

GENESYS WORKS

CONSOLIDATED FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION

DECEMBER 31, 2015 AND 2014
(With Independent Auditor's Report Thereon)

Insight. Oversight. Foresight.SM

 **DoerenMayhew**
CPAs AND ADVISORS

GENESYS WORKS

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
of **Genesys Works**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Genesys Works and its subsidiaries (collectively, Genesys), which comprise the consolidated statements of financial position as of December 31, 2015 and 2014, and related consolidated statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Genesys as of December 31, 2015 and 2014, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplemental information on pages 13-23 is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or the consolidated financial statements themselves, and other 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 consolidated financial statements as a whole.



Houston, Texas
May 26, 2016

GENESYS WORKS

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2015 AND 2014

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 4,662,141	\$ 3,099,890
Accounts receivable, net	1,692,432	1,722,906
Pledges receivable, net (note 2)	2,123,431	3,865,462
Prepaid expenses and other assets	308,807	206,487
Property and equipment, net (note 3)	<u>523,444</u>	<u>313,959</u>
 Total assets	 <u>\$ 9,310,255</u>	 <u>\$ 9,208,704</u>
 <u>Liabilities and Net Assets</u>		
Accounts payable	\$ 80,097	\$ 106,396
Accrued expenses and other liabilities	<u>698,044</u>	<u>644,649</u>
 Total liabilities	 <u>778,141</u>	 <u>751,045</u>
Net assets:		
Unrestricted	7,045,243	4,856,123
Temporarily restricted (note 4)	<u>1,486,871</u>	<u>3,601,536</u>
 Total net assets	 <u>8,532,114</u>	 <u>8,457,659</u>
 Total liabilities and net assets	 <u>\$ 9,310,255</u>	 <u>\$ 9,208,704</u>

See accompanying notes to consolidated financial statements.

GENESYS WORKS

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Public support, revenues, and other:						
Public support:						
General public	\$ 4,872,078	\$ 863,433	\$ 5,735,511	\$ 4,197,025	\$ 1,903,746	\$ 6,100,771
Federal awards	146,615	-	146,615	132,810	-	132,810
In-kind contributions	79,148	-	79,148	304,208	-	304,208
Net assets released from restrictions (note 5)	2,978,098	(2,978,098)	-	1,490,128	(1,490,128)	-
Total public support	8,075,939	(2,114,665)	5,961,274	6,124,171	413,618	6,537,789
Revenues - program service fees	11,824,235	-	11,824,235	10,084,627	-	10,084,627
Total public support, revenues, and other	19,900,174	(2,114,665)	17,785,509	16,208,798	413,618	16,622,416
			17,785,509			
Expenses:						
Student program	13,733,203	-	13,733,203	10,890,604	-	10,890,604
Management and general	2,540,952	-	2,540,952	2,597,162	-	2,597,162
Fundraising	1,436,899	-	1,436,899	1,070,400	-	1,070,400
Total expenses	17,711,054	-	17,711,054	14,558,166	-	14,558,166
Changes in net assets	2,189,120	(2,114,665)	74,455	1,650,632	413,618	2,064,250
Net assets, beginning of year	4,856,123	3,601,536	8,457,659	3,205,491	3,187,918	6,393,409
Net assets, end of year	<u>\$ 7,045,243</u>	<u>\$ 1,486,871</u>	<u>\$ 8,532,114</u>	<u>\$ 4,856,123</u>	<u>\$ 3,601,536</u>	<u>\$ 8,457,659</u>

See accompanying notes to consolidated financial statements.

GENESYS WORKS

CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
Cash flows from operating activities:		
Changes in net assets	\$ 74,455	\$ 2,064,250
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	112,012	101,771
Loss on disposal of assets	(6,623)	379
Discount on pledges receivable	1,563	(1,563)
Changes in operating assets and liabilities:		
Accounts receivable	30,474	(255,101)
Pledges receivable	1,740,468	(604,567)
Prepaid expenses and other assets	(102,320)	(177,757)
Accounts payable	(26,299)	(30,926)
Accrued expenses and other liabilities	53,395	355,238
	1,877,125	1,451,724
Cash flows used in investing activities -		
Purchases of equipment	(314,874)	(157,748)
Cash flows from financing activities:		
Proceeds from lines of credit	-	75,000
Repayments on lines of credit	-	(225,000)
	-	(150,000)
Net increase in cash and cash equivalents	1,562,251	1,143,976
Cash and cash equivalents, beginning of year	3,099,890	1,955,914
Cash and cash equivalents, end of year	\$ 4,662,141	\$ 3,099,890
Supplemental data -		
Interest paid	\$ -	\$ 533

See accompanying notes to consolidated financial statements.

GENESYS WORKS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2015 AND 2014

Note 1 - Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

Genesys Works (Genesys) is a Texas nonprofit corporation incorporated April 7, 2002 as Genesys ITS, which changed its name on August 18, 2006 to Genesys Works. In 2009, Genesys restructured the organization creating three consolidating entities (subsidiaries) in which Genesys is a sole member. Genesys Works Houston was formed as a Texas nonprofit corporation on December 21, 2009. Genesys Works Twin Cities was formed as a Minnesota nonprofit corporation on April 7, 2009. Genesys Works Chicago was formed as a Texas nonprofit corporation on December 21, 2009. For IRS group return reporting purposes, Genesys Works created the Genesys Works Group Return Federal identification number on September 12, 2011. On December 14, 2012, an additional subsidiary, Genesys Works Bay Area, was formed as a Texas nonprofit corporation.

Genesys enables inner-city underprivileged high school students to work as professionals in large corporations during their senior year in high school in order to discover that they can succeed as professionals in the corporate world.

Basis of Financial Statement Presentation and Principles of Consolidation

Genesys' consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Genesys' consolidated financial statements include Genesys Works Houston, Genesys Works Twin Cities, Genesys Works Chicago, and Genesys Works Bay Area which are subsidiaries. All material intercompany balances and transactions have been eliminated upon consolidation.

Genesys' resources are reported for accounting purposes in separate classes of net assets based upon the existence or absence of donor-imposed restrictions. Accordingly, net assets of Genesys and changes therein are classified and reported as follows:

- Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purpose by action of the Board of Directors.
- Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of Genesys and/or the passage of time. This classification includes contributions and unconditional promises to give for which the ultimate purposes of the proceeds are not permanently restricted.
- Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by Genesys. No permanently restricted assets were noted as of December 31, 2015 and 2014.

GENESYS WORKS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2015 AND 2014

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

Revenues are reported as increases in unrestricted net assets less direct expenses unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets.

Cash and Cash Equivalents

Genesys considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents and available for current use. At December 31, 2015 and 2014, Genesys had no cash equivalents.

Accounts Receivable, Net and Allowance for Doubtful Accounts

Accounts receivable consists of amounts owed to Genesys by the private and public sector for accounting, engineering and IT services. An allowance for doubtful accounts is recorded when it is believed that any amounts receivable may not be collected in full. The amount of bad debt expense recorded each period and the resulting adequacy of the allowance at the end of each period are determined using a combination of historical loss experience and customer-by-customer analysis of accounts receivable balances each period. At December 31, 2015 and 2014, Genesys had an allowance of \$10,000 for potentially uncollectible receivables.

Property and Equipment

Property and equipment is stated at acquisition cost or, if donated, at estimated fair value at the date of donation. Depreciation and amortization is computed principally by the straight-line method over the following estimated useful lives.

Equipment	5-7 years
Furniture and fixtures	5-7 years
Vehicles	5 years
Software	5 years
Leasehold improvements	3-5 years

Donated Equipment and Services

A number of professionals have donated equipment and services in connection with the program and administration of Genesys, with the amounts appropriately reflected in the consolidated financial statements. When outside equipment and services are donated to Genesys and an objective means of measuring the value is available, an in-kind contribution and an asset or expense is recorded.

GENESYS WORKS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2015 AND 2014

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted support that increases temporarily restricted net assets. However, if a restriction is fulfilled in the same time period in which the contribution is received, Genesys reports the support as unrestricted.

Contributed property and equipment is recorded at fair value at the date of donation. If donors stipulate how long the asset must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

Contributed services are recognized at fair value, except for the work of volunteers for which no monetary value has been assigned.

Pledges Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected over periods in excess of one year are recorded at the present value of the estimated cash flows beyond one year. The discounts on these amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue and is reported within the asset class in which the pledge was originally reported.

Program Service Fees

Program service fees represent amounts charged to customers based on established hourly billing rates for services provided by the students.

Income Taxes

Genesys is a not-for-profit corporation and has been recognized as tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code. Genesys' subsidiaries are recognized as tax exempt under the Company's group exemption (number 5640).

Accounting principles generally accepted in the United States of America require that management evaluate tax positions taken by Genesys and recognize a tax liability (or asset) if Genesys has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service.

GENESYS WORKS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2015 AND 2014

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

Management has analyzed the tax positions taken by Genesys and has concluded that as of December 31, 2015, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the consolidated financial statements. Genesys is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examination for years prior to 2012.

Functional Allocation of Expenses

The expenses of providing the program and activities have been summarized on a functional basis according to the purpose for which the expenses were paid. Certain expenses, which pertain to more than one purpose, were allocated among the various functions based upon their estimated use.

Fair Value of Financial Instruments

Genesys' financial instruments consist of accounts receivable, pledges receivable, and other liabilities. Management believes the carrying amount of these financial instruments approximates their fair values.

Use of Estimates

The preparation of consolidated financial statements in conformity 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. Accordingly, actual results could differ from those assumptions.

Note 2 - Pledges Receivable

Pledges receivable at December 31 are due as follows:	<u>2015</u>	<u>2014</u>
Receivables to be collected in less than one year	\$ 2,123,431	\$ 3,242,025
Receivables to be collected in one to five years	<u>-</u>	<u>625,000</u>
Pledges receivable, gross	2,123,431	3,867,025
Discount for present value at .65%, .25%	<u>-</u>	<u>(1,563)</u>
Total pledges receivable	<u>\$ 2,123,431</u>	<u>\$ 3,865,462</u>

Uncollectible pledges receivable for 2015 and 2014 were expected to be minimal and therefore, no allowance was made for potentially uncollectible amounts at December 31, 2015 and 2014.

GENESYS WORKS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2015 AND 2014

Note 3 - Property and Equipment

Property and equipment at December 31 consists of the following:

	<u>2015</u>	<u>2014</u>
Equipment	\$ 386,877	\$ 372,552
Furniture and fixtures	156,342	30,114
Vehicles	15,395	27,037
Software	94,706	-
Leasehold improvements	<u>480,459</u>	<u>394,221</u>
Total property and equipment	1,133,779	823,924
Accumulated depreciation and amortization	<u>(610,335)</u>	<u>(509,965)</u>
Property and equipment, net	<u>\$ 523,444</u>	<u>\$ 313,959</u>

Depreciation and amortization expense for the years ended December 31, 2015 and 2014 was \$112,012 and \$101,771, respectively.

Note 4 - Temporarily Restricted Net Assets

At December 31, 2015 and 2014, temporarily restricted net assets of \$1,486,871 and \$3,601,536, respectively, are available for the Internship Training Program.

Note 5 - Net Assets Released From Restrictions

During the years ended December 31, 2015 and 2014, net assets of \$2,978,098 and \$1,490,128, respectively, were released from donor restrictions by incurring expenses satisfying the restricted purpose and timing restrictions ended.

Note 6 - Employee Benefit Plan

Genesys has a contributory profit sharing 403(b) plan that covers substantially all employees. Employees' contributions are voluntary. Contributions by employees may not exceed the limit under Federal regulations. Genesys matches 50% of the amount contributed by the employee up to 6% of the employee's base salary. The contributions made by Genesys for the years ended December 31, 2015 and 2014 totaled \$38,453 and \$39,118, respectively.

Note 7 - Concentrations of Credit Risk

Genesys maintains cash in financial institution accounts which, at times, can exceed federally insured limits. Genesys has not experienced any losses related to such accounts. Cash and cash equivalents are placed with highly-accredited, quality financial institutions and management believes it is not exposed to any significant credit risk.

GENESYS WORKS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2015 AND 2014

Note 8 - Commitments and Contingencies

Lease Commitments

Genesys leases equipment and office space under various operating lease agreements. Future minimum annual lease payments under these leases and commitments at December 31, 2015 are as follows:

<u>Years Ending December 31,</u>	<u>Amount</u>
2016	\$ 728,586
2017	648,014
2018	636,445
2019	563,272
2020	451,391
Thereafter	<u>108,864</u>
Total minimum future payments	<u>\$ 3,136,572</u>

Rental expense for the years ended December 31, 2015 and 2014 totaled \$797,599 and \$614,382, respectively. One of the leases noted above is with a related party. Related party lease expenditures were approximately \$184,874 and \$223,331 for the years ended December 31, 2015 and 2014, respectively.

Government Grants

Amounts received or receivable from government agencies relating to grants are subject to audit and adjustment by the government agencies. The amount of expenditures which may be potentially disallowed cannot be determined at this time, although management expects such amounts, if any, to be immaterial.

Note 9 - Subsequent Events

On March 2016, Genesys opened a new office in Washington, D.C. to expand its mission geographically.

Management has evaluated subsequent events through May 26, 2016, the date which the consolidated financial statements were available to be issued. Management has determined that no other subsequent events require disclosure in these consolidated financial statements.

***** End of Notes *****

SUPPLEMENTAL SCHEDULES

GENESYS WORKS

CONSOLIDATED SCHEDULES OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015				2014			
	Student Program	Management and General	Fundraising	Total	Student Program	Management and General	Fundraising	Total
Insurance	\$ 83,463	\$ 16,672	\$ -	\$ 100,135	\$ 139,351	\$ -	\$ -	\$ 139,351
Office expenses	267,523	141,834	17,132	426,489	319,642	134,676	402	454,720
Payroll expenses	10,726,553	1,566,852	1,063,172	13,356,577	8,776,023	1,347,430	766,337	10,889,790
Student events	322,029	-	-	322,029	192,602	-	-	192,602
Professional services	669,667	317,574	107,467	1,094,708	216,324	543,651	35,096	795,071
In-kind professional services	-	-	7,289	7,289	3,347	287,946	2,250	293,543
Promotion and marketing	24,323	110,309	151,964	286,596	3,774	4,691	197,725	206,190
Telephone and communications	98,703	49,508	1,786	149,997	127,497	21,923	549	149,969
Occupancy	674,126	117,221	52,639	843,986	551,618	84,618	39,493	675,729
Travel	30,239	85,514	16,386	132,139	10,342	130,216	12,942	153,500
Transportation	463,308	8,134	1,868	473,310	283,140	1,097	1,526	285,763
Other expenses	285,538	103,053	17,196	405,787	179,503	26,051	14,080	219,634
Interest expense	-	-	-	-	-	533	-	533
Loss on disposal of assets	-	-	-	-	-	-	-	-
Depreciation and amortization	87,731	24,281	-	112,012	87,441	14,330	-	101,771
Total expenses	<u>\$ 13,733,203</u>	<u>\$ 2,540,952</u>	<u>\$ 1,436,899</u>	<u>\$ 17,711,054</u>	<u>\$ 10,890,604</u>	<u>\$ 2,597,162</u>	<u>\$ 1,070,400</u>	<u>\$ 14,558,166</u>

GENESYS WORKS HOUSTON

SCHEDULES OF FINANCIAL POSITION
DECEMBER 31, 2015 AND 2014

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 1,330,421	\$ 674,715
Accounts receivable	682,267	922,439
Pledges receivable, net	125,000	349,688
Prepaid expenses and other assets	180,073	104,723
Property and equipment, net	208,209	59,889
	<u>2,525,970</u>	<u>2,111,454</u>
Total assets	<u>\$ 2,525,970</u>	<u>\$ 2,111,454</u>
 <u>Liabilities and Net Assets</u> 		
Accounts payable	\$ 76,027	\$ 10,736
Accrued expenses and other liabilities	246,901	279,946
	<u>322,928</u>	<u>290,682</u>
Total liabilities	<u>322,928</u>	<u>290,682</u>
Net assets:		
Unrestricted	2,068,041	1,471,084
Temporarily restricted	135,001	349,688
	<u>2,203,042</u>	<u>1,820,772</u>
Total net assets	<u>2,203,042</u>	<u>1,820,772</u>
Total liabilities and net assets	<u>\$ 2,525,970</u>	<u>\$ 2,111,454</u>

GENESYS WORKS HOUSTON

SCHEDULES OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Public support, revenues, and other:						
Public support:						
General public	\$ 982,762	\$ 10,313	\$ 993,075	\$ 1,016,174	\$ 349,688	\$ 1,365,862
In-kind contributions	59,520	-	59,520	12,643	-	12,643
Net assets released from restrictions	225,000	(225,000)	-	90,128	(90,128)	-
Total public support	1,267,282	(214,687)	1,052,595	1,118,945	259,560	1,378,505
Revenues -						
Program service fees	5,051,328	-	5,051,328	4,398,933	-	4,398,933
Total public support, revenues, and other	6,318,610	(214,687)	6,103,923	5,517,878	259,560	5,777,438
Expenses:						
Student program	4,834,268	-	4,834,268	4,255,428	-	4,255,428
Management and general	582,459	-	582,459	671,423	-	671,423
Fundraising	304,926	-	304,926	259,527	-	259,527
Total expenses	5,721,653	-	5,721,653	5,186,378	-	5,186,378
Changes in net assets	596,957	(214,687)	382,270	331,500	259,560	591,060
Net assets, beginning of year	1,471,084	349,688	1,820,772	1,139,584	90,128	1,229,712
Net assets, end of year	<u>\$ 2,068,041</u>	<u>\$ 135,001</u>	<u>\$ 2,203,042</u>	<u>\$ 1,471,084</u>	<u>\$ 349,688</u>	<u>\$ 1,820,772</u>

GENESYS WORKS TWIN CITIES

SCHEDULES OF FINANCIAL POSITION
DECEMBER 31, 2015 AND 2014

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 1,114,951	\$ 1,118,990
Accounts receivable	589,849	473,514
Pledges receivable, net	29,165	-
Prepaid expenses and other assets	102,806	67,486
Property and equipment, net	169,279	209,311
	<u>\$ 2,006,050</u>	<u>\$ 1,869,301</u>
<u>Liabilities and Net Assets</u>		
Accounts payable	\$ 390	\$ 29,497
Accrued expenses and other liabilities	257,834	350,444
	<u>258,224</u>	<u>379,941</u>
Net assets:		
Unrestricted	1,646,002	1,436,262
Temporarily restricted	101,824	53,098
	<u>1,747,826</u>	<u>1,489,360</u>
Total net assets	<u>1,747,826</u>	<u>1,489,360</u>
Total liabilities and net assets	<u>\$ 2,006,050</u>	<u>\$ 1,869,301</u>

GENESYS WORKS TWIN CITIES

**SCHEDULES OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Public support, revenues, and other:						
Public support:						
General public	\$ 1,053,005	\$ 101,824	\$ 1,154,829	\$ 781,989	\$ 53,098	\$ 835,087
Federal Awards	-	-	-	-	-	-
In-kind contributions	1,000	-	1,000	3,619	-	3,619
Net assets released from restrictions	53,098	(53,098)	-	-	-	-
Total public support	1,107,103	48,726	1,155,829	785,608	53,098	838,706
Revenues -						
Program service fees	4,063,514	-	4,063,514	3,771,196	-	3,771,196
Total public support, revenues, and other	5,170,617	48,726	5,219,343	4,556,804	53,098	4,609,902
Expenses:						
Student program	4,082,294	-	4,082,294	3,475,555	-	3,475,555
Management and general	636,922	-	636,922	516,316	-	516,316
Fundraising	241,661	-	241,661	188,119	-	188,119
Total expenses	4,960,877	-	4,960,877	4,179,990	-	4,179,990
Changes in net assets	209,740	48,726	258,466	376,814	53,098	429,912
Net assets, beginning of year	1,436,262	53,098	1,489,360	1,059,448	-	1,059,448
Net assets, end of year	<u>\$ 1,646,002</u>	<u>\$ 101,824</u>	<u>\$ 1,747,826</u>	<u>\$ 1,436,262</u>	<u>\$ 53,098</u>	<u>\$ 1,489,360</u>

GENESYS WORKS CHICAGO

**SCHEDULES OF FINANCIAL POSITION
DECMEBER 31, 2015 AND 2014**

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 421,080	\$ 382,459
Accounts receivable	245,429	221,542
Pledges receivable	-	-
Prepaid expenses and other assets	67,448	144,538
Property and equipment, net	13,217	4,466
 Total assets	 <u>\$ 747,174</u>	 <u>\$ 753,005</u>
 <u>Liabilities and Net Assets</u>		
Accounts payable	\$ 87	\$ 239
Accrued expenses and other liabilities	168,795	211,227
 Total liabilities	 <u>168,882</u>	 <u>211,466</u>
Net assets:		
Unrestricted	561,791	541,539
Temporarily restricted	16,501	-
 Total net assets	 <u>578,292</u>	 <u>541,539</u>
 Total liabilities and net assets	 <u>\$ 747,174</u>	 <u>\$ 753,005</u>

GENESYS WORKS CHICAGO

SCHEDULES OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Public support, revenues, and other:						
Public support:						
General public	\$ 730,080	\$ 16,501	\$ 746,581	\$ 589,237	\$ -	\$ 589,237
In-kind contributions	-	-	-	22,187	-	22,187
Net assets released from restrictions	-	-	-	-	-	-
Total public support	730,080	16,501	746,581	611,424	-	611,424
Revenues -						
Program service fees	1,823,125	-	1,823,125	1,430,816	-	1,430,816
Total public support, revenues, and other	2,553,205	16,501	2,569,706	2,042,240	-	2,042,240
Expenses:						
Student program	2,173,850	-	2,173,850	1,568,213	-	1,568,213
Management and general	277,099	-	277,099	248,531	-	248,531
Fundraising	82,004	-	82,004	29,852	-	29,852
Total expenses	2,532,953	-	2,532,953	1,846,596	-	1,846,596
Changes in net assets	20,252	16,501	36,753	195,644	-	195,644
Net assets, beginning of year	541,539	-	541,539	345,895	-	345,895
Net assets, end of year	\$ 561,791	\$ 16,501	\$ 578,292	\$ 541,539	\$ -	\$ 541,539

SUPPLEMENTAL SCHEDULE VIII

GENESYS WORKS BAY AREA

**SCHEDULES OF FINANCIAL POSITION
YEARS ENDED DECEMBER 31, 2015 AND 2014**

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 356,666	\$ 206,069
Accounts receivable	174,887	105,411
Pledges receivable, net	469,266	67,024
Prepaid expenses and other assets	<u>43,437</u>	<u>47,880</u>
Total assets	<u>\$ 1,044,256</u>	<u>\$ 426,384</u>
<u>Liabilities and Net Assets</u>		
Accounts payable	\$ 234	\$ 15,963
Accrued expenses and other liabilities	<u>66,788</u>	<u>49,042</u>
Total liabilities	<u>67,022</u>	<u>65,005</u>
Net assets -		
Unrestricted	626,984	361,379
Temporarily restricted	<u>350,250</u>	<u>-</u>
Total net assets	<u>977,234</u>	<u>361,379</u>
Total liabilities and net assets	<u>\$ 1,044,256</u>	<u>\$ 426,384</u>

GENESYS WORKS BAY AREA

SCHEDULES OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Public support, revenues, and other:						
Public support:						
General public	\$ 1,240,404	\$ 350,250	\$ 1,590,654	\$ 616,280	\$ -	\$ 616,280
Federal Awards	146,615	-	146,615	132,810	-	132,810
In-kind contributions	9,700	-	9,700	-	-	-
Net assets released from restrictions	-	-	-	-	-	-
Total public support	1,396,719	350,250	1,746,969	749,090	-	749,090
Revenues -						
Program service fees	885,661	-	885,661	483,577	-	483,577
Total public support, revenues, and other	2,282,380	350,250	2,632,630	1,232,667	-	1,232,667
Expenses:						
Student program	1,676,818	-	1,676,818	890,594	-	890,594
Management and general	194,476	-	194,476	321,428	-	321,428
Fundraising	145,481	-	145,481	76,586	-	76,586
Total expenses	2,016,775	-	2,016,775	1,288,608	-	1,288,608
Changes in net assets	265,605	350,250	615,855	(55,941)	-	(55,941)
Net assets, beginning of year	361,379	-	361,379	417,320	-	417,320
Net assets, end of year	\$ 626,984	\$ 350,250	\$ 977,234	\$ 361,379	\$ -	\$ 361,379

SUPPLEMENTAL SCHEDULE X

GENESYS WORKS CORPORATE

SCHEDULES OF FINANCIAL POSITION

DECEMBER 31, 2015 AND 2014

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 1,439,023	\$ 717,657
Pledges receivable, net	1,500,000	3,448,750
Prepaid expenses and other assets	212,452	373,495
Property and equipment, net	<u>132,739</u>	<u>40,293</u>
Total assets	<u>\$ 3,284,214</u>	<u>\$ 4,580,195</u>
<u>Liabilities and Net Assets</u>		
Accounts payable	\$ 3,359	\$ 49,961
Accrued expenses and other liabilities	<u>255,159</u>	<u>285,649</u>
Total liabilities	<u>258,518</u>	<u>335,610</u>
Net assets:		
Unrestricted	2,142,401	1,045,835
Temporarily restricted	<u>883,295</u>	<u>3,198,750</u>
Total net assets	<u>3,025,696</u>	<u>4,244,585</u>
Total liabilities and net assets	<u>\$ 3,284,214</u>	<u>\$ 4,580,195</u>

GENESYS WORKS CORPORATE

**SCHEDULES OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Public support, revenues, and other:						
Public support:						
General public	\$ 1,430,963	\$ 384,545	\$ 1,815,508	\$ 1,510,063	\$ 1,500,960	\$ 3,011,023
In-kind contributions	8,928	-	8,928	265,759	-	265,759
Net assets released from restrictions	2,700,000	(2,700,000)	-	1,400,000	(1,400,000)	-
Total public support	4,139,891	(2,315,455)	1,824,436	3,175,822	100,960	3,276,782
Revenues -						
Program service fees	950,061	-	950,061	807,841	-	807,841
Total public support, revenues, and other	5,089,952	(2,315,455)	2,774,497	3,983,663	100,960	4,084,623
Expenses:						
Student program	1,531,109	-	1,531,109	1,017,532	-	1,017,532
Management and general	1,799,450	-	1,799,450	1,647,200	-	1,647,200
Fundraising	662,827	-	662,827	516,316	-	516,316
Total expenses	3,993,386	-	3,993,386	3,181,048	-	3,181,048
Changes in net assets	1,096,566	(2,315,455)	(1,218,889)	802,615	100,960	903,575
Net assets, beginning of year	1,045,835	3,198,750	4,244,585	243,220	3,097,790	3,341,010
Net assets, end of year	\$ 2,142,401	\$ 883,295	\$ 3,025,696	\$ 1,045,835	\$ 3,198,750	\$ 4,244,585