

DEATH WITH DIGNITY  
NATIONAL CENTER  
AND  
OREGON DEATH WITH DIGNITY  
POLITICAL ACTION FUND

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**Audited Consolidated  
Financial Statements**

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**For the Years Ended  
March 31, 2012 and 2011**



MCDONALD JACOBS

## INDEPENDENT AUDITOR'S REPORT

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*James R. McDonald, CPA  
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To the Board of Directors  
Death With Dignity National Center  
and Oregon Death With Dignity Political Action Fund  
Portland, Oregon

We have audited the accompanying consolidated statements of financial position of Death With Dignity National Center and Oregon Death With Dignity Political Action Fund (the Organization) as of March 31, 2012 and 2011, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Death With Dignity National Center and Oregon Death With Dignity Political Action Fund as of March 31, 2012 and 2011, and the changes in their net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*McDonald Jacobs, P.C.*

July 25, 2012

*Strength in Numbers*

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DEATH WITH DIGNITY NATIONAL CENTER  
AND OREGON DEATH WITH DIGNITY  
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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
March 31, 2012 and 2011

	2012	2011
<b>ASSETS</b>		
Cash and cash equivalents	\$ 97,773	\$ 56,469
Contributions receivable	-	25,000
Prepaid expenses	4,167	6,736
Investments	226,505	352,132
Property and equipment, net	22,267	8,824
 TOTAL ASSETS	 \$ 350,712	 \$ 449,161
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 21,166	\$ 7,551
Total liabilities	21,166	7,551
Net assets:		
Unrestricted net assets:		
Undesignated	259,074	338,231
Board designated	48,205	48,161
Property and equipment, net	22,267	8,824
Total unrestricted net assets	329,546	395,216
Temporarily restricted net assets	-	46,394
Total net assets	329,546	441,610
 TOTAL LIABILITIES AND NET ASSETS	 \$ 350,712	 \$ 449,161

See notes to consolidated financial statements.

DEATH WITH DIGNITY NATIONAL CENTER  
AND OREGON DEATH WITH DIGNITY  
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CONSOLIDATED STATEMENTS OF ACTIVITIES  
For the years ended March 31, 2012 and 2011

	2012		2011	
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted
<b>Revenue and support:</b>				
Contributions	\$ 531,408	\$ 52,583	\$ 583,991	\$ 103,205
Grants	2,000	-	2,000	-
In-kind contributions	28,633	-	28,633	-
Investment income, net	7,247	-	7,247	-
Net assets released from restrictions:				
Satisfaction of purpose restrictions	98,977	(98,977)	-	(60,000)
Total revenue and support	<u>668,265</u>	<u>(46,394)</u>	<u>621,871</u>	<u>43,205</u>
<b>Expenses:</b>				
Program services:				
Public education	149,012	-	149,012	-
Communication	74,312	-	74,312	-
Oregon Plus One	361,736	-	361,736	-
Total program services	585,060	-	585,060	-
Management and general	39,846	-	39,846	-
Fundraising	109,029	-	109,029	-
Total expenses	<u>733,935</u>	<u>-</u>	<u>733,935</u>	<u>-</u>
Change in net assets	(65,670)	(46,394)	(112,064)	43,205
Net assets:				
Beginning of year	395,216	46,394	441,610	3,189
End of year	<u>\$ 329,546</u>	<u>\$ -</u>	<u>\$ 329,546</u>	<u>\$ 46,394</u>
				<u>\$ 441,610</u>

See notes to consolidated financial statements.

DEATH WITH DIGNITY NATIONAL CENTER  
AND OREGON DEATH WITH DIGNITY  
POLITICAL ACTION FUND

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the year ended March 31, 2012

	Oregon					Total	Management and General	Fundraising	Total
	Public Education	Commun- ication	Plus One	Program					
Salaries and related expenses	\$ 100,027	\$ 52,222	\$ 71,858	\$ 224,107	\$ 22,358	\$ 64,594	\$ 311,059		
Professional fees	2,338	1,343	104,493	108,174	3,524	1,673	113,371		
Postage and printing	16,297	1,343	377	18,017	2,758	20,067	40,842		
Rent	7,659	3,919	10,168	21,746	2,405	5,226	29,377		
Telephone	2,530	1,237	3,007	6,774	1,537	1,598	9,909		
Office expenses	1,747	1,054	1,363	4,164	2,272	1,211	7,647		
Insurance	1,542	770	2,113	4,425	630	1,090	6,145		
Depreciation	1,802	973	2,577	5,352	1,424	1,239	8,015		
Repairs and maintenance	1,686	1,021	2,051	4,758	878	2,038	7,674		
Travel and meetings	799	608	4,507	5,914	805	615	7,334		
Media and public education	12,585	9,822	4,000	26,407	-	-	26,407		
Contributions	-	-	155,222	155,222	-	-	155,222		
Miscellaneous	-	-	-	-	1,255	9,678	10,933		
<b>Total expenses</b>	<b>\$ 149,012</b>	<b>\$ 74,312</b>	<b>\$ 361,736</b>	<b>\$ 585,060</b>	<b>\$ 39,846</b>	<b>\$ 109,029</b>	<b>\$ 733,935</b>		

See notes to consolidated financial statements.

DEATH WITH DIGNITY NATIONAL CENTER  
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CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the year ended March 31, 2011

	Oregon					Total	Management and General	Fundraising	Total
	Public Education	Commun- ication	Plus One	Program					
Salaries and related expenses	\$ 93,168	\$ 54,042	\$ 59,012	\$ 206,222	\$ 20,623	\$ 56,881	\$ 283,726		
Professional fees	4,157	2,256	12,560	18,973	4,047	2,796	25,816		
Postage and printing	14,907	68	88	15,063	239	24,179	39,481		
Rent	16,258	9,977	12,046	38,281	3,424	11,004	52,709		
Telephone	3,821	1,823	2,560	8,204	2,351	2,602	13,157		
Office expenses	3,349	1,063	1,336	5,748	2,199	2,892	10,839		
Insurance	1,337	823	988	3,148	1,542	905	5,595		
Depreciation	1,489	818	1,069	3,376	613	981	4,970		
Repairs and maintenance	1,641	1,623	1,221	4,485	676	2,464	7,625		
Travel and meetings	2,102	1,464	3,891	7,457	2,312	1,407	11,176		
Media and public relations	7,499	9,390	-	16,889	-	-	16,889		
Contributions	-	-	60,000	60,000	-	-	60,000		
Miscellaneous	34	4	5	43	1,467	9,486	10,996		
<b>Total expenses</b>	<b>\$ 149,762</b>	<b>\$ 83,351</b>	<b>\$ 154,776</b>	<b>\$ 387,889</b>	<b>\$ 39,493</b>	<b>\$ 115,597</b>	<b>\$ 542,979</b>		

See notes to consolidated financial statements.

DEATH WITH DIGNITY NATIONAL CENTER  
AND OREGON DEATH WITH DIGNITY  
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CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the years ended March 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (112,064)	\$ (1,504)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	8,015	4,970
Realized/unrealized loss (gain) on investments	6,557	(21,014)
Donated software	(12,793)	-
Decrease (increase) in:		
Contributions receivable	25,000	(24,543)
Prepaid expenses	2,569	3,010
(Increase)Decrease in:		
Accounts payable and accrued expenses	<u>13,615</u>	<u>(4,904)</u>
Net cash used in operating activities	<u>(69,101)</u>	<u>(43,985)</u>
 <b>Cash flows from investing activities:</b>		
Additions to property and equipment	(8,665)	(5,092)
Additions to investments	(13,430)	(22,363)
Proceeds from the sale of investments	<u>132,500</u>	<u>100,000</u>
Net cash provided by investing activities	<u>110,405</u>	<u>72,545</u>
 Net increase in cash and cash equivalents	41,304	28,560
 Cash and cash equivalents - beginning of year	<u>56,469</u>	<u>27,909</u>
 Cash and cash equivalents - end of year	<u>\$ 97,773</u>	<u>\$ 56,469</u>

See notes to consolidated financial statements.

DEATH WITH DIGNITY NATIONAL CENTER  
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Notes to Consolidated Financial Statements  
March 31, 2012 and 2011

1. THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization

Death With Dignity National Center (the Center) was incorporated as a nonprofit corporation under the laws of the State of Oregon on December 30, 1994. It merged with Death With Dignity National Center, a Washington D.C.-based California nonprofit corporation, in August 2003 to continue the Center's mission on a national level. The Center is headquartered in Portland, Oregon.

The Center provides information, education, research, and support for a comprehensive range of end-of-life options. The Center provides defense of legal challenges brought by opponents of The Death With Dignity Act, which was passed by the voters of Oregon in 1994; works to educate the medical profession and the public about end-of-life issues; provides information to legislators and regulatory agencies on both the state and national levels; and shares information with interested groups in other states.

Oregon Death With Dignity Political Action Fund (the Fund) was formed in 2001, replacing a State Political Action Committee, Oregon Right to Die, formed in 1993. The Fund's purpose is to promote social welfare and inform, educate and influence the general public and elected and appointed government officials about the Oregon Death With Dignity law and to counteract any attempts by opponents to repeal or limit the law.

Revenues are received primarily through contributions from individuals and foundations.

Principles of Consolidation

The consolidated financial statements include the accounts of Death With Dignity National Center and Oregon Death With Dignity Political Action Fund (collectively, the Organization). All inter-organization transactions and balances as of and for the years ended March 31, 2012 and 2011 have been eliminated.



DEATH WITH DIGNITY NATIONAL CENTER  
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Notes to Consolidated Financial Statements, Continued  
March 31, 2012 and 2011

1. THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Basis of Presentation

Net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as unrestricted or restricted net assets. Unrestricted net assets are those that are not subject to donor-imposed stipulations. Temporarily restricted net assets are subject to donor-imposed stipulations that will be met, either by actions of the Organization and/or the passage of time.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with maturities of three months or less at the time of purchase to be cash equivalents.

Investments

Investments consist of marketable securities and are carried at current market value.

Property and Equipment

Acquisitions of property and equipment in excess of \$1,000 are capitalized. Capitalized property and equipment are recorded at cost if purchased or at fair value if donated. Depreciation is computed using the straight-line method based on the estimated useful lives of the property.

Contributions Receivable

Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period the Organization is notified of the commitment. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Bequests are recorded as revenue at the time the Organization has an established right to the bequest and the proceeds are measurable.

DEATH WITH DIGNITY NATIONAL CENTER  
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Notes to Consolidated Financial Statements, Continued  
March 31, 2012 and 2011

1. THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Restricted and Unrestricted Revenue

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 Statement of Activities as net assets released from restrictions.

Donated Assets and Services

Donations of property, equipment, materials and other assets are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

The Organization recognizes donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Organization recognized donated legal services totaling \$15,840 and \$9,900 as program expenses for the years ended March 31, 2012 and 2011, respectively.

Expense Allocation

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

Income Taxes

Death With Dignity National Center is a nonprofit corporation exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code and applicable state law. The Center has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi).

DEATH WITH DIGNITY NATIONAL CENTER  
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Notes to Consolidated Financial Statements, Continued  
March 31, 2012 and 2011

1. THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Income Taxes, Continued

Oregon Death With Dignity Political Action Fund is a nonprofit corporation exempt from federal and state income tax under Section 501(c)(4) of the Internal Revenue Code and applicable state law.

No provision for income taxes is made in the accompanying consolidated financial statements, as the Center and the Fund have no activities subject to unrelated business income tax.

The Organizations returns for years ended March 31, 2008 and prior are generally no longer subject to examination by taxing authorities in its major tax jurisdictions.

Use of 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 as well as the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

Subsequent Events

The Organization has evaluated all subsequent events through July 25, 2012, the date the consolidated financial statements were available to be issued.

2. INVESTMENTS

Investments at March 31, 2012 and 2011 consist of the following:

	<u>2012</u>	<u>2011</u>
Short-term bond fund	\$ 24,216	\$ 23,709
High-yield bond fund	154,084	280,262
Beneficial interest in assets held by OCF (Note 6)	<u>48,205</u>	<u>48,161</u>
Total investments	\$ <u>226,505</u>	\$ <u>352,132</u>

DEATH WITH DIGNITY NATIONAL CENTER  
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Notes to Consolidated Financial Statements, Continued  
March 31, 2012 and 2011

2. INVESTMENTS, Continued

Investment income consists of the following:

	<u>2012</u>	<u>2011</u>
Interest and dividends	\$ 15,313	\$ 23,053
Investment expenses	(1,509)	(340)
Net realized/unrealized gain (loss)	<u>(6,557)</u>	<u>21,014</u>
 Total investment income	 \$ <u>7,247</u>	 \$ <u>43,727</u>

3. PROPERTY AND EQUIPMENT

Property and equipment at March 31, 2012 and 2011 consist of the following:

	<u>2012</u>	<u>2011</u>
Furniture and equipment	\$ 79,059	\$ 74,513
Software	17,293	-
	<u>96,352</u>	<u>74,513</u>
Less accumulated depreciation	<u>74,085</u>	<u>65,689</u>
 Net property and equipment	 \$ <u>22,267</u>	 \$ <u>8,824</u>

4. LINE OF CREDIT

The Center had a \$30,000 unsecured line of credit with Bank of America until the account was closed in April 2012. Interest on the line was payable at 7.00%. There were no advances on the line at March 31, 2012 and 2011.

DEATH WITH DIGNITY NATIONAL CENTER  
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Notes to Consolidated Financial Statements, Continued  
March 31, 2012 and 2011

5. LEASE COMMITMENTS

The Center leases office space under a non-cancellable operating lease which expires on May 31, 2014. Under the lease, monthly rent, through May 31, 2011, was \$3,794. In June 2011 the Center moved into a smaller space and the monthly rent was reduced to \$1,911 with an annual increase of 3%.

The Center leases office equipment under an operating lease expiring May 2014. Annual lease payments are approximately \$1,700.

Total rent expense under these agreements approximated \$29,400 for the year ended March 31, 2012 and \$52,100 for the year ended March 31, 2011.

Approximate future minimum lease payments are as follows:

For the year ending March 31, 2013	\$	25,200
2014		25,900
2015		<u>4,500</u>
	\$	<u>55,600</u>

6. COMMITMENT

In September 2011, the Fund agreed to act as guarantor on a signature gathering contract for Dignity 2012, a Ballot Question Committee in the Commonwealth of Massachusetts. At March 31, 2012 the remaining potential liability to the Fund for this contract was \$89,500. No provision has been made in the accompanying consolidated financial statements for the potential liability as management believes that Dignity 2012 will fulfill the obligations on this contract.

7. BOARD DESIGNATED NET ASSETS

During 2002, the Board of Directors established the Oregon Death with Dignity Endowment Fund of The Oregon Community Foundation (OCF) to create a fund for future unexpected legal challenges. Under the terms of the agreement, variance power has been granted to OCF, however, the Organization is the beneficiary of the fund and the transfer is reciprocal in nature. Accordingly, OCF recognizes the fund as a liability on its statement of financial position. The Organization receives distributions based on the provisions of the agreement with OCF.

Board designated net assets totaled \$48,205 and \$48,161 at March 31, 2012 and 2011, respectively (see Note 7, Endowment - Board Designated).

DEATH WITH DIGNITY NATIONAL CENTER  
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Notes to Consolidated Financial Statements, Continued  
March 31, 2012 and 2011

8. ENDOWMENT - BOARD DESIGNATED

As of March 31, 2012 and 2011, the Board of Directors has designated \$48,205 and \$42,161, respectively, of unrestricted net assets for future unexpected legal challenges. Since that amount resulted from an internal designation and is not donor-restricted, it is classified and reported as unrestricted net assets.

As of March 31, 2012 and 2011, the Organization has not commenced spending of endowment funds and a policy of appropriating for distribution has not been implemented. The Organization's objective is to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

To achieve its objective, the Organization has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested with The Oregon Community Foundation (OCF) which maintains 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 distributions to support operations. Accordingly, the Organization expects its endowment assets, over time, to produce an average rate of return consistent with the market. Actual returns in any given year may vary. 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.

Changes in endowment assets for the years ended March 31, 2012 and 2011 are as follows:

Balance - March 31, 2010	\$ 42,892
Investment income, net of fees	108
Net realized and unrealized gains	5,161
Amounts appropriated for expenditure	<u>-</u>
Balance - March 31, 2011	48,161
Investment income, net of fees	233
Net realized and unrealized gains	(189)
Amounts appropriated for expenditure	<u>-</u>
Balance - March 31, 2012	<u>\$ 48,205</u>

DEATH WITH DIGNITY NATIONAL CENTER  
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Notes to Consolidated Financial Statements, Continued  
March 31, 2012 and 2011

9. EMPLOYEE BENEFIT PLAN

The Center has a defined contribution plan. The Center matches 100% of the participating employees' contributions up to three percent of their total salaries. Employer contributions to the plan totaled \$4,495 and \$2,877 for the years ended March 31, 2012 and 2011, respectively.

10. RELATED PARTY TRANSACTIONS

A board member was paid \$3,930 in 2012 for legal services. Additionally, the same board member donated \$15,840 and \$9,900 in specialized legal services for the years ended March 31, 2012 and 2011, respectively.

11. CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash balances in two financial institutions. Balances in each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The balances, at times, may exceed the federally insured limit.

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

For the year ended March 31, 2012, contributions from one donor approximated 12% of total revenue (10% for 2011).

DEATH WITH DIGNITY NATIONAL CENTER  
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Notes to Consolidated Financial Statements, Continued  
March 31, 2012 and 2011

12. FAIR VALUE MEASUREMENTS

Assets recorded at fair value in the consolidated statements of financial position are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Level inputs are defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2: Observable inputs other than those included in Level 1, such as quoted market prices for similar assets or liabilities in active markets, or quoted market prices for identical assets or liabilities in inactive markets.

Level 3: Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair values requires significant management judgment or estimation.

Fair values of assets measured on a recurring basis at March 31, 2012 and 2011 are as follows:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 3</u>
<u>March 31, 2012</u>			
Short-term bond fund	\$ 24,216	\$ 24,216	\$ -
High-yield bond fund	154,084	154,084	-
Beneficial interest in assets held by OCF	48,205	-	48,205
<u>March 31, 2011</u>			
Short-term bond fund	23,709	23,709	-
High-yield bond fund	280,262	280,262	-
Beneficial interest in assets held by OCF	48,161	-	48,161



DEATH WITH DIGNITY NATIONAL CENTER  
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Notes to Consolidated Financial Statements, Continued  
March 31, 2012 and 2011

12. FAIR VALUE MEASUREMENTS, Continued

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions. Fair value of beneficial interest in investments held at The Oregon Community Foundation (OCF) has been estimated by management based on information provided by OCF which represents the Organization's proportionate share of investments owned by OCF.

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs):

Beneficial interest in assets held at The Oregon Community Foundation:

Balance at March 31, 2010	\$ 42,892
Investment income, net of fees	108
Net realized and unrealized gains	<u>5,161</u>
Balance at March 31, 2011	48,161
Investment income, net of fees	233
Net realized and unrealized gains	<u>(189)</u>
Balance at March 31, 2012	<u>\$ 48,205</u>

**SUPPLEMENTARY INFORMATION**



MCDONALD JACOBS

INDEPENDENT AUDITOR'S REPORT  
ON CONSOLIDATING INFORMATION

*Jake Jacobs, CPA*

*Susan J. Marks, CPA*

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of counsel*

*James R. McDonald, CPA  
of counsel*

To the Board of Directors  
Death With Dignity National Center  
and Oregon Death With Dignity Political Action Fund  
Portland, Oregon

We have audited the consolidated financial statements of Death with Dignity National Center and Oregon Death With Dignity Political Action Fund as of and for the years ended March 31, 2012 and 2011, and our report thereon dated July 25, 2012, which expressed an unqualified opinion on those consolidated financial statements, appears on page 1. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information in Schedules I through IV is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets, and cash flows of the individual organizations, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*McDonald Jacobs, P.C.*

July 25, 2012

*Strength in Numbers*

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DEATH WITH DIGNITY NATIONAL CENTER  
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SUPPLEMENTARY INFORMATION - SCHEDULE I  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
March 31, 2012

	<u>National Center</u>	<u>Political Action Fund</u>	<u>Eliminating Entries</u>	<u>Consolidated Totals</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 96,163	\$ 1,610	\$ -	\$ 97,773
Interorganization receivable	68,129	-	(68,129)	-
Prepaid expenses	4,167	-	-	4,167
Investments	226,505	-	-	226,505
Property and equipment, net	<u>22,267</u>	<u>-</u>	<u>-</u>	<u>22,267</u>
 TOTAL ASSETS	 <u>\$ 417,231</u>	 <u>\$ 1,610</u>	 <u>\$ (68,129)</u>	 <u>\$ 350,712</u>
 <b>LIABILITIES AND NET ASSETS</b>				
Liabilities:				
Interorganization payable	\$ -	\$ 68,129	\$ (68,129)	\$ -
Accounts payable and accrued expenses	<u>21,166</u>	<u>-</u>	<u>-</u>	<u>21,166</u>
Total liabilities	<u>21,166</u>	<u>68,129</u>	<u>(68,129)</u>	<u>21,166</u>
 Net assets (deficit):				
Unrestricted:				
Undesignated	325,593	(66,519)	-	259,074
Board designated	48,205	-	-	48,205
Property and equipment, net	<u>22,267</u>	<u>-</u>	<u>-</u>	<u>22,267</u>
Total unrestricted net assets	<u>396,065</u>	<u>(66,519)</u>	<u>-</u>	<u>329,546</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 417,231</u>	 <u>\$ 1,610</u>	 <u>\$ (68,129)</u>	 <u>\$ 350,712</u>

See auditor's report on consolidating information.

DEATH WITH DIGNITY NATIONAL CENTER  
AND OREGON DEATH WITH DIGNITY  
POLITICAL ACTION FUND

SUPPLEMENTARY INFORMATION - SCHEDULE II  
CONSOLIDATING STATEMENT OF ACTIVITIES  
For the year ended March 31, 2012

	National Center	Political Action Fund	Eliminating Entries	Consolidated Totals
<b>Revenue and support:</b>				
Contributions	\$ 557,806	\$ 26,185	\$ -	\$ 583,991
Grants	2,000	-	-	2,000
In-kind contributions	28,633	-	-	28,633
Investment income, net	7,247	-	-	7,247
Total revenue and support	<u>595,686</u>	<u>26,185</u>	<u>-</u>	<u>621,871</u>
<b>Expenses:</b>				
Program services:				
Public education	139,021	9,991	-	149,012
Communication	70,666	3,646	-	74,312
Oregon Plus One	<u>326,969</u>	<u>34,767</u>	<u>-</u>	<u>361,736</u>
Total program services	536,656	48,404	-	585,060
Management and general	34,215	5,631	-	39,846
Fundraising	<u>106,340</u>	<u>2,689</u>	<u>-</u>	<u>109,029</u>
Total expenses	<u>677,211</u>	<u>56,724</u>	<u>-</u>	<u>733,935</u>
Change in net assets	(81,525)	(30,539)	-	(112,064)
<b>Net assets (deficit):</b>				
Beginning of year	<u>477,590</u>	<u>(35,980)</u>	<u>-</u>	<u>441,610</u>
End of year	<u>\$ 396,065</u>	<u>\$ (66,519)</u>	<u>\$ -</u>	<u>\$ 329,546</u>

See auditor's report on consolidating information.

DEATH WITH DIGNITY NATIONAL CENTER  
AND OREGON DEATH WITH DIGNITY  
POLITICAL ACTION FUND

SUPPLEMENTARY INFORMATION - SCHEDULE III  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
March 31, 2011

	<u>National Center</u>	<u>Political Action Fund</u>	<u>Eliminating Entries</u>	<u>Consolidated Totals</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 51,427	\$ 5,042	\$ -	\$ 56,469
Contributions receivable	25,000	-	-	25,000
Interorganization receivable	41,022	-	(41,022)	-
Prepaid expenses	6,736	-	-	6,736
Investments	352,132	-	-	352,132
Property and equipment, net	<u>8,824</u>	<u>-</u>	<u>-</u>	<u>8,824</u>
 TOTAL ASSETS	 <u>\$ 485,141</u>	 <u>\$ 5,042</u>	 <u>\$ (41,022)</u>	 <u>\$ 449,161</u>
 <b>LIABILITIES AND NET ASSETS</b>				
Liabilities:				
Interorganization payable	\$ -	\$ 41,022	\$ (41,022)	\$ -
Accounts payable and accrued expenses	<u>7,551</u>	<u>-</u>	<u>-</u>	<u>7,551</u>
Total liabilities	<u>7,551</u>	<u>41,022</u>	<u>(41,022)</u>	<u>7,551</u>
Net assets (deficit):				
Unrestricted:				
Undesignated	374,211	(35,980)	-	338,231
Board designated	48,161	-	-	48,161
Property and equipment, net	<u>8,824</u>	<u>-</u>	<u>-</u>	<u>8,824</u>
Total unrestricted net assets	431,196	(35,980)	-	395,216
Temporarily restricted net assets	<u>46,394</u>	<u>-</u>	<u>-</u>	<u>46,394</u>
Total net assets	<u>477,590</u>	<u>(35,980)</u>	<u>-</u>	<u>441,610</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 485,141</u>	 <u>\$ 5,042</u>	 <u>\$ (41,022)</u>	 <u>\$ 449,161</u>

See auditor's report on consolidating information.

DEATH WITH DIGNITY NATIONAL CENTER  
AND OREGON DEATH WITH DIGNITY  
POLITICAL ACTION FUND

SUPPLEMENTARY INFORMATION - SCHEDULE IV  
CONSOLIDATING STATEMENT OF ACTIVITIES  
For the year ended March 31, 2011

	National Center	Political Action Fund	Eliminating Entries	Consolidated Totals
<b>Revenue and support:</b>				
Contributions	\$ 393,516	\$ 67,782	\$ -	\$ 461,298
Grants	26,550	-	-	26,550
In-kind contributions	9,900	-	-	9,900
Investment income, net	43,709	18	-	43,727
Total revenue and support	473,675	67,800	-	541,475
<b>Expenses:</b>				
Program services:				
Public education	138,232	11,530	-	149,762
Communication	82,068	1,283	-	83,351
Oregon Plus One	132,776	22,000	-	154,776
Total program services	353,076	34,813	-	387,889
Management and general	37,720	1,773	-	39,493
Fundraising	111,391	4,206	-	115,597
Total expenses	502,187	40,792	-	542,979
 Change in net assets	 (28,512)	 27,008	 -	 (1,504)
<b>Net assets (deficit):</b>				
Beginning of year	506,102	(62,988)	-	443,114
 End of year	 \$ 477,590	 \$ (35,980)	 \$ -	 \$ 441,610

See auditor's report on consolidating information.