

INTERNATIONAL INSTITUTE OF THE BAY AREA

Financial Statements
June 30, 2018
(With Comparative Totals for June 30, 2017)

INTERNATIONAL INSTITUTE OF THE BAY AREA

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2017)	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7-15

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors /Trustees
International Institute of the Bay Area
San Francisco, California**

Report on the Financial Statements

I have audited the accompanying financial statements of International Institute of the Bay Area (IIBA), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, cash flows and functional expenses 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

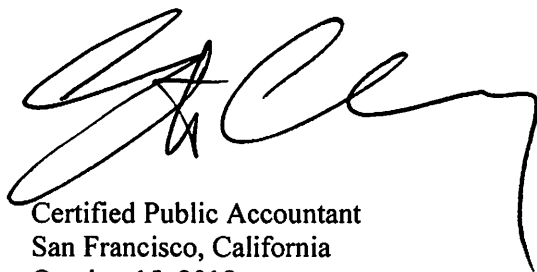
INDEPENDENT AUDITOR'S REPORT (Continued)

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of International Institute of the Bay Area as of June 30, 2018, and the results of its operations 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

In my opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Certified Public Accountant
San Francisco, California
October 15, 2018

INTERNATIONAL INSTITUTE OF THE BAY AREA
STATEMENTS OF FINANCIAL POSITION
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

	2018	2017
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 477,705	\$ 477,742
Government and Grant Receivable, net (Note 8)	595,182	645,132
Prepaid Expenses	69,163	49,116
Other Current Asset	1,953	6,000
Total Current Assets	1,144,003	1,177,990
Deposits	72,227	33,495
Investments (Note 11)	2,109,575	1,702,646
TOTAL ASSETS	\$ 3,325,805	\$ 2,914,131
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts Payable	\$ 20,653	\$ 42,366
Accrued Expenses (Note 9)	164,294	158,214
Deferred Revenue	4,800	-
Fiscal Sponsorships	25,454	23,960
Other Current Liabilities	235,332	103,826
Total Current Liability	450,533	328,366
TOTAL LIABILITIES	450,533	328,366
Net Assets:		
Net Assets Without Donor Restrictions	2,467,771	2,096,108
Net Assets With Donor Restrictions (Note 4)	407,501	489,657
Total Net Assets	2,875,272	2,585,765
TOTAL LIABILITIES AND NET ASSETS	\$ 3,325,805	\$ 2,914,131

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

INTERNATIONAL INSTITUTE OF THE BAY AREA
STATEMENTS OF ACTIVITIES
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>2018</u>	<u>2017</u>
PUBLIC SUPPORT AND REVENUE:				
PUBLIC SUPPORT:				
Government Grants and Contracts	\$ 2,256,755	\$ -	\$ 2,256,755	\$ 1,793,853
Foundation Grants	-	1,014,724	1,014,724	1,206,333
Contributions	245,725	-	245,725	187,408
Total Public Support	<u>2,502,480</u>	<u>1,014,724</u>	<u>3,517,204</u>	<u>3,187,594</u>
REVENUE:				
Fees for Services	495,762	-	495,762	606,772
Unrealized Gain/Losses	(62,660)	-	(62,660)	44,361
Donated Facilities and Services	177,499	-	177,499	96,990
Other Income	43,858	-	43,858	61,776
Realized Gain/Losses	87,228	-	87,228	11,318
Total Revenue	<u>741,687</u>	<u>-</u>	<u>741,687</u>	<u>821,217</u>
Net Assets Released from Restriction (Note 5)				
Satisfaction of program restrictions	1,096,880	(1,096,880)	-	-
Total Public Support and Revenue	<u>4,341,047</u>	<u>(82,156)</u>	<u>4,258,891</u>	<u>4,008,811</u>
EXPENSES				
Program Services	3,686,959	-	3,686,959	2,905,731
Management and General	247,991	-	247,991	230,292
Fundraising	34,434	-	34,434	29,781
Total Expenses	<u>3,969,384</u>	<u>-</u>	<u>3,969,384</u>	<u>3,165,804</u>
CHANGE IN NET ASSETS	<u>371,663</u>	<u>(82,156)</u>	<u>289,507</u>	<u>843,007</u>
NET ASSETS, beginning of year	<u>2,096,108</u>	<u>489,657</u>	<u>2,585,765</u>	<u>1,742,758</u>
NET ASSETS, end of year	<u>\$ 2,467,771</u>	<u>\$ 407,501</u>	<u>\$ 2,875,272</u>	<u>\$ 2,585,765</u>

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

INTERNATIONAL INSTITUTE OF THE BAY AREA
STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

	San Francisco Immigration Program	Oakland Immigration Program	San Mateo Immigration Program	Antioch Immigration Program	Napa Immigration Program	Sonoma Immigration Program	Fremont Immigration Program	Total Program Services	Administration	Fundraising	2018 Total	2017 Total
Salaries and Wages	\$ 348,356	\$ 406,275	\$ 668,001	\$ 224,275	\$ 285,914	\$ 79,729	\$ 112,626	\$ 2,125,176	\$ 209,398	\$ -	\$ 2,334,574	\$ 2,019,248
Payroll Taxes	24,680	30,329	49,160	16,279	20,987	5,971	8,352	155,758	14,021	-	169,779	147,665
Benefits	82,811	54,771	69,386	27,298	41,187	12,461	18,934	306,848	14,315	-	321,163	278,379
Professional Fees	2,928	9,450	4,455	2,093	2,197	542	946	22,611	26,762	-	49,373	36,319
Occupancy Costs	51,288	63,379	43,899	28,631	37,391	-	4,508	229,096	21,979	-	251,075	181,445
Operating Expenses	58,209	101,080	181,997	89,650	161,718	19,731	26,014	638,399	(91,392)	-	547,007	312,118
Staff/Board Development	4,384	6,496	8,897	2,099	7,705	1,912	22	31,515	52,908	-	84,423	63,628
Other Expenses	-	-	-	58	-	-	-	58	-	-	58	231
Fundraising	-	-	-	-	-	-	-	-	-	34,434	34,434	29,781
In-kind Expense	1,295	75,733	97,857	-	2,613	-	-	177,498	-	-	177,498	96,990
TOTAL	\$ 573,951	\$ 747,513	\$ 1,123,652	\$ 390,383	\$ 559,712	\$ 120,346	\$ 171,402	\$ 3,686,959	\$ 247,991	\$ 34,434	\$ 3,969,384	\$ 3,165,804

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

INTERNATIONAL INSTITUTE OF THE BAY AREA
STATEMENTS OF CASH FLOWS
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

	2018	2017
Cash Flows from Operating Activities:		
Change in Net Assets	\$ 293,267	\$ 843,007
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	-	-
Unrealized Gain on Investments	(62,660)	44,361
Account Receivable	49,950	(282,081)
Prepaid Expenses and Deposits	(20,047)	(18,994)
Other Current Asset	4,048	(6,000)
Account Payable	(21,713)	37,417
Accrued Expenses	6,080	33,559
Deferred Revenue	4,800	(81,434)
Fiscal Sponsorships	1,494	1,224
Other Current Liabilities	131,506	(481)
Net Cash Provided (Used) by Operating Activities	386,725	570,578
Cash Flows from Investing Activities:		
Increase of Investments	(449,422)	(543,612)
Unrealized Loss on Investments	62,660	(44,361)
Net Cash (Used) by Investing Activities	(386,762)	(587,973)
Net (Decrease) and Increase in Cash and Cash Equivalents	(37)	(17,395)
Cash and Cash Equivalents at Beginning of Year	477,742	495,137
Cash and Cash Equivalents at End of Year	\$ 477,705	\$ 477,742

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

INTERNATIONAL INSTITUTE OF THE BAY AREA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

NOTE 1 – ORGANIZATION

The International Institute of the Bay Area (IIBA) is a non-profit corporation that was founded in 1918. With a diverse Board of Directors, and an annual budget averaging \$2.2 million, the mission of the IIBA is to welcome, educate and serve immigrants, refugees and their families as they join and contribute to the community. The website for the organization is www.iibayarea.org. Services are provided in San Francisco, San Mateo, Alameda, Napa, and Contra Costa Counties in Northern California. Support for IIBA's projects and programs comes from government, private foundations, corporations, service fees for immigration legal assistance, and individual donations.

The primary focus of the IIBA's service is to promote immigrant integration through expert legal and accredited immigration law assistance, citizenship preparation, English classes, and workshops that describe the rights and responsibilities of citizenship, civic engagement, community-building, and education. Additional services include medical interpretation for refugees and asylees, and training for employees of other social service organizations on immigration laws.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accrual Basis - The financial statements of International Institute of the Bay Area have been prepared on the accrual basis of accounting.

Estimates - 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Accounts Receivable - Accounts receivable consist of receivables from participating employers for employee benefits. Based on prior write-off history, overall economic conditions, and the current aging status of its participating employers, IIBA has established an allowance for doubtful accounts at a level considered adequate to cover anticipated losses on outstanding accounts receivable. No allowance was recorded at June 30, 2018 or 2017 as the amount was not deemed to be material.

Benefits - IIBA provides dental, vision, disability, accidental death and dismemberment, and life insurance through policies with insurance companies covering eligible employees of member employers who elect to participate, and to the eligible dependents or designated beneficiaries of such employees.

Furniture, Fixtures, and Equipment - Furniture, fixtures, and equipment are recorded at cost and are depreciated using the straight line method over estimated useful lives. Depreciation expenses were \$0 and \$0 for the years ended June 30, 2018 and 2017, respectively.

INTERNATIONAL INSTITUTE OF THE BAY AREA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes - The Internal Revenue Service and the California Franchise Tax Board have determined that IIBA is exempt from federal and state income taxes under Internal Revenue Code Section (501)(c)(3) and the California Revenue and Taxation Code Section 23701 (d). IIBA has evaluated its current tax positions as of June 30, 2018 and is not aware of any significant uncertain tax positions for which a reserve would be necessary.

Cash Equivalents - For purpose of the statement of cash flows, IIBA considers all money market funds and other highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

The Organization maintains its cash balances at several financial institutions located in the San Francisco Bay Area. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000.

Concentration of Support and Revenues - IIBA receives the majority of its financial support from government and foundation grants. The total comprised of 76% of total revenue and support for the fiscal year ended June 30, 2018, of which 52% were from government grants and 23% from foundation grants. Also, 12% of revenues were received from fees for services.

Donated Facilities and Services – IIBA receives substantial support from volunteers who donate their time to accomplish its purpose. These volunteers contribute legal services, which meets one of the conditions for the Organization to recognize revenue or expenses in their financial statements. Pursuant to ASC 958, one of the two conditions states “The services require specialized skills, are provided by someone who actually possesses those skills, and would have to be purchased if not donated.”

During fiscal year 2018, IIBA chose to record these contributions as the values were readily determinable and specified by the donors. In-kind revenue and in-kind expense in the amount of approximately \$177,498 and \$96,990 for 2018 and 2017 respectively is recorded in the accompanying statement of activities.

Donated services are recognized as contributions in accordance with SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the agency. Volunteers also provided other immigration services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under SFAS No. 116 were not met.

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 GAAP. Accordingly, such information should be read in conjunction with IIBA’s financial statements for the year ended June 30, 2017 from which the summarized information was derived.

INTERNATIONAL INSTITUTE OF THE BAY AREA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Depreciations of Net Assets

Net assets without donor restriction

The portion of net assets that is not subject to donor-imposed restrictions (donor include other types of contributors, including makers of certain grants).

Net assets with donor restriction

The portion of net assets that is subject to donor-imposed restrictions (donor include other types of contributors, including makers of certain grants).

Subsequent Events - At the time of the audit, IIBA has evaluated all subsequent events through October 15, 2018, the date the financial statements were available to be issued, and determined that there is no material impact from the subsequent events.

Recent Accounting Pronouncements

On May 28, 2014, the FASB issued Accounting Standards Update 2014-09, *Revenue from Contracts with Customers*, which impacts the way in which some entities recognized revenue for certain types of transactions. The new standards will become effective for annual reporting periods beginning after December 15, 2018 for private companies. The Organization is currently assessing the potential impact of this accounting standard and the effect the standard might have on its revenue recognition policy upon adoption.

In February 2016, the FASB issued Accounting Standard Update 2016-02, *Leases* (“ASU 2016-02”), which amends the guidance for the accounting and disclosure of leases. This new standard requires that lessees recognize the assets and liabilities that arise from leases on the balance sheet and disclose qualitative and quantitative information about their leasing arrangements. The new standard is effective for fiscal years beginning after December 15, 2019. The Organization is currently evaluating the impact that this new standard will have on its financial statements.

NOTE 3 – RETIREMENT PLAN

The Organization sponsors an IRC section 403(b) retirement plan for all eligible employees who elect to participate. The Organization matches up to 3% of participating employee’s compensation. Total retirement plan expense for the year ending June 30, 2018 and 2017 were \$50,724 and \$31,974, respectively.

INTERNATIONAL INSTITUTE OF THE BAY AREA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

NOTE 4 –NET ASSETS WITH DONOR RESTRICTION

Net assets with donor restrictions as of June 30, 2018 totaled \$407,501, which constitutes 14.15% of total net assets. This is not a substantial portion of the Organization’s net assets, and has little impact on the Organization’s use of resources.

All of the Organization’s restricted net assets are restricted by purpose, as follows:

Purpose restrictions:	2018	2017
Grove Foundation	\$ 65,000	\$ -
Ready Bay Area	25,000	-
Deportation Prevention	50,000	37,500
Silicon Valley Community Foundation	37,500	-
Van Loben Sels/Remberock Foundation	12,500	10,417
Soda Foundation	80,000	240,000
Atkinson Foundation	-	5,625
Napa Valley Community Foundation	-	133,615
Zellerbach Family Foundation	46,250	-
Chan Zuckerberg Initiative	15,000	-
Firedoll	5,000	-
Kaiser Foundation	40,000	-
Sunlight Giving	31,251	62,500
Total	\$ 407,501	\$ 489,657

NOTE 5 –NET ASSETS RELEASED FROM DONOR RESTRICTION

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposed. For the fiscal years ended June 30, 2018, the net assets released from donor restrictions are as follows:

INTERNATIONAL INSTITUTE OF THE BAY AREA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

NOTE 5 – NET ASSETS RELEASED FROM DONOR RESTRICTION (Continued)

<u>Purpose restrictions:</u>	<u>2018</u>	<u>2017</u>
CRISP Collaborative	\$ 61,445	\$ 59,777
Ready Bay Area	20,000	65,316
Deportation Prevention	62,500	37,500
New America Campaign	20,000	30,150
The San Francisco Foundation	500	16,667
Van Loben Sels/Remberock Foundation	22,917	19,583
Soda Foundation	195,000	132,500
Atkinson Foundation	5,625	5,625
Silicon Valley Community Foundation	12,500	40,000
Grove Foundation	150,500	50,417
Self Help for the Elderly	60,837	59,996
Napa Valley Community Foundation	195,431	160,300
Bank of America Fellowship	10,946	65,295
Zellerbach Family Foundation	138,750	202,500
Asian Pacific Islander Legal Outreach	-	13,500
Sunlight Giving	106,250	87,500
Chan Zuckerberg Initiative	15,000	-
DACA DAPA Project	(5,362)	-
Vanguard Charitable Foundation	1,000	-
Firedoll	5,000	-
Stand Together Contra Costa	18,041	-
Total	<u><u>\$ 1,096,880</u></u>	<u><u>\$ 1,046,626</u></u>

NOTE 6 – LEASE COMMITMENTS

IIBA entered into various leases agreements of office buildings (San Francisco, Fremont, Napa and Oakland) for operational purposes in its respective locations. Below are the future lease commitments as of June 30:

	<u>2018</u>
2019	\$ 244,104
2020	228,981
Total	<u><u>\$ 473,085</u></u>

INTERNATIONAL INSTITUTE OF THE BAY AREA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

NOTE 7 – PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2018 and 2017, consists of the following:

	<u>2018</u>	<u>2017</u>
Furniture and Equipment	\$ 118,414	\$ 118,414
Less Accumulated Depreciation	<u>(118,414)</u>	<u>(118,414)</u>
Total	<u>\$ -</u>	<u>\$ -</u>

NOTE 8 – ACCOUNTS RECEIVABLE

The components of accounts receivable at June 30, 2018 and 2017 are as follows:

	<u>2018</u>	<u>2017</u>
Government Receivable		
Office of Aging - Naturalization	\$ 37,062	\$ 25,829
Calworks Violence Against Women	34,057	17,204
City of Hayward	2,000	2,000
California Department of Social Services	55,405	-
DOE	5,595	7,284
Office of Civic Engagement	5,000	3,750
UCSF	5,888	6,159
Family Justice Center - Alameda County Family Project	7,782	2,594
Family Violence Center	10,709	10,656
Department of Public Health	70,059	17,475
Legal Aid Society of San Mateo	29,196	12,698
Total Government Receivable	<u>267,753</u>	<u>105,649</u>

INTERNATIONAL INSTITUTE OF THE BAY AREA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

NOTE 8 – ACCOUNTS RECEIVABLE (Continued)

	<u>2018</u>	<u>2017</u>
Foundation Grants		
GROVE	65,000	-
New American Campaign	-	8,275
Kaiser Foundation	40,000	-
Soda Foundation	-	160,000
Total Foundation Grants	<u>105,000</u>	<u>168,275</u>
Other Foundation/Agency Pass-through		
Self Help for the Elderly	15,000	22,497
Catholic Charities of the East Bay	10,621	-
Asian Pacific Islander Legal Outreach (APILO)	-	4,000
Immigrant Legal Resource Center (ILRC)	24,250	27,112
Total Other Foundation/Agency Pass-through	<u>49,871</u>	<u>53,609</u>
Other Receivable		
Community Legal Service East Palo Alto	-	83,342
California Department of Social Services	155,330	234,257
Immigration Legal Defense Fund	16,328	-
Ellen Dumesnil	900	-
Total Receivable	<u>172,558</u>	<u>317,599</u>
Total Account Receivable	<u>\$ 595,182</u>	<u>\$ 645,132</u>

NOTE 9 – ACCRUED EXPENSES/ACCRUED COMPENSATED ABSENCES

IIBA employees are granted varying amounts of vacation and sick leave in accordance with the Organization's personnel policy. As such, IIBA accounts for compensated balances. A liability attributable to services already rendered and not contingent on a specific event that is outside the control of IIBA and employee is accrued as employees earn the rights to the benefits. As of June 30, 2018 and 2017, liability balance was at \$164,294 and \$158,214 respectively.

	<u>2018</u>	<u>2017</u>
Accrued Vacation	\$113,109	\$ 110,909
Accrued Payroll	51,185	47,305
Total	<u>\$164,294</u>	<u>\$ 158,214</u>

INTERNATIONAL INSTITUTE OF THE BAY AREA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

NOTE 10– CONTINGENCIES

IIBA has received funds for programs that are subject to review and audit by the funding agencies. Although such audits could generate expenditure disallowances under terms of the contracts, it is believed that any required reimbursements will not be material.

NOTE 11 – FAIR VALUE MEASUREMENTS

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The Organization determines the fair values of its assets and liabilities based on a fair value hierarchy that includes three levels of inputs that may be used to measure fair value.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 inputs are inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the assets or liability.

Fair values of assets measured on recurring basis were as follows as of June 30, 2018:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Net Cash Equivalents	\$ 24,668	\$ -	\$ 24,668
Equities	918,428		918,428
Corporation/Government Bonds	956,880		956,880
Mutual Funds	209,599		209,599
Total Assets	<u>\$ 2,109,575</u>	<u>\$ -</u>	<u>\$ 2,109,575</u>

INTERNATIONAL INSTITUTE OF THE BAY AREA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

NOTE 12 – LIQUIDITY AND AVAILABILITY

The Organization has \$745,458 of financial assets available within 1 year of the balance sheet date to meet cash needs for general expenditure consisting of cash of \$477,705, government receivable of \$267,753. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date. The receivables are expected to be collected within one year.

IIBA has a goal to maintain financial assets, which consists of cash and short term investments, on hand to meet at least 60 days of normal operating expenses, which are on average approximately \$200,000. IIBA has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. IIBA invests cash in excess of daily requirements in various short term investments, including certificates of deposits (CDs).

NOTE 13 – CONCENTRATIONS

Financial instruments that potentially subject the Organization to concentrations of credit risk are primarily cash, short term investments and accounts receivable. The Organization places its cash in financial institutions that are insured in limited amounts by the Securities Investor Protection Corporation and the Federal Deposit Insurance Corporation. Cash balances at June 30, 2018 and 2017 exceed the balances covered by such insurance by \$176,108 and \$173,604, respectively.