



Audited Financial Statements

December 31, 2014



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, 2014, 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.

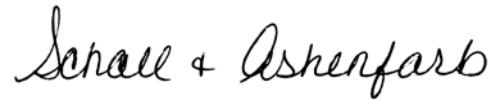
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited CPJ's 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 19, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Schall & Ashenfarb
Certified Public Accountants, LLC

June 3, 2015

COMMITTEE TO PROTECT JOURNALISTS, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2014

(With comparative totals for December 31, 2013)

Assets		
	<u>12/31/14</u>	<u>12/31/13</u>
Cash and cash equivalents	\$858,636	\$233,661
Pledges receivable, net (Note 3)	3,376,656	2,127,905
Prepaid expenses and other receivable	64,904	25,566
Investments (Note 4)	13,042,120	12,831,408
Fixed assets (net of accumulated depreciation) (Note 5)	135,112	133,556
Security deposit	83,058	81,567
Total assets	<u>\$17,560,486</u>	<u>\$15,433,663</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$263,950	\$321,872
Deferred rent	220,196	250,958
Conditional contribution (Note 6)	300,000	0
Total liabilities	784,146	572,830
Net assets:		
Unrestricted	862,860	612,205
Temporarily restricted (Note 7)	6,413,480	4,748,628
Permanently restricted (Note 8)	9,500,000	9,500,000
Total net assets	16,776,340	14,860,833
Total liabilities and net assets	<u>\$17,560,486</u>	<u>\$15,433,663</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, 2014
(With comparative totals for the year ended December 31, 2013)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u> (Note 7)	<u>Permanently Restricted</u> (Note 8)	<u>Total 12/31/14</u>	<u>Total 12/31/13</u>
Public support and revenue:					
Contributions	\$2,740,406	\$2,607,626		\$5,348,032	\$2,332,263
Gala (net of expenses where donor received benefits of \$368,211)	983,739			983,739	914,773
Investment income (Note 4)	44,975	470,401		515,376	1,660,564
Miscellaneous income	19,954			19,954	4,295
In-kind service (Note 11)	166,469			166,469	150,821
Net assets released from restriction	<u>1,413,175</u>	<u>(1,413,175)</u>		<u>0</u>	<u>0</u>
Total public support and revenue	<u>5,368,718</u>	<u>1,664,852</u>	<u>0</u>	<u>7,033,570</u>	<u>5,062,716</u>
Expenses:					
Program services	4,029,657			4,029,657	3,550,771
Management and general	276,841			276,841	397,793
Fundraising	<u>811,565</u>			<u>811,565</u>	<u>717,850</u>
Total expenses	<u>5,118,063</u>	<u>0</u>	<u>0</u>	<u>5,118,063</u>	<u>4,666,414</u>
Change in net assets	250,655	1,664,852	0	1,915,507	396,302
Net assets - beginning of year	<u>612,205</u>	<u>4,748,628</u>	<u>9,500,000</u>	<u>14,860,833</u>	<u>14,464,531</u>
Net assets - end of year	<u><u>\$862,860</u></u>	<u><u>\$6,413,480</u></u>	<u><u>\$9,500,000</u></u>	<u><u>\$16,776,340</u></u>	<u><u>\$14,860,833</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, 2014
(With comparative totals for the year ended December 31, 2013)

	Program Services			Total Programs	Management and General	Fundraising	Total Expenses 12/31/14	Total Expenses 12/31/13
	General Programs	Advocacy and Communications	Editorial					
Salaries	\$881,298	\$226,269	\$623,003	\$1,730,570	\$76,585	\$391,054	\$2,198,209	\$1,977,992
Payroll taxes & benefits	226,011	58,895	151,874	436,780	3,710	81,230	521,720	416,945
Professional fees (including in-kind) (Note 11)	483,095	45,464	287,411	815,970	101,752	97,769	1,015,491	1,144,559
Occupancy	172,277	38,051	100,956	311,284	9,353	61,491	382,128	362,487
Travel (including in-kind) (Note 11)	268,015	50,574	8,288	326,877		83,210	410,087	287,640
Grants	140,886			140,886			140,886	108,378
Office supplies & maintenance	38,355	6,485	16,706	61,546	2,458	9,051	73,055	40,284
Telephone & internet	20,919	6,284	10,835	38,038	2,301	6,898	47,237	41,926
Publications, printing & postage (including in-kind) (Note 11)	4,226	6,601	15,291	26,118	51,588	36,594	114,300	125,422
Insurance	14,460	3,360	8,916	26,736	764	9,781	37,281	28,300
Fees	15,543	1,759	4,666	21,968	1,623	10,996	34,587	0
Depreciation	28,477	6,150	16,319	50,946	1,458	9,893	62,297	45,164
Bad debt expense				0	18,640		18,640	0
Other	10,101	2,621	29,216	41,938	6,609	13,598	62,145	87,317
Total	\$2,303,663	\$452,513	\$1,273,481	\$4,029,657	\$276,841	\$811,565	\$5,118,063	\$4,666,414

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, 2014
(With comparative totals for the year ended December 31, 2013)

	<u>12/31/14</u>	<u>12/31/13</u>
Cash flows from operating activities:		
Change in net assets	\$1,915,507	\$396,302
Adjustments to reconcile change in net assets to net cash provided by/(used for) operating activities:		
Depreciation	62,297	45,164
Realized gain on sale of investments	(483,058)	(224,826)
Unrealized loss/(gain) on sale of investments	284,491	(1,251,501)
(Increase)/decrease in assets:		
Pledges receivable	(1,248,751)	(3,871)
Prepaid expenses and other receivable	(39,338)	(3,242)
Security deposit	(1,491)	0
Increase/(decrease) in liabilities:		
Accounts payable and accrued expenses	(57,922)	(79,092)
Deferred rent	(30,762)	(24,775)
Conditional contribution	300,000	0
Total adjustments	<u>(1,214,534)</u>	<u>(1,542,143)</u>
Net cash flows provided by/(used for) operating activities	<u>700,973</u>	<u>(1,145,841)</u>
Cash flows from investing activities:		
Purchase of fixed assets	(63,853)	(42,905)
Interest income reinvested	(396,369)	(259,501)
Purchase of investments	(4,028,188)	(3,107,207)
Proceeds from sale of investments	4,412,412	3,544,196
Net cash flows (used for)/provided by investing activities	<u>(75,998)</u>	<u>134,583</u>
Net increase/(decrease) in cash and cash equivalents	624,975	(1,011,258)
Cash and cash equivalents - beginning of year	<u>233,661</u>	<u>1,244,919</u>
Cash and cash equivalents - end of year	<u><u>\$858,636</u></u>	<u><u>\$233,661</u></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, 2014

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 their 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 \$1,850,000 from three donors in 2014, and \$1,000,000 from one donor in 2013. This represented 55% and 47% of total pledges receivable in 2014 and 2013, respectively.

All outstanding balances at year-end are reviewed for collectability through a review of specific accounts and factoring in historical trends. Management has established a reserve for uncollectable pledges totaling \$10,000 and \$15,000 for 2014 and 2013, 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. However, 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, 2013, 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, 2011 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 June 3, 2015, 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>2014</u>	<u>2013</u>
Year ended: December 31, 2014	\$0	\$984,945
December 31, 2015	2,490,748	530,000
December 31, 2016	462,854	230,000
December 31, 2017	454,848	230,000
December 31, 2018	<u>0</u>	<u>200,000</u>
	3,408,450	2,174,945
Less: allowance for doubtful accounts	(10,000)	(15,000)
Less: adjustment to fair value	<u>(21,794)</u>	<u>(32,040)</u>
Total	<u>\$3,376,656</u>	<u>\$2,127,905</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, 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>

	<u>December 31, 2013</u>		
	<u>Level 1</u>	<u>Level 3</u>	<u>Total</u>
Cash	\$18,330	\$0	\$18,330
Bond funds	1,891,302	0	1,891,302
Equity funds	9,638,619	0	9,638,619
Hedge funds	<u>0</u>	<u>1,283,157</u>	<u>1,283,157</u>
	<u>\$11,548,251</u>	<u>\$1,283,157</u>	<u>\$12,831,408</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>2014</u>	<u>2013</u>
Conditional contribution (Note 6)	\$309,485	\$0
Endowment (Note 8)	<u>12,732,635</u>	<u>12,831,408</u>
	<u>\$13,042,120</u>	<u>\$12,831,408</u>

Investment income consists of:

	<u>2014</u>	<u>2013</u>
Interest and dividends	\$396,613	\$260,049
Unrealized (loss)/gain	(284,491)	1,251,501
Realized gain on sale of investments	483,058	224,826
Less: investment fees	<u>(79,804)</u>	<u>(75,812)</u>
Total investment income	<u>\$515,376</u>	<u>\$1,660,564</u>

Changes in level 3 investments are as follows:

	<u>2014</u>	<u>2013</u>
Investments at fair value – January 1	\$1,283,157	\$1,131,340
Increase in market value	<u>44,103</u>	<u>151,817</u>
Investments at fair value - December 31	<u>\$1,327,260</u>	<u>\$1,283,157</u>

Note 5 - Fixed Assets

Fixed assets at December 31, 2014 and 2013 consist of:

	<u>2014</u>	<u>2013</u>
Furniture	\$428,895	\$428,894
Office equipment	52,159	52,159
Websites	199,257	142,905
Leasehold improvements	86,275	86,275
Database	<u>7,500</u>	<u>0</u>
Total fixed assets – at cost	774,086	710,233
Less: accumulated depreciation	<u>(638,974)</u>	<u>(576,677)</u>
Net fixed assets	<u>\$135,112</u>	<u>\$133,556</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, 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>2014</u>	<u>2013</u>
Program restrictions:		
Impunity	\$167,495	\$369,214
Free the Press	260,992	430,800
Journalist Assistance	114,810	46,605
OSI Fellowships	25,000	0
Press Freedom in Europe	61,881	0
America Program	1,899	23,101
Other Programs	4,277	77,615
Communications	9,698	89,904
Special Reports	77,438	11,233
Fundraising	1,593	78,321
Social Media	69,613	68,000
General Management	<u>19,305</u>	<u>81,345</u>
Total program restrictions	814,001	1,276,138
Time restrictions	30,000	510,000
Endowment appropriations	<u>569,174</u>	<u>437,266</u>
Total	<u>\$1,413,175</u>	<u>\$2,223,404</u>

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

	<u>2014</u>	<u>2013</u>
Program restrictions:		
Impunity	\$0	\$124,688
Free the Press	0	34,290
Journalist Assistance	45,000	18,144
OSI Fellowships	55,000	0
Database Innovation	150,000	0
Press Freedom in Europe	121,172	0
New Initiatives	100,000	0
Other Programs	100	10,811
Communications	0	9,440
Other Editorial	0	69,613
Special Reports	0	9,916
Fundraising	0	1,593
General Management	<u>0</u>	<u>18,725</u>
Total program restrictions	471,272	297,220
Time restrictions:		
Impunity	200,000	300,000
Free the Press	200,000	288,667
Journalist Assistance Grants	200,000	266,666
OSI Fellowships	80,000	0
Database Innovation	308,000	0
Press Freedom in Europe	564,073	0
Other Programs	0	47,333
Communications	0	44,667
Special Reports	0	52,667
General Operations	<u>1,157,500</u>	<u>120,000</u>
Total time restrictions	2,709,573	1,120,000
Unappropriated endowment earnings	<u>3,232,635</u>	<u>3,331,408</u>
Total	<u>\$6,413,480</u>	<u>\$4,748,628</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, 2014, 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.

During 2014 and 2013, the board appropriated \$569,174 and \$437,266, respectively, from the endowment.

Changes in endowment net assets were as follows:

	<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		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>

	<u>December 31, 2013</u>			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	(\$79,664)	\$2,112,233	\$9,500,000	\$11,532,569
Net gain on investments	79,664	1,396,969	0	1,476,633
Interest and dividends		259,472	0	259,472
Appropriations for expenditure	<u>0</u>	<u>(437,266)</u>	<u>0</u>	<u>(437,266)</u>
Endowment net assets, end of year	<u>0</u>	<u>\$3,331,408</u>	<u>\$9,500,000</u>	<u>\$12,831,408</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, 2014 and 2013.

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:

For the year ending:	December 31, 2015	\$311,416
	December 31, 2016	317,644
	December 31, 2017	323,997
	December 31, 2018	330,477
	December 31, 2019	<u>195,009</u>
Total		<u>\$1,478,543</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 2014 and 2013 totaled \$64,340 and \$57,518, 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 in 2014 and 2013 were \$166,469 and \$150,821, respectively, and were allocated as follows:

	<u>December 31, 2014</u>		
	<u>Programs</u>	Management and <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>

	<u>December 31, 2013</u>		
	<u>Programs</u>	Management and <u>General</u>	<u>Total</u>
Professional fees - legal	\$0	\$100,000	\$100,000
Professional fees - publishing	<u>50,821</u>	<u>0</u>	<u>50,821</u>
Total in-kind services	<u>\$50,821</u>	<u>\$100,000</u>	<u>\$150,821</u>