

Academy of Nutrition and Dietetics

**Consolidated Financial Report
with Additional Information
May 31, 2016**

Academy of Nutrition and Dietetics

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Independent Auditor's Report

To the Board of Directors
Academy of Nutrition and Dietetics

We have audited the accompanying consolidated financial statements of Academy of Nutrition and Dietetics, which comprise the consolidated statements of financial position as of May 31, 2016 and 2015 and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Academy of Nutrition and Dietetics as of May 31, 2016 and 2015 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Plante & Moran, PLLC

November 9, 2016

Academy of Nutrition and Dietetics
Consolidated Statements of Financial Position
May 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and Equivalents	\$ 6,610,915	\$ 8,026,284
Investments	52,039,680	54,158,782
Interest Receivable	206,951	208,441
Accounts Receivable, Net	1,104,687	1,293,684
Pledges Receivable, Net	66,129	65,724
Prepaid Expenses	1,606,337	1,752,750
Inventories, Net	1,045,312	986,938
Property and Equipment, Net	4,557,682	4,493,101
Investment held for Deferred Compensation	557,686	561,143
Total Assets	<u>\$ 67,795,379</u>	<u>\$ 71,546,847</u>
Liabilities and Net Assets		
Liabilities		
Accounts Payable	\$ 1,320,734	\$ 979,945
Accrued Liabilities	1,660,021	3,061,680
Due to State Associations	3,000,311	2,898,549
Deferred Revenues:		
Membership Dues	7,610,218	7,229,142
Registration Fees	3,599,793	3,430,309
Subscriptions	2,476,810	2,419,712
Annual Meeting	1,602,966	1,561,213
Sponsorships	361,199	598,113
Other	1,471,249	1,809,672
	<u>17,122,235</u>	<u>17,048,161</u>
Deferred Compensation	557,686	561,143
Deferred Rent Incentive	2,226,588	2,522,531
	<u>2,784,274</u>	<u>3,083,674</u>
Total Liabilities	<u>25,887,575</u>	<u>27,072,009</u>
Net Assets		
Unrestricted		
Academy of Nutrition and Dietetics		
Operations	2,191,098	4,334,338
Internally Designated for		
Commission on Dietetic Registration	8,052,239	8,089,935
Specialty Groups	7,189,642	7,439,943
Accreditation Council for Education in		
Nutrition and Dietetics	1,133,174	789,741
Academy of Nutrition and Dietetics Foundation	8,345,963	7,859,651
ANDPAC	214,549	194,982
	<u>27,126,665</u>	<u>28,708,590</u>
Temporarily Restricted	6,199,706	7,569,521
Permanently Restricted	8,581,433	8,196,727
Total Net Assets	<u>41,907,804</u>	<u>44,474,838</u>
Total Liabilities and Net Assets	<u>\$ 67,795,379</u>	<u>\$ 71,546,847</u>

Academy of Nutrition and Dietetics

Consolidated Statements of Activities
Years Ended May 31, 2016 and 2015

	2016				2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues:								
Administration	\$ 61,237	\$ -	\$ -	\$ 61,237	\$ 104,876	\$ -	\$ -	\$ 104,876
Member Services	17,631,149	-	-	17,631,149	17,860,859	-	-	17,860,859
Governance	43,063	-	-	43,063	60,013	-	-	60,013
Consumer Education	897,674	262,620	-	1,160,294	933,002	414,500	-	1,347,502
Professional Affairs	2,375,697	367,991	384,706	3,128,394	2,201,252	1,394,896	130,165	3,726,313
External Affairs	6,044,679	90,208	-	6,134,887	6,154,091	414,125	-	6,568,216
Policy Initiatives and Advocacy	211,959	-	-	211,959	109,613	-	-	109,613
Commission on Dietetic Registration	8,548,767	-	-	8,548,767	8,405,365	-	-	8,405,365
Release of Net Assets Arising from Satisfaction of Restrictions	2,116,932	(2,116,932)	-	-	2,987,111	(2,987,111)	-	-
	<u>37,931,157</u>	<u>(1,396,113)</u>	<u>384,706</u>	<u>36,919,750</u>	<u>38,816,182</u>	<u>(763,590)</u>	<u>130,165</u>	<u>38,182,757</u>
Expenses:								
Administration	4,651,219	-	-	4,651,219	5,135,008	-	-	5,135,008
Member Services	10,015,691	-	-	10,015,691	10,554,029	-	-	10,554,029
Governance	1,960,660	-	-	1,960,660	2,124,237	-	-	2,124,237
Consumer Education	1,431,020	-	-	1,431,020	1,664,452	-	-	1,664,452
Professional Affairs	3,544,288	-	-	3,544,288	4,577,610	-	-	4,577,610
External Affairs	7,770,752	-	-	7,770,752	7,695,738	-	-	7,695,738
Policy Initiatives and Advocacy	1,985,813	-	-	1,985,813	1,919,447	-	-	1,919,447
Commission on Dietetic Registration	8,364,087	-	-	8,364,087	8,443,049	-	-	8,443,049
Total Expenses	<u>39,723,530</u>	<u>-</u>	<u>-</u>	<u>39,723,530</u>	<u>42,113,570</u>	<u>-</u>	<u>-</u>	<u>42,113,570</u>
(Decrease) Increase in Net Assets from Operating Activities before Return on Investments	<u>(1,792,373)</u>	<u>(1,396,113)</u>	<u>384,706</u>	<u>(2,803,780)</u>	<u>(3,297,388)</u>	<u>(763,590)</u>	<u>130,165</u>	<u>(3,930,813)</u>
Return on Investments	<u>210,448</u>	<u>26,298</u>	<u>-</u>	<u>236,746</u>	<u>3,296,784</u>	<u>1,330,331</u>	<u>-</u>	<u>4,627,115</u>
(Decrease) Increase in Net Assets	<u>(1,581,925)</u>	<u>(1,369,815)</u>	<u>384,706</u>	<u>(2,567,034)</u>	<u>(604)</u>	<u>566,741</u>	<u>130,165</u>	<u>696,302</u>
Net Assets								
Beginning of year	<u>28,708,590</u>	<u>7,569,521</u>	<u>8,196,727</u>	<u>44,474,838</u>	<u>28,709,194</u>	<u>7,002,780</u>	<u>8,066,562</u>	<u>43,778,536</u>
End of year	<u>\$ 27,126,665</u>	<u>\$ 6,199,706</u>	<u>\$ 8,581,433</u>	<u>\$ 41,907,804</u>	<u>\$ 28,708,590</u>	<u>\$ 7,569,521</u>	<u>\$ 8,196,727</u>	<u>\$ 44,474,838</u>

The Accompanying Notes are an Integral Part
of the Consolidated Financial Statements.

Academy of Nutrition and Dietetics
Consolidated Statements of Cash Flows
Years Ended May 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
OPERATING ACTIVITIES		
(Decrease) Increase in net assets	\$ (2,567,034)	\$ 696,302
Net realized and change in unrealized loss/gain	1,003,645	(3,462,507)
Depreciation and amortization expense	1,455,938	1,297,137
Contributions restricted for long term purposes	(384,706)	(130,165)
Changes in:		
Interest receivable	1,490	(35,111)
Accounts/pledges receivable	188,592	(136,444)
Prepaid expenses	146,413	(16,598)
Inventories	(58,374)	(94,882)
Investments held for deferred compensation	3,457	141,291
Accounts payable	340,789	(488,664)
Accrued liabilities	(1,401,659)	547,886
Due to state associations	101,762	123,391
Deferred revenues and other deferred items	(225,326)	357,015
Net Cash Used in Operating Activities	<u>(1,395,013)</u>	<u>(1,201,349)</u>
INVESTING ACTIVITIES		
Purchases of property and equipment	(1,520,519)	(1,614,882)
Purchases of investments	(3,907,191)	(5,704,328)
Proceeds from sales of investments	5,022,648	6,411,653
Net Cash Used in Investing Activities	<u>(405,062)</u>	<u>(907,557)</u>
FINANCING ACTIVITIES		
Proceeds from contributions restricted for long term purposes	<u>384,706</u>	<u>130,165</u>
Net Decrease in Cash and Cash Equivalents	(1,415,369)	(1,978,741)
Cash and Cash Equivalents		
Cash at beginning of year	<u>8,026,284</u>	<u>10,005,025</u>
Cash at end of year	<u>\$ 6,610,915</u>	<u>\$ 8,026,284</u>

Academy of Nutrition and Dietetics

Notes to Consolidated Financial Statements

May 31, 2016 and 2015

Note 1 - Nature of Activities and Significant Accounting Policies

Academy of Nutrition and Dietetics (the "Academy") is an international organization with over 74,000 members in the United States and abroad. The Academy's mission is to optimize health through food and nutrition. The mission of Academy of Nutrition and Dietetics Foundation (the "Foundation") is to advance public health and nutrition utilizing the expertise of Registered Dietitian Nutritionists. The Academy and the Foundation (collectively, the "Organization") are affiliated through common members, certain common board members and similar economic interests. Activities are conducted from the Organization's headquarters in Chicago, Illinois, with secondary offices in Washington, D.C.

The consolidated financial statements include the activities of the Academy and the Foundation. Interorganization accounts or transactions have been eliminated for consolidation purposes.

The Academy's consolidated financial statements are further comprised of the Commission on Dietetic Registration (CDR), Accreditation Council for Education in Nutrition and Dietetics (ACEND), Specialty Groups, which include Dietetic Practice Groups (DPGs), and Member Interest Groups (MIGs), Nutrition and Dietetic Educators and Preceptors (NDEP) and Academy of Nutrition and Dietetics Political Action Committee (ANDPAC). CDR is an administratively autonomous organization whose primary role is the credentialing of the Registered Dietitian Nutritionists and Dietetic Technicians, Registered. ACEND is an administratively autonomous organization whose primary function is the new and continuing accreditation of dietetic educational programs. DPGs/MIGs are dietetic specialty areas within the Academy. ANDPAC is the political action committee affiliated with the Academy. NDEP empowers educators to lead the profession of nutrition and dietetics.

Classification of Net Assets - For financial reporting purposes, the Organization classifies net assets and related activities as unrestricted, temporarily restricted and permanently restricted based on the existence or absence of donor-imposed restrictions, as follows:

Unrestricted net assets are available for support of the Organization's operations and are not subject to donor-imposed restrictions and consist of the following board-designated funds:

Academy Operations: Amount available for support of general Academy activities

Commission on Dietetic Registration: Funds available for activities associated with the registration of practicing dietitians and dietetic technicians

Specialty Groups: Funds available for support of activities associated with Dietetic Practice and Member Interest Groups which focus on specialty of practice and member interest

Accreditation Council for Education in Nutrition and Dietetics: Funds available for activities associated with the accreditation of dietetic educational programs

Academy of Nutrition and Dietetics Foundation: Funds identified at the discretion of the Foundation's Board of Directors to support scholarships and other activities

Academy of Nutrition and Dietetics Political Action Committee: Funds to support political activities

Nutrition and Dietetic Educators and Preceptors: Funds to support higher education for current and future professionals in Nutrition and Dietetics

Temporarily restricted net assets are subject to donor-imposed restrictions that may or will be met either by the Organization's actions or the passage of time. Temporarily restricted net assets are reclassified to unrestricted net assets when the restrictions are met or have expired. These reclassifications are reported in the consolidated statement of activities as "release of net assets arising from satisfaction of restrictions."

Academy of Nutrition and Dietetics
Notes to Consolidated Financial Statements
May 31, 2016 and 2015

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

Permanently restricted net assets are subject to donor-imposed restrictions requiring that the contributed assets be invested and maintained permanently by the Organization. Earnings on investments of these endowment funds are included in temporarily restricted revenue and released to unrestricted revenue when appropriated for expenditure.

Cash and Cash Equivalents - The Organization considers all highly liquid investments with maturities of three months or less at the date of acquisition to be cash and cash equivalents. The Organization places its temporary cash investments with high credit quality financial institutions. At times, such investments may be in excess of the Federal Deposit Insurance Corporation insurance limit. Substantially all of the Organization's cash and cash equivalents are held with Chase Bank and Northern Trust. The Organization believes it is not exposed to any significant credit risk on cash.

Cash and cash equivalents are comprised of the following as of May 31:

	<u>2016</u>	<u>2015</u>
Cash deposits	\$ 3,995,330	\$ 4,420,962
Money market accounts	<u>2,615,585</u>	<u>3,605,322</u>
	<u>\$ 6,610,915</u>	<u>\$ 8,026,284</u>

Investments - The Organization's investments are carried at fair value. Changes in the fair value of securities are recorded as unrealized gains and losses. Investment income and a portion of cumulative net appreciation on investments are appropriated to support current activities (see Note 3).

The Organization's investments are exposed to various risks, such as interest rate, credit and overall market volatility. Due to these risk factors, it is reasonably possible that changes in the value of investments will occur in the near term that could materially affect the amounts reported in the consolidated statements of financial position.

Accounts Receivable - Accounts receivable are due from institutional customers and individual members for items such as publications and contractual amounts due under grants and various licensing and royalty agreements. Accounts receivable are stated at the amount that management expects to collect from outstanding balances, which is net of an allowance for doubtful accounts of \$37,789 and \$44,445 as of May 31, 2016 and 2015, respectively. Management provides for probable uncollectible amounts through its assessment of the status of individual accounts.

Pledges Receivable - Pledges receivable are amounts due from foundation and individual donors in future periods. In most cases, the donor made an initial payment at the time of the pledge and will fulfill the pledge in one or more future payments. Pledges receivable that are expected to be collected within one year are recorded at fair value. Pledges receivable that are to be collected in future years are recorded at the present value of their estimated future fair value cash flows.

**Academy of Nutrition and Dietetics
Notes to Consolidated Financial Statements
May 31, 2016 and 2015**

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

Inventories - Inventories primarily consist of publications offered for sale, which are valued at the lower of average cost or market. Costs for certain publications under development are also included. A reserve for obsolescence is provided for excess quantities on hand. The reserve totaled approximately \$75,407 and \$55,398 as of May 31, 2016 and 2015, respectively.

Property and Equipment - Property and equipment are recorded at cost. Computer software and certain website development costs are capitalized in accordance with U.S. GAAP, *Accounting for Costs of Computer Software Developed or Obtained for Internal Use*. Furniture and equipment are being depreciated over their estimated useful lives using the straight-line method. Leasehold improvements are being amortized on the straight-line basis over the shorter of the estimated lives of the improvements or the remaining term of the lease.

	<u>Years</u>
Furniture and fixtures	5
Computer equipment	3-5
Computer software	3-7
Leasehold improvements	4-13

Deferred Revenue - Membership dues and registration fees are recognized ratably over the membership year or registration term. CDR accepts payments for five-year registration fees, which are prorated and recognized over the five-year period. Subscription revenues are prorated over the subscription period. Annual meeting exhibition fees are deferred and revenue is recorded in the fiscal year in which the meeting is held. Sponsorship revenues are prorated over the life of the contract where appropriate.

Rental and Expenses - Base rentals due under the lease for the Organization's headquarters, net of rental incentive received (or to be received), are recognized as rental expense on a ratable or straight-line basis over the lease term. The deferred rent liability, which includes rental incentives received in cash, will be amortized over the term of the lease as a reduction of rental expense.

Revenue - The consolidated financial statements reflect revenue on a functional basis. Member services revenue consists of membership dues, annual meetings, dues for dietetic practice groups, member interest groups and label sales. Membership dues are deferred and recognized over the membership periods. Meeting revenue is recognized when the meetings take place. Consumer education revenue consists primarily of grants/contracts and royalties for activities surrounding the media and marketing programs and is recognized when the marketing programs take place. Professional affairs revenue consists of accreditation fees, which are recognized over the applicable accreditation periods, and grants/donations to the Foundation. External affairs revenue consists primarily of revenue from publications and grants for research initiatives and is recognized when the publications are shipped and research initiatives take place. CDR revenue consists primarily of registration fees, which are recognized ratably over the registration term, and program fees, which are recognized when the programs take place.

Affiliated State Association Membership Dues - The Academy bills and collects membership dues annually from its members. A portion of these dues collected by the Academy is for the benefit of the affiliated state associations and is reflected as a liability until remitted to the state associations. The activities of the state associations are not consolidated with the Organization because they are independent.

Academy of Nutrition and Dietetics
Notes to Consolidated Financial Statements
May 31, 2016 and 2015

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

Contributions - Contributions are reported at fair value when the contribution is received to the extent it is determined to be collectible. Contributions received with donor restrictions limiting the use of donated assets are reported either as temporarily or permanently restricted revenue. However, a temporarily restricted contribution is classified as unrestricted revenue if it is expended in the year it is received. Contributions totaling \$1,895,052 and \$3,085,284 for fiscal years 2016 and 2015, respectively, are included in the various revenue categories.

	<u>2016</u>	<u>2015</u>
Unrestricted	\$ 789,529	\$ 731,598
Temporarily Restricted	720,819	2,223,521
Permanently Restricted	<u>384,706</u>	<u>130,165</u>
Total	<u>\$ 1,895,054</u>	<u>\$ 3,085,284</u>

Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the functional categories. Costs for program services and supporting services are summarized as follows:

	<u>2016</u>	<u>2015</u>
Program Services	\$ 30,102,462	\$ 32,431,230
Supporting Services		
Management and General	8,679,191	8,717,509
Fundraising	239,606	215,018
Membership Development	<u>702,271</u>	<u>749,813</u>
	<u>\$ 39,723,530</u>	<u>\$ 42,113,570</u>

Income Taxes - The Academy and the Foundation are exempt from income taxes under Sections 501(c)(6) and 501(c)(3), respectively, of the Internal Revenue Code and applicable state law. However, income from certain activities not directly related to the Academy's tax-exempt purposes, such as advertising income, is subject to taxation as unrelated business income. The Academy incurred a liability resulting from unrelated business income activities of \$5,019 and \$5,631 during 2016 and 2015, respectively.

In addition, the Academy can be taxed under certain circumstances on membership dues revenue if the amount of lobbying activities exceeds the amount identified on the membership dues bill. This is specific to academy lobbying activities and is independent of the Academy Political Action Committee. Membership dues revenue is not used to directly support the Academy Political Action Committee. The Academy did not incur any tax liability during 2016 and 2015, respectively.

Endowment - U.S. GAAP addresses the net asset classification of donor-restricted endowment funds for organizations subject to an enacted version of the 2006 Uniform Prudent Management of Institutional Funds Act (UPMIFA). UPMIFA was enacted in Illinois effective June 30, 2009. A key component of UPMIFA is a requirement to clarify the portion of a donor-restricted endowment fund that is not classified as permanently restricted net assets as temporarily restricted net assets until appropriated for expenditure.

Academy of Nutrition and Dietetics

Notes to Consolidated Financial Statements

May 31, 2016 and 2015

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

Advertising - The Academy expenses advertising costs as they are incurred. Advertising costs totaling \$117,211 and \$119,030 for the fiscal years 2016 and 2015, respectively, are included in the consolidated statements of activities.

Upcoming Accounting Changes - In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will supersede the current revenue recognition requirements in Topic 605, *Revenue Recognition*. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The new guidance will be effective for the Organization's year ending May 31, 2020. The ASU permits application of the new revenue recognition guidance to be applied using one of two retrospective application methods. The Organization has not yet determined which application method it will use or the potential effects of the new standard on the consolidated financial statements, if any.

In February 2016, the FASB issued ASU No. 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The ASU requires lessees to recognize a right-of-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the consolidated statement of activities. Currently, leases are classified as either capital or operating, with only capital leases recognized on the consolidated statement of financial position. The reporting of lease-related expenses in the statements of activities and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Organization's year ending May 31, 2021 and will be applied using a modified retrospective transition method to the beginning of the earliest period presented. The new lease standard is expected to have a significant effect on the Organization's consolidated financial statements as a result of the leases for office space and equipment classified as operating leases. The effect of applying the new lease guidance on the consolidated financial statements has not yet been determined.

In August 2016, the FASB issued Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU No. 2016-14 requires significant changes to the financial reporting model of organizations that follow FASB not-for-profit rules, including changing from three classes of net assets to two classes, net assets with donor restrictions and net assets without donor restrictions. The ASU will also require changes in the way certain information is aggregated and reported by the Organization, including required disclosures about the liquidity and availability of resources. The new standard is effective for the Organization's year ending May 31, 2019 and must be applied on a retrospective basis. The Organization is currently evaluating the impact this standard will have on the consolidated financial statements.

Use of Estimates - The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events - The Organization has evaluated subsequent events through November 9, 2016, which is the date the consolidated financial statements were available to be issued.

Academy of Nutrition and Dietetics

Notes to Consolidated Financial Statements

May 31, 2016 and 2015

Note 2 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Organization's assets measured at fair value on a recurring basis at May 31, 2016 and 2015 and the valuation techniques used by the Organization to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Organization has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

The Organization estimates the fair value of the government agencies - mortgage-backed fixed-income securities and the municipal issues fixed-income securities based upon similar investments that are traded on the secondary market.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

The Organization currently utilizes no Level 3 inputs.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Organization's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Academy of Nutrition and Dietetics
Notes to Consolidated Financial Statements
May 31, 2016 and 2015

Note 2 - Fair Value Measurements (Continued)

Description	Fair Values as of May 31, 2016	Recurring Fair Value Measurements as of Reporting Date Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments:				
Marketable Equity Securities				
Large Cap Common Stocks	\$ 30,559,055	\$ 30,559,055	\$ -	\$ -
Mid Cap	3,385,832	3,385,832	-	-
Small Cap	285,436	285,436	-	-
International Developed	1,113,980	1,113,980	-	-
Fixed Income Securities				
Corporate	11,384,809	11,384,809	-	-
Government Agencies -				
Mortgage-backed	1,480,779	-	1,480,779	-
Municipal Issues	634,754	-	634,754	-
High Yield	683,059	683,059	-	-
Inflation-linked	416,835	416,835	-	-
International Developed	2,095,141	2,095,141	-	-
Total Investments	52,039,680	49,924,147	2,115,533	-
Investments Held for Deferred Compensation:				
Equity Funds	557,686	557,686	-	-
	\$ 52,597,366	\$ 50,481,833	\$ 2,115,533	\$ -

Academy of Nutrition and Dietetics
Notes to Consolidated Financial Statements
May 31, 2016 and 2015

Note 2 - Fair Value Measurements (Continued)

Description	Fair Values as of May 31, 2015	Recurring Fair Value Measurements as of Reporting Date Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments:				
Marketable Equity Securities				
Large Cap Common Stocks	\$ 33,637,292	\$ 33,637,292	\$ -	\$ -
Mid Cap	2,944,133	2,944,133	-	-
International Developed	1,101,019	1,101,019	-	-
International Emerging	-	-	-	-
Other Equity	18,479	18,479	-	-
Fixed Income Securities				
Corporate	11,829,101	11,829,101	-	-
Government Agencies - Mortgage-backed	1,726,102	-	1,726,102	-
Municipal Issues	663,673	-	663,673	-
Inflation-linked	416,651	416,651	-	-
International Developed	1,822,332	1,822,332	-	-
Total Investments	54,158,782	51,769,007	2,389,775	-
Investments Held for Deferred Compensation:				
Equity Funds	561,143	561,143	-	-
	\$ 54,719,925	\$ 52,330,150	\$ 2,389,775	\$ -

Academy of Nutrition and Dietetics
Notes to Consolidated Financial Statements
May 31, 2016 and 2015

Note 3 - Investments

The following schedule summarizes the investment return and its classification by net asset class in the consolidated statements of activities:

	2016		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Total Return on Investments:			
Dividends and Interest	\$ 881,580	\$ 358,811	\$ 1,240,391
Net Realized and Change in Unrealized Loss/Gain	<u>(671,132)</u>	<u>(332,513)</u>	<u>(1,003,645)</u>
	<u>\$ 210,448</u>	<u>\$ 26,298</u>	<u>\$ 236,746</u>
	2015		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Total Return on Investments:			
Dividends and Interest	\$ 817,716	\$ 346,892	\$ 1,164,608
Net Realized and Change in Unrealized Loss/Gain	<u>2,479,068</u>	<u>983,439</u>	<u>3,462,507</u>
	<u>\$ 3,296,784</u>	<u>\$ 1,330,331</u>	<u>\$ 4,627,115</u>

Included in administration expenses are investment management fees totaling \$303,887 and \$314,652 for fiscal years 2016 and 2015, respectively.

Academy of Nutrition and Dietetics
Notes to Consolidated Financial Statements
May 31, 2016 and 2015

Note 3 - Investments (Continued)

	2016		
	Unrestricted	Temporarily Restricted	Total
Budgeted return on investments	\$ 2,202,030	\$ 1,182,996	\$ 3,385,026
Amount budgeted for return on investments in excess of returns	<u>(1,991,582)</u>	<u>(1,156,698)</u>	<u>(3,148,280)</u>
	<u>\$ 210,448</u>	<u>\$ 26,298</u>	<u>\$ 236,746</u>
	2015		
	Unrestricted	Temporarily Restricted	Total
Budgeted return on investments	\$ 1,739,940	\$ 1,104,000	\$ 2,843,940
Returns in excess of amount budgeted for return on investments	<u>1,556,844</u>	<u>226,331</u>	<u>1,783,175</u>
	<u>\$ 3,296,784</u>	<u>\$ 1,330,331</u>	<u>\$ 4,627,115</u>

Note 4 - Property and Equipment

Property and equipment as of May 31, 2016 and 2015 consisted of:

	2016	2015
Furniture and fixtures	\$ 191,526	\$ 163,001
Computer equipment	767,856	687,464
Computer software and and website development	6,568,077	5,813,850
Leasehold improvements	<u>821,992</u>	<u>894,124</u>
	8,349,451	7,558,439
Accumulated depreciation	(3,872,382)	(3,065,338)
Construction in progress	<u>80,613</u>	<u>-</u>
	<u>\$ 4,557,682</u>	<u>\$ 4,493,101</u>

Academy of Nutrition and Dietetics
Notes to Consolidated Financial Statements
May 31, 2016 and 2015

Note 5 - Accrued Liabilities

The details of accrued liabilities are given below:

	2016	2015
Accounts Payable	\$ 520,062	\$ 1,924,336
Compensation	547,972	540,897
Vacation	466,271	476,252
Miscellaneous	125,716	120,195
	<u>\$ 1,660,021</u>	<u>\$ 3,061,680</u>

Note 6 - Line of Credit

Under an unsecured line of credit agreement with a bank entered into in December 2014, the Academy has maximum available borrowings of approximately \$2,000,000. Interest is payable monthly at LIBOR plus 2.0 percent (an effective rate of 2.44 and 2.19 percent at May 31, 2016 and 2015, respectively). There were no borrowings on the line of credit as of May 31, 2016 and 2015. The line of credit matures on December 31, 2016.

Note 7 - Nonqualified Deferred Compensation Plans

The deferred compensation liability of \$557,686 and \$561,143 as of May 31, 2016 and 2015, respectively, consists of balances due under two unqualified plans. The Organization maintains assets of an equivalent amount in participant-directed investment accounts as a means of funding the liability. The assets are included in investments held for deferred compensation and are subject to the claims of creditors (see Note 2).

The first nonqualified deferred compensation plan was amended and participation was frozen in 1997. A liability for this plan totaling \$400,387 and \$422,850 as of May 31, 2016 and 2015, respectively, will remain on the Organization's consolidated financial statements until the participants withdraw the funds from their accounts, and consists of deferred compensation plus or minus investment earnings or loss. The ING Company serves as the plan's third-party administrator and investment provider.

The Organization established a separate deferred compensation plan for the Academy's current Chief Executive Officer effective in 2011. Amounts under this plan totaling \$157,299 and \$138,293 as of May 31, 2016 and 2015, respectively, are funded by the Academy and can be withdrawn upon retirement or termination. Segall, Bryant and Hamill serves as the third-party administrator and investment advisor for this plan. The assets are held in trust at Charles Schwab.

**Academy of Nutrition and Dietetics
Notes to Consolidated Financial Statements
May 31, 2016 and 2015**

Note 8 - Temporarily Restricted Net Assets

Temporarily restricted net assets were available for the following purposes:

	<u>2016</u>	<u>2015</u>
Research Grants (21st Century Club)	\$ 1,050,529	\$ 970,038
Public Education Program	1,435,695	1,754,406
Scholarships and Awards	<u>3,713,482</u>	<u>4,845,077</u>
	<u>\$ 6,199,706</u>	<u>\$ 7,569,521</u>

As of May 31, 2016 and 2015, pledges receivable totaling \$37,063 and \$44,613, respectively, were included in the 21st Century Club category. As of May 31, 2016 and 2015, pledges receivable totaling \$29,067 and \$21,111, respectively, were included in the Scholarships and Awards category.

Note 9 - Permanently Restricted Net Assets

Permanently restricted net assets are required to be invested in perpetuity, the income from which is expendable to support the following programs:

	<u>2016</u>	<u>2015</u>
Research Grants (21st Century Club)	\$ 1,832,213	\$ 1,830,313
Scholarships and Awards	<u>6,749,220</u>	<u>6,366,414</u>
	<u>\$ 8,581,433</u>	<u>\$ 8,196,727</u>

Note 10 - Endowment

Endowment

The Organization's endowment consists of individual funds established to fund scholarships, grants and awards to dietetics students in accredited educational institutions. Its endowment includes temporarily and permanently donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on existences or absences of donor-imposed restrictions.

Academy of Nutrition and Dietetics

Notes to Consolidated Financial Statements

May 31, 2016 and 2015

Note 10 - Endowment (Continued)

Interpretation of Relevant Law

Management of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment. The portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified either as temporarily restricted net assets or unrestricted, board-designated net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purpose of the Organization's donor-restricted endowment funds
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Organization
7. The investment policies of the Organization

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity. Under these policies, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the respective benchmarks for the different asset classes provided for in the Organization's investment policy. These asset classes include equities and fixed-income investments issued by U.S. government agencies and U.S. foreign corporations. The primary objective is to generate investment returns (interest, dividends and capital gains) to fund the Organization's programs. The target return is 3.75% over inflation, annually, as measured by the Consumer Price Index. Actual returns in any given year may vary from this amount. The secondary objective is to preserve the present and future capital of the endowment over a complete market cycle and to generate a long-term rate of return in order to increase the purchasing power of the Organization's assets.

Spending Policy and How the Investment Objectives Relate to Spending Policy

Each year, the Board reviews the available funds for distribution and determines the appropriate level of actual disbursements based on current value and expected market changes. This is consistent with the Organization's secondary objective to preserve the present and future capital of the endowment over a complete market cycle and to generate a long-term rate of return in order to increase the purchasing power of the Organization's assets.

Academy of Nutrition and Dietetics
Notes to Consolidated Financial Statements
May 31, 2016 and 2015

Note 10 - Endowment (Continued)

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The projected returns of the various asset classes are considered along with the volatility of these returns and the down-side risk associated with equities and fixed-income investments.

Funds with Deficiencies

From time to time, the fair value of assets associated with permanent donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. As of May 31, 2016 and 2015, there were no such deficiencies in the permanent donor-restricted endowment funds.

Other Information

Endowment net asset composition by type of fund as of May 31, 2016:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Board-designated endowment funds	\$ 8,345,963	\$ -	\$ -	\$ 8,345,963
Donor-restricted endowment funds	<u>-</u>	<u>4,047,774</u>	<u>8,581,433</u>	<u>12,629,207</u>
	<u>\$ 8,345,963</u>	<u>\$ 4,047,774</u>	<u>\$ 8,581,433</u>	<u>\$ 20,975,170</u>

Changes in endowment net assets for the year ended May 31, 2016:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets - beginning of year	\$ 7,859,651	\$ 4,079,250	\$ 8,196,727	\$ 20,135,628
Investment return	2,753	26,970	-	29,723
Designation of net assets	1,298,123	-	-	1,298,123
Contributions	-	-	384,706	384,706
Appropriation of endowment assets for expenditure	<u>(814,564)</u>	<u>(58,446)</u>	<u>-</u>	<u>(873,010)</u>
Endowment net assets - end of year	<u>\$ 8,345,963</u>	<u>\$ 4,047,774</u>	<u>\$ 8,581,433</u>	<u>\$ 20,975,170</u>

Academy of Nutrition and Dietetics
Notes to Consolidated Financial Statements
May 31, 2016 and 2015

Note 10 - Endowment (Continued)

Endowment net asset composition by type of fund as of May 31, 2015:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Board-designated endowment funds	\$ 7,859,651	\$ -	\$ -	\$ 7,859,651
Donor-restricted endowment funds	-	4,079,250	8,196,727	12,275,977
	<u>\$ 7,859,651</u>	<u>\$ 4,079,250</u>	<u>\$ 8,196,727</u>	<u>\$ 20,135,628</u>

Changes in endowment net assets for the year ended May 31, 2015:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets - beginning of year	\$ 7,315,483	\$ 3,536,743	\$ 8,066,562	\$ 18,918,788
Investment return	443,516	655,048	-	1,098,564
Designation of net assets	920,853	-	-	920,853
Contributions	-	-	130,165	130,165
Appropriation of endowment assets for expenditure	(820,201)	(112,541)	-	(932,742)
Endowment net assets - end of year	<u>\$ 7,859,651</u>	<u>\$ 4,079,250</u>	<u>\$ 8,196,727</u>	<u>\$ 20,135,628</u>

Academy of Nutrition and Dietetics

Notes to Consolidated Financial Statements

May 31, 2016 and 2015

Note 11 - Lease Commitments

The Academy occupies two locations under operating leases: the headquarters in Chicago, Illinois, and offices in Washington, D.C. Each lease is of varying length and provides for future rent increases. The headquarters lease arrangement requires the Academy to pay rentals according to a schedule of minimum base rentals through 2020 plus its allocated share of taxes and operating expenses. Monthly base rentals range from \$60,000 to \$88,000. The Washington, D.C. lease arrangement requires the Academy to pay rentals according to a schedule of minimum base rentals through 2029 plus its allocated share of taxes and operating expenses. Monthly base rentals range from \$17,000 to \$28,000.

As of May 31, 2016, future rental commitments for all non-cancelable leases were as follows:

2017	1,187,839
2018	1,220,216
2019	1,252,934
2020	1,286,008
2021	957,541
Thereafter	<u>1,855,676</u>
	<u><u>\$ 7,760,214</u></u>

Total rent expense, which is recognized on the straight-line basis, amounted to \$1,293,423 and \$1,236,788 for fiscal years 2016 and 2015, respectively.

Subsequent to year end, the Academy entered into a new lease obligation for its headquarters moving to smaller facilities. The new lease term will begin in December 2016 and end in December 2033. Monthly base rentals will range from approximately \$39,000 to \$64,000 during the term of the new lease.

Note 12 - Employee Benefit Plan

The Organization maintains a 401(k) plan covering substantially all full-time employees. Contributions to the plan by the Organization are provided on a matching and discretionary basis. The plan provides for a vesting schedule, with participants becoming fully vested in the discretionary portion of the Organization's contributions upon five years of service. Matching contributions are vested immediately. The contribution to the 401(k) plan totaled \$912,882 and \$931,845 for fiscal years 2016 and 2015, respectively. Accrued liabilities as of May 31, 2016 and 2015 included unpaid contributions of \$203,758 and \$210,830, respectively.

Note 13 - Contingencies

The Organization's Chief Executive Officer signed an employment agreement that was effective on June 1, 2014. This agreement includes a severance provision that will be effective if certain conditions are met. The current contract expires as of May 31, 2018.

Additional Information

Independent Auditor's Report on Additional Information

To the Board of Directors
Academy of Nutrition and Dietetics

We have audited the consolidated financial statements of Academy of Nutrition and Dietetics as of and for the years ended May 31, 2016 and 2015, and have issued our report dated November 9, 2016 which contained an unmodified opinion on those consolidated financial statements. Our audits were made for the purpose of forming an opinion on the consolidated financial statements as a whole. The statement of financial position for Academy of Nutrition and Dietetics, statement of activities by object and fund for Academy of Nutrition and Dietetics, statement of financial position for Academy of Nutrition and Dietetics Foundation, and statement of activities for Academy of Nutrition and Dietetics Foundation are presented for the purpose of additional analysis and are not a required part of the basic consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except as described in the following paragraph, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Under accounting principles generally accepted in the United States of America, "Reporting of Related Entities by Not-for-Profit Organizations" requires consolidation of Academy of Nutrition and Dietetics and Academy of Nutrition and Dietetics Foundation. Accordingly, the statement of financial position for Academy of Nutrition and Dietetics and statement of activities by object and fund for Academy of Nutrition and Dietetics are not presented in accordance with accounting principles generally accepted in the United States of America, but, as noted above, are presented for analysis purposes.

Plante & Moran, PLLC

November 9, 2016

Academy of Nutrition and Dietetics

Statement of Financial Position

May 31, 2016

Assets

Cash and Cash Equivalents	\$	4,613,138
Investments		31,477,242
Interest Receivable		123,232
Accounts Receivable, Net		1,104,687
Prepaid Expenses		1,587,952
Inventories, Net		1,045,312
Investments Held for Deferred Compensation		557,686
Property and Equipment:		
Furniture and Fixtures		169,562
Computer Equipment		7,333,697
Leasehold Improvements		821,991
		<u>8,325,250</u>
Less: Accumulated Depreciation and Amortization		<u>(3,807,995)</u>
		4,517,255

Total Assets

\$ 45,026,504

Liabilities

Accounts Payable	\$	1,320,734
Accrued Liabilities		1,635,036
Interorganization Balances		383,212
Due to State Associations		3,000,311
		<u>6,339,293</u>
Deferred Revenues:		
Membership Dues		7,610,218
Registration Fees		3,599,793
Subscriptions		2,476,810
Annual Meeting		1,602,966
Sponsorships		361,199
Other		1,471,249
Total Deferred Revenues		<u>17,122,235</u>
Deferred Compensation		557,686
Deferred Rent Incentive		2,226,588
		<u>2,784,274</u>
		<u>26,245,802</u>

Total Liabilities

Net Assets

Unrestricted:		
Academy Operations		2,191,098
Commission on Dietetic Registration		8,052,239
Dietetic Practice Groups		1,133,174
Accreditation Council for Education in Nutrition and Dietetics		7,189,642
ANDPAC		214,549
		<u>18,780,702</u>

Total Net Assets & Liabilities

\$ 45,026,504

Academy of Nutrition and Dietetics
Statement of Activities - By Object and Fund
Year Ended May 31, 2016

	<u>Academy</u>	<u>Commission On Dietetic Registration</u>	<u>DPGs / MIGs ACEND / NDEP</u>	<u>ANDPAC</u>	<u>Total</u>
REVENUES:					
Membership Dues - Gross	\$ 11,654,409	\$ -	\$ 1,853,168	\$ -	\$ 13,507,577
State Affiliate Allocations	(2,301,608)	-	-	-	(2,301,608)
Membership Dues - Net	9,352,801	-	1,853,168	-	11,205,969
Registration and examination fees	-	7,774,791	-	-	7,774,791
Contributions	-	-	-	123,099	123,099
Programs and meetings	4,509,856	-	486,430	-	4,996,286
Publications and materials	2,304,840	286,755	146,833	-	2,738,428
Subscriptions	2,199,569	-	585	-	2,200,154
Advertising	266,224	-	42,621	-	308,845
Sponsorships	1,114,715	13,500	-	-	1,128,215
Grants	388,208	-	1,040,005	-	1,428,213
Education program	-	471,996	1,575,344	-	2,047,340
Other	1,024,282	1,725	170,450	-	1,196,457
	<u>21,160,495</u>	<u>8,548,767</u>	<u>5,315,436</u>	<u>123,099</u>	<u>35,147,797</u>
EXPENSES:					
Personnel	12,679,600	1,762,188	761,345	-	15,203,133
Publications	2,455,477	52,550	4,230	-	2,512,257
Travel	1,232,939	508,866	1,167,984	-	2,909,789
Professional fees	1,429,149	859,889	1,067,550	-	3,356,588
Postage and mailing service	613,998	340,715	116,634	-	1,071,347
Office supplies and equipment	224,130	53,284	14,000	-	291,414
Rent and utilities	1,239,560	132,287	106,648	-	1,478,495
Telephone and communications	174,675	49,216	35,394	-	259,285
Commissions	50,280	-	-	-	50,280
Computer expenses	664,415	23,623	78,630	-	766,668
Advertising and promotion	82,086	11,251	22,967	907	117,211
Insurance	79,470	126,777	17,354	-	223,601
Depreciation	1,138,427	191,440	98,286	-	1,428,153
Income taxes	-	5,019	-	-	5,019
Bank and trust fees	684,628	142,888	70,659	-	898,175
Other	(1,765,925)	2,483,783	440,497	85,367	1,243,722
Donations to the Foundation	277,090	265,000	89,606	-	631,696
Examination administration	-	835,750	-	-	835,750
Meeting services	1,786,669	636,462	1,032,382	17,095	3,472,608
Legal and audit	187,390	44,956	-	-	232,346
Printing	194,905	103,143	137,981	163	436,192
	<u>23,428,963</u>	<u>8,629,087</u>	<u>5,262,147</u>	<u>103,532</u>	<u>37,423,729</u>
(Decrease) Increase in Net Assets from Operating Activities	<u>(2,268,468)</u>	<u>(80,320)</u>	<u>53,289</u>	<u>19,567</u>	<u>(2,275,932)</u>
Return on Investments	<u>125,228</u>	<u>42,624</u>	<u>39,843</u>	<u>-</u>	<u>207,695</u>
(Decrease) Increase in Net Assets	<u>(2,143,240)</u>	<u>(37,696)</u>	<u>93,132</u>	<u>19,567</u>	<u>(2,068,237)</u>
Net Assets at Beginning of Year	4,334,338	8,089,935	8,229,684	194,982	20,848,939
Net Assets at End of Year	<u>\$ 2,191,098</u>	<u>\$ 8,052,239</u>	<u>\$ 8,322,816</u>	<u>\$ 214,549</u>	<u>\$ 18,780,702</u>

See Independent Auditor's Report on
Additional Information.

Academy of Nutrition and Dietetics Foundation
Statement of Financial Position
May 31, 2016

Assets

Cash and Cash Equivalents	\$ 1,997,777
Investments	20,562,438
Interest Receivable	83,719
Pledges Receivable, Net	66,129
Prepaid Expenses	18,385
Interorganization Balances	383,212
Property and Equipment:	
Computer Equipment	104,814
Less: Accumulated Depreciation and Amortization	<u>(64,387)</u>
	<u>40,427</u>

Total Assets **\$ 23,152,087**

Liabilities

Deferred Annual Meeting	<u>\$ 24,985</u>
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Total Liabilities 24,985

Net Assets

Unrestricted	5,764,157
Temporarily Restricted	8,781,512
Permanently Restricted	<u>8,581,433</u>

Total Net Assets 23,127,102

Total Net Assets & Liabilities **\$ 23,152,087**

Academy of Nutrition and Dietetics Foundation
Statement of Activities
Year Ended May 31, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES				
Grants and Donations	\$ -	\$ 386,192	\$ -	\$ 386,192
Member Contributions	375,025	285,750	356,893	1,017,668
Corporate Contributions	194,905	581,071	27,813	803,789
Sponsorships	96,500	99,500	-	196,000
Release from Net Assets Arising from Satisfaction of Restrictions	2,116,932	(2,116,932)	-	-
Total ANDF	2,783,362	(764,419)	384,706	2,403,649
EXPENSES				
Personnel	827,052	-	-	827,052
Travel	180,124	-	-	180,124
Professional Fees	631,936	-	-	631,936
Postage and Mailing Service	4,102	-	-	4,102
Office Supplies and Equipment	1,725	-	-	1,725
Rent and Utilities	90,096	-	-	90,096
Telephone and Communications	22,488	-	-	22,488
Computer Expense	19,509	-	-	19,509
Insurance	16,486	-	-	16,486
Depreciation	27,785	-	-	27,785
Bank and Trust Fees	122,872	-	-	122,872
Other	31,060	-	-	31,060
Meeting Services	131,876	-	-	131,876
Legal and Audit	6,307	-	-	6,307
Printing	4,917	-	-	4,917
Scholarships & Awards	813,162	-	-	813,162
Administration Fees	-	-	-	-
Total ANDF	2,931,497	-	-	2,931,497
(Decrease) Increase in Net Assets from Operating Activities before Other Items	(148,135)	(764,419)	384,706	(527,848)
Return on Investments	2,753	26,298	-	29,051
Decrease in Net Assets	(145,382)	(738,121)	384,706	(498,797)
Net Assets				
Beginning of Year	5,909,539	9,519,633	8,196,727	23,625,899
End of Year	\$ 5,764,157	\$ 8,781,512	\$ 8,581,433	\$ 23,127,102