

**CORNERHOUSE-INTERAGENCY  
CHILD ABUSE EVALUATION CENTER**

**FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2017**

**CORNERHOUSE-INTERAGENCY  
CHILD ABUSE EVALUATION CENTER  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2017**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
<b>STATEMENT OF FINANCIAL POSITION</b>	<b>3</b>
<b>STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS</b>	<b>4</b>
<b>STATEMENT OF FUNCTIONAL EXPENSES</b>	<b>5</b>
<b>STATEMENT OF CASH FLOWS</b>	<b>6</b>
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>7</b>

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
CornerHouse-Interagency  
Child Abuse Evaluation Center  
Minneapolis, Minnesota

We have audited the accompanying financial statements of CornerHouse-Interagency Child Abuse Evaluation Center (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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.

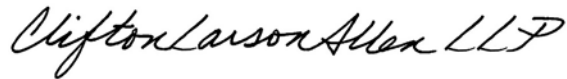
Board of Directors  
CornerHouse-Interagency  
Child Abuse Evaluation Center

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CornerHouse-Interagency Child Abuse Evaluation Center as of December 31, 2017 and the changes in its net assets, its functional expenses, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Summarized Comparative Information**

We have previously audited CornerHouse-Interagency Child Abuse Evaluation Center's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 15, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.



**CliftonLarsonAllen LLP**

Minneapolis, Minnesota  
June 21, 2018

**CORNERHOUSE-INTERAGENCY  
CHILD ABUSE EVALUATION CENTER  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2017  
(WITH SUMMARIZED TOTALS AS OF DECEMBER 31, 2016)**

	2017	2016
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 386,228	\$ 292,895
Certificates of Deposit	26,090	26,012
Accounts Receivable	186,688	217,220
Prepaid Expenses	20,708	18,358
Intangible Assets, Net	33,134	49,774
Total Current Assets	652,848	604,259
<b>LAND LEASE, Net</b>	10,801	12,001
<b>PROPERTY AND EQUIPMENT, Net</b>	391,075	396,606
Total Assets	\$ 1,054,724	\$ 1,012,866
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 31,853	\$ 53,569
Accrued Payroll and Related Costs	70,613	55,295
Deferred Revenue	47,614	20,490
Total Current Liabilities	150,080	129,354
<b>NET ASSETS</b>		
Unrestricted:		
Board Designated - Facility Replacement Reserve	225,000	225,000
Invested in Property and Equipment	391,075	396,606
Designated for Rogers Expansion	50,000	-
Other	154,834	150,656
Total Unrestricted	820,909	772,262
Temporarily Restricted	83,735	111,250
Total Net Assets	904,644	883,512
Total Liabilities and Net Assets	\$ 1,054,724	\$ 1,012,866

See accompanying Notes to Financial Statements.

**CORNERHOUSE-INTERAGENCY  
CHILD ABUSE EVALUATION CENTER  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2017  
(WITH SUMMARIZED TOTALS FOR YEAR ENDED DECEMBER 31, 2016)**

	2017			2016
	Unrestricted	Temporarily Restricted	Total	
<b>SUPPORT AND REVENUE</b>				
Foundations and Corporations	\$ 93,831	\$ 21,200	\$ 115,031	\$ 265,501
Contributions - Cash	59,682	-	59,682	58,152
Contributions - In-Kind	219,720	-	219,720	163,040
Special Fundraising Events	284,774	-	284,774	284,804
Less: Costs of Direct Benefits to Donors	(36,910)	-	(36,910)	(54,997)
Contracts	495,424	-	495,424	483,958
Fees	385,400	-	385,400	329,384
Government Grants	238,699	-	238,699	173,277
Investment Income	884	-	884	631
Other	-	-	-	325
Net Assets Released from Restrictions Upon Expiration of Time and Purpose Restrictions	48,715	(48,715)	-	-
Total Support and Revenue	<u>1,790,219</u>	<u>(27,515)</u>	<u>1,762,704</u>	<u>1,704,075</u>
<b>EXPENSES</b>				
Program Services	1,221,772	-	1,221,772	1,205,249
Management and General	351,020	-	351,020	293,050
Fundraising	168,780	-	168,780	149,594
Total Expenses	<u>1,741,572</u>	<u>-</u>	<u>1,741,572</u>	<u>1,647,893</u>
<b>CHANGE IN NET ASSETS</b>	48,647	(27,515)	21,132	56,182
Net Assets - Beginning of Year	<u>772,262</u>	<u>111,250</u>	<u>883,512</u>	<u>827,330</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 820,909</u>	<u>\$ 83,735</u>	<u>\$ 904,644</u>	<u>\$ 883,512</u>

See accompanying Notes to Financial Statements.

**CORNERHOUSE-INTERAGENCY  
CHILD ABUSE EVALUATION CENTER  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2017  
(WITH SUMMARIZED TOTALS FOR YEAR ENDED DECEMBER 31, 2016)**

	2017							2016
	Program Services				Management and General	Fundraising	Total	
	Forensic	Training	Service Development	Total				
Salaries	\$ 411,913	\$ 174,771	\$ 194,961	\$ 781,645	\$ 101,842	\$ 82,096	\$ 965,583	\$ 888,761
Payroll Taxes	35,058	14,044	16,493	65,595	7,407	7,168	80,170	73,642
Employee Benefits	34,918	11,522	8,783	55,223	10,332	2,471	68,026	72,340
Total Personnel Expense	<u>481,889</u>	<u>200,337</u>	<u>220,237</u>	<u>902,463</u>	<u>119,581</u>	<u>91,735</u>	<u>1,113,779</u>	<u>1,034,743</u>
Professional Fees	33,101	22,995	7,653	63,749	7,128	6,368	77,245	102,441
Staff Development	968	953	1,994	3,915	1,005	-	4,920	7,306
Marketing	3,285	4,729	7,268	15,282	6,923	6,982	29,187	31,394
Office and Administration	4,443	2,822	11,624	18,889	15,445	227	34,561	36,523
Outside Financial Resources	-	-	-	-	69,234	-	69,234	61,651
Building and Property	14,517	13,423	6,607	34,547	6,461	955	41,963	37,763
Meals and Travel	4,345	19,169	4,457	27,971	4,241	364	32,576	29,438
Fund Development	-	-	-	-	-	10,265	10,265	32,347
In-Kind Contributions	55,036	50,482	6,126	111,644	65,287	42,789	219,720	163,040
Other Expense	<u>6,563</u>	<u>837</u>	<u>5,313</u>	<u>12,713</u>	<u>37,822</u>	<u>1,618</u>	<u>52,153</u>	<u>56,590</u>
Total Expenses and Other Than Depreciation and Direct Donor Benefits	<u>604,147</u>	<u>315,747</u>	<u>271,279</u>	<u>1,191,173</u>	<u>333,127</u>	<u>161,303</u>	<u>1,685,603</u>	<u>1,593,236</u>
Depreciation and Amortization	<u>15,084</u>	<u>13,836</u>	<u>1,679</u>	<u>30,599</u>	<u>17,893</u>	<u>7,477</u>	<u>55,969</u>	<u>54,657</u>
Total Expenses	<u>\$ 619,231</u>	<u>\$ 329,583</u>	<u>\$ 272,958</u>	<u>\$ 1,221,772</u>	<u>\$ 351,020</u>	<u>\$ 168,780</u>	<u>1,741,572</u>	<u>1,647,893</u>
Direct Donor Benefits:								
Twins Event							28,617	31,122
Gala Event							<u>8,293</u>	<u>23,875</u>
Total Expenses							<u>\$ 1,778,482</u>	<u>\$ 1,702,890</u>

See accompanying Notes to Financial Statements.

**CORNERHOUSE-INTERAGENCY  
CHILD ABUSE EVALUATION CENTER  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2017  
(WITH SUMMARIZED TOTALS FOR YEAR ENDED DECEMBER 31, 2016)**

	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 21,132	\$ 56,182
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	38,129	51,957
Amortization of Land Lease	1,200	1,200
Amortization of Intangible Assets	16,640	1,500
Purchase of Intangible Assets	-	(20,971)
Reinvested Interest on Certificates of Deposit	(78)	-
Changes in Certain Assets and Liabilities:		
Accounts Receivable	30,532	14,903
Contributions Receivable	-	8,920
Prepaid Expenses	(2,350)	(6,352)
Accounts Payable	(21,716)	36,624
Accrued Payroll and Related Costs	15,318	6,253
Deferred Revenue	27,124	(37,714)
Net Cash Provided by Operating Activities	125,931	112,502
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property and Equipment	(32,598)	(51,960)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	93,333	60,542
Cash and Cash Equivalents - Beginning of Year	292,895	232,353
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 386,228	\$ 292,895
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Donated Goods	\$ 204,214	\$ 134,603
Donated Services	\$ 15,506	\$ 28,437

See accompanying Notes to Financial Statements.



**CORNERHOUSE-INTERAGENCY  
CHILD ABUSE EVALUATION CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

For the past 28 years, CornerHouse-Interagency Child Abuse Evaluation Center (CornerHouse), located on the corner of 25<sup>th</sup> Street and 10<sup>th</sup> Avenue in Minneapolis, Minnesota, has been meeting the needs of children, adolescents, and vulnerable adults referred by law enforcement and child protection community partners. It is the goal of CornerHouse to begin the healing process by assuring that an objective, nonduplicative forensic interview is conducted in a person-centered environment with family support services offered to decrease the trauma and the likelihood of further victimization. Services are offered in a neutral approach which also protects the rights of the accused.

The mission of CornerHouse is to listen and offer hope and healing to those silenced by trauma and violence. Part of a national movement and accredited by the National Children's Alliance, CornerHouse is a 501(c)(3) child advocacy center established as the result of a collaborative effort of county attorneys, law enforcement, child protection, and concerned citizens during the late 1980s when concern emerged about how children alleged to have been abused were interviewed and supported. Working as a multi-disciplinary team with these partners, CornerHouse developed an internationally recognized protocol for interviewing children and training professionals working with children, teens, and vulnerable adults.

As a part of its strategic planning process, completed in 2017, CornerHouse is expanding its operations to include a satellite location in Rogers, Minnesota at the Rogers Police Department. Forensic interviews and family services will be provided at this location.

The interview process, the décor and physical layout of the house, and the support services offered incorporate the commitment that our clients' needs are above the priorities of the criminal justice system. This philosophy assures that a client's development and special needs such as language, mental health, and physical challenges are all considered as a part of the interview process. Forensic interviewers are specially trained professionals both in the protocol and in child/adolescent development, and the interview is nonduplicative so as to minimize trauma to the client. Multi-disciplinary team members attend the interview sessions to assure that concerns and planning occur in real time. Planning with respect to future needs, follow up by team members and medical and psychological support services are all included. Family support services are designed based on research, which reflects that children/teens are more likely to be kept safe if their family/caregivers feel supported. Family Services include interview accompaniment, counseling, support groups in English and Spanish, and home visiting. This year, we are adding trauma focused play therapy as a new component.

**CORNERHOUSE-INTERAGENCY  
CHILD ABUSE EVALUATION CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Organization (Continued)**

Because of its leadership in the development of the forensic interviewing protocol, CornerHouse has become an international leader by training prosecutors, law enforcement, and child protection workers in forensic interviewing. Utilizing the experienced forensic interviewers on staff as trainers in the program, CornerHouse conducts training for both basic and advanced levels of learning. To date, CornerHouse has trained child abuse professionals from 50 states and 21 foreign countries including American Samoa, Canada, Colombia, Ireland, Jamaica, Japan, Kosovo, Nigeria, Uruguay, and The International Criminal Court at The Hague. As CornerHouse continues to research its practice modalities, it has and will continue to develop new training programs.

In 2017, CornerHouse served over 520 children and adolescents who were alleged to have been abused either sexually or physically as well as witnesses to violent crimes. Over 80% of the family members who came to CornerHouse were provided with counseling and support, referrals for counseling, and consultation on strategies for keeping their children safe in the future.

**Financial Statement Presentation**

Net assets and revenues, gains, and losses are classified based on donor imposed restrictions. Accordingly, net assets of CornerHouse and changes therein are classified and reported as follows:

Unrestricted – Resources over which the board of directors has discretionary control. Designated amounts represent those revenues which the board has set aside for a particular purpose.

Temporarily Restricted – Those resources subject to donor imposed restrictions which will be satisfied by actions of CornerHouse or passage of time.

**Cash and Cash Equivalents**

CornerHouse considers highly liquid investments with original maturities of three months or less to be cash equivalents. CornerHouse places its cash and temporary cash investments with high credit quality financial institutions.

**Accounts Receivable**

Receivables are stated at net realizable value. CornerHouse provides an allowance for bad debts using the allowance method, which is based on management judgment considering historical information. Accounts for which no payments have been received are individually assessed for collectability and are written off when deemed uncollectible. At December 31, 2017 and 2016, all amounts were deemed collectible, so no allowance was necessary.

**CORNERHOUSE-INTERAGENCY  
CHILD ABUSE EVALUATION CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property and Equipment**

CornerHouse capitalizes additions to property and equipment over \$500. Purchased items are capitalized at cost. Donated property and equipment are capitalized at the estimated fair market value at the date of receipt. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The cost of maintenance and repairs is charged to expense as incurred; renewals or betterments over \$500 are capitalized.

**Contributions**

Contributions are recognized when the donor makes a commitment to give to CornerHouse that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in temporarily restricted net assets and transferred to unrestricted net assets when restrictions expire or the condition is met. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

**Contributed Materials and Services**

Contributed materials are recorded at their fair value when received and are included in contribution income. Contributed services are recorded as contributions, at their fair value, when the service creates or enhances a nonfinancial asset or the service requires specialized skills that would need to be purchased if not provided by donation.

**Government Grants, Contracts, and Fees**

Government grants, contracts, and fees are generally considered exchange transactions and are recorded as revenue when earned. Revenue is earned when eligible expenditures, as defined in each grant or contract, are incurred, or when services are provided. Funds received but not yet earned are recorded as deferred revenue.

**Functional Allocation of Expense**

Expenses incurred have been summarized on a functional basis. Expenses which relate to a specific program or to a supporting service are charged directly to the function while other expenses are allocated primarily based on management estimates of how employees spend their time.

**Summarized Financial Information**

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with CornerHouse's financial statements for the year ended December 31, 2016 from which the summarized information was derived.

**CORNERHOUSE-INTERAGENCY  
CHILD ABUSE EVALUATION CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Estimates**

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

**Income Taxes**

CornerHouse is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state income tax laws. CornerHouse is a public charity and contributions to the organization qualify as a charitable tax deduction by the contributor.

**Subsequent Events**

In preparing these financial statements, CornerHouse has evaluated events and transactions for potential recognition or disclosure through June 21, 2018, the date the financial statements were available to be issued.

On January 23, 2018, CornerHouse entered into a ten-year lease agreement with the city of Rogers in order to expand operations to include a satellite location at the Rogers Police Department. Forensic interviews and family services will be provided at this location.

**Reclassifications**

Certain reclassifications have been made to the prior year summarized comparative information to conform to the current year presentation. The reclassifications had no effect on the change in net assets as previously reported.

**NOTE 2 PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

	<u>2017</u>	<u>2016</u>
Land and Building	\$ 1,162,294	\$ 1,162,294
Furniture and Equipment	299,960	268,962
Artwork	10,929	10,929
Subtotal	<u>1,473,183</u>	<u>1,442,185</u>
Accumulated Depreciation	<u>(1,082,108)</u>	<u>(1,045,579)</u>
Total	<u><u>\$ 391,075</u></u>	<u><u>\$ 396,606</u></u>

**CORNERHOUSE-INTERAGENCY  
CHILD ABUSE EVALUATION CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 3 NET ASSETS**

Board designated net assets have been set aside by the board as a contingency for possible relocation if the existing land lease is terminated, or for renovation and expansion of the existing facility.

Temporarily restricted net assets are for the following purposes:

	2017	2016
Family Services	\$ 57,886	\$ 68,058
Forensics	2,443	2,443
Training	12,606	20,000
Children's Advocacy Center	-	7,500
Other	-	1,249
Land Lease	10,800	12,000
Total	<u>\$ 83,735</u>	<u>\$ 111,250</u>

Temporarily restricted net assets released from restriction during 2017 included \$1,200 for the land lease and \$48,370 for program purposes. Temporarily restricted net assets released from restriction during 2016 included \$1,200 for the land lease and \$120,691 for program purposes.

**NOTE 4 IN-KIND CONTRIBUTIONS**

In-kind contributions consist of the following for the years ended December 31:

	2017	2016
Legal Services	\$ 151,988	\$ 62,645
Telephone and Technology Services	26,634	36,005
Radio Outreach and Advertising	17,500	18,250
Auction Items and Food - Twins Event	15,506	28,437
Snowball Event	-	12,494
Other	8,092	5,209
Total	<u>\$ 219,720</u>	<u>\$ 163,040</u>

**NOTE 5 RETIREMENT PLAN**

CornerHouse has a 401(k) retirement plan. Generally, all employees of CornerHouse who are over 21 years of age and have worked one month are eligible to participate in this plan. CornerHouse contributes a minimum of 1.5% of each employee's salary. Employees may contribute to the plan through a salary reduction agreement. CornerHouse matches employee contributions up to 4% of salary. Contributions charged to expense were \$5,188 and \$11,123 for the years ended December 31, 2017 and 2016, respectively.

**CORNERHOUSE-INTERAGENCY  
CHILD ABUSE EVALUATION CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 6 RELATED PARTY TRANSACTIONS**

**Children's Hospitals and Clinics of Minnesota (CHC)**

CornerHouse has an agreement to purchase certain services and supplies through CHC. Total services and supplies purchased from CHC were \$40,830 and \$25,642 for the years ended December 31, 2017 and 2016, respectively. There were amounts of \$10,472 and \$19,519 owed to CHC for the years ended December 31, 2017 and 2016, respectively. There were amounts of \$3,464 and \$-0- due from CHC for the years ended December 31, 2017 and 2016, respectively. CHC provided telephone and technology services which are reported as in-kind contributions included in utilities expense in the amount of \$26,634 and \$36,005 for the years ended December 31, 2017 and 2016, respectively.

CHC also owns the land on which CornerHouse's building is located. During 1996, CornerHouse entered into a ground lease agreement with CHC. The lease expires December 31, 2027. The lease requires CornerHouse to pay \$1 per year plus its share of real estate taxes. The lease allows CHC to terminate the agreement with 12 months' notice in the 5<sup>th</sup>, 10<sup>th</sup>, and 15<sup>th</sup> through 29<sup>th</sup> years of the agreement. CornerHouse may terminate the lease at any time with 12 months' notice. In 1999 an appraisal was done for the land subject to the ground lease. The land was valued at \$36,000. This asset was recorded and rent is expensed on a straight-line basis over the term of the lease. Rent expense was \$1,200 for the years ended December 31, 2017 and 2016. A key employee of CHC is a board member of CornerHouse.

**Hennepin County**

CornerHouse has entered into a contract for interview services with the Hennepin County Attorney's Office. Fees received under this contract were \$191,870 and \$187,193 for the years ended December 31, 2017 and 2016, respectively. There were amounts of \$31,979 and \$-0- due to CornerHouse from Hennepin County for the years ended December 31, 2017 and 2016, respectively. One key employee of the Hennepin County Attorney's Office is a board member of CornerHouse.

**Hubbard Broadcasting**

During 2017 and 2016, Hubbard Broadcasting donated airtime to CornerHouse to air various announcements. The estimated value of this airtime was recorded as an in-kind contribution and in-kind radio outreach and advertising expense in the amounts of \$17,500 and \$18,250, respectively. Of that total, \$9,567 and \$13,191 has been reported as program services expense, \$2,338 and \$1,244 as fundraising expense, and \$5,595 and \$3,815 as administrative expense based on the purpose of the various announcements aired for the years ended December 31, 2017 and 2016, respectively. Two key employees of Hubbard Broadcasting are board members of CornerHouse.

**CORNERHOUSE-INTERAGENCY  
CHILD ABUSE EVALUATION CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 6 RELATED PARTY TRANSACTIONS (CONTINUED)**

**Dorsey & Whitney, LLP**

During the years ended December 31, 2017 and 2016, CornerHouse received contributed legal services from Dorsey & Whitney, LLP of \$151,989 and \$62,645, respectively, which are reported as in-kind contributions. Of these totals, \$83,092 and \$45,280 are reported as program services expense, \$48,591 and \$13,096 as administrative expense, \$20,306 and \$4,269 as fundraising expense based on the purpose of the legal services for 2017 and 2016, respectively. A partner at the firm is a board member of CornerHouse.

**NOTE 7 ECONOMIC DEPENDENCE**

CornerHouse received 42% of its 2017 support and revenue from governmental contracts with Hennepin County (19%), the city of Minneapolis (9%), and the state of Minnesota (14%).

CornerHouse received 36% of its 2016 support and revenue from governmental contracts with Hennepin County (19%), the city of Minneapolis (9%), and the state of Minnesota (8%).

**NOTE 8 CONTINGENT LIABILITIES**

Amounts received from grantor agencies are subject to audit and adjustment by grantor agencies. Such audits could result in claims against CornerHouse for disallowed costs of noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this time.