

**LYDIA PATTERSON INSTITUTE**

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**FINANCIAL STATEMENTS  
and  
SUPPLEMENTARY INFORMATION  
with  
INDEPENDENT AUDITOR'S REPORT  
YEARS ENDED AUGUST 31, 2015 AND 2014**

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*Bock & Associates, LLP*  
Certified Public Accountants

Anthony E. Bock, CPA  
Adam M. Bock, CPA  
Michael A. Bock, CPA

To the Board of Trustees of  
Lydia Patterson Institute  
El Paso, Texas

We have audited the accompanying financial statements of Lydia Patterson Institute (a nonprofit organization), which comprise the statement of financial position as of August 31, 2015 and 2014, and the related statements of activities and cash flows for the years 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.

### **Auditor's 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 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 above present fairly, in all material respects, the financial position of Lydia Patterson Institute as of August 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.

*Bock & Associates, LLP*  
BOCK & ASSOCIATES, L.L.P.  
February 4, 2016

LYDIA PATTERSON INSTITUTE  
STATEMENTS OF FINANCIAL POSITION

	August 31,	
	2015	2014
Assets:		
Cash and equivalents	\$ 1,039,389	\$ 787,820
Accounts receivable	11,416	170
Prepaid expenses	53,889	78,834
Endowment investments	3,433,172	3,625,896
Property and equipment, net	3,800,057	3,437,840
Other assets	3,215	3,215
Total assets	\$8,341,138	\$7,933,775
Liabilities:		
Accounts payable	\$ 155,467	\$ 212,421
Accrued expenses	31,716	12,485
Deferred tuition	292,453	247,579
Notes payable	1,852,492	1,559,510
Total liabilities	2,332,128	2,031,995
Net assets:		
Unrestricted	5,219,607	5,275,912
Temporarily restricted	789,403	625,868
Permanently restricted	--	--
Total net assets	6,009,010	5,901,780
Total liabilities and net assets	\$8,341,138	\$7,933,775

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

LYDIA PATTERSON INSTITUTE

STATEMENTS OF ACTIVITIES

	Year ended August 31,			
	2015		2014	
	Unrestricted	Temporarily Restricted	Total	Total
Revenue and other support:				
Contributions	\$ 1,046,480	\$ 659,029	\$1,705,509	\$1,846,903
Tuition and fees	1,392,789	--	1,392,789	1,350,642
Endowment income	105,764	--	105,764	169,288
Food service revenue	239,643	--	239,643	221,446
Other	19,128	--	19,128	13,625
Net assets released from restrictions	<u>495,494</u>	<u>(495,494)</u>	<u>--</u>	<u>--</u>
Total revenue and other support	<u>3,299,298</u>	<u>163,535</u>	<u>3,462,833</u>	<u>3,601,904</u>
Expenses:				
Program services:				
Instruction	1,533,192	--	1,533,192	1,539,125
Library	36,906	--	36,906	8,896
Athletic Department	84,308	--	84,308	78,492
Student aid	292,717	--	292,717	301,589
Food service	234,727	--	234,727	199,252
Depreciation	<u>116,088</u>	<u>--</u>	<u>116,088</u>	<u>81,839</u>
Total program services	<u>2,297,938</u>	<u>--</u>	<u>2,297,938</u>	<u>2,209,193</u>
Supporting services:				
General and administrative	634,937	--	634,937	615,078
Fundraising	141,638	--	141,638	216,862
Depreciation	<u>35,689</u>	<u>--</u>	<u>35,689</u>	<u>16,529</u>
Total supporting services	<u>812,264</u>	<u>--</u>	<u>812,264</u>	<u>848,469</u>
Total expenses	<u>3,110,202</u>	<u>--</u>	<u>3,110,202</u>	<u>3,057,662</u>
Excess revenue over expenses (excess expenses over revenue) from operations	189,096	163,535	352,631	544,241
Unrealized gains (losses) on endowment investments	<u>(245,401)</u>	<u>--</u>	<u>(245,401)</u>	<u>313,302</u>
Change in net assets	(56,305)	163,535	107,230	857,544
Net assets, beginning of year	<u>5,275,912</u>	<u>625,868</u>	<u>5,901,780</u>	<u>5,044,236</u>
Net assets, end of year	<u>\$5,219,607</u>	<u>\$789,403</u>	<u>\$6,009,010</u>	<u>\$5,901,780</u>

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

LYDIA PATTERSON INSTITUTE

STATEMENTS OF CASH FLOWS

	<u>Year ended August 31,</u>	
	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Change in net assets	\$ 107,230	\$ 857,543
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	151,777	98,366
Unrealized loss (gains) on investments	245,401	(313,302)
(Increase) decrease in operating assets:		
Accounts receivable	(11,246)	430
Prepaid expenses	24,944	20
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(37,724)	134,230
Deferred tuition	<u>44,874</u>	<u>15,444</u>
Net cash provided by operating activities	<u>525,256</u>	<u>792,731</u>
Cash flows from investing activities:		
Increase in endowment investments	(52,677)	(18,491)
Purchase of equipment and improvements	<u>(513,992)</u>	<u>(375,849)</u>
Net cash used in investing activities	<u>(566,669)</u>	<u>(394,340)</u>
Cash flows from financing activities:		
Proceeds from borrowings	300,000	170,000
Principal payments on borrowings	<u>(7,018)</u>	<u>(56,045)</u>
Net cash provided by financing activities	<u>292,982</u>	<u>113,955</u>
Net increase in cash	251,569	512,346
Balance at beginning of the year	<u>787,820</u>	<u>275,474</u>
Balance at end of the year	<u>\$1,039,389</u>	<u>\$ 787,820</u>
Supplemental disclosure:		
Interest paid during the year	<u>\$ 51,087</u>	<u>\$ 45,903</u>

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

LYDIA PATTERSON INSTITUTE  
SIGNIFICANT ACCOUNTING POLICIES

August 31, 2015 and 2014

DATE OF MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 4, 2016 the date when the financial statements were available to be issued.

Organization

Lydia Patterson Institute (the School) is a Texas non-profit corporation owned by the South Central Jurisdictional Conference of the United Methodist Church. The School provides English as a second language instruction and a school curriculum for grades 7 thru 12 at one facility in El Paso, Texas. It is accredited by the Southern Association of Colleges and Schools and the Texas Education Agency. The Institute is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Method of accounting

The financial statements of the School have been prepared utilizing the accrual basis of accounting.

Basis of presentation

Financial statement presentation follows the recommendations of the FASB ASC 958-205, Not-for-Profit Entities, Presentation of Financial Statements. Under FASB ASC 958-205, the School 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.

Revenue recognition

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

All 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 statement of activities as net assets released from restrictions.

Contributed services

The School receives services donated by individuals and organizations in carrying out the school's mission. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition under FASB ASC 958-605.

Investments

Investments in marketable securities with readily determinable fair values and all debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

### Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Cash and cash equivalents

The School considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows excludes endowment investment cash and cash equivalents.

### Property, equipment and improvements

Acquisitions of property and equipment in excess of \$500 are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method.

### Deferred tuition and fees

Deferred tuition and fees consist of tuition and registration fees received in the current year for the following school year.

### Endowment fund

The governing board of the School has self-imposed a restriction on the principal of the endowment investments that it will not be expended. The Board can lift all or part of the restriction at its discretion. Ordinary income from the endowment investments is unrestricted in its use.

### Advertising

The School follows the policy of charging the costs of advertising to expense as incurred. Advertising expense was \$12,252 and \$14,496 for the years ended August 31, 2015 and 2014, respectively.

### Income taxes

The school is exempt from federal and state income taxes under Internal Revenue Code Section 501 (c) (3) and Texas Revenue and Taxation Code.



LYDIA PATTERSON INSTITUTE  
NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

CASH AND EQUIVALENTS

Cash consists of the following as of August 31:

	<u>2015</u>	<u>2014</u>
Unrestricted:		
Operations	\$ 307,501	\$ 153,450
Restricted:		
Money market account	553,517	451,075
Designated funds	9,417	15,595
Escrow	159,869	158,596
Other	<u>9,085</u>	<u>9,104</u>
	<u>\$1,039,389</u>	<u>\$ 787,820</u>

RECEIVABLES

Receivables consist of the following as of August 31:

	<u>2015</u>	<u>2014</u>
Tuition	\$ --	\$ --
Employees	916	170
Other	<u>10,500</u>	<u>--</u>
	11,416	170
Allowance for uncollectible accounts	<u>--</u>	<u>--</u>
	<u>\$11,416</u>	<u>\$170</u>

Bad debt expense for the years ended August 31, 2015 and 2014 was \$414 and \$1,990 respectively. The School writes off receivables when they are deemed uncollectible.

INVESTMENTS

Investments are stated at fair value and are summarized as follows at August 31:

	<u>2015</u>		<u>2014</u>	
	<u>Cost</u>	<u>Fair value</u>	<u>Cost</u>	<u>Fair Value</u>
Money market funds	\$ 180,179	\$ 180,179	\$ 160,706	\$ 160,706
Mutual funds	2,946,435	3,252,349	2,893,758	3,464,558
Notes receivable	<u>644</u>	<u>644</u>	<u>632</u>	<u>632</u>
	<u>\$3,127,258</u>	<u>\$3,433,172</u>	<u>\$3,055,096</u>	<u>\$3,625,896</u>

## INVESTMENTS (Continued)

The following schedule summarizes the unrestricted net asset investment return and its classification in the statement of activities for the year ended August 31:

	<u>2015</u>	<u>2014</u>
Income	\$ 105,764	\$169,288
Investment fees	(8,936)	(9,830)
Unrealized net gain on endowment investments	<u>(245,401)</u>	<u>313,302</u>
Total investments return	<u><u>\$(148,573)</u></u>	<u><u>\$472,760</u></u>

## FAIR VALUE MEASUREMENTS

The Organization's investments are reported at fair value in the accompanying statement of net assets.

### Fair Value Measurements of Reporting Date Using:

	<u>Fair Value</u>	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant unobservable Inputs (Level 3)
August 31, 2015			
Mutual funds	\$3,252,349	\$3,252,349	\$ --
Money Market funds	180,179	180,179	--
Notes receivable	<u>644</u>	<u>--</u>	<u>644</u>
Total	<u><u>\$3,433,172</u></u>	<u><u>\$3,432,528</u></u>	<u><u>\$ 644</u></u>
August 31, 2014			
Mutual funds	\$3,464,558	\$3,464,558	\$ --
Money Market funds	160,706	160,706	--
Notes receivable	<u>632</u>	<u>--</u>	<u>632</u>
Total	<u><u>\$3,625,896</u></u>	<u><u>\$3,625,264</u></u>	<u><u>\$ 632</u></u>

FASB ASC 820, Fair Value Measurements, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1 inputs consists of unadjusted quoted market prices in active markets for identical assets and have the highest priority, and level 3 inputs have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No level 2 inputs were available to the Organization, and Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

FAIR VALUE MEASUREMENTS (Continued)

Level 1 Fair Value Measurements-The fair value of the mutual funds and money markets is based on quoted net assets values of the shares held by the Organization at year-end.

Level 3 Fair Value Measurements-The loans are not actively traded and significant other observable inputs are not available. The following table provides further details of the level 3 fair value measurements.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)

	<u>Investment Contract</u>	<u>Loans</u>	<u>Total</u>
August 31, 2015			
Beginning balance	\$ --	\$ 632	\$ 632
Total gains or losses (realized and unrealized) included in net assets	--	12	12
Purchases, sales, issuances, and settlements (net)	<u>--</u>	<u>--</u>	<u>--</u>
Ending balance	<u>\$ --</u>	<u>\$ 644</u>	<u>\$ 644</u>
August 31, 2014			
Beginning balance	\$ --	\$ 622	\$ 622
Total gains or losses (realized and unrealized) included in net assets	--	10	10
Purchases, sales, issuances, and settlements (net)	<u>--</u>	<u>--</u>	<u>--</u>
Ending balance	<u>\$ --</u>	<u>\$ 632</u>	<u>\$ 632</u>

PROPERTY, EQUIPMENT AND IMPROVEMENTS

Property, equipment and improvements consist of the following as of August 31:

	<u>2015</u>	<u>2014</u>
Land	\$ 903,587	\$ 903,587
JAE apartment property	245,000	--
Buildings and improvements	3,371,969	3,152,865
Furniture, fixtures and equipment	1,154,152	854,227
Vehicles	209,683	209,683
Library books	104,109	94,113
Textbooks	181,109	160,378
Master plan expenditures	<u>--</u>	<u>280,761</u>
	6,169,609	5,655,614
Less accumulated depreciation	<u>(2,369,552)</u>	<u>(2,217,774)</u>
	<u>\$3,800,057</u>	<u>\$3,437,840</u>

PROPERTY, EQUIPMENT AND IMPROVEMENTS (Continued)

Depreciation expense reported in the statement of activities for the year ended August 31, 2015 and 2014 was \$151,777 and \$98,366 respectively.

The School received donations of equipment valued at \$0 and \$0 for the year ended August 31, 2015 and 2014, respectively.

The School received donations of JAE apartments valued at \$245,000 and \$0 for the year ended August 31, 2015 and 2014, respectively.

Computer equipment utilized through Title Funds is owned by the El Paso Independent School District and is not reflected in the fixed assets of the school.

NOTES PAYABLE

Notes payable consist of the following as of August 31:

	<u>2015</u>	<u>2014</u>
Variable interest rate (prime plus 1/2%, 1.30% at 8/31/15) \$250,000 line of credit payable to the Texas Methodist Foundation. Accrued interest is payable monthly.	\$ 249,953	\$ 249,965
Variable interest rate (3.25% at 8/31/15) \$300,000 line of credit payable to the Texas Methodist Foundation. Accrued interest is payable monthly.	299,995	--
Variable interest rate (3.25% at 8/31/15) \$1,300,000 line of credit payable to the Texas Methodist Foundation. Accrued interest is payable monthly.	1,299,306	1,300,000
3.89% note payable to bank, secured by 2011 Buick. The note is payable in monthly installments of \$547, including interest.	<u>3,238</u>	<u>9,545</u>
	<u>\$1,852,492</u>	<u>\$1,559,510</u>

Aggregate maturities of the notes payable is summarized as follows:

Year ended August 31,

2016	\$1,852,492
2017	--
2018	<u>--</u>
	<u>\$1,852,492</u>

RELATED PARTY SUPPORT

The School as a member of the South Central Jurisdictional Conference (the Conference) of the United Methodist Church receives support from the Conference. The School received \$620,054 and \$603,037 during the years ended August 31, 2015 and 2014, respectively, which is reported as contributions in the statement of activities.

## RETIREMENT PLAN

The School has a defined contribution retirement plan whereby individual contracts with an insurance company are purchased for all full time non-clergy employees. The School's contributions are equal to 7% for 2015 and for 2014 of the annual salary of eligible employees, and 10% for the president. The contributions to this plan were \$84,949 and \$82,558 for the years ended August 31, 2015 and 2014, respectively.

The School contributes to a retirement plan established by the United Methodist Church for employees who are members of the clergy. The contributions to this plan were \$0 and \$0 for the years ended August 31, 2015 and 2014, respectively.

## TRUSTS

The School is beneficiary of the following trust funds which are not recorded on the books as of August 31:

	<u>2015</u>	<u>2014</u>
El Paso Community Foundation	\$ 15,168	\$ 16,469
Texas Methodist Foundation	134,220	123,330
Harold & Rebecca Harringer	63,209	66,713
James Edward & Willa Mae Price	21,199	23,027
G.B. Hamilton Fund	28,719	30,645
Allen, Estill Endowment	5,126	5,460
Steele Endowment Fund	25,630	27,210
Broughton United Methodist Church Memorial Fund	48,863	50,539
Ferguson Fund	336,287	358,696
Vaughn, Rev. Everetta Mildred Fund	25,562	27,474
El Paso Fund	65,534	70,965

Income from The Ferguson Fund is restricted for scholarships; all other income is unrestricted when received.

## FUNCTIONAL ALLOCATION OF EXPENSES

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

## CONCENTRATION OF CREDIT RISK FOR CASH HELD IN BANK

The School, on occasion, maintains cash balances in excess of \$250,000 in banks, which are insured by the Federal Deposit Insurance Corporation up to \$250,000. At August 31, 2015 and 2014, the School had uninsured cash balances in banks of approximately \$303,517 and \$201,075 respectively. The cash balances held at Texas Methodist Foundation are not insured, and at August 31, 2015 and 2014, the School had uninsured cash balances of \$9,788 and \$15,963 respectively.

## RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes at August 31:

	<u>2015</u>	<u>2014</u>
Scholarships	\$120,659	\$ 83,297
Capital Campaign	652,219	504,510
Baker Scholarship	10,000	10,000
Miscellaneous	<u>6,525</u>	<u>28,061</u>
	<u>\$789,403</u>	<u>\$ 625,868</u>

## RECLASSIFICATION

Certain amounts in 2014 have been reclassified to conform to the 2015 presentation.

## INCOME TAXES

The School files income tax returns in the U.S. federal jurisdiction. The School is no longer subject to the U.S. federal income tax examination by tax authorities for years before 2011.

## COMPENSATED ABSENCES

Compensated absences for sick pay and personal time have not been accrued since they cannot be reasonably estimated. The Schools policy is to recognize these costs when actually paid.

SUPPLEMENTARY INFORMATION

LYDIA PATTERSON INSTITUTE

COMPARISON OF BUDGET WITH SUPPORT AND REVENUE

Years ended August 31, 2015 and 2014

	2015		Budget Variance	2014 Actual
	Budget	Actual	Favorable (Unfavorable)	
Support and revenue:*				
Education and general:				
Contributions:				
United Methodist Church	\$ 603,500	\$ 620,054	\$ 16,554	\$ 624,944
Other	155,800	125,879	(29,921)	164,952
Scholarships	315,000	288,637	(26,363)	138,047
Tuition	1,379,000	1,296,099	(82,901)	1,256,872
Registration fees	120,000	96,690	(23,310)	93,770
Endowment income	115,800	105,764	(10,036)	169,288
Miscellaneous	<u>20,000</u>	<u>31,037</u>	<u>11,037</u>	<u>13,625</u>
Total education and general	2,709,100	2,564,160	(144,940)	2,461,498
Auxiliary enterprises:				
Food services	<u>225,000</u>	<u>239,643</u>	<u>14,643</u>	<u>221,446</u>
Total support and revenue	<u>\$2,934,100</u>	<u>\$2,803,803</u>	<u>\$(130,297)</u>	<u>\$2,682,944</u>

\*Support and revenue includes unrestricted portion only.



LYDIA PATTERSON INSTITUTE  
COMPARISON OF BUDGET WITH EXPENSES

Years ended August 31, 2015 and 2014

	2015		Budget Variance	
	Budget	Actual	Favorable (Unfavorable)	2014 Actual
Operating fund:				
Education and general:				
Instruction:				
Salaries	\$ 929,977	\$ 924,914	\$ 5,063	\$ 920,605
Supplies and equipment	21,000	28,985	(7,985)	19,334
Instructional materials	22,250	15,611	6,639	11,582
Other	40,800	59,569	(18,769)	68,106
Total instruction	1,014,027	1,029,079	(15,052)	1,019,627
Library:				
Salaries	20,305	22,022	(1,717)	1,562
Books, supplies and equipment	2,000	3,343	(1,343)	236
Total library	22,305	25,365	(3,060)	1,798
Athletic Department:				
Equipment and program	25,000	25,159	(159)	19,818
Salaries	22,900	21,500	1,400	20,300
Total Athletic Department	47,900	46,659	1,241	40,118
Student aid:				
Scholarships	260,000	292,717	(32,717)	301,589
Food service:				
Food	150,000	159,804	(9,804)	123,977
Salaries	32,431	31,519	912	31,199
Supplies and other	9,200	10,045	(845)	9,921
Total food service	191,631	201,368	(9,737)	165,097
General and administration:				
Salaries	320,133	322,368	(2,235)	310,509
Travel and transportation	35,000	21,607	13,393	18,549
Board meeting expense	5,000	4,959	41	2,975
Telephone	19,000	17,597	1,403	17,384
Supplies and equipment	20,000	13,989	6,011	18,772
Promotion	19,000	11,375	7,625	14,436
Other	20,500	53,159	(32,659)	41,107
Total general and administration	438,633	445,054	(6,421)	423,732

(CONTINUED)

LYDIA PATTERSON INSTITUTE

COMPARISON OF BUDGET WITH EXPENSES

Years ended August 31, 2015 and 2014

	2015		Budget Variance	2014 Actual
	Budget	Actual	Favorable (Unfavorable)	
Student Life:				
Salaries	40,483	40,483	--	43,917
Supplies	<u>10,500</u>	<u>--</u>	<u>10,500</u>	<u>--</u>
Total student life	<u>50,983</u>	<u>40,483</u>	<u>10,500</u>	<u>43,917</u>
Religious Life:				
Salaries	42,436	37,948	4,488	41,200
Supplies	6,000	1,272	4,728	9,178
Retreats	<u>7,000</u>	<u>8,590</u>	<u>(1,590)</u>	<u>9,086</u>
Total religious life	<u>55,436</u>	<u>47,810</u>	<u>7,626</u>	<u>59,464</u>
Education and general:				
Fund raising:				
Salaries	51,000	51,000	--	51,000
Supplies and equipment	12,000	13,033	(1,033)	11,736
Travel	14,000	17,219	(3,219)	14,687
Developmental office	26,000	20,737	5,263	12,311
Advertising and mailings	<u>7,000</u>	<u>2,619</u>	<u>4,381</u>	<u>2,817</u>
Total fund raising	<u>110,000</u>	<u>104,608</u>	<u>5,392</u>	<u>92,551</u>
Employee benefits:				
Payroll taxes	118,318	115,738	2,580	110,418
Group insurance	110,000	110,768	(768)	111,073
Workers comp insurance	18,000	16,797	1,203	13,607
Pensions	102,121	84,949	17,172	82,588
Housing allowance and other	<u>6,000</u>	<u>4,375</u>	<u>1,625</u>	<u>5,001</u>
Total employee benefits	<u>354,439</u>	<u>332,627</u>	<u>21,812</u>	<u>322,687</u>

LYDIA PATTERSON INSTITUTE  
COMPARISON OF BUDGET WITH EXPENSES

Years ended August 31, 2015 and 2014

	2015			
	<u>Budget</u>	<u>Actual</u>	<u>Budget Variance</u>	<u>2014 Actual</u>
			<u>Favorable (Unfavorable)</u>	
Facilities:				
Utilities	66,440	74,025	(7,585)	75,947
Repairs and improvements	57,500	43,081	14,419	47,524
Salaries	89,712	78,409	11,303	65,871
Insurance	63,000	63,357	(357)	55,688
Supplies and equipment	28,000	27,138	862	22,809
Other	<u>40,000</u>	<u>26,920</u>	<u>13,710</u>	<u>53,746</u>
Total facilities	<u>344,652</u>	<u>312,930</u>	<u>31,722</u>	<u>321,585</u>
Total expenditures	<u>\$2,890,006</u>	<u>*\$2,878,700</u>	<u>\$ 11,306</u>	<u>*\$2,792,165</u>
Total support and revenue				
Over expenditures	<u>\$ 44,094</u>	<u>\$ (74,897)</u>	<u>\$ (118,991)</u>	<u>\$ (109,221)</u>

\*Depreciation and capital campaign expense are not included since the School does not include it in their budget.