

PANHELLENIC SCHOLARSHIP FOUNDATION
FINANCIAL STATEMENTS
INCLUDING INDEPENDENT ACCOUNTANTS' AUDIT REPORT

For the Years Ended
December 31, 2016 and 2015

PANHELLENIC SCHOLARSHIP FOUNDATION
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
PanHellenic Scholarship Foundation
Chicago, Illinois 60602

We have audited the accompanying financial statements of PanHellenic Scholarship Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities 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 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 PanHellenic Scholarship Foundation as of December 31, 2016, 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.

Prior Period Financial Statements

The financial statements of PanHellenic Scholarship Foundation as of December 31, 2015, were audited by other auditors whose report dated March 3, 2016, expressed an unmodified opinion on those statements.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads 'DeMarco Sciacotta Wilkens & Dunleavy LLP'.

Frankfort, Illinois
July 21, 2017

PANHELLENIC SCHOLARSHIP FOUNDATION
STATEMENTS OF FINANCIAL POSITION
As of December 31, 2016 and 2015

	2016	2015
ASSETS		
Cash and cash equivalents	\$ 1,987,895	\$ 48,845
Investments	478,615	472,468
Contributions receivable	1,000	-
Grant receivable	10,000	-
Prepaid expenses	13,101	35,938
Total Current Assets	2,490,611	557,251
PROPERTY AND EQUIPMENT		
Building	1,200,000	-
Land	300,000	-
Total Property and Equipment	1,500,000	-
TOTAL ASSETS	\$ 3,990,611	\$ 557,251
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 3,798	\$ 4,400
Credit card payable	759	578
Due to Tomaras Investments	51,731	-
Total Current Liabilities	56,288	4,978
NET ASSETS		
Unrestricted	3,425,708	68,805
Temporarily restricted	30,000	11,000
Permanently restricted	478,615	472,468
Total Net Assets	3,934,323	552,273
TOTAL LIABILITIES AND NET ASSETS	\$ 3,990,611	\$ 557,251

See accompanying notes and independent auditors' report

PANHELLENIC SCHOLARSHIP FOUNDATION
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUES				
<u>Contributed</u>				
Individuals	\$ 3,680,878	\$ 20,000	\$ -	\$ 3,700,878
Corporations	155,970	-	-	155,970
Foundations	40,100	-	-	40,100
Organizations	24,216	-	-	24,216
Special event revenue	108,360	-	-	108,360
In-kind	1,445	-	-	1,445
Grant income	-	10,000	-	10,000
<u>Other</u>				
Dividend and interest income	2	-	11,264	11,266
Unrealized gain (loss) on marketable securities	-	-	27,767	27,767
<u>Net Assets Released from Restrictions</u>				
Expiration of time and program satisfaction	40,449	(11,000)	(29,449)	-
Total Revenues	4,051,420	19,000	9,582	4,080,002
EXPENSES				
Program services	441,171	-	-	441,171
Cost of direct benefits to donors	131,445	-	-	131,445
<u>Support services</u>				
General and administrative	35,441	-	3,435	38,876
Fund raising and development	86,460	-	-	86,460
Total Expenses	694,517	-	3,435	697,952
CHANGE IN NET ASSETS	3,356,903	19,000	6,147	3,382,050
NET ASSETS, BEGINNING OF YEAR	68,805	11,000	472,468	552,273
NET ASSETS, END OF YEAR	\$ 3,425,708	\$ 30,000	\$ 478,615	\$ 3,934,323

See accompanying notes and independent auditors' report

PANHELLENIC SCHOLARSHIP FOUNDATION
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUES				
<u>Contributed</u>				
Individuals	\$ 281,020	\$ 5,320	\$ -	\$ 286,340
Corporations	114,469	5,450	-	119,919
Foundations	30,750	230	-	30,980
Organizations	20,850	-	-	20,850
Trust	-	-	500,000	500,000
Special event revenue	97,150	-	-	97,150
In-kind	105,011	-	-	105,011
<u>Other</u>				
Dividend and interest income	-	-	6,750	6,750
Capital gains dividend	-	-	3,250	3,250
Realized gain (loss) on marketable securities	-	-	(2,480)	(2,480)
Unrealized gain (loss) on marketable securities	-	-	(3,289)	(3,289)
<u>Net Assets Released from Restrictions</u>				
Expiration of time and program satisfaction	30,000	-	(30,000)	-
Total Revenues	679,250	11,000	474,231	1,164,481
EXPENSES				
Program services	444,461	-	-	444,461
Cost of direct benefits to donors	113,418	-	-	113,418
<u>Support services</u>				
General and administrative	27,865	-	1,763	29,628
Fund raising and development	72,544	-	-	72,544
Total Expenses	658,288	-	1,763	660,051
CHANGE IN NET ASSETS	20,962	11,000	472,468	504,430
NET ASSETS, BEGINNING OF YEAR	47,843	-	-	47,843
NET ASSETS, END OF YEAR	\$ 68,805	\$ 11,000	\$ 472,468	\$ 552,273

See accompanying notes and independent auditors' report

PANHELLENIC SCHOLARSHIP FOUNDATION
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2016 and 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITES		
Change in net assets	\$ 3,382,050	\$ 504,430
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized gain (loss) on marketable securities	(27,767)	3,289
Dividends and interest earned on investments	(11,264)	-
Investment fees	3,435	-
Building donation	(1,500,000)	-
(Increase) decrease in:		
Grant receivable	(10,000)	3,659
Contributions receivable	(1,000)	-
Prepaid expenses	22,837	(34,438)
Increase (decrease) in:		
Accounts payable	(602)	(1,807)
Credit card payable	181	-
Scholarship awards	-	(6,667)
Due to Tomaras Investments	51,731	-
	1,909,601	468,466
NET CASH PROVIDED BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITES		
Purchases of marketable securities	-	(510,001)
Proceeds from sale of marketable securities	-	34,244
Payments out of investments	29,449	-
	29,449	(475,757)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,939,050	(7,291)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	48,845	56,136
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,987,895	\$ 48,845

See accompanying notes and independent auditors' report

PANHELLENIC SCHOLARSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 1 - NATURE OF ACTIVITIES

PanHellenic Scholarship Foundation (the "Foundation") is a not-for-profit corporation whose purpose is the furthering of higher education among Greek Americans by awarding scholarships to students demonstrating high academic and leadership skills.

In 2012, the Foundation launched a new program labeled Hellenic Birthright. The program is a collaboration with Anatolia College of Thessaloniki and is offered to Greek American college students ages 18 to 25. The objective of the program is to provide an educational and cultural experience for those selected students who have not had the opportunity to visit Greece.

All of the Foundation's support is derived from voluntary donations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Foundation has elected to present its financial statements in accordance with generally accepted accounting principles (GAAP) promulgated in the United States of America for not-for-profit entities. The Foundation is required to report information regarding its financial position and activities using three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, which are based on the existence or absence of donor-imposed restrictions. Accordingly, unrestricted net assets are amounts that are not subject to donor-imposed stipulations and are available for operations. Temporarily restricted net assets are those whose use has been limited by donors and grantors to a specific time period or purpose. Permanently restricted net assets are amounts restricted by donors to be maintained in perpetuity.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Contributions

In accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB ASC), contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the absence or existence and nature of donor restrictions.

Expense Allocation

Directly identifiable expenses are charged to the scholarship and Hellenic Birthright program and support services. Expenses related to more than one function are charged to program and supporting services on the basis of periodic time and expense estimates. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Foundation considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents unless the investments are held for meeting restrictions for purchase of property and equipment, payment of long-term debt, or endowment.

PANHELLENIC SCHOLARSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments primarily consist of equity funds, fixed income funds and alternative assets classes (i.e. venture capital/private equities and real estate investment trusts). The Foundation maintains a diversified portfolio of investments to manage market and interest-rate risks. Investments are recorded at fair value.

Investment income, unrealized gains (losses) and realized gains (losses) are included in the change in net assets and classified in accordance with the presence or absence of donor stipulation.

Property and Equipment

The Foundation capitalizes all property and equipment with a cost, if purchased, or a fair market value, if donated, of more than \$1,000 and a useful life of 3 or more years. Provisions for depreciation and amortization of property and equipment are computed under the straight-line method over the estimated useful lives of the assets.

Income Taxes

The Foundation is a not-for-profit corporation described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes pursuant to Section 501(a) of the Code. The Foundation is not classified as a private foundation. The Foundation files annual informational returns to the Internal Revenue Service (Form 990) and to the Office of the Attorney General of the state of Illinois. The Foundation has not been informed of any tax examinations by either the Internal Revenue Service or the State. The tax years 2013, 2014, and 2015 are still open for both federal and state purposes.

Risks and Uncertainties

Investments are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the net assets of the Foundation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts 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.

Advertising

The Foundation uses advertising to promote its scholarship program. These costs are expensed as incurred. Advertising expense for the years ended December 31, 2016 and 2015 was \$16,961 and \$9,102, respectively

Reclassifications

Certain prior year amounts have been reclassified to conform with the current year's presentation. These reclassifications did not affect the prior year's change in net assets.

NOTE 3 - ANNUAL EVENT

Gala events were held in June, 2016 and 2015. The 2016 event realized \$74,510 in ticket sales and \$33,850 from the event auction. The 2015 event realized \$51,750 in ticket sales and \$45,400 from the event auction. Direct expenses for the 2016 and 2015 events were \$131,445 and \$113,418, respectively.

PANHELLENIC SCHOLARSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 4 - SCHOLARSHIP AWARD PROGRAM

In 2016 the Foundation awarded twenty-one scholarships of \$10,000 each and twenty-three scholarships of \$2,500 each in accordance with scholarship guidelines. In 2015 the Foundation awarded twenty scholarships of \$10,000 each and twenty scholarships of \$2,500 each in accordance with scholarship guidelines. Applications were reviewed and recommendations were made by the Foundation's Academic Committee. The Board of Directors made the final approval for all award recipients.

NOTE 5 - HELLENIC BIRTHRIGHT PROGRAM

The Hellenic Birthright Program for 2015 was for twenty undergraduate students who attend an accredited university in the United States of America. Eligible applicants are those of Hellenic descent who have never been to Greece (or had visited Greece when age eight or younger). They also must be aged 18 to 25, with limited financial means, and a United States citizen or permanent resident. The Foundation sponsored the tuition for the students to study at the American College of Thessaloniki (ACT) in Greece. The paid expenses for this program were \$86,900 for the year ended December 31, 2015. The Foundation did not participate in this program for the year ended December 31, 2016.

NOTE 6 - THE GEORGIA SFONDOURIS MITCHELL MUSIC & ARTS SCHOLARSHIP FUND - PERMANENTLY RESTRICTED NET ASSETS

In 2015 the Foundation was the recipient of a \$500,000 gift. The funds are to be used for two scholarships per year of \$10,000 each and an annual allowance of two percent of the outstanding value to be used as an administrative fee. The scholarships are to be awarded as donor defined. The fund is to be invested to generate earnings with the goal of asset appreciation. The Board of Directors has established a committee for oversight of the fund's operation. As required by generally accepted accounting principles, net assets associated with the fund are classified and reported based on the existence of donor-imposed restrictions.

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total
January 1, 2016	\$ 30,000	\$ -	\$ 472,468	\$ 502,468
Scholarships	20,000	-	(20,000)	-
Administrative fee	9,449	-	(9,449)	-
Investment income	-	-	11,264	11,264
Investment fees	-	-	(3,435)	(3,435)
Net unrealized gains	-	-	27,767	27,767
December 31, 2016	<u>\$ 59,449</u>	<u>\$ -</u>	<u>\$ 478,615</u>	<u>\$ 538,064</u>

PANHELLENIC SCHOLARSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 6 - THE GEORGIA SFONDOURIS MITCHELL MUSIC & ARTS SCHOLARSHIP FUND - PERMANENTLY RESTRICTED NET ASSETS (CONTINUED)

	<u>Unrestricted Net Assets</u>	<u>Temporarily Restricted Net Assets</u>	<u>Permanently Restricted Net Assets</u>	<u>Total</u>
January 1, 2015	\$ -	\$ -	\$ -	
Contribution	-	-	500,000	500,000
Scholarships	20,000	-	(20,000)	-
Administrative fee	10,000	-	(10,000)	-
Investment income	-	-	6,750	6,750
Capital dividend	-	-	3,250	3,250
Realized losses	-	-	(2,480)	(2,480)
Investment fees	-	-	(1,763)	(1,763)
Net unrealized losses	-	-	(3,289)	(3,289)
	<hr/>	<hr/>	<hr/>	<hr/>
December 31, 2015	<u>\$ 30,000</u>	<u>\$ -</u>	<u>\$ 472,468</u>	<u>\$ 502,468</u>

NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods.

	<u>2016</u>	<u>2015</u>
Scholarships	<u>\$ 30,000</u>	<u>\$ 11,000</u>
	<u>\$ 30,000</u>	<u>\$ 11,000</u>

NOTE 8 - FAIR VALUE MEASUREMENTS

The fair value of financial assets and liabilities is measured according to the Fair Value Measurements and Disclosures topic of the FASB Accounting Standards Codification. Fair value is required to be evaluated and adjusted according to the following valuation techniques:

Level 1: Quoted prices for similar assets or liabilities in active markets.

Level 2: Inputs other than the quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in markets that are not active; observable inputs other than quoted prices for the assets or liability; and inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

PANHELLENIC SCHOLARSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 8 - FAIR VALUE MEASUREMENTS (CONTINUED)

<u>December 31, 2016</u>	<u>Fair Value</u>	<u>Significant Observable Inputs (Level 1)</u>	<u>Significant Observable Inputs (Level 2)</u>
Cash/Currency	\$ 20,684	\$ 20,684	\$ -
Equities	273,960	273,960	-
Bonds - Fixed Income	150,425	-	150,425
Mutual Funds	19,907	-	19,907
Public REITs	13,639	-	13,639
TOTAL	<u>\$ 478,615</u>	<u>\$ 294,644</u>	<u>\$ 183,971</u>

<u>December 31, 2015</u>	<u>Fair Value</u>	<u>Significant Observable Inputs (Level 1)</u>	<u>Significant Observable Inputs (Level 2)</u>
Cash/Currency	\$ 24,070	\$ 24,070	\$ -
Equities	262,368	262,368	-
Bonds - Fixed Income	148,196	-	148,196
Mutual Funds	23,831	-	23,831
Public REITs	14,003	-	14,003
TOTAL	<u>\$ 472,468</u>	<u>\$ 286,438</u>	<u>\$ 186,030</u>

NOTE 9 - INVESTMENTS

Balances of major classes of investments as of December 31, 2016 and 2015 are as follows (at fair market value):

	<u>2016</u>	<u>2015</u>
Cash/Currency	\$ 20,684	\$ 24,070
Equities	273,960	262,368
Bonds - Fixed Income	150,425	148,196
Mutual Funds	19,907	23,831
Public REITs	13,639	14,003
TOTAL	<u>\$ 478,615</u>	<u>\$ 472,468</u>

The above investments are restricted based on the terms of the Georgia Sfondouris Mitchell Music & Arts Scholarship Fund.

Investment income consists of the following during the years ended December 31, 2016 and 2015.

	<u>2016</u>	<u>2015</u>
Dividends	\$ 11,264	\$ 10,001
Unrealized gain (loss) in market values	27,767	(3,289)
	<u>\$ 39,031</u>	<u>\$ 6,712</u>

PANHELLENIC SCHOLARSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 9 - INVESTMENTS (CONTINUED)

Investment securities are exposed to various risks including interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

NOTE 10 - RELATED PARTY TRANSACTIONS

The Chairman of the Foundation's Board of Directors was Chris Tomaras until his passing in October, 2015. Mr. Tomaras was the sole owner of Tomaras Investments, Ltd. which provided in-kind services for the Foundation. Costs charged to the Foundation were based upon actual expenses incurred by the related party. This arrangement and cost allocation method continued through the year ended December 31, 2015.

The passing of Mr. Tomaras caused a change to the way the Foundation was being run and what was being provided by Tomaras Investments, Ltd. The administrative personnel provided by Tomaras Investments, Ltd. were hired as employees of the Foundation beginning the second quarter of 2016. Occupancy expenses were provided by Tomaras Investments, Ltd. through the second quarter of 2016. These expenses are now being paid directly by the Foundation. The expenses that were covered by Tomaras Investments, Ltd. during the year ended December 31, 2016 are shown as a liability on the statement of financial position. See Note 11.

Mr. Tomaras was a major contributor to the organization and board members were aware of this relationship. The Foundation was the sole beneficiary to Mr. Tomaras' life insurance policy and his 401(k) account. These amounts totaled \$2,057,272 and were received during the year ended December 31, 2016. Also, as part of Mr. Tomaras' living trust, the Foundation received property located in Chicago, Illinois valued at a total of \$1,500,000 for both land and building. Building renovations on that property were paid by Mr. Tomaras and Tomaras Investments, Ltd. It is the Foundation's intention to lease the building to provide additional income for the Foundation and it's mission. The Foundation will also receive seventy five percent of the remainder of the corpus of the trust. The timing and amount of payment is unknown as of the date of this report. There are no donor imposed restrictions on any of the donations received from Chris Tomaras.

NOTE 11 - DUE TO TOMARAS INVESTMENTS

Administrative personnel and occupancy expenses paid during the year ended December 31, 2016 by Tomaras Investments, Ltd. are presented as a liability on the statement of financial position. After Chris Tomaras' passing, the Foundation would no longer receive an in kind contribution to cover those expenses.

This liability was reduced by amounts paid by the Foundation for expenses on the building that was donated by Mr. Tomaras. The balance of the liability will not need to be paid by the Foundation. Instead, the amount received by the Foundation from the remainder of Mr. Tomaras' trust will be reduced by the liability at that time.

Administrative personnel	\$	63,641
Occupancy expenses		7,213
Building expenses		<u>(19,123)</u>
TOTAL	\$	<u>51,731</u>

PANHELLENIC SCHOLARSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 12 - LEASE COMMITMENT

North Wabash, Chicago

The Foundation currently leases office space in Chicago, Illinois. The location was owned by Chris Tomaras. After his passing, the building was given to the family of one of the trustees of the Foundation, so there is no concern regarding relocating. The Foundation began paying \$1,500 per month in rent beginning July, 2016. Prior to this, the Foundation would receive an in kind donation from Mr. Tomaras for these payments. There is no written lease agreement in place for this location as of the date of this report.

NOTE 13 - IN-KIND

The Foundation was provided administrative personnel and occupancy expenses by Tomaras Investments, Ltd. through the year ended December 31, 2015. The estimated in-kind value to the Foundation was \$102,612. The in-kind revenue of \$105,762 for the year ended December 31, 2015 includes the in-kind value from Tomaras Investments, Ltd. The residual of in-kind revenue and expenses relates to discounted services.

NOTE 14 - SIGNIFICANT CONCENTRATION OF CREDIT RISK

Financial instruments that subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents in financial institutions, which from time to time exceed the federal depository insurance coverage limit; that excess is uninsured. Management has placed these funds in high quality institutions in order to minimize the risk. Cash equivalents, other securities, and limited amounts of cash held in brokerage accounts are protected by the Securities Investor Protection Corporation (SIPC) in the event of broker-dealer failure, up to \$500,000 of protection for each brokerage account with a limit of \$250,000 for claims of uninvested cash balances. The SIPC insurance does not protect against market losses on investments.

NOTE 15 - GRANT RECEIVABLE

The Foundation was awarded a grant from the Hellenic Foundation Grant Program in the amount of \$10,000 in 2016. This amount was received after the year ended December 31, 2016 but prior to the date of this report. The grant was recognized in 2016 and is shown as a grant receivable on the statement of financial position as of December 31, 2016.

NOTE 16 - DATE OF MANAGEMENT EVALUATION

Management has evaluated subsequent events through July 21, 2017, the date on which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

PANHELLENIC SCHOLARSHIP FOUNDATION
SCHEDULE OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2016

	<u>Program Services</u>	<u>Support Services</u>		<u>Total</u>
	<u>Program Expenses</u>	<u>General and Administrative Expenses</u>	<u>Fundraising and Development Expenses</u>	
FUNCTIONAL EXPENSES				
Scholarship grants	\$ 267,500	\$ -	\$ -	\$ 267,500
Accounting	-	8,170	-	8,170
Award and travel expense	-	-	1,414	1,414
Bank and credit card processing charges	-	3,197	-	3,197
Computer expense	9,285	546	1,092	10,923
Consulting	-	-	3,770	3,770
Contributions	-	250	-	250
Dues and subscriptions	-	837	-	837
Email broadcasting	378	-	378	756
Employee benefits	7,079	416	833	8,328
Equipment leasing	-	1,288	-	1,288
Fax broadcasting	328	-	329	657
Graphic design	4,637	-	4,638	9,275
Internet expense	611	611	-	1,222
Licenses	-	371	-	371
Marketing - publicity	8,481	-	8,480	16,961
Meeting and conferences	-	1,193	-	1,193
Office supplies	-	5,085	-	5,085
Parking	-	650	650	1,300
Payroll processing fees	510	30	60	600
Postage and mailings	10,958	-	10,959	21,917
Printing	14,365	-	14,364	28,729
Professional services	-	-	25,431	25,431
Rent	7,650	450	900	9,000
Salaries	48,090	2,829	5,658	56,577
Telephone	1,745	103	205	2,053
Web development and maintenance	-	4,964	-	4,964
Equipment rental - in-kind	-	287	-	287
Office supplies - in-kind	-	313	-	313
Parking - in-kind	-	332	333	665
Payroll processing fees - in-kind	308	18	36	362
Postage and printing - in-kind	344	38	-	382
Rent - in-kind	3,825	225	450	4,500
Salaries - in-kind	49,896	2,934	5,870	58,700
Employee benefits - in-kind	4,030	237	474	4,741
Telephone - in-kind	772	45	91	908
Utilities - in-kind	379	22	45	446
TOTAL FUNCTIONAL EXPENSES	<u>\$ 441,171</u>	<u>\$ 35,441</u>	<u>\$ 86,460</u>	<u>\$ 563,072</u>

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PANHELLENIC SCHOLARSHIP FOUNDATION
SCHEDULE OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2015

	<u>Program Services</u>	<u>Support Services</u>		<u>Total</u>
	<u>Program Expenses</u>	<u>General and Administrative Expenses</u>	<u>Fundraising and Development Expenses</u>	
FUNCTIONAL EXPENSES				
Scholarship grants	\$ 250,000	\$ -	\$ -	\$ 250,000
Hellenic Birthright Program	86,900	-	-	86,900
Accounting	-	6,008	-	6,008
Award and travel expense	-	-	5,757	5,757
Bank and credit card processing charges	-	2,212	-	2,212
Consulting	-	-	3,150	3,150
Contributions	-	300	-	300
Dues and subscriptions	-	234	-	234
Email broadcasting	378	-	378	756
Employee benefits	-	750	-	750
Fax broadcasting	1,488	-	1,488	2,976
Graphic design	6,142	-	6,142	12,284
Licenses	-	448	-	448
Marketing - publicity	4,551	-	4,551	9,102
Meeting and conferences	-	681	-	681
Office supplies	-	890	-	890
Postage and mailings	6,970	-	6,970	13,940
Printing	9,870	-	9,871	19,741
Professional services	-	-	22,634	22,634
Web development and maintenance	-	3,495	-	3,495
Computer expense - in-kind	-	4,560	-	4,560
Equipment rental - in-kind	-	1,485	-	1,485
Office supplies - in-kind	301	180	722	1,203
Parking - in-kind	-	1,943	1,943	3,886
Payroll processing fees - in-kind	606	36	71	713
Postage and printing - in-kind	1,881	209	-	2,090
Rent - in-kind	16,830	990	1,980	19,800
Salaries - in-kind	51,038	3,002	6,004	60,044
Employee benefits - in-kind	4,061	239	478	4,778
Telephone - in-kind	2,552	150	300	3,002
Utilities - in-kind	893	53	105	1,051
TOTAL FUNCTIONAL EXPENSES	<u>\$ 444,461</u>	<u>\$ 27,865</u>	<u>\$ 72,544</u>	<u>\$ 544,870</u>

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