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**THE NATIONAL SECURITY ARCHIVE FUND, INC.**

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**DECEMBER 31, 2016 AND 2015**

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Independent Auditors' Report

The Board of Directors  
The National Security Archive Fund, Inc.  
Washington, DC

We have audited the accompanying financial statements of The National Security Archive Fund, Inc., which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

*Management's Responsibility*

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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 auditors consider 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 The National Security Archive Fund, Inc. as of December 31, 2016 and 2015, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Fairfax, Virginia  
November 6, 2017

THE NATIONAL SECURITY ARCHIVE FUND, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,369,087	\$ 1,334,110
Foundation grants receivable, short term - unrestricted	-	250,000
Foundation grants receivable, short term - restricted	1,392,500	1,252,500
Royalties due from co-publishers	121,140	134,959
Other receivables	932	923
Prepaid expenses	53,490	56,755
	<u>                    </u>	<u>                    </u>
Total Current Assets	<u>\$ 2,937,149</u>	<u>\$ 3,029,247</u>
<b>NON-CURRENT ASSETS</b>		
Foundation grants receivable, long term - restricted, net	306,900	500,500
Property, plant, and equipment, net	7,675	6,828
	<u>                    </u>	<u>                    </u>
Total Non-Current Assets	<u>\$ 314,575</u>	<u>\$ 507,328</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 3,251,724</u></u>	<u><u>\$ 3,536,575</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 15,792	\$ 5,489
Accrued expenses	14,500	14,000
	<u>                    </u>	<u>                    </u>
Total Current Liabilities	<u>\$ 30,292</u>	<u>\$ 19,489</u>
<b>NET ASSETS</b>		
Unrestricted	\$ 827,713	\$ 1,319,014
Temporarily restricted	2,393,719	2,198,072
	<u>                    </u>	<u>                    </u>
Total Net Assets	<u>\$ 3,221,432</u>	<u>\$ 3,517,086</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 3,251,724</u></u>	<u><u>\$ 3,536,575</u></u>

The accompanying notes are an integral part of these financial statements.

**THE NATIONAL SECURITY ARCHIVE FUND, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

(With comparative totals for the year ended December 31, 2015)

	Unrestricted	Temporarily Restricted	2016 Total	2015 Total
<b>REVENUE AND OTHER SUPPORT</b>				
Gifts from individuals	\$ 4,900	\$ 500	\$ 5,400	\$ 16,120
Grants from foundations:				
Received in the current year	70,000	815,000	885,000	756,000
Receivable in future years, net of discount	-	1,198,900	1,198,900	1,768,000
Royalties, honoraria, and sale of materials	465,759	-	465,759	551,930
Net assets released from restriction	1,818,753	(1,818,753)	-	-
<b>Total Revenue and Other Support</b>	<b>\$ 2,359,412</b>	<b>\$ 195,647</b>	<b>\$ 2,555,059</b>	<b>\$ 3,092,050</b>
<b>EXPENSES</b>				
Program expenses	\$ 2,510,546	\$ -	\$ 2,510,546	\$ 2,846,476
Supporting services:				
Management and general	\$ 277,957	\$ -	\$ 277,957	\$ 277,328
Fund raising	62,210	-	62,210	61,602
<b>Total Supporting Services</b>	<b>\$ 340,167</b>	<b>\$ -</b>	<b>\$ 340,167</b>	<b>\$ 338,930</b>
<b>Total Expenses</b>	<b>\$ 2,850,713</b>	<b>\$ -</b>	<b>\$ 2,850,713</b>	<b>\$ 3,185,406</b>
<b>NON-RECURRING CHARGES</b>				
Contribution of CNSS to Center for American Progress	-	-	-	425,887
<b>TOTAL EXPENSES AND NON-RECURRING CHARGES</b>	<b>\$ 2,850,713</b>	<b>\$ -</b>	<b>\$ 2,850,713</b>	<b>\$ 3,611,293</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ (491,301)</b>	<b>\$ 195,647</b>	<b>\$ (295,654)</b>	<b>\$ (519,243)</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>1,319,014</b>	<b>2,198,072</b>	<b>3,517,086</b>	<b>4,036,329</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 827,713</b>	<b>\$ 2,393,719</b>	<b>\$ 3,221,432</b>	<b>\$ 3,517,086</b>

The accompanying notes are an integral part of these financial statements.

**THE NATIONAL SECURITY ARCHIVE FUND, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Unrestricted	Temporarily Restricted	2015 Total
<b>REVENUE AND OTHER SUPPORT</b>			
Gifts from individuals	\$ 3,020	\$ 13,100	\$ 16,120
Grants from foundations:			
Received in the current year	85,000	671,000	756,000
Receivable in future years, net of discount	15,000	1,753,000	1,768,000
Royalties, honoraria, and sale of materials	551,930	-	551,930
Net assets released from restriction	1,647,378	(1,647,378)	-
Total Revenue and Other Support	\$ 2,302,328	\$ 789,722	\$ 3,092,050
<b>EXPENSES</b>			
Program expenses	\$ 2,846,476	\$ -	\$ 2,846,476
Supporting services:			
Management and general	\$ 277,328	\$ -	\$ 277,328
Fund raising	61,602	-	61,602
Total Supporting Services	\$ 338,930	\$ -	\$ 338,930
Total Expenses	\$ 3,185,406	\$ -	\$ 3,185,406
<b>NON-RECURRING CHARGES</b>			
Contribution of CNSS to Center for American Progress	-	425,887	425,887
<b>TOTAL EXPENSES AND NON-RECURRING CHARGES</b>			
	\$ 3,185,406	\$ 425,887	\$ 3,611,293
<b>CHANGE IN NET ASSETS</b>			
	\$ (883,078)	\$ 363,835	\$ (519,243)
<b>NET ASSETS, BEGINNING OF YEAR</b>			
	2,202,092	1,834,237	4,036,329
<b>NET ASSETS, END OF YEAR</b>			
	\$ 1,319,014	\$ 2,198,072	\$ 3,517,086

The accompanying notes are an integral part of these financial statements.

THE NATIONAL SECURITY ARCHIVE FUND, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2016

(With comparative totals for the year ended December 31, 2015)

	Program	Management and General	Fund Raising	2016 Total	2015 Total
<b>EXPENSES</b>					
Staff salaries	\$ 1,626,563	\$ 167,500	\$ 42,500	\$ 1,836,563	\$ 2,027,061
Staff benefits and insurance	650,247	59,312	12,885	722,444	734,548
Books, subscriptions, directories, and dues	7,100	-	-	7,100	5,754
Computer equipment, supplies, and services	18,597	7,405	-	26,002	32,710
Depreciation and amortization	3,961	-	-	3,961	30,694
Office equipment, supplies, and services	12,693	3,065	48	15,806	22,628
Postage	349	135	-	484	416
Printing and publications	92	-	-	92	2,317
Professional fees, consultants, and honoraria	87,032	14,750	1,320	103,102	142,908
Rent, document storage, and parking	68,786	3,354	-	72,140	93,990
Telephone equipment and services	13,900	-	-	13,900	16,903
Travel, meetings, and conferences	44,958	3,044	1,117	49,119	75,477
Allocation of supporting services	(23,732)	19,392	4,340	-	-
<b>TOTAL EXPENSES</b>	<b>\$ 2,510,546</b>	<b>\$ 277,957</b>	<b>\$ 62,210</b>	<b>\$ 2,850,713</b>	<b>\$ 3,185,406</b>

The accompanying notes are an integral part of these financial statements.

THE NATIONAL SECURITY ARCHIVE FUND, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2015

	Program	Management and General	Fund Raising	2015 Total
<b>EXPENSES</b>				
Staff salaries	\$ 1,817,061	\$ 167,500	\$ 42,500	\$ 2,027,061
Staff benefits and insurance	663,501	58,768	12,279	734,548
Books, subscriptions, directories, and dues	5,754	-	-	5,754
Computer equipment, supplies, and services	24,884	7,826	-	32,710
Depreciation and amortization	30,694	-	-	30,694
Office equipment, supplies, and services	19,378	3,156	94	22,628
Postage	270	146	-	416
Printing and publications	2,317	-	-	2,317
Professional fees, consultants, and honoraria	128,248	14,000	660	142,908
Rent, document storage, and parking	90,666	3,324	-	93,990
Telephone equipment and services	16,903	-	-	16,903
Travel, meetings, and conferences	70,446	3,260	1,771	75,477
Allocation of supporting services	(23,646)	19,348	4,298	-
<b>TOTAL EXPENSES</b>	<b>\$ 2,846,476</b>	<b>\$ 277,328</b>	<b>\$ 61,602</b>	<b>\$ 3,185,406</b>

The accompanying notes are an integral part of these financial statements.



**THE NATIONAL SECURITY ARCHIVE FUND, INC.**

**STATEMENTS OF CASH FLOWS**

**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (295,654)	\$ (519,243)
Adjustments to reconcile change in net assets to net cash provided by/ (used in) operating activities:		
Depreciation and amortization	\$ 3,961	\$ 30,694
(Increase) Decrease In:		
Foundation grants receivable	303,600	(642,500)
Royalties due from co-publishers	13,819	67,874
Other receivables	(9)	-
Prepaid expenses	3,265	(8,457)
(Decrease) Increase In:		
Accounts payable and accrued expenses	10,803	(4,142)
 Total adjustments	 \$ 335,439	 \$ (556,531)
 Net Cash Provided by/ (Used in) Operating Activities	 \$ 39,785	 \$ (1,075,774)
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for purchase of equipment	\$ (4,808)	\$ -
 <b>INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	 \$ 34,977	 \$ (1,075,774)
 <b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	 1,334,110	 2,409,884
 <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	 \$ 1,369,087	 \$ 1,334,110

There were no non-cash investing or financing activities for the years ended December 31, 2016 or 2015.

The accompanying notes are an integral part of these financial statements.

# THE NATIONAL SECURITY ARCHIVE FUND, INC.

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

### Note 1. Organization and Nature of Activities

The National Security Archive Fund, Inc. (the NSAF) is a District of Columbia non-profit corporation. Since July 1, 1999 the NSAF has been the corporate base for the National Security Archive (the Archive). From January 1, 2000 through October 31, 2015 it was also the corporate base for the Center for National Security Studies (the CNSS); as of November 1, 2015 the activities and assets of the CNSS were transferred to another non-profit corporation, the Center for American Progress (Note 8).

The Archive was founded in 1985 to collect, analyze, and publish unclassified and declassified documents bearing upon U.S. foreign policy and related topics in international affairs. Its published collections of documents are used by the students and faculty of colleges and universities in the U.S. and abroad, and by journalists, researchers, and non-governmental organizations throughout the world. It also undertakes research projects and conferences to facilitate the study and open discussion of world events and trends.

The CNSS was founded in 1973 to conduct programs addressing the relationship between civil liberties and measures undertaken to protect national security. The CNSS's operations were located in the Washington, DC office of the Open Society Institute from 2002 until its staff's relocation to the offices of the Center for American Progress.

Since 1995 the Archive has been located in the Gelman Library at The George Washington University (GWU) in Washington, DC. Although the Archive and GWU are separate legal entities, the Archive provides many materials and services to GWU students and faculty (including direct access to Archive document collections; research-assistant positions and internships for GWU students; assistance in the use of the U.S. Freedom of Information Act in scholarly research; and participation in frequent collaborative activities including seminars, conferences, and research projects) and receives access to various GWU facilities (including office space and telephone services; information-technology equipment and support; university library, on-campus parking, and athletic facilities; participation in the services of the Washington Research Library Consortium; and advice and assistance from GWU faculty in the formulation and undertaking of Archive research projects). The services and opportunities GWU and the Archive provide each other are significant and mutually beneficial, including many intangible elements. Where appropriate, the fair value of the services provided and received is reflected in the NSAF's financial statements.

### Note 2. Summary of Significant Accounting Policies

#### Basis of Accounting

The accompanying financial statements of the NSAF have been prepared on the accrual basis, which conforms to accounting principles generally accepted in the United States of America.

# THE NATIONAL SECURITY ARCHIVE FUND, INC.

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

### Note 2. Summary of Significant Accounting Policies (Continued)

#### Basis of Presentation

The NSAF follows Accounting Standards Codification Topic 958, *Not-for-Profit Entities* (FASB ASC 958). FASB ASC 958 specifies that financial statements provided by not-for-profit organizations include statements of financial position, statements of activities, and statements of cash flows. FASB ASC 958 further provides that net assets be classified as unrestricted, temporarily restricted, or permanently restricted based on the existence or absence of donor-imposed restrictions. However, the NSAF does not currently hold permanently restricted net assets.

The NSAF's net assets have been grouped into the following two classes:

**Unrestricted net assets** – Unrestricted net assets represent resources that are not restricted, either temporarily or permanently, by donor-imposed stipulations. They are available for support of all organizational operations and services.

**Temporarily Restricted net assets** – Temporarily restricted net assets represent contributions and other inflows of assets whose use is limited by donor-imposed stipulations. These restrictions are temporary in that they expire either by the passage of time or by the fulfillment of certain actions of the NSAF pursuant to those stipulations. When the time period restriction is met, or the specific purpose is attained, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

#### Management Estimates and Uncertainties

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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid bank accounts. At December 31, 2016 and 2015, the NSAF's cash and cash equivalents were held by one bank. The balance on deposit at times may exceed the amount insured by federal agencies. The NSAF does not believe that, as a result of this concentration, it is subject to any unusual financial risk beyond the normal risk associated with commercial banking relationships.

#### Grants Receivable

The NSAF accounts for grants and contributions under FASB ASC 958, which requires the NSAF to record a receivable to reflect the promises of donors to make future grants. Under Accounting Standards Codification Topic 820, *Fair Value Measurement* (FASB ASC 820), grants receivable are initially recorded at fair value and are discounted to their net present value using an appropriate market rate.

# THE NATIONAL SECURITY ARCHIVE FUND, INC.

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

### Note 2. Summary of Significant Accounting Policies (Concluded)

#### Property, Plant, and Equipment and Depreciation

Property, plant, and equipment are recorded at cost at the date of purchase or fair market value at the date of donation. Acquisitions greater than \$1,000 of property and equipment are capitalized. Computer and office equipment are depreciated using the straight-line method over their estimated useful lives of five years. Leasehold improvements are amortized using the straight-line method over the shorter of the estimated lives of the assets or the remaining life of the lease.

#### Revenue Recognition

Foundation grants to the NSAF, whether restricted or unrestricted, are recorded as revenue when committed by the grantors. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected based on a market rate of return.

Royalties due to the NSAF from co-publishers are recorded as revenue in the periods in which they are earned from the sale of publications or subscriptions.

#### Income Taxes

The NSAF is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and the applicable state income tax regulations, except for taxes on unrelated business income. Because the NSAF had no unrelated business income for the years ended December 31, 2016 or 2015, no provision for income taxes has been made in the accompanying financial statements.

FASB ASC 740, *Income Taxes* prescribes a model for how an entity should recognize, measure, present, and disclose in its financial statements uncertain tax positions that the entity has taken or expects to take on a tax return. FASB ASC 740 requires an entity to recognize the benefit of tax positions when it is "more likely than not" that the provision will be sustainable based on the merits of the position taken by an entity. The NSAF has analyzed its tax positions, and has concluded that no liability should be recorded related to any uncertain tax positions. The NSAF is not aware of any tax positions that it believes will change materially in the next twelve months. If this position changes, the NSAF will assess the impact of any such matters on its financial position and results of operations.

#### Grantees and Indemnifications

The NSAF may enter into service agreements with service providers in which it agrees to indemnify the service provider against certain losses and liabilities arising from the service provider's performance under the agreement. Generally, such indemnification obligations do not apply in situations in which the service provider is grossly negligent, engages in willful misconduct, or acts in bad faith. The NSAF is not aware of any liability under such service agreements for the years ended December 31, 2016 or 2015.

# THE NATIONAL SECURITY ARCHIVE FUND, INC.

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

### Note 3. Defined Contribution Retirement Plan

In April 2002, the NSAF established a defined-contribution retirement plan for its employees under Section 403(b) of the Internal Revenue Code. All non-temporary employees may make contributions to accounts under the plan on a pre-tax basis, subject to the maximums provided by law. In cases in which employees who are at least 21 years of age and who have been employed by the NSAF for at least two years without a break in service contribute five percent or more of their salaries, the NSAF makes contributions to their retirement accounts established under the plan equal to ten percent of their salaries. The NSAF's contributions to employees' accounts under the plan totaled \$166,644 and \$194,577 for the years ended December 31, 2016 and 2015.

### Note 4. Commitments

Under the terms of a license agreement, the NSAF pays GWU \$50,000 a year for office space and certain related facilities and services. The agreement, which commenced in January 1995, runs in automatically renewable five-year periods and is cancelable upon nine months' notice by either party.

The NSAF leases office equipment from commercial suppliers under non-cancelable leases; future gross minimum annual rental payments to be paid under these leases as of December 31, 2016 totaled \$13,455 (payable during 2017 through 2018).

Rent expense under the lease agreements for the years ended December 31, 2016 and 2015 totaled \$7,020 in each year.

### Note 5. Foundation Grants Receivable

As of December 31, 2016 and 2015, the NSAF held the following multi-year grant commitments:

	<u>2016</u>	<u>2015</u>
Grants receivable	\$ 1,702,500	\$ 2,015,000
Less discount	(3,100)	(12,000)
Less current portion	<u>(1,392,500)</u>	<u>(1,502,500)</u>
Net Grants Receivable, long term	<u>\$ 306,900</u>	<u>\$ 500,500</u>

The anticipated collections of the grants receivable based upon the stated payment terms are as follows:

<u>Year Ending</u> <u>December 31,</u>	
2017	\$ 1,392,500
2018	<u>310,000</u>
	<u>\$ 1,702,500</u>

Grants receivable due in more than one year are recognized at fair value, using present value techniques and a discount rate of approximately 1%.

**THE NATIONAL SECURITY ARCHIVE FUND, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2016 AND 2015**

**Note 6. Property, Plant, and Equipment**

As of December 31, 2016 and 2015, property, plant, and equipment consisted of the following:

	2016	2015
Leasehold improvements	\$ 181,824	\$ 181,824
Computer and office equipment	174,600	169,792
	\$ 356,424	\$ 351,616
Accumulated depreciation and amortization	(348,749)	(344,788)
	\$ 7,675	\$ 6,828

Depreciation and amortization expense was \$3,961 and \$30,694 for the years ended December 31, 2016 and 2015.

**Note 7. Composition of Temporarily Restricted Net Assets**

As of December 31, 2016 and 2015, the NSAF held temporarily restricted net assets for the following purposes:

	2016	2015
Latin America Programs	\$ 289,187	\$ 11,332
U.S.-Russia Relations and Nuclear Weapons Policy Programs	1,256,719	1,238,000
Freedom of Information Law Programs: United States	190,833	513,333
Freedom of Information Law Programs: International	7,990	7,990
Cyber Security Program	129,580	371,435
Broadly-based Human Rights Programs	50,170	55,982
Publications & Communications Programs	469,240	-
	\$ 2,393,719	\$ 2,198,072

Temporarily restricted net assets were released from restriction for the following purposes during the years ended December 31, 2016 and 2015:

	2016	2015
Latin America Programs	\$ 197,144	\$ 138,816
U.S.-Russia Relations and Nuclear Weapons Policy Programs	670,181	616,553
Freedom of Information Law Programs: United States	372,500	350,667
Freedom of Information Law Programs: International	-	12,150
Cyber Security Program	241,855	128,565
Broadly-based Human Rights Programs	106,313	107,118
Smith Bagley Research Center (current year's amortization)	-	22,500
Publications & Communications Programs	230,760	-
Center for National Security Studies	-	271,009
	\$ 1,818,753	\$ 1,647,378

**THE NATIONAL SECURITY ARCHIVE FUND, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2016 AND 2015**

**Note 8. Transfer of the CNSS to the Center for American Progress**

At November 1, 2015, the Center for National Security Studies, a program of the NSAF until this date, was combined with a similar project of the Center for American Progress (the CAP), a Section 501(c)(3) organization, with the joint project to operate as a division of the CAP. Unexpended grants and contributions totaling \$425,887 restricted by donors for general support of the CNSS and held in the accounts of the NSAF at October 31, 2015 were, by action of the Board of Directors of the NSAF, transferred to the CAP for support of the new joint project.

**Note 9. Subsequent Events**

The NSAF has performed an evaluation of subsequent events through November 6, 2017, which is the date the financial statements were available to be issued, noting no event that affects the financial statements as of December 31, 2016.