no such deficiencies as of December 31, 2015 and 2014.

Note 9 - Commitments and Contingencies

CPJ has a non-cancelable lease agreement for office space which expires in 2019. Future minimum payments, excluding utilities and other escalations, under the lease are as follows:

Year ending:	December 31, 2016	\$317,644
	December 31, 2017	323,997
	December 31, 2018	330,477
	December 31, 2019	<u>195,009</u>
Total		<u>\$1,167,127</u>

Note 10 - Employee Benefits

CPJ sponsors a defined-contribution pension plan. All full-time employees with one month of service are eligible to participate. Contributions of 3% are made annually. Total employer contributions for 2015 and 2014 totaled \$144,243 and \$64,340, respectively.

Note 11 - In-Kind Contributions

Donated services are recorded if they create or enhance non-financial assets or if the service requires specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contributions.

In-kind contributions were \$162,428 and \$166,469 in 2015 and 2014, respectively.

The contributions were allocated as follows:

	<u>December 31, 2015</u>		
		Management and General	Total
	<u>Programs</u>	<u>General</u>	<u>Total</u>
Professional fees - legal	\$43,000	\$57,000	\$100,000
Professional fees - publishing	51,526	0	51,526
Travel	<u>10,902</u>	<u>0</u>	<u>10,902</u>
Total in-kind services	<u>\$105,428</u>	<u>\$57,000</u>	<u>\$162,428</u>
	<u>December 31, 2014</u>		
		Management and General	Total
	<u>Programs</u>	<u>General</u>	<u>Total</u>
Professional fees - legal	\$0	\$100,000	\$100,000
Professional fees - publishing	51,469	0	51,469
Travel	<u>15,000</u>	<u>0</u>	<u>15,000</u>
Total in-kind services	<u>\$66,469</u>	<u>\$100,000</u>	<u>\$166,469</u>