THE RICHARD NIXON FOUNDATION

Financial Statements

With

Independent Auditors' Report

December 31, 2015 and 2014

FRAZER, LLP
Certified Public Accountants and Consultants

Independent Auditors' Report

To the Board of Directors
of The Richard Nixon Foundation

We have audited the accompanying financial statements of The Richard Nixon Foundation (a Delaware nonprofit organization), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Richard Nixon Foundation as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Frazer, LLP

Brea, California
July 15, 2016

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THE RICHARD NIXON FOUNDATION

STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2015 AND 2014

	2015	2014
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4,362,236	$ 5,607,604
Certificates of deposit - current	-	250,301
Pledges receivable - current, net	614,355	1,699,643
Other receivables	149,645	-
Inventories, net	224,338	348,357
Other current assets	92,246	22,659
Total current assets	5,442,820	7,928,564
Long term pledges receivable, net	508,147	312,680
Property and equipment, net	20,952,342	16,211,289
Investments, at fair value	38,553,958	42,581,705
Certificates of deposit	1,599,430	1,195,290
	61,613,877	60,300,964
Total assets	$ 67,056,697	$ 68,229,528
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued liabilities	$ 2,429,422	$ 890,458
Reserve for exhibit donation - NARA (Note 6)	6,817,128	-
Total current liabilities	9,246,550	890,458
Net assets:		
Unrestricted	14,795,544	19,600,244
Temporarily restricted (Note 8)	29,513,523	34,237,746
Permanently restricted (Note 9)	13,501,080	13,501,080
Total net assets	57,810,147	67,339,070
Total liabilities and net assets	$ 67,056,697	$ 68,229,528

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

THE RICHARD NIXON FOUNDATION

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

		Unrestricted	Temporarily restricted	Permanently restricted	Totals
Revenues, gains (losses) and other support:					
Contributions		$ 4,650	$ 2,418,159	$ -	$ 2,422,809
Admission fees		232,457	-	-	232,457
Membership dues		166,822	-	-	166,822
Facilities use fees	$ 1,739,758				
Less: facilities use direct expenses	(327,405)				
Net facilities use fees		1,412,353	-	-	1,412,353
Net investment loss		(672,648)	(1,411,182)	-	(2,083,830)
Gift shop sales	$ 392,031				
Less: gift shop costs of goods sold	(381,133)				
Net gift shop income		10,898	-	-	10,898
Special event income	$ 89,646				
Less: special event expenses	(76,194)				
Net special event income		13,452	-	-	13,452
Other income	$ 203,412		-	-	
Less: Other expenses	(395)				
Net other income		203,017	-	-	203,017
Net assets released from restrictions		5,731,200	(5,731,200)	-	-
Total revenues, gains (losses) and other support		7,102,201	(4,724,223)	-	2,377,978
Expenses:					
Program services		11,112,939	-	-	11,112,939
General and administrative		332,296	-	-	332,296
Fundraising		461,666	-	-	461,666
Total expenses		11,906,901	-	-	11,906,901
Changes in net assets		(4,804,700)	(4,724,223)	-	(9,528,923)
Net assets at beginning of year		19,600,244	34,237,746	13,501,080	67,339,070
Net assets at end of year		$ 14,795,544	$ 29,513,523	$ 13,501,080	$ 57,810,147

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

THE RICHARD NIXON FOUNDATION

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

		Unrestricted	Temporarily restricted	Permanently restricted	Totals
Revenues, gains (losses) and other support:					
Contributions		$ 251,007	$ 2,620,280	$ -	$ 2,871,287
Admission fees		254,900	-	-	254,900
Membership dues		239,859	-	-	239,859
Facilities use fees	$ 1,550,990				
Less: facilities use direct expenses	(299,661)				
Net facilities use fees		1,251,329	-	-	1,251,329
Net investment gain		476,703	1,692,696	-	2,169,399
Gift shop sales	$ 452,876				
Less: gift shop costs of goods sold	(297,023)				
Net gift shop income		155,853	-	-	155,853
Special event income	$ 8,585				
Less: special event expenses	(52,270)				
Net special event loss		(43,685)	-	-	(43,685)
Net assets released from restrictions		1,429,228	(1,429,228)		-
Total revenues, gains and other support		4,015,194	2,883,748	-	6,898,942
Expenses:					
Program services		5,119,384	-	-	5,119,384
General and administrative		306,879	-	-	306,879
Fundraising		556,667	-	-	556,667
Total expenses		5,982,930	-	-	5,982,930
Changes in net assets		(1,967,736)	2,883,748	-	916,012
Net assets at beginning of year		21,567,980	31,353,998	13,501,080	66,423,058
Net assets at end of year		$ 19,600,244	$ 34,237,746	$ 13,501,080	$ 67,339,070

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

THE RICHARD NIXON FOUNDATION

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	$ (9,528,923)	$ 916,012
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	1,243,984	1,235,239
Net realized and unrealized loss (gain) on investments	2,915,116	(1,237,333)
Provision for inventory write down	6,256	304,279
Changes in operating assets and liabilities:		
Pledges receivable, net	889,821	763,988
Other receivables	(149,645)	-
Inventories, net	117,763	52,975
Other current assets	(69,587)	(4,422)
Accounts payable and accrued liabilities	1,538,964	10,170
Reserve for exhibit donation - NARA	6,817,128	-
Net cash provided by operating activities	3,780,877	2,040,908
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchase of property and equipment	(5,985,037)	(883,118)
Purchases of investments	(10,302,767)	(8,117,232)
Proceeds from sales of investments	11,415,398	7,386,186
Net change in certificates of deposits	(153,839)	689,262
Net cash used in investing activities	(5,026,245)	(924,902)
Net change in cash and cash equivalents	(1,245,368)	1,116,006
Cash and cash equivalents at beginning of year	5,607,604	4,491,598
Cash and cash equivalents at end of year	$ 4,362,236	$ 5,607,604

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

Note 1 - Nature of organization

The Richard Nixon Foundation, a not-for-profit corporation (the "Foundation") was formed as a Delaware corporation in January 1983.

The purpose of the Foundation is to conduct programs intended to enhance the public's understanding of the life and legacy of President Richard Nixon. On July 11, 2007, the Foundation was incorporated into the Federal System of Presidential Libraries. While the museum and certain other portions of the building were leased to the Federal Government in perpetuity, the Foundation retains ownership of the entire facility and operational authority over a substantial portion of the museum and building.

Note 2 - Summary of significant accounting policies

Basis of presentation

The Foundation applies the provisions of Accounting Standards Codification (ASC) Topic 958, "Not-for-Profit Entities," which establishes standards for general-purpose external financial statements provided by not-for-profit organizations. Among other provisions, ASC Topic 958 requires the classification and disclosure of net assets, revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets, revenues, expenses, gains, and losses of the Foundation are reported in three classes as follows:

- *Unrestricted* - Unrestricted net assets are net assets that are neither temporarily restricted nor permanently restricted by donor-imposed stipulations.

- *Temporarily restricted* - Temporarily restricted net assets result from contributions or other inflows of assets whose use by the Foundation is limited by donor imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Foundation pursuant to those stipulations. When a donor specified restriction is fulfilled, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statements of activities as net assets released from restrictions.

- *Permanently restricted* - Permanently restricted net assets result from contributions or other inflows of assets whose use by the Foundation is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Foundation.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the Foundation to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The Foundation's significant estimates consist of the useful lives of depreciable assets and the allocation of expenses among general administrative, program services and fundraising. The foundation allocates its expenses annually based on the functions performed and the nature of the activities. Year to year allocation method may change and actual results could differ from those estimates.

Note 2 - Summary of significant accounting policies, continued

Income tax status

The Nixon Foundation is exempt from Federal and State income taxes under Section 501(c) (3) of the U.S. Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. The museum store, however, has certain revenues which are unrelated to the Nixon Foundation's exempt purpose that are subject to the unrelated business income tax provisions of IRC Section 512. For the years ended December 31, 2015 and 2014, no provision for income taxes has been included in the accompanying financial statements. Penalties and interest incurred related to underpayment of income taxes are classified as income tax expense in the year incurred. No penalties or interest related to income taxes were incurred during the years ended December 31, 2015 and 2014. As of December 31, 2015, federal and California tax returns filed for 2011, 2012, 2013 and 2014 remain subject to the examination by the taxing authorities.

The Foundation has no unrelated business income tax for the years ended December 31, 2015 and 2014.

Cash and cash equivalents

Cash equivalents are defined as all highly liquid investments with a maturity of three months or less from the original maturity date. Cash and cash equivalents are considered restricted if limitations exist as to the Foundation's ability to withdraw or use the cash and cash equivalents. Such limitations may be imposed by (1) creditors and other outside parties, or (2) donors, who place permanent or temporary restrictions on their contributions. For the years ended December 31, 2015 and 2014, the Foundation maintained purpose restriction cash amounts to be used toward the Richard Nixon Centennial Exhibit Renovation Campaign. Cash amounts restricted for the Richard Nixon Centennial Exhibit Renovation Campaign for the years ended December 31, 2015 and 2014 were $3,394,291 and $4,898,329, respectively.

From time to time, the Foundation maintains cash deposits that exceed coverage by FDIC insurance. The Foundation has not experienced any losses and does not believe they are exposed to any significant credit risk on cash holdings.

Pledges receivable

Pledges receivable represent amounts pledged toward the Richard Nixon Centennial Exhibit Renovation Campaign. Pledges receivable are stated at the amount management expects to collect from outstanding balances. No allowance for doubtful accounts for pledges receivable is considered necessary at December 31, 2015 and 2014. Of the total pledges receivable, approximately $688,000 is expected to be received by December 31, 2016.

Financial assets measured at fair value on a recurring basis

ASC Topic 820, "Fair Value Measurements and Disclosures," requires disclosure of the fair value of financial instruments held by the Foundation. ASC Topic 825 defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Note 2 - Summary of significant accounting policies, continued

Financial assets measured at fair value on a recurring basis, continued

When determining the fair value measurement for assets and liabilities required to be recorded at fair value, the Foundation considered the principal or most advantageous market that transactions would normally occur and considered assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance.

ASC Topic 825 also establishes a fair value hierarchy that requires an entity to maximize the use of sources independent from the reporting entity and minimize the use of the Foundation assumptions developed based on the best information available in the circumstances when measuring fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of assumptions that is significant to the fair value measurement. ASC Topic 825 establishes three levels of assumptions that market participants may use to measure fair value:

- Level 1: quoted prices in active markets for identical assets or liabilities;

- Level 2: inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; or

- Level 3: unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The Foundation's significant financial assets are measured at fair value on a recurring basis and are categorized as Level 1 (as previously defined). The assets consisted of the following types of instruments as of December 31, 2015 and 2014 (in thousands):

	2015		2014	
	Cost	Fair Value	Cost	Fair Value
Funds	$ 29,443	$ 31,431	$ 26,968	$ 32,839
Stocks	2,809	2,544	3,592	4,667
Non U.S. Securities	281	276	353	442
Other Assets	4,321	4,303	3,763	4,634
	$ 36,854	$ 38,554	$ 34,676	$ 42,582

The Foundation did not identify any other non-recurring assets and liabilities that are required to be presented on the statements of financial position at fair value in accordance with ASC Topic 825.

Note 2 - Summary of significant accounting policies, continued

Inventories, net

Inventories are carried at the lower of cost (determined on average cost basis) or net realizable value. Inventories consist of merchandise acquired for resale in the Foundation's museum store.

In 2014, the Foundation recorded an inventory reserve for inventory of bound and paperback books and other miscellaneous merchandise based on estimated sales of these items for the next five years. The reserve amounts for the years ending December 31, 2015 and 2014 amounted to $310,535 and $304,279, respectively.

Property and equipment

Land is stated at estimated fair value at date of donation. Property and equipment are stated at cost. The net gain or loss on items of property retired or otherwise disposed of is included in income, and the applicable asset cost and accumulated depreciation are removed from the accounts. The cost of certain repairs and maintenance is charged to expense unless the Foundation deems such amounts to be sufficiently material to warrant capitalization and depreciation; major renewals and betterments are capitalized. Property and equipment purchases over $1,000 are capitalized. Depreciation is calculated using the straight-line method over the estimated useful lives of the individual assets ranging from five to thirty years.

Investment policies, return objectives and risk parameters

The purpose of the investments and the endowment fund (Note 10) is to provide growth in income to the Foundation for operations. The Foundation has adopted investment policies for the endowment assets that attempt to provide safety through diversification in a portfolio of common stocks, bonds, cash equivalents and other investments which may reflect varying rates of return. The overall rate of return objective for the portfolio is a reasonable "real" rate consistent with the risk levels established by the board.

The return objective for the endowment fund, measured over a full market cycle or rolling three and five year periods, shall be the return to exceed the CPI plus 5.5% as well as a custom index which represents the allocation of the endowment fund among asset classes.

To satisfy its return objectives and risk parameters, the Foundation's investments are diversified within asset classes. Moreover, the equity fund is allocated to managers who have distinct and different investment styles. Portfolio diversification provides protection against a single security or class of securities having a disproportionate impact on aggregate performance. To facilitate the achievement of the endowment fund's long-term investment objective, the fund has established target asset allocations.

Contributions

Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Contributions, including endowment gifts and pledges, as well as any other unconditional promises to give, are recognized as revenue in the period pledged. Amounts expected to be collected within one year are recorded at their net realizable value. Amounts expected to be collected in future years are recorded at the present value of estimated future cash flows discounted using an effective interest rate method. The amortization of the imputed discount is reported as contribution income.

Note 2 - Summary of significant accounting policies, continued

Contributions, continued

For the years ended December 31, 2015 and 2014, contributions received from current and former board members amounted to approximately $930,859 and $1,419,000, respectively. During the years ended December 31, 2015 and 2014, approximately 48% and 75%, respectively, of the Foundation's total contribution revenue was provided by two contributors.

Advertising costs

Advertising costs are expensed as incurred. Advertising expense, which includes promotion of library programs, is reported as fundraising expense and program services expense. Advertising costs for the years ended December 31, 2015 and 2014, amounted to $159,383 and $82,897, respectively.

Joint costs

The Foundation conducts activities that include fundraising, program services, and general and administrative components. Those activities include salaries and benefits of management and depreciation of property and equipment.

Joint costs for the years ended December 31, 2015 and 2014 are as follows (in thousands):

	2015	2014
Officer salaries and benefits		
Fundraising	$ 29	$ 182
Program services	463	493
General and administrative	29	139
	521	814
Depreciation of property and equipment		
Fundraising	37	62
Program services	1,170	1,111
General and administrative	37	62
	1,244	1,235
Total Joint Costs	$ 1,765	$ 2,049

Long-lived assets

The Foundation adopted ASC Topic 360, "Impairment or Disposal of Long-Lived Assets," effective January 1, 2002. ASC Topic 360 establishes a number of rules for the recognition, measurement and display of long-lived assets which are impaired and either held for sale or continuing use with the business. Pursuant to ASC Topic 360, management reviews the Foundation's long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Management believes that no impairment triggering events have occurred during the years ended December 31, 2015 and 2014.

Note 3 - Pledges receivable, net

Pledges receivable of the Foundation consists of the following as of December 31, 2015 and 2014 (in thousands):

	2015	2014
Receivable - current	$ 688	$ 1,833
Imputed discount	(73)	(133)
Receivable - current, net	615	1,700
Receivable - long-term	532	333
Imputed discount	(24)	(21)
Receivable - long-term, net	508	312
Total pledges receivable, net	$ 1,123	$ 2,012

Management believes all pledges are collectible. For the years ended December 31, 2015 and 2014, the discount rate for pledges receivable was 3.25%. Amortization of the imputed discount is included in interest income which amounted to $71,929 for the year ended December 31, 2015. For the years ended December 31, 2015 and 2014, 100% of the Foundation's total pledges receivable were provided by four and three contributors, respectively.

Note 4 - Property and equipment, net

Property and equipment consisted of the following as of December 31, 2015 and 2014 (in thousands):

	2015	2014
Land	$ 1,993	$ 1,993
Buildings and improvements	32,774	32,774
Displays and fixtures	1,677	1,676
Equipment	262	261
Construction in progress	6,817	872
	43,523	37,576
Less: accumulated depreciation	(22,571)	(21,365)
Total property and equipment, net	$ 20,952	$ 16,211

Total depreciation expense for the years ended December 31, 2015 and 2014 amounted to $1,243,984 and $1,235,239, respectively.

Note 5 - Investments

Investment gains and losses consisted of the following as of December 31, 2015 and 2014 (in thousands):

	2015	2014
Interest	$ 71	$ 11
Dividends	872	964
Settlement Income	-	2
Unrealized (loss) gain on investments	(3,003)	877
Realized gain on sales of investments	88	411
Investment fees	(112)	(96)
Net investment (loss) gain	$ (2,084)	$ 2,169

Note 6 – Reserve for exhibit donation - NARA

Based on a joint agreement between the Foundation and the National Archives and Records Administration ("NARA" as described in Note 11), the Foundation is in the process of an estimated $15 million development and build-out renovation of the galleries and exhibits of the Richard Nixon Presidential Library. There is $6,817,128 of costs recorded as Construction in Progress under the caption "Property and equipment, net" on the accompanying statement of financial position at December 31, 2015. The exhibits will be donated to NARA at the completion of the renovations in 2016. The Foundation will recognize a reserve of $6,817,128 as a current liability and record a donation expense in the current period. Management believes that that the recognition of this expense in the current period better reflects the activities and the intentions of the donation.

Note 7 - Commitments

The Foundation leases equipment in California under various non-cancelable operating leases. Minimum lease commitments at December 31, 2015 are as follows:

Years Ending December 31,	Amount
2016	$ 2,364
2017	2,364
2018	2,364
2019	1,773

Lease expense for the years ended December 31, 2015 and 2014, amounted to $2,364 and $5,845, respectively.

Note 8 - Temporarily restricted net assets

Temporarily restricted net assets represent Rebozo Trust funds which provide monies on an annual basis to fund operating expenses of the Foundation and donor restricted contributions to provide support for the Richard Nixon Centennial Exhibit Renovation Campaign. The Campaign started in 2013 with the purpose of “It is time to take another look at Richard Nixon.” This $25 million campaign has three major priorities: (1) update the exhibits and facilities at the museum/library, (2) education/research/technology, and (3) China initiative.

Temporarily restricted net assets are available for the above purposes as of December 31, 2015 and 2014 (in thousands):

	2015	2014
Time restrictions:		
Rebozo Trust	$ 24,548	$ 27,001
Purpose restrictions:		
Centennial Campaign	4,966	7,237
	$ 29,514	$ 34,238

Centennial Campaign purpose restricted net assets as of December 31, 2015 and 2014 (in thousands):

	2015	2014
Beginning Centennial Campaign balance	$ 7,237	$ 4,917
Contributions	2,418	2,620
Net investment gain	17	52
Net assets released from restrictions	(4,706)	(352)
Centennial Campaign	$ 4,966	$ 7,237

Net assets released from temporary restrictions for the years ended December 31, 2015 and 2014 (in thousands):

	2015	2014
Time restriction releases:		
Rebozo Trust	$ 1,025	$ 1,077
Purpose restriction releases:		
Centennial Campaign	4,706	352
Total releases	$ 5,731	$ 1,429

Note 9 - Permanently restricted assets

Permanently restricted net assets represent endowment funds, which are to be invested in perpetuity to provide a permanent source of income to fund operations of the Foundation. Based upon donor stipulations, interest earned on the endowment funds is either temporarily restricted support for the Foundation's programs or unrestricted support for the Foundation's operations. Earnings on the permanently restricted net assets are reinvested in equity securities and U.S. government obligations.

Permanently restricted net assets as of December 31, 2015 and 2014 are as follows (in thousands):

	2015	2014
Cash and investments	$ 13,501	$ 13,501

Note 10 - Rebozo trust pledge

In May 1998, the Foundation was named as a principal beneficiary of the Charles G. Rebozo Revocable Trust. All funds bequeathed to the Foundation from the Rebozo Trust have been placed in a designated endowment fund. Beginning in 2003 and continuing over a five-year period, 4% of the fund balance at the end of each year was authorized for released during the following year for operating expenses.

Every three years the Designated Individuals of the Rebozo Trust (the "Designated Individuals") can vote unanimously to decide on whether to adjust the future distribution percentage but, in no event, can the Designated Individuals modify the percentage to a figure that is less than the greater of the modified percentage for such a period, or 3%. If for any reason there is a failure to fix a modified percentage, the percentage shall be 3% and will not be subject to arbitration. For the years ended December 31, 2015 and 2014, the distribution percentage was 3.7% and 4%, respectively.

As of December 31, 2015 and 2014, the Foundation had $25,033,967 and $27,487,222 in the Rebozo endowment which was included in investments on the statement of financial position. A reconciliation of the beginning and ending balances of the endowment fund is as follows for the years ended December 31, (in thousands):

	2015	2014
Beginning endowment balance	$ 27,487	$ 26,922
Net investment (loss) gain	(1,428)	1,642
Net assets released from restrictions	(1,025)	(1,077)
Ending endowment balance	$ 25,034	$ 27,487

Note 10 - Rebozo trust pledge, continued

Endowment funds are classified as follows as of December 31, (in thousands):

	2015	2014
Temporarily Restricted	$ 24,548	$ 27,001
Permanently Restricted	486	486
Total	$ 25,034	$ 27,487

In accordance with the Rebozo Trust, the funds shall be invested as prescribed by the Investment Committee of the Foundation subject to board approval. In order to meet the objectives and asset allocation guidelines as approved by the board, the Foundation has engaged investment managers which are overseen by the investment committee on a monthly basis.

Note 11 - National archives and records administration

In July 2007, the Foundation finalized the Occupancy Agreement (the "Agreement") with the National Archives and Records Administration (NARA) to display Presidential materials generated during President Nixon's tenure in office. Pursuant to the Agreement, the Foundation granted to NARA exclusive rights and access to the use of certain properties and equipment of the Foundation. Accordingly, the Foundation was to donate to the United States, the rights, title and any interest it may have in certain exhibits located in the museum exhibition galleries of the Library which was to be agreed upon on a later date. It was also agreed upon that NARA provide security for the entire site and that NARA and the Foundation will jointly share in maintenance and utility costs equal to the percentage of the overall square footage of the building that they occupy. In addition, the admission revenue is shared between NARA and the Foundation.

Note 12 - Professional services agreement and retirement plan

The Foundation has a prototype 401(k) plan, effective November 11, 2009, with all employees eligible to participate in the Plan. The Foundation's matching contribution was 100% of the participant's contribution up to $15,500 per year, which was deferred as a pre-tax salary elective deferral unless the after tax Roth deferral option was selected. Matching contributions were determined each payroll period.

Effective January 1, 2015, the Foundation adopted a qualified safe harbor 401(k) and profit sharing plan in which all employees with three months and 250 hours of service are eligible to participate in the Plan. The Foundation's adoption of this plan terminated its previous prototype 401(k) plan. The Foundation's matching contribution is 100% of the participant's contribution up to 100% of the participant's gross salary, which is deferred as a pre-tax salary elective deferral unless the after tax Roth deferral option is selected. Matching contributions are determined each payroll period. For the 2016 plan year, the plan also calls for safe harbor matching contributions of 100% of the participant's contribution up to 4% of the participant's gross salary.

ADP TotalSource, Inc. was the third party administrator of the Foundation's 401(k) Plan during 2014 through June 2015 at which time Cross Plans became the third party administrator and MassMutual became the recordkeeper and custodian.

Note 12 - Professional services agreement and retirement plan (continued)

For the years ended December 31, 2015 and 2014 the Foundation's provision for the 401(k) plan totaled $149,310 and $147,372, respectively. In 2015, there were no additional expenses paid by the Foundation to administer the Plan.

Note 13 - Subsequent events

The Foundation evaluated all events and transactions through July 15, 2016, the date the financial statements were available to be issued. With the exception of the following, management believes that no event occurred subsequent to December 31, 2015 that is required to be recorded or disclosed in the consolidated financial statements.

Effective January 19, 2016, the Foundation entered into a $10 million non-revolving line of credit with Pacific Mercantile Bank, secured by the majority of the Foundation's assets. This line of credit has a variable rate, based on the current prime rate, and matures January 5, 2018. The Foundation has drawn approximately $2,750,000 through the date the financial statements were available to be issued.