Financial Statements and
Independent Auditors' Report

The Ability Experience

As of September 30, 2017 and 2016

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VANCE FLOUHOUSE & GARGES, PLLC
Certified Public Accountants and Consultants

Independent Auditors' Report

To the Board of Directors of
The Ability Experience:

We have audited the accompanying financial statements of The Ability Experience (a nonprofit organization), which comprise the statements of financial position as of September 30, 2017 and 2016, 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. 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.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Ability Experience as of September 30, 2017 and 2016, 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.

Vance Flouhouse & Gorges PLLC

Charlotte, North Carolina
June 27, 2018

Statements of Financial Position

September 30, 2017 and 2016

	2017	2016
Assets		
Cash and cash equivalents	**$ 701,160**	$ 204,203
Restricted cash and cash equivalents	**1,657,622**	-
Prepaid expenses	**18,016**	31,957
Promises to give temporiarily restricted, net of discount and allowance	**21,274**	35,274
Investments:		
Unrestricted	**-**	349,959
Temporarily restricted	**-**	1,521,192
Property and equipment - net	**12,076**	33,296
Other assets	**22,000**	22,000
Total assets	**$ 2,432,148**	$ 2,197,881
Liabilities and Net Assets		
Liabilities:		
Accounts payable	**$ 172,432**	$ 156,426
Accrued expenses	**52,197**	44,060
Deferred revenue	**16,058**	17,695
Total liabilities	**240,687**	218,181
Net assets:		
Unrestricted	**512,565**	423,234
Temporarily restricted	**1,678,896**	1,556,466
Total net assets	**2,191,461**	1,979,700
Total liabilities and net assets	**$ 2,432,148**	$ 2,197,881

The Ability Experience

Statements of Activities

Years ended September 30, 2017 and 2016

	2017			2016		
	Unrestricted	Temporarily Restricted	**Total**	Unrestricted	Temporarily Restricted	Total
Revenues, gains, and other support:						
Chapter fundraising	$ 651,765	$ -	**$ 651,765**	$ 554,560	$ -	$ 554,560
Event fundraising	918,475	-	**918,475**	837,755	39,683	877,438
Private contributions	450,077	-	**450,077**	332,304	(58,118)	274,186
In-Kind contributions	418,312	-	**418,312**	357,360		357,360
Registration fees	41,210	-	**41,210**	30,507	-	30,507
Sales	13,592	-	**13,592**	10,579	-	10,579
Dividend and interest income, net of fees	11,872	51,757	**63,629**	13,564	56,587	70,151
Realized gains (losses) on investments	(80)	121	**41**	(1,488)	(4,040)	(5,528)
Unrealized gains (losses) on investments	20,080	85,552	**105,632**	19,191	69,298	88,489
	2,525,303	137,430	**2,662,733**	2,154,332	103,410	2,257,742
Net assets released from restrictions	15,000	(15,000)	**-**	63,683	(63,683)	-
Total revenues, gains, and other support	2,540,303	122,430	**2,662,733**	2,218,015	39,727	2,257,742
Expenses						
Program services:						
Chapter services	241,453	-	**241,453**	167,739	-	167,739
Grants and placements	408,064	-	**408,064**	349,279	-	349,279
Journey of Hope	858,886	-	**858,886**	792,669	-	792,669
Build America	135,701	-	**135,701**	114,931	-	114,931
Gear Up Florida	109,355	-	**109,355**	119,939	-	119,939
The Ability Experience Challenge	164,101	-	**164,101**	33,898	-	33,898
Supporting services:						
Administrative	331,140	-	**331,140**	313,895	-	313,895
Financial development	202,272	-	**202,272**	221,070	-	221,070
Total expenses	2,450,972	-	**2,450,972**	2,113,420	-	2,113,420
Change in net assets	89,331	122,430	**211,761**	104,595	39,727	144,322
Net assets at beginning of year	423,234	1,556,466	**1,979,700**	318,639	1,516,739	1,835,378
Net assets at end of year	$ 512,565	$ 1,678,896	**$ 2,191,461**	$ 423,234	$ 1,556,466	$ 1,979,700

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

The Ability Experience

Statement of Functional Expenses

Year ended September 30, 2017

	Program Services							Support Services			
	Chapter Services	Grants and Placements	Journey of Hope	Build America	Gear Up Florida	ABEX Challenge	Total	Administrative	Financial Development	Total	**Total All Expenses**
Salaries and wages	$ 126,352	$ 43,819	$ 173,239	$ 20,625	$ 26,306	$ 49,431	$ 439,772	$ 165,700	$ 89,192	$254,892	**$ 694,664**
Employee benefits	22,425	6,923	16,848	4,067	5,224	1,126	56,613	4,485	12,221	16,706	**73,319**
Payroll taxes	8,577	2,893	10,425	1,623	2,065	3,504	29,087	4,902	8,183	13,085	**42,172**
Professional fees	40,511	6,054	13,711	3,009	3,895	18,265	85,445	38,491	21,346	59,837	**145,282**
Supplies	9,392	5,569	64,500	4,835	9,532	8,614	102,442	2,099	2,718	4,817	**107,259**
Telephone	1,456	484	6,934	1,546	1,200	60	11,680	2,750	853	3,603	**15,283**
Postage and shipping	2,395	67	5,147	75	828	535	9,047	4,325	10,721	15,046	**24,093**
Occupancy	5,967	1,651	4,717	2,007	2,256	230	16,828	59,224	4,068	63,292	**80,120**
Non-capitalized equipment	3,061	855	12,261	2,450	3,036	211	21,874	30,555	2,457	33,012	**54,886**
Printing and publications	1,670	356	837	574	479	46	3,962	5,922	14,525	20,447	**24,409**
Travel	8,523	4,013	136,450	3,283	6,154	7,791	166,214	333	16,447	16,780	**182,994**
Lodging and meals	1,808	1,751	349,846	76,480	32,076	58,689	520,650	3,092	9,992	13,084	**533,734**
Student leadership events	208	5	35,618	9,929	10,580	12,650	68,990	1,508	-	1,508	**70,498**
Assistance to facilities and organizations	-	331,425	-	-	-	-	331,425	-	52	52	**331,477**
Professional development	2,574	544	12,795	271	1,189	176	17,549	2,517	4,763	7,280	**24,829**
Awards	2,751	-	7,006	1,445	1,053	645	12,900	130	1,187	1,317	**14,217**
Depreciation	3,783	1,655	6,858	2,365	2,365	2,128	19,154	946	3,547	4,493	**23,647**
Insurance	-	-	1,694	1,117	1,117	-	3,928	4,161	-	4,161	**8,089**
	$ 241,453	$ 408,064	$ 858,886	$135,701	$109,355	$ 164,101	$ 1,917,560	$ 331,140	$ 202,272	$533,412	**$ 2,450,972**

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

The Ability Experience

Statement of Functional Expenses

Year ended September 30, 2016

	Program Services							Support Services			
	Chapter Services	Grants and Placements	Journey of Hope	Build America	Gear Up Florida	ABEX Challenge	Total	Administrative	Financial Development	Total	Total All Expenses
Salaries and wages	$ 83,338	$ 33,476	$ 155,723	$ 25,372	$ 29,786	10,895	$ 338,590	$ 170,508	$ 102,737	$ 273,245	$ 611,835
Employee benefits	17,066	5,361	13,187	3,347	4,330	990	44,281	4,392	10,873	15,265	59,546
Payroll taxes	2,337	2,114	10,813	2,336	3,508	865	21,973	2,621	8,705	11,326	33,299
Professional fees	34,631	5,031	11,556	2,778	3,441	935	58,372	57,280	22,088	79,368	137,740
Supplies	836	1,634	47,505	5,337	9,755	4,537	69,604	1,712	1,123	2,835	72,439
Telephone	1,225	335	7,319	575	1,391	55	10,900	1,671	715	2,386	13,286
Postage and shipping	699	125	7,110	647	702	158	9,441	2,327	5,455	7,782	17,223
Occupancy	6,290	2,365	20,796	2,931	3,112	2,092	37,586	32,390	6,057	38,447	76,033
Non-capitalized equipment	4,120	1,619	17,975	2,766	3,625	1,168	31,273	19,586	4,465	24,051	55,324
Printing and publications	915	828	4,485	374	386	633	7,621	4,064	13,480	17,544	25,165
Travel	5,049	1,713	121,438	4,231	14,907	1,365	148,703	2,246	22,851	25,097	173,800
Lodging and meals	1,298	29,442	321,086	53,923	31,958	1,023	438,730	3,045	17,079	20,124	458,854
Student leadership events	4,274	-	18,357	3,592	3,541	5,956	35,720	5,003	876	5,879	41,599
Assistance to facilities and organizations	-	263,231	4,600	-	-	-	267,831	-	-	-	267,831
Professional development	322	73	5,482	44	1,183	353	7,457	1,260	407	1,667	9,124
Awards	924	-	9,482	236	1,704	390	12,736	640	20	660	13,396
Depreciation	4,415	1,932	8,170	2,759	2,927	2,483	22,686	1,104	4,139	5,243	27,929
Insurance	-	-	7,585	3,683	3,683	-	14,951	4,046	-	4,046	18,997
	$ 167,739	$ 349,279	$ 792,669	$ 114,931	$ 119,939	$ 33,898	$ 1,578,455	$ 313,895	$ 221,070	$ 534,965	$ 2,113,420

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

Statements of Cash Flows

Years ended September 30, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Increase in net assets	**$ 211,761**	$ 144,322
Adjustments to reconcile change in net assets to cash used in operating activities:		
Depreciation	**23,647**	27,929
Bad debt expense	**4,000**	
Dividends and interest reinvested	**(63,629)**	(70,151)
Net realized and unrealized (gains) losses on investments	**(105,673)**	(82,961)
Changes in operating assets and liabilities:		
Promises to give, net of discount	**10,000**	82,118
Prepaid expenses	**13,941**	(25,699)
Accounts payable and accrued expenses	**24,143**	102,060
Deferred revenue	**(1,637)**	(24,035)
Net cash provided by operating activities	**116,553**	153,583
Cash flows from investing activities:		
Purchase of property and equipment	**(2,427)**	(6,441)
Increase in restricted cash	**(1,657,622)**	-
Purchase of investments	**(469,151)**	(469,150)
Proceeds from sale of investments	**2,509,604**	469,797
Net cash provided by (used in) investing activities	**380,404**	(5,794)
Net increase in cash and cash equivalents	**496,957**	147,789
Cash and cash equivalents at beginning of year	**204,203**	56,414
Cash and cash equivalents at end of year	**$ 701,160**	$ 204,203

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

Notes to Financial Statements

September 30, 2017 and 2016

1. Organization

The Ability Experience, Inc. ("the Organization") is a 501(c)(3) nonprofit organization that uses shared experiences to support people with disabilities and develop the men of Pi Kappa Phi into servant leaders. The Ability Experience was founded in 1977 as the national philanthropy of Pi Kappa Phi Fraternity with the purpose of instilling lifelong service in its members and enhancing the quality of life for people with disabilities. The Ability Experience has grown into a national nonprofit with numerous programs educating undergraduates, alumni and communities about the abilities of people with disabilities while forging friendships between Pi Kappa Phi members and people with disabilities.

2. Summary of Significant Accounting Policies

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board *Accounting Standards Codification (ASC) 958-205 Not-for-Profit Entities: Presentation of Financial Statements.* Under *ASC 958-205*, the Organization is required to report information regarding its financial position and activities according to three classes of net assets as follows:

> Unrestricted net assets: Net assets that are not subject to donor-imposed stipulations.
>
> Temporarily restricted net assets: Net assets subject to donor-imposed restrictions that expire when a stipulated time restriction ends or purpose restriction is accomplished.
>
> Permanently restricted net assets: Net assets subject to donor-imposed restrictions that must be maintained permanently by the organization. Generally the donors of these assets permit the organization to use all or part of the income earned on the related investment for general or specific purposes. The Organization has no permanently restricted net assets.

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is when a stipulated time restriction ends or a purpose restriction is accomplished), restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions whose restrictions are met in the same reporting period are classified as unrestricted contributions.

Estimates

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

Cash and Equivalents

The Organization considers all highly liquid financial instruments with original maturity of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash equivalents.

Restricted Cash

Cash and cash equivalents that are restricted as to withdrawal or use are included in restricted cash. As of September 30, 2017 the restricted cash balance also included cash received from the sale of the Organization's investments. See Note 5 for further details.

Promises to Give

Unconditional promises to give that are expected to be collected in less than one year are recognized at net realizable value. The fair value of amounts due in more than one year are measured at the present value of the unconditional promise to give using a discount rate range of 0.84% to 1.77% for pledges receivable as of September 30, 2017 and 2016. In subsequent years, amortization of the discounts is included in contributions in the statement of activities. Management's determination of the allowance for doubtful accounts is based on an analysis of historical collection trends, experience with the donor and current and anticipated economic conditions. Promises to give are written-off when, in the opinion of management, such receivables are deemed to be uncollectible. While management uses the best information available to make such evaluations, future adjustments to the allowance may be necessary if conditions differ substantially from the assumptions used in formulating the initial evaluations.

Investments

The Organization accounts for investments under *FASB ASC 958 Not-for-Profit Entities*. Under *ASC 958*, investments in equity securities with readily determinable fair values and all investments in debt securities are reported at their fair values. Investment returns that are restricted by the donor are reported as an increase in unrestricted net assets if the restrictions expire in the reporting period in which the investment returns are recognized.

Property and Equipment

Property and equipment additions are carried at cost or, if donated, at the approximate fair value at the date of donation. All property and equipment contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Depreciation is computed using primarily the straight-line method over the estimated lives of the assets, ranging from three to ten years. Improvements to property and equipment that do not extend the useful life of the asset are expensed in the year incurred. When property and equipment are retired, the cost and related accumulated depreciation are removed from the accounts with any gain or loss recognized in the statement of activities. Cost of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Long-Lived Assets

Cash or other assets whose use is restricted to acquire long-lived assets are recorded as temporarily restricted until the long-lived assets are acquired. Once acquired, long-lived assets are recorded as unrestricted net assets unless otherwise disclosed.

Donated Materials, Services, and Use of Property

Under *FASB ASC 958 Not-for-Profit Entities*, the Organization recognizes services requiring specialized skills such as those provided by accountants, attorneys, marketing consultants, and other professionals if the services would need to be purchased if not donated. The Journey of Hope and other team and special events receive donations of lodging, meals, vehicles and services. These donations are valued at estimated fair market value. The amount of donated services recognized as revenues and expenses for the years ended September 30, 2017 and 2016, are $418,312 and $357,360, respectively.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Activities and in the Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Financial Development

Financial development expenses represent amounts incurred in raising additional funds for the Organization.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (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 Statements of Activities as net assets released from restrictions. Certain restricted contributions received in the same year in which the restrictions are met are recorded as an increase in unrestricted support.

Fair Value of Financial Instruments

The Organization has estimated the fair value of its financial instruments using available market information and other valuation methodologies in accordance with *ASC 820 Fair Value Measurements and Disclosures*. The FASB Fair Value Measurement standard clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and expands disclosures about fair value measurements in an effort to make the measurement of fair value more consistent and comparable. Financial instruments, as defined in *ASC Topic No. 825-10-50 Fair Value of Financial Instruments*, consist of cash, accounts receivable, investments, accounts payable, and accrued expenses.

Fair Value Measurement defines fair value as the amount that would be received from the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants, i.e. an exit price. To estimate an exit price, a three-tier hierarchy is used to prioritize the inputs:

Level 1: Quoted prices in active markets for identical securities.

Level 2: Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment spreads, credit risk, etc.).

Level 3: Significant unobservable inputs (including the Organization’s own assumptions in determining the fair value of investments).

The fair value of each class of financial instruments for which it is practicable to estimate the fair value were determined as follows:

Investments in mutual funds: Valued at the quoted net asset value of shares held by the Organization at year end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Income Taxes
The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Additionally, the Organization is not a private foundation pursuant to Internal Revenue Code Section 509(a)(1).

The Organization has determined that it does not have any material unrecognized tax benefits or obligations as of September 30, 2017 and 2016. The Organization records interest and penalties related to unrecognized tax positions in interest expense. For the years ended September 30, 2017 and 2016, there has been no recognition of interest or penalties related to unrecognized tax positions.

Reclassifications
Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Subsequent Events
The Organization has analyzed its operations subsequent to September 30, 2017, through June 27, 2018, the date the financial statements were available to be issued, for potential recognition or disclosure in the financial statements.

The proceeds from the sale of the Organization's investment positions in late September of 2017 that are captured in restricted cash and cash equivalents, as discussed in Note 5, were re-invested as of October 31, 2017.

3. Concentrations

Management places cash and cash equivalents with high quality financial institutions believed to be credit worthy. At times amounts on deposit may exceed insured limits or include uninsured investments. The Organization has not experienced any losses on the accounts.

4. Promises to Give

Unconditional promises to give are included in the financial statements as promises to give and revenue of the appropriate net asset classification. Unconditional promises to give at September 30, 2017 and 2016 consisted of the following:

	2017	2016
Unconditional promises to give	**$ 88,491**	98,491
Less: allowance for uncollectible pledges	**(62,491)**	(58,491)
Less: unamortized discount	**(4,726)**	(4,726)
Unconditional promises to give - net	**$ 21,274**	$ 35,274

Unconditional promises to give at face value at September 30, 2017 and 2016 are as follows:

	2017	2016
Receivable in less than one year	**$ 28,000**	$ 38,000
Receivable in one to five years	**59,491**	59,491
Receivable in more than five years	**1,000**	1,000
	$ 88,491	$ 98,491

5. Investments

The Organization maintains investments in mutual funds that invest in equity and debt securities. Investment income, realized gains and losses, and unrealized gains and losses from these securities are allocated to the unrestricted and temporarily restricted funds based on each fund's percentage of ownership of total investment assets.

In late September of 2017, the Organization sold all positions to re-align their investments in conjunction with the selection of a new investment advisor. The purchase of the new investments occurred in early October of 2017. Thus, as of September 30, 2017, the proceeds from the sale of the positions in late September of 2017 is captured in restricted cash and cash equivalents, and as a zero balance in investments.

Investments were comprised of the following at September 30:

	2017		2016	
	Cost	**Fair Value**	Cost	Fair Value
Mutual funds:				
Unrestricted	**$ -**	**$ -**	$ 353,268	$ 349,959
Temporarily restricted	**-**	**-**	1,482,629	1,521,192
	$ -	**$ -**	$ 1,835,897	$ 1,871,151

Investment advisory fees paid for the management of the investment accounts totaled $13,350 and $13,807 for the years ended September 30, 2017 and 2016, respectively.

6. Fair Value Measurements

The following tables set forth the level, within the fair value hierarchy, of the Organization's financial investments at fair value as of September 30, 2017 and 2016:

	Fair Value	Level 1	Level 2	Level 3
September 30, 2017				
Mutual funds	**$ -**	**$ -**	**$ -**	**$ -**
September 30, 2016				
Mutual funds	$ 1,871,151	$ 1,871,151	$ -	$ -

7. Property and Equipment

Property and equipment consisted of the following at September 30:

	Useful Lives	2017	2016
Computer equipment and software	3 - 5 years	**$ 120,920**	$ 118,493
Office furniture and equipment	5 - 10 years	**168,886**	168,886
		289,806	287,379
Less accumulated depreciation		**(277,730)**	(254,083)
		$ 12,076	$ 33,296

Depreciation expense for the years ended September 30, 2017 and 2016 was $23,647 and $27,929 , respectively.

8. Restrictions on Net Assets

The temporarily restricted net assets include donor restricted funds to provide fellowships to be used as an incentive for camp counselors serving at summer programs for people with disabilities and the Journey of Hope program. The Organization also began a "Commitment Campaign" during the year ended September 30, 2012, designed to raise a board designated endowment fund that will be used to support 25% of the Organization's budget. A summary of the activity on temporarily restricted assets is below:

Purpose/Use Restriction:	Beginning of the Year	Additions	Utilized	**End of the Year**
Restricted for time	$ 35,274	$ -	$ (14,000)	**$ 21,274**
Journey of Hope Ongoing Viability	1,496,480	135,214	(1,000)	**1,630,694**
Fellowships for Camp Couselors	24,712	2,216	-	**26,928**
	$ 1,556,466	$ 137,430	$ (15,000)	**$ 1,678,896**

9. Retirement Plans

The plan allows for a maximum matching contribution of 4%. Retirement plan expense was $13,516 and $10,502 for the years ended September 30, 2017 and 2016 respectively.

In 2013, the Organization established a deferred compensation plan for eligible management as determined by the Board of Directors. The Organization accrued $22,000 expenses for one participant in the Plan.

10. Related Party Transactions

The Organization has a verbal agreement with Pi Kappa Phi Fraternity, an affiliated organization, on a month to month basis for shared resources, such as office equipment, telephone lines, personnel salaries, software charges, insurance costs, and publication fees. The amounts charged to the Organization during the years ending September 30, 2017 and 2016 were approximately $359,600 and $261,800, respectively. However, the amounts charged to the Organization during the year ended September 30, 2016 only reflect the shared services agreement items and do not include all of the aforementioned items.

Included in the shared resources amounts were rental payments in connection with a sub-lease agreement for office space. The sub-lease terms state the base rent of the office space will be recalculated annually, based on the usage of the office space by the Organization. The lease payment amount adjusts annually at a pre-determined rate. The sub-lease expired on June 30, 2017. On April 18, 2018, a new lease was entered into that expires on August 31, 2023. For the intervening period not covered by a sub-lease, the Organization paid rent on a month-to-month basis. Based on the initial calculation of the base rent, the future minimum payments are as follows:

2018	$ 12,491
2019	50,081
2020	51,585
2021	53,136
2022	54,725
Thereafter	51,546

Rent expense for office space was $64,550 and $60,916 for the years ended September 30, 2017 and 2016, respectively. The amount due to Pi Kappa Phi Fraternity as of September 30, 2017 and 2016 was $11,585 and $15,394, respectively. See Note 10 for further details on shared costs.