

**AUDITED FINANCIAL STATEMENTS
and
SUPPLEMENTARY INFORMATION**

MILLENNIUM WATER ALLIANCE

HOUSTON, TEXAS

September 30, 2018

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AUDITED FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Millennium Water Alliance
Houston, Texas

Report on Financial Statements

We have audited the accompanying financial statements of Millennium Water Alliance, which comprise the statement of financial position as of September 30, 2018, 2017, and 2016, and the related statements of activities, and cash flows for each of the years in the three-year period ended September 30, 2018, 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

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of 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 Millennium Water Alliance'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 Millennium Water Alliance'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 Millennium Water Alliance as of September 30, 2018, 2017, and 2016, and the changes in its net assets and its cash flows for each of the years in the three-year period ended September 30, 2018, in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 24, 2019, on our consideration of Millennium Water Alliance's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 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 Millennium Water Alliance's internal control over financial reporting and compliance.

June 24, 2019

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J. Ronald Martin, P.A.

MILLENNIUM WATER ALLIANCE
STATEMENTS OF FINANCIAL POSITION

	September 30,		
	2018	2017	2016
ASSETS			
Cash and equivalents, including refundable grant advances	\$ 2,107,603	\$ 1,892,924	\$ 2,836,220
Grants receivable	699,392	659,734	614,674
Other receivables	17,828	74,095	33,094
Due from members	2,000	15,000	20,643
Prepaid expenses	16,693	15,000	15,387
Grant advances to subrecipients	489,803	585,903	292,343
Equipment	5,317	5,317	5,317
(Less) accumulated depreciation	<u>(5,317)</u>	<u>(4,253)</u>	<u>(3,190)</u>
	<u>-0-</u>	<u>1,064</u>	<u>2,127</u>
	<u>\$ 3,333,319</u>	<u>\$ 3,243,720</u>	<u>\$ 3,814,488</u>
 LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts payable	\$ 37,645	\$ 16,460	\$ -0-
Due to grant subrecipients	1,287,365	2,214,482	1,069,869
Refundable grant advances	1,497,148	324,614	1,974,056
Accrued expenses	70,543	87,928	167,648
Accrued payroll benefits	12,464	8,313	7,938
Due to members	-0-	-0-	-0-
Accrued payroll	<u>71,219</u>	<u>68,966</u>	<u>57,365</u>
	2,976,384	2,720,763	3,276,876
Net assets:			
Unrestricted	<u>356,935</u>	<u>522,957</u>	<u>537,612</u>
	<u>\$ 3,333,319</u>	<u>\$ 3,243,720</u>	<u>\$ 3,814,488</u>

See notes to financial statements.

MILLENNIUM WATER ALLIANCE

STATEMENTS OF ACTIVITIES

	Year Ended September 30,		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
SUPPORT AND OTHER REVENUE			
Federal awards	\$ 4,644,587	\$ 4,398,190	\$ 2,549,220
Contributions:			
Individuals	-0-	-0-	-0-
Foundations	1,526,065	2,415,309	3,816,740
Non-profit organizations	-0-	-0-	-0-
Member dues and assessments	127,000	149,000	164,000
Interest income	<u>6,524</u>	<u>3,480</u>	<u>1,884</u>
	6,304,176	6,965,979	6,531,844
EXPENSES			
Program services	5,657,836	6,172,095	5,767,680
Supporting services	809,414	808,314	675,837
Fundraising	<u>2,948</u>	<u>225</u>	<u>1,855</u>
	<u>6,470,198</u>	<u>6,980,634</u>	<u>6,445,372</u>
CHANGE IN NET ASSETS	(166,022)	(14,655)	86,472
Net assets, beginning of year	<u>522,957</u>	<u>537,612</u>	<u>451,140</u>
NET ASSETS, END OF YEAR	<u>\$ 356,935</u>	<u>\$ 522,957</u>	<u>\$ 537,612</u>

See notes to financial statements.

MILLENNIUM WATER ALLIANCE

STATEMENTS OF CASH FLOWS

	Year Ended September 30,		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
OPERATING ACTIVITIES			
Change in net assets	\$ (166,022)	\$ (14,655)	\$ 86,472
Adjustments to reconcile change in net assets to net change in cash by operating activities:			
Depreciation	1,063	1,063	1,063
Change in operating assets and liabilities:			
Grants receivable	(39,658)	(45,060)	(614,818)
Other receivables	56,268	(41,001)	38,310
Due from members	13,000	5,643	(21,143)
Prepaid expenses	(1,693)	387	(866)
Grant advances to subrecipients	96,100	(293,560)	245,757
Accounts payable	21,185	16,460	(19,876)
Due to grant subrecipients	(927,117)	1,144,613	738,236
Refundable grant advances	1,172,534	(1,649,442)	60,946
Accrued expenses	(17,385)	(79,720)	132,761
Accrued payroll benefits	4,151	375	(1,501)
Accrued payroll	<u>2,253</u>	<u>11,601</u>	<u>4,171</u>
NET CHANGE IN CASH BY OPERATING ACTIVITIES	<u>214,679</u>	<u>(943,296)</u>	<u>649,512</u>
NET CHANGE IN CASH	<u>214,679</u>	<u>(943,296)</u>	<u>649,512</u>
Cash and equivalents at beginning of year	<u>1,892,924</u>	<u>2,836,220</u>	<u>2,186,708</u>
CASH AND EQUIVALENTS AT END OF YEAR	<u>\$ 2,107,603</u>	<u>\$ 1,892,924</u>	<u>\$ 2,836,220</u>
Composition of cash:			
Unrestricted	\$ 256,653	\$ 485,014	\$ 613,094
Refundable grant advances	<u>1,850,950</u>	<u>1,407,910</u>	<u>2,223,126</u>
	<u>\$ 2,107,603</u>	<u>\$ 1,892,924</u>	<u>\$ 2,836,220</u>
Supplementary information:			
Interest paid	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Income taxes paid	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

See notes to financial statements.

MILLENNIUM WATER ALLIANCE
NOTES TO FINANCIAL STATEMENTS

September 30, 2018

NOTE A - SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

1. Operations: Millennium Water Alliance (the "MWA") is a not-for-profit organization incorporated under the laws of the State of Texas on December 20, 2002, and is dedicated to providing clean water and sanitation worldwide.

The Millennium Water Alliance is comprised of the following member organizations: CARE USA, Catholic Relief Services, Food for the Hungry, Global Water, IRC International Water and Sanitation Centre, El Porvenir, Living Water International, Pure Water for the World, Inc, Water Aid America, Water for People, Water Missions International, World Vision International, Helvetas Swiss Intercooperation, and Water4.

The MWA operates as an umbrella organization providing institutional synergy to ensure technical excellence, programmatic innovation, and long-term financial, social and environmental sustainability in water resources management to its board members. The MWA is governed by a board of directors whose qualifications include the requirement that each be a director or employee of a member organization.

A significant portion of the MWA's support is from the United States Agency for International Development, Hilton Foundation, Swiss Development Cooperation, and Vitol Foundation. The MWA has programs in Ethiopia and Kenya.

2. Cash and Equivalents: For purposes of the statement of cash flows, which is prepared using the indirect method, the MWA considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents having immediate availability.
3. Financial Statement Presentation: The financial statements of the MWA are prepared on the accrual basis. The significant accounting policies followed by the MWA are described below to enhance the usefulness of the financial statements to the reader.

The MWA 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.

- (a) Unrestricted Net Assets are from unrestricted contributions and income and are available for use by the MWA, including current operating expenses.
- (b) Temporarily Restricted Net Assets are from contributions whose use is limited by donor-imposed stipulations which are satisfied by actions of the MWA or passage of time.
- (c) Permanently Restricted Net Assets are from contributions whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be satisfied or removed by the MWA.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE A - SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

4. Recognition of Support, Revenues, and Capital Additions: Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Temporarily restricted contributions recognized and utilized in the same accounting period are classified as unrestricted.
5. Grant Agreements: Federal grants received under cooperative agreements and non-federal grants, except as noted, are cost reimbursement grants due to the nature of their conditional terms. Receivables and support are recognized when reimbursable costs have been incurred for goods and services provided, which approximates the percentage of work completion.
6. Promises Receivable: Unconditional promises receivable are recognized as support in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefit received. Conditional promises receivable are recognized when the conditions on which they depend are substantially met. Promises receivable deemed uncollectible are reserved and/or written off, as appropriate.
7. Property and Equipment: Additions are recorded at cost if purchased and appraised value at the time of donation, if received as a gift. Minor renewals and replacements are expensed. When property and equipment are retired, their costs and related allowances for depreciation are removed from the accounts. Any gains or losses are recognized in the statement of activities.
8. Income Taxes: The MWA is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The MWA is not a private foundation within the meaning of the Internal Revenue Code because the MWA is described in sections 509(a)(1) and 170(b)(1)(A)(vi). Such Internal Revenue Service determination was received in September 2003 and confirmed in March 2007. The income tax returns of the MWA for 2016, 2015, and 2014 remain open for examination by the Internal Revenue Service. All other tax years have been closed by statute.
9. Donated Materials and Services: Donated materials and equipment, when significant, are reflected as contributions at estimated fair value at date of receipt. Donated services, when significant and measurable as to value, are reflected as contributions when provided. Volunteers, including officers and directors of the MWA, donate their time in program, support and fund raising. However, no amounts have been reflected in the financial statements for these services as they do not meet the criteria for recognition.
10. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE A - SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

11. Functionalization of Expenses: Expenses not associated with a specific functional classification are allocated among the various classifications based upon management's estimate of how such costs were utilized.
12. Web-site Development and Maintenance: The MWA accounts for web-site development and maintenance in accordance with generally accepted accounting principles, which provides guidance regarding when software developed or obtained for internal use should be capitalized, and requires certain costs incurred during the development stage to be capitalized, while costs incurred during the preliminary project stage and post implementation/operation stage should be expensed as incurred.
13. Accrued Compensated Absences: The MWA accrues for compensated absences (holiday, vacation, sick and bereavement leave).
14. Fair Value Measurements: Generally accepted accounting principles ("GAAP") defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. Fair value, as defined under GAAP, is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. MWA utilizes market data or assumptions that market participants would use in pricing the asset or liability. GAAP establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: **Level 1**, defined as observable inputs such as quoted prices in active markets; **Level 2**, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and **Level 3**, defined as unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions.

NOTE B - RELATED PARTIES

The MWA is an umbrella organization providing services to its members that may include transactions between the MWA and its members. The MWA's members implement the MWA's programs; thus, they receive the "Subrecipient grant expenditures" reported in functional expenditures (See Note K). The members pay an initial and annual membership dues and assessments to the MWA, which are determined by the Board of Directors.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE C - PROGRAMS

The MWA’s ongoing programs are as follows:

	September 30,		
	2018	2017	2016
Unexpended program grants:			
Obligated funds	\$ 8,434,097	\$ 10,755,972	\$ 10,146,964
Unobligated funds	<u>961,000</u>	<u>3,720,262</u>	<u>10,000,000</u>
	<u>\$ 9,395,097</u>	<u>\$ 14,476,234</u>	<u>\$ 20,146,964</u>

Unobligated funds relate to grants with donor approved budgets in excess of the grantee’s obligated funding for the budget. In September 2015 an award of \$12,500,000 from USAID and in August 2016 an award of \$7,500,000 from Swiss Development Corporation (SDC) were approved for a 5 year Kenya Radio Program ending in September 2020.

NOTE D - NET ASSETS

There were no temporarily restricted or permanently restricted net assets at September 30, 2018, 2017 or 2016.

NOTE E - CONCENTRATIONS

The MWA places its cash with a financial institution which is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. MWA maintains cash balances in excess of the \$250,000 insured limit with this financial institution.

A significant portion of the MWA’s support comes from a limited number of grantors.

NOTE F - RISKS AND CONTINGENCIES

The MWA participates in federal and non-federal grant programs, the expenditures for which are subject to audit from the respective funding agency. Upon examination, expenditures could be disallowed and refunds required. The MWA has not been notified that any such audits are forthcoming, and is not aware of any expenditures for which such disallowances or refunds would be required by funding agencies.

The MWA receives a substantial portion of its operating funds from a limited number of grants and awards. Curtailment or cancellation of awards from these sources would have a significant effect on the future operations of the MWA and its ability to continue as a going concern.

In order for the MWA to maintain its current 501(c)(3) status as a public charity, it must continue to maintain a specified level of public support. Failure to achieve broad public support could result in the MWA being reclassified by the Internal Revenue Service as a private foundation.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE G – RETIREMENT PLAN

Under the joint employer arrangement with Total Human Resources, Inc., MWA employees are covered under a new defined contribution pension plan of Total Human Resources. The plan covers substantially all employees over twenty-one years of age from date of employment. The MWA makes contributions based upon a percentage of salary and employees may make additional contributions. Vesting in the MWA contributions is based upon years of continuous service with 100% after three years of service.

Retirement expense was \$30,484, \$28,226, and \$26,150 for each of the years ended September 30, 2018, 2017, and 2016, respectively.

NOTE H – CONTRACTED PERSONNEL

MWA has an agreement with Total Human Resources, Inc. to furnish contract personnel and personnel services to the MWA under a joint employer arrangement.

NOTE I – LEASE COMMITMENT

MWA renewed the lease for office space beginning December 1, 2017, at \$7,801 per month for the first year and increases annually for cost of living adjustments. The lease is from December 1, 2017 to January 31, 2023. The lease expense for 2018 was \$75,774. Future minimum annual lease payments for the operating lease are as follows:

<u>Year Ending September 30</u>	<u>Total</u>
2019	\$ 95,757
2020	98,391
2021	101,096
2022	103,876
2023	<u>34,625</u>
	<u>\$ 433,745</u>

NOTE J – SUBSEQUENT EVENT

MWA has evaluated subsequent events from the date of the statement of financial position through the date of the independent auditors' report, which is the date the financial statements were available to be issued. During this period, no material recognizable subsequent events were identified.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE K – FUNCTIONAL EXPENSES

	Year Ended September 30,											
	2018				2017				2016			
	Program	Support	Fundraising	Total	Program	Support	Fundraising	Totals	Program	Support	Fundraising	Totals
Subrecipient grant expenditures	\$ 4,973,397	\$ -0-	\$ -0-	\$ 4,973,397	\$ 5,585,685	\$ -0-	\$ -0-	\$ 5,585,685	\$ 4,818,664	\$ -0-	\$ -0-	\$ 4,818,664
Salaries and benefits	323,078	535,778	2,639	861,495	331,447	588,722	200	920,369	354,076	473,603	1,581	829,260
Contract labor	216,670	41,263		257,933	116,894	36,320		153,214	437,472	40,795		478,267
Travel	69,575	27,936	82	97,593	57,046	24,275		81,321	78,567	22,627		101,194
Professional fees	34,117	18,817		52,934	22,803	19,964		42,767	5,409	26,156		31,565
Conferences and meetings	8,938	14,782		23,720	19,256	16,955		36,211	30,898	23,120		54,018
Insurance	-0-	8,461		8,461		8,028		8,028		8,780		8,780
Rent	21,147	54,410	217	75,774	23,752	59,353	22	83,127	31,759	47,323	155	79,237
Publicity		799		799				-0-		1,563		1,563
Communications	2,047	11,179	10	13,236	4,399	11,368	3	15,770	5,604	11,415	119	17,138
Miscellaneous	5,138	18,756		23,894	3,692	22,193		25,885	1,016	7,644		8,660
Supplies and printing	33	13,761		13,794	7,020	18,918		25,938	2,581	8,127		10,708
Website		1,493		1,493		778		778		1,545		1,545
Postage and shipping	3,696	716		4,412	101	377		478	1,634	646		2,280
Depreciation		1,063		1,063		1,063		1,063		1,063		1,063
Staff development		200		200				-0-		1,430		1,430
Contributions/Donations		60,000		60,000				-0-				-0-
	<u>\$ 5,657,836</u>	<u>\$ 809,414</u>	<u>\$ 2,948</u>	<u>\$ 6,470,198</u>	<u>\$ 6,172,095</u>	<u>\$ 808,314</u>	<u>\$ 225</u>	<u>\$ 6,980,634</u>	<u>\$ 5,767,680</u>	<u>\$ 675,837</u>	<u>\$ 1,855</u>	<u>\$ 6,445,372</u>

In 2018, \$89,010 in expenses not specific to a functional classification were allocated to Program (26%), Support (74%), and Fundraising (0%) based on management's estimate of how such expenses were utilized.

In 2017, \$98,898 in expenses not specific to a functional classification were allocated to Program (39%), Support (61%), and Fundraising (0%) based on management's estimate of how such expenses were utilized.

In 2016, \$96,375 in expenses not specific to a functional classification were allocated to Program (51%), Support (49%), and Fundraising (0%) based on management's estimate of how such expenses were utilized.

SUPPLEMENTARY INFORMATION

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**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION**

Millennium Water Alliance
Houston, Texas

We have audited the financial statements of Millennium Water Alliance as of and for the years ended September 30, 2018, 2017, and 2016, and have issued our report thereon dated June 24, 2019, which contained an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The schedules of Computation of Indirect Rate in Accordance with the Uniform Guidance and Computation of Fringe Rate in Accordance with the Uniform Guidance Applicable to Federal Grants and Contracts are presented for purposes of additional analysis and are 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.

June 24, 2019

J. Ronald Martin P.A.

MILLENNIUM WATER ALLIANCE

COMPUTATION OF INDIRECT RATE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Year Ended September 30, 2018

Breakdown of Functional Expenses to show Indirect Expenses Separately

	Program	Fund-Raising	Unallowable Indirect ②	Allowable Indirect	Grand Total
Subrecipient grant expenditures	\$ 4,973,397	\$ -0-	\$ -0-	\$ -0-	\$ 4,973,397
Salaries and benefits	323,078	2,639	101,027	434,751	861,495
Contract labor	216,670			41,263	257,933
Travel	69,575	82	681	27,255	97,593
Professional fees	34,117			18,817	52,934
Conferences and meetings	8,938			14,782	23,720
Insurance				8,461	8,461
Rent	21,147	217	12,076	42,334	75,774
Communications	2,047	10	489	11,489	14,035
Miscellaneous	5,138			18,956	24,094
Supplies and printing	33		12	13,749	13,794
Website				1,493	1,493
Postage and shipping	3,696			716	4,412
Depreciation				1,063	1,063
Contributions			60,000		60,000
	<u>5,657,836</u>	<u>2,948</u>	<u>174,285</u>	<u>635,129</u>	<u>6,470,198</u>
Allocation of Allowable Indirect Costs	<u>615,838</u>	<u>321</u>	<u>18,970</u>	<u>(635,129)</u>	<u>-0-</u>
	<u>\$ 6,273,674</u>	<u>\$ 3,269</u>	<u>\$ 193,255</u>	<u>\$ -0-</u>	<u>\$ 6,470,198</u>

COMPUTATION OF INDIRECT COST RATE

Indirect expenses - Gross	\$ 635,129
Grant Support Credit ①	<u>-0-</u> <u>\$ 635,129</u>
Distribution Base	
Program expenses	\$5,657,836
Fundraising	2,948
Unallowable indirect ②	<u>174,285</u> <u>\$ 5,835,069</u>

Indirect Cost Rate % 10.89%

① Allowable indirect cost reimbursed from a grant.

② Includes expenses such as lobbying, public relations, advocacy, and bad debts.

MILLENNIUM WATER ALLIANCE

COMPUTATION OF FRINGE RATE IN ACCORDANCE WITH THE UNIFORM
GUIDANCE APPLICABLE TO FEDERAL GRANTS AND CONTRACTS

Year Ended September 30, 2018

BENEFITS POOL EXPENSE	
FUTA, SUTA, Soc. Sec. & PEO Fees	\$ 69,982
Workers compensation insurance	5,844
Health insurance	84,110
401(k) contribution	30,484
Paid leave and holidays	73,415
Life Insurance/LTD/STD	<u>8,692</u>
Total Benefit Pool Expense	<u>\$ 272,527</u>
ALLOCATION BASE	
Salaries, less paid leave and holidays	<u>\$ 537,973</u>
FRINGE RATE	<u>50.66%</u>