

WORLD INSTITUTE ON DISABILITY
(A CALIFORNIA NONPROFIT ORGANIZATION)

FINANCIAL STATEMENTS WITH
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2015

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INDEPENDENT AUDITORS' REPORT ON THE
FINANCIAL STATEMENTS AND SUPPLEMENTARY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**WORLD INSTITUTE ON DISABILITY
(A CALIFORNIA NONPROFIT ORGANIZATION)
TABLE OF CONTENTS**

	<u>Page</u>
Independent Auditors' Report on the Financial Statements and Supplementary Schedule of Expenditures of Federal Awards	1-2
<u>Financial Statements:</u>	
Statement of Financial Position	3
Statement of Activities	4
Schedule of Functional Expenses	5-6
Statement of Changes in Cash Flow	7
Notes to the Financial Statements.....	8-14
<u>Supplemental Information:</u>	
Schedule of Expenditures of Federal Awards	15-17
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	18-19
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	20-22
Summary Schedule of Prior Findings.....	23
Summary Schedule of Findings and Questioned Costs.....	24



NICHOLAS & ROBISON
ACCOUNTING, INC.

INDEPENDENT AUDITORS' REPORT

Board of Directors
World Institute on Disability
Berkeley, California

Report on the Financial Statements

We have audited the accompanying financial statements of World Institute on Disability, a California Nonprofit Organization, (the "Organization") which comprise the statement of financial position as of December 31, 2015, 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 auditors consider 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.

INDEPENDENT AUDITORS' REPORT

Board of Directors
World Institute on Disability
Berkeley, California

(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of World Institute on Disability as of December 31, 2015, 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.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, pages 15 through 17, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 2, 2016, on our consideration of World Institute on Disability's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering World Institute on Disability's internal control over financial reporting and compliance.

Nicholas & Robison Accounting

Pleasanton, California
June 2, 2016

Nicholas & Robison Accounting
License No. COR 6072

**WORLD INSTITUTE ON DISABILITY
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2015**

<u>ASSETS</u>			
	Unrestricted Funds	Temporary Restricted Funds	Total Funds
<u>Current Assets</u>			
Cash and Cash Equivalents	\$ 838,227	\$ 622,884	\$ 1,461,111
Receivables	206,906	-	206,906
Prepaid Expenses	69,936	-	69,936
Total Current Assets	1,115,069	622,884	1,737,953
<u>Property and Equipment</u>			
Furniture and Equipment	76,226	-	76,226
Accumulated Depreciation	(74,161)	-	(74,161)
Net Property and Equipment	2,065	-	2,065
<u>Other Assets</u>			
Deposits	7,106	-	7,106
Total Other Assets	7,106	-	7,106
Total Assets	<u>\$ 1,124,240</u>	<u>\$ 622,884</u>	<u>\$ 1,747,124</u>
<u>LIABILITIES AND NET ASSETS</u>			
<u>Current Liabilities</u>			
Accounts Payable and Accrued Liabilities	\$ 145,664	\$ -	\$ 145,664
Payroll and Related Liabilities	47,801	-	47,801
Deferred Revenue	-	589,262	589,262
Total Current Liabilities	193,465	589,262	782,727
Total Liabilities	193,465	589,262	782,727
<u>Net Assets</u>			
Unrestricted Assets	930,775	-	930,775
Temporarily Restricted Assets	-	33,622	33,622
Total Net Assets	930,775	33,622	964,397
Total Liabilities and Net Assets	<u>\$ 1,124,240</u>	<u>\$ 622,884</u>	<u>\$ 1,747,124</u>

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

**WORLD INSTITUTE ON DISABILITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Unrestricted	Temporarily Restricted	Total
<u>Support & Revenue</u>			
Government Grants and Contracts	\$ 1,248,083	\$ -	\$ 1,248,083
Private Grants and Contracts	38,440	232,231	270,671
Corporate Contributions	143,070	-	143,070
Foundation and Community Grants	16,127	-	16,127
Individual Contributions	28,240	-	28,240
Fees for Services	54,051	-	54,051
Sales	1,238	-	1,238
Investment Income	686	-	686
Other Income	38	-	38
Net Assets Released from Restrictions	263,591	(263,591)	-
Total Support and Revenues	1,793,564	(31,360)	1,762,204
<u>Expenses</u>			
Program Services	1,352,660	-	1,352,660
Management & General	306,359	-	306,359
Reasonable Accommodation	18,441	-	18,441
Fundraising Expenses	46,425	-	46,425
Total Expenses	1,723,885	-	1,723,885
Change in Net Assets	69,679	(31,360)	38,319
Net Assets, Beginning of Year	861,096	64,982	926,078
Net Assets, End of Year	\$ 930,775	\$ 33,622	\$ 964,397

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

**WORLD INSTITUTE ON DISABILITY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Program Services			
	Employment Policy & Economic Development	Health Access Policy	Project Support	Program Services Total
Salaries	\$ 272,423	\$ 73,220	\$ 53,540	\$ 399,183
Payroll Taxes	22,671	6,747	6,758	36,176
Pension	8,496	2,543	2,571	13,610
Employee Benefits	35,798	9,689	9,693	55,180
Total Personnel Expenses	339,388	92,199	72,562	504,149
Consultants and Outside Services	676,305	47,920	17,508	741,733
Subrecipients	-	-	-	-
Hosting Conferences and Training	7,965	-	-	7,965
Travel	30,916	-	-	30,916
Supplies	2,248	435	1,288	3,971
Telephone and On-line Charges	5,495	344	2,041	7,880
Postage	492	47	46	585
Printing, Copying and Publishing	785	207	41	1,033
Rent	27,385	8,282	8,418	44,085
Loss on Disposal of Equipment	-	-	-	-
Equipment Rent, Maint. & Repairs	1,596	483	492	2,571
Insurance	2,746	830	843	4,419
Staff Training and Development	-	-	-	-
Advertising	1,900	-	-	1,900
Dues and Memberships	-	-	-	-
Fees, Fines and Service Charges	263	26	-	289
Miscellaneous	-	-	-	-
Depreciation	-	-	-	-
Equipment Purchases	-	465	699	1,164
Total Functional Expenses	\$ 1,097,484	\$ 151,238	\$ 103,938	\$ 1,352,660

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

**WORLD INSTITUTE ON DISABILITY
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Management & General</u>	<u>Reasonable Accommodation</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 207,908	\$ 13,735	\$ 9,479	\$ 630,305
Payroll Taxes	13,932	1,753	842	52,703
Pension	5,231	657	306	19,804
Employee Benefits	14,654	2,204	1,515	73,553
Total Personnel Expenses	<u>241,725</u>	<u>18,349</u>	<u>12,142</u>	<u>776,365</u>
Consultants and Outside Services	17,561	-	32,028	791,322
Subrecipients	3,478	-	-	3,478
Hosting Conferences and Training	4,159	-	-	12,124
Travel	6,426	-	46	37,388
Supplies	932	92	470	5,465
Telephone and On-line Charges	1,401	-	40	9,321
Postage	200	-	291	1,076
Printing, Copying and Publishing	114	-	103	1,250
Rent	15,209	-	974	60,268
Loss on Disposal of Equipment	957	-	-	957
Equipment Rent, Maint. & Repairs	975	-	57	3,603
Insurance	5,152	-	98	9,669
Staff Training and Development	746	-	-	746
Advertising	-	-	-	1,900
Dues and Memberships	-	-	75	75
Fees, Fines and Service Charges	6,294	-	101	6,684
Miscellaneous	-	-	-	-
Depreciation	1,030	-	-	1,030
Equipment Purchases	-	-	-	1,164
Total Functional Expenses	<u>\$ 306,359</u>	<u>\$ 18,441</u>	<u>\$ 46,425</u>	<u>\$ 1,723,885</u>

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

**WORLD INSTITUTE ON DISABILITY
STATEMENT OF CHANGES IN CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Unrestricted Funds	Temporary Restricted Funds	Total Funds
Cash Flows from Operating Activities:			
Change in Net Assets	\$ 69,679	\$ (31,360)	\$ 38,319
Adjustments to Reconcile Change in Net Assets to Cash Provided by (Used in) Operating Activities			
Depreciation	1,030	-	1,030
(Increase) Decrease in Operating Assets:			
Accounts Receivable	(57,239)	11,300	(45,939)
Deposits	(1,220)	-	(1,220)
Prepaid Expenses	(48,772)	-	(48,772)
Increase (Decrease) in Operating Liabilities			
Accounts Payable and Accrued Liabilities	42,401	-	42,401
Payroll & Related Liabilities	(2,379)	-	(2,379)
Deferred Revenue	(28,267)	589,262	560,995
Net Cash Provided by (Used in) Operating Activities	\$ (24,767)	\$ 569,202	\$ 544,435
Cash Flows from Investing Activities:			
Loss on Disposal of Equipment	957	-	957
Acquisition of Office Equipment	(1,152)	-	(1,152)
Net Cash Used in Investing Activities	(195)	-	(195)
Net Increase (Decrease) in Cash and Cash Equivalents	(24,962)	569,202	544,240
Cash and Cash Equivalents, December 31, 2014	863,189	53,682	916,871
Cash and Cash Equivalents, December 31, 2015	\$ 838,227	\$ 622,884	\$ 1,461,111

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

**WORLD INSTITUTE ON DISABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 1. Organization and Basis of Presentation

World Institute on Disability (the “Organization”) is a California nonprofit public benefit organization, which was established in May 1983. The mission of the Organization in communities and nations worldwide is to eliminate barriers to full social integration and increase employment, economic security and health care for persons with disabilities. The Organization works with people who have disabilities, other disability organizations, policy-makers, corporations and foundations on issues and public policies that impact people with disabilities.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and are presented on the accrual basis of accounting following the standards of accounting and reporting in accordance with Financial Accounting Standards Board’s (“FASB”) Accounting Standard Codification (“ASC”) 958, formerly *Statement of Financial Accounting Standards No. 117*, financial statements of nonprofit organizations. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

- Unrestricted net assets include those assets over which the Board of Directors has discretionary control in carrying out the operations of the Organization.
- Temporarily restricted net assets include those assets which are subject to donor restrictions and for which the applicable restrictions were not met as of the end of the current reporting period.
- Permanently restricted net assets include those assets which are subject to non-expiring donor restrictions, such as endowments.

In the opinion of management, the accompanying financial statements include all necessary adjustments for a fair presentation of the financial position and the results of operations for the period presented.

Note 2. Summary of Significant Accounting Policies

Revenue Recognition

Contributions are recognized as revenue when received or unconditionally promised. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of 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 restrictions.

**WORLD INSTITUTE ON DISABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 2. Summary of Significant Accounting Policies (continued)

Income Tax

The Organization is exempt from Federal income taxes under section 501(c)(3) of the Internal Revenue Code and from California Franchise taxes under Section 23701(d) of the Revenue and Taxation Code. The Organization is only required to submit annual federal and state informational returns, therefore, no provision for federal and/or state income taxes are included in the financial statements.

Uncertainty in Income Taxes

Generally accepted accounting principles provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination.

The Organization files information returns in the U.S. federal jurisdiction and the State of California. The Organization's open tax years subject to examination by taxing authorities include 2015, 2014, and 2013. The California state return is subject to an additional year and therefore the 2012 return is open as well.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance non financial assets or (b) require specialized skills, performed by people with those skills, and would otherwise be purchased by the Organization.

Cash and Cash Equivalents

The Organization considers cash and instruments that can be converted into cash within a short term, and have maturities of three months or less to be cash equivalents, see Note 3. At December 31, 2015, the cash and cash equivalents consisted of the following:

Cash	\$ 1,172,300
Mutual fund	288,811
Total Cash and Cash Equivalents	<u>\$ 1,461,111</u>

Property and Equipment

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repair and maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are stated at cost or, if donated, at the approximate fair market value at the time of date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the property and equipment.

Total depreciation expense for the year ended December 31, 2015 was \$1,030.

**WORLD INSTITUTE ON DISABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 2. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could be different from those estimates.

Significant items subject to such estimates and assumptions include the useful lives of property and equipment, and other contingencies. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment. Management believes its estimates to be reasonable under the circumstances. The current economic environment has increased the degree of uncertainty inherent in those estimates and assumptions. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates.

Long-Lived Assets

The Organization's long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the future expected cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized to the extent the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of are reported at the lower of their carrying amount or the fair value of the asset, less costs to sell.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

Subsequent Events

The Organization has evaluated events and transactions that occurred after the balance sheet date through June 2, 2016, the date the financial statements were issued, and determined there have not been any events which require adjustment to, or disclosure in, the accompanying financial statements.

**WORLD INSTITUTE ON DISABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 3. Concentration of Credit Risk

The Organization maintains its cash accounts with a bank. Generally, accounts with the bank are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of December 31, 2015, there was one account that exceeded the insured amount.

The Organization also invests surplus funds with a financial institution. Securities and cash with this financial institution are insured under the Securities Investor Protection Corporation up to \$500,000 per customer. The funds held in this account are below the limit.

Note 4. Contracts and Grants Receivable

Receivables represent unconditional promises to give to the Organization by foundations and amounts owed to the Organization by government agencies for services performed and costs advanced on behalf of the Federal government. No provision for uncollectible amounts has been made as the Organization deems the possibility that these amounts will not be collected to be remote. As of the auditors' report date, \$191,602 of the accounts receivable shown on the balance sheet had been collected.

Note 5. Furniture and Equipment

Property and equipment consist of the following at December 31, 2015:

Computers	\$ 53,286
Furniture, fixtures and equipment	22,940
Total	<u>76,226</u>
Less:	
Accumulated depreciation	<u>(74,161)</u>
Net property and equipment	<u>\$ 2,065</u>

Note 6. Lines of Credit

As of December 31, 2015, the Organization had a \$100,000 unsecured line of credit with a local bank to be drawn on as needed, with interest at the prime rate +2.0% or based on the floor rate of 5.00%. As of December 31, 2015, there was no outstanding balance on the line of credit. This line is renewed annually. Subsequent to the balance sheet date but prior to the auditors' report date, this line of credit has been closed and is no longer accessible for use by the Organization.

The Organization also has a credit card. The balance at year-end of \$660 is included in with accounts payable and accrued liabilities on the accompanying balance sheet.

**WORLD INSTITUTE ON DISABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

7. Related Party Transactions/Commitments

The Ed Roberts Campus (“ERC”) is a California nonprofit (501(c)(3)) corporation that was formed by seven disability organizations that share a common history in the Independent Living Movement of People with Disabilities. The Organization is one of seven governing board members of the ERC. The ERC was formed to plan, develop and construct a universally designed, transit-oriented campus (the “Building”) located at the Ashby BART Station in Berkeley, California.

As part of the closing agreement, the Organization and other board member agencies agreed to be individually and collectively potentially liable for the debt on the Building. The amount of debt the Organization is potentially liable for, joint and severally, with the other partner agencies at the balance sheet date is \$8,420,578. The Organization’s management considers the possibility of the Organization being actually liable for any portion of this debt remote as the Building securing the debt is worth substantially more than the outstanding debt. Further, according to ERC’s internal financial statements, ERC was profitable and sustained positive cash flows for the year ended December 31, 2015.

Per the governing bylaws of ERC, the Organization is entitled to a seat on the board of directors. The number of board members will vary between a minimum of five and a maximum of ten.

In July 2013, the Organization entered into a lease agreement with ERC for office space in the building. The lease is for 17 years which will expire in September 2030. The base rent on the lease is subject to annual increases/decreases, based on Consumer Price Index changes. Due to the uncertainty of those changes, the future minimum rental payments are based off of the rent expense at the time of the auditors’ report date. The deposits shown on the balance sheet relate to this lease. Estimated future minimum rental payments under the lease, as of December 31, are as follows:

<u>Year Ending</u>	<u>Total</u>
2016	\$ 34,068
2017	34,068
2018	34,068
2019	34,068
2020	34,068
Thereafter	332,163
<u>Total</u>	<u>\$ 502,503</u>

**WORLD INSTITUTE ON DISABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

8. Temporarily Restricted Net Assets

Temporarily restricted net assets as of December 31, 2015 are summarized as follows:

	Beginning of Year	Awarded/ Received During the Year	Released From Restrictions During Year	End of Year
Health Access Policy	\$ -	\$ -	\$ -	\$ -
Accessibility Research	-	92,546	86,204	6,342
Access to Assets	25,542	14,685	15,562	24,665
Access Training	-	-	-	-
Career Access	-	75,000	73,210	1,790
CEG	7,576	-	7,576	-
CETF-BAA	30,754	-	30,754	-
Kessler	-	50,000	50,000	-
Websites	-	-	-	-
Project Vision	1,110	-	285	825
Total	\$ 64,982	\$ 232,231	\$ 263,591	\$ 33,622

9. Board Designated Net Assets

As of December 31, 2015 the Board of Directors designated the following unrestricted net assets for various programs:

	Beginning of Year	Awarded/ Received During the Year	Released From Restrictions During Year	End of Year
Office Support	\$ 11,983	\$ 52,104	\$ 40,643	\$ 23,444
Computer Support	13,160	56,512	41,004	28,668
Information & Dissemination	3,245	16,181	22,290	(2,864)
Reasonable Accommodations	9,670	28,145	18,440	19,375
EDBI	94,506	857,489	854,933	97,062
Technology Initiative	-	48,815	48,815	-
Career Access	-	9,080	7,986	1,094
Med Videos	8,412	33,641	3,932	38,121
Access to Assets	-	81,208	63,172	18,036
Total	\$ 140,976	\$ 1,183,175	\$ 1,101,215	\$ 222,936

**WORLD INSTITUTE ON DISABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

10. Benefit Plan

The Organization implemented a defined contribution pension plan for the benefit of its employees. The plan allows employee contributions and is administered by ADP. Under the plan, a predetermined contribution is made to the account of each employee based on monthly compensation levels and accrued for their benefit. There is no age requirement for participation in the plan. Employees may begin participation on the first day of the month after a 12 consecutive month period in which they complete 1,000 hours of service. Contributions are fully vested after three years of service. During the year ended December 31, 2015, the Organization contributed \$16,405, an amount equal to three percent of covered employees' compensation.

11. Contingencies

The Organization receives a portion of its support from federal, state and the local governments. A significant reduction in the level of this support, if this were to occur, may have an effect on the Organization's program and activities.

Grant awards require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms, it has accommodated the objectives of the Organization to the provisions of the grants. The Organization's management is of the opinion that they have complied with the terms of all grants.

SUPPLEMENTARY INFORMATION AUDITED

**WORLD INSTITUTE ON DISABILITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Federal Grantor/Program Title	Federal CFDA Number	Agency or Pass- through Number	Federal Revenue Recognized	Program Expenditures
U.S. Department of Education				
Direct:				
National Institute on Disability and Rehabilitation Research -New Door 10/01/14 to 03/31/15	84.133E	N/A	\$ 104,000	\$ 104,000
Total U.S. Department of Education			\$ 104,000	\$ 104,000
U.S. Department of Health and Human Services				
Direct:				
Administration for Community Living - NIDILRR -New Door 04/01/15 to 09/30/2016	93.433	N/A	\$ 100,126	\$ 100,126
Pass Through Programs:				
San Diego State University Research Foundation -CA Health Incentives Improvements Project -Development Work on CA Disability Benefits 101 Website	93.630	E0008332	37,120	37,120
State of Minnesota, Department of Human Services -Development Work on MN Disability Benefits 101 Website	93.791	1LICMS330827	74,560	74,560

**WORLD INSTITUTE ON DISABILITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Disability Network Michigan -Development Work on MI Disability Benefits 101 Website	93.630	1QACMS300124/03	15,913	17,099
Arizona Department of Economic Security -Development Work on AZ Disability Benefits 101 Website	93.630	YH11-0014	127,357	127,357
Ability 360 -Development Work on AZ Disability Benefits 101 Website	93.630	N/A	37,895	37,895
State of New Jersey, Department of Human Services -Development Work on NJ Disability Benefits 101 Website	93.630	1QACMS030434	8,563	8,563
State of Missouri, Department of Mental Health -Missouri Planning Council for Developmental Disabilities -Development Work on MO Disability Benefits 101 Website	93.630	N/A	27,185	27,185
Total U.S. Department of Health & Human Services			\$ 428,719	\$ 429,905

U.S. Department of Labor

Direct:				
Office of Disability Employment Policy Add Us in Project	17.720	N/A	\$ 300,799	\$ 300,775

**WORLD INSTITUTE ON DISABILITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Pass Through Programs:

Office of Disability Employment Policy				
- Through Viscardi Technical Assistance Center	17.283	OD-26451-14-75-4-36	25,148	25,148
Office of Disability Employment Policy - DEI Round 5				
- Through State of California Employment Development Department	17.281	N/A	34,375	34,375
-Development Work on CA Disability Benefits 101 Website				
Total U.S. Department of Labor			\$ 360,322	\$ 360,298
Total Expenditures of Federal Contracts			\$ 893,041	\$ 894,203

Notes to the Schedule of Expenditures of Federal Awards

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of World Institute on Disability and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of the Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.



NICHOLAS & ROBISON
ACCOUNTING, INC.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
World Institute on Disability
Berkeley, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of World Institute on Disability, a California Nonprofit Organization, (the "Organization"), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon June 2, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control, that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
World Institute on Disability
Berkeley, California

(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Nicholas & Robison Accounting

Pleasanton, California
June 2, 2016

Nicholas & Robison Accounting
License No. COR 6072



NICHOLAS & ROBISON
ACCOUNTING, INC.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
World Institute on Disability
Berkeley, California

Report on Compliance for Each Major Federal Program

We have audited World Institute on Disability, a California Nonprofit Organization, (the "Organization")'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2015. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a material effect on the major federal programs occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

(Continued)

To the Board of Directors
World Institute on Disability
Berkeley, California

Report on Internal Control over Compliance (Continued)

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be *material weaknesses or significant deficiencies*. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of our testing based on the requirements of the *Uniform Guidance*. Accordingly, this report is not suitable for any other purpose.

Nicholas & Robison Accounting

Pleasanton, California
June 2, 2016

Nicholas & Robison Accounting
License No. COR 6072

**WORLD INSTITUTE ON DISABILITY
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Status

No findings were reported in the prior year

**WORLD INSTITUTE ON DISABILITY
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

I. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of World Institute on Disability.
2. No material weaknesses were identified during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of World Institute on Disability were disclosed during the audit.
4. No material weaknesses in internal control over major programs were identified during the audit.
5. The auditors' report on compliance for the major federal award programs for World Institute on Disability expresses an unqualified opinion.
6. There are no audit findings that are required to be reported in accordance with Section 2 CFS 200.561(a).
7. The program tested as a major program was: California Health Incentives Improvement Project and Development of Disability Benefits 101 Website, CFDA 93.630.
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. World Institute on Disability was determined to be a low risk auditee.

II. FINDINGS RELATED TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS:

NONE

III. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARDS

NONE