THE CENTER FOR EFFECTIVE PHILANTHROPY, INC.

FINANCIAL STATEMENTS

Years Ended December 31, 2012 and 2011

THE CENTER FOR EFFECTIVE PHILANTHROPY, INC.

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Years Ended December 31, 2012 and 2011

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JOHNSON O'CONNOR
FERON & CARUCCI LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Center for Effective Philanthropy, Inc.
Cambridge, Massachusetts

We have audited the accompanying financial statements of The Center for Effective Philanthropy, Inc. which comprise the statements of financial position as of December 31, 2012 and 2011, 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 U.S. generally accepted accounting principles; 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 U.S. generally accepted auditing standards. Those standards require that we plan and perform our 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 misstatements 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 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 Center for Effective Philanthropy, Inc. as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Johnson O'Connor Feron & Carucci LLP

Wakefield, Massachusetts
April 29, 2013

THE CENTER FOR EFFECTIVE PHILANTHROPY, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2012

	Total	Unrestricted	Temporarily Restricted
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	$ 2,358,740	$ 646,102	$ 1,712,638
Investments	2,618,075	2,618,075	-
Accounts receivable	435,219	435,219	-
Pledges receivable, current portion	1,832,288	-	1,832,288
Prepaid expenses	75,030	75,030	-
Total current assets	7,319,352	3,774,426	3,544,926
PROPERTY AND EQUIPMENT, NET	150,634	150,634	-
OTHER ASSETS:			
Pledges receivable, net of current portion	557,295	-	557,295
Security deposits	40,870	40,870	-
	598,165	40,870	557,295
	$ 8,068,151	$ 3,965,930	$ 4,102,221
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts payable and accrued expenses	$ 313,999	$ 313,999	$ -
Deferred revenue	387,702	387,702	-
Total current liabilities	701,701	701,701	-
NET ASSETS:			
Unrestricted	3,264,229	3,264,229	-
Temporarily restricted	4,102,221	-	4,102,221
Total net assets	7,366,450	3,264,229	4,102,221
	$ 8,068,151	$ 3,965,930	$ 4,102,221

See notes to financial statements.

THE CENTER FOR EFFECTIVE PHILANTHROPY, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2011

	Total	Unrestricted	Temporarily Restricted
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	$ 2,579,656	$ 2,204,511	$ 375,145
Investments	1,419,984	1,419,984	-
Accounts receivable	334,985	334,985	-
Pledges receivable, current portion	405,000	-	405,000
Prepaid expenses	31,610	31,610	-
Total current assets	4,771,235	3,991,090	780,145
PROPERTY AND EQUIPMENT, NET	165,166	165,166	-
OTHER ASSETS:			
Pledges receivable, net of current portion	235,762	-	235,762
Security deposits	40,870	40,870	-
	276,632	40,870	235,762
	$ 5,213,033	$ 4,197,126	$ 1,015,907
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts payable and accrued expenses	$ 364,911	$ 364,911	$ -
Deferred revenue	955,391	955,391	-
Total current liabilities	1,320,302	1,320,302	-
NET ASSETS:			
Unrestricted	2,876,824	2,876,824	-
Temporarily restricted	1,015,907	-	1,015,907
Total net assets	3,892,731	2,876,824	1,015,907
	$ 5,213,033	$ 4,197,126	$ 1,015,907

See notes to financial statements.

THE CENTER FOR EFFECTIVE PHILANTHROPY, INC.

STATEMENT OF ACTIVITIES

Year Ended December 31, 2012

	Total	Unrestricted	Temporarily Restricted
REVENUE AND SUPPORT:			
Grants and contributions -			
General operations	$ 6,410,285	$ 1,020,500	$ 5,389,785
Net assets released from restrictions	-	2,303,471	(2,303,471)
Total grants and contributions	6,410,285	3,323,971	3,086,314
Earned revenue -			
Assessment tools	3,160,254	3,160,254	-
Speaking engagement fees	10,250	10,250	-
Investment income	7,446	7,446	-
CEP conference fees	-	-	-
Total earned revenue	3,177,950	3,177,950	-
Total revenue and support	9,588,235	6,501,921	3,086,314
EXPENSES:			
Program services	4,855,753	4,855,753	-
Supporting services -			
Management and general	1,156,137	1,156,137	-
Fundraising	102,626	102,626	-
Total supporting services	1,258,763	1,258,763	-
Total expenses	6,114,516	6,114,516	-
Change in net assets	3,473,719	387,405	3,086,314
NET ASSETS - BEGINNING OF YEAR	3,892,731	2,876,824	1,015,907
NET ASSETS - END OF YEAR	$ 7,366,450	$ 3,264,229	$ 4,102,221

See notes to financial statements.

THE CENTER FOR EFFECTIVE PHILANTHROPY, INC.

STATEMENT OF ACTIVITIES

Year Ended December 31, 2011

	Total	Unrestricted	Temporarily Restricted
REVENUE AND SUPPORT:			
Grants and contributions -			
General operations	$ 2,227,983	$ 1,842,915	$ 385,068
Net assets released from restrictions	-	1,082,912	(1,082,912)
Total grants and contributions	2,227,983	2,925,827	(697,844)
Earned revenue -			
Assessment tools	3,691,087	3,691,087	-
Speaking engagement fees	7,000	7,000	-
Investment income	19,621	19,621	-
CEP conference fees	292,700	292,700	-
Total earned revenue	4,010,408	4,010,408	-
Total revenue and support	6,238,391	6,936,235	(697,844)
EXPENSES:			
Program services	5,160,185	5,160,185	-
Supporting services -			
Management and general	1,105,092	1,105,092	-
Fundraising	96,646	96,646	-
Total supporting services	1,201,738	1,201,738	-
Total expenses	6,361,923	6,361,923	-
Change in net assets	(123,532)	574,312	(697,844)
NET ASSETS - BEGINNING OF YEAR	4,016,263	2,302,512	1,713,751
NET ASSETS - END OF YEAR	$ 3,892,731	$ 2,876,824	$ 1,015,907

See notes to financial statements.

THE CENTER FOR EFFECTIVE PHILANTHROPY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2012

	Total Expenses	Program Services	Management and General	Fundraising
PERSONNEL AND RELATED:				
Salaries	$ 3,483,569	$ 2,775,958	$ 634,836	$ 72,775
Fringe benefits	419,552	333,997	76,756	8,799
Payroll taxes	257,147	205,245	46,564	5,338
Total personnel and related	4,160,268	3,315,200	758,156	86,912
OCCUPANCY:				
Rent	368,844	307,825	56,705	4,314
Telephone/internet/telecom	83,100	69,467	12,702	931
Utilities	30,428	25,411	4,662	355
Total occupancy	482,372	402,703	74,069	5,600
OTHER:				
Professional/consulting fees	633,505	511,356	119,882	2,267
Travel	161,473	114,946	44,579	1,948
Computer related expenses	128,809	97,756	30,161	892
Depreciation	108,271	90,360	16,645	1,266
Meals	72,675	35,601	36,715	359
Printing	65,935	61,293	4,543	99
Dues and subscriptions	61,230	42,791	18,056	383
Equipment rental and maintenance	59,712	50,089	8,943	680
Postage and delivery	54,258	49,775	2,842	1,641
Office supplies	43,079	29,560	13,160	359
Professional development	32,104	20,255	11,849	-
Survey administration	21,125	16,125	5,000	-
Advertising	10,912	9,158	1,754	-
Miscellaneous	10,344	8,785	1,339	220
Insurance	8,444	-	8,444	-
CEP conference expenses	-	-	-	-
Total other	1,471,876	1,137,850	323,912	10,114
Total expenses	$ 6,114,516	$ 4,855,753	$ 1,156,137	$ 102,626

See notes to financial statements.

THE CENTER FOR EFFECTIVE PHILANTHROPY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2011

	Total Expenses	Program Services	Management and General	Fundraising
PERSONNEL AND RELATED:				
Salaries	$ 3,016,542	$ 2,348,116	$ 604,159	$ 64,267
Fringe benefits	372,748	289,919	74,865	7,964
Payroll taxes	218,867	170,602	43,625	4,640
Total personnel and related	3,608,157	2,808,637	722,649	76,871
OCCUPANCY:				
Rent	377,878	304,412	66,448	7,018
Telephone/internet/telecom	77,836	64,214	12,308	1,314
Utilities	28,772	23,241	5,003	528
Total occupancy	484,486	391,867	83,759	8,860
OTHER:				
Professional/consulting fees	998,568	865,281	130,905	2,382
Travel	182,387	148,554	32,364	1,469
Computer related expenses	110,787	97,385	12,218	1,184
Depreciation	120,154	96,793	21,129	2,232
Meals	62,163	39,950	21,879	334
Printing	111,906	101,651	10,144	111
Dues and subscriptions	68,114	59,578	8,169	367
Equipment rental and maintenance	68,079	55,019	11,812	1,248
Postage and delivery	63,027	57,564	4,602	861
Office supplies	48,431	36,729	11,199	503
Professional development	35,975	16,283	19,692	-
Survey administration	100,898	97,398	3,500	-
Advertising	40,211	40,211	-	-
Miscellaneous	24,682	21,705	2,753	224
Insurance	8,318	-	8,318	-
CEP conference expenses	225,580	225,580	-	-
Total other	2,269,280	1,959,681	298,684	10,915
Total expenses	$ 6,361,923	$ 5,160,185	$ 1,105,092	$ 96,646

See notes to financial statements.

THE CENTER OF EFFECTIVE PHILANTHROPY, INC.

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2012 and 2011

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 3,473,719	$ (123,532)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	108,271	120,154
Unrealized loss on investments	31,808	12,565
Realized loss on sale of investments	4,605	-
(Increase) decrease in operating assets:		
Accounts receivable	(100,234)	(264,574)
Pledges receivable	(1,748,821)	275,452
Prepaid expenses	(43,420)	7,235
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(50,912)	103,144
Deferred revenue	(567,689)	623,477
Net cash provided by operating activities	1,107,327	753,921
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(93,739)	(30,109)
Proceeds from sale or maturity of investments	1,021,122	296,000
Purchase of investments	(2,255,626)	(21,570)
Net cash provided (used) by investing activities	(1,328,243)	244,321
Net increase (decrease) in cash and cash equivalents	(220,916)	998,242
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	2,579,656	1,581,414
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 2,358,740	$ 2,579,656

See notes to financial statements.

1. STATEMENT OF PURPOSE

The Center for Effective Philanthropy, Inc. (the Organization) is a nonprofit organization with a mission to provide data and create insight so philanthropic funders can better define, assess and improve their effectiveness – and as a result, their intended impact. The Organization's research, assessment tools and programming are widely utilized by chief executive officers, trustees and senior executives of the country's several hundred largest foundations. The Organization has offices in Cambridge, Massachusetts and San Francisco, California.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting –

The Organization reports information regarding its financial position and activities according to the following three classes of net assets:

i. Unrestricted Net Assets – use of resources is not limited or restricted by donors.

ii. Temporarily Restricted Net Assets – use of resources is limited by donors for a specified purpose and/or time period.

iii. Permanently Restricted Net Assets – resources must be maintained in accordance with permanent restrictions imposed by donors.

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 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.

It is the Organization's policy to report all grants and contributions with restrictions that are met in the same fiscal year the contributions are made as unrestricted revenue. Additionally, gains and investment income are treated as unrestricted revenue unless specifically restricted by the donor or by law.

Use of Estimates –

The preparation of financial statements in conformity with U.S. 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition –

Assessment tools revenue, conference fees and consulting and speaking engagement fees are recognized when services are rendered or costs are incurred. Unrestricted grants and contributions are recorded as revenue when received or unconditionally pledged.

Management's Review –

Subsequent events have been evaluated by management through April 29, 2013, the date the financial statements were available to be issued.

Cash and Cash Equivalents –

For purposes of the statement of cash flows, the Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable –

Accounts receivable are non-interest bearing and consist of amounts invoiced by the Organization for its assessment tools and other sources of revenue that have not been received as of December 31, 2012. The Organization uses the allowance method to account for uncollectible receivables. The allowance is based on management's estimate of possible bad debts based upon historical experience and management's evaluation of outstanding accounts receivable at the end of the year. Management believes that all receivables are fully collectible; therefore, no allowance for uncollectible amounts has been recorded.

Pledges Receivable –

Pledges receivable consist of unconditional promises to give to be collected over the next three years. The Organization uses the allowance method to account for uncollectible pledges. The allowance is based on management's estimate of possible bad debts. Management believes that all pledges receivable are fully collectible; therefore, no allowance for uncollectible pledges has been recorded.

The Organization discounts pledges that are not due within one year to their present value; these discounts are ratably amortized over the life of the pledge and are recorded as contributions in the statements of activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments –

Investments are reported at fair value based on current market prices. Dividend income is recorded as received or, in the case of dividends which are reinvested, at the time of reinvestment. Interest income is recorded as earned. Realized and unrealized gains or losses are included in the change in net assets.

Property and Equipment –

Property and equipment are recorded at cost. Routine maintenance and repairs are charged as a current expense. The Organization has a policy of capitalizing assets with a cost basis of $5,000 or more. The Organization provides for depreciation of property and equipment using the straight-line method over periods of three to ten years.

Deferred Revenue –

Conference fees and assessment tools revenue received in advance of services being rendered are recorded as deferred revenue.

Functional Expenses –

The Organization allocates expenses on a functional basis among its programs and supporting services. Supporting services are those related to operating and managing the Organization and its programs on a day-to-day basis and are composed of the following:

> *Management and general* – includes all activities related to the Organization's internal management and accounting for program services.
>
> *Fundraising* – includes activities related to maintaining contributor information, writing grant proposals, distribution of materials and other similar projects related to the procurement of funds for the Organization's programs.

Expenses that can be identified with a specific program or supporting service are allocated directly to those classifications. Other expenses that are common to several functions are allocated in accordance with the Organization's indirect costs allocation plan. Allocations of functional expenses are based on management's discretion and estimates. These variables may change from year to year. As a result, there may be fluctuations in the comparative presentation of data from year to year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

Income Taxes –

The Organization is organized and operated exclusively for charitable and educational purposes. Income related to these purposes is exempt from federal and state income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. Unrelated business income would be taxable according to applicable Internal Revenue Code sections.

The Organization regularly reviews and evaluates its tax positions taken in its filed returns and recognizes the benefit from a tax position only if it is more likely than not that the position would be sustained upon audit based solely on the technical merits of the tax position. The Organization accrues interest and penalties on uncertain tax positions as a component of the provision for income taxes.

The Organization files federal, California and Massachusetts tax returns. The statute of limitations for these jurisdictions is generally three years. The Organization had no returns under examination as of December 31, 2012.

Advertising Expense –

The Organization's policy is to expense advertising costs as incurred. Advertising expense was $10,912 and $40,211 for the years ended December 31, 2012 and 2011, respectively.

3. CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. The Organization maintains its cash in several bank deposit and investment accounts. The investment accounts are not federally insured and the bank balances at times may exceed the federally insured limits. If any of these financial institutions holding accounts were to fail, amounts exceeding the federally insured limit would be subject to loss.

The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risks on cash and cash equivalents. Management regularly monitors the financial condition of the financial institutions at which CEP balances exceed federally insured levels. Cash and cash equivalents uninsured by the Federal Deposit Insurance Corporation at December 31, 2012 totaled $1,018,769.

4. INVESTMENTS

Investments at December 31, 2012 and 2011 consisted of the following:

	2012		2011	
	Cost	Market Value	Cost	Market Value
Certificate of deposit	$ 1,107,107	$ 1,097,468	$ 200,000	$ 202,300
Mutual funds	1,551,523	1,520,607	1,238,653	1,217,684
	$ 2,658,630	$ 2,618,075	$ 1,438,653	$ 1,419,984

Investment income at December 31, 2012 and 2011 consisted of the following:

	2012	2011
Dividends, interest and capital gain distributions	$ 43,859	$ 32,186
Net realized loss on investments	(4,605)	-
Net unrealized loss on investments	(31,808)	(12,565)
Total investment income	$ 7,446	$ 19,621

5. FAIR VALUE MEASUREMENTS

The following tables present the Company's fair value hierarchy for its financial assets measured at fair value on a recurring basis as of December 31, 2012 and 2011, using quoted prices in active market for identical assets (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3).

December 31, 2012:

Description of Assets	Total	Level 1	Level 2	Level 3
Certificate of deposit	$1,097,468	$ -	$1,097,468	$ -
Mutual Funds:				
Short-term government	1,520,607	1,520,607	-	-
Total assets measured at fair value	$2,618,075	$1,520,607	$1,097,468	$ -

5. FAIR VALUE MEASUREMENTS (Concluded)

December 31, 2011:

Description of Assets	Total	Level 1	Level 2	Level 3
Certificate of deposit	$ 202,300	$ -	$ 202,300	$ -
Mutual Funds:				
Short-term government	1,217,684	1,217,684	-	-
Total assets measured at fair value	$1,419,984	$1,217,684	$ 202,300	$ -

The fair value of certificates of deposit is determined under the income approach and is estimated using a matrix based on interest rates.

6. PLEDGES RECEIVABLE

As of December 31, 2012 and 2011, pledges receivable were due to be collected as follows:

	2012	2011
Less than one year	$ 1,832,288	$ 405,000
One year to five years	580,000	250,000
	2,412,288	655,000
Less: Unamortized discount	22,705	14,238
Pledges receivable, net	$ 2,389,583	$ 640,762

Amounts above have been discounted to their present value using a rate of 4%.

7. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2012 and 2011 consisted of the following:

	2012	2011
Office furniture and equipment	$ 309,193	$ 276,555
Leasehold improvements	225,444	225,444
Computer equipment and software	171,558	150,629
	706,195	652,628
Less: Accumulated depreciation	555,561	487,462
	$ 150,634	$ 165,166

8. LINE OF CREDIT

The Organization has available a $1,000,000 revolving line of credit agreement with a bank. Borrowings are due on demand and interest is payable monthly at a rate equal to the bank prime rate plus 0.25% (3.50% at December 31, 2012). As of December 31, 2012 and 2011, there were no amounts outstanding under this facility. The line is secured by cash deposits held by the bank.

9. NET ASSETS

Unrestricted net assets include the following at December 31, 2012 and 2011:

	2012	2011
Operating	$ 885,279	$ 1,057,654
Board designated	2,228,316	1,654,004
Property and equipment	150,634	165,166
Unrestricted net assets	$ 3,264,229	$ 2,876,824

Temporarily restricted net assets include the following at December 31, 2012 and 2011:

	2012	2011
Cash and pledges subject to time restrictions	$ 1,772,142	$ 790,762
Cash and pledges subject to purpose restriction	2,330,079	225,145
Temporarily restricted net assets	$ 4,102,221	$ 1,015,907

There were no permanently restricted net assets as of December 31, 2012 and 2011.

Net assets were released from donor restrictions during the years ended December 31, 2012 and 2011 by incurring costs satisfying the restricted purposes or by the occurrence of other events or the passage of time specified by the donors.

Board designated net assets consisted of assets limited as to use by approval of the Board of Directors. For the years ended December 31, 2011 and 2010, the Board approved transfers of $574,312 and $165,825, to these net assets, respectively. These transfers were made in 2012 and 2011, respectively. No uses of these net assets were approved in 2012 and 2011.

10. COMMITMENTS

The Organization leases its Cambridge office under the terms of a five year lease agreement expiring December 31, 2017. The lease requires the Organization to pay its proportionate share of real estate taxes and operating expenses, and maintain certain insurance coverage on the premises.

The Organization also has a five year lease agreement for office space in San Francisco expiring September 14, 2013. This lease requires the Organization to pay its proportionate share of real estate taxes and operating expenses of the building. In accordance with the agreement, assuming no event of default, the lease contains a rent forgiveness period for the first nine months of the lease in the amount of $57,611. This amount will be recognized ratably over the remaining life of the lease.

Rent expense under these lease agreements was $368,844 and $377,878 for the years ended December 31, 2012 and 2011, respectively.

The total lease commitment over the remaining years is as follows:

Year ending December 31, 2013	$	302,708
2014		249,600
2015		257,400
2016		265,200
2017		273,000

11. RETIREMENT PLAN

The Organization sponsors a qualified retirement plan for all eligible employees, whereby employees may elect to defer a portion of their salary on a pre-tax basis. The Organization matches 100% of the first 5% of deferrals for eligible employees. Matching contributions for the years ended December 31, 2012 and 2011 totaled $121,536 and $94,822, respectively.

During 2012, the organization began sponsoring a non-qualified 457(b) deferred compensation plan whereby participants may elect to have their compensation deferred into the plan within annual limits. The organization's discretionary credits into the plan totaled $4,500 for the year ended December 31, 2012.

12. MAJOR CONTRIBUTORS AND ASSESSMENT TOOL SUBSCRIBERS

During the year ended December 31, 2012, the Organization received two grants in the amount of $2,125,000 from two funders. This amount represented approximately 22% of total revenue and support received during the year. As of December 31, 2012, $1,027,288 of these grants had not been received and was recorded as a current pledge receivable.

12. MAJOR CONTRIBUTORS AND ASSESSMENT TOOL SUBSCRIBERS (Concluded)

During the year ended December 31, 2011, the Organization received a grant in the amount of $700,000 from one funder. This amount represented approximately 11% of total revenue and support received during the year.

During the year ended December 31, 2012, revenue from one assessment tool client accounted for 35% of total assessment tool revenue received during the year. This client also provided a grant in the amount of $1,000,000, or approximately 10% of total revenue and support received during the year.

During the year ended December 31, 2011, revenue from one assessment tool client accounted for 22% of total revenue and support received during the year. This client also provided a grant in the amount of $50,000, or approximately 1% of total revenue and support received during the year.