THE INTERFAITH CENTER ON CORPORATE RESPONSIBILITY

AUDITED FINANCIAL STATEMENTS
AND
LETTER COMMUNICATING THAT NO MATERIAL WEAKNESSES WERE IDENTIFIED

DECEMBER 31, 2014

BCA WATSON RICE LLP
CERTIFIED PUBLIC ACCOUNTANTS

THE INTERFAITH CENTER ON CORPORATE RESPONSIBILITY

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THE INTERFAITH CENTER ON CORPORATE RESPONSIBILITY

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

BCA WATSON RICE LLP
CERTIFIED PUBLIC ACCOUNTANTS

THE INTERFAITH CENTER ON CORPORATE RESPONSIBILITY
DECEMBER 31, 2014 AND 2013

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BCA Watson Rice LLP
Certified Public Accountants and Advisors

5 Penn Plaza
New York, NY 10001
www.bcawatsonrice.com

Telephone: 212.447.7300
Fascimile: 212.683.6031

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Interfaith Center on Corporate Responsibility
New York, New York

Report on the Financial Statements

We have audited the accompanying financial statements of The Interfaith Center on Corporate Responsibility which comprise the statements of financial position as of December 31, 2014 and 2013, 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.

Auditor's 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Interfaith Center on Corporate Responsibility as of December 31, 2014 and 2013, 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.

New York, New York
May 8, 2015

BCA Watson Rice LLP

THE INTERFAITH CENTER ON CORPORATE RESPONSIBILITY
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2014 AND 2013

	2014	2013
Assets		
Cash and cash equivalents (Note 3)	$ 295,234	$ 186,602
Accounts receivable (Note 4)	18,800	45,968
Grants receivable	-	36,667
Prepaid expenses	23,821	21,655
Investments (Notes 5 and 6)	1,311,732	1,315,050
Property and equipment - net (Note 7)	18,948	11,889
Total Assets	$ 1,668,535	$ 1,617,831
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued liabilities (Note 8)	$ 82,900	$ 98,985
Deferred revenue	9,325	-
Liability for HIPR benefits (Note 10)	127,500	126,900
Total Liabilities	219,725	225,885
Net Assets (Deficit) (Note 9):		
Unrestricted:		
Board-designated	63,588	63,588
Undesignated	(129,841)	(181,330)
Total unrestricted	(66,253)	(117,742)
Temporarily restricted	643,313	637,938
Permanently restricted	871,750	871,750
Total Net Assets	1,448,810	1,391,946
Total Liabilities and Net Assets	$ 1,668,535	$ 1,617,831

See notes to financial statements.

THE INTERFAITH CENTER ON CORPORATE RESPONSIBILITY
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues				
Member dues	$ 937,377	$ -	$ -	$ 937,377
Contributions	70,622	-	-	70,622
Grants	263,502	203,331	-	466,833
Special event - net of $39,357 in direct expenses (Note 14)	493,768	-	-	493,768
Events and conferences	41,271	-	-	41,271
Publications and subscriptions	5,961	-	-	5,961
Net investment earnings and gains (Note 5)	-	45,665	-	45,665
Interest income	131	-	-	131
Other revenues	13,399	-	-	13,399
Net assets released from restrictions (Note 9)	243,621	(243,621)	-	-
Total Revenues	2,069,652	5,375	-	2,075,027
Expenses				
Program expenses	1,383,874	-	-	1,383,874
Management and general	515,487	-	-	515,487
Fundraising	118,802	-	-	118,802
Total Expenses	2,018,163	-	-	2,018,163
Changes in Net Assets (Deficit)	51,489	5,375	-	56,864
Net Assets (Deficit), Beginning of Year	(117,742)	637,938	871,750	1,391,946
Net Assets (Deficit), End of Year	$ (66,253)	$ 643,313	$ 871,750	$ 1,448,810

See notes to financial statements.

THE INTERFAITH CENTER ON CORPORATE RESPONSIBILITY
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues				
Member dues	$ 871,381	$ -	$ -	$ 871,381
Contributions	52,748	-	-	52,748
Grants	37,667	194,638	-	232,305
Special event - net of $42,880 in direct expenses (Note 14)	479,145	-	-	479,145
Events and conferences	58,274	-	-	58,274
Publications and subscriptions	11,692	-	-	11,692
Net investment earnings and gains (Note 5)	-	221,379	-	221,379
Interest income	157	-	-	157
Other revenues	8,747	-	-	8,747
Net assets released from restrictions (Note 9)	239,275	(239,275)	-	-
Total Revenues	1,759,086	176,742	-	1,935,828
Expenses				
Program expenses	963,727	-	-	963,727
Management and general	496,838	-	-	496,838
Fundraising	120,837	-	-	120,837
Total Expenses	1,581,402	-	-	1,581,402
Changes in Net Assets (Deficit)	177,684	176,742	-	354,426
Net Assets (Deficit), Beginning of Year	(295,426)	461,196	871,750	1,037,520
Net Assets (Deficit), End of Year	$ (117,742)	$ 637,938	$ 871,750	$ 1,391,946

See notes to financial statements.

THE INTERFAITH CENTER ON CORPORATE RESPONSIBILITY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2014

Expense Classification	Program Expenses	Management and General	Fundraising	Total
Salaries and other personnel costs	$ 998,504	$ 394,359	$ 97,920	$ 1,490,783
Rent	66,129	30,934	1,984	99,047
Consultants	88,858	-	-	88,858
Legal expenses	5,775	9,300	-	15,075
Events and conferences	46,003	3,700	-	49,703
Publications	25,633	-	4,765	30,398
Information and technology	56,734	14,255	9,604	80,593
Travel and meeting expenses	56,521	3,980	1,678	62,179
Office expenses	29,963	26,120	2,851	58,934
Administrative expenses	7,724	28,356	-	36,080
Capacity building	2,030	541	-	2,571
Depreciation and amortization expenses	-	3,942	-	3,942
Total Expenses	$ 1,383,874	$ 515,487	$ 118,802	$ 2,018,163

See notes to financial statements.

THE INTERFAITH CENTER ON CORPORATE RESPONSIBILITY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2013

Expense Classification	Program Expenses	Management and General	Fundraising	Total
Salaries and other personnel costs	$ 640,222	$ 350,791	$ 97,744	$ 1,088,757
Rent	65,809	31,458	2,149	99,416
Consultants	49,767	2,600	-	52,367
Legal expenses	2,675	5,469	-	8,144
Events and conferences	63,636	7,695	-	71,331
Publications	33,723	-	8,465	42,188
Information and technology	28,289	10,794	7,934	47,017
Travel and meeting expenses	50,584	9,767	1,866	62,217
Office expenses	25,512	21,192	2,679	49,383
Administrative expenses	-	35,591	-	35,591
Capacity building	997	721	-	1,718
Depreciation and amortization expenses	2,513	-	-	2,513
Miscellaneous expenses	-	20,760	-	20,760
Total Expenses	$ 963,727	$ 496,838	$ 120,837	$ 1,581,402

See notes to financial statements.

THE INTERFAITH CENTER ON CORPORATE RESPONSIBILITY
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
Cash Flows From Operating Activities		
Changes in net assets	$ 56,864	$ 354,426
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Net realized and unrealized (gains) losses	3,318	(173,604)
Depreciation and amortization expenses	3,942	2,513
(Increase)/decrease in assets:		
Accounts receivable	27,168	5,800
Grants receivable	36,667	(16,667)
Prepaid expenses	(2,166)	(5,991)
Increase/(decrease) in liabilities:		
Accounts payable and accrued liabilities	(16,085)	(64,409)
Deferred revenue	9,325	-
Liability for HIPR benefits	600	(235,300)
Net cash provided by (used in) operating activities	119,633	(133,232)
Cash Flows From Investing Activities		
Additions to property and equipment	(11,001)	(14,402)
Cash Flows From Financing Activities		
Payment of loan	-	(50,000)
Net Increase (Decrease) in Cash and Cash Equivalents	108,632	(197,634)
Cash and Cash Equivalents, Beginning of Year	186,602	384,236
Cash and Cash Equivalents, End of Year	$ 295,234	$ 186,602
Supplemental Disclosure of Cash Flow Information		
Interest paid	$ -	$ 1,000

See notes to financial statements.

1. ORGANIZATION

The Interfaith Center on Corporate Responsibility ("ICCR") was founded in 1971. As of December 31, 2014 and 2013, it has 70 and 73 members, respectively, representing Protestant, Roman Catholic and Jewish institutional investors. These members elect ICCR's Governing Board. It also has 30 and 26 associate organizations as of December 31, 2014 and 2013, respectively, representing socially responsible mutual funds, investment managers, pension funds and foundations. Finally, it has 70 and 65 affiliate organizations as of December 31, 2014 and 2013, respectively, which support its corporate responsibility work. It is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the United States Internal Revenue Code. ICCR has no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

ICCR assists its members in the coordination of their ethical and corporate responsibility programs. ICCR and its members utilize dialogue with corporate management and public campaigns to challenge corporate irresponsibility. ICCR's corporate responsibility campaigns in 2014 and 2013 involved challenging companies to support sustainable wages and safe working conditions with companies to ensure access to safe and sustainable water supplies, encourage the development of more sustainable food systems, ensure wages and safe working conditions in their supplies chains, to respect human rights in all their operations, to protect the environment from toxic emissions, to promote strong corporate governance including reducing excessive compensation and increasing diversity on corporate boards, to ensure global access to life-saving pharmaceuticals, to ask companies to provide quality, affordable health care for all employees, to advocate for stronger policies to ensure sound capital markets and encouraging transparent, integrated sustainability report across all sectors.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

The financial statements of ICCR have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

b. Basis of Presentation

ICCR reports 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. Accordingly, the ICCR's net assets are classified and reported as follows:

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

b. Basis of Presentation – Continued

1. Unrestricted net assets – consist of assets that are neither permanently nor temporarily restricted by donor-imposed stipulations. ICCR's unrestricted assets are provided by general contributions and donations that are not specifically designated by donors, revenues from Corporate Examiner subscriptions, and sale of Proxy books and other literature.

2. Temporarily restricted net assets – consist of assets whose use by the organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the organization. ICCR's temporarily restricted net assets include all pledges and contributions designated for program activities.

3. Permanently restricted net assets – consist of assets whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by the actions of organization.

c. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

d. Contributions

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

e. Compensated Absences

ICCR accrues for the liability of vacation and sick pay which its employees have earned but not yet used, in accordance with the terms of its collective bargaining agreement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

f. Expense Allocation

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of ICCR.

g. Property and Equipment

Property and equipment is depreciated on a straight-line basis over the estimated useful lives of the assets. Expenditures for leasehold improvements are capitalized and amortized using the straight-line method over the shorter of the estimated useful life of the specific asset or the term of the lease.

h. Endowment Funds

ICCR's permanently restricted net assets consist of an endowment gift from the Fabunmi Trust and matching funds raised by ICCR. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

ICCR's Board of Directors has interpreted the New York Prudent Management of Institutional Funds Act ("NYPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, ICCR classifies as permanently restricted net assets (a) the original value of gift donated to the permanent endowment, (b) the original value of subsequent gift to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by ICCR in a manner consistent with the standard of prudence prescribed by NYPMIFA.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

h. Endowment Funds – Continued

In accordance with NYPMIFA, ICCR considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of ICCR, and (7) ICCR's investment policies.

Investment Return Objectives, Risk Parameters and Strategies. ICCR had adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 4% while growing the funds if possible. Therefore, ICCR expects its endowment assets, over time, to produce an average rate of return of approximately 6% annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending Policy. ICCR shall expend income and appreciation on the fund on a total return basis in accordance with standards applicable under the New York State Not-for-Profit Corporation Law and the NYPMIFA at a percentage of total return deemed prudent by the board. In establishing this policy, ICCR considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. ICCR expects the current spending policy to allow its endowment funds to grow at a nominal average rate of 6% annually. This is consistent with the ICCR's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include demand deposits and money market funds, except for those money market funds managed by ICCR's external investment managers as part of their long-term investments.

ICCR maintains cash balances at various financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $250,000. There were no uninsured cash balances at December 31, 2014 and 2013.

The following is the composition of cash and cash equivalents at December 31, 2014 and 2013:

	2014	2013
Chase Manhattan Bank:		
Business Checking Account No. 091-5003989-65	$ 238,420	$ 129,265
Business Money Market Account No. 091-5003997-65	2,788	1,139
Business Money Market Account No. 091-6086651-66	1,566	3,841
Amalgamated Bank:		
Money Market Account No. 124600291	10,472	10,497
Carver Federal Savings Bank:		
Business Money Market Account No. 801082200	31,551	31,421
Urban Partnership Bank:		
Money Market Account No. 8100005258	10,437	10,439
Total	$ 295,234	$ 186,602

4. ACCOUNTS RECEIVABLE

This account consists of outstanding faith based member dues, associate member dues and affiliate member dues receivable, as follows:

	2014	2013
Faith based member dues receivable	$ 1,367	$ 17,018
Associate member dues receivable	12,500	11,100
Affiliate member dues receivable	4,933	17,850
Total	$ 18,800	$ 45,968

5. INVESTMENTS

The following is the composition of investments at December 31, 2014 and 2013:

	2014		2013	
	Cost	Fair Value	Cost	Fair Value
TD Ameritrade:				
Mutual funds	$ 527,992	$ 529,686	$ 452,505	$ 457,664
Money market account	1,369	1,369	1,768	1,768
Charles Schwab Institutional:				
Equities	85,449	535,073	438,135	849,301
Money market funds	5,400	5,400	6,317	6,317
Boston Common:				
Mutual funds	263,000	240,204	-	-
Total	$ 883,210	$ 1,311,732	$ 898,725	$ 1,315,050

The net investment earnings, gains and losses for the years ended December 31, 2014 and 2013 consist of the following:

	2014	2013
Interest and dividends	$ 33,908	$ 26,711
Net realized and unrealized gains	11,757	194,668
Net investment earnings and gains	$ 45,665	$ 221,379

6. FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis at December 31, 2014 and 2013 are as follows:

	2014		2013	
	Fair Value	Level 1	Fair Value	Level 1
TD Ameritrade:				
Mutual funds	$ 529,686	$ 529,686	$ 457,664	$ 457,664
Money market account	1,369	1,369	1,768	1,768
Charles Schwab Institutional:				
Equities	535,073	535,073	849,301	849,301
Money market funds	5,400	5,400	6,317	6,317
Boston Common:				
Mutual funds	240,204	240,204	-	-
Total	$ 1,311,732	$ 1,311,732	$ 1,315,050	$ 1,315,050

6. FAIR VALUE MEASUREMENTS – CONTINUED

Fair values of investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

7. PROPERTY AND EQUIPMENT

During 2014 and 2013, ICCR acquired office computers and office equipment.

The following is the composition of property and equipment at December 31, 2014 and 2013:

	2014	2013
Computer equipment	$ 193,122	$ 182,121
Office machines	42,582	42,582
Leasehold improvements	26,106	26,106
Total	261,810	250,809
Less: Accumulated depreciation and amortization	242,862	238,920
Total	$ 18,948	$ 11,889

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following:

	2014	2013
Accrued salaries and vacation	$ 48,965	$ 42,210
Professional service fees	-	9,450
Accrued health insurance	-	24,887
Accounts payable - various suppliers	33,935	22,438
Total	$ 82,900	$ 98,985

9. NET ASSETS

Unrestricted Net Assets

The unrestricted net assets had a net deficit of $66,253 and $117,742 at December 31, 2014 and 2013, respectively. Over the years, the Board designated certain fund for specific purpose, which had the following balances as of December 31, 2014 and 2013:

	2014	2013
Employee Separation Reserve	$ 63,588	$ 63,588

9. NET ASSETS – CONTINUED

Unrestricted Net Assets – Continued

The existence of the board-designated funds resulted in undesignated net deficit of $129,841 and $181,330 at December 31, 2014 and 2013, respectively. Management is addressing the net deficit by prudent reduction in expenses, with particular attention to HIPR benefits. A reduction in liability for HIPR benefits of $235,300 in 2013 helped reduce the deficit. In addition, a comprehensive grant seeking approach has been put into place since 2012. In 2014 ICCR obtained $195,000 for 2015 grant period which made it a 2nd consecutive year funding from Humanity United Foundation. In April 2015, ICCR obtained $150,000 grant from Robert Wood Johnson Foundation which made its 3rd consecutive year of funding with the average of $200,000 per year.

Temporarily Restricted Net Assets

Temporarily restricted net assets include grants and program-related contributions with donor-imposed stipulations and the remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets.

Temporarily restricted net assets at December 31, 2014 and 2013 consist of the following:

	2014	2013
Endowment net assets	$ 439,982	$ 443,300
Grants - Humanity United	195,000	194,638
Grants - Robert Wood Johnson Foundation	8,331	-
Total	$ 643,313	$ 637,938

During each year, net assets released from restrictions were for the following:

	2014	2013
Endowment net assets	$ 48,983	$ 47,775
Grants - Humanity United	194,638	-
Grants - Robert Wood Johnson Foundation	-	167,000
Program-related contributions	-	24,500
Total	$ 243,621	$ 239,275

Permanently Restricted Net Assets

Permanently restricted net assets consisted of endowment funds in the amount of $871,750 as of December 31, 2014 and 2013.

9. NET ASSETS – CONTINUED

Donor-Restricted Endowment Net Assets

The composition of and changes in donor-restricted endowment net assets as of and for the years ended December 31, 2014 and 2013 are as follows:

	2014		
	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ 443,300	$ 871,750	$ 1,315,050
Interest and dividends	33,908	-	33,908
Net realized and unrealized gains	11,757	-	11,757
Amounts appropriated for expenditure	(48,983)	-	(48,983)
Endowment net assets, end of year	$ 439,982	$ 871,750	$ 1,311,732

	2013		
	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ 269,696	$ 871,750	$ 1,141,446
Interest and dividends	26,711	-	26,711
Net realized and unrealized gains	194,668	-	194,668
Amounts appropriated for expenditure	(47,775)	-	(47,775)
Endowment net assets, end of year	$ 443,300	$ 871,750	$ 1,315,050

10. RETIREMENT PLAN AND OTHER BENEFITS

The Governing Board of ICCR established a 403(b) pension plan through the Teachers Insurance and Annuity Association – College Retirement Equity Fund ("TIAA-CREF"). The plan requires ICCR to contribute an amount equivalent to 11% of the annual compensation for certain eligible employees, or 18.65% of the annual compensation for ordained employees who are considered self-employed, as defined in Article IV of the Federal Social Security Act. For the years ended December 31, 2014 and 2013, contributions to the plan amounted to $122,782 and $113,992, respectively.

10. RETIREMENT PLAN AND OTHER BENEFITS – CONTINUED

ICCR also provides certain health care benefits for retired employees in accordance with the National Council of Churches of Christ's (the "Council") health benefit plan. Following are the eligibility requirements for post-retirement health benefits as provided for in ICCR's collective bargaining agreement with its employees:

Employees hired before April 1, 1995	Age 55 and 15 years of service
Employees hired after April 1, 1995	Age 55, 25 years of service and 15 years in the medical plan

An employee hired after April 1, 1995, who is laid off at age 60 or older with at least 20 years of participation in the medical plan maintained by the Council, will be treated as if he/she had 25 years of such participation and will therefore be entitled to receive post-retirement health benefits under the plan.

At January 1, 2014, ICCR's accumulated post-retirement benefit obligation was determined to be $127,500 at 4.5% discount rate. ICCR decided to amortize its accumulated post-retirement benefit obligation over a 20-year period. The components of its post-retirement benefit cost consisted of:

Service cost	$	5,300
Interest cost		6,100
Amortization of (20 years) transition obligation		12,000
Amortization of cumulative loss		5,400
Net post-retirement benefit cost	$	28,800

Health insurance post-retirement (HIPR) benefit obligations and funded status:

Accumulated post-retirement benefit obligation (APBO) at January 1, 2015:

Retirees	$	13,300
Actives eligible for benefits		44,900
Actives not yet eligible		69,300
Accumulated post-retirement benefit obligation	$	127,500

11. EXPENSES

Below are total expenses and percentages of expenses charged to program and supporting services for the years ended December 31, 2014 and 2013:

	2014		2013	
	Amount	**Percent**	**Amount**	**Percent**
Program expenses	$ 1,383,874	68%	$ 963,727	61%
Management and general	515,487	26%	496,838	31%
Fundraising	118,802	6%	120,837	8%
Total	$ 2,018,163	100%	$ 1,581,402	100%

12. OPERATING LEASE COMMITMENTS

In May 2013, ICCR entered into a new lease agreement with The Interchurch Center. It is a five-year, one-month lease agreement with an annual rental cost of $98,222. As of December 31, 2014, the future minimum rental payments required under this operating lease are as follows:

Year Ending December 31,	Amount
2015	$ 100,678
2016	100,678
2017	100,678
2018	50,339
Total	$ 352,373

13. IN-KIND CONTRIBUTIONS

ICCR receives in-kind contributions from its members consisting of unreimbursed travel and other expenses. No contribution amounts have been reflected in the financial statements since the recognition criteria were not met. Following is the composition of these expenses for the years ended December 31, 2014 and 2013:

	2014	2013
Travel and meeting expenses	$ 150,709	$ 121,004
Office supplies and other expenses	5,638	18,355
Postage and other communication expenses	1,037	1,154
Total	$ 157,384	$ 140,513

14. SPECIAL EVENT

Special event represents net proceeds from the awards dinner held on October 2, 2014 for 2014 and September 26, 2013 for 2013. Revenues and direct expenses were as follows:

	2014	2013
Revenues	$ 533,125	$ 522,025
Less: Direct expenses	(39,357)	(42,880)
Net Proceeds	$ 493,768	$ 479,145

15. EVALUATION OF SUBSEQUENT EVENTS

ICCR has evaluated subsequent events through May 8, 2015, the date the financial statements were available to be issued.

II. Letter Communicating That No Material Weaknesses Were Identified

BCA Watson Rice LLP
Certified Public Accountants and Advisors

5 Penn Plaza
New York, NY 10001
www.bcawatsonrice.com

Telephone: 212.447.7300
Fascimile: 212.683.6031

The Management, Board of Directors
and Finance Committee of
The Interfaith Center on Corporate Responsibility

In planning and performing our audit of the financial statements of The Interfaith Center on Corporate Responsibility ("ICCR") as of and for the year ended December 31, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered ICCR's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ICCR's internal control. Accordingly, we do not express an opinion on the effectiveness of ICCR's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, Board of Directors and Finance Committee and is not intended to be, and should not be, used by anyone other than these specified parties.

New York, New York
May 8, 2015

BCA Watson Rice LLP