

**DEATH WITH DIGNITY  
NATIONAL CENTER  
AND  
DEATH WITH DIGNITY  
POLITICAL FUND**

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**Audited Consolidated  
Financial Statements**

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**For the Years Ended  
March 31, 2013 and 2012**



MCDONALD JACOBS

## INDEPENDENT AUDITOR'S REPORT

Jake Jacobs, CPA  
Shareholder

Susan J. Marks, CPA  
Shareholder

Mark A. Clift, CPA  
Shareholder

Karin S. Wandtke, CPA  
Shareholder

Sang Ahn, CPA  
Shareholder

Gerard DeBlois Jr., CPA  
Shareholder

Jill Oswald  
Shareholder

Mary Straddin, CPA  
Principal

Dennis C. Johnson, CPA  
of counsel

To the Board of Directors  
Death With Dignity National Center  
and Death With Dignity Political Fund

We have audited the accompanying consolidated financial statements of Death With Dignity National Center and Death With Dignity Political Fund (nonprofit corporations), which comprise the consolidated statements of financial position as of March 31, 2013 and 2012, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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

*Strength in Numbers*

ACCOUNTANTS & CONSULTANTS

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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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Death With Dignity National Center and Death With Dignity Political Fund as of March 31, 2013 and 2012, and changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*McDonald Jacoby, P.C.*

Portland, Oregon  
July 15, 2013

DEATH WITH DIGNITY NATIONAL CENTER  
AND DEATH WITH DIGNITY POLITICAL FUND

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
March 31, 2013 and 2012

	2013	2012
<b>ASSETS</b>		
Cash and cash equivalents	\$ 36,813	\$ 97,773
Prepaid expenses	1,061	4,167
Investments	219,402	226,505
Property and equipment, net	16,799	22,267
 TOTAL ASSETS	 \$ 274,075	 \$ 350,712
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 108,869	\$ 21,166
Total liabilities	108,869	21,166
Net assets:		
Unrestricted net assets:		
Undesignated	96,619	259,074
Board designated	51,788	48,205
Property and equipment, net	16,799	22,267
Total unrestricted net assets	165,206	329,546
 TOTAL LIABILITIES AND NET ASSETS	 \$ 274,075	 \$ 350,712

See notes to consolidated financial statements.

DEATH WITH DIGNITY NATIONAL CENTER  
AND DEATH WITH DIGNITY POLITICAL FUND

CONSOLIDATED STATEMENTS OF ACTIVITIES  
For the years ended March 31, 2013 and 2012

	2013		2012	
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted
<b>Revenue and support:</b>				
Contributions	\$ 434,022	\$ 17,749	\$ 451,771	\$ 52,583
Grants	-	-	2,000	-
In-kind contributions	15,304	-	15,304	-
Investment income, net	23,045	-	23,045	-
Other income	289	-	289	-
Net assets released from restrictions:				
Satisfaction of purpose restrictions	17,749	(17,749)	-	(98,977)
Total revenue and support	<u>490,409</u>	<u>-</u>	<u>490,409</u>	<u>(46,394)</u>
			98,977	-
			<u>668,265</u>	<u>621,871</u>
<b>Expenses:</b>				
Program services:				
Public education	139,673	-	139,673	-
Communication	57,475	-	57,475	-
Oregon Plus One	290,094	-	290,094	-
Total program services	487,242	-	487,242	-
Management and general	42,046	-	42,046	-
Fundraising	125,461	-	125,461	-
Total expenses	<u>654,749</u>	<u>-</u>	<u>654,749</u>	<u>-</u>
			149,012	-
			74,312	-
			361,736	-
			585,060	-
			39,846	-
			109,029	-
			<u>733,935</u>	<u>-</u>
Change in net assets	(164,340)	-	(164,340)	(46,394)
Net assets:				
Beginning of year	329,546	-	329,546	46,394
End of year	<u>\$ 165,206</u>	<u>\$ -</u>	<u>\$ 165,206</u>	<u>\$ -</u>
			(65,670)	(112,064)
			395,216	441,610
			<u>\$ 329,546</u>	<u>\$ 329,546</u>

See notes to consolidated financial statements.

DEATH WITH DIGNITY NATIONAL CENTER  
AND DEATH WITH DIGNITY POLITICAL FUND

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the year ended March 31, 2013

	Oregon					Total Program and General Fundraising	Total
	Public Education	Commun- ication	Plus One	Total Program and General Fundraising	Management and General Fundraising		
Salaries and related expenses	\$ 102,191	\$ 44,965	\$ 61,276	\$ 208,432	\$ 17,993	\$ 79,312	\$ 305,737
Professional fees	4,407	1,936	118,884	125,227	2,579	3,125	130,931
Postage and printing	18,551	112	413	19,076	1,240	22,518	42,834
Rent	7,805	3,261	6,439	17,505	3,202	5,513	26,220
Telephone	489	4	708	1,201	2,501	332	4,034
Office expenses	-	-	69	69	3,894	5,738	9,701
Insurance	1,213	599	1,745	3,557	1,178	841	5,576
Depreciation	3,026	1,239	1,778	6,043	1,781	2,144	9,968
Repairs and maintenance	1,541	648	1,010	3,199	927	1,111	5,237
Travel and meetings	-	-	2,470	2,470	6,511	-	8,981
Media and public education	-	4,419	-	4,419	-	-	4,419
Contributions	-	-	95,250	95,250	-	-	95,250
Miscellaneous	450	292	52	794	240	4,827	5,861
Total expenses	\$ 139,673	\$ 57,475	\$ 290,094	\$ 487,242	\$ 42,046	\$ 125,461	\$ 654,749

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, 2012

	Oregon					Total Program	Management and General	Fundraising	Total
	Public Education	Commun- ication	Plus One	Total Program	Management and General				
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 relations	12,585	9,822	4,000	26,407	-	-	26,407		
Contributions	-	-	155,222	155,222	-	-	155,222		
Miscellaneous	-	-	-	-	1,255	9,678	10,933		
Total expenses	\$ 149,012	\$ 74,312	\$ 361,736	\$ 585,060	\$ 39,846	\$ 109,029	\$ 733,935		

See notes to consolidated financial statements.

DEATH WITH DIGNITY NATIONAL CENTER  
AND DEATH WITH DIGNITY POLITICAL FUND

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended March 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (164,340)	\$ (112,064)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	9,968	8,015
Realized/unrealized loss (gain) on investments	(14,921)	6,557
Donated software	-	(12,793)
Decrease in:		
Contributions receivable	-	25,000
Prepaid expenses	3,106	2,569
Decrease in:		
Accounts payable and accrued expenses	<u>87,703</u>	<u>13,615</u>
Net cash used in operating activities	<u>(78,484)</u>	<u>(69,101)</u>
 <b>Cash flows from investing activities:</b>		
Additions to property and equipment	(4,500)	(8,665)
Additions to investments	(7,976)	(13,430)
Proceeds from the sale of investments	<u>30,000</u>	<u>132,500</u>
Net cash provided by investing activities	<u>17,524</u>	<u>110,405</u>
 Net increase (decrease) in cash and cash equivalents	(60,960)	41,304
 Cash and cash equivalents - beginning of year	<u>97,773</u>	<u>56,469</u>
 Cash and cash equivalents - end of year	<u>\$ 36,813</u>	<u>\$ 97,773</u>

See notes to consolidated financial statements.



DEATH WITH DIGNITY NATIONAL CENTER  
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2013 and 2012

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.

Death With Dignity Political Fund (the Fund), formerly Oregon Death With Dignity Political Action 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 Death With Dignity Political Fund (collectively, the Organization). All inter-organization transactions and balances as of and for the years ended March 31, 2013 and 2012 have been eliminated.

DEATH WITH DIGNITY NATIONAL CENTER  
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2013 and 2012

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, 2013 and 2012

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 approximately \$15,300 and \$15,800 as program expenses for the years ended March 31, 2013 and 2012, 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, 2013 and 2012

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

Income Taxes, Continued

Death With Dignity Political 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, 2009 and prior are generally no longer subject to examination by taxing authorities in its major tax jurisdictions.

Agency Transactions

The Organization collects contributions on behalf of an unrelated organization, Patient Choices Vermont (PCV), to support PCV's charitable activities. Contributions collected on behalf of PCV totaled \$40,500 for the year ended March 31, 2013 (none in 2012). No amounts were due to PCV as of March 31, 2013.

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 15, 2013, the date the consolidated financial statements were available to be issued.

DEATH WITH DIGNITY NATIONAL CENTER  
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2013 and 2012

2. INVESTMENTS

Investments at March 31, 2013 and 2012 consist of the following:

	2013	2012
Short-term bond fund	\$ 24,686	\$ 24,216
High-yield bond fund	142,928	154,084
Beneficial interest in assets held by OCF	51,788	48,205
Total investments	\$ 219,402	\$ 226,505

Investment income consists of:

	2013	2012
Interest and dividends	\$ 9,808	\$ 15,313
Investment expenses	(1,684)	(1,509)
Net realized/unrealized gain (loss)	14,921	(6,557)
Total investment income	\$ 23,045	\$ 7,247

3. PROPERTY AND EQUIPMENT

Property and equipment at March 31, 2013 and 2012 consist of the following:

	2013	2012
Furniture and equipment	\$ 79,059	\$ 79,059
Software and website	21,793	17,293
	100,852	96,352
Less accumulated depreciation	84,053	74,085
Property and equipment, net	\$ 16,799	\$ 22,267

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.

DEATH WITH DIGNITY NATIONAL CENTER  
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2013 and 2012

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 \$24,000 for the year ended March 31, 2013 and \$29,400 for the year ended March 31, 2012.

Approximate future minimum lease payments are as follows:

Year ending March 31, 2014	\$ 25,900
2015	4,500
Total	<u>\$ 30,400</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 (Dignity 2012) in the Commonwealth of Massachusetts. At March 31, 2012, the potential liability to the Fund for this contract was estimated to be \$89,500. No provision was made in the prior year consolidated financial statements for the potential liability as management believed that Dignity 2012 would fulfill the obligations on this contract.

The Fund became liable for the remainder of this debt in November 2012 after Dignity 2012 defaulted on its obligation. Expenses recorded by the Fund total \$93,750 for the year ended March 31, 2013. At March 31, 2013, \$80,750 was owed on this contract and is included in accounts payable. Also see Note 10.

DEATH WITH DIGNITY NATIONAL CENTER  
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2013 and 2012

7. BOARD DESIGNATED NET ASSETS

During 2002, the Board of Directors of the Center 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 Center 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 Center receives distributions based on the provisions of the agreement with OCF.

Board designated net assets totaled \$51,788 and \$48,205 at March 31, 2013 and 2012, respectively (see Note 8, Endowment - Board Designated).

8. ENDOWMENT - BOARD DESIGNATED

As of March 31, 2013 and 2012, the Board of Directors has designated \$51,788 and \$48,205, 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, 2013 and 2012, the Center has not commenced spending of endowment funds and a policy of appropriating for distribution has not been implemented. The Center'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 Center 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 Center 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.

DEATH WITH DIGNITY NATIONAL CENTER  
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2013 and 2012

8. ENDOWMENT - BOARD DESIGNATED, Continued

Changes in endowment assets for the years ended March 31, 2013 and 2012 are as follows:

Balance - March 31, 2011	\$	48,161
Investment income, net of fees		233
Net realized and unrealized losses		(189)
Amounts appropriated for expenditure		-
Balance - March 31, 2012	\$	48,205
Investment income, net of fees		81
Net realized and unrealized gains		3,502
Amounts appropriated for expenditure		-
Balance - March 31, 2013	\$	51,788

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 \$5,226 and \$4,495 for the years ended March 31, 2013 and 2012, respectively.

10. RELATED PARTY TRANSACTIONS

A board member donated \$14,400 and \$15,840 in specialized legal services for the years ended March 31, 2013 and 2012, respectively. Additionally, the same board member was paid \$3,930 for legal services in the year ended March 31, 2012.

In October 2012, a member of Center's Board of Directors became the Chair of the Dignity 2012 Ballot Question Committee. The board member's appointment to this committee was subsequent to the Fund's commitment as guarantor on a contract (Note 6) and subsequent to the Center's contributions to Dignity 2012 totaling \$80,000 during the year ended March 31, 2013.



DEATH WITH DIGNITY NATIONAL CENTER  
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2013 and 2012

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, 2013, contributions from one board member approximated 14% of total revenue (12% for 2012).

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.

DEATH WITH DIGNITY NATIONAL CENTER  
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued  
March 31, 2013 and 2012

12. FAIR VALUE MEASUREMENTS, Continued

Fair values of assets measured on a recurring basis at March 31, 2013 and 2012 are as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>March 31, 2013</b>				
Short-term bond fund	\$ 24,686	\$ 24,686	\$ -	\$ -
High-yield bond fund	142,928	142,928	-	-
Beneficial interest in assets held by OCF	<u>51,788</u>	<u>-</u>	<u>-</u>	<u>51,788</u>
Total fair value investments	<u>\$ 219,402</u>	<u>\$ 167,614</u>	<u>\$ -</u>	<u>\$ 51,788</u>
<b>March 31, 2012</b>				
Short-term bond fund	\$ 24,216	\$ 24,216	\$ -	\$ -
High-yield bond fund	154,084	154,084	-	-
Beneficial interest in assets held by OCF	<u>48,205</u>	<u>-</u>	<u>-</u>	<u>48,205</u>
Total fair value investments	<u>\$ 226,505</u>	<u>\$ 178,300</u>	<u>\$ -</u>	<u>\$ 48,205</u>

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 fair value of the Center's proportionate share of investments owned by OCF using a market approach.

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs) are shown below. Net gains and losses are presented in the statement of activities as unrestricted investment income.

Beneficial interest in assets held at OCF:

Balance - March 31, 2011	\$ 48,161
Investment income, net of fees	233
Net realized and unrealized losses	<u>(189)</u>
Balance - March 31, 2012	\$ 48,205
Investment income, net of fees	81
Net realized and unrealized gains	<u>3,502</u>
Balance - March 31, 2013	<u>\$ 51,788</u>

**SUPPLEMENTARY INFORMATION**



MCDONALD JACOBS

INDEPENDENT AUDITOR'S REPORT  
ON CONSOLIDATING INFORMATION

Jake Jacobs, CPA  
Shareholder

Susan J. Marks, CPA  
Shareholder

Mark A. Clift, CPA  
Shareholder

Karin S. Wandtke, CPA  
Shareholder

Sung Ahn, CPA  
Shareholder

Gerard DeBlois Jr., CPA  
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Mary Strasdin, CPA  
Principal

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of counsel

To the Board of Directors  
Death With Dignity National Center  
and Death With Dignity Political Fund

We have audited the consolidated financial statements of Death with Dignity National Center and Death With Dignity Political Fund as of and for the year ended March 31, 2013, and have issued our report thereon dated July 15, 2013, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information in Schedules I and II is presented for the purposes of additional analysis and 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 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 information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*McDonald Jacobs, P.C.*

Portland, Oregon  
July 15, 2013

*Strength in Numbers*

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DEATH WITH DIGNITY NATIONAL CENTER  
AND DEATH WITH DIGNITY POLITICAL FUND

SUPPLEMENTARY INFORMATION - SCHEDULE I  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
March 31, 2013

	National Center	Political Fund	Eliminating Entries	Consolidated Totals
<b>ASSETS</b>				
Cash and cash equivalents	\$ 36,060	\$ 753	\$ -	\$ 36,813
Interorganization receivable	105,941	-	(105,941)	-
Prepaid expenses	1,061	-	-	1,061
Investments	219,402	-	-	219,402
Property and equipment, net	16,799	-	-	16,799
 TOTAL ASSETS	 \$ 379,263	 \$ 753	 \$ (105,941)	 \$ 274,075
 <b>LIABILITIES AND NET ASSETS</b>				
Liabilities:				
Interorganization payable	\$ -	\$ 105,941	\$ (105,941)	\$ -
Accounts payable and accrued expenses	28,119	80,750	-	108,869
Total liabilities	28,119	186,691	(105,941)	108,869
 Net assets (deficit):				
Unrestricted:				
Undesignated	282,557	(185,938)	-	96,619
Board designated	51,788	-	-	51,788
Property and equipment, net	16,799	-	-	16,799
Total unrestricted net assets	351,144	(185,938)	-	165,206
 TOTAL LIABILITIES AND NET ASSETS	 \$ 379,263	 \$ 753	 \$ (105,941)	 \$ 274,075

See auditor's report on consolidating information.

DEATH WITH DIGNITY NATIONAL CENTER  
AND DEATH WITH DIGNITY POLITICAL FUND

SUPPLEMENTARY INFORMATION - SCHEDULE II  
CONSOLIDATING STATEMENT OF ACTIVITIES  
For the year ended March 31, 2013

	National Center	Political Fund	Eliminating Entries	Consolidated Totals
<b>Revenue and support:</b>				
Contributions	\$ 416,330	\$ 35,441	\$ -	\$ 451,771
In-kind contributions	14,400	904	-	15,304
Investment income, net	23,045	-	-	23,045
Other income	289	-	-	289
Total revenue and support	454,064	36,345	-	490,409
<b>Expenses:</b>				
Program services:				
Public education	133,260	6,413	-	139,673
Communication	54,796	2,679	-	57,475
Oregon Plus One	151,543	138,551	-	290,094
Total program services	339,599	147,643	-	487,242
Management and general	39,952	2,094	-	42,046
Fundraising	119,434	6,027	-	125,461
Total expenses	498,985	155,764	-	654,749
Change in net assets	(44,921)	(119,419)	-	(164,340)
<b>Net assets (deficit):</b>				
Beginning of year	396,065	(66,519)	-	329,546
End of year	\$ 351,144	\$ (185,938)	\$ -	\$ 165,206

See auditor's report on consolidating information.