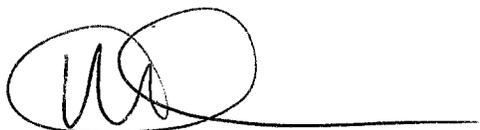


**City of Bainbridge Island
2017-2018 Human Services Funding Program Proposal
Boys & Girls Club of Bainbridge Island**

COVER LETTER

1. Organization Name: Boys & Girls Club of Bainbridge Island (BI-BGC), chapter of Boys & Girls Clubs of King County (BGCKC)
2. Contact Person: Kelly Otis, Grantwriter, 206.436.1823
3. Email address: bgckcgrants@positiveplace.org
4. Physical address: 9453 Coppertop Loop NE, Bainbridge Island, WA 98110
5. Mailing address: 603 Stewart St. #300, Seattle, WA 98101
6. 501 c3: yes
7. Organization EIN: EIN (BGCKC): 91-0532600
8. Request for 2017-18 (two-year term):
 - a. Amount of City funding requested: 2017: \$50,000 2018: \$50,000
 - b. Type: General Operating Support (not specific to one program or targeted service)
 - c. N/A
 - d. Brief description of request: Bainbridge Island Boys & Girls Club (BI-BGC) requests general operating support for out-of-school youth programming (for ages 5 to 18 years), with an emphasis on academic success, healthy lifestyles and good character/citizenship.
9. Attached as separate PDF documents:
 - ✓ Funding application – cover letter and proposal (this doc – Bainbridge Boys & Girls HSF Proposal)
 - ✓ Current Board of Directors – Bainbridge BGC_BGCKC Board 2016_17.pdf
 - ✓ Organization Financial Statement (Balance sheet and income statement) – BGCKC Audited FS.pdf
 - ✓ 2016 Budget & 2017 Budget – Bainbridge Boys & Girls Club FY2016_FY2017 budget.pdf
10. One copy of recent 990 – Boys & Girls Clubs of King County 990.pdf
11. For capital requests – N/A
12. Authorized signature



Lisa Chin
President \CEO for Boys & Girls Clubs of King County

10/28/16

Date

**CITY OF BAINBRIDGE ISLAND
2017-18 HUMAN SERVICES FUNDING PROGRAM PROPOSAL
Boys & Girls Club of Bainbridge Island**

I. STATEMENT OF PURPOSE

Out-of-School Learning is Critical to Community and Youth Development: Bainbridge Youth Need Safe Environment, Diverse Activities and Adult Support

Bainbridge Island needs: diverse enrichment activities for youth; safe out-of-school support; and affordable and flexible afterschool care. Youth and teen needs have continually been highlighted as a significant community need in the 2016 PRR community needs assessment, the 2016 Bainbridge Healthy Youth Alliance campaign (“Beyond the Report Card: Cultivating What Matters”) and the 2013 Healthy Youth Summit Data. Hundreds of Bainbridge kids need adult supervision and a safe and positive environment afterschool and during school vacations. Youth need a venue to explore interests (particularly beyond academics), develop a foundation for social-emotional development, and receive support and guidance from positive adult role models.

Bainbridge Island Boys & Girls Club (BI-BGC) is the Island’s primary provider of out-of-school programming for ages 5 to 18 years, offering dynamic afterschool and summer activities with an emphasis on academic success, healthy lifestyles and good character/citizenship. As the only drop-in youth program on the Island, it provides a unique and much needed service to families and the community. (The drop-in program structure allows youth and families the flexibility to come and go as schedules change, without the regular commitment of XX/days per week, as required by many child care programs.) Beyond direct youth services, BI-BGC actively advocates for the youth community, hosts public events, and contributes to the overall vibrancy on the Island with social events, parents’ night out events, and by sharing the Club facility with community groups. Each year, nearly 500 young people take advantage of the programs, activities and services provided by Bainbridge Island Boys & Girls Club.

Throughout the country and locally, research validates that youth (and our community) benefit tremendously from consistent support during afterschool hours.

- Studies show that children in afterschool programs do better in school, stay in school longer and have greater expectations for the future. (Afterschool Alliance, afterschoolalliance.org)
- Parents with children in afterschool programs are less stressed, have fewer unscheduled absences and are more productive at work. (Afterschool Alliance, afterschoolalliance.org)
- School’s Out Washington highlights: “Children and youth spend only 20% of their waking hours in school. How they spend that remaining 80% of their time has a significant impact on their success and well-being. Over a decade of research and evaluation shows that high-quality AYD [Afterschool Youth Development] programs are directly linked to youth achievement of positive social, emotional, health, and academic gains.” (*Making the Case: A 2008 Fact Sheet on Children and Youth in Out-of-School Time*, National Institute on Out-of-School Time, Wellesley Centers for Women at Wellesley College, 2008; *Outcomes Linked to High Quality Afterschool Programs*, D. Lowe Vandell, E. Reisner & C. Pierce, 2007.)
- According to the October 2011 “Expanded Learning Opportunities in Washington State Pathways to Student Success” report, prepared by Priscilla M. Little, Research & Evaluation Consultant: “Afterschool and summer programs are particularly well positioned to provide a wide variety of activities that promote physical and mental health.¹ These health-related afterschool activities are especially important at a time when schools are cutting back their physical education and sports programs and have few additional resources to provide counseling or other mental health services. Youth who are in good health (physically and

mentally) are better prepared to come to school ready to learn, and thus are better positioned for academic success than their less healthy peers.²" (Little, P., Wimer, C., & Weiss, H. B. (2008). *After school programs in the 21st century: Their potential and what it takes to achieve it*. Cambridge, MA: Harvard Family Research Project.;²See, for example: Grossman, J. & Vang, Z. (2009). *The case for school-based integration of services: Changing the ways students, families, and communities engage with their schools*. Philadelphia, PA: Public/Private Ventures. Online at: www.ppv.org/ppv/publications/assets/267_publication.pdf; Haas, S. A. & N. E. Fosse. (2008). Health and the educational attainment of adolescents: evidence from the NLSY97. *Journal of Health and Social Behavior*, 49(2):178–92; and Basch, C. E. (2010). Healthier students are better learners: A missing link in school reforms to close the achievement gap. *Equity Matters: Research Review No. 6*. New York: The Campaign for Educational Equity. Online at: www.tc.columbia.edu/i/a/document/12558_EquityMattersVol6_WebFINAL.pdf.)

- On school days, the hours between 3 p.m. and 6 p.m. are the peak hours for juvenile crime and experimentation with drugs, alcohol, cigarettes and sex. (Fight Crime: Invest in Kids, 2003)

Bainbridge-Specific Challenges

In-school enrichment activities at Bainbridge public schools have been greatly restricted, due to rigorous academic testing and stringent curriculum requirements. Activities like art, music and physical fitness must be supplemented out-of-school and Bainbridge youth face limited options for these out-of-school experiences, beyond academics and structured team sports. Some afterschool programs on the Island offer specialized skill development. Chess and Lego clubs, for example, may be offered afterschool, but focus on one skill development, meet only once a week, and have an average cost of \$10 to 15 per hour.

Bainbridge Island Boys & Girls Club Provides Holistic Youth Development Support

- Far beyond enrichment, the Bainbridge Boys & Girls Club proactively supports holistic youth development by integrating social-emotional learning, academic support and physical fitness within accessible, affordable and ongoing programs.
- Hundreds of parents, particularly those working off-Island, rely on the Club's flexible drop-in program with fees averaging just \$2.25 per hour. During the school year, the Club serves an average of nearly 100 youth each day with positive programming at the time of greatest risk to youth.
- Currently, nearly 100 Bainbridge kids are coming to the Club two times a week or more. Research by Boys & Girls Clubs of America has demonstrated that the impact we have on our members exponentially increases when they attend a Club two or more times each week. The frequency of a member's participation has a direct correlation with the impact Club programs can make in a member's life; specifically in the outcome areas of academic success, character and leadership development, and healthy lifestyles.
- Many kids, who may not feel a sense of accomplishment from academics and athletics, gain confidence from exploring other passions at the Club. In the safe Club environment, all type of learners and interests are supported and encouraged by positive adult mentors, healthy snacks, outcome-driven experiences and a diverse peer group.
- The Club currently provides important foundations for elementary to middle school ages, and is looking for innovative ways to expand teen involvement.
- BI-BGC's intentional structure and activities strengthen developmental assets including personal power, planning and decision-making, interpersonal competence, culture competence, service to others and positive self-esteem. Ultimately, Club kids are building 21st century skills and

enjoying a sense of belonging while garnering the motivation and engagement necessary to succeed in life.

II. PROGRAM SUMMARY

1. What services will these funds provide?

BI-BGC respectfully requests funding from the City of Bainbridge Island for general operating support. Specifically, funds will be used to offset personnel costs for out-of-school programs. City funds provided over the 2017 and 2018 calendar years will support out-of-school programming spanning a portion of three school years as well as two summers. Ultimately, this general operating support will ensure proper staffing to positively influence youth and help kids establish a solid foundation for future choices.

Afterschool support - The majority of our staff time is dedicated to out-of-school youth contact, assisting kids with: homework help, math and reading tutoring as needed; cooking and nutrition education/activities; athletics (structured and informal physical fitness); arts and crafts projects; technology and photography education (computer-based programs); science and creative writing; a girl empowerment club; music classes; community service projects; and educational games and activities.

Summer and school break support - Staff also oversee diverse, experiential learning opportunities in summer day camps. Staff assist with multiple activities designed to prevent summer learning loss (educational slides that commonly occur without structured summer programs), including ensuring that each member read 20 minutes per weekday. Throughout the 2017 and 2018 calendar years, BI-BGC will run afterschool and school break (winter, mid-winter and spring break) programs as well as day camps during the summer months.

2. Who will be the recipients of the services provided by these funds?

- BI-BGC serves approximately 500 youth each year, including nearly 100 kids afterschool each day, with positive programming.
- The Club focuses on kindergarten through 8th grade, and engages high school students as program volunteers. Age-segmented activities have the elementary ages downstairs and older kids upstairs in a dedicated Rick Skelton Teen Center. High school teens learn life, leadership and career skills by volunteering and acting as staff-in-training at the Club.
- Club members come from all Bainbridge public schools, including elementary schools (Ordway, Blakely, Wilkes), Commodore Options School, Sonokji Sakai Intermediate School and Woodward Middle School; Bainbridge High School and Eagle Harbor High School students volunteer at the Club in community service and leadership opportunities.
- BI-BGC's membership demographics generally mirror the Bainbridge community, with 79% white, 9% two or more races, 3% Asian and 3% Hispanic or Latino. Club membership includes 12% youth from single parent households (2015 annual Club report). In Fall 2016, fifteen percent of Club members are receiving some type of scholarship; the percentage of scholarship recipients increases during summer months when fees for full day care are higher.

3. How will recipients access these services?

BI-BGC's out-of-school programming is available to all youth on Bainbridge Island. The Club is open 195 days during the school year (averaging 4.5 hours per day and longer for early school dismissals on Mondays) and 49 days (averaging 11.5 hours/day) during the summer months. Kids and teens come to the program through Club outreach, family and peer word-of-mouth referrals as well as referrals from community partners (including Helpline House, Bainbridge Youth Services, schools). Families are encouraged to apply for scholarships as needed; Helpline House screens income eligibility and makes scholarship recommendations for families. Students from Ordway Elementary, Blakely Elementary, Wilkes Elementary and Commodore Options School receive Bainbridge Island School District

transportation to the Club. Students from nearby Sakai Intermediate and Woodward Middle School walk to the Club from school. High school teens volunteering at the Club arrange for their own transportation.

4. What percent of the population of BI residents who are eligible for these services will be served?

The Bainbridge Club welcomes youth of all socio-economic backgrounds. With Club services available to all youth, nearly 4,000 youth living on Bainbridge are eligible for Club services. Through programs and special events, we anticipate serving 600 youth in 2016 and are dedicated to eliminating any potential barriers to program participation. We provide generous scholarships for all those who need them (currently 15% of our membership), and no child is ever turned away for lack of funds.

5. How many of those served overall will be Bainbridge Island residents?

The vast majority of BI-BGC Club members (over 94%, as of 2016, quarter 3) live on Bainbridge Island, while a nominal number of youth come from other areas of Kitsap County, including Poulsbo and Kingston. The few non-BI residents are typically youth who attend Bainbridge Island schools, but live in neighboring communities and/or kids who have recently moved from Bainbridge and want to continue coming to the Club.

6. Describe how this fits within the Human services element of City's Comprehensive Plan

Healthy and safe youth are integral to a healthy community, and the Club provides a continuum of services and a safe place kids and parents can rely on. With the Club's positive role models and intentional programs, Bainbridge kids are building the foundation for success while advancing academics, gaining important life and career skills, and keeping active and healthy. The Club's daily homework help, educational games and experiences help improve grades, establish foundations and habits for educational success, and teach kids to see themselves as learners. At the Club, Bainbridge youth are developing healthy lifestyles by eating nutritious snacks, participating in cooking and nutrition education, and being encouraged to exercise at least 30 minutes per day. These healthy behaviors correlate to preventing and/or reducing drug use and childhood obesity, and fostering a positive self-image. Dedicated youth development professionals, using proven youth curriculum and best-practices strategies, cultivate social-emotional growth and facilitating small group sessions. Club kids are volunteering and gaining leadership skills. These are the building blocks for youth to achieve economic, social and emotional stability. Club services are provided year-round, improving the quality of life for kids and well as parents who are confident in the Club's safety and ability to provide positive, enriching growth opportunities for their child. The Bainbridge Club also builds positive community among the general public by hosting public events and engaging teen socials, providing inexpensive child care during school auctions, and welcoming diverse community groups to use its facility. This fall, Club members have made cookies for the local firefighters and raised 200 pounds of pet food for PAWS. The Club welcomes a local Police Officer once a week so youth become familiar and comfortable with law enforcement. Bainbridge Home Schoolers use the Club facility twice a week before Club programs begin.

7. Describe how this funding will foster improvement in the range and quality of health, housing and human services on BI

Financial support from the City of Bainbridge Island is critical to adequately meeting the evolving needs of our community's youth. BI-BGC programs are the lowest cost on the Island and we anticipate awarding roughly \$36,000 per year in Club scholarships (FY17 budget, based on previous requests/community needs). With City funds offsetting the expense of greatly subsidizing programs, the Club will continue to support the needs of the Bainbridge community.

BI-BGC's youth services play an important role in collectively addressing health and human services on the Island. The Club is a partner organization for the Bainbridge Healthy Youth Alliance and we collaborate with Bainbridge Youth Services, Bainbridge Parks & Recreation, IslandWood, Helpline House, local schools and other community organizations to maximize the greatest benefit for Bainbridge youth. Each year, the Club expands its' membership, welcomes kids from families that are new to the Island, engages both new and long-time members with new classes and opportunities, and continually works to support the Bainbridge schools' educational goals and the needs of local youth. Safe and positive youth contribute to strong families and greater community.

III. ORGANIZATIONAL STRENGTH - Organizational ability and qualifications

Bainbridge Island Boys & Girls Club (BI-BGC) has a track record of providing safe, beneficial and innovative youth development programs since 1999. Club staff represents a breadth of teaching and youth programming experience, a sincere passion for youth and a dedication to community partnerships. Our Program Director, Liam McEvilly, has a teaching background and a Bachelor's degree in Elementary Education; our Teen Director, Elizabeth Shifflett, has a BA in Elementary Education and is working towards an online Social Work Master's Program specializing in Family and Children Counseling. We are in the process of hiring a new Club Executive Director, and in the interim, the Bainbridge Club is well supported by BGCKC executives Pat Murray (former Bainbridge Club Director) and Bridget Powers. On-site, the Club is led by two full time professionals (our Program Director and Teen Director) and part-time employees, including: a Teen Coordinator; two Youth Development Assistants; four Youth Development Specialists; an Administrative Assistant and an Education Coordinator. The Club ratio is 1 adult to 15 youth. The staff appreciates volunteer support from roughly 40 adults as well as teen volunteers. All BI-BGC staff are CPR/First Aid certified, pass extensive criminal background checks, complete a thorough agency orientation and participate in regular staff-development trainings, including ongoing assessments and evaluations (largely focused around the nationally recognized Youth Program Quality Initiative).

Club staff augments their strengths with local community resources. Recognizing one Club member has sensory issues, the Club reached out to Bainbridge School District which provided an Occupational Therapist. The therapist observed the Club program, conducted an environmental assessment, and then provided a personalized training to Club staff with strategies and resources.

Parent testimonials include:

"I am completely thrilled with the club! And, I am especially relieved with how well [my son] is doing there - in spite of his personal challenges and disabilities."

"... I have two sons (Finn, age 7, and Gabe, age 5) who attend the club three days a week. Finn has been attending the club for the past three years. Finn and Gabe both love going to Boys & Girls Club, and my wife and I are very happy with and extremely impressed with the environment the staff works hard to create at the club. Our boys have the chance to engage in a range of activities and programs (including a dedicated homework hour!) which they love, and the staff does a fantastic job engaging with the kids and managing what can be a truly chaotic environment at times. Boys & Girls Club also offers "day camps" during non-holiday school closures (parent-teacher conferences, winter/spring break), which is invaluable for us as working parents. On top of this, the club charges extremely affordable rates for the care provided, the value of which cannot be overstated."

Boys & Girls Clubs of King County

The Bainbridge Club is one of 12 Clubs, 2 Teen Centers, and 25 child care sites operating under the Boys & Girls Clubs of King County (BGCKC), which leverages national, regional and local resources to provide

comprehensive youth support from cradle to career. In total, BGCKC serves 17,000 annually, under the mission to enable all young people, especially those who need us most, to reach their full potential as productive, caring and responsible citizens. BGCKC is the third largest Boys & Girls Club in the nation, and Boys & Girls Clubs are among the top providers of afterschool care in Washington State, partnering with national Boys & Girls Clubs of America, School's Out Washington, Youth Development Executives of King County (YDEKC) and many others. Bainbridge Club staff is supported by BGCKC management professionals, including: Senior Vice President of Club Operations (and former Bainbridge Club Director), Patrick Murray; a Vice President of Quality, Impact & Partnerships; a Regional Area Director; a Data Impact Manager and a Program Services & Training Director. The Club leverages support from BGCKC's centralized human resource, marketing and finance departments, as well as a Director of Philanthropy and Grantwriter assigned to BI-BGC to best steward Bainbridge gifts and contributions.

IV. BUDGET

See Bainbridge Boys & Girls Club Operating Budget Fiscal Year 2017 (submitted as attachment)

*NOTE: BI-BGC operates on a fiscal year July 1- June 30. Contributed income from special events, grants and contributions (estimated \$189,725), as well as earned income from member fees and program fees (estimated \$271,642) largely help offset general operating expenses. Proposed COBI funding will help support personnel costs, primarily staffing for direct youth contact during out-of-school hours.

1. Total agency budget for 2017

We operate on a fiscal year system from July 1 – June 30. The Bainbridge Island Boys & Girls Club FY2017 budget is \$460,029 (see attached for full FY2017 and FY2016 Club budget detail). Overall, Boys & Girls Clubs of King County FY2017 budget is \$17,145,430.

2. What portion of your budget does this request represent?

BI-BGC respectfully requests \$50,000 per year from the City of Bainbridge, representing 11% of the Club's annual operating budget (based on FY2017 budget). To meet community demand, the Bainbridge Club moved to a new facility in spring 2015, more than tripling the facility's square footage, allowing greater age segmentation, and locating closer to intermediate and middle schools. While the Club has been realizing increased membership and program revenue due to this additional capacity, in the move, the Club added staff positions and assumed nearly \$123,000 per year in new facility expenses.

3. How have services been funded in the past?

BI-BGC members pay a \$50/annual membership fee and \$10 per day for the afterschool drop-in program (with further discounted rates for siblings); summer camp rates vary by program. By contrast, on average, Washington families who pay for their child's afterschool program spend \$109 per week (according to Afterschool Alliance's report "Washington After 3pm"). To keep participant fees minimal, we rely heavily on contributed income through grants, special events and individuals to maintain these affordable fees and provide scholarships as requested. Historically, earned income has roughly been projected to cover half of the cost to effectively implement BI-BGC programs. The City of Bainbridge Island has consistently provided funding to support the Club's heavily subsidized youth services. In 2016, COBI awarded the Club \$46,650 (and roughly \$30,000 annually, in previous years).

4. What other sources of funding are you seeking (or have secured)?

Contributed income is a significant source of support for BGC's heavily subsidized programs. In addition to the City of Bainbridge funding, we receive financial support from: Bainbridge Community Foundation, Puget Sound Energy Foundation, Rotary Club of Bainbridge Island, One Call for All, RBC/Dain Rauscher Foundation as well as individual donations and special events. Previously, the Club received support

from the Hillswood Foundation, Avalara, Inc., Suquamish Tribe Fund, Kitsap Community Foundation and Walmart community giving. Positive youth development is a priority for many funders, and we are continually seeking contributed income from corporate, foundation and government sources as well as individual donors. The Island’s relatively low percentage of clearly identified at-risk and low-income demographics makes the community less eligible for select grant funding. The vast majority of BI-BGC funding must come from the local community as the external perception is that the Bainbridge community does not need or warrant support from outside funders.

5. What are consequences to clientele/community if you do not receive these funds?

Engaging more youth with out-of-school activities is vital to the health of the Bainbridge community. If City funds are not received, the Bainbridge community would suffer from a lack of, or reduction in, affordable, accessible youth support. The Bainbridge Club’s nominal fees are the lowest on the Island, blending families of all socio-economic backgrounds and extending free scholarships to low-income families. Reliable City funding allows the Club to maintain minimal program fees, ensure proper adult-to-youth ratios (1:15), provide scholarships to those in need, and pursue innovations in programs. If funding is not secured, the Club would be faced with the tough choices of raising fees, increasing staff-to-child ratios and/or reducing program hours. Mostly likely, the Club would be forced to raise fees and/or shorten hours for full day care (on non-school days).

V. ESTIMATED OUTPUTS, OUTCOMES & ASSESSMENT

OUTPUTS AND OUTCOMES CHART: Bainbridge Island Boys & Girls Club		
Program Activity or Services	Annual Goal: Unduplicated Bainbridge Residents Served (Outputs)	Outcome of Receiving this Program/Service NOTE: BI-BGC projects growth in membership and frequency of attendance, with similar programmatic outcomes for Year 1 (2017) and Year 2 (2018)
Youth Development Support	2017: 525 youth registered Club members (total Club membership) 2018: 545 youth	Hundreds of kids engage in interactive learning across a broad spectrum of interests in the Club’s positive, safe environment *As validated by Club registration and attendance Youth programs are readily available/accessible in the Bainbridge community at crucial times for young people and their community *Evidenced by Club hours and attendance Families unable to budget for enrichment activities access quality programs for their children *Demonstrated by scholarship support
Homework Help/Academic Support (PowerHour program)	2017: 100 Frequent Club attenders 2018: 115 Frequent Club attenders	Youth frequently attending the Club develop positive homework habits as evidenced by participating in daily homework help at least two times per week (validated by KidTrax attendance system) and staff observations
Community service/Leadership (Torch Club)	2017: 12 teens 2018: 18 teens	Bainbridge middle school teens and local community both benefit from service projects • Estimated 20 community service hours per

		teen, as recorded by individual youth logs
Summer Brain Gain	2017: 80 youth (summer participation) 2018: 90 youth	Summer learning loss is minimized as youth are actively learning, as evidenced by participation in 90 minutes of education-related activities each summer weekday at the Club
Healthy Lifestyles habits	2017: 55+ youth 2018: 60+ youth	Healthy habits, including physical activity, become embedded in young people's philosophy, by: *Club members participating in at least 30 minutes of exercise each day they attend the Club *Participation in Triple Play program (healthy eating, positive peer interactions, physical fitness)
Teen Late Nights	2017: 12 teens 2018: 15 teens	Young people undertake leadership roles and self-define positive activities for themselves and their friends as observed by staff and demonstrated by attendance at Club evening events
Social & Emotional Growth including SMARTGirls and Wise Guys	2017: min. 20 youth 2018: min. 20 youth	*Youth develop improved relationships and self-confidence gained through 8 weekly group sessions (SMART Girls, Wise Guys) and general Club programming and activities, validated by staff observations and parent feedback *Kids access the right information at the right time to progress more easily and safely through life transitions, evidenced by contributions in small group sessions
Overall youth growth/development	2017: 525 (estimated total membership) 2018: 545	BI-BGC responds to the needs of the BI community, as evidenced by 75% of Bainbridge parents give positive responses about the Club's impact on their child, according to annual parent survey (though all parents are surveyed, only a sample size respond)

V. PROGRAM EVALUATION

How does your organization evaluate the effectiveness of its programming?

The Bainbridge Club monitors impact through youth development assessments developed by the Weikart Center for Program Quality, national Boys & Girls Clubs of America (BGCA) program measurements (including a National Youth Outcomes survey), and Club attendance, reporting and anecdotal feedback. The Bainbridge Club aligns with the national BGCA Formula for Impact (FFI), which helps ensure that members achieve priority outcomes of Academic Success, Good Character and Citizenship, and Healthy Lifestyles. In addition, BI-BGC uses the nationally recognized Youth Program Quality Initiative (YPQI) framework, including fall and spring assessments, to continually improve programming and deepen our impact on youth. The Club uses an electronic attendance system, KidTrax, to measure member participation. BGCKC is working towards supporting core programs with standardized measurement/data collection for: Power Hour (homework help), SMART Girls/Wise Guys, Summer Brain Gain, Torch Club (middle school community and leadership) and Triple Play (healthy lifestyles). Older Club members take annual National Youth Outcome Initiative (NYOI) surveys and Club parents provide feedback to staff and participate in an annual survey.

Bainbridge Island Boys & Girls Club 2016-17 Advisory Board

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BOYS & GIRLS CLUBS OF KING COUNTY, INC.

FINANCIAL STATEMENTS
With Independent Auditor's Report

YEARS ENDED JUNE 30, 2015 AND 2014



BOYS & GIRLS CLUBS OF KING COUNTY, INC.

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

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INDEPENDENT AUDITOR'S REPORT

December 17, 2015

Board of Directors
Boys & Girls Clubs of King County, Inc.
Seattle, Washington

We have audited the accompanying financial statements of Boys & Girls Clubs of King County, Inc., a non-profit corporation, which comprise the statements of financial position as of June 30, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years 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 audits. We conducted our audits 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, 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 in the first paragraph of this letter present fairly, in all material respects, the financial position of Boys and Girls Club of King County, Inc. as of June 30, 2015 and 2014, 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.

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 state financial assistance, 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 our report dated December 17, 2015 on our consideration of Boys and Girls Club of King County, Inc.'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 Boys and Girls Club of King County, Inc.'s internal control over financial reporting and compliance.



Jacobson Jarvis & Co, PLLC

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Current Assets		
Cash and cash equivalents	\$ 976,132	\$ 800,473
Investments	1,798,161	1,616,907
Promises to give - current portion	606,834	532,333
Grants receivable	445,710	234,792
Contributed facilities receivable - current portion	186,212	177,837
Other receivables	350,765	320,114
Note Receivable - current portion	80,000	-
Prepaid expenses	158,541	248,861
Total Current Assets	<u>4,602,355</u>	<u>3,931,317</u>
Endowment Investments	471,972	491,864
Promises to Give, net of current portion	938,338	786,319
Contributed Facilities Receivable, net of current portion	8,512,464	8,698,676
Note Receivable	220,000	-
Property and Equipment, net	44,723,867	44,927,191
	<u>\$ 59,468,996</u>	<u>\$ 58,835,367</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities		
Accounts payable	\$ 721,210	\$ 684,758
Accrued liabilities	915,034	825,922
Unearned revenue	659,177	732,746
Line of credit	390,000	-
Lease obligation, current portion	69,313	33,716
Notes payable, current portion	539,813	3,226,054
Total Current Liabilities	<u>3,294,547</u>	<u>5,503,196</u>
Long-term Lease, net of current portion	306,044	76,381
Long-term Debt, net of current portion	3,447,500	3,400,000
Forgivable Debt	2,812,225	2,878,525
Total Liabilities	<u>9,860,316</u>	<u>11,858,102</u>
Net Assets		
Unrestricted	38,989,656	35,537,193
Temporarily restricted	10,280,064	11,101,112
Permanently restricted	338,960	338,960
Total Net Assets	<u>49,608,680</u>	<u>46,977,265</u>
	<u>\$ 59,468,996</u>	<u>\$ 58,835,367</u>

See notes to financial statements.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2015 AND 2014

	2015				2014			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Public Support and Revenue								
Public support								
Contributions	\$ 4,159,502	\$ 1,100,013	\$ -	\$ 5,259,515	\$ 3,995,468	\$ 405,353	\$ -	\$ 4,400,821
Grants from government agencies	2,248,274			2,248,274	1,691,193			1,691,193
In-kind contributions	3,685,869	-		3,685,869	1,027,309	625,000		1,652,309
Special events, net of direct expenses of \$317,385 and \$317,378, respectively	480,485			480,485	571,685			571,685
United Way	281,666			281,666	345,339			345,339
Net assets released from restriction	1,921,169	(1,921,169)	-	-	729,839	(729,839)	-	-
Total Public Support	<u>12,776,965</u>	<u>(821,156)</u>	<u>-</u>	<u>11,955,809</u>	<u>8,360,833</u>	<u>300,514</u>	<u>-</u>	<u>8,661,347</u>
Revenue								
Program service fees	8,776,850			8,776,850	7,936,702			7,936,702
Membership dues	360,264			360,264	375,909			375,909
Other	577,406			577,406	875,072			875,072
Total Revenue	<u>9,714,520</u>			<u>9,714,520</u>	<u>9,187,683</u>			<u>9,187,683</u>
Total Public Support and Revenue	<u>22,491,485</u>	<u>(821,156)</u>	<u>-</u>	<u>21,670,329</u>	<u>17,548,516</u>	<u>300,514</u>	<u>-</u>	<u>17,849,030</u>
Expenses								
Program services	15,892,009			15,892,009	15,708,396			15,708,396
Management and general	1,523,759			1,523,759	1,783,853			1,783,853
Fundraising	1,068,703			1,068,703	1,327,963			1,327,963
Total Functional Expenses	<u>18,484,471</u>			<u>18,484,471</u>	<u>18,820,212</u>			<u>18,820,212</u>
Boys & Girls Clubs of America Dues	44,197			44,197	44,059			44,059
Total Expenses	<u>18,528,668</u>			<u>18,528,668</u>	<u>18,864,271</u>			<u>18,864,271</u>
Change in Net Assets before Gains and (Losses)	<u>3,962,817</u>	<u>(821,156)</u>	<u>-</u>	<u>3,141,661</u>	<u>(1,315,755)</u>	<u>300,514</u>	<u>-</u>	<u>(1,015,241)</u>
Gains and (Losses)								
(Loss) gain on investments	(131,363)	108		(131,255)	122,859	75,370		198,229
Loss on disposal of property	(32,680)			(32,680)	(33,178)			(33,178)
Loss on uncollectible contributions	(346,311)			(346,311)	-			-
Gain on Unwind of New Market Tax Credit Financing	-			-	4,353,887			4,353,887
Total Gains and (Losses)	<u>(510,354)</u>	<u>108</u>	<u>-</u>	<u>(510,246)</u>	<u>4,443,568</u>	<u>75,370</u>	<u>-</u>	<u>4,518,938</u>
Total Change in Net Assets	<u>3,452,463</u>	<u>(821,048)</u>	<u>-</u>	<u>2,631,415</u>	<u>3,127,813</u>	<u>375,884</u>	<u>-</u>	<u>3,503,697</u>
Net Assets - beginning of year	<u>35,537,193</u>	<u>11,101,112</u>	<u>338,960</u>	<u>46,977,265</u>	<u>32,409,380</u>	<u>10,725,228</u>	<u>338,960</u>	<u>43,473,568</u>
Net Assets - end of year	<u>\$ 38,989,656</u>	<u>\$ 10,280,064</u>	<u>\$ 338,960</u>	<u>\$ 49,608,680</u>	<u>\$ 35,537,193</u>	<u>\$ 11,101,112</u>	<u>\$ 338,960</u>	<u>\$ 46,977,265</u>

See notes to financial statements.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED JUNE 30, 2015 AND 2014

	2015				2014			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries	\$ 7,703,548	\$ 871,822	\$ 601,425	\$ 9,176,795	\$ 7,278,855	\$ 868,578	\$ 579,471	\$ 8,726,904
Employee health and retirement benefits	620,583	69,315	48,386	738,284	526,071	61,442	40,742	628,255
Payroll taxes	719,271	80,341	56,082	855,694	667,421	79,676	53,162	800,259
Total Payroll and Related Expenses	9,043,402	1,021,478	705,893	10,770,773	8,472,347	1,009,696	673,375	10,155,418
Occupancy	1,938,019	86,856	37,149	2,062,024	1,985,502	169,769	38,166	2,193,437
Supplies and awards	1,904,930	12,168	44,500	1,961,598	1,721,774	32,637	79,798	1,834,209
Professional fees and contract services	414,444	243,764	105,780	763,988	450,371	423,334	387,840	1,261,545
Local transportation	322,820	13,586	6,835	343,241	341,265	5,770	9,075	356,110
Communications and technology	267,342	41,679	1,723	310,744	177,063	28,344	-	205,407
Bank fees	236,082	15,442	53,806	305,330	262,758	19,000	48,809	330,567
Interest	304,017	-	-	304,017	783,510	-	-	783,510
Conferences and training	199,977	26,697	4,049	230,723	233,312	9,691	19,743	262,746
Equipment maintenance	88,527	3,938	63,520	155,985	101,656	30,669	5,690	138,015
Insurance	93,860	19,404	-	113,264	80,419	18,621	-	99,040
Outside printing	58,203	13,283	31,832	103,318	30,943	10,645	49,616	91,204
Advertising and promotion	38,680	2,321	7,774	48,775	28,068	-	6,824	34,892
Other	42,274	1,915	1,053	45,242	25,740	-	5,990	31,730
Postage	11,641	1,327	4,789	17,757	18,147	1,101	3,037	22,285
Total Expenses Before Depreciation and Amortization	14,964,218	1,503,858	1,068,703	17,536,779	14,712,875	1,759,277	1,327,963	17,800,115
Depreciation and Amortization	927,791	19,901	-	947,692	995,521	24,576	-	1,020,097
Total Expenses	\$ 15,892,009	\$ 1,523,759	\$ 1,068,703	\$ 18,484,471	\$ 15,708,396	\$ 1,783,853	\$ 1,327,963	\$ 18,820,212

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Cash Flows from Operating Activities		
Cash received from contributors	\$ 5,691,220	\$ 6,558,515
Cash received from government agencies	1,971,056	1,609,927
Cash received from program participants	8,703,281	7,785,221
Cash received from members	360,264	375,909
Interest and other received	449,091	743,146
Cash paid to employees	(10,593,171)	(10,021,440)
Cash paid to vendors	(6,154,533)	(6,090,652)
Cash paid for interest	<u>(33,904)</u>	<u>(485,272)</u>
Net Cash Provided by Operating Activities	<u>393,304</u>	<u>475,354</u>
Cash Flows from Investing Activities		
Purchases of property and equipment	(439,031)	(234,516)
Proceeds from sales of property and equipment	100,000	-
Proceeds from New Market Tax Credit Unwind	-	869,832
Purchase of investments	(240,964)	(135,500)
Proceeds from sale of investments	<u>78,162</u>	<u>87,429</u>
Net Cash (Used) Provided by Investing Activities	<u>(501,833)</u>	<u>587,245</u>
Cash Flows from Financing Activities		
Proceeds from contribution restricted to investment in property	25,000	5,263
Proceeds from contribution restricted to debt reduction	50,000	100,000
Proceeds from line of credit	1,093,000	1,107,000
Principal payments on line of credit	(703,000)	(1,662,000)
Principal payments on notes payable	<u>(180,812)</u>	<u>(457,545)</u>
Net Cash Provided (Used) by Financing Activities	<u>284,188</u>	<u>(907,282)</u>
Change in Cash and Cash Equivalents	175,659	155,317
Cash and Cash Equivalents - beginning of year	<u>800,473</u>	<u>645,156</u>
Cash and Cash Equivalents - end of year	<u>\$ 976,132</u>	<u>\$ 800,473</u>
Noncash Investing and Financing Activities		
Purchase of equipment through issuance of capital lease obligation	<u>\$ 297,500</u>	<u>\$ -</u>

See notes to financial statements.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Reconciliation of Change in Net Assets to		
Cash Flows from Operating Activities		
Change in net assets	\$ 2,631,415	\$ 3,503,697
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	947,692	1,020,097
Gain on New Market Tax Credit Unwind	-	(4,345,723)
Forgiveness of debt	(2,621,300)	(916,791)
Contributed property and equipment	(212,806)	(40,898)
Reinvested earnings	(129,815)	(123,545)
Loss (gain) on investments	131,255	(198,229)
Loss on disposal of property and equipment	32,680	-
Contributions restricted to investment in property and equipment	(25,000)	(5,263)
(Increase) decrease in		
Promises to give	(276,520)	724,154
Grants receivable	(210,918)	(14,966)
Contributed facilities receivable	177,837	279,174
Other receivables	(30,651)	144,179
Prepaid expenses	90,320	126,906
Increase (decrease) in		
Accounts payable	(126,428)	191,549
Accrued liabilities	89,112	133,978
Unearned revenue	<u>(73,569)</u>	<u>(2,965)</u>
Net Cash Provided by Operating Activities	<u>\$ 393,304</u>	<u>\$ 475,354</u>

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Boys & Girls Clubs of King County, Inc. (the Clubs) is a nonprofit corporation organized to promote the health; life skills; and educational, vocational, and character development of youth ages 6-18. The Clubs' operations are carried out through 13 Clubs and 28 before-and-after-school program sites in King County, Washington (Bainbridge Island Club is located within Kitsap County).

Each of the program sites facilitates programs designed to meet the physical, emotional, cultural, and social needs of the participants. Because these core areas are integrated, it is not practical to separate expenses into program categories. Some of the programs are as follows:

Project Learn – The base of all educational programs offered through Boys & Girls Clubs, Project Learn bridges the gap between school-based educational activities and the wide range of programs offered at Boys & Girls Clubs. For each participating Boys & Girls Club member, an assessment plan (educational, fitness, social, and life skills) is established to reinforce regular school curriculum through Club activities.

Computer Education – Each of the 13 Clubs offers access to networked computer workstations and skill-level/age-appropriate training classes. In addition to Microsoft Office Suite lessons (Word, Excel, PowerPoint, etc.), a full range of digital arts and desktop publishing programs is offered as part of Club Tech. For younger members, software titles geared toward developing cognitive skills are featured.

Smart Girls – Community service is a leading principle for Boys & Girls Clubs' life skills-focused programs. The Smart Girls program matches teenage girl members with younger female members in a mentorship-based program that addresses personal, health, and social issues.

Athletics – Boys & Girls Clubs sports/fitness programs have an introductory skills focus and emphasize inclusion, sportsmanship and life skills lessons. Options range from daily drop-in activities to full-league sessions.

Keystone & Torch Clubs – Members have access to Clubs-based leadership development programs through Keystone (high school) and Torch Clubs (middle school). Highlights include community service projects, national conferences, and member-to-member mentoring.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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 differ from those estimates.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Federal income taxes

The Internal Revenue Service has recognized the Clubs as exempt from federal income taxes under provision of Section 501(a) of the Internal Revenue Code as an entity described in Section 501(c)(3) and not as a private foundation.

Basis of presentation

In accordance with financial accounting standards, the Clubs are required to report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The net assets of the Clubs are available as follows:

Unrestricted net assets are available without restriction for support of the Clubs' operations.

Temporarily restricted net assets are restricted by the donors to be used for certain purposes or future periods as follows:

	<u>2015</u>	<u>2014</u>
Contributed facility - use in future periods	\$ 8,698,675	\$ 8,876,513
Capital expenditures	101,319	111,862
Reduction of debt	-	1,560,000
Program services	<u>1,480,070</u>	<u>552,737</u>
	<u>\$ 10,280,064</u>	<u>\$ 11,101,112</u>

Net assets were released from donor temporary restrictions by incurring costs satisfying the restricted purposes or by the passage of time as follows:

	<u>2015</u>	<u>2014</u>
Capital campaign expenditures	\$ 35,543	\$ 25,827
Debt reduction	852,500	-
Use of contributed facilities	177,837	279,174
Program services	<u>855,289</u>	<u>424,838</u>
	<u>\$ 1,921,169</u>	<u>\$ 729,839</u>

Permanently restricted net assets are endowment gifts given with the intent that the principal will be maintained intact in perpetuity, and the income may be used for various program purposes.

Cash and cash equivalents

Cash and cash equivalents consist of checking and savings accounts. The Clubs maintain cash deposits in bank accounts which may exceed federally insured limits at times during the year. The Clubs have not experienced any losses in these accounts, and management does not believe it is exposed to any significant credit risk.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurements

In accordance with financial accounting standards, a three-tiered hierarchy of input levels is used for measuring fair value. Financial accounting standards defines fair value as 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. Valuation techniques utilized to determine fair value are consistently applied. The three tiers of inputs used for fair value measurements are as follows:

Level 1: Fair values are based on quoted prices in active markets for identical assets and liabilities.

Level 2: Fair values are based on observable inputs that include: quoted market prices for similar assets or liabilities; quoted market prices that are not in an active market; or other inputs that are observable in the market and can be corroborated by observable market data for substantially the full term of the assets.

Level 3: Fair values are calculated by the use of pricing models and/or discounted cash flow methodologies, and may require significant management judgment or estimation. These methodologies may result in a significant portion of the fair value being derived from unobservable data.

Investments

Investments are stated at fair value. Investment earnings are reported net of related investment expenses on the statements of activities. The amount of expenses netted with earnings was \$17,522 and \$14,985 for the years ended June 30, 2015 and 2014, respectively.

Grants receivable

Grants and accounts receivable are stated at net realizable value and consist of grants from corporations and government agencies to fund after-school programs for children from low-to-moderate income families.

Promises to give

In accordance with financial accounting standards, unconditional promises to give are recognized as support in the period received. Promises to give are shown net of the allowance for uncollectible amounts. Allowances for uncollectible accounts are estimated based on management's periodic evaluation of the Clubs' past loss experience and management's analysis of specific amounts due.

Long-term promises to give are discounted to present value using a 4.5% discount rate and are due in one to seven years. The fair value of promises to give is estimated by discounting the future cash flows using the rates currently offered for deposits of similar remaining maturities. Conditional promises to give are recognized when the conditions on which they depend are substantially met. At June 30, 2015 and 2014, the Clubs had no conditional promises to give.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unconditional promises to give as of June 30, consist of:

	<u>2015</u>	<u>2014</u>
Receivable in less than one year	\$ 606,834	\$ 532,333
Receivable in two to five years	702,434	604,068
Receivable in more than five years	<u>362,890</u>	<u>357,001</u>
	1,672,158	1,493,402
Less allowance for uncollectible accounts	(61,745)	(74,670)
Less discounts to net present value	<u>(65,241)</u>	<u>(100,080)</u>
	<u>\$ 1,545,172</u>	<u>\$ 1,318,652</u>

As of June 30, 2015, 26% of total unconditional promises to give was due from one donor.

Property and equipment

Property and equipment are stated at cost, or if donated, at fair value at date of donation. The Clubs capitalize all expenditures for property and equipment in excess of \$5,000. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. Property and equipment consist of the following:

	<u>Estimated Useful Lives</u>	<u>2015</u>	<u>2014</u>
Land and improvements		\$ 4,600,127	\$ 4,600,127
Buildings	20 years	44,305,357	43,998,299
Furniture, equipment, vehicles	5 years	3,699,030	3,628,564
Leasehold improvements	15 years	<u>2,932,736</u>	<u>2,932,736</u>
		55,537,250	55,159,726
	Less accumulated depreciation	<u>(10,813,383)</u>	<u>(10,232,535)</u>
		<u>\$ 44,723,867</u>	<u>\$ 44,927,191</u>

Unearned revenue

Unearned revenue consists of payments received for childcare registrations and camp fees in advance of the month of service. Revenue is recognized in the period to which it applies.

Restricted and unrestricted support

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the year in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When restrictions expire (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 as net assets released from restrictions.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Gifts of equipment are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

In-kind goods and services

Donated marketable securities and other non-cash donations are recorded as contributions at their estimated fair values at the date of donation. The following in-kind support has been recorded in the financial statements for the years ended June 30:

	<u>2015</u>	<u>2014</u>
Goods	\$ 51,651	\$ 55,893
Imputed interest on non-interest bearing notes	270,113	298,238
Use of contributed facilities and equipment	740,424	848,634
Services	<u>33,712</u>	<u>62,820</u>
Total in-kind expenses	1,095,900	1,265,585
Reduction in contributed facilities receivable	(177,837)	(279,174)
Debt forgiveness	2,555,000	625,000
Property and equipment	<u>212,806</u>	<u>40,898</u>
Total in-kind revenue	<u>\$ 3,685,869</u>	<u>\$ 1,652,309</u>

In-kind support benefited the following activities for the years ended June 30:

	<u>2015</u>	<u>2014</u>
Program services	\$ 1,091,659	\$ 1,132,936
Management and general	4,241	112,542
Fundraising	<u>-</u>	<u>20,107</u>
	<u>\$ 1,095,900</u>	<u>\$ 1,265,585</u>

The Clubs receive donated facilities for their Federal Way, Rotary Club, Sammamish and two Mercer Island sites under long-term lease agreements. The contributions have been recorded at the estimated fair value and are shown as a receivable and temporarily restricted net asset.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

The receivables will decrease each year by the following amounts:

Years ending June 30,	
2016	\$ 186,212
2017	194,990
2018	204,185
2019	213,553
2020	188,571
Thereafter	<u>7,711,165</u>
	<u>\$ 8,698,676</u>

Advertising

The Clubs use advertising to promote programs among the audiences served. The production costs of advertising are expensed as incurred. Advertising expense was \$48,775 and \$34,892 for the years ended June 30, 2015 and 2014, respectively.

Functional allocation of expenses

The cost of providing the various programs and other activities has been summarized on a functional basis in the statements of activities and of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Reclassifications

Certain amounts in the 2014 financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements. These reclassifications had no effect on the total net assets or total change in net assets as of or for the year ended June 30, 2014.

NOTE B - NEW MARKET TAX CREDIT FINANCING

In January 2007, CDF VIII Investment Fund, LLC (the Investment Fund), a Delaware corporation, was formed as part of New Market Tax Credit Financing for the Rainier Valley Boys & Girls Club (the Project). Community Development Funding, LLC (the CDF), a Minnesota limited liability company, was the non-managing member of the Investment Fund. U.S. Bancorp Community Development Corporation, a Minnesota corporation, had contracted with the CDF as the investing member of the Investment Fund and agreed to make capital contributions to the Investment Fund in exchange for a sole membership interest. U.S. Bancorp Community Development Corporation is a Community Development Entity and recipient of a new markets tax credit allocation from the Internal Revenue Service.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE B - NEW MARKET TAX CREDIT FINANCING (Continued)

In February 2014, pursuant to the original Project documents, all management and servicing agreements between the parties were terminated. Simultaneously, the Clubs purchased (for \$1,000) U.S. Bancorp Community Development Corporation's interest in the Investment Fund under a "put" option as provided for under the original Project documents, thereby becoming the sole member of the Investment Fund. As a result of these events (the Unwind), the Boys & Girls Clubs of King County received net cash payment in the amount of \$869,832.

In conjunction with the termination and Unwind of the Project, the Rainier Valley Boys & Girls Club dissolved as a Washington State corporation, conveying and assigning all assets and liabilities of the Rainier Valley Boys & Girls Club to the Boys & Girls Clubs of King County (in its capacity as the sole member of the Rainier Valley Boys & Girls Club). As a result of this dissolution, the notes payable of \$14,520,000 and notes receivable of \$11,044,109 between the parties were forgiven. The resulting gain on Unwind (net of \$8,164 in other income and fees) was \$4,353,887, as shown on the statement of activities.

NOTE C - NOTE RECEIVABLE

In January 2002, the Clubs entered into a lease and construction agreement with the Bainbridge Island Parks District. The agreement called for the Clubs to pay for the construction of an additional wing on the Bainbridge High School Aquatic center in exchange for the right to use the facility through November 2069. If the lease was terminated early, the Parks District agreed to repay \$400,000 of construction costs. In February 2015, the Clubs and the Parks District agreed to terminate the lease for a total consideration of \$400,000, consisting of \$100,000 in cash received in April 2015 and annual payments of \$80,000 beginning in May 2016 for three years and \$60,000 in the fourth year.

NOTE D - FAIR VALUE MEASUREMENTS

Assets carried at fair value on a recurring basis (at least annually) consist of the following:

	Quoted Prices (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
As of June 30, 2015:				
Mutual funds	\$ 1,825,187	\$ -	\$ -	\$ 1,825,187
Money market funds	444,946	-	-	444,946
Total assets shown at fair value	<u>\$ 2,270,133</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,270,133</u>

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE D - FAIR VALUE MEASUREMENTS (Continued)

	Quoted Prices	Other Observable Inputs	Unobservable Inputs	
As of June 30, 2014:				
Mutual funds	\$ 1,903,036	\$ -	\$ -	\$ 1,903,036
Money market funds	<u>205,735</u>	<u>-</u>	<u>-</u>	<u>205,735</u>
Total assets shown at fair value	<u>\$ 2,108,771</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,108,771</u>

Assets and liabilities carried at fair value on a nonrecurring basis using level 2 inputs generally include donated goods, facilities and services. Long-term promises to give are valued on a nonrecurring basis using the net present value of future cash flows discounted at a risk-free rate of return which is a level 3 input. The Clubs also use fair value concepts to test various long-lived assets for impairment.

NOTE E - ENDOWMENT

The Clubs' endowment contains four donor-restricted funds established to support a variety of program areas. Endowments in Washington State are governed by the "Uniform Prudent Management of Institutional Funds Act," (UPMIFA) as stated in the Revised Code of Washington (RCW) 24.55. The RCW provides that, unless stated otherwise in endowment gift instruments, no portions of donor-restricted endowments will be shown as unrestricted net assets other than amounts appropriated for spending in the current year, or negative endowment earnings to date.

The Clubs have interpreted 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 Clubs classify 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 remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets.

Occasionally, the fair value of the assets associated with donor-restricted endowment funds may fall below the amount recorded as permanently restricted net assets. Future appreciation of investments generally restores the value to the required level. As of June 30, 2015, there were no such deficiencies.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE E - ENDOWMENT (Continued)

The Board has adopted an investment and spending policy for the endowment designed to provide reasonable spending in support of the Clubs, while maintaining the purchasing power of the endowment over the long term. To achieve these objectives, endowment assets are invested in a well-diversified, balanced portfolio intended to capture the broad market return. This means the portfolio assumes moderate investment risk consistent with the broad market.

The Clubs utilize a total return strategy, with investment returns achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Because the Clubs seek to balance current spending with maintenance of purchasing power over the long term, the asset allocation of the portfolio favors equity investments, but within an overall balanced portfolio.

Endowment net assets by fund type as of June 30, 2015:

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Donor-restricted endowment funds				
Ballard Club Endowment	\$ -	\$ 3,378	\$ 12,956	\$ 16,334
Southwest Club Endowment	-	118,329	187,557	305,886
Finkbeiner Scholarship (Kirkland)	-	10,877	108,533	119,410
Arlene Brooks-Bull Scholarship	-	428	29,914	30,342
Total endowment funds	<u>\$ -</u>	<u>\$ 133,012</u>	<u>\$ 338,960</u>	<u>\$ 471,972</u>

Change in endowment net assets for the year ended June 30, 2015:

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	<u>\$ -</u>	<u>\$ 152,904</u>	<u>\$ 338,960</u>	<u>\$ 491,864</u>
Additions				
Investment return:				
Investment income	-	37,580	-	37,580
Net gains	-	(37,472)	-	(37,472)
Total investment return	-	108	-	108
Appropriated for expenditure	-	(20,000)	-	(20,000)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 133,012</u>	<u>\$ 338,960</u>	<u>\$ 471,972</u>

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE E - ENDOWMENT (Continued)

Endowment net assets by fund type as of June 30, 2014:

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Donor-restricted endowment funds				
Ballard Club Endowment	\$ -	\$ 2,913	\$ 12,956	\$ 15,869
Southwest Club Endowment	-	138,374	187,557	325,931
Finkbeiner Scholarship (Kirkland)	-	11,098	108,533	119,631
Arlene Brooks-Bull Scholarship	-	519	29,914	30,433
Total endowment funds	<u>\$ -</u>	<u>\$ 152,904</u>	<u>\$ 338,960</u>	<u>\$ 491,864</u>

Change in Endowment Net Asset for the year ended June 30, 2014:

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ (13,655)	\$ 97,916	\$ 338,960	\$ 423,221
Additions			-	-
Investment return:				
Investment income	4,779	32,207	-	36,986
Net losses	8,876	43,163	-	52,039
Total investment return	13,655	75,370	-	89,025
Appropriated for expenditure	-	(20,382)	-	(20,382)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 152,904</u>	<u>\$ 338,960</u>	<u>\$ 491,864</u>

NOTE F - UNEMPLOYMENT INSURANCE

The Clubs have elected to self-insure employees for unemployment compensation through participation in the 501(c) Agencies Trust plan. Unemployment claims are paid by the Trust from the Clubs' account. The surplus in the Clubs' account is included in prepaid expense.

NOTE G - RETIREMENT PLAN

The Clubs participate in a defined contribution plan covering all employees with one year and 1,000 hours of service. No employer contributions to the plan were made during the years ended June 30, 2015 or 2014.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE H - LINES OF CREDIT

The Clubs have two lines of credit. The first is a secured line from US Bank for operating purposes. The line's interest is payable monthly at a rate of 3.4% and is renewed annually with an expiration date of March 31. Upon the March 31, 2015 expiration and renewal, the line was decreased from \$2,200,000 to \$1,000,000 and renewed through September 30, 2015. As of June 30, 2015, there was \$390,000 outstanding on this line.

The second is a secured line of credit (against the value of securities held on account) from Morgan Stanley for capital improvement purposes entered into in April 2014. Available credit on the line is based on a percentage of the underlying securities that serve as the line's collateral. Interest is based on the 30 day LIBOR index plus 3.0% and the line does not have a predetermined expiration or renewal date. As of June 30, 2015, available credit was \$1,475,584 with no amounts outstanding on this line.

NOTE I - LONG TERM DEBT

Long term debt consists of the following as of June 30,	<u>2015</u>	<u>2014</u>
Note payable to US Bank bearing interest at 3.5% plus 1 month LIBOR (3.687% at June 30, 2015). Interest-only payments are due monthly through September 2015, when remaining principal is due in full. The debt is secured by the Mercer Island Club property.	\$ 539,813	\$ 623,554

In July 2012, the Clubs entered into a loan agreement in the amount of \$6,855,000 with an anonymous party or parties. The term of the loan is five years and carries an interest rate of zero percent. The loan was payable in installments of \$3,455,000 and \$3,400,000, due on June 30, 2015 and 2017, respectively. As of June 30, 2014, the amount forgiven was \$852,500, reducing the amount due June 30, 2015 to \$2,602,500. In June 2015, the Clubs and lending party amended and restated the loan agreement whereby an additional \$2,555,000 of the original debt was forgiven. Under the amended and restated loan agreement, the balance of \$3,447,500 is payable in one installment due on June 30, 2018. The amended and restated loan agreement specifies programmatic, operational, organizational and financial metrics that, if met, result in additional loan forgiveness of \$447,000, \$1,250,000, and \$1,750,000 effective June 30, 2016, 2017 and 2018, respectively.

	<u>3,447,500</u>	<u>6,002,500</u>
	3,987,313	6,626,054
Less current portion	<u>539,813</u>	<u>3,226,054</u>
	<u>\$ 3,447,500</u>	<u>\$ 3,400,000</u>

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE I - LONG TERM DEBT (Continued)

Future principal reductions of long term debt are as follows for the years ending June 30:

2016	\$ 539,813
2017	-
2018	<u>3,447,500</u>
	<u>\$ 3,987,313</u>

Imputed interest expense on non-interest bearing notes payable has been recorded at a market rate of 4.5%. Interest of \$270,113 and \$298,238 have been recorded as in-kind interest expense and in-kind donations for the years ended June 30, 2015 and 2014, respectively. Interest expense incurred for the years ended June 30, 2015 and 2014 totaled \$304,017 and \$783,510, respectively.

NOTE J - FORGIVABLE DEBT

In 2007, the Clubs entered into a \$3,315,000 non-interest bearing note payable to the City of Seattle Department of Parks and Recreation, secured by the Rainer Valley property. The terms of the agreement were met during the year ended June 30, 2009 and the property and related note payable were recorded.

The note is to be forgiven over a 50-year period ending in 2057 provided that the Clubs complies with the terms of the loan agreement, principally requiring continuing use of the property for age-appropriate recreational opportunities, educational support, and technology access for teenagers from predominantly low and moderate income backgrounds. The management of the Clubs fully intends to comply with the terms of the loan agreement. The annual amount forgiven is \$66,300. As of June 30, 2015, \$2,812,225 was outstanding under the terms of this note.

NOTE K - CAPITAL LEASE OBLIGATION

The Clubs lease certain office equipment under non-cancelable capital leases. The lease that ended in June 2015 had a total recorded cost of \$172,252 and related accumulated depreciation at June 30, 2015 and 2014 of \$107,421 and \$71,803, respectively. Total monthly payments were \$3,137 including interest from 5% per annum.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE K - CAPITAL LEASE OBLIGATION (Continued)

During June 2015, the Clubs entered into a non-cancelable capital lease with a total recorded cost of \$297,500 and related accumulated depreciation at June 30, 2015 of \$4,722. Total monthly payments are \$6,191 including interest at 1.45% per annum. Scheduled lease payments for the years ending June 30 are as follows:

2016	\$	74,295
2017		74,295
2018		74,295
2019		74,295
2020		74,295
Thereafter		<u>18,574</u>
		390,049
Less interest		<u>(14,692)</u>
		375,357
Less current portion		<u>(69,313)</u>
	\$	<u><u>306,044</u></u>

NOTE L - OPERATING LEASE COMMITMENTS

At June 30, 2015, the Clubs were obligated to make payments under several non-cancelable operating lease agreements for vehicles, equipment, and buildings. Rent expense under these commitments was \$124,715 and \$150,875 for the years ended June 30, 2015 and 2014, respectively. Future minimum lease commitments under these agreements are as follows:

Years ending June 30,		
2016	\$	187,994
2017		121,301
2018		115,238
2019		112,736
2020		111,502
Thereafter		<u>529,587</u>
	\$	<u><u>1,178,358</u></u>

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE M - COMMITMENTS

The Clubs received funds from the State of Washington Department of Community, Trade and Economic Development for use in the construction of the Federal Way Teen Center. A requirement of this funding is that the Clubs continue to operate this facility for the intended purpose of offering age-appropriate recreational opportunities, educational support, and technology access for teenagers from predominantly low and moderate income backgrounds through 2015. In the event that the Clubs are found to be out of compliance with this requirement, the Clubs would be obligated to repay funds in the amount of \$392,250 plus accrued interest to the State of Washington. The management of the Clubs fully intends to comply with the requirements of this funding.

The Clubs received funds from the State of Washington Department of Commerce for use in the remodel of the Ballard Club. A requirement of this funding is that the Clubs continue to operate this facility for the intended purpose of offering age-appropriate recreational opportunities, educational support, and technology access for teenagers from predominantly low and moderate income backgrounds through 2022. In the event that the Clubs is found to be out of compliance with this requirement, the Clubs would be obligated to repay funds in the amount of \$420,275 plus accrued interest to the State of Washington. The management of the Clubs fully intends to comply with the requirements of this funding.

The Clubs received funds from the State of Washington Department of Commerce for use in the construction of the Mercer Island Club. A requirement of this funding is that the Clubs continue to operate this facility for the intended purpose of offering age-appropriate recreational opportunities, educational support, and technology access for teenagers from predominantly low and moderate income backgrounds through 2022. In the event that the Clubs are found to be out of compliance with this requirement, the Clubs would be obligated to repay funds in the amount of \$776,000 plus accrued interest to the State of Washington. The management of the Clubs fully intends to comply with the requirements of this funding.

In 2006, the Clubs entered into a \$340,517 non-interest bearing note payable to the King County Department of Community and Human Services secured by the Federal Way Teen Center property. The note is to be forgiven in 2021 provided that the Clubs complies with the terms of the loan agreement, principally requiring continuing use of the property for age-appropriate recreational opportunities, educational support, and technology access for teenagers from predominantly low and moderate income backgrounds. In 2012, management considered the likelihood of its failure to meet the commitments of the agreement to be remote and accordingly recognized the \$340,517 as grant revenue.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE M - COMMITMENTS (Continued)

In 2008, the Clubs and the City of Auburn entered to a lease agreement to promote youth recreational activities at the Parks, Recreation and Arts Administration Building (PRAB) located at 911 9th Ave, Auburn, WA. The original term of the lease was 25 years with a yearly rent of \$1. Subsequently, the Clubs and the City entered into a joint operating agreement which specified that both the Clubs and the City would operate programs at the PRAB.

In December 2010, the Clubs received a \$780,000 grant commitment from the State of Washington Department of Commerce for use in the renovation of the building owned by the City of Auburn and leased to the Clubs. In September 2013, the Clubs received a further \$306,520 for the same purpose. As the Clubs have no variance authority over the use of the funds and the building is owned by the City of Auburn, the Clubs passed these amounts through to the City and did not record grant revenue or expenses.

As requirement of this funding, the PRAB facility must continue to operate programs for the intended purpose of offering age-appropriate recreational opportunities, educational support, and technology access for teenagers from predominantly low and moderate income backgrounds for a period of 10 years. In the event that the City of Auburn or the Clubs are found to be out of compliance with this requirement, the parties would be jointly obligated to repay funds in the amount of \$1,086,520 plus accrued interest to the State of Washington. Both parties to the joint operating agreement fully intend to comply with the requirements of this funding.

NOTE N - SALE OF PROPERTY WITH LEASE BACK PROVISION

In November 2007, the Clubs sold the building and land associated with the Mercer Island Club. As part of the sale, the Clubs agreed to lease the property back from the purchaser for a nominal annual rent of \$10 for a term of 12 years, expiring in October 2019. The promise to give inherent in the below-market lease was recorded at its net present value of \$571,547 as temporarily restricted contributed facilities and is being amortized over the term of the lease. In addition, the sale agreement includes a provision whereby any proceeds in excess of \$7 million from the sale of the property occurring during the lease term shall be remitted to the Clubs, up to the maximum additional consideration of \$1 million.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

NOTE O - SUBSEQUENT EVENTS

Management has evaluated events occurring subsequent to June 30, 2015 through December 17, 2015, which is the date the financial statements were available to be issued and has recognized in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at June 30, 2015, including the estimates inherent in the processing of financial statements.

On October 1, 2015 the Clubs banking relationship was transferred to Wells Fargo. The Clubs obtained a revolving line of credit of \$2,500,000, with an interest rate of one month LIBOR plus 3.25% or Prime. The line of credit is secured by the Kirkland Club property.

SUPPLEMENTARY INFORMATION

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

SCHEDULE OF STATE FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 2015

Grantor		State			
<u>Program Name</u>	<u>Period</u>	<u>Grant No.</u>	<u>Grant Award</u>	<u>Expenditures</u>	
Washington Student Achievement Council					
Washington State Work Study	July 1, 2014 - June 30, 2015	n/a	\$ 6,556	\$ 6,556	
Washington State Department of Commerce					
Capital Programs Unit Grant Agreement	July 1, 2013 - June 30, 2017	14-93219-016	970,000	<u>570,000</u>	
Total State Financial Assistance				<u>\$ 576,556</u>	

INDEPENDENT AUDITOR'S REPORT
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

December 17, 2015

Board of Directors
Boys and Girls Club of King County, Inc.
Seattle, Washington

We have audited, in accordance with the 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 Boys and Girls Club of King County, Inc., which comprise the statement of financial position as of June 30, 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 dated December 17, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Boys and Girls Club of King County, Inc.'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 Boys and Girls Club of King County, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Boys and Girls Club of King County, Inc.'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as item 2015-001, that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Boys and Girls Club of King County, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and 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*.

Boys & Girls Clubs of King County, Inc.'s Response to Finding

Boys and Girls Club of King County, Inc.'s response to the finding identified in our audit is described in the accompanying schedule of findings and responses. Boys and Girls Club of King County, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 Boys and Girls Club of King County, Inc.'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 Boys and Girls Club of King County, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Jacobson Jarvis & Co, PLLC

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

SCHEDULE OF FINDINGS AND RESPONSES

YEAR ENDED JUNE 30, 2015

Finding identification number: **2015-001**

Criteria:

In accordance with contract requirements and *Government Auditing Standards*, government contract recipients are responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements.

Condition:

During 2015, there was a lack of segregation of duties related to the posting access in the accounting system by the Director of Finance and Operations who is also a check signer. This was exacerbated by a lack of journal entry review, in particular those posted by the Director of Finance and Operations, untimely bank reconciliations, and a lack of internal control monitoring such that these weaknesses were not detected.

Context:

The conditions described are indicative of a lack of implementation and maintenance of an effective internal control system.

Effect:

The lack of an effective internal control system could lead to the presentation of financial statements that are not free from material misstatement, whether due to fraud or error.

Cause:

During 2015, staff vacancies and significant changes in accounting systems led to the deterioration of the system of internal controls.

Recommendation:

We recommend that Boys and Girls Clubs of King County re-prioritize the implementation of an effective system of internal controls by designating a key employee with responsibility for maintaining and monitoring the system, by re-instituting appropriate segregation of duties as soon as possible, by performing regular review of all general journal entries, and by ensuring that bank and other key balance sheet reconciliations are performed prior to issuance of monthly financial statements.

Views of a responsible official and planned corrective action:

The management of BGCKC has always prioritized internal controls and, even with limited staff, has always maintained appropriate review of entries.

During the year ended June 30, 2015 the Finance Department made significant changes to improve our ability to provide more accurate, timely, and relevant monthly financial reporting to ensure that the presentation of our financials are, in fact, free from material misstatement. As with any transition it could have gone more smoothly, however we now feel that the transition is complete.

BOYS & GIRLS CLUBS OF KING COUNTY, INC.

SCHEDULE OF FINDINGS AND RESPONSES

YEAR ENDED JUNE 30, 2015

Views of a responsible official and planned corrective action (continued):

In addition, we have replaced one of the two open staff positions that were open during the year ended June 30, 2015, with an offer pending to replace the second position over the coming weeks. With the accounting system transition complete and staff positions filled, the CFO will be able to more appropriately focus on the tasks of his position. With these changes we are confident our perceived deficiencies regarding entry review and reconciliation of accounts will be negated.

**Bainbridge Island Boys & Girls Club
FY2017 Budget (7/1/2016 through 6/30/2017)**

REVENUES

Grants and Contributions	
Contributions - Individuals	84,632.33
Contributions - Corporations	56,029.50
Contributions - Service Clubs	5,500.00
Contributions - Foundations	13,003.83
Govt - City	29,257.00
United Way - Designated	<u>1,302.01</u>
Total Grants and Contributions	189,724.67
Earned and Other	
Earned - Membership Fees	21,070.13
Earned-Membership Fees Scholarships	(830.00)
Earned - Program Fees	286,263.75
Earned - Program Fees Scholarships	(35,960.95)
Earned - Rental Receipts	<u>1,100.00</u>
Total Earned and Other	<u>271,642.93</u>
Total REVENUES	<u>461,367.60</u>

EXPENSES AND ICA

Non Wage Expenses	
Bank and Processing Fees	8,864.68
Dues and Subscriptions	1,019.90
Equipment - Repair	1,000.00
Insurance Property and Liability	3,440.90
Occupancy - Insurance	73.32
Occupancy - Janitorial	8,400.00
Occupancy - Rent and Lease	111,486.84
Occupancy - Utilities	9,000.00
Postage and Shipping	493.68
Printing	0.00
Professional Fees - Programs	1,200.00
Program - Field Trips and Expenses	3,500.00
Program - Food and Meals	4,100.00
Program - Rentals	185.00
Program - Supplies	7,700.81
Technology and Software	120.00
Telephone and Internet	4,053.08
Vehicles - Gas	330.00
Vehicles - Insurance	1,422.60
Vehicles - Maintenance	2,000.00
Vehicles - Parking Mllegeage Ferry	<u>1,736.40</u>
Total Non Wage Expenses	170,127.21
Wages & Benefits	
Salaries & Wages	241,758.96
Benefits	25,868.16
Taxes	<u>22,274.54</u>
Total Wages & Benefits	<u>289,901.66</u>
Total EXPENSES AND ICA	<u>460,028.87</u>

NET SURPLUS / (DEFICIT) **1,338.73**

Boys & Girls Clubs - Bainbridge Island Branch

FY2016 Budget (7/1/2015 through 6/30/2016)

REVENUES

Grants and Contributions	92,000.00
Special Events	70,400.00
Earned and Other	251,900.00
Total REVENUES	414,300.00

EXPENSES AND ICA

Non Wage Expenses

Advertising and Promotions	500.00
Bank and Processing Fees	4,900.00
Board Expenses	0.00
Conferences and Events - Staff	0.00
Donor Stewardship	0.00
Dues and Subscriptions	1,000.00
Equipment - Purchase	600.00
Equipment - Repair	600.00
Insurance Property and Liability	6,000.00
Occupancy - Insurance	120.00
Occupancy - Janitorial	6,000.00
Occupancy - Maintenance and Re	1,200.00
Occupancy - Rent and Lease	111,000.00
Occupancy - Utilities	7,800.00
Postage and Shipping	1,200.00
Printing	0.00
Professional Fees - Management	0.00
Professional Fees - Programs	3,200.00
Program - Awards and Youth Ince	100.00
Program - Field Trips and Expens	800.00
Program - Food and Meals	2,500.00
Program - Rentals	420.00
Program - Supplies	40,800.00
Technology and Software	0.00
Telephone and Internet	5,200.00
Training and Workshops	0.00
Vehicles - Gas	900.00
Vehicles - Insurance	3,000.00
Vehicles - License	0.00
Vehicles - Maintenance	1,200.00
Vehicles - Parking Mileage Ferry	2,000.00

Total Non Wage Expenses 201,040.00

Wages & Benefits

Salaries & Wages	180,379.12
Benefits	15,404.46
Taxes	16,324.29

Total Wages & Benefits 212,107.87

Total EXPENSES AND ICA 413,147.87

NET SURPLUS / (DEFICIT) 1,152.13

Form **990**

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.

Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2014 calendar year, or tax year beginning JUL 1, 2014 and ending JUN 30, 2015

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization BOYS & GIRLS CLUBS OF KING COUNTY		D Employer identification number 91-0532600
	Doing business as		E Telephone number 206-436-1800
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite #	
	603 STEWART ST		G Gross receipts \$ 22,181,623.
City or town, state or province, country, and ZIP or foreign postal code SEATTLE, WA 98101-1313		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)	
F Name and address of principal officer: CALVIN LYONS SAME AS C ABOVE		H(c) Group exemption number	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: WWW.POSITIVEPLACE.ORG			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		L Year of formation: 1957	
		M State of legal domicile: WA	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: YOUTH HEALTH AND SOCIAL, EDUCATIONAL, & CHARACTER DEVELOPMENT OF YOUTH
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.
	3 Number of voting members of the governing body (Part VI, line 1a) 3 25
	4 Number of independent voting members of the governing body (Part VI, line 1b) 4 24
	5 Total number of individuals employed in calendar year 2014 (Part V, line 2a) 5 970
	6 Total number of volunteers (estimate if necessary) 6 2380
	7a Total unrelated business revenue from Part VIII, column (C), line 12 7a 0.
b Net unrelated business taxable income from Form 990-T, line 34 7b 0.	
Revenue	8 Contributions and grants (Part VIII, line 1h) 6,713,474. 11,051,943.
	9 Program service revenue (Part VIII, line 2g) 8,546,395. 9,567,183.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 143,337. 124,919.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) -838,730. -140,383.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) 14,564,476. 20,603,662.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) 0. 0.
	14 Benefits paid to or for members (Part IX, column (A), line 4) 0. 0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 9,402,888. 10,770,773.
	16a Professional fundraising fees (Part IX, column (A), line 11e) 0. 0.
	b Total fundraising expenses (Part IX, column (D), line 25) 1,068,703.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 6,286,250. 6,713,646.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) 15,689,138. 17,484,419.	
19 Revenue less expenses. Subtract line 18 from line 12 -1,124,662. 3,119,243.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16) 58,835,366. 59,468,996.
	21 Total liabilities (Part X, line 26) 11,858,101. 9,860,316.
	22 Net assets or fund balances. Subtract line 21 from line 20 46,977,265. 49,608,680.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer		Date		
	CHRIS COLEMAN, CFO Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	HOWARD DONKIN, CPA	HOWARD DONKIN, CPA	05/10/16		P00147726
	Firm's name	Firm's EIN			
	JACOBSON JARVIS & CO, PLLC	91-2011386			
	Firm's address	Phone no. (206)-628-8990			
	200 FIRST AVE WEST, SUITE 200 SEATTLE, WA 98119-4219				

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission:
YOUTH HEALTH AND SOCIAL, EDUCATIONAL, & CHARACTER DEVELOPMENT OF YOUTH

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.

4a (Code:) (Expenses \$ 3,298,959. including grants of \$) (Revenue \$ 2,711,340.)
SPORTS, FITNESS & RECREATION: PROGRAMS IN THIS AREA DEVELOP FITNESS, POSITIVE USE OF LEISURE TIME, SKILLS FOR STRESS MANAGEMENT, APPRECIATION FOR ENVIRONMENTAL AND SOCIAL SKILLS.

4b (Code:) (Expenses \$ 6,230,474. including grants of \$) (Revenue \$ 5,821,631.)
CHILDCARE: THIS PROGRAM PROVIDES A SAFE, SUPERVISED ENVIRONMENT FOR CHILDREN WHOSE PARENTS ARE WORKING, IN SCHOOL OR TRAINING, OR REFERRED BY CHILD PROTECTIVE SERVICES. THE PROGRAM ALSO PROVIDES SCHOLARSHIP FUNDS TO ASSIST WORKING, UNDERPRIVILEGED FAMILIES AND PARENTS.

4c (Code:) (Expenses \$ 1,420,220. including grants of \$) (Revenue \$ 481,229.)
EDUCATION & CAREER DEVELOPMENT: ENABLE YOUTH TO BECOME PROFICIENT IN BASIC EDUCATIONAL DISCIPLINES, APPLY LEARNING TO EVERY SITUATION AND EMBRACE TECHNOLOGY TO ACHIEVE SUCCESS IN A CAREER.

4d Other program services (Describe in Schedule O.) (Expenses \$ 3,946,544. including grants of \$) (Revenue \$ 552,983.)

4e Total program service expenses 14,896,197.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1 X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors?</i>	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4	X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	9	X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	10 X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	11a X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	11b	X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	11c	X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	11d X	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	11e X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	12a X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18 X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	20a	X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	

Note. All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
	1a 45		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
	1b 0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
	2a 970		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b	If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
	1a 25		
b	Enter the number of voting members included in line 1a, above, who are independent		
	1b 24		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?		X
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
10b			
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
12c		X	
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	X	
b	Other officers or key employees of the organization	X	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		
16b			

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed **WA**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records: **CHRIS COLEMAN - 206-436-1800**
603 STEWART STREET, #300, SEATTLE, WA 98101

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) BRAD CHASE CHAIR	3.00	X		X				0.	0.	0.
(2) BRAD THORESON IMMEDIATE PAST CHAIR	3.00	X		X				0.	0.	0.
(3) BOB CLOUGH TREASURER	3.00	X		X				0.	0.	0.
(4) ELENA DONIO SECRETARY	3.00	X		X				0.	0.	0.
(5) CHARLIE BALL BOARD MEMBER	3.00	X						0.	0.	0.
(6) KRISTIN GIBSON BOARD MEMBER	3.00	X						0.	0.	0.
(7) BRIAN HAMILTON BOARD MEMBER	3.00	X						0.	0.	0.
(8) RICHARD HARRIS BOARD MEMBER	3.00	X						0.	0.	0.
(9) MATTI HAVENER BOARD MEMBER	3.00	X						0.	0.	0.
(10) TOM HERCHE BOARD MEMBER	3.00	X						0.	0.	0.
(11) ROBERT JONES BOARD MEMBER	3.00	X						0.	0.	0.
(12) KELLY KEMP BOARD MEMBER	3.00	X						0.	0.	0.
(13) PETER MUSSER BOARD MEMBER	3.00	X						0.	0.	0.
(14) E M PASATIEMPO BOARD MEMBER	3.00	X						0.	0.	0.
(15) DAVE REMER BOARD MEMBER	3.00	X						0.	0.	0.
(16) MATT SAURI BOARD MEMBER	3.00	X						0.	0.	0.
(17) CLYDE WALKER BOARD MEMBER	3.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) RICHARD S WILLIAMS BOARD MEMBER	3.00	X						0.	0.	0.
(19) TAMMY YOUNG BOARD MEMBER	3.00	X						0.	0.	0.
(20) MIKE BURTON BOARD MEMBER	3.00	X						0.	0.	0.
(21) DON JENKINS BOARD MEMBER	3.00	X						0.	0.	0.
(22) LISA PRICE BOARD MEMBER	3.00	X						0.	0.	0.
(23) PAUL RAVETTA BOARD MEMBER	3.00	X						0.	0.	0.
(24) GERALD SWANSON BOARD MEMBER	3.00	X						0.	0.	0.
(25) CALVIN LYONS CEO	40.00	X		X				152,551.	0.	10,708.
(26) GREGORY LEWIS CDO	40.00			X				65,042.	0.	10,238.
1b Sub-total								217,593.	0.	20,946.
c Total from continuation sheets to Part VII, Section A								91,311.	0.	13,728.
d Total (add lines 1b and 1c)								308,904.	0.	34,674.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **1**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
NONE		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **0**

SEE PART VII, SECTION A CONTINUATION SHEETS

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

		(A)	(B)	(C)	(D)	
		Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a 281,666.				
	b Membership dues	1b				
	c Fundraising events	1c 1,545,145.				
	d Related organizations	1d				
	e Government grants (contributions)	1e 2,248,274.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f 6,976,858.				
	g Noncash contributions included in lines 1a-1f: \$	3,348,168.				
	h Total. Add lines 1a-1f	▶ 11,051,943.				
	Program Service Revenue	2 a YOUTH SPORTS & EDU.	Business Code 713940	8,776,850.	8,776,850.	
b NON PROFIT USE OF ATHLETIC FIELDS		713940	430,069.	430,069.		
c MEMBERSHIPS		713990	360,264.	360,264.		
d						
e						
f All other program service revenue						
g Total. Add lines 2a-2f		▶ 9,567,183.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)	▶ 147,337.			147,337.	
	4 Income from investment of tax-exempt bond proceeds	▶				
	5 Royalties	▶				
	6 a Gross rents	(i) Real				
		(ii) Personal				
		b Less: rental expenses				
		c Rental income or (loss)				
	d Net rental income or (loss)	▶				
	7 a Gross amount from sales of assets other than inventory	(i) Securities	78,162.	539,128.		
		(ii) Other				
		b Less: cost or other basis and sales expenses	67,900.	571,808.		
		c Gain or (loss)	10,262.	-32,680.		
	d Net gain or (loss)	▶ -22,418.			-22,418.	
	8 a Gross income from fundraising events (not including \$ 1,545,145. of contributions reported on line 1c). See Part IV, line 18	a 797,870.				
		b Less: direct expenses	b 938,253.			
c Net income or (loss) from fundraising events		▶ -140,383.			-140,383.	
9 a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities	▶				
10 a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory	▶				
Miscellaneous Revenue		Business Code				
11 a	a					
	b					
	c					
	d All other revenue					
	e Total. Add lines 11a-11d	▶				
12 Total revenue. See instructions.	▶	20,603,662.	9,567,183.	0.	-15,464.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	397,501.		187,024.	210,477.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	8,779,294.	7,703,548.	684,798.	390,948.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	738,284.	620,583.	69,315.	48,386.
10 Payroll taxes	855,694.	719,271.	80,341.	56,082.
11 Fees for services (non-employees):				
a Management	227,456.		121,676.	105,780.
b Legal	2,960.		2,960.	
c Accounting	114,888.		114,888.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	384,972.	384,972.		
12 Advertising and promotion	48,775.	38,680.	2,321.	7,774.
13 Office expenses	471,647.	348,200.	31,967.	91,480.
14 Information technology	310,744.	267,342.	41,679.	1,723.
15 Royalties				
16 Occupancy	1,321,600.	1,197,595.	86,856.	37,149.
17 Travel	343,241.	322,820.	13,586.	6,835.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	230,723.	199,977.	26,697.	4,049.
20 Interest	33,904.	33,904.		
21 Payments to affiliates	44,197.	44,197.		
22 Depreciation, depletion, and amortization	947,692.	927,791.	19,901.	
23 Insurance	113,264.	93,860.	19,404.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a PROGRAM EXPENSES & SUPP	1,961,598.	1,904,930.	12,168.	44,500.
b EQUIPMENT MAINTENANCE	155,985.	88,527.	3,938.	63,520.
c				
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	17,484,419.	14,896,197.	1,519,519.	1,068,703.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here if following SOP 98-2 (ASC 958-720)

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	800,472.	1	976,132.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net	1,731,281.	3	2,177,094.
	4 Accounts receivable, net	320,114.	4	350,765.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7 Notes and loans receivable, net		7	300,000.
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	248,861.	9	158,541.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 55,080,663.		
	b Less: accumulated depreciation	10b 10,745,665.	44,921,409.	10c 44,334,998.
	11 Investments - publicly traded securities	2,108,771.	11	2,270,133.
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets	3,382.	14	394.
	15 Other assets. See Part IV, line 11	8,701,076.	15	8,900,939.
16 Total assets. Add lines 1 through 15 (must equal line 34)	58,835,366.	16	59,468,996.	
Liabilities	17 Accounts payable and accrued expenses	1,510,680.	17	1,636,244.
	18 Grants payable		18	
	19 Deferred revenue	732,746.	19	659,177.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	9,504,579.	23	6,799,538.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	110,096.	25	765,357.
	26 Total liabilities. Add lines 17 through 25	11,858,101.	26	9,860,316.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	35,537,193.	27	38,989,656.
	28 Temporarily restricted net assets	11,101,112.	28	10,280,064.
	29 Permanently restricted net assets	338,960.	29	338,960.
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	46,977,265.	33	49,608,680.
	34 Total liabilities and net assets/fund balances	58,835,366.	34	59,468,996.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	20,603,662.
2	Total expenses (must equal Part IX, column (A), line 25)	2	17,484,419.
3	Revenue less expenses. Subtract line 2 from line 1	3	3,119,243.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	46,977,265.
5	Net unrealized gains (losses) on investments	5	-141,517.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-346,311.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	49,608,680.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b	Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits _____		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.

OMB No. 1545-0047

2014

Open to Public Inspection

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Name of the organization **BOYS & GIRLS CLUBS OF KING COUNTY** Employer identification number **91-0532600**

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations
 - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see Instructions)	(vi) Amount of other support (see Instructions)
			Yes	No		
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	7681603.	7599243.	6684542.	6679086.	11051943.	39696417.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	7681603.	7599243.	6684542.	6679086.	11051943.	39696417.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						4777246.
6 Public support. Subtract line 5 from line 4.						34919171.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
7 Amounts from line 4	7681603.	7599243.	6684542.	6679086.	11051943.	39696417.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	190,935.	69,133.	124,728.	162,795.	147,337.	694,928.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)	16,082.			-720,122.		-704,040.
11 Total support. Add lines 7 through 10						39687305.
12 Gross receipts from related activities, etc. (see instructions)					12	45,897,080.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f))	14	87.99 %
15 Public support percentage from 2013 Schedule A, Part II, line 14	15	94.57 %
16a 33 1/3% support test - 2014. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input checked="" type="checkbox"/>	
b 33 1/3% support test - 2013. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
17a 10% -facts-and-circumstances test - 2014. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
b 10% -facts-and-circumstances test - 2013. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	<input type="checkbox"/>	

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge ...						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources ...						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ►

Section C. Computation of Public Support Percentage

15 Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2013 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2013 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2014. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

b 33 1/3% support tests - 2013. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ►

Part IV Supporting Organizations

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No" describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations; (b) individuals that are part of the charitable class benefited by one or more of its supported organizations; or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer (b) below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
b A family member of a person described in (a) above?		
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI .		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		

Section D. Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		

Section E. Type III Functionally-Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions):		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
2 Activities Test. Answer (a) and (b) below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
3 Parent of Supported Organizations. Answer (a) and (b) below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI .		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970. **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions).		

Schedule A (Form 990 or 990-EZ) 2014

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2014 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1 Distributable amount for 2014 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2014 (reasonable cause required-see instructions)			
3 Excess distributions carryover, if any, to 2014:			
a			
b			
c			
d			
e From 2013			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2014 distributable amount			
i Carryover from 2009 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2014 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2014 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2014, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions).			
6 Remaining underdistributions for 2014. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions).			
7 Excess distributions carryover to 2015. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a			
b			
c			
d Excess from 2013			
e Excess from 2014			

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

Name of the organization

BOYS & GIRLS CLUBS OF KING COUNTY

Employer identification number

91-0532600

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2014)

Name of organization BOYS & GIRLS CLUBS OF KING COUNTY	Employer identification number 91-0532600
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Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	_____ _____ _____	\$ 314,358.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	_____ _____ _____	\$ 281,666.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	_____ _____ _____	\$ 3,125,213.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	_____ _____ _____	\$ 447,191.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	_____ _____ _____	\$ 400,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	_____ _____ _____	\$ 254,513.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization BOYS & GIRLS CLUBS OF KING COUNTY	Employer identification number 91-0532600
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Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____

Name of organization BOYS & GIRLS CLUBS OF KING COUNTY	Employer identification number 91-0532600
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Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) ▶ \$ _____
 Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990.**

OMB No. 1545-0047

2014

Open to Public Inspection

▶ **Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.**

Name of the organization BOYS & GIRLS CLUBS OF KING COUNTY **Employer identification number** 91-0532600

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

- Purpose(s) of conservation easements held by the organization (check all that apply).
 Preservation of land for public use (e.g., recreation or education) Preservation of a historically important land area
 Protection of natural habitat Preservation of a certified historic structure
 Preservation of open space
- Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d
- Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____
- Number of states where property subject to conservation easement is located ▶ _____
- Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?
- Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____
- Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____
- Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?
- In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

- If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.
 - If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included in Form 990, Part VIII, line 1	▶ \$ _____
(ii) Assets included in Form 990, Part X	▶ \$ _____
- If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenue included in Form 990, Part VIII, line 1	▶ \$ _____
b Assets included in Form 990, Part X	▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	491,864.	423,221.	395,490.	433,979.	350,934.
b Contributions			600.		
c Net investment earnings, gains, and losses	108.	89,025.	42,431.	-9,603.	94,595.
d Grants or scholarships					
e Other expenditures for facilities and programs	20,000.	20,382.	15,300.	28,886.	11,550.
f Administrative expenses					
g End of year balance	471,972.	491,864.	423,221.	395,490.	433,979.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment .00 %
- b Permanent endowment 71.00 %
- c Temporarily restricted endowment 29.00 %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		X
3a(ii)		X
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		4,217,844.		4,217,844.
b Buildings		43,848,770.	6,796,701.	37,052,069.
c Leasehold improvements		3,315,019.	1,268,255.	2,046,764.
d Equipment		2,926,134.	2,450,273.	475,861.
e Other		772,896.	230,436.	542,460.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				44,334,998.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) CONTRIBUTED FACILITIES RECEIVABLE	8,512,464.
(2) CONSTRUCTION IN PROGRESS	388,475.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	8,900,939.

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) LEASE PAYABLE	375,357.
(3) LINE OF CREDIT	390,000.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	765,357.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	21,506,394.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	2a	-141,517.	
b	Donated services and use of facilities	2b	1,044,249.	
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d	2e	902,732.	
3	Subtract line 2e from line 1		3	20,603,662.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b	4c	0.	
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)		5	20,603,662.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	18,528,668.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a	1,044,249.	
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d	2e	1,044,249.	
3	Subtract line 2e from line 1		3	17,484,419.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b	4c	0.	
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5	17,484,419.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART V, LINE 4:

THE CLUBS' ENDOWMENT CONTAINS FOUR DONOR-RESTRICTED FUNDS ESTABLISHED TO SUPPORT A VARIETY OF PROGRAM AREAS.

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))	
		DINNER & AUCTION (event type)	LUNCHEON (event type)	14 (total number)		
Revenue	1	Gross receipts	790,001.	498,985.	1,054,029.	2,343,015.
	2	Less: Contributions	435,262.	498,985.	610,898.	1,545,145.
	3	Gross income (line 1 minus line 2)	354,739.		443,131.	797,870.
Direct Expenses	4	Cash prizes				
	5	Noncash prizes				
	6	Rent/facility costs				
	7	Food and beverages	89,236.	55,550.	136,609.	281,395.
	8	Entertainment				
	9	Other direct expenses	328,738.		328,120.	656,858.
	10	Direct expense summary. Add lines 4 through 9 in column (d)				938,253.
11	Net income summary. Subtract line 10 from line 3, column (d)				-140,383.	

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1	Gross revenue			
Direct Expenses	2	Cash prizes			
	3	Noncash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No
	7	Direct expense summary. Add lines 2 through 5 in column (d)			
	8	Net gaming income summary. Subtract line 7 from line 1, column (d)			

9 Enter the state(s) in which the organization conducts gaming activities: _____
 a Is the organization licensed to conduct gaming activities in each of these states? Yes No
 b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No
 b If "Yes," explain: _____

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

2014

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

▶ Attach to Form 990.

▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

Department of the Treasury
Internal Revenue Service

Name of the organization

BOYS & GIRLS CLUBS OF KING COUNTY

Employer identification number

91-0532600

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|--|---|
| <input checked="" type="checkbox"/> Compensation committee | <input checked="" type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b		
2		
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2014

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) CALVIN LYONS CEO	(i)	152,551.	0.	0.	0.	10,708.	163,259.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2014

Open To Public Inspection

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
- ▶ Attach to Form 990.
- ▶ Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization **BOYS & GIRLS CLUBS OF KING COUNTY** Employer identification number **91-0532600**

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles	X	2	10,016.	FMV
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	5	85,680.	QUOTED PRICE
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (AUCTION ITEMS)	X	1,226	620,868.	SALES PRICE
26 Other ▶ (SOFTWARE)	X	1	202,790.	FMV
27 Other ▶ (SPORTING GOOD)	X	2	34,027.	SALES PRICE
28 Other ▶ (SUPPLIES)	X	7	17,624.	SALES PRICE

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29**

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	X	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		X
b If "Yes," describe in Part II.		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) (2014)

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

Open to Public
Inspection

Name of the organization

BOYS & GIRLS CLUBS OF KING COUNTY

Employer identification number

91-0532600

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

CHARACTER & LEADERSHIP DEVELOPMENT: EMPOWER YOUTH TO SUPPORT &

INFLUENCE THEIR CLUB & COMMUNITY, SUSTAIN MEANINGFUL RELATIONSHIPS WITH

OTHERS, DEVELOP A POSITIVE SELF-IMAGE, PARTICIPATE IN THE DEMOCRATIC

PROCESS AND RESPECT THEIR OWN AND OTHERS' CULTURAL IDENTITIES.

EXPENSES \$ 3,946,544. INCLUDING GRANTS OF \$ 0. REVENUE \$ 552,983.

FORM 990, PART VI, SECTION B, LINE 11:

ALL BOARD MEMBERS ARE PROVIDED A COPY OF THE RETURN BEFORE FILING.

FORM 990, PART VI, SECTION B, LINE 12C:

THE ORGANIZATION USES AN ANNUAL QUESTIONNAIRE WHICH IS SIGNED BY BOARD
MEMBERS.

FORM 990, PART VI, SECTION B, LINE 15:

EXECUTIVE COMMITTEE FOLLOWS A SALARY ADMINISTRATION PLAN WHICH INCLUDES
REBUTTABLE PRESUMPTION RULES: INDEPENDENT COMMITTEE, COMPARABILITY DATA &
WRITTEN MINUTES.

FORM 990, PART VI, SECTION C, LINE 19:

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST
POLICY, AND FINANCIAL STATEMENTS PUBLIC UPON REQUEST.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

UNCOLLECTIBLE PLEDGES

-346,311.

Name of the organization BOYS & GIRLS CLUBS OF KING COUNTY	Employer identification number 91-0532600
--	---

FORM 990, PART XII, LINE 2C:

THE AUDIT COMMITTEE HAS NOT CHANGED HOW IT REVIEWS THE AUDITED
FINANCIAL STATEMENTS.

Asset Number	Description of property							
	Date placed in service	Method/IRC sec.	Life or rate	Line No.	Cost or other basis	Basis reduction	Accumulated depreciation/amortization	Current year deduction
	BUILDINGS							
2	BUILDINGS							
	VARIABLE	SSL	20.00	16	43,848,770.		6,200,748.	595,953.
	* 990 PAGE 10 TOTAL BUILDINGS							
					43,848,770.	0.	6,200,748.	595,953.
	MACHINERY & EQUIPMENT							
3	FURNITURE AND EQUIPMENT							
	VARIABLE	SSL	5.00	16	2,926,134.		2,245,506.	204,767.
	* 990 PAGE 10 TOTAL MACHINERY & EQUIPMENT							
					2,926,134.	0.	2,245,506.	204,767.
	OTHER							
1	LAND							
	VARIABLE	SSL			4,217,844.			0.
4	LEASEHOLD IMPROVEMENTS							
	VARIABLE	SSL	15.00	16	2,932,736.		1,178,539.	89,716.
6	LAND IMPROVEMENTS							
	VARIABLE	SSL			382,283.			0.
7	LOAN FEES							
	VARIABLE		10M	43	68,112.		64,730.	2,988.
8	VEHICLES							
	VARIABLE	SSL	5.00	16	772,896.		176,168.	54,268.
	* 990 PAGE 10 TOTAL OTHER							
					8,373,871.	0.	1,419,437.	146,972.
	* GRAND TOTAL 990 PAGE 10 DEPR & AMORT							
					55,148,775.	0.	9,865,691.	947,692.

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.

Attachment
Sequence No. **179**

Name(s) shown on return BOYS & GIRLS CLUBS OF KING COUNTY	Business or activity to which this form relates FORM 990 PAGE 10	Identifying number 91-0532600
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Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount (see instructions)	1	500,000.
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	2,000,000.
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6 (a) Description of property (b) Cost (business use only) (c) Elected cost		
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2013 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2015. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	944,704.

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2014	17	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2014 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2014 Tax Year Using the Alternative Depreciation System

20a Class life					S/L
b 12-year			12 yrs.		S/L
c 40-year	/		40 yrs.	MM	S/L

Part IV Summary (See instructions.)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	944,704.
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? <input type="checkbox"/> Yes <input type="checkbox"/> No		24b If "Yes," is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No						
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use:								
	:	%						
	:	%						
	:	%						
27 Property used 50% or less in a qualified business use:								
	:	%				S/L -		
	:	%				S/L -		
	:	%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?	Yes	No										
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners			
39 Do you treat all use of vehicles by employees as personal use?			
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?			
41 Do you meet the requirements concerning qualified automobile demonstration use?			
Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.			

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year	
42 Amortization of costs that begins during your 2014 tax year:						
	:					
	:					
43 Amortization of costs that began before your 2014 tax year					43	2,988.
44 Total. Add amounts in column (f). See the instructions for where to report					44	2,988.