CENTER FOR THE MISSING
dba TEXAS CENTER FOR THE MISSING

AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

CONTENTS

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Center for the Missing
dba Texas Center for the Missing
Houston, Texas

I have audited the accompanying financial statements of Center for the Missing, dba Texas Center for the Missing (a non-profit organization) (The Center) which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities 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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 controls 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 controls. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Center for the Missing dba, Texas Center for the Missing as of December 31, 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 Matter

My audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The statements of functional expenses on page 6 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

San Antonio, Texas
May 12, 2016

CENTER FOR THE MISSING
dba TEXAS CENTER FOR THE MISSING
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2015 AND 2014

ASSETS

	2015	2014
Current Assets:		
Cash and Cash Equivalents	$ 63,688	$ 99,333
Prepaid Expenses	6,367	200
Total Current Assets	70,055	99,533
Investments at Fair Value	309,121	308,599
Property and Equipment, Net of Depreciation	10	146
TOTAL ASSETS	379,186	408,278

LIABILITIES AND NET ASSETS

	2015	2014
LIABILITIES		
Current Liabilities:		
Payroll Liabilities	20,609	21,161
Deferred Revenues	65,510	-
TOTAL LIABILITIES	86,119	21,161
NET ASSETS		
Unrestricted	88,690	127,175
Temporarily Restricted	4,377	59,942
Permanently Restricted	200,000	200,000
TOTAL NET ASSETS	293,067	387,117
TOTAL LIABILITIES AND NET ASSETS	$ 379,186	$ 408,278

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

CENTER FOR THE MISSING
dba TEXAS CENTER FOR THE MISSING
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2015 AND 2014

	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	2015 TOTAL	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	2014 TOTAL
REVENUE AND SUPPORT								
Contributions and Grants	$ 114,631	$ 1,127	$ -	$ 115,758	$ 136,464	$ 32,692	$ -	$ 169,156
Government Grants - HGAC	37,992	-	-	37,992	41,212	-	-	41,212
Government Grants - ICAC	13,040	-	-	13,040	13,234	-	-	13,234
In-Kind Contributions	73,649	-	-	73,649	19,157	-	-	19,157
Special Events, Net of expenses of $ 23,114 and $139,340	42,509	-	-	42,509	70,423	27,250	-	97,673
Investment Income (Loss)	(976)	-	-	(976)	8,712	-	-	8,712
Program Service Revenue	225	-	-	225	600	-	-	600
Net Assets Released From Restrictions	56,692	(56,692)	-	-	18,150	(18,150)	-	-
TOTAL REVENUE AND SUPPORT	337,762	(55,565)	-	282,197	307,952	41,792	-	349,744
EXPENSES								
Program Services	340,594	-	-	340,594	289,373	-	-	289,373
Management & General	15,093	-	-	15,093	17,991	-	-	17,991
Fundraising	20,560	-	-	20,560	24,759	-	-	24,759
TOTAL EXPENSES	376,247	-	-	376,247	332,123	-	-	332,123
CHANGE IN NET ASSETS	(38,485)	(55,565)	-	(94,050)	(24,171)	41,792	-	17,621
NET ASSETS AT BEGINNING OF THE YEAR	127,175	59,942	200,000	387,117	151,346	18,150	200,000	369,496
NET ASSETS AT END OF YEAR	$ 88,690	$ 4,377	$ 200,000	$ 293,067	$ 127,175	$ 59,942	$ 200,000	$ 387,117

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

CENTER FOR THE MISSING
dba TEXAS CENTER FOR THE MISSING
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
Cash Flows from Operating Activities:		
Change in Net Assets	$ (94,050)	$ 17,621
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	136	496
Realized and Unrealized (Gains) Losses on Investments	1,002	(8,653)
Increase in Prepaid Expenses	(6,167)	(200)
Increase in Deferred Revenues	65,510	-
Increase (Decrease) in Payroll Liabilities	(552)	2,699
Net Cash Provided (Used) By Operating Activities	(34,121)	11,963
Cash Flows from Investing Activities:		
Purchase of Investments	(1,524)	-
Net Cash Used By Investing Activities	(1,524)	-
NET INCREASE (DECREASE) IN CASH	(35,645)	11,963
CASH AT THE BEGINNING OF THE YEAR	99,333	87,370
CASH AT THE END OF THE YEAR	$ 63,688	$ 99,333

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

CENTER FOR THE MISSING
dba TEXAS CENTER FOR THE MISSING
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2015 AND 2014
(Supplemental Schedule)

	Program	Management & General	Fundraising	Total 2015	Program	Management & General	Fundraising	Total 2014
Accounting	$ 3,188	$ 1,594	$ 1,593	$ 6,375	$ 4,800	$ 600	$ 600	$ 6,000
Conferences and Meetings	1,616	81	99	1,796	178	89	89	356
Depreciation	122	7	7	136	422	49	25	496
Dues and Subscriptions	2	5	13	20	20	-	-	20
Employee Benefits	18,586	929	1,136	20,651	19,720	1,096	1,096	21,912
Insurance	2,210	111	135	2,456	2,010	251	251	2,512
Mileage Reimbursement	3,252	153	-	3,405	2,767	149	59	2,975
Miscellaneous	139	7	9	155	1,266	70	70	1,406
Occupancy	15,498	775	947	17,220	14,206	947	631	15,784
Postage	1,435	72	87	1,594	2,777	427	1,068	4,272
Printing and Publications	3,542	-	161	3,703	8,086	898	-	8,984
Program Materials, ID Kits, Billboards	60,462	-	-	60,462	15,577	-	-	15,577
Salaries and Wages	196,463	9,823	12,006	218,292	194,080	10,782	10,782	215,644
Service Charges and Other Fees	241	481	1,686	2,408	425	1,062	2,762	4,249
Software	7,722	386	472	8,580	699	699	5,594	6,992
Supplies	4,725	236	289	5,250	3,340	275	314	3,929
Telephone and Internet	5,635	282	344	6,261	5,628	313	313	6,254
Training & Development	204	-	-	204	1,518	-	100	1,618
Volunteers	3,019	151	184	3,354	2,273	284	284	2,841
Website Design and Maintenance	12,533	-	1,392	13,925	9,581	-	721	10,302
TOTAL FUNCTIONAL EXPENSES	$ 340,594	$ 15,093	$ 20,560	$ 376,247	$ 289,373	$ 17,991	$ 24,759	$ 332,123

See Accompanying Independent Auditor's Report

CENTER FOR THE MISSING
dba TEXAS CENTER FOR THE MISSING
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1: NATURE OF ORGANIZATION

The Center for the Missing, dba Texas Center for the Missing (the Center) was chartered as Gabriel's Gifts Charitable Foundation on March 15, 2000 and changed its name in April 2006. The organization's purpose is to bring hope and healing to the missing and their families through crisis intervention, prevention, and community education.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Center prepares its financial statements in accordance with the industry audit guide, *Not-for-Profit Organizations*. Accordingly, the financial statements have been prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions in preparing its financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the accounting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Center considers all highly liquid investments available for current use to be cash equivalents.

Investments

In accordance with FASB ASC 320, investments in marketable securities with readily determinable fair market values are presented at their fair values in the statements of financial position. Gains and losses due to market adjustments are recognized as the market fluctuates and unrealized gains and losses are reported in the statements of activities.

Property and Equipment

Purchased property and equipment are stated at cost. Donated assets are recorded at their estimated fair market value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Individual items of furniture, fixtures, and equipment are depreciated over periods varying from five to seven years.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
Property and Equipment (continued)

Property and Equipment at December 31, 2015 and 2014 consist of the following:

	2015	2014
Computer and Office Equipment	$ 2,914	$ 2,914
Less: Accumulated Depreciation	(2,904)	(2,768)
Net Book Value	$ 10	$ 146

Net Assets

The Center is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Under these provisions, net assets, revenues, expenses, gains, and losses are classified based upon the existence or absence of donor-imposed restrictions. The classes of net assets of the Center included in the accompanying financial statements are described below:

Unrestricted Net Assets – These are net assets that are not subject to donor-imposed restrictions and are immediately available to the Center for the performance of its service.

Temporarily Restricted Net Assets – These are net assets that are subject to grantor or donor-imposed stipulations that may or will be met either by actions of the organization and or the passage of time. The Center's temporarily restricted net assets as of December 31, 2015 and 2014 were $4,377 and $59,942, respectively.

Permanently Restricted Net Assets – These are net assets that are subject to donor-imposed stipulations specifying that resources be maintained permanently. The Center's permanently restricted net assets consist of funds, whose original principal balances are to remain intact in perpetuity, however the investment income earned in the accounts may be used for current operating expenses. The Center's permanently restricted net assets at December 31, 2015 and 2014 amount to $200,000, and are included in the amounts reported as investments in the accompanying statements of financial position.

Public Support, Revenue, and Promises to Give

The Center receives the majority of its revenue from contributions and grants from individuals, corporations, and foundations. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Donor-restricted contributions that are received and expended in the same year are classified as unrestricted. All other donor-restricted support is reported as an increase in temporarily

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Income Tax Status

The Center is a not-for-profit organization and is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code. Contributions to the organization are deductible by donors to the extent allowable under federal income tax laws. Therefore, no provision for income taxes has been provided in these financial statements. Management is not aware of any tax positions that would have a significant impact on its financial position. Its federal tax returns for the last four years remain subject to examination. The Center is not subject to the Texas margin tax.

Functional Allocation of Expenses

The costs of providing the Center's various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the programs and supporting services benefited.

Compensated Absences

The Center limits its employee's carry-over of unused sick leave and accrued vacation to the following year up to a maximum of thirty days. Therefore the Center has accrued a liability for unused sick leave and vacation pay.

NOTE 3: CONTRIBUTIONS IN-KIND

The Center received the following in-kind contributions during the years ended December 31, 2015 and 2014:

	2015	2014
Special Events - Donated Materials	$ -	$ 10,234
Technology Services	13,649	923
Program Related - Digital Billboard	60,000	8,000
Total Contributions In-Kind	$ 73,649	$ 19,157

NOTE 4: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	2015	2014
Child ID Kits	$ -	$ 3,000
Law Enforcement Training	1,127	1,000
Silver Alert	3,250	18,250
Amber Alert	-	6,000
Case Management/Family Crisis	-	31,692
Total Temporarily Restricted Net Assets	$ 4,377	$ 59,942

Net Assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

	2015	2014
Child ID Kits	$ 3,000	$ -
Website/Family Crisis Portal	-	850
Law Enforcement Training	1,000	-
Silver Alert	15,000	-
Amber Alert	6,000	-
Internet Safety	-	2,300
Case Management/Family Crisis	31,692	15,000
Total Restrictions Released	$ 56,692	$ 18,150

NOTE 5: INVESTMENTS

Investments are presented in the statements of financial position at fair value based on quoted market prices at year-end. Investments consist of the following as of December 31, 2015 and 2014:

	2015	
	Fair Value	Cost
Cash and Cash Equivalents	$ 268,589	$ 268,589
Exchange Traded Products	39,016	26,582
Mutual Funds	1,516	1,270
	$ 309,121	$ 296,441

NOTE 5: INVESTMENTS (continued)

	2014	
	Fair Value	Cost
Cash and Cash Equivalents	$ 267,954	$ 267,954
Common Stock	40,645	26,582
	$ 308,599	$ 294,536

Investment income consists of interest income, dividend income, and realized and unrealized gains and losses. Investment income is recorded net of investment fees in the accompanying statements of activities.

NOTE 6: PENSION PLAN

The Center has established a defined contribution pension plan, commonly referred to as a 403(b) plan, which is available to all full-time employees. Employee contributions are matched by the Center up to a maximum of 6% of the employee's compensation. Employer contributions are reported as an expense of the Center in the accompanying financial statements and amounted to $7,235 and $7,139 for the calendar years ended December 31, 2015 and 2014, respectively.

NOTE 7: OPERATING LEASE COMMITMENTS

The Center has entered into a non-cancelable operating lease for office space, which will expire in March 2017. The minimum annual lease payments for the next two years are as follows:

Year Ending December 31,	Amount
2016	$ 17,220
2017	4,305
	$ 21,525

Total lease expense for the office space for 2015 and 2014 was $17,220 and $15,785, respectively.

NOTE 8: FAIR VALUE OF FINANCIAL INSTRUMENTS

The requirements of *Fair Value Measurements and Disclosures* of the Accounting Standards Codification apply to all financial instruments and all nonfinancial assets and nonfinancial liabilities that are being measured and reported on a fair value basis. Fair value is defined as the price that would be received to sell an asset or an amount paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair Value Measurements and Disclosures establishes a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. This hierarchy consists of three broad levels:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities and have the highest priority.

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, or other inputs that can be corroborated by observable market data for substantially the full term of the assets and liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity, such as discounted cash flow models or valuations.

The determination of where assets and liabilities fall within this hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The Center's financial instruments carried at fair value consist of cash and investments. As of December 31, 2015 and 2014, the carrying value of The Center's cash is considered to be representative of its respective fair value. The fair value of The Center's investments is determined by observable prices for identical or similar assets in active markets. The following table shows the fair value classification of The Center's investments that are required to be measured at fair value as of December 31, 2015 and 2014:

	Fair Value Measurements at December 31, 2015			
	Fair Value	(Level 1)	(Level 2)	(Level 3)
Cash and Cash Equivalents	$ 268,589	$ 268,589	$ -	$ -
Exchange Traded Products	39,016	39,016	-	-
Mutual Funds	1,516	1,516	-	-
Total	$ 309,121	$ 309,121	$ -	$ -

NOTE 8: FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	Fair Value Measurements at December 31, 2014			
	Fair Value	(Level 1)	(Level 2)	(Level 3)
Cash and Cash Equivalents	$ 267,954	$ 267,954	$ -	$ -
Common Stock	40,645	40,645	-	-
Total	$ 308,599	$ 308,599	$ -	$ -

NOTE 9: RECLASSIFICATIONS

Certain reclassifications have been made to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

NOTE 10: SUBSEQUENT EVENTS

In connection with the preparation of the financial statements, and in accordance with ASC Topic 855, *Subsequent Events,* the Organization evaluated subsequent events between the statement of financial position date December 31, 2015, through May 12, 2016, which was the date the financial statements were available to be issued, and determined that there are no subsequent events or transactions that need to be recognized or disclosed in the accompanying financial statements.