**RESOLUTION 2020-131** **PASSED: DECEMBER 28, 2020**

**AUTHORIZING HUMAN SERVICES AGREEMENTS WITH LOCAL SOCIAL SERVICE AGENCIES FOR HUMAN SERVICES FUNDING BEGINNING JANUARY 1, 2010 THROUGH DECEMBER 31, 2021.**

**WHEREAS,** the City Council has reviewed and approved the Fiscal Year 2021 budget including provisions for certain human services agencies' request for funding; and

**WHEREAS,** agreements between the City of DeKalb and various agencies have been prepared as approved providing for the issuance of funds from the General Fund of the City; now

**THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL** of the City of DeKalb, Illinois, as follows:

**SECTION 1:** That the Mayor of the City of DeKalb, Illinois, is authorized and directed to sign the following agreements for the corresponding funding listed for Fiscal Year 2021, copies of which are attached hereto and made a part thereof subject to such changes as shall be acceptable to him:

| | |
|---|---|
| Adventure Works of DeKalb County, Inc. | $ 10,000 |
| Court Appointed Special Advocates (CASA) | $ 5,000 |
| Community Coordinated Child Care (4-C) | $ 19,000 |
| DeKalb County Community Gardens | $ 6,000 |
| DeKalb County Youth Service Bureau | $ 25,000 |
| Elder Care Services | $ 10,000 |
| Family Service Agency of DeKalb County | $ 10,000 |
| Fox Valley Older Adult Services | $ 5,000 |
| Hope Haven | $ 8,000 |
| Kishwaukee YMCA – Camp Power | $ 11,000 |
| Nguzo Saba Men's Club | $ 5,000 |
| RAMP | $ 5,000 |
| Safe Passage | $ 11,000 |
| Voluntary Action Center | $ 20,000 |
| Total | $150,000 |

**SECTION 2:** That the City Clerk or Executive Assistant of the City of DeKalb, Illinois be authorized and directed to attest the Mayor's Signature and shall be effective thereupon.

**PASSED BY THE CITY COUNCIL** of the City of DeKalb, Illinois at a Regular meeting thereof held on the 28th day of December 2020 and approved by me as Mayor on the same day. Passed by a 6-0-2 roll call vote. Aye: Finucane (Remote), Perkins, McAdams, Verbic, Faivre, Mayor Smith. Nay: None. Abstain: Morris, Smith.

**ATTEST:**

**RUTH A. SCOTT,** Executive Assistant

**JERRY SMITH,** Mayor

CITY OF DEKALB STATE OF ILLINOIS

**HUMAN SERVICES AGREEMENT**
**ADVENTURE WORKS OF DEKALB COUNTY, INC.**

This agreement made this 28th day of December, 2020, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the "City" and Adventure Works of DeKalb County, Inc., hereinafter referred to as "Grantee," WITNESSETH:

WHEREAS, the City desires that Grantee provide certain services to the citizens of DeKalb and Grantee has the capacity to provide such services; and,

WHEREAS, the Grantee acknowledges that it is the City's intention to purchase said services for the citizens of the City of DeKalb under the following guidelines:

1. First priority shall be given to those services which will help meet basic emergency needs such as food, clothing, and shelter. Second priority shall be given to those services which are preventative in nature and promote the highest degree of self-support, self-care, and self-help. Third priority shall be given to those services which seek to enhance the quality of life of persons whose basic needs are already met. Priority shall also be given to services which primarily benefit low and moderate income residents. The services provided by the Grantee are consistent with these guidelines as explained on the attached Exhibit A.

2. Services shall address specific documented needs. The services provided by the Grantee address the specific, documented needs as explained on the attached Exhibit A.

3. Services shall also receive financial support from other community sources. Grantee has attached hereto a copy of its budget for the period that this Agreement covers as Exhibit B, which budget establishes that the Grantee receives at least 97 % of its funding from third party sources. A copy of Grantee's audit or year end financial statement from the most recent complete year of operations is attached hereto as Exhibit C.

4. City funds are used only to support those services directly benefiting DeKalb residents. The City will not subsidize the cost of services to non-residents. Grantee has certified compliance with this requirement by signing the attached Exhibit A.

5. Administrative costs for these services are to be kept to a minimum. Grantee has identified the allocation between administrative costs and program costs as explained on the attached Exhibit A.

6. These services must be coordinated with other agencies when feasible. Grantee has outlined how services are coordinated with other agencies as explained on the attached Exhibit A.

7. The City will not fund, but may augment, services which are the responsibility of another public agency or funding source. Grantee has identified any areas where the City's funds are being utilized to augment third party responsibilities as explained on the attached Exhibit A.

8. City funds are to be used primarily to match or leverage other private or public funds. Grantee has explained how matching or leveraged funds are being sought or obtained as explained on the attached Exhibit A.

9. The City's intent is to contract for specific services and monitor their effectiveness. Grantee has: a) identified the metrics by which its performance is to be evaluated on an annual basis; b) identified those third parties that provide any review or evaluation of Grantee's efforts; and, c) explained its clearly defined performance evaluation process, as explained on the attached Exhibit A.

10. Grantee has clearly identified and delineated where any elected or appointed official of the City or any City employee is involved in its programming or receives any direct or indirect benefit, any compensation, or any pecuniary benefit of any form by virtue of Grantee's program or the City funding provided hereunder, as explained on the attached Exhibit A.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, and all such funds are held by the Grantee in a Grantee-specific checking account with the financial institution identified therein (and not in any personal checking account), unless otherwise indicated therein.

WHEREAS, the parties hereto understand and agree that the Grantee is an independent contractor and not an employee of the City; now,

In consideration of the agreements set forth and other good and valuable considerations, the parties agree as follows:

1. **Term.** The term of this agreement shall be from January 1, 2021 to December 31, 2021. The City or Grantee may terminate this Agreement at any time, upon the provision of thirty (30) days written notice. The City may terminate this agreement at any time based upon the occurrence of a breach of this Agreement, upon the provision of 48 hours written notice.

2. **Scope of Service**. The Grantee shall provide services in accordance with the service plan provided in the original application, a copy of which is attached hereto as Exhibit A.

3. **Hold Harmless**. The Grantee hereby agrees to indemnify, defend, and hold the City and its officers, employees, contractors, and representatives harmless from and against any and all such costs, expenses, damages, liabilities, losses and

claims which may arise out of, or are related to the services provided by the Grantee under this agreement or which relate to this Agreement or the funding provided herein. The Grantee agrees and acknowledges that the City is not in any way responsible for the conduct or provision of Grantee's programs or services, and is not responsible for the review, supervision or management of Grantee's personnel, volunteers, participants, programming, or services.

4. **Payment.** The City agrees to pay the Grantee the sum of Ten Thousand and No/100 Dollars ($10,000.00) for services rendered under this agreement. **Payment will be disbursed in four equal installments and will be processed upon receipt of the Grantee's quarterly reports, as required by this funding agreement.** In the event that this Agreement is terminated, no further payments shall be due or payable to Grantee. In the event that the City Council determines that the City's financial condition does not support making a payment otherwise due under this Agreement, the City may suspend, delay, or otherwise cancel payments due hereunder.

5. **Access to Financial Records**. The Grantee agrees to allow the City access to review any and all of Grantee's financial records as may be determined appropriate to insure the accountability of monies disbursed by the City. The Grantee also agrees to provide the City with a copy of its operating budget and its audit or year-end financial statement for each fiscal year or portion thereof in which the Grantee receives funding under this (or successor) agreements.

6. **Performance Reporting**. The Grantee agrees to send the City a report following every three months of services identifying the number of City of DeKalb citizens that have been provided services under the terms of this Agreement. The Grantee further agrees to send the City a copy of all documentation required to demonstrate its performance or which is identified as a performance-evaluation tool in Exhibit A.

   Quarterly reports shall be provided to the City on or before the 10th day of the following months:

   1st Quarter – April
   2nd Quarter – July
   3rd Quarter – October
   4th Quarter - January

7. **Compliance with Laws.** The Grantee expressly covenants and agrees that it shall comply with all applicable laws, including those laws applicable to the use of public funding to the extent that such laws are applicable to programs funded in whole or in part by the City of DeKalb. The Grantee expressly covenants that it shall not discriminate against any person or organization on the basis of any legally recognized protected classification, including but not limited to race, gender, religion, ethnic or cultural background, sexual preference, or other legally

recognized, protected classification, in the provision of its services or use of funding provided hereunder.

8. **Use of Funds.** The Grantee shall only utilize funds made available under this agreement for the provision of services consistent with this agreement and shall not use such funding for any other purpose, nor for the construction of any real property or improvement to real property, nor for any purpose which constitutes "Public Works" for purposes of the Illinois Prevailing Wage Act.

9. **Grantee's Organization.** Grantee is organized in the format as described in Exhibit A. For the term of this Agreement, Grantee shall take such actions as shall be required to maintain that form of organization. Grantee shall provide the City with notice of the meetings of its governing board or board of directors, and the City shall have the opportunity to attend such meetings as an *ex officio* member of such governing board; the City shall also have the right to review the minutes of all such meetings.

10. **Grantee-Specific Obligations.** Grantee shall comply with the listing of Grantee-Specific Obligations attached hereto as Exhibit D.

11. **Certification:** Grantee hereby certifies that it shall comply with the contents of this Agreement and the terms of its Application and certifies that the contents of this Agreement and the Application are true, accurate and correct. The recitals to this Agreement are expressly incorporated herein by reference.

IN WITNESS WHEREOF, the Grantee has caused this agreement to be signed, sealed, and attested to by its Chairman of the Board of Directors and Executive Director, on the _____ day of _____, _____, and said City has caused the same to be signed, sealed, and attested to by its Mayor and City Clerk or Executive Assistant of the City of DeKalb as of the date first mentioned in this Agreement.

ADVENTURE WORKS OF DEKALB COUNTY, INC.

Board Chairman

ATTEST:

Executive Director

CITY OF DEKALB, ILLINOIS

Jerry Smith, Mayor

CITY OF DEKALB STATE OF ILLINOIS

ATTEST:

# Exhibit A: Funding Application

164 East Lincoln Highway
DeKalb, Illinois 60115
815.748.2000 • cityofdekalb.com

# FY 2021 HUMAN SERVICES FUNDING APPLICATION
## Twelve Months Funding 1/1/21 to 12/31/21

**APPLICATION MUST BE RECEIVED NO LATER THAN 5:00 P.M. ON NOVEMBER 6, 2020. INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.**

**Agency Name:** Adventure Works of DeKalb County, Inc.

**Mailing Address:** 1211 Sycamore Road, DeKalb, Illinois 60115

**Agency Director:** Lynette Spencer

**Contact Person:** Kim Hinzy

**Telephone No.:** 815-517-0825 **Email Address:** kim@adventureworksdekalb.org

**Name of Person Responsible for Completing Quarterly Report:** Kim Hinzy

**Telephone No.:** 815-517-0825 **Email Address:** kim@adventureworksdekalb.org

**Program Description:** See attached

**Twelve Month Program Budget:** $567,597

**Amount of Funding Requested:** $12,000

**% of Total Program Budget:** 2%

**Total Number of Estimated Program Participants:** 250 (all tiers)

**Total Number of Estimated DeKalb Residents to be Served:** 105

**Estimated DeKalb Residents as % of Total Participants to be Served:** 42%

***The following documents must accompany the application:***

1. A current listing of the agency's Board of Directors and terms.

2. The current annual operating budget for the agency and a detailed budget for the program requesting funding.

3. A detailed narrative explaining the program to be funded, its potential impact, and any anticipated outcomes to be achieved. Be specific about the population to be served and the benefits derived from your services. Include any descriptive materials regarding the history and mission of the agency that would help augment the application.

4. Documentation of the agency's 501(c)(3) status.

5. Completed W-9 Form.

6. Copy of agency's most recent financial audit.

The City of DeKalb retains the right to request any and all additional information from the agency it may determine necessary in making funding decisions. This may include articles of incorporation or any other information deemed appropriate.

The undersigned hereby certifies the information contained in this application is true and accurate to the best of their knowledge and belief.

Name of Authorized Signer: Kim Hinzy

Title: Associate Director

Signature: Kim Hinzy

Date: 11/4/2020

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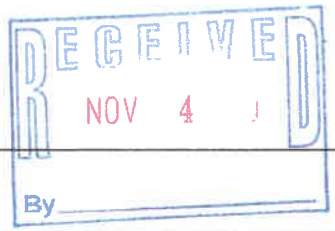
Please submit the application using one of the following methods:

- Via regular mail to be received no later than 5:00 p.m. on November 6, 2020 to:

  City of DeKalb
  Attention: Joanne Rouse
  164 East Lincoln Highway
  DeKalb, Illinois 60115

- Via email dated no later than 5:00 p.m. on November 6, 2020 to: joanne.rouse@cityofdekalb.com




**OFFICE USE ONLY:**

Date Application Received: _____

☐ Approved – Annual Amount Awarded $_____ / $_____ per quarter

☐ Denied

## Adventure Works of DeKalb County
## Program Narrative for City of DeKalb Human Services

### History and Mission of Adventure Works

Adventure Works was launched in 2010 to provide an engaging option of counseling for children and adolescents who traditionally do not thrive in office-based talk therapy. Additionally, Adventure Works programs have allowed youth living in poverty to have experiences they would otherwise not have. Adventure Works' mission is "guiding youth in overcoming life challenges through adventure-based counseling and education." It offers expressive, experiential outdoor behavioral healthcare and intervention services, prevention programming utilizing group therapy, and outdoor education to all children regardless of their ability to pay. Adventure Works utilizes outdoor behavioral healthcare programming as an effective alternative to traditional counseling to help youth develop social skills, reduce behavioral problems (such as delinquent behavior, substance abuse and interpersonal problems), overcome psychological problems and experience psychological resilience. Through holistic programming, Adventure Works teaches youth life skills necessary to become self-sufficient, confident and mentally healthy adults.

### Description of Program and Outcomes

Adventure Works seeks funding from the City of DeKalb Human Services to support its intervention and prevention programming for underserved youth in DeKalb County and the surrounding area. Adventure Works addresses the mental health needs of local youth through the following services:

**Intervention (Tier 3).** Adventure Works provides adventure-based interventions to individual youth and their families to treat or address challenges related to mental health. Adventure Works' programming relies on adventure therapy, which is defined as any engaging activity that helps clients explore their unknown to create insightful and remarkable experiences. Adventure Works believes that adventure therapy is best experienced outdoors within the context of a therapeutic relationship.

Youth are led to Adventure Works through multiple methods, including school administrators, teachers, parents, physicians or other social service agencies. Youth are often referred to Adventure Works in situations where traditional counseling methods have been unsuccessful. Upon engagement with Adventure Works, a therapist conducts an intake with the client to identify individualized treatment goals. Once goals are established, the client and therapist participate in outdoor behavioral healthcare sessions once a week for approximately 45 minutes. Collaboratively, the client and therapist identify activities that will allow the client to develop trust, take risks, open up and accept support. The length of the treatment varies by client and their individualized treatment goals.

**Prevention (Tier 2).** Adventure Works offers adventure-based interventions tailored for school or place-based groups focused on social-emotional learning with a goal of improving mental wellness and prevention of mental health challenges. Through prevention programming, youth are engaged in activities focused on developing positive behaviors aligned with the "Six C's" of prosocial behavior: Competence, Confidence, Character, Compassion, Connection and Contribution to the community.

Additionally, Adventure Works provides its prevention programming to youth in the University Village community, specifically working with critically underserved youth. Programming in this community has

evolved into a multi-faceted, collaborative program taking place after school and on-site in University Village, where 100% of the families are living in poverty with household income under $12,000 annually. Youth served by the program face several challenges, such as food insecurity, anxiety, exposure to violence and academic concerns. During the coronavirus pandemic, Adventure Works has continued to provide residents with resources and connect them to services. Unfortunately, Adventure Works has had to put on-site prevention programming on hold due to COVID restrictions.

*Early Risk Assessment Program (ERAP).* ERAP is a prevention program aimed at reducing recidivism and assessing mental health challenges for first time youth offenders.

*Little Adventurers.* Adventure Works has partnered with the Kindergarten Readiness Committee and the Trauma Informed Committee of the Juvenile Justice Council to provide an alternative kindergarten readiness program with a focus on nature and the outdoors, for children ages 4 and 5. Typically, the program is offered two days a week and each session lasts 12 weeks. Currently, during the coronavirus pandemic, this program has been placed on hold until the spring term, in order to respond appropriately to safety measures.

Adventure Works defines success through the positive growth experienced by clients and their families. Adventure Works has established the following outcomes for its work:

1. Strengthen community partnerships to expand access to mental health services, including early interventions for children under seven years old.
2. Provide a positive alternative for youth who have not been successful in traditional office-based therapy.
3. Pass on facts to challenge the myths and stereotypes surrounding mental illness.
4. Foster environmental stewardship and connection with nature among community youth and their families to promote overall wellness.
5. Enhance Adventure Works' property to promote community engagement with outdoor and adventure-based interventions.

Adventure Works will meet these goals by providing unique experiences, employing best practices of outdoor behavioral healthcare, and collaborating with its clients on the best way to serve their needs. Indicators of success will reveal that youth and their families are engaged in the therapeutic process and are making progress toward their individual treatment goals. Additionally, Adventure Works' programs work to increase prosocial behaviors in youth. It seeks the following objectives for its participants: positive relationships with adults and peers, positive self-worth and sense of identity, sense of tolerance and empathy for others, a positive view of skills and ability, the ability to recognize and abide by social and cultural rules, and active participation in community activities and issues.

**Population Served and Benefits of Services**

Across the United States, there is a significant unmet need for mental health care. Currently, in Illinois, youth are not receiving adequate mental health services. At any point in time, 1 in 10 children in Illinois suffer from a mental illness severe enough to cause some level of impairment; yet in any given year, only about 20% of these children receive mental health services. Suicide is the second leading cause of death among people aged 10-34 in the U.S. and data illustrate that 46% of people who died by suicide had a diagnosed mental health condition. Additionally, the COVID-19 pandemic has intensified the

mental health issues facing youth. Research links social isolation and loneliness to poor mental health. With current social distancing protocols, many individuals are facing the effects of isolation. A recent study by the Kaiser Family Foundation revealed that 47% of individuals sheltering in place reported negative mental health effects due to stress. Mental health among youth may be exacerbated by the pandemic, as many will not have access to mental health services through school, in addition to the stress associated with sheltering in place, homeschooling, and grieving the loss of key milestones.

Adventure Works seeks to provide all youth with access to quality mental health care. Adventure Works seeks to increase programming to youth and families in DeKalb and as the only outdoor behavioral healthcare program in DeKalb, it reduces barriers to treatment. The youth served by Adventure Works are largely disadvantaged and staff meet the needs of all youth, regardless of their ability to pay. Adventure Works seeks to overcome the negative stigma associated with therapy. Many of the youth who come to the organization have been unsuccessful with traditional office-based talk therapy. Staff connect with youth differently, utilizing positive experiences that are shared with the clinician to help clients overcome personal and behavioral challenges.

Programs are focused on youth from ages 4 through 25 years old, with over half ranging in ages from 5-12 years old. Many barriers to adequate mental health treatment exist for DeKalb County youth. Barriers such as lack of access to affordable services, cultural beliefs surrounding therapy and negative attitudes based on past experiences prevent treatment. Further, while many families now have health insurance, high deductibles, copays and out-of-pocket expenses make the cost of mental health services increasingly unaffordable. As a result, approximately 53% of Adventure Works' participants are from households that are below 150% of the Federal Poverty Guidelines. Additionally, approximately 57% of clients are individuals who are neurodevelopmental, which includes ADHD, conduct, and Autism Spectrum Disorder, 10% are children of veterans and 3% identify with the LGBTQIA community.

**Adventure Works' Successes and Challenges in 2020**

For many individuals and nonprofit organizations, 2020 has been a challenging year. Adventure Works faced several challenges this year. Due to the coronavirus emergency, Adventure Works did not serve its clients in person between March 21 to June 8, 2020. Adventure Works immediately transitioned to Telemental Health (TMH), as a way to continue its work with clients and families and worked tirelessly to ensure that it is implementing TMH in a HIPAA compliant way. Adventure Works has been seeing youth for in-person sessions since June, however, due to social distancing requirements, it will continue to maintain a blend of TMH and in-person sessions in order to serve as many youth and families as possible.

COVID-19 has disrupted the treatment for many vulnerable children and families who desperately need mental health support. This pandemic has also disrupted the financial picture for Adventure Works. Times are uncertain for everyone and Adventure Works is no exception. Uncertainty about insurance reimbursement for TMH, reengagement of clients and rebuilding caseloads, and losses suffered by businesses and grantors in the community are likely to have a damaging impact on Adventure Works' financial picture. In the meantime, Adventure Works' team will continue to build partnerships, take advantage of local, state, and national financial opportunities as they become available, and maintain the highest standards of care for its clients and their families.

But with the challenges, Adventure Works has also had great successes. Adventure Works has served hundreds of clients in DeKalb County with critical outdoor behavioral healthcare intervention,

prevention and education programming. Additionally, a significant percentage of these clients have been from low-income families that would have lacked access to this type of programming. Among the numerous successes during this year, Adventure Works highlights the following achievements:

- Adventure Works co-created an education campaign with DeKalb County Youth Service Bureau and OC Creative. Collaboratively, they developed a brief video and social media content highlighting existing mental healthcare services available in the community as well as recommendations for at-home coping strategies during the coronavirus pandemic. While the education campaign was developed during the pandemic, its content will be used to help support the mental health of the community and drive engagement to existing services long after the COVID-19 pandemic.

- Adventure Works started the LGBTQ+ Peer Group, which is a peer-led support group that provides a place for high school students to meet without judgement.

- Through its use of Telemental Health (TMH), Adventure Works' clinicians had an opportunity to gain insights about some of their clients. For example, some kids found TMH safer and more relaxed, and therapists got a different and new perspective on their home environments. Additionally, while younger children appeared to have less interest/ability to maintain a full session, this allowed therapists to have more parent dialogue and intervention in some situations.

- Through the use of TMH and other creative efforts to meet the community's mental health needs, Adventure Works relied heavily on its international community of support and collaborated on how to address numerous challenges. These partnerships not only helped Adventure Works pivot its programming during the pandemic, but they also laid a foundation for future learning and collaboration.

**Adventure Works**

**Board of Directors 2020**

| Name | Contact | Title | Terms of Office |
|---|---|---|---|
| Don Billington,<br>Genoa-Kingston High School<br>Principal, Retired | 815-766-2623 | Chairperson | Member Since<br>2017 |
| Karen Simmons<br>Director of Student Services Genoa-<br>Kingston CUSD 424 | 980 Park Avenue<br>Genoa, IL 60135 | Member | Member Since<br>2017 |
| Michael Cullen, Jr.<br>Regional President First Midwest Bank | 230 W. State St.<br>Sycamore, IL 60178 | Member | Member Since<br>2017 |
| Amy Oster<br>Vice President, OC Creative | 107 E. Robinson Ave<br>Cortland, IL 60112 | Member | Member Since<br>2018 |
| Dale Boughton<br>SunDog IT | PO Box 1154<br>DeKalb, IL 60115 | Treasurer | Member Since<br>2017 |
| Mary Gentile<br>Department of Social Work<br>Sycamore School District 427 | 245 West Exchange St.<br>Sycamore, IL 60178 | Member | Member Since<br>2018 |
| Pam Hill<br>Social Worker Genoa-Kingston School<br>District | 980 Park Ave<br>Genoa, IL 60135 | Member | Member Since<br>2018 |
| Jane Dargatz<br>Retired Educator | 2500 N. Annie Glidden Rd<br>Suite B<br>DeKalb, IL 60115 | Secretary | Member Since<br>2017 |

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date JUN 0 6 2011

ADVENTURE WORKS OF DEKALB COUNTY
INC
14 HEALTH SERVICES DRIVE
DEKALB, IL 60115

Employer Identification Number:
27-1897885
DLN:
17053123339031
Contact Person:
NANCY L HEAGNEY ID# 31306
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
October 28, 2010
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Sincerely,

Lois G. Lerner
Director, Exempt Organizations

Enclosure: Publication 4221-PC

Letter 947 (DO/CG)

Form **W-9**
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

**Give Form to the requester. Do not send to the IRS.**

Print or type
See Specific Instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Adventure Works of DeKalb County, INC

2 Business name/disregarded entity name, if different from above
Adventure Works

3 Check appropriate box for federal tax classification; check only **one** of the following seven boxes:
☐ Individual/sole proprietor or single-member LLC ☑ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate
☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶
**Note.** For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.
☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any)
Exemption from FATCA reporting code (if any)
*(Applies to accounts maintained outside the U.S.)*

5 Address (number, street, and apt. or suite no.)
1211 Sycamore Road

Requester's name and address (optional)

6 City, state, and ZIP code
DeKalb, Illinois 60115

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

**Social security number**
[ ][ ][ ] - [ ][ ] - [ ][ ][ ][ ]

or

**Employer identification number**
2 7 - 1 8 9 7 8 8 5

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

**Sign Here** | **Signature of U.S. person** ▶ [signature] Executive Director | **Date** ▶ 04/17/2020

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at *www.irs.gov/fw9*.

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding.* See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

## Exhibit B: Current Year's Budget

**Adventure Works, Inc.**

**FY21 Budget**

| | |
|---|---|
| **INCOME** | |
| Government Grants | 68,960 |
| Foundation/Corporate Grants | 100,750 |
| Fee for Service | 357,887 |
| Private Donations | 40,000 |
| Total Revenue | 567,597 |
| | |
| **EXPENSES** | |
| Payroll Expenses | 443,169 |
| Contractual Expenses | 48,900 |
| Program Expenses | 17,665 |
| Operating Expenses | 57,863 |
| Total Expenses | 567,597 |
| Revenue Over (Under) Expenses | - |

## Exhibit C: Most Recent Completed Fiscal Year's Audit or Year-End Financial Statement

# ADVENTURE WORKS OF DEKALB COUNTY, INC.

Financial Statements

Years Ended June 30, 2020 and 2019

(With Independent Auditor's Report Thereon)

**ADVENTURE WORKS OF DEKALB COUNTY, INC.**

CONTENTS


| | Page |
|---|---|
| Independent Auditor's Report | 1 – 2 |
| FINANCIAL STATEMENTS | |
| Statements of Financial Position | 3 |
| Statements of Activities | 4 |
| Statements of Functional Expenses | 5 – 6 |
| Statements of Cash Flows | 7 |
| Notes to Financial Statements | 8 – 15 |

BENNING GROUP, LLC
CERTIFIED PUBLIC ACCOUNTANTS
www.BenningGroup.com

# Independent Auditor's Report

The Board of Directors
Adventure Works of DeKalb County, Inc.
DeKalb, Illinois

## Report on the Financial Statements

We have audited the accompanying financial statements of Adventure Works of DeKalb County, Inc. (a non-profit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

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

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

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(815) 235-3157
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Monroe, Wisconsin 53566
(608) 325-5035
Fax (608) 328-2843

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 Adventure Works of DeKalb County, Inc. as of June 30, 2020 and 2019, 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.

**Adoption of New Accounting Pronouncement**

As discussed in Note 9 to the financial statements, Adventure Works of DeKalb County adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, and all subsequently issued clarifying ASUs and ASU No. 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, as of July 1, 2019. Our opinion is not modified with respect to this matter.

Benning Group LLC

Rockford, Illinois
October 22, 2020

## ADVENTURE WORKS OF DEKALB COUNTY, INC.

Statements of Financial Position

June 30, 2020 and 2019

| Assets | | 2020 | 2019 |
|---|---|---|---|
| Current assets: | | | |
| Cash and cash equivalents | $ | 382,251 | 128,424 |
| Accounts receivable, less allowance for doubtful accounts of $2,500 and $4,749 as of June 30, 2020 and 2019, respectively | | 23,435 | 29,338 |
| Contributions receivable – United Way Agencies | | 4,300 | 6,147 |
| Contributions receivable – other | | – | 15,000 |
| Prepaid expenses | | 3,754 | 1,265 |
| Total current assets | | 413,740 | 180,174 |
| Property and equipment: | | | |
| Land and land improvements | | 174,250 | 78,013 |
| Building and building improvements | | 130,430 | 119,678 |
| Vehicles and trailers | | 23,585 | 23,585 |
| Less accumulated depreciation | | (38,557) | (33,704) |
| Net property and equipment | | 289,708 | 187,572 |
| | $ | 703,448 | 367,746 |
| **Liabilities and Net Assets** | | | |
| Current liabilities: | | | |
| Current portion of mortgage payable | | 15,247 | 6,590 |
| Accounts payable | | 8,858 | 9,937 |
| Accrued expenses | | 8,527 | 9,251 |
| Accrued payroll | | 16,440 | 9,797 |
| Total current liabilities | | 49,072 | 35,575 |
| Refundable advance | | 57,134 | – |
| Long-term liability – mortgage payable | | 350,558 | 125,630 |
| Total liabilities | | 456,764 | 161,205 |
| Net assets: | | | |
| Without donor restrictions | | 193,998 | 150,176 |
| With donor restrictions | | 52,686 | 56,365 |
| Total net assets | | 246,684 | 206,541 |
| Total liabilities and net assets | $ | 703,448 | 367,746 |

See accompanying notes to financial statements

**ADVENTURE WORKS OF DEKALB COUNTY, INC.**

Statements of Activities

For the Years Ended June 30, 2020 and 2019

| | Without Donor Restrictions | With Donor Restrictions | Total 2020 | Without Donor Restrictions | With Donor Restrictions | Total 2019 |
|---|---|---|---|---|---|---|
| Revenue and support: | | | | | | |
| Contributions | $ 97,466 | 61,789 | 159,255 | 87,164 | 56,700 | 143,864 |
| Contributions – United Way Agencies | – | 7,370 | 7,370 | – | 8,400 | 8,400 |
| Client fees | 171,713 | – | 171,713 | 122,256 | – | 122,256 |
| Government grants | 185,039 | – | 185,039 | 149,948 | – | 149,948 |
| Fund-raising events, net of direct costs of $391 and $9,220 respectively | 5,832 | – | 5,832 | 16,784 | – | 16,784 |
| In-kind contributions | 29,118 | – | 29,118 | 20,935 | – | 20,935 |
| Rent revenue | 5,800 | – | 5,800 | 7,248 | – | 7,248 |
| Other revenue | 700 | – | 700 | – | – | – |
| Interest income | 8 | – | 8 | 2 | – | 2 |
| Net assets released from restrictions: | 72,838 | (72,838) | – | 63,176 | (63,176) | – |
| Total revenue and support | 568,514 | (3,679) | 564,835 | 467,513 | 1,924 | 469,437 |
| Expenses: | | | | | | |
| Program services | 379,244 | – | 379,244 | 320,459 | – | 320,459 |
| Management and general | 133,719 | – | 133,719 | 91,469 | – | 91,469 |
| Fundraising | 11,729 | – | 11,729 | 14,039 | – | 14,039 |
| Total expenses | 524,692 | – | 524,692 | 425,967 | – | 425,967 |
| Increase (decrease) in net assets | 43,822 | (3,679) | 40,143 | 41,546 | 1,924 | 43,470 |
| Net assets at beginning of year | 150,176 | 56,365 | 206,541 | 108,630 | 54,441 | 163,071 |
| Net assets at end of year | $ 193,998 | 52,686 | 246,684 | 150,176 | 56,365 | 206,541 |

See accompanying notes to financial statements

## ADVENTURE WORKS OF DEKALB COUNTY, INC.

Statement of Functional Expenses

For the Year Ended June 30, 2020

| | | Program Services | Management and General | Fundraising | 2020 Totals |
|---|---|---|---|---|---|
| Salaries and wages | $ | 281,033 | 61,473 | 5,332 | 347,838 |
| Payroll taxes and benefits | | 26,164 | 5,911 | 500 | 32,575 |
| Advertising and promotion | | 271 | – | 583 | 854 |
| Bad debt | | (2,249) | – | – | (2,249) |
| Client services | | 8,114 | – | – | 8,114 |
| Contract services | | 12,389 | 3,656 | 5,030 | 21,075 |
| Depreciation | | 1,958 | 2,936 | – | 4,894 |
| Equipment and supplies | | 7,873 | 304 | – | 8,177 |
| In-kind expense – software | | – | 1,675 | – | 1,675 |
| Insurance | | 7,294 | 2,715 | – | 10,009 |
| Interest | | 3,411 | 5,116 | – | 8,527 |
| Memberships and dues | | 2,372 | 581 | – | 2,953 |
| Miscellaneous | | 2,057 | 6,838 | 71 | 8,966 |
| Nutrition | | 861 | – | – | 861 |
| Office expense | | 3,296 | 4,772 | 157 | 8,225 |
| Outcome and client tracking | | 2,438 | – | – | 2,438 |
| Professional development | | 11,596 | 440 | – | 12,036 |
| Professional fees | | – | 29,118 | – | 29,118 |
| Rent | | 108 | – | – | 108 |
| Repairs and maintenance | | 4,809 | 5,415 | – | 10,224 |
| Telephone and internet | | 2,960 | 648 | 56 | 3,664 |
| Travel | | 754 | – | – | 754 |
| Utilities | | 1,735 | 2,121 | – | 3,856 |
| | $ | 379,244 | 133,719 | 11,729 | 524,692 |

See accompanying notes to financial statements

## ADVENTURE WORKS OF DEKALB COUNTY, INC.

Statement of Functional Expenses

For the Year Ended June 30, 2019

| | | Program Services | Management and General | Fundraising | 2019 Totals |
|---|---|---|---|---|---|
| Salaries and wages | $ | 189,733 | 37,252 | 1,550 | 228,535 |
| Intern stipend | | 10,600 | – | 575 | 11,175 |
| Payroll taxes and benefits | | 23,005 | 4,397 | 218 | 27,620 |
| Advertising and promotion | | 568 | 44 | 4,018 | 4,630 |
| Client services | | 2,902 | – | – | 2,902 |
| Contract services | | 28,635 | – | 7,425 | 36,060 |
| Depreciation | | 2,495 | 1,840 | – | 4,335 |
| Equipment and supplies | | 4,565 | 722 | – | 5,287 |
| Insurance | | 5,980 | 2,219 | – | 8,199 |
| Interest | | 3,677 | 2,452 | – | 6,129 |
| Memberships and dues | | 1,335 | 486 | – | 1,821 |
| Miscellaneous | | 1,251 | 2,323 | 174 | 3,748 |
| Nutrition | | 595 | – | – | 595 |
| Office expense | | 5,013 | 966 | 61 | 6,040 |
| Outcome and client tracking | | 3,579 | – | – | 3,579 |
| Professional development | | 11,852 | – | – | 11,852 |
| Professional fees | | – | 32,350 | – | 32,350 |
| Property taxes | | 1,111 | 878 | – | 1,989 |
| Rent | | 347 | – | – | 347 |
| Repairs and maintenance | | 16,195 | 3,011 | – | 19,206 |
| Telephone and internet | | 1,442 | 278 | 18 | 1,738 |
| Travel | | 2,828 | – | – | 2,828 |
| Utilities | | 2,751 | 2,251 | – | 5,002 |
| | $ | 320,459 | 91,469 | 14,039 | 425,967 |

See accompanying notes to financial statements

## ADVENTURE WORKS OF DEKALB COUNTY, INC.

Statements of Cash Flows

For the Years Ended June 30, 2020 and 2019

| | | 2020 | 2019 |
|---|---|---|---|
| Cash flows from operating activities: | | | |
| Increase in net assets | $ | 40,143 | 43,470 |
| Adjustment to reconcile change in net assets to net cash flows of operating activities: | | | |
| Depreciation | | 4,894 | 4,335 |
| Bad debt expense | | (2,249) | – |
| Increase (decrease) in cash flow due to changes in: | | | |
| Accounts receivable | | 8,152 | (5,604) |
| Contributions receivable – United Way Agencies | | 1,847 | (256) |
| Contributions receivable – other | | 15,000 | (15,000) |
| Prepaid expenses | | (2,489) | 3,004 |
| Accounts payable | | (1,079) | 1,747 |
| Accrued expenses | | (724) | 4,954 |
| Accrued payroll | | 6,643 | 2,030 |
| Net cash flows from operating activities | | 70,138 | 38,680 |
| Cash flows from investing activities: | | | |
| Proceeds from sale of assets | | 1,572 | – |
| Purchase of land | | (108,602) | (23,613) |
| Net cash flows from investing activities | | (107,030) | (23,613) |
| Cash flows from financing activities: | | | |
| Proceeds from refundable advance | | 57,134 | – |
| Issuance of mortgage payable | | 380,183 | 10,000 |
| Payments on mortgage payable | | (146,598) | (5,803) |
| Net cash flows from financing activities | | 290,719 | 4,197 |
| Net increase in cash and cash equivalents | | 253,827 | 19,264 |
| Cash and cash equivalents: | | | |
| Beginning of year | | 128,424 | 109,160 |
| End of year | $ | 382,251 | 128,424 |
| **Supplemental disclosure of cash flow information** | | | |
| Cash payments for interest | $ | 8,527 | 6,129 |

See accompanying notes to financial statements

## (1) Nature of the Organization and Significant Accounting Policies

### *(a) Nature of Business*

Adventure Works of DeKalb County, Inc. (Adventure Works) is a not-for-profit organization founded in 2010 to provide interactive counseling to youth ages 6-18. Adventure Works provides individual, family, and group counseling through adventure. Adventure Works services are a proven alternative to talk therapy and primarily occur outdoors, utilizing the natural environment to engage clients behaviorally, emotionally and physically.

### *(b) Basis of Accounting & Presentation*

The financial statements of Adventure Works have been prepared on the accrual basis of accounting in which revenue is recognized when earned and expenses are recognized when incurred.

Adventure Works reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

### *(c) Promises to Give*

Contributions are recognized when the donor makes a promise to give to Adventure Works that is, in substance, unconditional. Conditional promises are recognized as contributions when conditions have been met. Contributions restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions are met in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions.

### *(d) Cash and Cash Equivalents*

Cash includes cash on hand and deposit accounts with a financial institution. Adventure Works maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Adventure Works was in excess of federal deposit insurance coverage at June 30, 2020 by approximately $61,000. Adventure Works has not experienced losses in such accounts and believes it is not exposed to any significant credit risk on cash.

For purposes of the Statement of Cash Flows, Adventure Works considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

***(e) Accounts Receivable***

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances which remain outstanding after management has used reasonable collection efforts are written off to the valuation allowance.

***(f) Property and Equipment***

Purchased property and equipment is stated at cost. Adventure Works capitalizes expenditures over $2,500 for building, improvements and equipment; donated property is capitalized at fair market value when received.

Depreciation is computed on the straight-line method over the estimated useful lives of the assets.

***(g) Donated Services and Materials***

Donated materials are reflected as contributions at their estimated value at date of receipt. Donated services are recognized as revenue if the services create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and typically need to be purchased if not provided by donation. Contributed services that do not meet the above criteria are not recognized as revenues and expenses and are not reported in the accompanying financial statements.

***(h) Use of Estimates***

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

### *(i) Net Assets Classification*

Adventure Works is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Contributions received are recorded as with or without donor restrictions depending on the existence or nature of any donor restrictions.

Net assets with donor restrictions represent contributions that are restricted for time and program services as of June 30, 2020 and 2019.

### *(j) Income Taxes*

Adventure Works is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) of the Internal Revenue Code and applicable state law. The accounting standards on accounting for uncertainty in income taxes address the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, Adventure Works may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of Adventure Works and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from tax positions are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal year ending June 30, 2020.

Adventure Works files its information returns (Form 990 Series) in the U.S. federal jurisdiction and the office of the state's attorney general for the State of Illinois. Adventure Works information returns are generally no longer subject to examination by the Internal Revenue Service for years before June 30, 2016.

### *(k) Functional Expense Allocation*

The financial statements report certain categories of expenses that are attributed to more than one program service or supporting activity. Costs are charged on a direct functional basis whenever practical. When direct charges cannot be determined, the costs are allocated on the basis of the estimated proportional use of the service provided or resources consumed.

*(l) Advertising Costs*

It is the policy of Adventure Works to expense advertising costs as incurred. Adventure Works expensed $854 and $4,630 of advertising costs for the years ended June 30, 2020 and 2019, respectively.

**(2) Leases**

Adventure Works leased an apartment located on the second floor of their building until May 2019. The lease was a non-cancelable operating lease which required monthly payments of $700. The lease expired on August 14, 2019; however, the tenant moved out in May 2019 and the apartment will not be leased going forward. Adventure Works also leased a house located on the lot purchased in December 2019. The lease was a non-cancelable operating lease which required a single payment of $5,000. The lease expired on May 31, 2020; however, the tenant continued to rent the house on a month-to-month basis at a rate of $800 per month. Total rental income received was $5,800 and $7,248 in years ended June 30, 2020 and 2019, respectively.

**(3) Major Source of Revenue**

For the fiscal years ended June 30, 2020 and 2019, approximately 18% and 14% of Adventure Works' revenue without donor restrictions was received from the DeKalb County Mental Health Board. A significant reduction in the level of this support, if this were to occur, could have a significant effect on Adventure Works' programs and activities.

**(4) Mortgage and Notes Payable**

In December 2019, Adventure Works consolidated their existing debt into one mortgage payable to a bank when they purchased an property. The new loan was issued for the amount of $220,183. The loan is payable in monthly installments of $1,232 including interest at 4.5% with a final balloon payment of $194,912 due in December 2024. The mortgage payable is secured by Adventure Works' building and assignments of rents.

During 2019, Adventure Works also received an Economic Injury Disaster Loan (EIDL) for $10,000, Payroll Protection Program (PPP) loan for $57,134 and a Small Business administration (SBA) loan for $150,000. The EIDL is considered an advance on the PPP loan and is expected to be paid in full during fiscal year 2021. The PPP loan is recorded on the Statement of Financial Position as a refundable advance as that loan is expected to be 100% forgiven in fiscal year 2021. The SBA loan is included in notes payable. The SBA loan requires monthly payments of principal and interest of $641 which are deferred until 12 months from the date of the loan. The SBA loan matures in May 2050 and bears and interest rate of 2.75%. The loan is secured by all tangible and intangible personal property.

Future debt obligations at June 30, 2020 for the mortgage payables are due as follows:

| Fiscal year ending June 30, | Total |
|---|---|
| 2021 | 15,247 |
| 2022 | 8,801 |
| 2023 | 9,143 |
| 2024 | 9,475 |
| Thereafter | 323,138 |
| | $ 365,805 |

## (5) Net Assets

Components of net assets without donor restrictions as of June 30, 2020 and 2019 respectively, are as follows:

| | 2020 | 2019 |
|---|---|---|
| Board designated – property demolition | $ 20,000 | – |
| Undesignated | 173,998 | 150,176 |
| | $ 193,998 | 150,176 |

Components of net assets with donor restrictions as of June 30, 2020 and 2019 respectively, are as follows:

| | 2020 | 2019 |
|---|---|---|
| Time restrictions: | | |
| United Way | $ 4,300 | 6,147 |
| Ideal Industries | 15,000 | 15,000 |
| | 19,300 | 21,147 |
| Program restrictions: | | |
| Alumni Group transition | 3,254 | 11,875 |
| Client service fees | 8,717 | 12,938 |
| University Village collaboration | – | 65 |
| Scholarships | 5,000 | – |
| Challenge Course | 12,326 | 7,890 |
| Other | 4,089 | 2,450 |
| | 33,386 | 35,218 |
| | $ 52,686 | 56,365 |

## (6) Liquidity and Availability of Financial Assets

The following table reflects Adventure Works' financial assets as of June 30, 2020 and 2019, reduced by amounts that are not available to meet general expenditures within one year of the statement of assets, liabilities, and net assets date because of contractual restrictions or donor restrictions.

| | | 2020 | 2019 |
|---|---|---|---|
| Cash and cash equivalents | $ | 382,251 | 128,424 |
| Accounts receivable | | 23,435 | 44,338 |
| Contributions receivables | | 4,300 | 21,147 |
| Total financial assets | | 409,986 | 193,909 |
| Board designated – property demolition | | (20,000) | – |
| Donor restricted time and program requirements | | (52,686) | (56,365) |
| | | (72,686) | (56,365) |
| Financial assets available to meet cash needs for general expenditures within one year | $ | 337,300 | 137,544 |

## (7) Related Party Transactions

Adventure Works hired a vendor that was owned by the spouse of a board member to redesign their logo. Services rendered and paid totaled $3,400 in the year ending June 30, 2019. No related party transactions were noted in the year ending June 30, 2020.

## (8) Subsequent Events

Subsequent events are events or transactions that occur after the balance sheet date but before financial statements are issued or are available to be issued. These events and transactions either provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing financial statements (that is, recognized subsequent events), or provide evidence about conditions that did not exist at the date of the balance sheet but arose after that date (that is, non-recognized subsequent events).

Adventure Works has evaluated subsequent events through October 22, 2020 which was the date that these financial statements were available for issuance.

On March 11, 2020, the World Health Organization declared the outbreak of the novel coronavirus of 2019 (COVID-19) pandemic which continues to spread in the United States.

The ultimate disruption that may be caused by the outbreak continues to be uncertain; however, it may result in a material adverse impact on Adventure Works' financial position, changes in net assets, and cash flows. Possible effects may include, but are not limited to, disruption to Adventure Works' donors and revenues, inability to hold fundraising events and provide services.

**(9) Adoption of New Accounting Pronouncement**

*Revenue Recognition*

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, "Revenue from Contracts with Customers". The ASU and all subsequently issued clarifying ASUs supersedes the revenue recognition requirements and most industry-specific guidance in U.S. generally accepted accounting principles. The core principle of the new guidance is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new guidance also includes a cohesive set of disclosure requirements that will provide uses of the financial statements with comprehensive information about the nature, amount, timing, and uncertainty of revenue and cash flows arising from the entity's contracts with customers. Adventure Works adopted the requirements of the new guidance as of July 1, 2019 using the modified retrospective method of transition. In applying the new guidance, Adventure Works elected to use the practical expedient that allows the guidance to be applied only to contracts that were not complete as of July 1, 2019.

The majority of the Adventure Works' revenue is received from counseling services, grants and private donations. Counseling services are recognized after the services are performed and contribution revenue is recognized at a point in time when control is transferred. The adoption of the new guidance did not have a significant impact on Adventure Works' financial statements. Based on the Adventure Works' evaluation process and review of its contribution revenue, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new guidance.

Also, in June 2018, the FASB issued ASU No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.* The ASU provides a more robust framework for evaluating whether transactions such as grants and similar contracts with government agencies and others should be accounted for as exchange transactions (that is, revenue from contracts with customers) or contributions. The ASU also assists entities in determining whether a contribution is conditional. Adventure Works adopted the requirements of the ASU as of July 1, 2019. The changes in the ASU have been applied on a modified prospective basis,

that is, the changes have been applied to agreements that are either not completed as of July 1, 2019, or entered into after that date.

**(10) New Accounting Pronouncement**

*Accounting for Leases*

During February 2016, the FASB issued ASU No. 2016-02, "Leases". ASU No. 2016-02 requires lessees to recognize lease assets and liabilities for the rights and obligations created by those leases and recognize expenses on their income statements in a manner similar to current accounting standards. For lessors, the guidance modifies the classification criteria and the accounting for sales-type and direct financing leases. ASU No. 2016-02 effective date has been extended a number of times and is now applicable for annual periods beginning after December 15, 2021. Early adoption is permitted. Adventure Works has not yet determined the impact ASU No. 2016-02 will have on Adventure Work's financial statements.

## Exhibit D: Grantee-Specific Obligations

Grantee agrees and acknowledges that it shall comply with the following obligations, which shall be considered to be an integral component of the Agreement:

Adventure Works of DeKalb County, Inc. (Grantee) will facilitate programs that use adventure-based therapy as a learning tool to support at-risk youth to develop skills in healthy risk-taking in the natural environment that will engage youth in the development of pro-social behaviors.

Adventure Works proposes to serve 250 children with their programs. Of this number, 105 recipients of services are anticipated to be residents of the City of DeKalb. Grantee will track the total number of individuals served by the programs and will include a separate accounting of individuals who are residents of the City of DeKalb to document that City of DeKalb Human Services Funding is used only to support direct services to DeKalb residents. Grantee will report revenue from other sources to document that the agency receives funding to cover services to individuals who are not residents of the City of DeKalb. Reports will be submitted on a Quarterly basis in order to receive payment of grant funds.

**HUMAN SERVICES AGREEMENT**
**COURT APPOINTED SPECIAL ADVOCATES (CASA)**

This agreement made this 28th day of December, 2020, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the "City" and Court Appointed Special Advocates (CASA), hereinafter referred to as "Grantee," WITNESSETH:

WHEREAS, the City desires that Grantee provide certain services to the citizens of DeKalb and Grantee has the capacity to provide such services; and,

WHEREAS, the Grantee acknowledges that it is the City's intention to purchase said services for the citizens of the City of DeKalb under the following guidelines:

1. First priority shall be given to those services which will help meet basic emergency needs such as food, clothing, and shelter. Second priority shall be given to those services which are preventative in nature and promote the highest degree of self-support, self-care, and self-help. Third priority shall be given to those services which seek to enhance the quality of life of persons whose basic needs are already met. Priority shall also be given to services which primarily benefit low and moderate income residents. The services provided by the Grantee are consistent with these guidelines as explained on the attached Exhibit A.

2. Services shall address specific documented needs. The services provided by the Grantee address the specific, documented needs as explained on the attached Exhibit A.

3. Services shall also receive financial support from other community sources. Grantee has attached hereto a copy of its budget for the period that this Agreement covers as Exhibit B, which budget establishes that the Grantee receives at least 69 % of its funding from third party sources. A copy of Grantee's audit or year end financial statement from the most recent complete year of operations is attached hereto as Exhibit C.

4. City funds are used only to support those services directly benefiting DeKalb residents. The City will not subsidize the cost of services to non-residents. Grantee has certified compliance with this requirement by signing the attached Exhibit A.

5. Administrative costs for these services are to be kept to a minimum. Grantee has identified the allocation between administrative costs and program costs as explained on the attached Exhibit A.

6. These services must be coordinated with other agencies when feasible. Grantee has outlined how services are coordinated with other agencies as explained on the attached Exhibit A.

7. The City will not fund, but may augment, services which are the responsibility of another public agency or funding source. Grantee has identified any areas where the City's funds are being utilized to augment third party responsibilities as explained on the attached Exhibit A.

8. City funds are to be used primarily to match or leverage other private or public funds. Grantee has explained how matching or leveraged funds are being sought or obtained as explained on the attached Exhibit A.

9. The City's intent is to contract for specific services and monitor their effectiveness. Grantee has: a) identified the metrics by which its performance is to be evaluated on an annual basis; b) identified those third parties that provide any review or evaluation of Grantee's efforts; and, c) explained its clearly defined performance evaluation process, as explained on the attached Exhibit A.

10. Grantee has clearly identified and delineated where any elected or appointed official of the City or any City employee is involved in its programming or receives any direct or indirect benefit, any compensation, or any pecuniary benefit of any form by virtue of Grantee's program or the City funding provided hereunder, as explained on the attached Exhibit A.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, and all such funds are held by the Grantee in a Grantee-specific checking account with the financial institution identified therein (and not in any personal checking account), unless otherwise indicated therein.

WHEREAS, the parties hereto understand and agree that the Grantee is an independent contractor and not an employee of the City; now,

In consideration of the agreements set forth and other good and valuable considerations, the parties agree as follows:

1. **Term**. The term of this agreement shall be from January 1, 2021 to December 31, 2021. The City or Grantee may terminate this Agreement at any time, upon the provision of thirty (30) days written notice. The City may terminate this agreement at any time based upon the occurrence of a breach of this Agreement, upon the provision of 48 hours written notice.

2. **Scope of Service**. The Grantee shall provide services in accordance with the service plan provided in the original application, a copy of which is attached hereto as Exhibit A.

3. **Hold Harmless**. The Grantee hereby agrees to indemnify, defend, and hold the City and its officers, employees, contractors, and representatives harmless from and against any and all such costs, expenses, damages, liabilities, losses and

claims which may arise out of, or are related to the services provided by the Grantee under this agreement or which relate to this Agreement or the funding provided herein. The Grantee agrees and acknowledges that the City is not in any way responsible for the conduct or provision of Grantee's programs or services, and is not responsible for the review, supervision or management of Grantee's personnel, volunteers, participants, programming, or services.

4. **Payment.** The City agrees to pay the Grantee the sum of Five Thousand and No/100 Dollars ($5,000.00) for services rendered under this agreement. **Payment will be disbursed in four equal installments and will be processed upon receipt of the Grantee's quarterly reports, as required by this funding agreement.** In the event that this Agreement is terminated, no further payments shall be due or payable to Grantee. In the event that the City Council determines that the City's financial condition does not support making a payment otherwise due under this Agreement, the City may suspend, delay, or otherwise cancel payments due hereunder.

5. **Access to Financial Records**. The Grantee agrees to allow the City access to review any and all of Grantee's financial records as may be determined appropriate to insure the accountability of monies disbursed by the City. The Grantee also agrees to provide the City with a copy of its operating budget and its audit or year-end financial statement for each fiscal year or portion thereof in which the Grantee receives funding under this (or successor) agreements.

6. **Performance Reporting**. The Grantee agrees to send the City a report following every three months of services identifying the number of City of DeKalb citizens that have been provided services under the terms of this Agreement. The Grantee further agrees to send the City a copy of all documentation required to demonstrate its performance or which is identified as a performance-evaluation tool in Exhibit A.

   Quarterly reports shall be provided to the City on or before the 10th day of the following months:

   1st Quarter – April
   2nd Quarter – July
   3rd Quarter – October
   4th Quarter - January

7. **Compliance with Laws.** The Grantee expressly covenants and agrees that it shall comply with all applicable laws, including those laws applicable to the use of public funding to the extent that such laws are applicable to programs funded in whole or in part by the City of DeKalb. The Grantee expressly covenants that it shall not discriminate against any person or organization on the basis of any legally recognized protected classification, including but not limited to race, gender, religion, ethnic or cultural background, sexual preference, or other legally

recognized, protected classification, in the provision of its services or use of funding provided hereunder.

8. **Use of Funds.** The Grantee shall only utilize funds made available under this agreement for the provision of services consistent with this agreement and shall not use such funding for any other purpose, nor for the construction of any real property or improvement to real property, nor for any purpose which constitutes "Public Works" for purposes of the Illinois Prevailing Wage Act.

9. **Grantee's Organization.** Grantee is organized in the format as described in Exhibit A. For the term of this Agreement, Grantee shall take such actions as shall be required to maintain that form of organization. Grantee shall provide the City with notice of the meetings of its governing board or board of directors, and the City shall have the opportunity to attend such meetings as an *ex officio* member of such governing board; the City shall also have the right to review the minutes of all such meetings.

10. **Grantee-Specific Obligations.** Grantee shall comply with the listing of Grantee-Specific Obligations attached hereto as Exhibit D.

11. **Certification:** Grantee hereby certifies that it shall comply with the contents of this Agreement and the terms of its Application and certifies that the contents of this Agreement and the Application are true, accurate and correct. The recitals to this Agreement are expressly incorporated herein by reference.

IN WITNESS WHEREOF, the Grantee has caused this agreement to be signed, sealed, and attested to by its Chairman of the Board of Directors and Executive Director, on the _____ day of _____, _____, and said City has caused the same to be signed, sealed, and attested to by its Mayor and City Clerk or Executive Assistant of the City of DeKalb as of the date first mentioned in this Agreement.

COURT APPOINTED SPECIAL ADVOCATES (CASA)

Ashly O'Connor
Board Chairman

Executive Director

ATTEST:

CITY OF DEKALB, ILLINOIS

Jerry Smith, Mayor

CITY OF DEKALB STATE OF ILLINOIS

ATTEST:

# Exhibit A: Funding Application

City of DeKalb
opportunity · innovation

164 East Lincoln Highway
DeKalb, Illinois 60115
815 748 2000 • cityofdekalb.com

# FY 2021 HUMAN SERVICES FUNDING APPLICATION

## Twelve Months Funding 1/1/21 to 12/31/21

**APPLICATION MUST BE RECEIVED NO LATER THAN 5:00 P.M. ON NOVEMBER 6, 2020. INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.**

**Agency Name:** CASA DeKalb County Inc.

**Mailing Address:** 407 West State St., #6, Sycamore, IL 60178

**Agency Director:** Jill Olson

**Contact Person:** Jill Olson

**Telephone No.:** 815-895-2052 **Email Address:** jolson@casadekalb.org

**Name of Person Responsible for Completing Quarterly Report:** Jill Olson

**Telephone No.:** 815-895-2052 **Email Address:** _____

**Program Description:** Training in the Time of Covid 19. Virtual training of new advocates for abused and neglected children in the DeKalb County Juvenile Court.

**Twelve Month Program Budget:** $ 14,250

**Amount of Funding Requested:** $ 5000

**% of Total Program Budget:** 35 %

**Total Number of Estimated Program Participants:** 200

**Total Number of Estimated DeKalb Residents to be Served:** 126

**Estimated DeKalb Residents as % of Total Participants to be Served:** 63 %

***The following documents must accompany the application:***

1. A current listing of the agency's Board of Directors and terms.

2. The current annual operating budget for the agency and a detailed budget for the program requesting funding.

3. A detailed narrative explaining the program to be funded, its potential impact, and any anticipated outcomes to be achieved. Be specific about the population to be served and the benefits derived from your services. Include any descriptive materials regarding the history and mission of the agency that would help augment the application.

4. Documentation of the agency's 501(c)(3) status.

5. Completed W-9 Form.

6. Copy of agency's most recent financial audit.

The City of DeKalb retains the right to request any and all additional information from the agency it may determine necessary in making funding decisions. This may include articles of incorporation or any other information deemed appropriate.

The undersigned hereby certifies the information contained in this application is true and accurate to the best of their knowledge and belief.

Name of Authorized Signer: Jill Olson

Title: Executive Director

Signature: Jill Olson

Date: 10-19-20

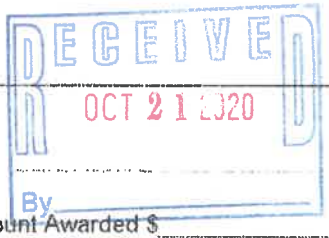
---

Please submit the application using one of the following methods:

- Via regular mail to be received no later than 5:00 p.m. on November 6, 2020 to:

  City of DeKalb
  Attention: Joanne Rouse
  164 East Lincoln Highway
  DeKalb, Illinois 60115

- Via email dated no later than 5:00 p.m. on November 6, 2020 to: joanne.rouse@cityofdekalb.com




**OFFICE USE ONLY:**

Date Application Received: .....

☐ Approved – Annual Amount Awarded $_____ / $_____ per quarter

☐ Denied

CASA DeKalb County Inc. Board Members

2020

John Hulseberg, President, Sycamore – Term: Open

Ashley O'Connor, Vice President, Sycamore – Term: December 2019 (1)

Karen Weckerly, Secretary, Sycamore – Term: December 2021 (1)

Dan Pavelich, Treasurer, Sycamore – Term: December 2020 (1)

Amy Chamoun, Sycamore – Term: December 2021 (1)

Allie Hofer, Sycamore – Term: December 2022 (1)

Jeff McMaster, DeKalb – Term: December 2021 (1)

Erin Reynolds, Sycamore – Term: December 2019 (2)

Ted Rosenow, DeKalb – Term: Open

Steven Sulaver, Sycamore – Term: December 2022 (1)

Kelly Tilstra, Sycamore – Term: December 2020 (1)

Amanda Wielgus, Rochelle – Term: December 2022 (1)

# FY 2021 City of DeKalb Human Services Funding

CASA DeKalb County, Inc.

"Training in The Time of Covid 19" Project Description

**Project Overview**

Every 13 hours in DeKalb County, a new report of child abuse or neglect is made. Every day here in DeKalb County, children experience abuse or neglect at the hands of a parent or guardian. For some of these children, their experience ends up in juvenile court.

In 2019, CASA DeKalb County, Inc. served 235 children who were involved in the juvenile court system through no fault of their own, but rather because of abuse or neglect by a parent or guardian. Of these 235 children, 57% were from the City of DeKalb. Currently, CASA is serving 147 children of which 63% of the children are from the City of DeKalb. The lower overall total number of children in 2020 reflect the impact that the pandemic has had on the number of reported cases of abuse or neglect during the first 7 months of the pandemic. However, that number is expected to increase significantly in the last quarter of this year and is already seen in the higher percentage of cases involving children from the City of DeKalb.

CASA's mission is to advocate for and serve as the voice for children in juvenile court. CASA is appointed as the guardian ad litem (GAL) by the DeKalb County juvenile court in 100% of abuse and neglect cases. As the GAL, CASA assigns a trained volunteer who gathers information about the child and serves as his or her advocate in court, providing a voice for the child in the court proceedings. CASA makes recommendations to the court on behalf of the child's best interests, with the goal of them being placed in a safe, permanent and loving home as soon as possible. Sometimes, the CASA advocate is the only consistent person in the child's life.

CASA's role is unlike any other in the courtroom. CASA is the only party involved in the case who is there solely for the best interests of the child. CASA advocates serve as the court's witness, or the "eyes and ears of the judge." They visit the child regularly and speak with everyone involved in that child's life so that he or she can make appropriate recommendations for the benefit of the child. When caseworkers are overburdened with their caseload and the attorneys are representing the wishes of the parents or the child, CASA is there to gather the information the judge needs to make informed decisions that will ensure the child has a safe, permanent home and the opportunity to thrive. However, for a volunteer to be successful in their role, they must learn what it means to be a CASA volunteer and what the responsibilities are in that role.

To continue effectively serving the children of DeKalb, CASA is seeking funding to support our volunteer training project, "Training in the Time of Covid 19." The project will include two volunteer training sessions to be held in the Spring and Fall of 2021. Each volunteer training session will be conducted virtually using a curriculum developed by the National CASA Association which is designed to be done online through the Zoom platform. CASA staff leads the training, during which time volunteers learn about child abuse and neglect, CASA's role in

court, the juvenile court process and the effects of trauma on children among other topics. CASA is requesting $5,000 in funding from the City of DeKalb Human Services Funding Grant to support its volunteer training project and ultimately, to help provide the strongest advocacy possible for the abused and neglected children in DeKalb.

### Project Impact on Children, Youth and Families in the City of DeKalb

The proposed project will have a positive and direct impact on some of the most vulnerable children and families in DeKalb. CASA advocates are trained how to effectively advocate for abused and neglected children in the DeKalb County juvenile court system. CASA serves children of all ages from birth through 18, with some cases remaining open until the child reaches age 23. The following story is a window into how the CASA advocate training empowers advocates to make a difference in the life of a child in DeKalb.

A CASA advocate was assigned to a six year old boy who had been in the custody of DCFS for over a year. CASA was able to communicate with the caseworker, school officials and the child's family in order to be able to recommend to the juvenile court judge what was in the child's best interest. CASA found that the child was not participating in any school and brought this to the attention of the caseworker. CASA gathered information regarding the documents and medications that were needed by the child as well as advocated for other needs such as a bed to sleep in and a primary care physician to treat the child's chronic condition.

Each year, CASA serves over 100 DeKalb children, making a positive and direct impact on their lives. For parents who successfully complete their services, the reunification of their family is an emotional event. For children who are not able to return home, CASA advocacy ensures that their new caregiver or placement is safe and permanent. Not only does the work of CASA benefit the children immediately, but CASA's advocacy also gives these children the opportunity to thrive in the future, changing the rest of their lives for the better.

### Project Outcomes

CASA uses a few outcome and performance measures to ensure that the program is providing quality services and that the children are receiving the care that they need. The performance measurements for the "Training in the Time of Covid 19" project include the following:

- # of volunteers who successfully complete the advocate training
    - Goal: Eight volunteers per session with two sessions during the grant term
- % of volunteers assigned a case within two months of completing training
    - Goal: 100% of volunteers
- % of closed cases where the outcome of the case matches CASA's recommendations to the court
    - Goal: 75% or more matching
- % of children placed in a safe, permanent home upon case closure
    - Goal: 100% of children in safe, permanent homes

IRS Department of the Treasury
Internal Revenue Service
P.O. Box 2508, Room 4010
Cincinnati OH 45201

In reply refer to: 4077989886
Dec. 27, 2017 LTR 4168C 0
36-3903898 000000 00
00026530
BODC: TE

CASA-DEKALB COUNTY INC
% JILL OLSON
407 W STATE ST
SYCAMORE IL 60178-1455

015850

Employer ID Number: 36-3903898
Form 990 required: Yes

Dear Taxpayer:

This is in response to your request dated Nov. 20, 2017, regarding your tax-exempt status.

We issued you a determination letter in February 1994, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit www.irs.gov or call 1-800-TAX-FORM (1-800-829-3676).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

4077989886
Dec. 27, 2017 LTR 4168C 0
36-3903898 000000 00
00026531

CASA-DEKALB COUNTY INC
% JILL OLSON
407 W STATE ST
SYCAMORE IL 60178-1455

Sincerely yours,

Stephen A. Martin
Director, EO Rulings & Agreements

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

▶ Go to *www.irs.gov/FormW9* for instructions and the latest information.

**Give Form to the requester. Do not send to the IRS.**

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
CASA DeKalb County Inc.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

**Note:** Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☑ Other (see instructions) ▶ Nonprofit 501(c)3

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

*(Applies to accounts maintained outside the U.S.)*

5 Address (number, street, and apt. or suite no.) See instructions.
407 W. State Street, #6

Requester's name and address (optional)

6 City, state, and ZIP code
Sycamore, IL 60178

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

**Social security number**
☐☐☐ - ☐☐ - ☐☐☐☐

or

**Employer identification number**
36 - 3903898

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign Here** | Signature of U.S. person ▶ CASA DeKalb County Inc. by: [illegible], Executive Director | Date ▶ 10-19-20

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

## Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See* What is backup withholding, *later.*

## Exhibit B: Current Year's Budget

# CASA DeKalb County, Inc.

## FY 2020 Budget

| | |
|---|---|
| ***Income*** | FY 2020 |
| **Grants** | |
| *Kishwaukee United Way* | 5,000 |
| *VCVA* | 18,850 |
| *VOCA* | 89,229 |
| *Illinois CASA* | 51,066 |
| *DeKalb County* | 40,000 |
| *Other Government* | 10,500 |
| *Miscellaneous Grants* | 5,000 |
| **Foundations** | 26,000 |
| **Individuals** | 20,000 |
| **Business** | 43,000 |
| **Organizations** | 4,500 |
| **Fundraising** | |
| *50 Men Who Cook* | 55,000 |
| *Whiskey, Wine and Cheese* | 15,000 |
| *Give DeKalb County* | 21,000 |
| **Interest Income** | 300 |
| **Total Income** | 404,445 |
| | |
| ***Expenses*** | |
| **Payroll** | 277,600 |
| **Health Insurance** | 24,342 |
| **Payroll Tax** | 22,500 |
| **Retirement** | 7,350 |
| **Insurance** | 3,600 |
| **Rent** | 16,440 |
| **Communications/IT** | 7,140 |
| **Office Supplies and Printing** | 800 |
| **Postage** | 700 |
| **Furniture/Equipment** | 1,400 |
| **Repair & Maintenance** | 300 |
| **Marketing** | 500 |
| **Professional Fees** | 10,100 |
| **Professional Development** | 1,400 |
| **Volunteer Training Costs** | 500 |
| **Fundraising Expenses** | |
| *50 Men Who Cook* | 6,000 |
| *Whiskey, Wine and Cheese* | 2,500 |
| *Give DeKalb County* | 500 |
| **Total Expenses** | $ 383,672 |
| | |
| **Operating Surplus/(Deficit)** | 20,773 |

CASA DEKALB COUNTY INC.

Training in the Time of Covid 19

Program Budget:

| | |
|---|---|
| Staff Payroll attributed to Training Time | |
| (includes recruitment, preparation for training classes, class instruction) | $13,750 |
| Materials (includes curriculum, Zoom, miscellaneous materials) | $500 |
| Total: | $14,250 |

## Exhibit C: Most Recent Completed Fiscal Year's Audit or Year-End Financial Statement

# CASA DEKALB COUNTY, INC.

## INDEPENDENT AUDITOR'S REPORT

## FINANCIAL STATEMENTS

Year Ended December 31, 2019

## CASA DEKALB COUNTY, INC.

Table of Contents


| | Page(s) |
|---|---|
| Independent Auditor's Report | 1-2 |
| Financial Statements | |
| Statements of Assets, Liabilities, and Net Assets - Modified Cash Basis | 3 |
| Statements of Activities and Changes in Net Assets - Modified Cash Basis | 4 |
| Statements of Cash Flows | 5 |
| Statement of Functional Expenses - Modified Cash Basis | 6 |
| Notes to Financial Statements | 7-11 |

Brian Zabel & ASSOCIATES P.C.
CERTIFIED PUBLIC ACCOUNTANTS
1040 West Route 6 • Morris, IL 60450
Phone: (815) 941-9833 Fax: (815) 941-9835

# INDEPENDENT AUDITOR'S REPORT

Board of Directors
CASA DeKalb County, Inc.
Sycamore, Illinois

We have audited the accompanying financial statements of CASA DeKalb County, Inc. which comprise the statement of assets, liabilities, and net assets – modified cash basis as of December 31, 2019, and the related statement of activities – modified cash basis for the year 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 the modified cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

**Auditor's Responsibility**

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

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of CASA DeKalb County, Inc. as of December 31, 2019, and its changes in its net assets for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

**Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Brian Zabel & Assoc. P.C.
BRIAN ZABEL & ASSOCIATES, P.C.
Certified Public Accountants

Morris, Illinois
June 8, 2020

## CASA DEKALB COUNTY, INC.

Statement of Assets, Liabilities, and Net Assets - Modified Cash Basis

December 31, 2019

| Assets | 2019 |
|---|---|
| Current Assets | |
| Cash and cash equivalents | $ 373,431 |
| Total current assets | 373,431 |
| Other Assets | |
| Beneficial interest in assets held at DCCF | 29,123 |
| Total other assets | 29,123 |
| Total Assets | $ 402,554 |
| **Liabilities and Net Assets** | |
| Net Assets | |
| With Donor Restrictions | 29,123 |
| Without Donor Restrictions | 373,431 |
| Total net assets | 402,554 |
| Total Liabilities and Net Assets | $ 402,554 |

The accompanying notes are an integral part of these statements.

## CASA DEKALB COUNTY, INC.

Statement of Activities and Changes in Net Assets - Modified Cash Basis

Year Ended December 31, 2019

| | Without Donor Restrictions | With Donor Restrictions | 2019 |
|---|---|---|---|
| Support and Revenue | | | |
| Contributions | $ 83,404 | $ - | $ 83,404 |
| Grants | 156,090 | - | 156,090 |
| Foundation | 19,775 | - | 19,775 |
| Fundraising | 105,666 | - | 105,666 |
| Investment income | 467 | - | 467 |
| Gain (Loss) on endowment | - | 4,910 | 4,910 |
| Total support and revenue | 365,402 | 4,910 | 370,312 |
| Other income | - | - | - |
| Total revenue | 365,402 | 4,910 | 370,312 |
| Expenses | | | |
| Program Services: | | | |
| Program expenses | 152,563 | - | 152,563 |
| Supporting Services: | | | |
| Management and general | 165,935 | - | 165,935 |
| Fundraising expenses | 7,204 | - | 7,204 |
| Total supporting services | 173,139 | - | 173,139 |
| Total expenses | 325,702 | - | 325,702 |
| Net change in net assets | 39,700 | 4,910 | 44,610 |
| Net assets, beginning of the year | 333,731 | 24,213 | 357,944 |
| Net assets, end of the year | $ 373,431 | $ 29,123 | $ 402,554 |

The accompanying notes are an integral part of these statements.

## CASA DEKALB COUNTY, INC.

Statements of Cash Flows

Year Ended December 31, 2019

| CASH FLOWS FROM OPERATING ACTIVITIES | 2019 |
|---|---|
| Change in net assets | $ 44,610 |
| Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities: | |
| Depreciation | - |
| (Gain) Loss on Endowment | (4,910) |
| Increase (decrease) in liabilities | - |
| Total adjustments | (4,910) |
| Net cash provided by operating activities | 39,700 |
| CASH FLOWS USED BY INVESTING ACTIVITIES | |
| Purchases of property and equipment | - |
| Net cash used by investing activities | - |
| NET INCREASE (DECREASE) IN CASH | 39,700 |
| Cash, beginning of the year | 333,731 |
| Cash, end of the year | $ 373,431 |

The accompanying notes are an integral part of these statements.

## CASA DEKALB COUNTY, INC.

Statement of Functional Expenses - Modified Cash Basis

Year Ended December 31, 2019

| | Program | Management and General | Fundraising | Total |
|---|---|---|---|---|
| Salaries and wages | $ 112,032 | $ 115,834 | $ - | $ 227,866 |
| Payroll taxes and benefits | 26,743 | 18,213 | - | 44,956 |
| Conference and training | - | 1,035 | - | 1,035 |
| Occupancy | 6,993 | 6,993 | - | 13,986 |
| Equipment expense | - | 2,044 | - | 2,044 |
| Telephone | 4,558 | 4,559 | - | 9,117 |
| Transportation | - | 2,196 | - | 2,196 |
| Insurance | 1,793 | 1,793 | - | 3,586 |
| Supplies | - | 246 | - | 246 |
| Postage | 444 | 443 | - | 887 |
| Legal and professional fees | - | 11,545 | - | 11,545 |
| Miscellaneous | - | 1,034 | 7,204 | 8,238 |
| Total before depreciation | 152,563 | 165,935 | 7,204 | 325,702 |
| Depreciation | - | - | - | - |
| Total functional expenses | $ 152,563 | $ 165,935 | $ 7,204 | $ 325,702 |

The accompanying notes are an integral part of these statements.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Nature of Operations

CASA DeKalb County, Inc. (the "Organization") is a not for profit organization that provides advocacy services to abused and neglected children in DeKalb County. These children are in the court system through no fault of their own. CASA advocates interview the child and all relevant parties in his or her life and provide critical information to judges about the child's needs and well-being to help the judge make the most well-informed decision. Annually, CASA serves over 200 abused and neglected children in DeKalb County.

### Basis of Accounting

The financial statements of the Organization are prepared on a modified basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States (GAAP). This basis of presentation differs from GAAP in that certain revenues are recognized when received rather than earned and certain expenses are recognized when paid rather than when the obligation is incurred. Specifically, the variances from GAAP include omission of assessments receivable and accruals. Such variances are presumed to be material. However, similar to financial statements prepared in accordance with GAAP, these financial statements reflect the capitalized cost of property and equipment and related depreciation. The accompanying financial statements are not intended to present the financial position, results of operations, and cash flows in conformity with accounting principles generally accepted in the United States.

### Net Assets

Net assets and revenue, expense, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets of the organization and changes therein are classified and reported as follows:

Net assets without donor restrictions: net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions: net assets subject to donor or certain grantor imposed restrictions. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time, long-lived assets placed in service, or other events specified by the donor. Other explicit donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Organization has $29,123 of net assets with donor restrictions.

NOTE 1.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the financial statement date and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization defines cash accounts such as checking and certificate of deposit as cash and cash equivalents.

**Certificates of Deposit**

Certificates of deposit are carried at cost plus accrued interest.

**Property and Equipment**

Property and equipment are recorded as cost or fair market value at the date of the gift for donated assets. Equipment, furniture and fixtures, land improvements, improvements and buildings are depreciated on the straight-line method over its estimated useful life. Equipment, furniture and fixtures not exceeding $1,000 in value are charged to expense in the year of purchase and not recorded as an asset. Maintenance and repairs are charged to expense and not recorded as an asset. Major renewals and betterments which extend the useful lives of assets are capitalized.

| | Years |
|---|---|
| Furniture and Equipment | 5-7 |

**Revenue Recognition**

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

NOTE 1.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Revenue Recognition (Continued)**

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are preformed by people with those skills and would otherwise be purchased by the Organization.

**Expense Allocation**

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

These allocations are based on job duties, grant restrictions, positions, and percentages of overall expenses to various expense accounts.

**Statement of Cash Flows**

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to cash with a maturity of three months or less.

**Income Taxes**

The Organization is a nonprofit organization exempt from income tax under Section 501(C)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is included in the financial statements. The Organization, however, if it should receive any unrelated business income, would not be exempt from income taxes on such income.

**Change in Accounting Policy**

In 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit Entities (Topic 958). This ASU provides for certain improvements in financial reporting for not-for-profit organizations and requires changes to net asset classification, enhancements to liquidity presentation and disclosures, presentation of an analysis of expenses by function and by nature, netting of investment expenses with return, among other changes. The guidance was adopted for the year ended December 31, 2018.

## NOTE 1.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Subsequent Events**

The Organization's management has evaluated events and transactions for potential financial statement recognition or disclosure through June 8, 2020, which is the date the financial statements were available to be issued.

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. The operations of the Organization could be materially adversely affected. The extent to which the coronavirus (or any other disease or epidemic) impacts the Organization's activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus or treat its impact, among others.

## NOTE 2. CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances at financial institutions where the accounts are insured by the Federal Deposit Insurance Corporation (FDIC) for up to $250,000. At certain times during the year, cash balances may be in excess of FDIC coverage. The Organization has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

## NOTE 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following for December 31:

| | 2019 |
|---|---|
| Cash and cash equivalents | $ 373,431 |
| Beneficial interest in assets held at DCCF | 29,123 |
| Subtotals financial resources | 402,554 |
| Less donor restricted endowment fund | (29,123) |
| Total financial resources available for general expenditure within 12 months | $ 373,431 |

Our endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

As part of the liquidity management plan, we invest cash in excess of daily requirements in CDs.

## NOTE 4. MAJOR FUNDING SOURCE

The Organization received 19% of its funding from the State of Illinois, Illinois Criminal Justice Information Authority.

## NOTE 5. BENEFICIAL INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATION

The Organization has an endowment fund held by the DeKalb County Community Foundation (DCCF) which was started in 1998 and there are several donors who have contributed to the designated fund since inception. The Organization can withdraw the annual distribution which is calculated based on a 3-year average of the fund balance, which currently is 4.25%.

The Organization can request the distribution at any time and, if not requested, it stays in the fund. DCCF has variance power over the fund and that power gives DCCF the right to distribute the investment income to another not-for-profit organization of its choice, if the organization ceases to exist or if the governing board of DCCF votes that support of the Organization (a) is no longer necessary or (b) is inconsistent with the needs of the community. At December 31, 2019, the fund has a value of $29,123, which is reported in the statement of financial position as beneficial interest in assets held by others.

## NOTE 6. RETIREMENT PLAN

The Organization sponsors a defined contribution SIMPLE plan (the Plan) covering all employees with at least $5,000 in compensation for the calendar year. The Organization matches participants' contributions to the Plan up to 3% of the individual participant's compensation. Total expense for the year ended December 31, 2019, was $6,860.

## Exhibit D: Grantee-Specific Obligations

Grantee agrees and acknowledges that it shall comply with the following obligations, which shall be considered to be an integral component of the Agreement:

Court Appointed Special Advocates (CASA) (Grantee) will provide guardian ad litem services for abused and neglected children who have cases in the DeKalb County Juvenile Court. Funding will be used to train new advocates who are the staff members that provide this service.

CASA proposes to serve 200 children with guardian ad litem services. Of this number, 126 recipients of services are anticipated to be residents of the City of DeKalb. Grantee will track the total number of individuals served by the program and will include a separate accounting of individuals who are residents of the City of DeKalb to document that City of DeKalb Human Services Funding is used only to support the advocates who provide direct services to DeKalb residents. Grantee will report revenue from other sources to document that the agency receives funding to cover services to individuals who are not residents of the City of DeKalb. Reports will be submitted on a Quarterly basis in order to receive payment of grant funds.

**HUMAN SERVICES AGREEMENT**
**COMMMUNITY COORDINATED CHILD CARE (4C)**

This agreement made this 28th day of December, 2020, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the "City" and Community Coordinated Child Care (4C), hereinafter referred to as "Grantee," WITNESSETH:

WHEREAS, the City desires that Grantee provide certain services to the citizens of DeKalb and Grantee has the capacity to provide such services; and,

WHEREAS, the Grantee acknowledges that it is the City's intention to purchase said services for the citizens of the City of DeKalb under the following guidelines:

1. First priority shall be given to those services which will help meet basic emergency needs such as food, clothing, and shelter. Second priority shall be given to those services which are preventative in nature and promote the highest degree of self-support, self-care, and self-help. Third priority shall be given to those services which seek to enhance the quality of life of persons whose basic needs are already met. Priority shall also be given to services which primarily benefit low and moderate income residents. The services provided by the Grantee are consistent with these guidelines as explained on the attached Exhibit A, Question No. 5.

2. Services shall address specific documented needs. The services provided by the Grantee address the specific, documented needs as explained on the attached Exhibit A.

3. Services shall also receive financial support from other community sources. Grantee has attached hereto a copy of its budget for the period that this Agreement covers as Exhibit B, which budget establishes that the Grantee receives at least 99 % of its funding from third party sources. A copy of Grantee's audit or year end financial statement from the most recent complete year of operations is attached hereto as Exhibit C.

4. City funds are used only to support those services directly benefiting DeKalb residents; the City will not subsidize the cost of services to non-residents. Grantee has certified compliance with this requirement by signing the attached Exhibit A.

5. Administrative costs for these services are to be kept to a minimum. Grantee has identified the allocation between administrative costs and program costs as explained on the attached Exhibit A.

6. These services must be coordinated with other agencies when feasible. Grantee has outlined how services are coordinated with other agencies as explained on the attached Exhibit A.

7. The City will not fund, but may augment, services which are the responsibility of another public agency or funding source. Grantee has identified any areas where the City's funds are being utilized to augment third party responsibilities as explained on the attached Exhibit A.

8. City funds are to be used primarily to match or leverage other private or public funds. Grantee has explained how matching or leveraged funds are being sought or obtained as explained on the attached Exhibit A.

9. The City's intent is to contract for specific services and monitor their effectiveness. Grantee has: a) identified the metrics by which its performance is to be evaluated on an annual basis; b) identified those third parties that provide any review or evaluation of Grantee's efforts; and, c) explained its clearly defined performance evaluation process, as explained on the attached Exhibit A.

10. Grantee has clearly identified and delineated where any elected or appointed official of the City or any City employee is involved in its programming or receives any direct or indirect benefit, any compensation, or any pecuniary benefit of any form by virtue of Grantee's program or the City funding provided hereunder, as explained on the attached Exhibit A.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, and all such funds are held by the Grantee in a Grantee-specific checking account with the financial institution identified therein (and not in any personal checking account), unless otherwise indicated therein.

WHEREAS, the parties hereto understand and agree that the Grantee is an independent contractor and not an employee of the City; now,

In consideration of the agreements set forth and other good and valuable considerations, the parties agree as follows:

1. **Term**. The term of this agreement shall be from January 1, 2021 to December 31, 2021. The City or Grantee may terminate this Agreement at any time, upon the provision of thirty (30) days written notice. The City may terminate this agreement at any time based upon the occurrence of a breach of this Agreement, upon the provision of 48 hours written notice.

2. **Scope of Service**. The Grantee shall provide services in accordance with the service plan provided in the original application, a copy of which is attached hereto as Exhibit A.

3. **Hold Harmless**. The Grantee hereby agrees to indemnify, defend, and hold the City and its officers, employees, contractors, and representatives harmless from and against any and all such costs, expenses, damages, liabilities, losses and

claims which may arise out of, or are related to the services provided by the Grantee under this agreement or which relate to this Agreement or the funding provided herein. The Grantee agrees and acknowledges that the City is not in any way responsible for the conduct or provision of Grantee's programs or services, and is not responsible for the review, supervision or management of Grantee's personnel, volunteers, participants, programming, or services.

4. **Payment.** The City agrees to pay the Grantee the sum of Nineteen Thousand and No/100 Dollars ($19,000.00) for services rendered under this agreement. **Payment will be disbursed in four equal installments and will be processed upon receipt of the Grantee's quarterly reports, as required by this funding agreement.** In the event that this Agreement is terminated, no further payments shall be due or payable to Grantee. In the event that the City Council determines that the City's financial condition does not support making a payment otherwise due under this Agreement, the City may suspend, delay, or otherwise cancel payments due hereunder.

5. **Access to Financial Records**. The Grantee agrees to allow the City access to review any and all of Grantee's financial records as may be determined appropriate to insure the accountability of monies disbursed by the City. The Grantee also agrees to provide the City with a copy of its operating budget and its audit or year-end financial statement for each fiscal year or portion thereof in which the Grantee receives funding under this (or successor) agreements.

6. **Performance Reporting**. The Grantee agrees to send the City a report following every three months of services identifying the number of City of DeKalb citizens that have been provided services under the terms of this Agreement. The Grantee further agrees to send the City a copy of all documentation required to demonstrate its performance or which is identified as a performance-evaluation tool in Exhibit A.

   Quarterly reports shall be provided to the City on or before the 10th day of the following months:

   1st Quarter – April
   2nd Quarter – July
   3rd Quarter – October
   4th Quarter - January

7. **Compliance with Laws.** The Grantee expressly covenants and agrees that it shall comply with all applicable laws, including those laws applicable to the use of public funding to the extent that such laws are applicable to programs funded in whole or in part by the City of DeKalb. The Grantee expressly covenants that it shall not discriminate against any person or organization on the basis of any legally recognized protected classification, including but not limited to race, gender, religion, ethnic or cultural background, sexual preference, or other legally

recognized, protected classification, in the provision of its services or use of funding provided hereunder.

8. **Use of Funds.** The Grantee shall only utilize funds made available under this agreement for the provision of services consistent with this agreement and shall not use such funding for any other purpose, nor for the construction of any real property or improvement to real property, nor for any purpose which constitutes "Public Works" for purposes of the Illinois Prevailing Wage Act.

9. **Grantee's Organization.** Grantee is organized in the format as described in Exhibit A. For the term of this Agreement, Grantee shall take such actions as shall be required to maintain that form of organization. Grantee shall provide the City with notice of the meetings of its governing board or board of directors, and the City shall have the opportunity to attend such meetings as an *ex officio* member of such governing board; the City shall also have the right to review the minutes of all such meetings.

10. **Grantee-Specific Obligations.** Grantee shall comply with the listing of Grantee-Specific Obligations attached hereto as Exhibit D.

11. **Certification:** Grantee hereby certifies that it shall comply with the contents of this Agreement and the terms of its Application and certifies that the contents of this Agreement and the Application are true, accurate and correct. The recitals to this Agreement are expressly incorporated herein by reference.

IN WITNESS WHEREOF, the Grantee has caused this agreement to be signed, sealed, and attested to by its Chairman of the Board of Directors and Executive Director, on the _____ day of_____, _____, and said City has caused the same to be signed, sealed, and attested to by its Mayor and City Clerk or Executive Assistant of the City of DeKalb as of the date first mentioned in this Agreement.

COMMUNITY COORDINATED CHILD CARE (4C)

Board Chairman

ATTEST:

Executive Director

CITY OF DEKALB, ILLINOIS

Jerry Smith, Mayor

ATTEST:

# Exhibit A: Funding Application

October 30 , 2020

Ms. Joanne Rouse
Neighborhood Program Specialist
City of DeKalb
200 South Fourth Street
DeKalb, IL 60115

Dear Ms. Rouse,

I am enclosing 4-C's request for funding from January 1, 2021to December 31, 2021 to the City of DeKalb in the amount of $19,000. The City's funding is vital to ensure our continuous support to thousands of children in DeKalb County that are served by the 4-C Social Worker, Nurse and Health Care Assistants. Each day the Nurse and Social Worker visit child care programs in DeKalb County to support the health and well-being of young children. With the emphasis on prevention, these professionals completed vision and hearing screenings on 3,059 children last year, with over 65% of them residing in DeKalb County. These screenings identify children with visual, hearing, or health issues that may interfere with their ability to be ready and successful in Kindergarten. Research shows us that when young children are successful in their first three years of public school, they are more likely to successfully graduate high school and continue on to college.

It should be noted that 90% of 4-C's budget simply flows through to four of the largest child care programs in DeKalb. The mission of these centers is to support working poor families. Each provider has a population with 75-90% on child care financial assistance. These flow through dollars enable programs to meet payroll each month, purchase diapers, and baby formula. These dollars also offset the cost of healthy snacks and meals, knowing that three well balanced meals at the program is a substantial part of a child's nutritional health for the week.

Thank you for believing in what we do. Please know that 4-C appreciates the continued commitment from the City of DeKalb as we partner to ensure that these services will continue to reach young children in DeKalb County whose families often times are struggling with poverty. Our goal in the coming year is to offer social work and nursing services to help these programs remain open as they face the world wide pandemic. With the mental health crisis that has exploded with COVID, our professional consultants are on the front line daily supporting the mental health of pre-school teachers who no longer feel they know how to teach and nurture young children. We actively advocate for the well-being of all our children turning statistics into successes.

If you need additional information, you can contact me at 815-758-8149 (ext. 232).

Sincerely,

Susan Petersen
Executive Director

Program Description:

1. Agency mission.

   The purpose of 4-C is to promote children's well-being by advocating for quality, affordable, accessible child care and by supporting parents and those providing child care by offering information, education, resources and services.

2. Programs/services provided by our agency this year.

   **Child Care Financial Assistance Program (CCAP)**: The 4-C Child Care Assistance Program supports low-income working and student families. 4-C receives two types of funding to operate CCAP. These funds are utilized to purchase child care services for low-income families, primarily, the working poor, who are striving to become self-sufficient. It is 4-C's responsibility to manage these State Grants and determine eligibility for funding and reimburse child care programs. This past year, $3,814,552 was paid to child care providers who served 3,715 children.

   **Child Care Resource and Referral (CCR&R)**: 4-C operates a CCR&R Program that is state funded and helps parents access a child care placement that best reflects their families' values. Our data base includes over 710 providers whose program profiles can be given to any family seeking child care. Last year we received 796 phone calls from parents looking for child care for 1,211 children. The CCR&R Program also recruits new child care providers and offers a wide variety of technical assistance. Last year 4-C offered 157 professional workshops and had over 1,218 providers attend. This program also offers professional development scholarships as well as a resource library, both mobile and stationary.

   The CCR&R Program coordinates ExceleRate Illinois. This is a voluntary quality initiative available to licensed and licensed exempt family child care providers as well as licensed child care centers. ExceleRate Illinois is a statewide quality and improvement system designed to make continuous quality improvements an everyday priority among early care and educational providers. The system establishes standards for helping infants, toddlers and preschool age children develop intellectually, physically, socially and emotionally. Programs that participate in ExceleRate Illinois receive additional financial support. There are many different opportunities for all programs to engage in ExceleRate Illinois.

   **Mental Health Consultant:** To effectively address the unique developmental, social and emotional needs of infants and children under the age of five, 4-C's Mental Health Consultant visits child care programs to support and engage staff so they are able to offer a safe and nurturing program for these young children. The core relationships between a very young child and the adult caregiver are cited again and again as the crucial ingredient in a young child's healthy development. The Mental Health Consultant encourages teachers to see the importance of offering a safe and nurturing space daily for these young children. Last year, the Mental Health Consultant had 385 consultations with parents and teachers. She also held 20 trainings for child care providers. This service also offers consultation for particular children with mild social emotional challenges. Children and families with more intensive needs are referred to the most appropriate social services/health provider for idealized treatment. As with the Social Work services, the Mental Health Consultant services are at no cost to the providers.

   **Child and Adult Care Food Program (CACFP):** 4-C is a sponsor of the Child and Adult Care Food Program. The program's primary goal is to ensure that nutritious meals and snacks are being served to children who attend in-home family child care programs. Secondary goals are

the establishment of positive eating habits at the early stages of development; reduction of future health care and education costs due to lack of proper development; and training/support for family child care providers. Last year, CACFP served 178 family child care providers who cared for over 2,150 children. $695,403 was reimbursed to providers and 171 site visits were made by 4-C staff. To ensure that families have appropriate options for quality child care in the rural communities we support these small business owners by providing access to CACFP. These in-home providers offer non-traditional hours for families that may work weekend, second and third shift jobs.

**Family Enrichment Program (FEP):** The Family Enrichment Program's goal is to positively impact child development and nurture healthy parent-child relationships in the critical young years. Pregnant women and families with children under the age of five are eligible. These services are delivered in English and Spanish in the family's home to best support families where they are in their parenting journey. Our goal is to strengthen families by providing parents with information, education and support. These low-income, at risk families often do not seek traditional support through parent classes or support groups. Last year 49 families and 58 children were served with these intensive weekly services. 36 community Books and Babies workshops were held and the FEP program also sponsored community workshops in the evening to support parenting best practice. We distributed 80 developmentally appropriate toys and 420 books in English and Spanish to families in the community.

**Advocacy**: 4-C provides a strong and effective voice for children who cannot lobby or speak for themselves. It is our goal to inform policymakers about the basic needs of children and their families. 4-C staff serves on several state committees that include the Department of Children and Family Services State Advisory Committee, Department of Human Services Child Care Advisory Committee, and the Illinois Network of Child Care Resource & Referral Agencies. We gather information on key issues concerning the welfare of children and discuss these issues with lawmakers. We also monitor the development and implementation of laws pertaining to children.

**City of DeKalb Funding**: The funding from the City of DeKalb supports the work and resources of the 4-C Social Work Services as well as the Nursing Services. Below is a detailed narrative explaining both the Social Work and Nursing Services, the potential impact and anticipated outcomes to be achieved. Also are two examples of the successes these programs have had within our community.

**Social Work Services:** 4-C offers the following services to identify and support the social and emotional well-being of young children. Social work services are offered to child care centers to help assess the developmental needs of children and then works with staff to develop individualized plans for each child. Onsite visits allow the social worker to work directly with teachers and children to find solutions to immediate needs. Last year the social worker made 71 visits to child care programs, consulted with 71 teachers/parents and made 15 referrals to other agencies. 123 parents and teachers attended trainings by the social worker on subjects that support healthy behaviors and building positive relationships. These services are offered to programs at no cost. Child care programs would find it very difficult to afford these services if they had to purchase them privately. The numbers above are for the last quarter of FY 2019 as the Social Worker position has been vacant for eight months last year.

**Nursing Services:** Nursing services are also offered by 4-C. Our nurse checks the need for medical attention but whose families are unable to afford the cost of care, assists with preschool screening, vision/hearing testing and makes appropriate referrals for children with an identified delay. The nursing services provided by 4-C are widely utilized in a variety of ways by many child care centers and in-home providers. The Illinois Department of Children and Family

Services require licensed child care immunization records of children to ensure that all children are properly immunized. Last year, the 4-C nurse made 226 visits to programs, provided direct care to 637 children, had 1,640 consultations with parents and teachers, made 307 outside referrals and checked 1,471 immunization records to make sure all children were properly immunized and screened for vision and hearing problems.* Numbers are low due to a vacancy in the positon for 6 months.

Last year highlights of services and outcomes for programing supported by the City of DeKalb:

- Last year there were 34 referrals made to Optometrists, Pediatricians or Ear & Nose Throat Specialists. Following is the numbers break down:
- 754 children were screened from 18 programs
- 11 children were referred for vision
- 5 children referred for hearing
- 2 children received glasses for constant wear
- 2 children were referred by the pediatrician to an ENT.
- On child was treated for sever ear infection, that could have compromised their hearing.

**Additional information supporting the need for 4-C to receive this funding by the City of DeKalb:**

The services 4-C provides with the DeKalb Human Service Grant began as normal in January and then our world changed. Following directives from Governor Pritzker overnight, the child care industry received overarching and drastic changes to policies both federally and state mandated. These policy changes affected all state and federal child care program mandates. Child care program staff were identified as essential priority workers, along with a majority of their families. These programs were expected to house and care for the children of first responders and medical professionals in order to support state and federal responses to mitigate COVID.

4-C's response to this directive was swift, effective and comprehensive. Resources, technical assistance and communication became our priority and was kept up to date. Our agency never closed, and for the past 7 months has increased its work load.

With a drastic change in the delivery of services and a world-wide pandemic, child care program teachers and families have, and are experiencing higher levels of anxiety and stress concerning safety. As with all in person service models, the restricting of child care programs did not come with simple instructions.

To respond to mental health crisis for caregivers, the 4-C Social Worker, Nurse and Health Assistant responded quickly and created a safe virtual daily meeting space for teachers to receive support, education and resources. These ongoing conversations are critical to address the fears and angst for those caring for and nurturing young children. We know this daily consultation and support from our Social Worker, Nurse and Health Assistance is critical and has become a priority. Multiple providers have identified these sessions as their life line to normalcy.

It is our goal within the next 12 months to actively support child care programs so they will not close. The economic fallout from any one of these large centers in DeKalb would be a great hardship for parents who are essential workers and add more burden to an already fragile local economy.

**If a family utilizes more than one 4-C service, they are counted for each service used.

NOTE: The figures shown on the first page of the application reflects all of 4-C's services and total funding.

The program supported by the City is listed below:

| | |
|---|---|
| Total Program Budget: | $3,800,000.00 |
| Amount of Funding Requested: | $19,000 |
| % of Total Program Budget: | 0.005% |
| Total Number of Estimated Program Participants: | 6,030 |
| Total Number of Estimated DeKalb Residents to be Served: | 5,222 |
| % of Total Number: | 86% |

Please note 90% of these funds simply flow through 4-C to child care providers for services offered to support families and children struggling with poverty.

City of DeKalb
opportunity · innovation

164 East Lincoln Highway
DeKalb, Illinois 60115
815.748.2000 • cityofdekalb.com

# FY 2021 HUMAN SERVICES FUNDING APPLICATION

## Twelve Months Funding 1/1/21 to 12/31/21

**APPLICATION MUST BE RECEIVED NO LATER THAN 5:00 P.M. ON NOVEMBER 6, 2020. INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.**

**Agency Name:** 4-C: Community Coordinated Child Care

**Mailing Address:** 155 North Third Street, Suite 300 DeKalb IL 60115

**Agency Director:** Susan Petersen

**Contact Person:** Susan Petersen

**Telephone No.:** 815-758-8149ex(232) **Email Address:** Susan@four-c.org

**Name of Person Responsible for Completing Quarterly Report:** Joan Breiling

**Telephone No.:** 815-758-8149ex(290) **Email Address:** Joanb@four-c.org

**Program Description:** The purpose of 4-C is to promote children's well-being by advocating for quality, affordable, accessible child care and by supporting parents and those providing child care by offering information, education, resources and services..

**Twelve Month Program Budget:** $3,800,000

**Amount of Funding Requested:** $19,000

**% of Total Program Budget:** .005%

**Total Number of Estimated Program Participants:** 6,030

**Total Number of Estimated DeKalb Residents to be Served:** 5,222

**Estimated DeKalb Residents as % of Total Participants to be Served:** 86%

***The following documents must accompany the application:***

1. A current listing of the agency's Board of Directors and terms.

2. The current annual operating budget for the agency and a detailed budget for the program requesting funding.

3. A detailed narrative explaining the program to be funded, its potential impact, and any anticipated outcomes to be achieved. Be specific about the population to be served and the benefits derived from your services. Include any descriptive materials regarding the history and mission of the agency that would help augment the application.

4. Documentation of the agency's 501(c)(3) status.

5. Completed W-9 Form.

6. Copy of agency's most recent financial audit.

The City of DeKalb retains the right to request any and all additional information from the agency it may determine necessary in making funding decisions. This may include articles of incorporation or any other information deemed appropriate.

The undersigned hereby certifies the information contained in this application is true and accurate to the best of their knowledge and belief.

Name of Authorized Signer: Susan Petersen

Title: Executive Director

Signature: Susan Petersen

Date: 10/30/2020

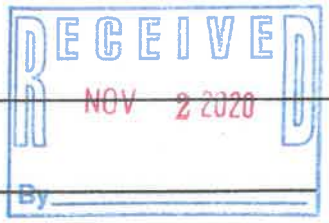
---

Please submit the application using one of the following methods:

- Via regular mail to be received no later than 5:00 p.m. on November 6, 2020 to:

  City of DeKalb
  Attention: Joanne Rouse
  164 East Lincoln Highway
  DeKalb, Illinois 60115

- Via email dated no later than 5:00 p.m. on November 6, 2020 to: joanne.rouse@cityofdekalb.com




**OFFICE USE ONLY:**

Date Application Received: _____

☐ Approved – Annual Amount Awarded $_____ / $_____ per quarter

☐ Denied

# 4-C: Community Coordinated Child Care
## Board of Directors
## FY'21

| | | |
|---|---|---|
| **Robert Heck, President**<br>c/o First National Bank<br>511 W. State Street<br>Sycamore, IL 60178, DeKalb County<br>Work: (815) 754-5107<br>Cell: (815) 762-1101<br>Fax: (855) 442-5899<br>Email: rheck@fnni.com<br>Term Expires: 5/2022<br>Committee: Executive; Marketing & Public Relations<br>Occupation: Sr. Personal Banker, First National Bank | **Larry Apperson, Treasurer**<br>114 Mattek Avenue<br>DeKalb, IL 60115, DeKalb County<br>Home: (815) 756-7007<br>Cell: (815) 757-1314<br>Email: lapperson@comcast.net<br>Term Expires: 5/2021<br>Committee: Executive; Finance<br>Occupation: Retired, Vice President of Student Services, Kishwaukee College | **Anastasia Tsiagalis**<br>c/o First Midwest Bank<br>Market Square Branch<br>2290 Sycamore Road<br>DeKalb, IL 60178, DeKalb County<br>Work: (815) 593-7062<br>Email: Anastasia.tsiagalis@firstmidwest.com<br>Term Expires: 5/2021<br>Committee: Finance<br>Occupation: AVP & Branch Manager |
| **Sandee Plescia**<br>345 Merry Oaks Drive<br>Sycamore, IL 6017,8 DeKalb County<br>Cell: (630) 745-8336<br>Email: sandee.plescia@gmail.com<br>Term Expires: 5/2021<br>Committee: Programs & Services<br>Occupation: Trainer of Au Pairs | **Julie Craig**<br>431 E. 2nd Street<br>Genoa, IL 60135, DeKalb County<br>Cell: (815) 970-1972<br>Email: julieanncraig88@gmail.com<br>Term Expires: 1/2021<br>Occupation: DeKalb County Community Gardens, Walnut Grove Vocational Farm Assistant Director | **Erica Walker**<br>c/o Sycamore Court House<br>133 W. State Street<br>Sycamore, IL 60178<br>Work: (815) 895-7131<br>Email: ericawalker1977@gmail.com<br>Term Expires: 5/2021<br>Committee: Programming<br>Occupation: Deputy Clerk |
| **Melanie Magara**<br>1612 Parkside Drive<br>Sycamore, IL 60178, DeKalb County<br>Work: (815) 753-3426<br>Cell: (815) 901-4163<br>Fax: (815) 753-0666<br>Email: mmagara@niu.edu<br>Term Expires: 5/2021<br>Committee: Marketing & Public Relations, Chair<br>Occupation: Director of Communication for the Office of the President, Northern Illinois University | **Christopher Jean**<br>1400 W Lincoln Highway Apt F6<br>DeKalb, IL 60115, DeKalb County<br>Cell: (707) 979-4312<br>Email: chrisjean11@yahoo.com<br>Term Expires: 5/2022<br>Occupation: Program Coordinator, Northern Illinois University | |
| | | |
| | | |

**Revised 1-10-2020**

Department of the Treasury

Phone Contact: Edward Karcher
Phone Number : 202-964-3403

**Internal Revenue Service**
Washington, DC 20224

Date: JUL 30 1975 | In reply refer to: E:EO:T:R:2-5

EIN 36-2773889

DeKalb County Committee for
Community Coordinated Child
Care, Inc.
901 Woodlawn
DeKalb, Illinois 60115

Key District: Chicago, Illinois
Accounting Period Ending: December 31
Form 990 Required: Yes

Gentlemen:

We have considered your application for recognition of exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954.

Section 508(a)(2) of the Internal Revenue Code states that an organization organized after October 9, 1969, shall not be treated as an organization described in section 501 (c)(3) for any period before the giving of notice that it is applying for recognition of exempt status, if such notice is given after the time prescribed by regulation.

Section 1.508-1(a)(2)(1) of the Income Tax Regulations states that an organization seeking exemption under section 501(c)(3) must file the notice described in section 508(a) within 15 months from the end of the month in which the organization was organized, or before March 22, 1973, whichever comes later. Such notice is filed by submitting a properly completed and executed Form 1023, exemption application with the District Director.

Our records indicate that we received notice on April 28, 1975, which is more than 15 months from the date on which you were incorporated. Therefore, the provisions of section 508 (a)(2) are applicable to you.

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, for years beginning April 28, 1975.

We have further determined you are not a private foundation within the meaning of section 509(a) of the Code for years beginning April 28, 1975, because you are an organization described in section 509(a)(1) and 170(b)(1)(A)(vi).

You are not liable for social security (FICA) taxes unless you file a waiver of exemption certificate as provided in the Federal Insurance Contributions Act. You are not liable for the taxes imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes.

Contributions made to you before April 28, 1975, are not deductible under section 170 of the Code. Donors may deduct contributions to you as provided in section 170 of the Code for years beginning after April 28, 1975. Bequests, legacies, devises, transfers, or gifts to you or for your use made after April 28, 1975, are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If your purposes, character, or method of operation is changed, you must let your key District Director know so he can consider the effect of the change on your exempt status. Also, you must inform him of all changes in your name or address.

The block checked at the top of this letter shows whether you must file Form 990, Return of Organization Exempt From Income Tax. If the Yes box is checked, you are required to file Form 990 only if your gross receipts each year are normally more than $5,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of $10 a day, up to a maximum of $5,000, for failure to file the return on time.

Form **W-9**
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

**Give Form to the requester. Do not send to the IRS.**

Print or type
See Specific Instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
COMMUNITY COORDINATED CHILD CARE

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification; check only one of the following seven boxes:
☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate
☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____
Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.
☑ Other (see instructions) ▶ NON PROFIT AGENCY

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any) _____
Exemption from FATCA reporting code (if any) _____
*(Applies to accounts maintained outside the U.S.)*

5 Address (number, street, and apt. or suite no.)
155 NORTH THIRD STREET, SUITE 300

Requester's name and address (optional)

6 City, state, and ZIP code
DEKALB, IL 60115

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

**Social security number**
[ ][ ][ ] - [ ][ ] - [ ][ ][ ][ ]

or

**Employer identification number**
3 6 – 2 7 7 3 8 8 9

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

**Sign Here** | **Signature of U.S. person** ▶ Sonia Ortiz | **Date** ▶ 10-1-2020

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at *www.irs.gov/fw9*.

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding.* See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

## Exhibit B: Current Year's Budget

| 4-C: COMMUNITY COORDINATED CHILD CARE | |
|---|---|
| BUDGET FY21 | |
| | |
| **INCOME** | **FY2021 #1** |
| Membership | 7,000 |
| Genoa United Way | 450 |
| DeKalb County. Comm. Foundation | 18,000 |
| Kishwaukee United Way | 23,750 |
| IDHS/Site Admin | 216,651 |
| IDHS Site Centers | 2,343,349 |
| IDHS/QRS | 68,643 |
| IDHS/MH Consultant | 91,052 |
| ISBE Food Admin | 167,000 |
| ISBE Food/Homes | 705,000 |
| Infant Toddler Revenue | 52,847 |
| ISBE Shared Contract 4-C Rev | 309,119 |
| ISBE Parent Educattion | 14,410 |
| ISBE Shared Contract -ROE Rev | 43,400 |
| IDHS _CCR & R | 927,972 |
| IDHS/CCAP | 719,519 |
| City of DeKalb | 19,000 |
| DeKalb Township | 17,500 |
| Sycamore Township | 3,000 |
| Provider Fees | 5,000 |
| Interest | 1,500 |
| Other Income | 3,000 |
| McHenry United Way | 2,760 |
| | |
| **TOTAL** | |
| | **$ 5,759,922** |

| : COMMUNITY COORDINATED CHILD CARE | |
|---|---|
| BUDGET FY21 | |
| 0 | |
| | |
| **EXPENSES** | **FY 2021** |
| Salaries | 1,723,264 |
| Health Insurance | 64,000 |
| Employee Benefits | 15,358 |
| FICA | 131,830 |
| Accounting | 56,180 |
| Legal Fees | 3000 |
| Resource Consultants | 76,604 |
| Accreditation | 3,000 |
| Child Care | 800 |
| Janitorial | 13,600 |
| Supplies | 69,116 |
| Resource Materials | 8,763 |
| Staff Development | 13,043 |
| Lending Library | 4250 |
| Provider Resources | 2,100 |
| Training Resources | 0 |
| Equipment | 10,840 |
| Tech Contract | 29,083 |
| Mini Grants | 153,000 |
| Training Stipends | 1,000 |
| Telephone | 23,550 |
| Utilities | 4,000 |
| Postage | 19,391 |
| Rent | 129,790 |
| Off-Site Rent | 6,000 |
| Equipment Rental | 14,868 |
| Printing | 10,150 |
| CCAP/CPR/FA | 25,000 |
| Dues | 4,650 |
| Local Travel | 50,299 |
| Non DHS Travel | 0 |
| Family Travel | 250 |
| Workshops/Meetings | 7,954 |
| Professional Development - DeK/McH | 18,000 |
| Advertising | 4,940 |
| Insurance | 9,150 |
| Contingency | 4,750 |
| Title XX Provider Payment | 2,343,349 |
| CCFP Provider Payment | 705,000 |
| CPR Trainer Expense | |
| Van Expenses | |
| DCCF Substitues | $ - |
| TOTAL | **$ 5,759,922** |

## Annual Budget Social Work and Nursing Services for FY21

| | | |
|---|---|---|
| **REVENUE** | | |
| City of DeKalb | $ | 19,000 |
| State of Illinois | $ | 3,800,000 |
| **TOTAL REVENUE** | **$** | **3,819,000** |
| | | |
| **EXPENSES** | | |
| Salaries | $ | 186,541 |
| Health Insurance | $ | 4,000 |
| Employee Benefits | $ | 1,500 |
| FICA | $ | 14,570 |
| Accounting Fees | $ | 12,933 |
| Legal Fees | $ | 691 |
| Janitorial Fees | $ | 1,151 |
| Office Supplies | $ | 1,049 |
| Staff Development | $ | 1,000 |
| Provider Resources | $ | 15,299 |
| Tech Contract | $ | 1,673 |
| Telephone | $ | 1,482 |
| Postage | $ | 600 |
| Rent | $ | 8,619 |
| Equipment Rental/Maint | $ | 999 |
| Printing | $ | 550 |
| Local Travel | $ | 8,244 |
| Advertising | $ | 413 |
| Insurance | $ | 909 |
| TXX Prov Paymt | $ | 3,556,777 |
| **TOTAL EXPENSES** | **$** | **3,819,000** |

## Exhibit C: Most Recent Completed Fiscal Year's Audit or Year-End Financial Statement

Erboe & Associates
Certified Public Accountants
3600 East State Street, Suite 318
Rockford, Illinois 61108
(815)394-0004
(815)394-0017 fax

# COMMUNITY COORDINATED CHILD CARE, INC.

## DeKalb, Illinois

### FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

### Year Ended June 30, 2019

CONTENTS


Pages

INDEPENDENT AUDITOR'S REPORT ..... 1

FINANCIAL STATEMENTS:

Statement of Financial Position ..... 3

Statement of Activities ..... 4

Statement of Functional Expenses ..... 5

Statement of Cash Flows ..... 6

Notes to Financial Statements ..... 7

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* ..... 15

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE ..... 17

Schedule of Findings and Questioned Costs ..... 19

Summary Schedule of Prior Audit Findings ..... 20

SUPPLEMENTAL SCHEDULES:

Schedule of Expenditures of Federal Awards ..... 21

Notes to Schedule of Expenditures of Federal Awards ..... 23

Erboe & Associates
Certified Public Accountants
3600 East State Street, Suite 318
Rockford, Illinois 61108
(815)394-0004
(815)394-0017 fax

# Independent Auditor's Report

To the Board of Directors
Community Coordinated Child Care, Inc.
DeKalb, Illinois

**Report on the Financial Statements**
We have audited the accompanying financial statements of Community Coordinated Child Care, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

**Auditor's Responsibility**
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

**Opinion**
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Coordinated Child Care, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**
*Other Information*
Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***
In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2019, on our consideration of Community Coordinated Child Care, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Community Coordinated Child Care, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Coordinated Child Care, Inc.'s internal control over financial reporting and compliance.

*Erboe & Associates, CPAs*

Rockford, Illinois
December 12, 2019

Illinois State Registration #066-004204

COMMUNITY COORDINATED CHILD CARE, INC.
STATEMENT OF FINANCIAL POSITION
For the Year Ended June 30, 2019

## Assets

| | |
|---|---|
| *Assets:* | |
| Cash and investments-unrestricted | $ 557,494 |
| Accounts receivable (Note 1) | 515,979 |
| Prepaid expenses | 28,313 |
| Property and equipment, net (Note 5) | 62,703 |
| | $1,164,489 |

## Liabilities and Net Assets

| | |
|---|---|
| *Liabilities:* | |
| Accounts payable | $ 85,460 |
| Current maturities of long-term capital lease obligation (Note 12) | 8,280 |
| Reimbursement payable | 260,724 |
| Accrued expenses | 32,642 |
| Long-term capital lease obligation (Note 12) | 15,180 |
| Total liabilities | 402,286 |
| *Net Assets:* | |
| Without donor restrictions: | |
| Board designated | 62,647 |
| Undesignated | 699,556 |
| Total net assets without donor restrictions | 762,203 |
| | $1,164,489 |

The accompanying Notes to Financial Statements are an integral part of these financial statements.

COMMUNITY COORDINATED CHILD CARE, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

| | |
|---|---|
| Revenues: | |
| Illinois Department of Human Services | $3,894,218 |
| Illinois Department of Children & Family Services | 120 |
| Illinois State Board of Education - Child Care Food Program | 854,313 |
| Illinois State Board of Education - Parent Training | 19,598 |
| Illinois State Board of Education - Shared Contract | 264,389 |
| Contributions - unrestricted | 28,825 |
| Grants | 88,621 |
| Interest income | 1,558 |
| Other | 43,638 |
| In-kind | 1,814 |
| Total revenues | 5,197,094 |
| Expenses: | |
| Program expenses | 4,979,560 |
| Management and general expenses | 162,098 |
| Fundraising expenses | 5,767 |
| Total expenses | 5,147,425 |
| Increase in net assets without donor restrictions before prior period adjustment | 49,669 |
| Prior period adjustment (Note 11) | 4,513 |
| Change in net assets without donor restrictions | 54,182 |
| Net assets without donor restrictions, beginning of year | 708,021 |
| Net assets without donor restrictions, end of year | $ 762,203 |

The accompanying Notes to Financial Statements are an integral part of these financial statements.

COMMUNITY COORDINATED CHILD CARE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2019

| | Direct Program Expenses | Management and General Expenses | Fund Raising Expenses | Total |
|---|---|---|---|---|
| Accreditation fees | $ 640 | $ - | $ - | $ 640 |
| Advertising | 15,874 | 1,362 | - | 17,236 |
| Child care services | 450 | - | - | 450 |
| Conferences/conventions | 7,304 | 257 | - | 7,561 |
| Depreciation | - | 22,945 | - | 22,945 |
| Employee benefits | 24,634 | 776 | - | 25,410 |
| Insurance - health | 38,023 | 3,204 | - | 41,227 |
| Insurance - liability | 2,844 | 6,181 | - | 9,025 |
| Loss on asset disposal | 677 | - | - | 677 |
| Membership dues and fees | 2,682 | 1,011 | - | 3,693 |
| Miscellaneous expense | 145,488 | ( 297) | - | 145,191 |
| Office expense | 17,759 | 648 | - | 18,407 |
| Postage and shipping expense | 18,819 | 842 | 227 | 19,888 |
| Professional fees | 41,582 | 8,634 | 770 | 50,986 |
| Program consultants | 38,485 | - | - | 38,485 |
| Provider payments | 2,975,708 | - | - | 2,975,708 |
| Publications and printing | 1,815 | 762 | 315 | 2,892 |
| Rent expense | 113,462 | 4,287 | - | 117,749 |
| Repairs and maintenance | 3,275 | 10,348 | - | 13,623 |
| Resource materials | 6,818 | - | - | 6,818 |
| Salaries | 1,305,968 | 88,241 | 4,138 | 1,398,347 |
| Staff development | 6,563 | 2,169 | - | 8,732 |
| Subcontract | 3,630 | - | - | 3,630 |
| Supplies - office | - | 2,620 | - | 2,620 |
| Supplies - program | 24,180 | - | - | 24,180 |
| Taxes - payroll | 94,742 | 6,612 | 317 | 101,671 |
| Telephone | 13,718 | 709 | - | 14,427 |
| Training for providers | 31,257 | - | - | 31,257 |
| Travel | 41,215 | 787 | - | 42,002 |
| Utilities | 1,948 | - | - | 1,948 |
| Total functional expenses | $4,979,560 | $ 162,098 | $ 5,767 | $5,147,425 |

The accompanying Notes to Financial Statements are an integral part of these financial statements.

COMMUNITY COORDINATED CHILD CARE, INC.
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2019

| | |
|---|---|
| *Cash flows from operating activities:* | |
| Increase in net assets | $ 49,669 |
| Adjustments to reconcile increase in net assets | |
| to net cash provided by operating activities: | |
| Prior period adjustment (Note 11) | 4,513 |
| Depreciation | 22,945 |
| (Increase) decrease in accounts receivable | 110,937 |
| (Increase) decrease in prepaid expenses | ( 15,194) |
| Increase (decrease) in accounts payable | 71,714 |
| Increase (decrease) in reimbursements payable | ( 15,209) |
| Increase (decrease) in accrued expenses | ( 730) |
| Increase (decrease) in deferred income | - |
| Total adjustments | 178,976 |
| Net cash provided by operating activities | 228,645 |
| *Cash flows from investing activities:* | |
| Payments for purchase of fixed assets | ( 19,334) |
| Disposal of fixed assets | 676 |
| Net cash used by investing activities | ( 18,658) |
| *Cash flows from financing activities:* | |
| Principle payments on capital lease obligation | ( 8,280) |
| Net cash used by financing activities | ( 8,280) |
| Net increase in cash | 201,707 |
| Cash - beginning of year | 355,787 |
| Cash - end of year | $557,494 |

The accompanying Notes to Financial Statements are an integral part of these financial statements.

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Business Activity*

Community Coordinated Child Care, Inc. is a not-for-profit Illinois corporation organized as a centralized coordinator for regional day care centers and homes. In this capacity, the Organization performs the following services:

provider training and staff development;
centralized billings;
client eligibility verification;
social worker and registered nurse available for consultation, workshops, and client needs;
parent education;
child care resource and referral services;
child and adult care food program;
mental health consultants;
professional development grants;
quality enhancement grants for child care programs;
infant/toddler specialist; and
expansion of quality day care services where needed.

*Reporting Entity*

The reporting entity of the Organization was determined based on the oversight responsibility and the scope of the services provided. Oversight responsibility is measured by the extent of financial interdependency, control over the selection of the governing authority and management, and ability to significantly influence operations and accountability for fiscal matters. Based on these criteria, there are no agencies or other units which have been or should be combined with the general purpose financial statements of the Organization.

*Functional Allocation of Expenses*

The costs of providing the services and other activities are summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Program expenditures are allocated to specific programs on a direct functional basis whenever practicable.

Administrative and other expenditures that are not directly identifiable with any specific program but provide for the overall support and direction of the Organization, are allocated by methods based on the proportional use of the service provided.

*Cash and Cash Equivalents*

Cash and cash equivalents consist of cash on hand and deposits held by financial institutions with original maturities of three months or less.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

*Basis of Presentation*

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP). Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Without Donor Restrictions*
Net assets available for use in general operations and not subject to donor restrictions. Grants and contributions gifted for recurring programs are generally not considered "restricted" under GAAP, though for internal reporting, the Organization tracks such grants and contributions to verify that the disbursement matches the intent. Assets restricted solely through the actions of the Board are reported as net assets without donor restrictions, board-designated.

*With Donor Restrictions*
Net assets subject to donor-imposed stipulations that are more restrictive than the Organization's mission and purpose. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, when the donor stipulates that resources be maintained in perpetuity. The Organization had no net assets with donor restrictions as of June 30, 2019.

*Accounts Receivable*

The primary source of accounts receivable is from governmental agencies and are considered fully collectible. The Organization maintains a written policy on collection. Based on experience, the director considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established. If accounts become uncollectible, they will be charged to operations when that determination is made. For the fiscal year ended June 30, 2019, accounts receivable consists of:

| | |
|---|---|
| Due from DHS | $365,311 |
| Due from ISBE | 71,971 |
| Due from DCFS | 73,630 |
| Due from other | 5,067 |
| | $515,979 |

*Employee Benefits*

The cost of employee benefits and compensated leave are accrued as they are vested to the employee. The Organization does not maintain any unfunded retirement or health care plans.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

*Use of Estimates*

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Income Taxes*

Income taxes are not provided for in the financial statements since the organization is exempt from federal and state income taxes under §501(c)(3) of the Internal Revenue Code and similar state provisions. The Organization is not classified as a private foundation.

The Organization files Form 990 in the federal jurisdiction and the State of Illinois. The Organization's tax returns for the current and prior three years remain subject to examination by the Federal and state tax jurisdictions.

*Property and Equipment*

Property and equipment is recorded at cost or, if donated, at fair value at the date of donation. It is the policy of the Organization to capitalize betterments which materially add to the value of related assets or materially extend the useful life of assets. Normal maintenance and minor equipment purchases are charged to expense. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts with any resulting gain or loss reflected in the current period.

Depreciation provisions are determined using the straight line method over the estimated useful lives of the assets ranging from three to seven years.

*Contributions*

Contributions and grants are reported as without or with donor restrictions, depending on the existence or nature of any restrictions, or both. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires, the net assets are reclassified to net assets without donor restrictions. Noncash contributions are recorded at their fair market value at the date of contribution.

Contributions received with donor restrictions whose restrictions are met in the same reporting period they are received are generally reported as support without donor restrictions in the same reporting year.

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

*Revenue Recognition*

The Organization receives a substantial portion of its revenues from the Illinois Department of Human Services and the Illinois State Board of Education as a conduit for day care centers and homes. The Organization receives an administrative fee for its services as defined by the various programs administered. Revenue is recognized when earned. Program service fees and payment under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

*Support from Governmental Units*

The Organization receives a substantial amount of support from state and local governments. A significant reduction in the level of this support, if this were to occur, may have a significant effect on the Organizations' programs and activities.

Government funding is generally recorded on a reimbursement basis, that is, when qualifying expenses are incurred by the Organization, both a receivable from the government funder and revenue are recorded.

*Commitments and Contingencies*

The Organization participates in several federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Organization has not complied with the rules and regulations governing the grants, refunds of any money received may be required, and the collectability of any related receivable may be impaired. Management does not believe there are any significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants.

*Total Columns*

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position, results of operations and changes in fund balances in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

## NOTE 2: TEMPORARILY RESTRICTED CASH

The Organization continually receives contributions from various donors to be spent for a particular purpose. During the fiscal year ended June 30, 2019, the Organization did not receive or spend any net assets with donor restrictions. The Organization does not have any unspent net assets with donor restrictions as of June 30, 2019.

## NOTE 3: INVESTMENTS

The Organization had the following money market accounts at June 30, 2019:

| | |
|---|---|
| First National Bank, money market account | $ 58,135 |
| First State Bank, money market account | 82,213 |
| Resource Bank, money market account | 125,818 |
| | $266,166 |

## NOTE 4: CHILD AND ADULT CARE FOOD PROGRAM

The federal expenditures for the Child and Adult Care Food Program consist of or include grants to approximately 171 sub-recipient providers serving 2,150 children. The total amount paid to sub-recipient day care provider homes for the year ended June 30, 2019 is $695,403.

## NOTE 5: PROPERTY AND EQUIPMENT

Property and equipment, net is summarized as follows at June 30, 2019:

| | |
|---|---|
| Property and equipment | $344,690 |
| Vehicles | 37,612 |
| | 382,302 |
| Less accumulated depreciation | 319,599 |
| Property and equipment, net | $ 62,703 |

Property purchased with federal funds may, in accordance with grantor agreements, be required to be returned to the federal government. However, because day-to-day control lies with the grantee, such assets have been included in the consolidated statements of financial position.

## NOTE 6: LEASE COMMITMENT

The Organization conducts its operations in DeKalb from a facility leased from 155 North, Inc. The lease is for a ten year term, expiring on June 30, 2022. Minimum rentals were $74,688 for the year ended June 30, 2019. From July 1, 2015 to June 30, 2022 the yearly base rental is $74,688.

The Organization conducts operations in McHenry from a facility leased from Offices Etc., LLC. The lease is for a five year term, expiring on January 31, 2019. The lease was renewed for a five year term, expiring on January 31, 2024. Minimum rentals were $30,600 for the year ended June 30, 2019. The monthly base rental is $2,550 from February 1, 2018 through January 31, 2022 and $2,600 from February 1, 2022 through January 31, 2024.

NOTE 6: LEASE COMMITMENT, continued

The Organization conducts operations in Sterling from a facility leased from YWCA of the Sauk Valley. The lease is on a month to month basis. Minimum rentals were $5,164 for the year ended June 30, 2019.

At June 30, 2019 the minimum future lease payments are as follows:

| | |
|---|---|
| 2020 | $110,452 |
| 2021 | 105,288 |
| 2022 | 105,538 |
| 2023 | 31,200 |
| 2024 | 18,200 |
| | $370,678 |

NOTE 7: EMPLOYEE BENEFIT PLANS

The Organization sponsors a §125 cafeteria plan. All full time employees are eligible to participate. Benefits under this plan are financed by salary redirection sufficient to support benefits elected. Participation in this plan is voluntary.

The Organization also sponsors a flexible benefit §403(b) "deferred compensation arrangement" pension plan. All employees are eligible to participate. This plan is administered by Community Coordinated Child Care, Inc. Employees may elect to defer up to $18,500 of their yearly compensation for the calendar year ending December 31, 2018. Participation in this plan is voluntary. Effective June 1, 2010, provided the funds are available, the Organization will contribute $100 per year for each employee participating in the plan. The Organization contributed $4,000 to the pension plan for the year ended June 30, 2019.

NOTE 8: SITE ADMINISTERED PROGRAM

The expenditures for the Illinois Department of Human Services Site Administered Program consist of or include grants (including payables) to sub-recipients under the number OC15001 as follows:

| Sub-recipient | Federal ID Number | Pass-through Grant Amount |
|---|---|---|
| Children's Learning Center, Inc. | 36-2717649 | $ 800,328 |
| The Growing Place, Inc. | 36-2760908 | 482,679 |
| NIU Campus Child Care | 36-6008480 | 227,763 |
| Kishwaukee Early Childhood Center | 36-2610920 | 58,634 |
| Rochelle Enrichment Center | 36-2827917 | 189,951 |
| Open Sesame Child Care Center, Inc. | 36-2823253 | 520,950 |
| | | $2,280,305 |

NOTE 9: DESIGNATED ENDOWMENT FUND

A donor created a designated endowment fund at DeKalb County Community Foundation on behalf of the Organization with the stipulation that just the earnings can be withdrawn on an annual basis. For the year ended June 30, 2019, the Organization chose to take a withdrawal of $11,626 from the fund. At June 30, 2019, the endowment fund had a balance of $275,791.98.

NOTE 10: ACCRUED VACATION / SICK PAY

At June 30, 2019, the amount of accrued vacation is $67,063 and the amount of accrued sick pay is $28,637. These amounts are not reflected in the financial statements because although they are reasonably estimable, the likelihood of the contingency occurring is not probable.

NOTE 11: PRIOR PERIOD ADJUSTMENT

A prior period adjustment of $4,513 was needed during the year being audited. In the prior year, a portion of insurance was reported in accounts payable when it should not have been. The insurance expense amount belongs in the current fiscal year ended June 30, 2019.

NOTE 12: CAPITAL LEASE

On March 31, 2017, the Organization acquired a new copier for the main office, under the provisions of a capital lease. The copier held under the capital lease at June 30, 2019 had a cost of $41,400 and the accumulated depreciation on the leased asset as of June 30, 2019 totaled $20,700.

*Capital leases consist of the following at June 30, 2019:*

| | Unpaid Balance | Current Maturities |
|---|---|---|
| Copier capital lease payable in 60 payments at $690.00 per month, the effective rate of interest is 0%, maturing March 20, 2022. | $ 23,460 | $ 8,280 |
| | $ 23,460 | $ 8,280 |

Future annual principal maturities required by the above agreement are as follows:

| Years Ended June 30, | |
|---|---|
| 2020 | $ 8,280 |
| 2021 | 8,280 |
| 2022 | 6,900 |
| | $ 23,460 |

## NOTE 13: CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash, investments, and pledges receivable. The Organization maintains cash deposits with major banks which, from time to time, may exceed federally insured limits. The Organization periodically assesses the financial condition of the institutions and believes the risk of any loss is minimal. Concentration of credit risk with respect to its investments is reduced as a result of the diversity of the underlying securities.

## NOTE 14: LIQUIDITY AND AVAILABLITY

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Organization has approximately $671,187 of financial assets available to meet cash needs for general expenditures. This includes cash of $557,494 and accounts receivable of $515,979. The Organization has liabilities of $402,286 at year end. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure. The Organization has a goal to maintain financial assets on hand to meet at least 90 days of normal operating expenses.

## NOTE 15: EVALUATIONS OF SUBSEQUENT EVENTS

Subsequent events have been evaluated by management through the date of the independent auditor's report, which is the date the financial statements were available to be issued. Material subsequent events, if any, are disclosed in a separate footnote to these financial statements.

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## Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
Community Coordinated Child Care, Inc.
DeKalb, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Coordinated Child Care, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 12, 2019.

**Internal Control Over Financial Reporting**
In planning and performing our audit of the financial statements, we considered Community Coordinated Child Care, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Coordinated Child Care, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Community Coordinated Child Care, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Erboe & Associates, CPAs*

Rockford, Illinois
December 12, 2019

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## Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Directors
Community Coordinated Child Care, Inc.
DeKalb, Illinois

**Report on Compliance for Each Major Federal Program**
We have audited Community Coordinated Child Care, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Coordinated Child Care, Inc.'s major federal programs for the year ended June 30, 2019. Community Coordinated Child Care, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**
Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**
Our responsibility is to express an opinion on compliance for each of Community Coordinated Child Care, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Coordinated Child Care, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Community Coordinated Child Care, Inc.'s compliance.

**Opinion on Each Major Federal Program**
In our opinion, Community Coordinated Child Care, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

**Report on Internal Control Over Compliance**
Management of Community Coordinated Child Care, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Community Coordinated Child Care, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Coordinated Child Care, Inc.'s internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Erboe & Associates, CPAs*

Rockford, Illinois
December 12, 2019

COMMUNITY COORDINATED CHILD CARE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2019

**Section I - Summary of Independent Auditors' Results**

1. The auditor's report expresses an unqualified opinion on the financial statements of Community Coordinated Child Care, Inc.

2. No material weaknesses or significant deficiencies not considered to be material weaknesses relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.

3. No instances of noncompliance material to the financial statements of Community Coordinated Child Care, Inc. were disclosed during the audit.

4. No material weaknesses or significant deficiencies not considered to be material weaknesses relating to the audit of the major federal award programs are reported in the Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance in Accordance Required by the Uniform Guidance.

5. The auditor's report on compliance for the major federal award programs for Community Coordinated Child Care, Inc. expresses an unqualified opinion.

6. No audit findings relative to the major federal award programs were disclosed in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance for Community Coordinated Child Care, Inc.

7. The programs tested as major programs include:
   CFDA#93.558 - Temporary Assistance to Needy Families - TANF
   CFDA#93.575 - Social Service Block Grant - CCDBG
   CFDA#93.596 - Social Service Block Grant - CCDBG

8. The threshold for distinguishing Type A and B programs was $750,000.

9. Community Coordinated Child Care, Inc. was determined to be a low-risk auditee.

**Section II - Financial Statement Findings**

There were no financial statement findings reported during the June 30, 2019 audit.

**Section III - Federal Award Findings and Questioned Costs**

There were no federal award findings or questioned costs reported during the June 30, 2019 audit.

COMMUNITY COORDINATED CHILD CARE, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2019

**Summary of Prior Audit Findings**

None

# SUPPLEMENTARY INFORMATION

COMMUNITY COORDINATED CHILD CARE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2019

| | Pass Through Organization | Federal CFDA Number | Pass through Entity Number | Period Covered | Expenditures | Passed Through To Subrecipients |
|---|---|---|---|---|---|---|
| **U.S. Department of Health & Human Services** | | | | | | |
| Social Services Block Grant-CCDBG-DISC * | Illinois Dept of Human Services | 93.575 | 81XM404000 | 7/1/18-6/30/19 | $ - | $ - |
| Social Services Block Grant-CCDBG-DISC (Non-cash) * | Illinois Dept of Human Services | 93.575 | 81XM404000 | 7/1/18-6/30/19 | 3,238,455.77 | - |
| Social Services Block Grant-CCDBG * | Illinois Dept of Human Services | 93.596 | 81XM404000 | 7/1/18-6/30/19 | 3,920,809.64 | 2,302,532 |
| Social Services Block Grant-CCDBG (Non-cash) * | Illinois Dept of Human Services | 93.596 | 81XM404000 | 7/1/18-6/30/19 | 2,190,801.89 | - |
| CCDF cluster | | | | | 9,350,067.30 | 2,302,532 |
| Social Services Block Grant-TANF (Non-cash) | Illinois Dept of Human Services | 93.558 | 81XM404000 | 7/1/18-6/30/19 | 3,893,340.65 | - |
| Social Services Block Grant-Title XX (Non-cash) | Illinois Dept of Human Services | 93.667 | 81XM404000 | 7/1/18-6/30/19 | 39,121.41 | - |
| Total Social Services Block Grant | | | | | 13,282,529.36 | 2,302,532 |
| Total U.S. Department of Health & Human Services | | | | | 13,282,529.36 | 2,302,532 |
| **U.S. Department of Agriculture** | | | | | | |
| Child and Adult Care Food Program-2018 project year | Illinois Board of Education | 10.558 | 16-019-012P-00 | 7/1/18-6/30/19 | 218,482.87 | 180,805 |
| Child and Adult Care Food Program-2019 project year | Illinois Board of Education | 10.558 | 16-019-012P-00 | 7/1/18-6/30/19 | 635,829.69 | 514,598 |
| Total Child and Adult Care Food Program | | | | | 854,312.56 | 695,403 |
| Total U.S. Department of Agriculture | | | | | 854,312.56 | 695,403 |
| Total federal financial assistance | | | | | $14,136,841.92 | $2,997,935 |

* Denotes major program

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

COMMUNITY COORDINATED CHILD CARE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, continued
For the Year Ended June 30, 2019

The following is the total amount provided (cash paid) to sub-recipients from each federal program:

| | CCFP | TITLE XX | MHC | CCR&R |
|---|---|---|---|---|
| CCFP Homes | $ 695,403 | $ - | $ - | $ - |
| Children's Learning Center, Inc. | - | 800,328 | - | 8,490 |
| The Growing Place, Inc. | - | 482,679 | - | 8,558 |
| NIU Campus Child Care | - | 227,763 | - | 112 |
| Kishwaukee Early Childhood Center | - | 58,634 | - | 105 |
| Rochelle Enrichment Center | - | 189,951 | - | 4,882 |
| Open Sesame Child Care Center, Inc. | - | 520,950 | - | 80 |
| Total paid to sub-recipients | 695,403 | 2,280,305 | - | 22,227 |
| Community Coordinated Child Care, Inc. administration | 158,910 | 175,782 | - | - |
| Community Coordinated Child Care, Inc. programs | - | - | 84,031 | 1,358,465 |
| Total federal funds | $ 854,313 | $2,456,087 | $ 84,031 | $1,380,692 |

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

COMMUNITY COORDINATED CHILD CARE, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

## NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of Community Coordinated Child Care, Inc. and is presented on the accrual basis of accounting. Consequently, amounts are recorded as expenditures when the obligations are incurred. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

## NOTE 2: NONCASH AWARDS

The amount of federal awards expended during the year in the form of non-cash assistance was $9,361,719.72. There was no insurance contract in effect during the year. There were no loans or loan guarantees outstanding at year end.

## NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Community Coordinated Child Care, Inc. has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

## Exhibit D: Grantee-Specific Obligations

Grantee agrees and acknowledges that it shall comply with the following obligations, which shall be considered to be an integral component of the Agreement:

Community Coordinated Childcare – 4C (Grantee) will provide Nurse, Social Worker, and Health Care Assistants services to children in daycare programs in DeKalb County to support the health and well-being of young children and to provide preventative services that will prepare children to be kindergarten ready.

4C proposes to serve 6,030 participants this year. Of this number, 5,222 are anticipated to be residents of the City of DeKalb. Grantee will track the total number of individuals served and will include a separate accounting of individuals who are residents of the City of DeKalb to document that City of DeKalb Human Services funding is used only to support those services directly benefiting DeKalb residents. Grantee will report revenue from other sources to document that the agency receives revenue to cover services to individuals who are not residents of the City of DeKalb. Reports will be submitted on a Quarterly basis in order to receive payment of grant funds.

**HUMAN SERVICES AGREEMENT**
**DEKALB COUNTY COMMUNITY GARDENS**

This agreement made this 28th day of December, 2020, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the "City" and DeKalb County Community Gardens (DCCG), hereinafter referred to as "Grantee," WITNESSETH:

WHEREAS, the City desires that Grantee provide certain services to the citizens of DeKalb and Grantee has the capacity to provide such services; and,

WHEREAS, the Grantee acknowledges that it is the City's intention to purchase said services for the citizens of the City of DeKalb under the following guidelines:

1. First priority shall be given to those services which will help meet basic emergency needs such as food, clothing, and shelter. Second priority shall be given to those services which are preventative in nature and promote the highest degree of self-support, self-care, and self-help. Third priority shall be given to those services which seek to enhance the quality of life of persons whose basic needs are already met. Priority shall also be given to services which primarily benefit low and moderate income residents. The services provided by the Grantee are consistent with these guidelines as explained on the attached Exhibit A.

2. Services shall address specific documented needs. The services provided by the Grantee address the specific, documented needs as explained on the attached Exhibit A.

3. Services shall also receive financial support from other community sources. Grantee has attached hereto a copy of its budget for the period that this Agreement covers as Exhibit B, which budget establishes that the Grantee receives at least 91 % of its funding from third party sources. A copy of Grantee's audit or year end financial statement from the most recent complete year of operations is attached hereto as Exhibit C.

4. City funds are used only to support those services directly benefiting DeKalb residents. The City will not subsidize the cost of services to non-residents. Grantee has certified compliance with this requirement by signing the attached Exhibit A.

5. Administrative costs for these services are to be kept to a minimum. Grantee has identified the allocation between administrative costs and program costs as explained on the attached Exhibit A.

6. These services must be coordinated with other agencies when feasible. Grantee has outlined how services are coordinated with other agencies as explained on the attached Exhibit A.

7. The City will not fund, but may augment, services which are the responsibility of another public agency or funding source. Grantee has identified any areas where the City's funds are being utilized to augment third party responsibilities as explained on the attached Exhibit A.

8. City funds are to be used primarily to match or leverage other private or public funds. Grantee has explained how matching or leveraged funds are being sought or obtained as explained on the attached Exhibit A.

9. The City's intent is to contract for specific services and monitor their effectiveness. Grantee has: a) identified the metrics by which its performance is to be evaluated on an annual basis; b) identified those third parties that provide any review or evaluation of Grantee's efforts; and, c) explained its clearly defined performance evaluation process, as explained on the attached Exhibit A.

10. Grantee has clearly identified and delineated where any elected or appointed official of the City or any City employee is involved in its programming or receives any direct or indirect benefit, any compensation, or any pecuniary benefit of any form by virtue of Grantee's program or the City funding provided hereunder, as explained on the attached Exhibit A.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, and all such funds are held by the Grantee in a Grantee-specific checking account with the financial institution identified therein (and not in any personal checking account), unless otherwise indicated therein.

WHEREAS, the parties hereto understand and agree that the Grantee is an independent contractor and not an employee of the City; now,

In consideration of the agreements set forth and other good and valuable considerations, the parties agree as follows:

1. **Term**. The term of this agreement shall be from January 1, 2021 to December 31, 2021. The City or Grantee may terminate this Agreement at any time, upon the provision of thirty (30) days written notice. The City may terminate this agreement at any time based upon the occurrence of a breach of this Agreement, upon the provision of 48 hours written notice.

2. **Scope of Service**. The Grantee shall provide services in accordance with the service plan provided in the original application, a copy of which is attached hereto as Exhibit A.

3. **Hold Harmless**. The Grantee hereby agrees to indemnify, defend, and hold the City and its officers, employees, contractors, and representatives harmless from and against any and all such costs, expenses, damages, liabilities, losses and

claims which may arise out of, or are related to the services provided by the Grantee under this agreement or which relate to this Agreement or the funding provided herein. The Grantee agrees and acknowledges that the City is not in any way responsible for the conduct or provision of Grantee's programs or services, and is not responsible for the review, supervision or management of Grantee's personnel, volunteers, participants, programming, or services.

4. **Payment.** The City agrees to pay the Grantee the sum of Six Thousand and No/100 Dollars ($6,000.00) for services rendered under this agreement. **Payment will be disbursed in four equal installments and will be processed upon receipt of the Grantee's quarterly reports, as required by this funding agreement.** In the event that this Agreement is terminated, no further payments shall be due or payable to Grantee. In the event that the City Council determines that the City's financial condition does not support making a payment otherwise due under this Agreement, the City may suspend, delay, or otherwise cancel payments due hereunder.

5. **Access to Financial Records**. The Grantee agrees to allow the City access to review any and all of Grantee's financial records as may be determined appropriate to insure the accountability of monies disbursed by the City. The Grantee also agrees to provide the City with a copy of its operating budget and its audit or year-end financial statement for each fiscal year or portion thereof in which the Grantee receives funding under this (or successor) agreements.

6. **Performance Reporting**. The Grantee agrees to send the City a report following every three months of services identifying the number of City of DeKalb citizens that have been provided services under the terms of this Agreement. The Grantee further agrees to send the City a copy of all documentation required to demonstrate its performance or which is identified as a performance-evaluation tool in Exhibit A.

   Quarterly reports shall be provided to the City on or before the 10th day of the following months:

   1st Quarter – April
   2nd Quarter – July
   3rd Quarter – October
   4th Quarter - January

7. **Compliance with Laws.** The Grantee expressly covenants and agrees that it shall comply with all applicable laws, including those laws applicable to the use of public funding to the extent that such laws are applicable to programs funded in whole or in part by the City of DeKalb. The Grantee expressly covenants that it shall not discriminate against any person or organization on the basis of any legally recognized protected classification, including but not limited to race, gender, religion, ethnic or cultural background, sexual preference, or other legally

recognized, protected classification, in the provision of its services or use of funding provided hereunder.

8. **Use of Funds.** The Grantee shall only utilize funds made available under this agreement for the provision of services consistent with this agreement and shall not use such funding for any other purpose, nor for the construction of any real property or improvement to real property, nor for any purpose which constitutes "Public Works" for purposes of the Illinois Prevailing Wage Act.

9. **Grantee's Organization.** Grantee is organized in the format as described in Exhibit A. For the term of this Agreement, Grantee shall take such actions as shall be required to maintain that form of organization. Grantee shall provide the City with notice of the meetings of its governing board or board of directors, and the City shall have the opportunity to attend such meetings as an *ex officio* member of such governing board; the City shall also have the right to review the minutes of all such meetings.

10. **Grantee-Specific Obligations.** Grantee shall comply with the listing of Grantee-Specific Obligations attached hereto as Exhibit D.

11. **Certification:** Grantee hereby certifies that it shall comply with the contents of this Agreement and the terms of its Application and certifies that the contents of this Agreement and the Application are true, accurate and correct. The recitals to this Agreement are expressly incorporated herein by reference.

IN WITNESS WHEREOF, the Grantee has caused this agreement to be signed, sealed, and attested to by its Chairman of the Board of Directors and Executive Director, on the _____ day of _____, _____, and said City has caused the same to be signed, sealed, and attested to by its Mayor and City Clerk or Executive Assistant of the City of DeKalb as of the date first mentioned in this Agreement.

DEKALB COUNTY COMMUNITY GARDENS (DCCG)

Board Chairman

ATTEST:

Executive Director

CITY OF DEKALB, ILLINOIS

Jerry Smith, Mayor

CITY OF DEKALB STATE OF ILLINOIS

ATTEST:

# Exhibit A: Funding Application

City of DeKalb
opportunity · innovation

164 East Lincoln Highway
DeKalb, Illinois 60115
815.748.2000 • cityofdekalb.com

# FY 2021 HUMAN SERVICES FUNDING APPLICATION

## Twelve Months Funding 1/1/21 to 12/31/21

**APPLICATION MUST BE RECEIVED NO LATER THAN 5:00 P.M. ON NOVEMBER 6, 2020. INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.**

**Agency Name:** DeKalb County Community Gardens

**Mailing Address:** 2280 Bethany Road, DeKalb IL 60115

**Agency Director:** Dan Kenney

**Contact Person:** Dan Kenney

**Telephone No.:** 815-793-0950 **Email Address:** dkenney@dekalbgardens.org

**Name of Person Responsible for Completing Quarterly Report:** Dan Kenney

**Telephone No.:** 815-793-0950 **Email Address:** dkenney53@hotmail.com

**Program Description:** Providing fresh, healthy food access. Providing nurtrition education and empowerment. Working with low-income and food insecure populations

**Twelve Month Program Budget:** $65, 347

**Amount of Funding Requested:** $7,000

**% of Total Program Budget:** 10 %

**Total Number of Estimated Program Participants:** 110,781

**Total Number of Estimated DeKalb Residents to be Served:** 67,372

**Estimated DeKalb Residents as % of Total Participants to be Served:** 60.8 %

***The following documents must accompany the application:***

1. A current listing of the agency's Board of Directors and terms.

2. The current annual operating budget for the agency and a detailed budget for the program requesting funding.

3. A detailed narrative explaining the program to be funded, its potential impact, and any anticipated outcomes to be achieved. Be specific about the population to be served and the benefits derived from your services. Include any descriptive materials regarding the history and mission of the agency that would help augment the application.

4. Documentation of the agency's 501(c)(3) status.

5. Completed W-9 Form.

6. Copy of agency's most recent financial audit.

The City of DeKalb retains the right to request any and all additional information from the agency it may determine necessary in making funding decisions. This may include articles of incorporation or any other information deemed appropriate.

The undersigned hereby certifies the information contained in this application is true and accurate to the best of their knowledge and belief.

Name of Authorized Signer: Dan Kenney

Title: Executive Director

Signature: Dan Kenney

Date: 10/27/2020

---

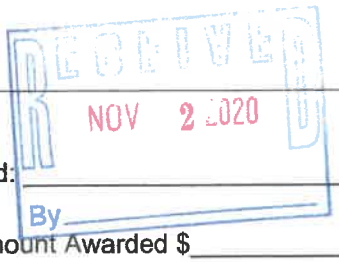
Please submit the application using one of the following methods:

- Via regular mail to be received no later than 5:00 p.m. on November 6, 2020 to:

  City of DeKalb
  Attention: Joanne Rouse
  164 East Lincoln Highway
  DeKalb, Illinois 60115

- Via email dated no later than 5:00 p.m. on November 6, 2020 to: joanne.rouse@cityofdekalb.com

**OFFICE USE ONLY:**




Date Application Received: _____

☐ Approved – Annual Amount Awarded $_____ / $_____ per quarter

☐ Denied

DEKALB COUNTY COMMUNITY GARDENS

# 2020 Board of Directors (updated 10-27-2020)

**Toni Tollerud, President**
**PhD, LCPC, NCC, NCSC, ACS**
NIU, College of Education
Distinguished Teaching Professor Emerita
1622 Carlisle Lane, DeKalb, IL 60115
815-501-4784
tollerud@niu.edu

Board Member since 2015 (2021 Second Term ends)
DCCG, Past Treasurer
DCCG, Finance Committee Chair
Illinois Mental Health Counselors Association, Board Member & Professional Development Chair
DeKalb County Trauma-Informed Committee
Master Gardener Intern
Northern Illinois University Annuitants, Board Member
DeKalb County Election Judge/Deputy Registrar

**Randi Napientek, Vice President**
NIU Associate Director of Student Athlete Academic Support Services
1638 Fulton Lane, Sycamore, IL 60178
815-901-2732
randi@niu.edu

Board Member since 2019 (2022 Term ends)
DCCG, Community Engagement Committee
Kishwaukee Sunrise Rotary, Community Service Chair
DeKalb County Youth Service Bureau, Former Board President
Junior Achievement–Western Suburbs Division, Former Board Member
Money Smart Week of DeKalb, LaSalle & Lee Counties, Former Co-Chair

**Ellingsworth Webb, Treasurer**
Eden's Garden, Assistant Property Manager
1226 Pleasant Street Unit A, DeKalb, IL 60115
815-508-2316
e.webb1030@comcast.net

Board Member since 2016 (2022 Second Term ends)
DCCG, Finance Committee Chair
DCCG, Community Engagement Committee Tri-Chair
DCCG, Marketing Committee
DeKalb Area Agricultural Heritage Association, Board Member
NIU Alumni Association Emeritus, Board Member
DeKalb County Youth Service Bureau, Board President
DeKalb Kiwanis, President
City of DeKalb Citizen Community Enhancement Commission
City of DeKalb Past Human Relations Commissioner
DeKalb County Election Judge/Deputy Registrar

**Emily McKee, Secretary**
NIU Department of Anthropology and Institute for the Study of the Environment, Sustainability & Energy, Assistant Professor
518 Park Avenue, DeKalb, IL 60115
ekmckee@niu.edu

Board Member since 2017 (2023 Second Term ends)
DCCG, Strategic Planning Committee
DCCG, Advisory Board Co-Chair
DCCG, Open House Committee

**David J. Castro**
Works in Research and Development at Ecolab
317 Augusta Avenue, DeKalb Illinois 60115
815-762-7257
djc126126@gmail.com

Board Member since 2020 (2023 Term ends)
Member of the City of DeKalb Planning and Zoning Commission from 2013 until December 2019.
Current President of the Ellwood House Association.



**Amanda Christensen**
Dekalb County Regional Office of Education
Superintendent
4 Hill Court
815-761-6601

Board Member since 2020 (2023 Term ends)
Personally, U of I Extension Master Gardener Intern
Professionally, Coordinator of DeKalb County Kindergarten Readiness Collaborative

| | |
|---|---|
| Achristensen2012@gmail.com | Member of the following: University Village collaborative, Juvenile Justice Council, Trauma-informed Committee, Advisory Board of Children's Advocacy Center, Coordinated Intake for Home Visiting collaborative, Kishwaukee Education Consortium governing board |
| **Dorothy Coleman**<br>Community Volunteer<br>405 Fairmont, DeKalb, IL 60115<br>815-901-4332<br>dcoleman405@gmail.com | Board Member since 2017 (2023 Second Term ends)<br>DCCG, Open House Committee<br>DCCG, Community Engagement Committee<br>DCCG, Local Flavors Harvest Dinner Committee<br>NIU Communiversity Gardens, Volunteer<br>Walnut Grove Prairie Restoration Project, Volunteer<br>Unitarian Universalist Fellowship of DeKalb, Website & Facebook Administrator |
| **Hannah Davekos**<br>Branch Manager, First Midwest Bank<br>208 Stearn Drive<br>Genoa, IL 60135<br>Cell: 815-901-1157 Work: 779-382-7004<br>Hannah.Davekos@FirstMidwest.com | Board Member since 2020 (2023 Term ends)<br>Actively volunteer at local schools and girl scout troops to promote financial literacy through our bank's CRA program<br>Genoa HUB Advisory Board<br>St. Catherine of Genoa Parish (Volunteer Lector, Sunday School Teacher)<br>Ambassador for the Genoa Area Chamber of Commerce |
| **Jackie DiNatale**<br>DCCG Director of Communications<br>664 Fox Hollow, DeKalb, IL 60115<br>815-981-1744<br>jackiedinatale@hotmail.com | Board Member since 2017 (2020)<br>DCCG, Community Engagement Committee Tri-Chair<br>DCCG, Marketing Committee<br>DCCG, Strategic Planning Committee<br>Kishwaukee United Way, Past Community Outreach & Finance Coordinator |
| **Mikaela Holtz**<br>Director, Office of Student Engagement and Experiential Learning<br>513 S. 1st Street, Dekalb, IL 60115<br>815-668-5136<br>mholtz@niiu.edu | Board Member since 2020 (Term ends in 2023)<br>NIU – student community engagement,<br>NIU Communiversity Garden<br>Huskie Food Pantry. |
| **Angela Johnson**<br>706 N. Annie Glidden Rd, Unit 10, DeKalb, IL 60115<br>815-508-7954<br>angelajasmine1@yahoo.com | Board Member since 2019 (2022)<br>University Village Grow Mobile Volunteer |
| **Joe King**<br>NIU Associate Director of Media Relations, Institutional Communications<br>1811 Perry Court Sycamore, IL 60178<br>815-762-7425<br>joking47@gmail.com | Board Member since 2020 (2023)<br>CCT Penguin Project, Founder<br>NIU Penguin Players, Founder<br>Children's Community Theatre of DeKalb County, Board of Directors<br>The Gracie Center, Board of Directors |
| **Eric Ogi**<br>Minister, Federated Church of Sycamore<br>351 Rolfe Rd. DeKalb, 60115<br>(815) 797-2250<br>reveric.federated@gmail.com | Board Member since 2020 (2023 Term ends)<br>DCCG HUB Committee<br>Pastor |
| **Nancy Proesel**<br>Environmental Activist<br>1799 Pickwick Lane, DeKalb, IL 60115 | Board Member since 2013 (2020 Final Term)<br>DCCG, Local Flavors Harvest Dinner, Annual Host<br>DCCG, Finance Committee |

| | |
|---|---|
| 815-761-2142<br>nancyp@micro-solutions.com | Walnut Grove Prairie Restoration Project Volunteer<br>Special Olympics Representative 2018<br>Safe Passage, Board Member<br>Epilepsy Foundation of N. Central Illinois, Iowa and Nebraska, Board Member & DeKalb County Representative<br>Sierra Club Lobbyist |
| **Elizabeth (Lizy) Garcia Ramirez**<br>NIU Master in Public Administration, specializing in Nonprofit Management<br>1225 Grace Drive, Apt G, Sycamore, IL 60178<br>815-761-0839<br>lizy9559@gmail.com | Board Member since 2018 (2021)<br>DCCG, Strategic Planning Committee<br>DCCG, Community Engagement Committee<br>DeKalb County Health, Board Member<br>Welcoming Western Counties, Member<br>NIU Latino Alumni Counsel, Member |
| **Virginia M. Sherrod**<br>DeKalb CUSD 428, Retired Assistant<br>170 McLaren Dr. South, Sycamore, IL 60178<br>815-508-9446<br>sherrod91@comcast.net | Board Member since 2019 (2022)<br>City of Sycamore, 4th Ward Alderman since 2016<br>North Avenue MB Church, Board Member<br>SIMBA/SIMSA Nation, Elder<br>League of Women Voters of DeKalb County<br>DeKalb County Election Talley Judge/Deputy Registrar |

## Community Food Needs Narrative

The DCCG Community Food Needs Program provides access to healthy food choices, health and nutrition education, as well as food empowerment programs. The funds from this grant will enable DCCG to expand this program to reach more residents of DeKalb. The program involves community and individual gardening opportunities. This unique program also provides increased access to fresh foods for those who are disabled, elderly, or too young to garden through the Grow Mobil Program a pop-up food pantry that serves low income areas of the City. The program also includes garden rental plots for individuals to use for their own food production needs. DCCG also partners with Northwestern Medicine, local chefs, for instruction in food preparation, cooking and preservation.

Currently the Food Needs Program serves over 416 City of DeKalb households weekly and served 16,684 households and 51,825City of DeKalb residents from January 1, 2020 to October 1, of 2020. The expected outcomes from this grant support will enable DCCG to provide additional growing opportunities as well as increased instruction in gardening, produce care, and cooking instruction. It will also allow DCCG to increase the number of mobile pantries it can provide throughout the year with its partnership with the Northern Illinois Food Bank. DCCG Community Food Needs Program serves Eden's Garden, Gideon Court Apartments, University Village, Taylor Street Apartments, Dresser Court Apartments, Elder Care Services, DeKalb Senior Center, and Colonial House. The increased support of this grant will allow DCCG to include Amber Manor, Pleasant Street neighborhood, and other low-income sites in the City.

The City of DeKalb has the only USDA recognized food desert in DeKalb County. The DeKalb Community School District Schools have50% to 65% students' eligible for free and reduced priced lunches. Together we can close this food gap in the City of DeKalb. The goal of DCCG is that no child go to bed hungry, that any individual who is capable and wants to grow their own food are able to do so, that any elderly individual who is unable to make it to the food pantry can still have access to healthy food choices, and with your support we can move closer to this goal.

JUL 09 2014

DLN:
17053066354044
Contact Person:
CUSTOMER SERVICE ID# 31954
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
September 15, 2013
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search box to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Letter 947

[illegible]

We have sent a copy of the [illegible] for [illegible] representative [illegible] indicated in the power of attorney.

Sincerely,

Tamera Ripperda

Inventory Exempt Organizations

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

**Give Form to the requester. Do not send to the IRS.**

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
DeKalb County Community Gardens NFP

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

**Note:** Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☑ Other (see instructions) ▶ 501 (c) 3 Nonprofit

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

*(Applies to accounts maintained outside the U.S.)*

5 Address (number, street, and apt. or suite no.) See instructions.
2280 Bethany Road

Requester's name and address (optional)

6 City, state, and ZIP code
DeKalb IL 60115

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

**Social security number**
[ ][ ][ ] – [ ][ ] – [ ][ ][ ][ ]

**or**

**Employer identification number**
4 6 – 3 6 8 1 2 0 6

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign Here** Signature of U.S. person ▶ Dan Kenny Date ▶ 10/27/2020

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

## Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See* What is backup withholding, *later.*

## Exhibit B: Current Year's Budget

# DeKalb County Community Gardens

## BUDGET OVERVIEW: 2020 BUDGET - FY20 P&L

January - December 2020

| | TOTAL |
|---|---|
| Income | |
| 4000.00 Revenue | |
| 4100.00 WGVF - Revenue | **179,145.92** |
| 4200.00 Revenue Food Needs | **65,347.76** |
| 4300.00 Community Building - Revenue | **3,455.00** |
| 4400.00 General - Revenue | **239,000.00** |
| 4500.00 GACFH - Revenue | 66,090.00 |
| 4600.00 DeKalb Hub - Revenue | 22,610.00 |
| **Total 4000.00 Revenue** | **575,648.68** |
| **Total Income** | **$575,648.68** |
| Cost of Goods Sold | |
| 5000.00 Cost of Goods Sold | |
| 5100.00 WGVF - Cost of Goods Sold | **143,848.00** |
| 5200.00 Food Needs - COGS | **92,594.76** |
| 5300.00 Community Building - COGS | **2,592.00** |
| 5500.00 GACFH - Cost of Goods Sold | 52,700.00 |
| 5600.00 DeKalb Hub - Expenses | 36,000.00 |
| **Total 5000.00 Cost of Goods Sold** | **327,734.76** |
| **Total Cost of Goods Sold** | **$327,734.76** |
| GROSS PROFIT | **$247,913.92** |
| Expenses | |
| 6000.00 Administration Activity | |
| 6100.00 WGVF - AA | **48,079.00** |
| 6200.00 Food Needs - AA | **20,956.00** |
| 6400.00 General - AA | **184,372.44** |
| **Total 6000.00 Administration Activity** | **253,407.44** |
| **Total Expenses** | **$253,407.44** |
| NET OPERATING INCOME | **$ -5,493.52** |
| Other Expenses | **$14,221.17** |
| NET OTHER INCOME | **$ -14,221.17** |
| NET INCOME | **$ -19,714.69** |

# DeKalb County Community Gardens

## BUDGET OVERVIEW: 2020 BUDGET - FY20 P&L

January - December 2020

| | TOTAL |
|---|---|
| Income | |
| 4000.00 Revenue | |
| 4200.00 Revenue Food Needs | |
| 4215.00 Restricted Grants Food Needs | **52,019.76** |
| 4225.00 Donations Food Needs | **3,278.00** |
| 4245.00 Miscellanous Food Needs | **10,050.00** |
| **Total 4200.00 Revenue Food Needs** | **65,347.76** |
| **Total 4000.00 Revenue** | **65,347.76** |
| **Total Income** | **$65,347.76** |
| Cost of Goods Sold | |
| 5000.00 Cost of Goods Sold | |
| 5200.00 Food Needs - COGS | |
| 5205.00 Food Needs - COGS Materials and Supplies | **17,650.00** |
| 5210.00 Food Needs - Cost of Labor | **74,944.76** |
| **Total 5200.00 Food Needs - COGS** | **92,594.76** |
| **Total 5000.00 Cost of Goods Sold** | **92,594.76** |
| **Total Cost of Goods Sold** | **$92,594.76** |
| GROSS PROFIT | **$ -27,247.00** |
| Expenses | |
| 6000.00 Administration Activity | |
| 6200.00 Food Needs - AA | |
| 6210.00 Office/General Adminstrative Expenditure | **1,490.00** |
| 6215.00 Food Needs - Utilities | **2,160.00** |
| 6220.00 Food Needs - Advertising | 600.00 |
| 6225.00 Food Needs - Insurance | 1,040.00 |
| 6250.00 Food Needs - Vehicle Expenses | **450.00** |
| 6260.00 Food Needs - Miscellaneous | 720.00 |
| 6285.00 Food Needs - Payroll Taxes | 6,996.00 |
| 6290.00 Food Needs - Repairs and Maintenance | 4,800.00 |
| 6295.00 Food Needs - Auto & Gas | **2,700.00** |
| **Total 6200.00 Food Needs - AA** | **20,956.00** |
| **Total 6000.00 Administration Activity** | **20,956.00** |

| | |
|---|---|
| **Total Expenses** | **$20,956.00** |
| NET OPERATING INCOME | **$ -48,203.00** |
| NET INCOME | **$ -48,203.00** |

## Exhibit C: Most Recent Completed Fiscal Year's Audit or Year-End Financial Statement

# DEKALB COUNTY
# COMMUNITY GARDENS

## Financial Statements
## and
## Independent Auditor's Report

December 31, 2019

Table of Contents


| | Page |
|---|---|
| **INDEPENDENT AUDITOR'S REPORT** | 1 |
| **FINANCIAL STATEMENTS-** | |
| Statement of Financial Position | 3 |
| Statement of Activities | 4 |
| Statement of Functional Expense | 5 |
| Statement of Cash Flows | 6 |
| Notes to Financial Statements | 7 |

SIEPERT & CO., LLP
Certified Public Accountants
www.siepert.com

# INDEPENDENT AUDITOR'S REPORT

Board of Directors
DeKalb County Community Gardens
DeKalb, Illinois

We have audited the accompanying financial statements of DeKalb County Community Gardens (DCCG) (a nonprofit organization), which comprise the Statement of Financial Position as of December 31, 2019, and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to DCCG'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 DCCG'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 DeKalb County Community Gardens as of December 31, 2019, and the changes in its net assets and its cash flows the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note J to the financial statements, in 2019, DCCG has adopted Accounting Standards Update (ASU) No. 2014-09 *Revenue from Contracts with Customers* retrospectively and ASU No. 2016-14 *Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

**SIEPERT & CO., LLP**

Siepert & Co. LLP

Beloit, Wisconsin
September 11, 2020

**DEKALB COUNTY COMMUNITY GARDENS**
**Statement of Financial Position**
December 31, 2019

| | |
|---|---|
| **ASSETS** | |
| **Current Assets:** | |
| Cash and cash equivalents | $ 77,375 |
| Restricted contributions receivable | 150,000 |
| Grants receivable | 6,500 |
| Total current assets | 233,875 |
| **Other Assets:** | |
| Property and equipment, net | 81,619 |
| Total Assets | $ 315,494 |
| **LIABILITIES AND NET ASSETS** | |
| **Current Liabilities:** | |
| Credit cards payable | $ 149 |
| Accrued payroll expenses | 3,502 |
| Total current liabilities | 3,651 |
| **Net Assets:** | |
| Without donor restrictions- Undesignated | 161,843 |
| With donor restrictions | 150,000 |
| Total net assets | 311,843 |
| Total Liabilities and Net Assets | $ 315,494 |

The accompanying notes are an integral part of this statement.

## DEKALB COUNTY COMMUNITY GARDENS
### Statement of Activities
For the Year Ended December 31, 2019

| | |
|---|---|
| **Change in Net Assets Without Donor Restrictions:** | |
| Revenues and support- | |
| Contributions | $ 76,226 |
| In-kind rent | 74,960 |
| Grants | 112,500 |
| Membership dues | 13,797 |
| Fundraising, net of expenses of $1,796 | 48,533 |
| Produce sales, net of expenses of $24,811 | 41,819 |
| Rental income | 7,150 |
| Interest income | 24 |
| Miscellaneous revenue | 20,298 |
| Net assets released from purpose restrictions | 50,000 |
| Total revenues and support without donor restrictions | 445,307 |
| Expenses- | |
| Program activities | 356,248 |
| Management and general | 18,013 |
| Fundraising | 1,846 |
| Total expenses | 376,107 |
| Change in net assets without donor restrictions | 69,200 |
| **Change in Net Assets With Donor Restrictions:** | |
| Contributions | 150,000 |
| Net assets released from purpose restrictions | (50,000) |
| Change in net assets with donor restrictions | 100,000 |
| Change in Net Assets | 169,200 |
| Net Assets, Beginning of Year | 76,987 |
| Prior Period Adjustment | 65,656 |
| Net Assets, Beginning of Year, as Restated | 142,643 |
| Net Assets, End of Year | $ 311,843 |

The accompanying notes are an integral part of this statement.

## DEKALB COUNTY COMMUNITY GARDENS
### Statement of Functional Expenses
For the Year Ended December 31, 2019

| | Program Activities | Management and General | Fundraising Activities | Total Expenses |
|---|---|---|---|---|
| Salaries | $ 165,233 | $ 5,314 | $ 1,329 | $ 171,876 |
| In-kind rent | 71,360 | 3,600 | - | 74,960 |
| Payroll taxes | 13,765 | 452 | 113 | 14,330 |
| Occupancy | 41,794 | 260 | 1 | 42,055 |
| Depreciation | 17,884 | - | - | 17,884 |
| Conferences and meetings | 497 | - | - | 497 |
| Insurance | 6,033 | 3,885 | - | 9,918 |
| Office supplies and expenses | 736 | 3,623 | 403 | 4,762 |
| Professional fees | 22,839 | 879 | - | 23,718 |
| Advertising | 4,594 | - | - | 4,594 |
| Bank fees | 2,493 | - | - | 2,493 |
| Other expenses | 9,020 | - | - | 9,020 |
| Total Expenses | $ 356,248 | $ 18,013 | $ 1,846 | $ 376,107 |

The accompanying notes are an integral part of this statement.

**DEKALB COUNTY COMMUNITY GARDENS**
**Statement of Cash Flows**
For the Year Ended December 31, 2019

| | | |
|---|---|---|
| **Cash Flows From Operating Activities:** | | |
| Change in net assets | $ | 169,200 |
| Adjustments to reconcile change in net assets to net cash from operating activities- | | |
| Depreciation | | 17,884 |
| Change in current assets and liablities- | | |
| Restricted contributions receivable | | (150,000) |
| Grants receivable | | (6,500) |
| Credit cards payable | | (9,413) |
| Accrued payroll expenses | | 1,371 |
| Net cash from operating activities | | 22,542 |
| **Cash Flows From Investing Activities:** | | |
| Purchases of property and equipment | | (24,470) |
| Net cash from investing activities | | (24,470) |
| **Cash Flows From Financing Activities:** | | |
| Principal payments on long-term debt | | (2,100) |
| Net cash from financing activites | | (2,100) |
| Change in Cash and Cash Equivalents | | (4,028) |
| Cash and Cash Equivalents, Beginning of Year | | 81,403 |
| Cash and Cash Equivalents, End of Year | $ | 77,375 |

The accompanying notes are an integral part of this statement

## DEKALB COUNTY COMMUNITY GARDENS
### Notes to Financial Statements

## NOTE A NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

### Nature of Organization

DeKalb County Community Gardens (DCCG), a nonprofit corporation located in DeKalb, Illinois, was incorporated in 2013. Its purpose is to build community while increasing food security through growing and providing ready access to fresh, nutritious local produce for DeKalb County, Illinois residents.

### Basis of Accounting

DCCG's financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues and support are being reported when earned regardless of when received and expenses are reported when incurred regardless of when payment is made.

### Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Cash and Cash Equivalents

DCCG considers all unrestricted cash and highly liquid investments with initial maturities of three months or less to be cash and cash equivalents. DCCG's bank deposits are insured by Federal Deposit Insurance Corporation insurance up to $250,000 at each financial institution. As of December 31, 2019, DCCG had no uninsured deposits.

### Accounts Receivable

Accounts receivable reported on the Statement of Financial Position are from government and individuals and are expected to be collected within one year. Management has determined no allowance for uncollectable accounts receivable is required.

NOTE A NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Purchases of fixed assets are stated at cost or fair value at the date of the gift if donated. DCCG does not have a formal capitalization policy, but capitalizes all fixed assets with a cost of at least $1,000 and an estimated useful life of more than one year. Depreciation is provided using the straight-line method over periods of five to fifteen years based on the estimated useful lives of the fixed assets. Repair and maintenance costs are expensed as incurred.

Classification of Net Assets

Net assets and revenues, support, expenses, gains and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets of DCCG and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets without donor restrictions are available for use at the discretion of the Board of Directors and management for general operating purposes. From time to time the Board may designate a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

Net Assets With Donor Restrictions - Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions. DCCG reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restrictions may and reported in the Statement of Activities as net assets released from restrictions. Some net assets with donor restrictions may include a stipulation the assets be maintained permanently (perpetual in nature) while permitting DCCG to expend the income generated by the assets in accordance with the provisions of additional donor imposed stipulations or a Board approved spending policy. DCCG does not have any assets that are to be maintained permanently.

NOTE A NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions

All contributions are recorded as support without donor restriction unless specifically restricted by the donor. Amounts received that are designated for future periods or are restricted by the donor for specific purposes are reported as net assets with donor restrictions that increase that net asset class. When donor restrictions expire, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions whose restrictions are met in the same year the contributions are recognized are reported as an increase in net assets without donor restrictions.

Contributed Services, Materials and Facilities

Contributions of supplies and other goods and the use of facilities in DCCG's program and fund-raising activities are reflected in the accompanying financial statements at their estimated fair value at the date of receipt.

DCCG used the services of volunteers to assist its staff. Donated services are recognized as revenue if the services create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and typically need to be purchased if not provided by donation. Contributed services that do not meet the above criteria are not recognized as revenues and expenses and are not reported in the accompanying financial statements.

Expense Allocation

Directly identifiable expenses are charged to program activities or appropriate supporting services. Expenses related to more than one function are charged to program activities and supporting services based on DCCG's analysis of personnel time and management's actual and estimated allocation of the expense. Management and general expenses include those expenses that are not directly identifiable with any specific function but provide for the overall support and direction of DCCG.

Advertising Costs

DCCG expenses advertising costs at the time they are paid for. Advertising expenses were $4,594 for the year ended December 31, 2019.

NOTE A NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

DCCG is a nonprofit organization exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) as other than a private foundation. As a result, there is no provision for income taxes in the financial statements. Management of DCCG has evaluated uncertain tax positions and has determined there are no uncertain tax positions as of December 31, 2019. DCCG is subject to informational reporting requirements in the United States federal jurisdiction and the State of Illinois. Tax regulations within each jurisdiction are subject to the interpretation of the related tax laws and regulations and require significant judgment to apply. Tax returns remain open for federal and state examination for the past three years. At December 31, 2019, there are no ongoing income tax audits or unresolved disputes with the various taxing authorities DCCG currently files, or has filed, with.

NOTE B REVENUE RECOGNITION

In accordance with Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, DCCG recognizes revenue when the control of the promised goods and services is transferred to DCCG's outside parties in an amount that reflects the consideration DCCG expects to be entitled to in exchange for those goods or services. The standard outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied.

ASU 2014-09 also requires new and expanded disclosures regarding revenue recognition to ensure an understanding as to the nature, amount, timing and uncertainty of revenue and cash flow arising from contracts with customers. DCCG recognizes contracts with customers as goods or services are transferred or provided in accordance with ASU 2014-09.

The results of applying ASU 2014-09, using the retrospective approach for the year ended December 31, 2019, did not have a material impact on the financial statements, business process, controls or systems of DCCG.

DCCG has multiple revenue sources that are accounted for as exchange transactions, including dues, advertising and wholesale and retail sale of plants.

1. DCCG receives membership dues from members on a monthly, weekly or bi-weekly basis. The dues term covers the growing season (April-October), and the benefits received include a box of hope (produce grown at the farm) for each membership level purchased. Dues revenue is recognized over the growing season based on level selected.

NOTE B REVENUE RECOGNITION (Continued)

2. DCCG receives revenue from the wholesale and retail sale of plants. Wholesale plants are sold to institutions and companies on a preorder basis. Retail sales of plants and produce are sold to the general public at the Walnut Grove Farm. Revenue is recognized when the sale is completed.

3. DCCG sells advertising for the Grow-Mobile. Advertising is recognized in the period the advertising relates to.

Performance Obligations

The Company had no material unsatisfied performance obligations as of December 31, 2019

NOTE C LIQUIDITY AND AVAILABILITY

DCCG regularly monitors liquidity required to meet its operating needs, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, management considers all expenditures related to program, administrative and fundraising activities to be general expenses. DCCG's principle sources of income to meet general expenditures and other cash requirements are grants, contributions, and plant and produce sales. Such support has historically funded annual program and supporting service needs.

As of December 31, the following table shows the total financial assets held by DCCG and the amounts of those financial assets that could be made available within one year of the Statements of Financial Position date to meet general expenditures and other cash needs:

| | 2019 |
|---|---|
| Financial assets at year end- | |
| Cash and cash equivalents | $ 77,375 |
| Restricted contributions receivable | 150,000 |
| Grants receivable | 6,500 |
| Financial assets subject to donor restrictions | (150,000) |
| Financial assets available to meet cash needs for general expenditures within one year | $ 83,875 |

## NOTE D PROPERTY AND EQUIPMENT

The following summarizes property and equipment at December 31:

| | 1/1/19 | Additions | Dispositions | 12/31/19 |
|---|---|---|---|---|
| Vehicles | $ 28,699 | $ 15,794 | $ - | $ 44,493 |
| Building and improvements | 87,788 | - | - | 87,788 |
| Furniture and equipment | 6,439 | 8,676 | - | 15,115 |
| | 122,926 | 24,470 | - | 147,396 |
| Accumulated depreciation | (47,893) | (17,884) | - | (65,777) |
| Net Property and Equipment | $ 75,033 | $ 6,586 | $ - | $ 81,619 |

The balances noted above as of January 1, 2019 reflect prior period adjustments. The fixed assets were adjusted for retirements and additions which increased total fixed assets by $3,494. The accumulated depreciation was adjusted for retirements and changes in depreciation expense which decreased accumulated depreciation by $12,162. The net effect of these adjustments is a net increase in net property and equipment of $15,656.

## NOTE E LEASE COMMITMENT

In January 2018, DCCG entered into a non-cancelable operating lease agreement for land which requires monthly payments of $500 through December 2027, plus a $20 payment every January 1st through the lease term.

In January 2020, DCCG entered into a non-cancelable operation lease agreement for property which requires monthly payments of $20 through December 2024.

The following is the schedule of future minimum lease commitments.

| Year | Lease Payments |
|---|---|
| 2020 | $ 6,040 |
| 2021 | 6,040 |
| 2022 | 6,040 |
| 2023 | 6,040 |
| 2024 | 6,040 |
| 2025-2027 | 18,060 |
| | $ 48,260 |

## NOTE F DONATED FACILITIES

In 2019, DCCG received contributed rent of $74,960 as reported on the Statement of Activities. The contributed facilities include land and buildings at Walnut Grove Vocational Farm and warehouse and office space.

## NOTE G NET ASSETS WITH DONOR RESTRICTIONS

As of December 31, 2019, net assets with donor restrictions consists of a $150,000 contribution to be used for 2020 salaries.

## NOTE H CONCENTRATIONS

A significant portion of DCCG's contributions and grants revenue was received from one contributor. This contributor provided approximately 46% of DCCG's contributions and grants revenue during the year ended December 31, 2019.

## NOTE I THE GRACIE CENTER

On December 31, 2019, DCCG acquired the assets of The Gracie Center (TGC). DCCG did not transfer consideration as part of this agreement, but did agree to continue to provide services to all TGC participants at least twice a week, make a good faith effort to continue specific programing once a week, add wording to DCCG's values which further define their services to individuals with disabilities, and add one current member of TGC's Board of Directors to DCCG's Board of Directors. In exchange for those conditions, DCCG received TGC's assets, which amounted to $31,200 of cash.

## NOTE J CHANGE IN ACCOUNTING PRINCIPLES

In 2019, DCCG adopted, retrospectively, ASU 2014-09 *Revenue from Contracts with Customers.* The guidance requires DCCG to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which DCCG expects to entitled in exchanged for those goods or services. The guidance also requires expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. Additionally, qualitative and quantitative disclosures are required regarding customer contracts, significant judgements and changes in judgements, and assets recognized from the costs to obtain or fulfill a contract. The adoption of this accounting standard did not have an impact on DCCG financial position or changed in its net assets.

NOTE J CHANGE IN ACCOUNTING PRINCIPLES (Continued)

In 2019, DCCG also adopted ASU 2016-14 *Presentation of Financial Statements of Not-for-Profit Entities.* It amends the current net asset classification requirements to include only two classes of net assets (net assets with donor restriction and net assets without donor restrictions) and the accounting and presentation of net assets. It also provides more clarity regarding liquidity, transparency in reporting of financial performance measures and consistency in reporting expenses by function and nature.

NOTE K NEW ACCOUNTING PRONOUNCEMENTS

The Financial Accounting Standards Board (FASB) has issued a new pronouncement that will affect the accounting for nonprofit organizations. It is:

ASU 2016-02 *Leases*. This will amend the treatment of operating leases by lessees by requiring them to be recorded on the Statement of Financial Position as an asset and a liability. It will be effective for DCCG's year ending December 31, 2021.

Management is in the process of reviewing its records to ensure DCCG is prepared to implement the new standard as required. No determination has been made as to the effect of this on DCCG's financial statements.

NOTE L PRIOR PERIOD ADJUSTMENT

During 2019, DCCG recorded a prior period adjustment of $65,656. $50,000 of this adjustment increased beginning net assets with donor restrictions to correct the recording of a donor restricted contribution received in 2018 to be used for 2019 salaries. The remaining $15,656 of this adjustment increased net assets without donor restrictions to correct the recording of fixed assets and accumulated depreciation as detailed in Note D. As a result of these changes, net assets as of January 1, 2019 increased by $65,656 as reported on the Statement of Activities.

NOTE M SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 11, 2020, which was the date these financial statements were available for issuance, and determined there were no significant non-recognized subsequent events through that date except as noted below.

In January 2020, the World Health Organization declared the novel coronavirus outbreak origination in Wuhan, China to be a public health emergency. This coronavirus spread to other countries, including the United States, and efforts to contain the spread of this coronavirus intensified. The outbreak and any preventative or protective actions that

NOTE M SUBSEQUENT EVENTS (Continued)

governments or DCCG may take in respect of this coronavirus may result in a period of business disruption and reduced operations. There has been no material effect at this point, although any resulting financial impact cannot be reasonably estimated at this time but may materially affect DCCG's financial condition and results of operations.

The extent to which the coronavirus impacts DCCG's results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions to contain the coronavirus or treat its impact, among others.

## Exhibit D: Grantee-Specific Obligations

Grantee agrees and acknowledges that it shall comply with the following obligations, which shall be considered to be an integral component of the Agreement:

DeKalb County Community Gardens (Grantee) will provide fresh and healthy food access, nutrition education, and empowerment training to low-income and food insecure populations.

DeKalb County Community Gardens proposes to serve 110,781 individuals throughout DeKalb County. Of this number, 67,232 recipients of services are anticipated to be residents of the City of DeKalb. Grantee will track the total number of individuals served by the program and will include a separate accounting of individuals who are residents of the City of DeKalb to document that City of DeKalb Human Services Funding is used only to support direct services to DeKalb residents. Grantee will report revenue from other sources to document that the agency receives funding to cover services to individuals who are not residents of the City of DeKalb. Reports will be submitted on a Quarterly basis in order to receive payment of grant funds.

**HUMAN SERVICES AGREEMENT**
**DEKALB COUNTY YOUTH SERVICE BUREAU**

This agreement made this 28th day of December, 2020, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the "City" and DeKalb County Youth Services Bureau, hereinafter referred to as "Grantee," WITNESSETH:

WHEREAS, the City desires that Grantee provide certain services to the citizens of DeKalb and Grantee has the capacity to provide such services; and,

WHEREAS, the Grantee acknowledges that it is the City's intention to purchase said services for the citizens of the City of DeKalb under the following guidelines:

1. First priority shall be given to those services which will help meet basic emergency needs such as food, clothing, and shelter. Second priority shall be given to those services which are preventative in nature and promote the highest degree of self-support, self-care, and self-help. Third priority shall be given to those services which seek to enhance the quality of life of persons whose basic needs are already met. Priority shall also be given to services which primarily benefit low and moderate income residents. The services provided by the Grantee are consistent with these guidelines as explained on the attached Exhibit A.

2. Services shall address specific documented needs. The services provided by the Grantee address the specific, documented needs as explained on the attached Exhibit A.

3. Services shall also receive financial support from other community sources. Grantee has attached hereto a copy of its budget for the period that this Agreement covers as Exhibit B, which budget establishes that the Grantee receives at least 97% of its funding from third party sources. A copy of Grantee's audit or year end financial statement from the most recent complete year of operations is attached hereto as Exhibit C.

4. City funds are used only to support those services directly benefiting DeKalb residents. The City will not subsidize the cost of services to non-residents. Grantee has certified compliance with this requirement by signing the attached Exhibit A.

5. Administrative costs for these services are to be kept to a minimum. Grantee has identified the allocation between administrative costs and program costs as explained on the attached Exhibit A.

6. These services must be coordinated with other agencies when feasible. Grantee has outlined how services are coordinated with other agencies as explained on the attached Exhibit A.

7. The City will not fund, but may augment, services which are the responsibility of another public agency or funding source. Grantee has identified any areas where the City's funds are being utilized to augment third party responsibilities as explained on the attached Exhibit A.

8. City funds are to be used primarily to match or leverage other private or public funds. Grantee has explained how matching or leveraged funds are being sought or obtained as explained on the attached Exhibit A.

9. The City's intent is to contract for specific services and monitor their effectiveness. Grantee has: a) identified the metrics by which its performance is to be evaluated on an annual basis; b) identified those third parties that provide any review or evaluation of Grantee's efforts; and, c) explained its clearly defined performance evaluation process, as explained on the attached Exhibit A.

10. Grantee has clearly identified and delineated where any elected or appointed official of the City or any City employee is involved in its programming or receives any direct or indirect benefit, any compensation, or any pecuniary benefit of any form by virtue of Grantee's program or the City funding provided hereunder, as explained on the attached Exhibit A.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, and all such funds are held by the Grantee in a Grantee-specific checking account with the financial institution identified therein (and not in any personal checking account), unless otherwise indicated therein.

WHEREAS, the parties hereto understand and agree that the Grantee is an independent contractor and not an employee of the City; now,

In consideration of the agreements set forth and other good and valuable considerations, the parties agree as follows:

1. **Term**. The term of this agreement shall be from January 1, 2021 to December 31, 2021. The City or Grantee may terminate this Agreement at any time, upon the provision of thirty (30) days written notice. The City may terminate this agreement at any time based upon the occurrence of a breach of this Agreement, upon the provision of 48 hours written notice.

2. **Scope of Service**. The Grantee shall provide services in accordance with the service plan provided in the original application, a copy of which is attached hereto as Exhibit A.

3. **Hold Harmless**. The Grantee hereby agrees to indemnify, defend, and hold the City and its officers, employees, contractors, and representatives harmless from and against any and all such costs, expenses, damages, liabilities, losses and

claims which may arise out of, or are related to the services provided by the Grantee under this agreement or which relate to this Agreement or the funding provided herein. The Grantee agrees and acknowledges that the City is not in any way responsible for the conduct or provision of Grantee's programs or services, and is not responsible for the review, supervision or management of Grantee's personnel, volunteers, participants, programming, or services.

4. **Payment.** The City agrees to pay the Grantee the sum of Twenty-Five Thousand and No/100 Dollars ($25,000.00) for services rendered under this agreement. **Payment will be disbursed in four equal installments and will be processed upon receipt of the Grantee's quarterly reports, as required by this funding agreement.** In the event that this Agreement is terminated, no further payments shall be due or payable to Grantee. In the event that the City Council determines that the City's financial condition does not support making a payment otherwise due under this Agreement, the City may suspend, delay, or otherwise cancel payments due hereunder.

5. **Access to Financial Records.** The Grantee agrees to allow the City access to review any and all of Grantee's financial records as may be determined appropriate to insure the accountability of monies disbursed by the City. The Grantee also agrees to provide the City with a copy of its operating budget and its audit or year-end financial statement for each fiscal year or portion thereof in which the Grantee receives funding under this (or successor) agreements.

6. **Performance Reporting.** The Grantee agrees to send the City a report following every three months of services identifying the number of City of DeKalb citizens that have been provided services under the terms of this Agreement. The Grantee further agrees to send the City a copy of all documentation required to demonstrate its performance or which is identified as a performance-evaluation tool in Exhibit A.

   Quarterly reports shall be provided to the City on or before the 10th day of the following months:

   1st Quarter – April
   2nd Quarter – July
   3rd Quarter – October
   4th Quarter - January

7. **Compliance with Laws.** The Grantee expressly covenants and agrees that it shall comply with all applicable laws, including those laws applicable to the use of public funding to the extent that such laws are applicable to programs funded in whole or in part by the City of DeKalb. The Grantee expressly covenants that it shall not discriminate against any person or organization on the basis of any legally recognized protected classification, including but not limited to race, gender, religion, ethnic or cultural background, sexual preference, or other legally

recognized, protected classification, in the provision of its services or use of funding provided hereunder.

8. **Use of Funds.** The Grantee shall only utilize funds made available under this agreement for the provision of services consistent with this agreement and shall not use such funding for any other purpose, nor for the construction of any real property or improvement to real property, nor for any purpose which constitutes "Public Works" for purposes of the Illinois Prevailing Wage Act.

9. **Grantee's Organization.** Grantee is organized in the format as described in Exhibit A. For the term of this Agreement, Grantee shall take such actions as shall be required to maintain that form of organization. Grantee shall provide the City with notice of the meetings of its governing board or board of directors, and the City shall have the opportunity to attend such meetings as an *ex officio* member of such governing board; the City shall also have the right to review the minutes of all such meetings.

10. **Grantee-Specific Obligations.** Grantee shall comply with the listing of Grantee-Specific Obligations attached hereto as Exhibit D.

11. **Certification:** Grantee hereby certifies that it shall comply with the contents of this Agreement and the terms of its Application and certifies that the contents of this Agreement and the Application are true, accurate and correct. The recitals to this Agreement are expressly incorporated herein by reference.

IN WITNESS WHEREOF, the Grantee has caused this agreement to be signed, sealed, and attested to by its Chairman of the Board of Directors and Executive Director, on the _____ day of _____, _____, and said City has caused the same to be signed, sealed, and attested to by its Mayor and City Clerk or Executive Assistant of the City of DeKalb as of the date first mentioned in this Agreement.

DEKALB COUNTY YOUTH SERVICE BUREAU

Board Chairman

ATTEST:

Executive Director

CITY OF DEKALB, ILLINOIS

Jerry Smith, Mayor

ATTEST:

# Exhibit A: Funding Application

164 East Lincoln Highway
DeKalb, Illinois 60115
815.748.2000 • cityofdekalb.com

# FY 2021 HUMAN SERVICES FUNDING APPLICATION
## Twelve Months Funding 1/1/21 to 12/31/21

**APPLICATION MUST BE RECEIVED NO LATER THAN 5:00 P.M. ON NOVEMBER 6, 2020. INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.**

**Agency Name:** DeKalb County Youth Service Bureau

**Mailing Address:** 330 Grove Street, DeKalb, IL 60115

**Agency Director:** Cydney M. Wessel

**Contact Person:** Cydney M. Wessel

**Telephone No.:** 815.748.2010 **Email Address:** cwessel@dcysb.com

**Name of Person Responsible for Completing Quarterly Report:** Yuritzy Cruz

**Telephone No.:** 815.748.2010 **Email Address:** ycruz@dcysb.com

**Program Description:** YSB provides youth and their families individual, family, and group counseling, along with specialty services, designed to keep families intact, keep youth out of the juvenile court system, and empower youth to achieve. With the pandemic we have created new programming called YSB learning specifically for kids in the D428 struggling with remote learning by offering both a safe place to participate in remote learning, but to also offer mental health services to address depression and anxiety exacerbated by the pandemic.

**Twelve Month Program Budget:** $819,277

**Amount of Funding Requested:** $30,000

**% of Total Program Budget:** 3.7 %

**Total Number of Estimated Program Participants:** 1250

**Total Number of Estimated DeKalb Residents to be Served:** 650

**Estimated DeKalb Residents as % of Total Participants to be Served:** 52 %

***The following documents must accompany the application:***

1. A current listing of the agency's Board of Directors and terms.

2. The current annual operating budget for the agency and a detailed budget for the program requesting funding.

3. A detailed narrative explaining the program to be funded, its potential impact, and any anticipated outcomes to be achieved. Be specific about the population to be served and the benefits derived from your services. Include any descriptive materials regarding the history and mission of the agency that would help augment the application.

4. Documentation of the agency's 501(c)(3) status.

5. Completed W-9 Form.

6. Copy of agency's most recent financial audit.

The City of DeKalb retains the right to request any and all additional information from the agency it may determine necessary in making funding decisions. This may include articles of incorporation or any other information deemed appropriate.

The undersigned hereby certifies the information contained in this application is true and accurate to the best of their knowledge and belief.

Name of Authorized Signer: Cydney M. Wessel

Title: Executive Director

Signature: _____

Date: 11-9-2020

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Please submit the application using one of the following methods:

- Via regular mail to be received no later than 5:00 p.m. on November 6, 2020 to:

  City of DeKalb
  Attention: Joanne Rouse
  164 East Lincoln Highway
  DeKalb, Illinois 60115

- Via email dated no later than 5:00 p.m. on November 6, 2020 to: joanne.rouse@cityofdekalb.com




**OFFICE USE ONLY:**

Date Application Received: _____ By_____

☐ Approved – Annual Amount Awarded $_____ / $_____ per quarter

☐ Denied

# DeKalb County Youth Service Bureau - Board of Directors 2020-2021

| | | |
|---|---|---|
| **Travis Thompson – Board Chair**<br>Sr. Advisor, Commercial Banking - First National Bank<br>141 W. Lincoln Hwy. DeKalb, IL 60115<br>(work) 815-754-5108 (cell) 815-762-4349<br>travisthompson@fnni.com<br>Started: 11/2014<br>1st Term Ending: 11/2017 2nd Term Ending: 11/2020<br>3rd Term Ending: 11/2023<br>Committees:<br>• Executive (Chair)<br>• Finance/Audit | **Dr. Randi Napientek– Vice Chair**<br>Associate Director<br>Student-Athlete Academic Support Services<br>Northern Illinois University - Yordon Center Room 105<br>DeKalb, IL 60115<br>(work) 815- 753-9182 (cell) 815-901-2732<br>randi@niu.edu<br>Started: 7/2015<br>1st Term Ending: 7/2018 2nd Term Ending: 7/2021<br>Committees:<br>• Board Development (Chair)<br>• Finance/Audit | **Brianna Hook- Treasurer**<br>Wealth Management - First National Bank<br>511 W. State St.<br>Sycamore, IL 60178<br>(cell) 815-535-6220 (work) 815-754-8016<br>bhook@fnni.com<br>Started: 6/2019<br>1st Term Ending: 6/2022<br>Committees:<br>• Finance/Audit Committee (Chair)<br>• Development (Chair) |
| **Ellingsworth Webb**<br>Assistant Property Manager - Eden's Garden Apartments<br>1226 Pleasant St. Unit A, Dekalb, IL 60115<br>(cell) 815- 508-2316<br>e.webb1030@comcast.net<br>Started: 7/2015<br>1st Term Ending: 7/2018 2nd Term Ending: 7/2021<br>Committees:<br>• Board Development? | **Johnna B. Jennings**<br>Extension Educator, 4-H Youth Development<br>University of Illinois Extension – Boone, DeKalb & Ogle<br>1350 W. Prairie Drive Sycamore, IL 60178<br>(work)815-758-8194 (cell)815-751-3414<br>jbjennin@illinois.edu<br>Started: 9/2015<br>1st Term Ending: 9/2018 2nd Term Ending: 9/2021<br>Committees:<br>• Program Development | **Evan King**<br>Associate Attorney - The Law Office of Riley N. Oncken<br>212 S. Main St, Sycamore, IL 60178<br>(work) 815- 991-2098<br>evan@onckenlaw.com<br>Started: 9/2015<br>1st Term Ending: 9/2018 2nd Term Ending: 9/2021<br>Committees:<br>• Program Development |
| **Joe Gastiger**<br>Pastor, First Congregational United Church of Christ<br>615 N. First Street DeKalb, IL 60115<br>(work) 815-758-0691 (cell) 815-970-3485<br>joegastiger@gmail.com<br>Started: 9/2016<br>1st Term Ending: 9/2019 2nd Term Ending: 9/2022<br>Committees:<br>• Program Development | **Regina Parker, LCPC**<br>Retired Licensed Clinical Professional Counselor<br>State of Illinois Elgin Mental Health Center<br>323 Conlin Ave. Sycamore, IL<br>(cell) 815 895-2889<br>rparker0221@comcast.net<br>Started: 3/2020<br>1st Term Ending: 3/2023<br>Committees:<br>• Programs? | **Tia Anderson**<br>Retail Manager – Heartland Bank<br>913 S 4th St DeKalb, IL 60115<br>(work) 815-787-2344<br>tmanders@hbtbank.com<br>Started: 7/2020<br>1st Term Ending: 7/2023<br>Committees:<br>• Development? |
| Seat Empty | Seat Empty | Seat Empty |

**YSB Board should be between 8-12 members/Current Quorum is currently 5 attendees*

# FY 2021 HUMAN SERVICES FUNDING APPLICATION NARRATIVE
# DEKALB COUNTY YOUTH SERVICE BUREAU

**Youth and Family Counseling:** Youth and Family Counseling (YFC) offers individual, group and family counseling to youth ages 8-18 and their families. YFC strives to improve client functioning at home, school, and in the community, reduce symptoms, and improve relationships. We work with current clients and the court system to identify when parent and family counseling is warranted. We work closely with the schools to identify students whose mental well-being is adversely affecting their school performance, and ensure that barriers to services, such as transportation and parental involvement, are overcome. YSB currently sees students at Kishwaukee Education Consortium, Huntley Middle School, Clinton Rosette Middle School Brooks Elementary, Jefferson Elementary and Founders Elementary to provide therapy to students who are unable to come to YSB after school hours. Our counselors are skilled at engaging youth and families in the therapeutic process, which dramatically increases the success rate of addressing problems including school behavior, anxiety, depression, family conflict, parenting, self-esteem, sexual abuse, grief, violence, truancy, self-injury, homelessness, and crisis situations. We have trauma certified and bilingual counselors on staff. Even during the pandemic we are working with school counselors to schedule telemental health sessions with students during the school day and are ready and prepared to serve kids in the school systems

a) **PROGRAM GOAL/OBJECTIVES:**
   1. To provide early detection and intervention for potential underlying mental health issues that may contribute to social, emotional, or behavioral dysfunction.
   2. To reduce symptoms associated with the youth and/or family's presenting issues.
   3. To provide a supportive, positive, and therapeutic connection to youth and/or family members experiencing difficulty.
   4. To encourage and empower youth to improve relationships with their friends, family, and community.

b) **SERVICES TO BE DELIVERED:**
   1. Counseling assessments, clinical symptom inventories and mental health screenings
   2. Clinical recommendations and referrals
   3. Collaboration with referral sources
   4. Family resource development
   5. Individual, group and family counseling
   6. Trauma certified counseling
   7. Counseling for Spanish speaking families

c) **OUTCOME/PERFORMANCE MEASUREMENT**
   1. 70% will demonstrate improvement related to mental health symptoms, dx, or specific issues.
   2. 80% will report supportive relationship with counselor

3. 70% will demonstrate improved relationships.
4. 70% report better preparedness for life's challenges

**YSB Learning:**

This is a new program we created to fill a large need in the community.
Many children are falling behind in their schoolwork and struggling with online learning. Parents are growing frustrated and the opportunity to create a productive learning environment for children has been challenging. This has led to an increase in truancy among all grades. It is also leading to or exacerbating underlying issues like anxiety and depression.

In September, we started offering YSB Learning to parents of children attending the DeKalb School District #248. We partnered with the Regional Office of Education and school counselors to determine kids most likely to benefit from our programming offered to at risk kids K-12th grade, from 8:30 to 3pm daily.

The morning session is focused on making certain the kids are connected to their online learning and ready and able to learn. Some kids had been truant for more than a month. We have partnered with the breakfast and lunch program, so each child is provided with breakfast and a hot lunch from the school district.

The afternoons are filled with lunch and free time from 12-1, afternoon learning, homework, mental health assessments and therapeutic group activities. Many kids are far behind and this when we connect with them to set realistic goals to catch up and get back on track. Staff are teaching them to advocate for themselves with their teachers and reach out when they need help or don't understand something. We also offer therapeutic groups like Art, Dance, Professional Development/Career Planning and mental health assessments that lead to 1:1 on therapy sessions.

This program is doing so well, that we started partnering CRMS to offer a larger space at a school for more children to participate. We continue to offer the breakfast and lunch program available on site and daily cleaning and professional sanitizing services.

Transportation has been the biggest issue in preventing kids from participating and we are partnering with the school district to provide transportation services.

a) **PROGRAM GOAL/OBJECTIVES:**
   1. To ensure kids are logged in and connected to their classes remotely.
   2. To provide early detection and intervention for potential underlying mental health issues that may contribute to delinquent school behavior.
   3. To provide a meaningful alternative to remote learning for high risk students.
   4. To reduce number of days children are truant.
   5. To teach kids to advocate for themselves and reach out to teachers when struggling.
   6. To provide opportunities to maintain academic credit and get back on track.

b) **SERVICES TO BE DELIVERED:**

1. Mental health screenings
2. Clinical recommendations and referrals
3. Goal setting and improvement plan to catch up on missed schoolwork.
4. Collaboration with referral sources
5. Stress relieving activities to manage stress, depression and anxiety.
6. Social/emotional/behavioral skill building
7. Academic assistance

c) **OUTCOME/PERFORMANCE MEASUREMENT**

1. 100% will complete a mental health screening.
2. 80% will report the YSB Learning is a valuable alternative to youth being at home during learning.
3. 80% will successfully complete the program.
4. 80% will report that YSB offers a friendly and supportive environment.
5. 70% will follow through with recommendations made during the program.

**Runaway & Locked-Out Youth/ Crisis:** YSB assists families when a youth is refusing to return home, has run away from home, or has been locked-out of the home by a parent or guardian, by providing immediate intervention 24 hours a day, as well as follow-up counseling. Referrals generally come from police stations or schools in DeKalb County. Staff rotate carrying the on-call phone, and a back-up on-call phone. The Crisis program is covered every day of the entire year. The crisis worker responds to the police station or school and works with the families to assess safety risks and resolve conflicts. A safety plan is generated for youth that return home, and follow up counseling is scheduled. If the parties cannot all return home together safely, the crisis worker works with the family to arrange for the youth to stay with other family, friends, neighbors or the like. If no family arraigned placement is available, YSB will take custody of the youth and place them in a temporary shelter, with follow up counseling scheduled. YSB maintains a Child Welfare Agency license in order to provide this crisis program.

The goal for services is to keep families together and prevent DCFS and/or court involvement through counseling. For situations involving the youth at risk for child abuse/neglect, YSB works with DCFS on the case. The funding for the Crisis program requires both an in-kind and cash match. Funding from the City of DeKalb is utilized for part of this cash match in order to provide this needed service to DeKalb. In FY 2020 (July1, 2019-June 30, 2020) we had 22 crisis calls, and 17 of them were from DeKalb (77%). That is consistent with other years.

a) **PROGRAM GOAL/OBJECTIVES:**

1. Provide 24/7 crisis intervention for youth who have run away, refusing to go home, or locked out of their home by the parent/guardian.
2. Preserve, stabilize and reunify families, when in the best interest of the youth.
3. Work in collaboration with DCFS to keep youth out of state care and out of the juvenile justice system.

b) **SERVICES TO BE DELIVERED:**

1. 24/7 on call and back-up on call crisis response.
2. Safety screening, assessments.

3. Crisis family counseling and conflict resolution.
4. Limited custody and placement of youth in DCFS licensed facilities

c) **OUTCOME/PERFORMANCE MEASUREMENT**

1. 70% will demonstrate increased protective factors.
2. 70% will demonstrate decreased risk factors.
3. 80% will be in a family/long term living arrangement at the time of case termination.

**STEPS (Thinking for a Change):** The DeKalb County Juvenile Court Services have partnered with YSB to co-facilitate and host a 25 week evidenced-based program for juveniles on probation or court supervision. Called STEPS in DeKalb, the program utilizes the "Thinking for a Change" cognitive–behavioral therapy (CBT) program developed by the National Institute of Corrections that concentrates on changing the criminogenic thinking of offenders, including juvenile offenders, through cognitive restructuring, social skills development, and the development of problem-solving skills. The program is divided into 25 lessons that are taught in classes that last 2 hours each week for 25 weeks, plus homework. Each lesson teaches important social skills such as active listening and asking appropriate questions, as well as more complex restructuring techniques such as recognizing the types of thinking that get them into trouble and understanding the feelings of others. Most sessions include didactic instruction, role-play, illustrations of concepts, a review of previous lessons, and homework assignments in which participants practice the skills learned in the group lesson. Examples of some of the lessons are Active Listening Skill; Thinking Controls Our Behavior; Paying Attention to Our Thinking; Recognize Risk; Use New Thinking; Understanding the Feelings of Others; Apologizing; Responding to Anger; Introduction to Problem Solving; Stop and Think; and State the Problem.

Studies reviewed by the National Institute of Justice show that offenders that go through the program are 57% less likely to reoffend than those who do not go through the program. DeKalb County Juvenile Court Services report similar results. Thus far, only one out of the original ten participants have re-offended. Based on the research, this program is vital to saving costs to the community in terms of police and court resources, and is extremely beneficial to the juveniles who will complete the program in terms of improved decision making, problem solving, and social skills. Juveniles who complete the full program receive a reduction in the amount of time they are required to be on probation or court supervision. The ultimate goal is to assist these youth in growing their skills and changing their mindset so that they do not become incarcerated adults in the future.

The city of DeKalb is the largest city in DeKalb County with a population of over 43,000. Juvenile crime grew nearly 16% to 417 arrests up from 360 arrests in 2019. By the time any child comes into contact with law enforcement and the judicial system, it's highly likely that they have already experienced trauma and adversity in their lives. 90% of young people in the juvenile justice system have at least one extreme stressor and usually far more. The report for 2016 also shows that the top female juvenile offender in DeKalb was 14 years old, had 104 contacts with the police and had been arrested 18 times. This juvenile, and those from that year and subsequent years still fall within the age range for juvenile probation, court supervision, and STEPS.

a) **PROGRAM GOAL/OBJECTIVES:**

1. Provide evidenced-based cognitive–behavioral therapy to juveniles on probation or court supervision.

2. Eliminate transportation and capacity barriers to increase the number of juveniles on probation or court supervision that can participate in the STEPS (Thinking for a Change) curriculum.
3. To reduce juvenile crime recidivism rates.

b) **SERVICES TO BE DELIVERED:**
1. Clinical assessment of group appropriateness and mental health.
2. Recommendations and referrals for additional mental health services.
3. Evidenced Based Thinking for a Change program.

c) **OUTCOME/PERFORMANCE MEASUREMENT**
1. 70% will develop or enhance skills to control anger and behaviors.
2. 70% will report safer decision making regarding their emotions.
3. 70% will complete the program.

**COMPASS-Changing Outcomes by Making Parents Accountable, Supported, and Successful:**

The goal of COMPASS is to provide opportunities and resources to support families and prevent juvenile criminal behavior through a three-phase plan to educate parents and guardians on service available and enforce noncompliance if necessary. When a juvenile commits a crime, the parent will receive a letter about COMPASS, information about community resources, and the consequences of their child reoffending. This would include information on the Illinois' Parental Responsibility Act, which makes a parent or guardian liable for actual costs or damages incurred by third parties as a result of the actions of a minor within their care or custody. If the child or another child within the household commits another unlawful act within a rolling 12-month period, the parent or guardian will be required to meet with police officers specializing in juvenile offenders to discuss the offenses and proactive solutions. Parents/guardians and juveniles will also be required to attend at least one juvenile intervention session, which would be facilitated in part by YSB. At the third offense, a parental accountability ordinance violation will be charged, which will permit the court to order interventions and counseling for the family. YSB plans to provide services to families involved in the COMPASS program. The goal is to help the family unit stabilize, improve parental guidance, increase protective resources, and reduce or prevent juvenile delinquency.

YSB will provide services to juveniles who self-select services when given the initial notification. YSB participates in informational meetings and discusses services with families that are required to attend the service meeting through a second offence of a juvenile under their care within the 12-month rolling period. YSB will provide youth and family counseling, early intervention for drug and alcohol, anger management, and case management to those who select services at this stage. For families ordered to participate in services due to a third juvenile arrest within the 12-month rolling period, YSB will assess and provide services as court ordered. YSB will work with court services to monitor and report on progress and achievement of service plan goals.

a) **PROGRAM GOAL/OBJECTIVES:**
1. Provide information to parents on the parental responsibility act and their obligations under the law.
2. Provide parents with information about resources available in the community.
3. To reduce juvenile crime recidivism rates.

b) **SERVICES TO BE DELIVERED:**

1. Contact and communication with parents about laws and legal responsibilities.
2. Meetings and assessments with social service agency providers.
3. Court oversight and enforcement of the Parental Responsibility Act.

c) **OUTCOME/PERFORMANCE MEASUREMENT**

1. 80% of families referred to YSB through COMPASS will complete a mental health screening.
2. 80% will report that YSB offers a friendly and supportive environment.
3. 70% will follow through with recommendations made during the program.

**Drug and Alcohol Early Intervention (EIP)**: Educates teens about alcohol, drug, and substance abuse to mitigate risk factors and develop protective factors through interactive lessons that provide practical guidance for understanding underage substance abuse, knowing the harm, and building healthy friendships. Many youth are referred by courts or by school, including youth that are suspended for having illegal substances at school. EIP also builds skills for responsible decision-making, effective communication, media literacy, and conflict resolution. A screening assessment is used to gather drug and alcohol history, and drug testing is performed based on requirements from schools, court, or guardians. Parental involvement is required for cases mandated by the courts or the school. Post-tests and follow-up drug tests (as required) are performed to track results. Interagency or outside referrals are made when necessary.

With the legalization of medical marijuana and the decriminalization of possession of less than 10 grams, many youth today are under the false assumption that marijuana use by teens is not harmful. However, the marijuana sold on the street has been bread to have higher concentrations of THC, the addictive component, and very little of the cannabinoids. Vaping (also known as Juuling) which is the use of e-cigarettes to ingest often high levels of nicotine is also on the rise. Vaping devises are charged through a USB port, so the e-cigarette resembles a flash drive, which allows for ease of use during the school day. Vaping devices are also being used for THC intake. As such, we make sure to incorporate parent education and family counseling as able in order to provide parents with the knowledge, tools, and relational foundation needed to address the underlying issues and mitigate substance use. Since we are providing early intervention, as opposed to addictions counseling, this service is not billable to insurance. However, we firmly believe that preventing addiction is preferred.

a) **PROGRAM GOAL/OBJECTIVES:**

1. To provide early detection and intervention associated with substance use for DeKalb County youth in order to:
   - reduce substance use by DeKalb County youth.
   - increase knowledge regarding risks & symptoms associated with substance use.
   - encourage and empower youth to abstain from future substance use.

b) **SERVICES TO BE DELIVERED:**

1. Alcohol/Drug Assessments.
2. Clinical recommendations and referrals.
3. Drug testing.
4. Collaboration with referral sources including Juvenile Court Services and schools.

5. Psycho-social educational early intervention for drug, alcohol and other substance use group
6. Individual/ Family Counseling.

c) **OUTCOME/PERFORMANCE MEASUREMENT**

1. 70% will decrease substance use
2. 70% will increase knowledge of/ risks of substance use.
3. 70% report making better decisions
4. 90% of group participants will complete successfully
5. 100% will increase scores on pretest to posttest

**Youth Project (YP)** equips youth with skills to identify, manage, and appropriately express anger and other intense emotions to prevent aggressive and abusive tendencies, promote pro-social skills, improve anger control, and reduce the frequency of acting-out behaviors. YP includes three evidenced-based curriculum programs: META (**M**anaging **E**motions, **T**houghts, & **A**ctions); Girls Empowerment Group (GEG) using the VOICES and Girls CODE curriculum. Youth project also includes Building Our Youth Stronger (BOYS), utilizing a curriculum developed by a 20 year veteran New York City school social worker called Building Champions. This curriculum is still in the process of being studied for long-tern results, with the short-term results showing decreased behavioral disruption in both the school and home settings.

1) **Anger Management Group/ META (Managing Emotions, Thoughts, & Actions):** Focuses on three components: Anger Control (Emotional component), Moral Reasoning (Thoughts component), and Social Skills (Actions component), for the purpose of equipping youth with the skills to identify, manage, and appropriately express anger and other intense emotions to prevent aggressive tendencies, promote pro-social skills, improve anger control, improve problem solving, and reduce the frequency of acting out behaviors. Sessions include role playing, real-life illustration of concepts, and homework. Referrals for this group come mainly from law enforcement and the schools, when a youth has been involved in fighting or domestic violence.

a) **PROGRAM GOAL/OBJECTIVES:**

1. Provide early detection, intervention, and support related to emotion regulation, anger/aggression related issues, self-esteem related issues, and coping skills.
2. Encourage and empower youth to develop positive relationships with their schools, peers, family and community.

b) **SERVICES TO BE DELIVERED:**

1. Clinical assessment of group appropriateness and mental health.
2. Recommendations and referrals for additional mental health services.
3. Evidenced Based Managing Emotions Thoughts and Actions (META).

c) **OUTCOME/PERFORMANCE MEASUREMENT**

1. 80% will develop or enhance skills to control anger and behaviors.
2. 80% will report safer decision making regarding their emotions.

3. 80% will develop or enhance empathy and perspective taking skills.
4. 80% will report a decrease in anger and aggressive thoughts as evidenced by a decrease in a post test score when compared to a pre-test score.

2) **Girls Voices Empowerment Group (GVEG):** A strength-based approach helps girls identify and apply their power and voice as individuals and as a group. Topics include self-esteem, healthy relationships (peer and dating), cyber safety, exploring healthy living and planning for the future. The 8-10 week group utilizes the evidenced based VOICES curriculum, focusing on continued support of young women's growth, change, challenges, and strengths. The newest version of the VOICES curriculum covers cyber safety and cyber bullying to a greater extent.

a) **PROGRAM GOAL/OBJECTIVES:**
   1. Provide early detection, intervention, and support related to emotion regulation, anger/aggression related issues, self-esteem related issues, and coping skills.
   2. Encourage and empower youth to develop positive relationships with their schools, peers, family and community.

b) **SERVICES TO BE DELIVERED:**
   1. Clinical assessment of group appropriateness and mental health.
   2. Recommendations and referrals for additional mental health services.
   3. Evidenced Based VOICES curriculum

c) **OUTCOME/PERFORMANCE MEASUREMENT**
   1. 80% will develop or improve confidence.
   2. 80% will learn effective ways of communicating and expressing feelings.
   3. 80% will develop or improve leadership skills.

3) **Building Champions:** A therapeutic intervention group that focuses on issues concerning young men in our community and helps them develop a healthy identity as a male within society. The group covers a range of topics including gender identity, leadership, respect, conflict resolution, and healthy relationships (peer and dating). Role models in positions of authority, such as NIU police officers, administrators at Hope Haven, and other leaders are brought in to give their own personal story of overcoming adverse situations and using their experiences to help others.

a) **PROGRAM GOAL/OBJECTIVES:**
   1. Provide early detection, intervention, and support related to emotion regulation, anger/aggression related issues, self-esteem related issues, and coping skills.
   2. Encourage and empower youth to develop positive relationships with their schools, peers, family and community.

b) **SERVICES TO BE DELIVERED:**
   1. Clinical assessment of group appropriateness and mental health.
   2. Recommendations and referrals for additional mental health services.
   3. Evidenced Based VOICES curriculum

c) **OUTCOME/PERFORMANCE MEASUREMENT**

1. 80% will develop or improve confidence.
2. 80% will learn effective ways of communicating and expressing feelings.
3. 80% will develop or improve leadership skills.

**Verify that all of your Illinois Sales Tax Exemption Certificate information is correct**

- ✓ **If not,** contact us immediately.
- ✓ ***Do not discard*** **-** your Illinois Sales Tax Exemption Certificate is an important tax document that authorizes you to purchase tangible personal property for use or consumption tax-free.

OFFICIAL DOCUMENT — State of Illinois - Department of Revenue — OFFICIAL DOCUMENT

# Illinois Sales Tax Exemption Certificate

DEKALB COUNTY YOUTH SERVICE BUREAU INC

YSB
330 GROVE ST
DEKALB IL 60115-3703

## Sales Tax Exemption Certificate

**Issue date:**
03/11/2020

**Expiration date:**
04/01/2025

**Sales Tax Exemption:** E99880334

**Organization type:** Charitable

This entity is authorized under the Retailers' Occupation Tax Act to purchase tangible personal property for use or consumption tax-free.

ILLINOIS REVENUE

*Director*

OFFICIAL DOCUMENT - DO NOT DESTROY

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

**Give Form to the requester. Do not send to the IRS.**

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

DeKalb County Youth Service Bureau, Inc.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

**Note:** Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☑ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) 1

Exemption from FATCA reporting code (if any) A

*(Applies to accounts maintained outside the U.S.)*

5 Address (number, street, and apt. or suite no.) See instructions.

330 Grove Street

6 City, state, and ZIP code

DeKalb, IL 60115

Requester's name and address (optional)

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

**Social security number**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | - | | | - | | | | |

**or**

**Employer identification number**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 3 | 3 | - | 3 | 0 | 3 | 4 | 4 | 2 | 7 |

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign Here** | **Signature of U.S. person ▶** Cydney M. Wessel | **Date ▶** 11-9-2020

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

## Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See* What is backup withholding, *later.*

# Exhibit B: Current Year's Budget

# DeKalb County Youth Service Bureau - Approved FY '21 Budget (8-19-2020)

| Revenue | FY 20 Budget | FY `20 Actuals | FY `21 Approved | Variance | |
|---|---|---|---|---|---|
| **Government Grants** | | | | **Amount** | **%** |
| City of DeKalb | $ 25,000.00 | $ 24,500.00 | $ 25,000.00 | $ 500.00 | 2% |
| City of DeKalb In-Kind | $ 46,156.00 | $ 50,352.00 | $ 50,352.00 | $ - | 0% |
| DeKalb County 708 (State FY) | $ 125,000.00 | $ 107,527.39 | $ 125,000.00 | $ 17,472.61 | 16% |
| DeKalb Township | $ 3,475.00 | $ 3,475.00 | $ 2,425.00 | $ (1,050.00) | -30% |
| IL DHS - CCBYS (State FY) | $ 175,000.00 | $ 170,582.45 | $ 225,000.00 | $ 54,417.55 | 32% |
| IL Criminal Justice (VOCA) (Fed FY) | $ 75,000.00 | $ 43,557.32 | $ 75,000.00 | $ 31,442.68 | 72% |
| Additional State or Federal Grants | $ - | | $ 150,000.00 | | |
| ***Total Government Grants*** | $ 449,631.00 | $ 399,994.16 | $ 652,777.00 | $ 252,782.84 | 63% |
| **Public Support** | | | | | |
| Kishwaukee UW | $ 13,000.00 | $ 13,163.00 | $ 11,000.00 | $ (2,163.00) | -16% |
| Genoa-Kingston United Way | $ 950.00 | $ 825.00 | $ 850.00 | $ 25.00 | 3% |
| Sponsorship | $ 12,000.00 | $ 10,000.00 | $ - | | |
| Contributions-Corporate | $ 4,000.00 | $ 4,147.50 | $ **15,000.00** | $ 10,852.50 | 262% |
| Contributions-Individual | $ 12,000.00 | $ 7,315.75 | $ 8,000.00 | $ 684.25 | 9% |
| Contributions-Found/Civic Org/Church | | | $ 750.00 | $ 750.00 | |
| Foundation: New York Life | $ - | $ - | $ - | $ - | |
| Foundation: Alfred Bersted | $ 10,000.00 | $ 10,000.00 | $ 10,000.00 | $ - | 0% |
| Foundation: DCCF | $ 6,000.00 | $ 6,000.00 | $ 6,000.00 | $ - | 0% |
| Foundation: Doug/Lynn Roberts | $ 5,000.00 | $ - | $ 5,000.00 | $ 5,000.00 | |
| Foundation: Horizons Unlimited | $ 5,000.00 | $ 6,250.00 | $ 6,250.00 | $ - | 0% |
| Foundation: IDEAL Industries | $ 12,000.00 | $ 15,000.00 | $ 12,000.00 | $ (3,000.00) | -20% |
| Foundation: Shultz | $ - | $ 10,000.00 | $ 10,000.00 | $ - | 0% |
| Foundation: NM | $ 10,000.00 | $ 10,000.00 | $ 25,000.00 | $ 15,000.00 | 150% |
| Foundations: TBD | | $ - | $ 10,000.00 | $ 10,000.00 | |
| ***Total Public Support*** | $ 89,950.00 | $ 82,701.25 | $ 119,850.00 | $ 37,148.75 | 45% |
| **Program Revenue** | | | | | |
| Counseling Fees | $ 11,000.00 | $ 4,500.00 | $ 3,000.00 | $ (1,500.00) | -33% |
| Early Intervention Program Fees | $ 500.00 | $ - | $ 500.00 | $ 500.00 | |
| Youth Project Fees/Divorce | $ 900.00 | $ - | $ 1,750.00 | $ 1,750.00 | |
| Early Risk Assessment Program/JCS | $ 22,600.00 | $ 22,909.92 | $ 22,600.00 | $ (309.92) | -1% |
| Medicaid & Other Insurance | $ - | $ - | $ 3,000.00 | $ 3,000.00 | |
| ***Total Program Revenue*** | $ 35,000.00 | $ 27,409.92 | $ 30,850.00 | $ 3,440.08 | 13% |
| **Other Revenue** | | | | | |
| Interest Income | $ 300.00 | $ 260.00 | $ 300.00 | $ 40.00 | 15% |
| Other Income | $ - | $ 199.37 | $ 500.00 | $ 300.63 | 151% |
| Special Events/Fundraising | $ 12,000.00 | $ 7,039.62 | $ 15,000.00 | $ 7,960.38 | 113% |
| ***Total Other Revenue*** | $ 12,300.00 | $ 7,498.99 | $ 15,800.00 | $ 8,301.01 | 111% |
| **Total Revenue** | $ 586,881.00 | $ 517,604.32 | **$ 819,277.00** | $ 301,672.68 | 58% |

# DeKalb County Youth Service Bureau - Approved FY '21 Budget (8-19-2020)

| Operating Expenses | FY 20 Budget | Year End Forecast | FY `21 Budget | FY 20 Variance +/- Budget YTD | |
|---|---|---|---|---|---|
| **Salaries & Related Expenses** | | | | **Amount** | **%** |
| Salaries & Related Expenses | $ 405,000.00 | $ 427,318.69 | $ 485,000.00 | $ 57,681.31 | 13% |
| FICA Tax Expense | $ 30,000.00 | $ 32,500.00 | $ 35,850.00 | $ 3,350.00 | 10% |
| State Unemployment Tax | $ 900.00 | $ 900.00 | $ 1,200.00 | $ 300.00 | 33% |
| Health Insurance | | $ - | $ 65,000.00 | $ 65,000.00 | |
| Worker's Compensation Insurance | $ 7,500.00 | $ 5,860.00 | $ 6,556.00 | $ 696.00 | 12% |
| **Total Salaries & Related Expenses** | $ 443,400.00 | $ 466,578.69 | $ 593,606.00 | $ 127,027.31 | |
| **Support Services** | | | | | |
| Advertising | $ - | $ 450.00 | $ 750.00 | $ 300.00 | 67% |
| Telephone | $ 930.00 | $ 6,800.00 | $ 9,000.00 | $ 2,200.00 | 32% |
| Equipment Lease & Maintenance | $ 1,500.00 | $ 3,000.00 | $ 1,500.00 | $ (1,500.00) | -50% |
| Insurance - General | $ 4,000.00 | $ 3,962.49 | $ 3,210.00 | $ (752.49) | -19% |
| Office Supplies & Expenses | $ 5,000.00 | $ 13,500.00 | $ 4,500.00 | $ (9,000.00) | -67% |
| Computer Expense | $ 1,200.00 | $ 432.00 | $ 2,500.00 | $ 2,068.00 | 479% |
| Credit Card & Bank Fees | $ 1,000.00 | $ 650.00 | $ 1,000.00 | $ 350.00 | 54% |
| Postage | $ 500.00 | $ 368.65 | $ 500.00 | $ 131.35 | 36% |
| Printing | $ 300.00 | $ - | $ 1,500.00 | $ 1,500.00 | |
| Dues & Subscriptions | $ 4,000.00 | $ 3,747.94 | $ 4,000.00 | $ 252.06 | 7% |
| Travel & Meeting Expenses | $ 5,000.00 | $ 4,500.00 | $ 2,500.00 | $ (2,000.00) | -44% |
| Legal & Professional Fees | $ 13,250.00 | $ 13,250.00 | see below CS | | 0% |
| Depreciation | $ 1,000.00 | $ 843.68 | $ 1,000.00 | $ 156.32 | 19% |
| Professional Development | $ 6,000.00 | $ 7,858.05 | $ 10,000.00 | $ 2,141.95 | 27% |
| Board & Staff Development | $ 5,000.00 | $ 61.48 | $ 2,000.00 | $ 1,938.52 | 3153% |
| Special Events/Fundraising | $ 6,000.00 | $ 3,500.00 | $ 10,000.00 | $ 6,500.00 | 186% |
| ***Total Support Services*** | $ 54,680.00 | $ 62,924.29 | $ 53,960.00 | $ (8,964.29) | -14% |
| **Program Expenses** | | | | $ - | |
| Counseling Supplies | $ 6,600.00 | $ 7,250.00 | $ 4,000.00 | $ (3,250.00) | -45% |
| New Grant Expenses | | | $ 75,000.00 | | |
| Contract Services | $ 9,500.00 | $ 4,830.00 | | $ (4,830.00) | -100% |
| Chilton | | | $ 7,500.00 | | |
| Audit | | | $ 7,550.00 | | |
| CarePaths | | | $ 2,500.00 | | |
| Missing Link - IT | | | $ 4,500.00 | | |
| Supervision & Support | | | $ 5,000.00 | | |
| Foster Care/Shelters | $ 2,000.00 | $ - | $ 2,590.00 | $ 2,590.00 | |
| ***Total Program Expenses*** | $ 18,100.00 | $ 12,080.00 | $ 108,640.00 | $ 96,560.00 | 799% |
| **Occupancy** | $ 56,352.00 | $ 50,352.00 | $ 50,352.00 | $ - | 0% |
| ***Total Occupancy*** | $ 56,352.00 | $ 50,352.00 | $ 50,352.00 | $ - | 0% |
| **Total Expenses** | $ 572,532.00 | $ 591,934.98 | **$ 806,558.00** | $ 214,623.02 | 36% |
| **Revenue Less Expenses** | | | $ 12,719.00 | | |

## Exhibit C: Most Recent Completed Fiscal Year's Audit or Year-End Financial Statement

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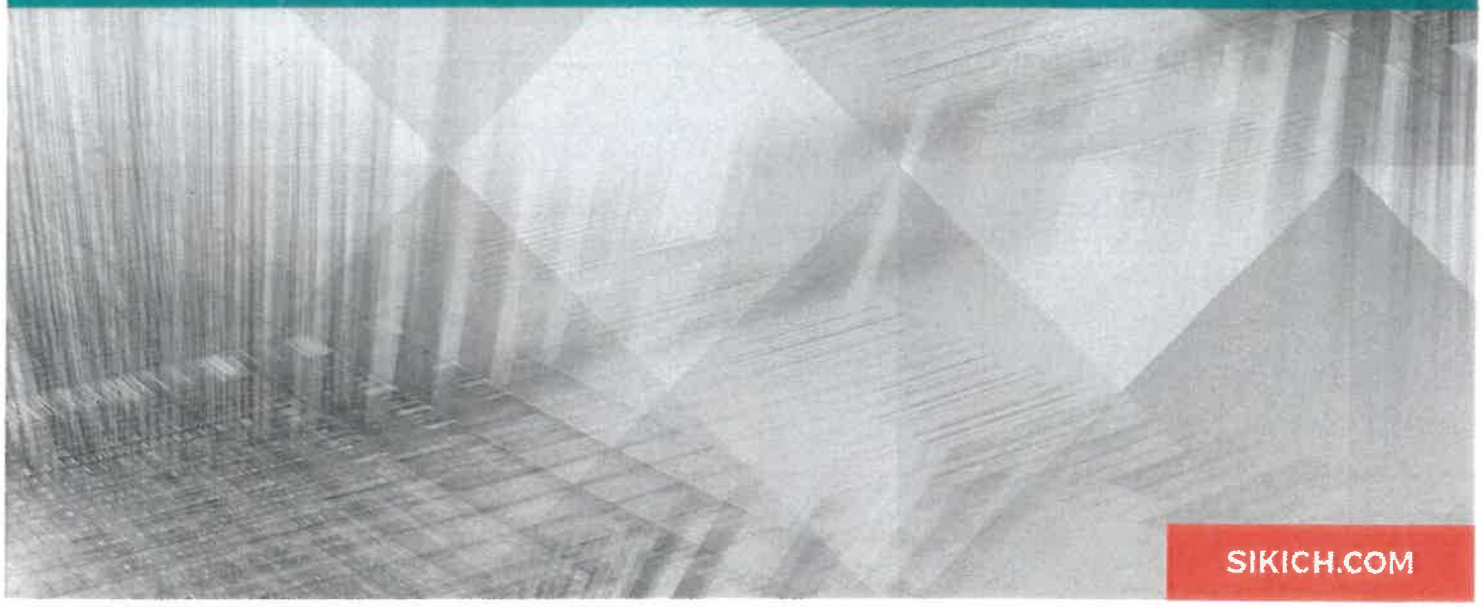
# DEKALB COUNTY YOUTH SERVICE BUREAU, INC.

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT WITH SCHEDULES IN
ACCORDANCE WITH ILLINOIS DEPARTMENT OF HUMAN
SERVICES

For the Year Ended June 30, 2019



**DEKALB COUNTY YOUTH SERVICE BUREAU, INC.**
TABLE OF CONTENTS


| | Page(s) |
|---|---|
| INDEPENDENT AUDITOR'S REPORT | 1-2 |
| FINANCIAL STATEMENTS | |
| Statement of Financial Position | 3 |
| Statement of Activities | 4 |
| Statement of Functional Expenses | 5 |
| Statement of Cash Flows | 6 |
| Notes to Financial Statements | 7-15 |
| SCHEDULES IN ACCORDANCE WITH ILLINOIS DEPARTMENT OF HUMAN SERVICES | |
| Consolidated Year End Financial Report | 16-21 |
| Grant Close Out Report | 22 |

SIKICH.

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS
*Members of American Institute of Certified Public Accountants*

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

# INDEPENDENT AUDITOR'S REPORT

Board of Directors
DeKalb County Youth Service Bureau, Inc.

## Report on the Financial Statements

We have audited the accompanying financial statements of DeKalb County Youth Service Bureau, Inc. (the Organization) (an Illinois not-for-profit corporation), which comprise the statement of financial position as of June 30, 2019 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 from material misstatement.

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects the financial position of DeKalb County Youth Service Bureau, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter - Accounting Pronouncement**

As discussed in Note 2 to the financial statements, the entity adopted new accounting guidance as issued by the Financial Accounting Standards Board under Financial Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements for Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

**Other Matters**

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules on pages 16 through 22 are presented for purposes of compliance with requirements of the Grant Accountability Transparency Act and Illinois Department of Human Services and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Sikich LLP

Naperville, Illinois
December 26, 2019

# FINANCIAL STATEMENTS

**DEKALB COUNTY YOUTH SERVICE BUREAU, INC.**

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2019

## ASSETS

| | | |
|---|---|---|
| **CURRENT ASSETS** | | |
| Cash and cash equivalents | $ | 231,328 |
| Accounts receivable | | 50 |
| Grants receivable | | 49,382 |
| Prepaid expenses | | 886 |
| Total current assets | | 281,646 |
| **PROPERTY AND EQUIPMENT** | | |
| Furniture and fixtures | | 30,822 |
| Leasehold improvements | | 11,398 |
| Total property and equipment | | 42,220 |
| Less accumulated depreciation | | (36,088) |
| Net property and equipment | | 6,132 |
| **TOTAL ASSETS** | $ | 287,778 |

## LIABILITIES AND NET ASSETS

| | | |
|---|---|---|
| **CURRENT LIABILITIES** | | |
| Accounts payable | $ | 3,697 |
| Accrued liabilities | | 14,570 |
| Total current liabilities | | 18,267 |
| **NET ASSETS** | | |
| Without donor restrictions | | 254,511 |
| With donor restrictions | | 15,000 |
| Total net assets | | 269,511 |
| **TOTAL LIABILITIES AND NET ASSETS** | $ | 287,778 |

See accompanying notes to financial statements.

## DEKALB COUNTY YOUTH SERVICE BUREAU, INC.

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2019

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---|---|---|
| **PUBLIC SUPPORT** | | | |
| Grants | $ 367,104 | $ - | $ 367,104 |
| In-kind donations | 50,352 | - | 50,352 |
| Program fees | 39,841 | - | 39,841 |
| Individual contributions | 18,106 | - | 18,106 |
| Corporate contributions | 11,001 | 15,000 | 26,001 |
| Special events, net of cost of direct benefit to donors of $14,369 | 4,004 | - | 4,004 |
| Administration fee | 701 | - | 701 |
| Interest | 404 | - | 404 |
| **TOTAL PUBLIC SUPPORT** | 491,513 | 15,000 | 506,513 |
| **EXPENSES** | | | |
| Program services | 421,490 | - | 421,490 |
| Management and general | 109,165 | - | 109,165 |
| Fundraising | 1,766 | - | 1,766 |
| Total expenses | 532,421 | - | 532,421 |
| CHANGE IN NET ASSETS | (40,908) | 15,000 | (25,908) |
| NET ASSETS, BEGINNING OF YEAR | 295,419 | - | 295,419 |
| **NET ASSETS, END OF YEAR** | $ 254,511 | 15,000 | $ 269,511 |

See accompanying notes to financial statements.

**DEKALB COUNTY YOUTH SERVICE BUREAU, INC.**

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2019

| | Program Services | | | | | | | Supporting Services | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Youth & Family Counseling | Crisis Intervention | Alcohol/Drug Early Intervention | DeKalb County Youth Project | Early Risk Assesment | Other | Total Programs | Management and General | Fundraising | Cost of Direct Benefit to Donors | Total |
| **FUNCTIONAL EXPENSES** | | | | | | | | | | | |
| Payroll and payroll taxes | $ 115,367 | $ 139,585 | $ 27,227 | $ 30,082 | $ 20,804 | $ 12,349 | $ 345,414 | $ 71,357 | $ 1,590 | $ - | $ 418,361 |
| Advertising | 844 | 1,021 | 199 | 220 | 152 | 90 | 2,526 | 535 | - | - | 3,061 |
| Audit and accounting fees | 3,029 | 2,038 | 568 | 520 | 321 | 222 | 6,698 | 6,777 | - | - | 13,475 |
| Auction prizes | - | - | - | - | - | - | - | - | - | 8,524 | 8,524 |
| Board and self development | 254 | - | - | - | - | - | 254 | 1,449 | - | - | 1,703 |
| Computer expense | 9 | 35 | - | - | - | 9 | 53 | 687 | - | - | 740 |
| Contract services | 875 | 588 | 164 | 150 | 92 | 64 | 1,933 | 1,957 | - | - | 3,890 |
| Counseling supplies | 2,014 | - | 264 | 59 | - | 906 | 3,243 | 685 | - | - | 3,928 |
| Credit card and bank fees | - | - | - | - | - | - | - | 754 | - | - | 754 |
| Depreciation | 256 | 310 | 60 | 67 | 46 | 25 | 764 | 161 | 4 | - | 929 |
| Dues and subscriptions | 98 | 196 | - | - | - | - | 294 | 3,452 | - | - | 3,746 |
| Equipment lease and maintenance | 14 | 57 | - | - | - | 16 | 87 | 1,141 | - | - | 1,228 |
| Insurance | 2,891 | 3,498 | 682 | 754 | 521 | 309 | 8,655 | 1,827 | - | - | 10,482 |
| Meals and entertainment | - | - | - | - | - | - | - | - | - | 5,845 | 5,845 |
| Miscellaneous | - | - | - | - | - | - | - | 252 | - | - | 252 |
| Office | 24 | 95 | - | - | - | 26 | 145 | 1,908 | - | - | 2,053 |
| Postage | - | - | - | - | - | - | - | 452 | - | - | 452 |
| Printing | - | - | - | - | - | - | - | 431 | - | - | 431 |
| Professional development | 303 | 4,707 | 336 | - | - | 909 | 6,255 | 6,006 | - | - | 12,261 |
| Rent | 12,506 | 15,132 | 2,951 | 3,261 | 2,255 | 1,339 | 37,444 | 7,736 | 172 | - | 45,352 |
| Telephone | 1,635 | 1,978 | 386 | 426 | 295 | 174 | 4,894 | 1,034 | - | - | 5,928 |
| Travel | 1,101 | 1,571 | - | 85 | 37 | 37 | 2,831 | 564 | - | - | 3,395 |
| **TOTAL EXPENSES** | $ 141,220 | $ 170,811 | $ 32,837 | $ 35,624 | $ 24,523 | $ 16,475 | $ 421,490 | $ 109,165 | $ 1,766 | $ 14,369 | $ 546,790 |

See accompanying notes to financial statements.

## DEKALB COUNTY YOUTH SERVICE BUREAU, INC.

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2019

| | | |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Change in net assets | $ | (25,908) |
| Adjustments to reconcile change in net assets to cash from operating activities | | |
| Depreciation | | 929 |
| Changes in certain assets and liabilities | | |
| Accounts receivable | | 2,649 |
| Grants receivable | | 51,029 |
| Prepaid expenses | | 1,027 |
| Accounts payable | | 1,601 |
| Accrued liabilities | | (1,246) |
| Net cash from operating activities | | 30,081 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | | 30,081 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | | 201,247 |
| **CASH AND CASH EQUIVALENTS, END OF YEAR** | $ | 231,328 |

See accompanying notes to financial statements.

## 1. NATURE OF ORGANIZATION

DeKalb County Youth Service Bureau, Inc. (the Organization) is an Illinois not-for-profit corporation founded in 1971. The Organization provides counseling services and education on a variety of topics to youth and families in DeKalb County. The following is a summary of the Organization's program services:

*Youth and Family Counseling (YFC)* – Youth and Family Counseling offers individual and family counseling to youth aged 8 through 18 and their families. Youth and Family Counseling is designed to address the specific needs of those experiencing difficult situations in their lives. In addition, youth can be referred for a comprehensive assessment to determine if additional services are needed.

*Crisis Intervention Program* - Crisis Intervention assists families when a youth is refusing to return home, has run away from home, or during a lock-out crisis by providing immediate intervention 24 hours a day as well as follow-up counseling. Referrals for this program generally come from police stations in DeKalb County when families are unable to reach a solution in which everyone feels safe and understood. Families who qualify for this program will receive four free sessions of counseling. The goal for services through this program is to keep families together and to prevent DCFS and/or court involvement through counseling.

*Alcohol/Drug Early Prevention Programs (EIP)* - Early Intervention is designed to educate teens about alcohol, drug, and tobacco-related issues. A two-session screening assessment is used to gather drug/alcohol history and make recommendations for services. This program uses group education to provide accurate information regarding alcohol/drug use and exploration of the decision-making process involved in making healthy choices. It also offers process groups in the DeKalb County schools.

*DeKalb County Youth Project (DCYP)* - Youth Project is geared toward youth between the ages of 11 and 18. The program was developed for the purpose of equipping youth with the skills to identify, manage, and appropriately express anger and other intense emotions, in order to prevent aggressive and abusive tendencies, promote pro-social skills, improve anger control, and reduce the frequency of acting out behaviors. Youth can be referred for counseling or META (Managing Emotions, Thoughts, and Actions), an educational group that focuses on three components: Anger Control (the Emotional component), Moral Reasoning (the Thoughts component), and Social Skills (the Actions component).

## 1. NATURE OF ORGANIZATION (Continued)

*Early Risk Assessment Project (ERAP)* - ERAP is a voluntary program ran through Juvenile Court Services. It is designed for first time offenders, to divert them from entering the court system and/or to improve their attendance in school. As part of this program, the youth will complete an assessment that determines their level of risk. An 'Agreement' will be signed based on the scores from the assessment by both parent and youth that will list the certain requirements (i.e. referrals to other services/groups) that the youth must complete in order to finish successfully.

*Girls Empowerment Group (GEG)* – The Girls Empowerment Group encourages girls to seek and celebrate their "true selves" by giving them a safe space, encouragement, structure, and support to embrace their important journey of self-discovery. A strength-based approach helps girls identify and apply their power and voice as individuals and as a group focusing on issues that are important in the lives of adolescent girls. Topics include learning about self, connecting with others, exploring healthy living and planning for the future. The aim of the program is to provide education and supportive counseling geared toward the specific needs of adolescent girls.

*VolunTEEN* - The VolunTEEN program provides DeKalb County youth ages 12 through 18 with ongoing, organized opportunities to volunteer in their community while enhancing their civic awareness. The program provides coordination of volunteer experiences, collaboration with other community organizations, and supervision of the youth that are volunteering.

*Active Parenting of Teens (APT)* - Active Parenting of Teens is six-session skills building workshop for parents of teens. The video-based workshop is designed to help parents learn how to more effectively communicate with their teens in ways which foster responsibility, successful conflict resolution and self-esteem.

*Alternative to Suspension Program (ASP)* - Alternative to Suspension offers services to youth suspended out of school in lieu of spending unsupervised time at home. The curriculum includes academic assistance, service learning, assessments, suspension prevention, anger management, drug/alcohol prevention, peer conflict, career exploration, and physical fitness components. ASP collaborates with schools to help youth maintain academic and attendance status.

*Therapeutic Art-Making Group (TAG)* TAG is an open group, dedicated to creative expression. The purpose of this group is to teach youth the basics of art, provide them with materials, and how to explore those materials and create using their emotions or stories and ability to visually depict those. Projects are shared with the group, as a way of reflecting and processing. The youth involved have the opportunity to plan, create and evaluate (utilizing interpersonal, consequential, problem-solving and goal setting skills).

## 1. NATURE OF ORGANIZATION (Continued)

*Juvenile Diversion* - Juvenile Diversion is a program for youth who are first time offenders in the Juvenile Court System in lieu of legal ramifications. Youth are referred to this program by the DeKalb County State's Attorney's Office. This program assists youth by linking them with comprehensive services, which can include counseling, assessments, and community service amongst others.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (USGAAP). Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

Accordingly, net assets of the Organization and changes herein are classified and reported as follows:

Without Donor Restrictions

Undesignated - Net assets that are not subject to donor-imposed restrictions or Board imposed stipulations.

Board Designated - Net assets subject to stipulations imposed by the Board and determined to be unavailable for general use.

With Donor Restrictions

Net assets subject to donor-imposed restrictions that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor restricted support is reported as an increase in net assets with donor restrictions. When restrictions expire, net assets with donor restrictions are reclassified to net assets without donor retractions.

Cash and Cash Equivalents

Cash is defined as cash on hand, amounts held at financial institutions, and short-term highly liquid investments that are readily convertible to known amounts of cash. Investments with an original maturity of three months or less are considered short-term for these purposes.

The Organization maintains its cash at two financial institutions which, at times, may exceed federally insured limits. At June 30, 2019 the balance of deposits did not exceed FDIC limits.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents (Continued)

The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

Grants Receivable

Grants receivable are amounts due under cost reimbursement contracts with primarily county and state government agencies.

Allowance for Doubtful Accounts

Grants receivable are reviewed periodically by management to determine the adequacy of the allowance for doubtful accounts. Based on management's evaluation, the Organization believes that an allowance for doubtful accounts is not considered necessary as of June 30, 2019, however, actual write-offs may occur.

Property and Equipment

Property and equipment are recorded at cost or if donated, at fair value at the date of donation. All expenditures for property and equipment in excess of $500 are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred, whereas renewals and betterments that extend the lives of property are capitalized. Depreciation is computed on the straight-line method over various useful lives:

| | Years |
|---|---|
| Furniture and fixtures | 5-12 |
| Leasehold improvements | Shorter of useful life or lease term |

Depreciation expense is $929.

Revenue Recognition

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Conditional promises to give are not recognized until the conditions on which they depend are substantially met and are reported as with donor restrictions.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (continued)

Government grants are recorded as grants that are reimbursable to the Organization from the government based on criteria contained in the grant award.

Program fees are recognized when services are performed

Contributed Facilities, Materials and Services

Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying financial statements as in-kind contributions and within special event revenue, when applicable, are offset by like amounts included in expenses or additions to property and equipment. See Note 6 for information on contributed facilities, materials and services received during the year.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include deprecation, office, and occupancy, which are allocated on a square-footage basis as well as salaries and benefits, which are allocated on the basis of estimates of time and effort. Expenses that are specifically identifiable with a program are charged to that program.

Income Taxes

The Organization is exempt from federal and state income taxes under the Internal Revenue Code Section 501(c)(3), and similar provisions of the state income tax code as other than a private foundation.

Use of Estimates

The preparation of financial statements in conformity with USGAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and disclosed in the accompanying notes. Actual results could differ from those estimates.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Standards

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers*, as amended by ASU No. 2015-14, which supersedes or replaces nearly all USGAAP revenue recognition guidance. This standard establishes a new contract and control-based revenue recognition model, changes the basis for deciding when revenue is recognized over time or at a point in time, and will expand disclosures about revenue. ASU No. 2014-09, as amended, is effective for nonpublic companies for annual reporting periods beginning after December 15, 2018 and interim periods within the annual period beginning after December 15, 2019. Management is currently assessing the impact of this new standard.

In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)*, to increase the transparency and comparability about leases among entities. The new guidance requires lessees to recognize a lease liability and a corresponding lease asset for virtually all lease contracts. It also requires additional disclosures about leasing arrangements. ASU No. 2016-02, as amended by ASU 2019-10, is effective for nonpublic entities for fiscal years beginning after December 15, 2020 and interim periods within fiscal years beginning after December 15, 2021. ASU No. 2016-02 originally specified a modified retrospective transition method which requires the entity to initially apply the new leases standard at the beginning of the earliest period presented in the financial statements. In July 2018, FASB issued ASU No. 2018-11, *Leases (Topic 842)*: Targeted Improvements, providing a second, optional transition method which allows the entity to apply the new standard at the adoption date and recognize accumulative-effect adjustment to the opening balance of retained earning in the period of adoption. The Organization is currently assessing the impact of this new standard, including the two optional transition methods.

In August 2016, FASB issued ASU No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)*. The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled *net assets without donor restrictions* and *net assets with donor restrictions*, (b) modifying the presentation of underwater endowment funds and related disclosures, (c) requiring the use of the place-in-service approach to recognize the expirations or restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, (d) requiring that all nonprofits present an analysis of expenses by function and nature either in the statement of activities and changes in net assets, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (f) presenting investment return net of external and direct internal investment expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. The Organization has adopted this ASU for the year ended June 30, 2019.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Standards (continued)

FASB has issued ASU No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU No. 2018-08 is intended to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of contribution accounting guidance, or as exchange (reciprocal) transactions subject to other guidance, and (2) determining whether a contribution is conditional. ASU No. 2018-08 is effective for fiscal years beginning after December 15, 2018, for transactions in which the entity serves as a resource recipient, and for fiscal years beginning after December 15, 2019, for transactions in which the entity serves as a resource provider. Early adoption is permitted. The Organization is currently assessing the impact of this new standard.

## 3. LIQUIDITY AND AVAILABILITY

The Organization considers it appropriate that earnings from contributions with and without donor restrictions are for use in current programs which are ongoing, major, and central to its annual operations and are also available to meet cash needs for general expenditures. General expenditures include administrative and general expenses and fundraising expenses expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Organization's fiscal year. The Organization manages its cash available to meet general expenditures with the following guiding principles:

- Operating within a prudent range of financial soundness and stability
- Maintaining adequate liquid assets

Financial assets available for general expenditure, that is without donor or other restrictions limiting their use, within one year of the balance sheet date, are comprised of the following:

| | | |
|---|---|---|
| FINANCIAL ASSETS | | |
| Cash and cash equivalents | $ | 231,328 |
| Accounts receivable | | 50 |
| Grants receivable | | 49,382 |
| Total financial assets | | 280,760 |
| Less: | | |
| Net assets with donor restrictions – programs | | (15,000) |
| FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL USE WITHIN ONE YEAR | $ | 265,760 |

## 4. GRANT RECEIVABLES

Grants receivable are comprised of the following as of June 30, 2019:

| | | |
|---|---|---|
| Department of Human Services | $ | 27,799 |
| IL Criminal Justice | | 13,067 |
| City of DeKalb | | 6,250 |
| DeKalb County | | 2,266 |
| TOTAL | $ | 49,382 |

## 5. COMPENSATED ABSENCES

Under terms of employment, employees are granted vacations in varying amounts. Accumulated vacation is included in accrued liabilities on the statements of financial position and amounts to $13,527.

## 6. DONATED FACILITIES, SERVICES, GOODS

Donated Facilities

The Organization received donated facilities which include utilities for the operating location. The total donated facilities are valued at $50,352. These amounts are recognized as in-kind donations revenue on the statements of activities and rent and telephone expense on the statements of functional expenses.

Donated Goods

Donated goods are recognized as a contribution at their estimated fair value when donated to the Organization. The Organization received donations of various items to be auctioned off at special events throughout the year. Total donations are valued at $8,524. These amounts are recognized as special events revenue and as costs of direct benefits to donors on the statements of activities.

## 7. NET ASSETS WITH DONOR RESTRICTIONS

The Organization's net assets with donor restrictions is comprised of donor restricted amounts for the following purposes:

| | | |
|---|---|---|
| Alternative Suspension Program | $ | 9,000 |
| Thinking for a Change Program (STEPS) | | 5,000 |
| TOTAL NET ASSETS WITH DONOR RESTRICTIONS | $ | 15,000 |

## 8. CONCENTRATIONS

Approximately 33% of the Organization's revenues are from state human service agencies, mainly Illinois Department of Human Services (IDHS), and the Organization operates in a heavily regulated environment. The operations of the Organization are subject to the administrative directives, rules, and regulations of federal, state, and local regulatory agencies. Such changes may occur with little notice or inadequate funding to pay for related cost, including an additional administrative burden, to comply with a change. A significant reduction in revenue from IDHS could have a significant effect on the Organization's operations.

## 9. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before financial statements are issued or are available to be issued. These events and transactions either provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing financial statements (that is, recognized subsequent events), or provide evidence about conditions that did not exist at the date of the balance sheet but arose after that date (that is, nonrecognized subsequent events).

The Organization has evaluated subsequent events through December 26, 2019, which was the date that these financial statements were available to be issued and determined that there were no significant nonrecognized subsequent events through that date.

**SCHEDULES IN ACCORDANCE WITH**
**GRANT ACCOUNTABILITY TRANSPARENCY ACT AND**
**ILLINOIS DEPARTMENT OF HUMAN SERVICES**

# Illinois Grant Accountability and Transparency Act
# Grantee Portal - Audit Consolidated Year-End Financial Report



The CYEFR has been submitted. If changes are needing, contact your state cognizant agency.

| | |
|---|---|
| Agency | Illinois Criminal Justice Information Authority (546) |
| Program | Victims of Crime Act (VOCA) FFY16 (546-00-1474)<br>*This program as added due to awards found in the CSFA. It cannot be removed.* |
| Program Limitations | No |
| Mandatory Match % | Yes: 25% |
| Indirect Cost Rate | 10.00 |
| Indirect Cost Rate Base | |

| Category | State Amount | Federal Amount | Match Amount | Total |
|---|---|---|---|---|
| Personal Services (Salaries and Wages) | 0.00 | 33,341.75 | 6,891.09 | 40,232.84 |
| Fringe Benefits | 0.00 | 2,316.29 | 339.75 | 2,656.04 |
| Travel | 0.00 | 717.66 | 0.00 | 717.66 |
| Equipment | 0.00 | 0.00 | 0.00 | 0.00 |
| Supplies | 0.00 | 0.00 | 2,405.44 | 2,405.44 |
| Contractual Services | 0.00 | 1,572.45 | 0.00 | 1,572.45 |
| Consultant (Professional Services) | 0.00 | 0.00 | 0.00 | 0.00 |
| Construction | 0.00 | 0.00 | 0.00 | 0.00 |
| Occupancy - Rent and Utilities | 0.00 | 0.00 | 0.00 | 0.00 |
| Research and Development | 0.00 | 0.00 | 0.00 | 0.00 |
| Telecommunications | 0.00 | 0.00 | 0.00 | 0.00 |
| Training and Education | 0.00 | 0.00 | 0.00 | 0.00 |
| Direct Administrative Costs | 0.00 | 0.00 | 0.00 | 0.00 |
| | | | | |

| Category | State Amount | Federal Amount | Match Amount | Total |
|---|---|---|---|---|
| Miscellaneous Costs | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total Direct Expenses** | **0.00** | **37,948.15** | **9,636.28** | **47,584.43** |
| Indirect Costs | 0.00 | 3,623.29 | 274.26 | 3,897.55 |
| **Total Expenses** | **0.00** | **41,571.44** | **9,910.54** | **51,481.98** |

# Illinois Grant Accountability and Transparency Act
# Grantee Portal - Audit Consolidated Year-End Financial Report

Grantee Portal / Audit Reviews / Audit / CYEFR / Program

The CYEFR has been submitted. If changes are needing, contact your state cognizant agency.

| | |
|---|---|
| Agency | Illinois Criminal Justice Information Authority (546) |
| Program | Victims of Crime Act (VOCA) FFY18 (546-00-1745)<br>*This program as added due to awards found in the CSFA. It cannot be removed.* |
| Program Limitations | No |
| Mandatory Match % | No |
| Indirect Cost Rate | 0.00 |
| Indirect Cost Rate Base | |

| Category | State Amount | Federal Amount | Match Amount | Total |
|---|---|---|---|---|
| Personal Services (Salaries and Wages) | 0.00 | 3,471.94 | 422.88 | 3,894.82 |
| Fringe Benefits | 0.00 | 239.04 | 26.56 | 265.60 |
| Travel | 0.00 | 0.00 | 0.00 | 0.00 |
| Equipment | 0.00 | 0.00 | 0.00 | 0.00 |
| Supplies | 0.00 | 0.00 | 70.32 | 70.32 |
| Contractual Services | 0.00 | 0.00 | 0.00 | 0.00 |
| Consultant (Professional Services) | 0.00 | 0.00 | 0.00 | 0.00 |
| Construction | 0.00 | 0.00 | 0.00 | 0.00 |
| Occupancy - Rent and Utilities | 0.00 | 0.00 | 0.00 | 0.00 |
| Research and Development | 0.00 | 0.00 | 0.00 | 0.00 |
| Telecommunications | 0.00 | 0.00 | 0.00 | 0.00 |
| Training and Education | 0.00 | 0.00 | 0.00 | 0.00 |
| | 0.00 | 0.00 | 0.00 | 0.00 |

| Category | State Amount | Federal Amount | Match Amount | Total |
|---|---|---|---|---|
| Direct Administrative Costs | | | | |
| Miscellaneous Costs | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total Direct Expenses** | **0.00** | **3,710.98** | **519.76** | **4,230.74** |
| Indirect Costs | 0.00 | 371.10 | 0.00 | 371.10 |
| **Total Expenses** | **0.00** | **4,082.08** | **519.76** | **4,601.84** |

# Illinois Grant Accountability and Transparency Act
# Grantee Portal - Audit Consolidated Year-End Financial Report

Grantee Portal / Audit Reviews / Audit / CYEFR / Program

The CYEFR has been submitted. If changes are needing, contact your state cognizant agency.

| | |
|---|---|
| Agency | Department Of Human Services (444) |
| Program | Comprehensive Community Based Youth Services (444-80-0710)<br>*This program as added due to awards found in the CSFA. It cannot be removed.* |
| Program Limitations | No |
| Mandatory Match % | Yes: 11% |
| Indirect Cost Rate | 10.00 |
| Indirect Cost Rate Base | |

| Category | State Amount | Federal Amount | Match Amount | Total |
|---|---|---|---|---|
| Personal Services (Salaries and Wages) | 106,444.22 | 10,866.28 | 0.00 | 117,310.50 |
| Fringe Benefits | 28,141.55 | 3,272.78 | 0.00 | 31,414.33 |
| Travel | 1,372.88 | 159.66 | 0.00 | 1,532.54 |
| Equipment | 0.00 | 0.00 | 0.00 | 0.00 |
| Supplies | 147.95 | 17.20 | 0.00 | 165.15 |
| Contractual Services | 0.00 | 0.00 | 0.00 | 0.00 |
| Consultant (Professional Services) | 0.00 | 0.00 | 0.00 | 0.00 |
| Construction | 0.00 | 0.00 | 0.00 | 0.00 |
| Occupancy - Rent and Utilities | 0.00 | 0.00 | 12,610.20 | 12,610.20 |
| Research and Development | 0.00 | 0.00 | 0.00 | 0.00 |
| Telecommunications | 825.49 | 96.00 | 0.00 | 921.49 |
| Training and Education | 4,217.34 | 490.45 | 0.00 | 4,707.79 |
| Direct Administrative Costs | 0.00 | 0.00 | 8,395.44 | 8,395.44 |

| Category | State Amount | Federal Amount | Match Amount | Total |
|---|---|---|---|---|
| Miscellaneous Costs | 165.73 | 19.27 | 0.00 | 185.00 |
| Commodities | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total Direct Expenses** | **141,315.16** | **14,921.64** | **21,005.64** | **177,242.44** |
| Indirect Costs | 13,236.33 | 1,488.90 | 0.00 | 14,725.23 |
| **Total Expenses** | **154,551.49** | **16,410.54** | **21,005.64** | **191,967.67** |

State of Illinois
Department of Human Services

## GRANT CLOSE OUT REPORT

Grantee Name: DeKalb County Youth Service Bureau

FEIN Number: 3 6 3 0 3 4 4 2 7

Reporting period for July 1 through June 30, 2019

Program Name: Comprehensive Community Based Youth Services Grant/Contract Number: FCSXR01019

| CFSA NUMBER: | 444- 80-0710 | 444- | 444- | 444- | Total |
|---|---|---|---|---|---|
| A. PROGRAM INCOME | $ 170,962.21 | $ | $ | $ | $ 170,962.21 |
| B. INTEREST EARNED | $ 0.00 | $ | $ | $ | $ 0.00 |
| C. DIRECT PROGRAM EXPENSES | $ 156,236.80 | $ | $ | $ | $ 156,236.80 |
| D. INDIRECT COSTS | $ 14,725.23 | $ | $ | $ | $ 14,725.23 |
| E. UNALLOWABLE COSTS | $ 0.00 | $ | $ | $ | $ 0.00 |
| F. OTHER APPROVED USES | $ 0.00 | $ | $ | $ | $ 0.00 |
| G. TOTAL ALLOWABLE COSTS | $ 170,962.03 | $ | $ | $ | $ 170,962.03 |
| H. REFUND | $ 0.18 | $ | $ | $ | $ 0.18 |

ADD TABLE DELETE TABLE

By signing [authorizing] this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the [related] expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

Unallowable costs includes, but not limited to: compensation of governing body, entertainment, associate dues, meetings and conventions, fundraising, bad debt, charity and grants, inventories, depreciation of IDHS funded assets, in-kind expenses, alcoholic beverages, personal automobile, fines and penalties, personal use items, lobbying, unallowable interest, unallowable relocation, gratuities, political contributions, related party transactions, or cost where conflict of interest exists.

Printed Name: Diana Hulst Title: Executive Director

Signature: Diana J. Hulst Date: September 26, 2019

## Exhibit D: Grantee-Specific Obligations

Grantee agrees and acknowledges that it shall comply with the following obligations, which shall be considered to be an integral component of the Agreement:

Youth Service Bureau (Grantee) will provide youth ages 8 – 18 and their families individual, family, and group counseling, along with specialty services designed to keep families intact, keep youth out of the juvenile court system, and empower youth to achieve.

Youth Service Bureau proposes to work with 1,250 youth within DeKalb County. Of this number, 650 are estimated to be residents of the City of DeKalb. Grantee will track the total number of individuals served and will include a separate accounting of individuals who are residents of the City of DeKalb to document that City of DeKalb Human Services Funding is used only to support those services directly benefiting DeKalb residents. Grantee will report revenue from other sources to document that the agency receives funding to cover services to individuals who are not residents of the City of DeKalb. Reports will be submitted on a Quarterly basis in order to receive payment of grant funds.

**HUMAN SERVICES AGREEMENT**
**ELDER CARE SERVICES**

This agreement made this 28th day of December, 2020, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the "City" and Elder Care Services, hereinafter referred to as "Grantee," WITNESSETH:

WHEREAS, the City desires that Grantee provide certain services to the citizens of DeKalb and Grantee has the capacity to provide such services; and,

WHEREAS, the Grantee acknowledges that it is the City's intention to purchase said services for the citizens of the City of DeKalb under the following guidelines:

1. First priority shall be given to those services which will help meet basic emergency needs such as food, clothing, and shelter. Second priority shall be given to those services which are preventative in nature and promote the highest degree of self-support, self-care, and self-help. Third priority shall be given to those services which seek to enhance the quality of life of persons whose basic needs are already met. Priority shall also be given to services which primarily benefit low and moderate income residents. The services provided by the Grantee are consistent with these guidelines as explained on the attached Exhibit A.

2. Services shall address specific documented needs. The services provided by the Grantee address the specific, documented needs as explained on the attached Exhibit A.

3. Services shall also receive financial support from other community sources. Grantee has attached hereto a copy of its budget for the period that this Agreement covers as Exhibit B, which budget establishes that the Grantee receives at least 84% of its funding from third party sources. A copy of Grantee's audit or year end financial statement from the most recent complete year of operations is attached hereto as Exhibit C.

4. City funds are used only to support those services directly benefiting DeKalb residents. The City will not subsidize the cost of services to non-residents. Grantee has certified compliance with this requirement by signing the attached Exhibit A.

5. Administrative costs for these services are to be kept to a minimum. Grantee has identified the allocation between administrative costs and program costs as explained on the attached Exhibit A.

6. These services must be coordinated with other agencies when feasible. Grantee has outlined how services are coordinated with other agencies as explained on the attached Exhibit A.

7. The City will not fund, but may augment, services which are the responsibility of another public agency or funding source. Grantee has identified any areas where the City's funds are being utilized to augment third party responsibilities as explained on the attached Exhibit A.

8. City funds are to be used primarily to match or leverage other private or public funds. Grantee has explained how matching or leveraged funds are being sought or obtained as explained on the attached Exhibit A.

9. The City's intent is to contract for specific services and monitor their effectiveness. Grantee has: a) identified the metrics by which its performance is to be evaluated on an annual basis; b) identified those third parties that provide any review or evaluation of Grantee's efforts; and, c) explained its clearly defined performance evaluation process, as explained on the attached Exhibit A.

10. Grantee has clearly identified and delineated where any elected or appointed official of the City or any City employee is involved in its programming or receives any direct or indirect benefit, any compensation, or any pecuniary benefit of any form by virtue of Grantee's program or the City funding provided hereunder, as explained on the attached Exhibit A.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, and all such funds are held by the Grantee in a Grantee-specific checking account with the financial institution identified therein (and not in any personal checking account), unless otherwise indicated therein.

WHEREAS, the parties hereto understand and agree that the Grantee is an independent contractor and not an employee of the City; now,

In consideration of the agreements set forth and other good and valuable considerations, the parties agree as follows:

1. **Term**. The term of this agreement shall be from January 1, 2021 to December 31, 2021. The City or Grantee may terminate this Agreement at any time, upon the provision of thirty (30) days written notice. The City may terminate this agreement at any time based upon the occurrence of a breach of this Agreement, upon the provision of 48 hours written notice.

2. **Scope of Service**. The Grantee shall provide services in accordance with the service plan provided in the original application, a copy of which is attached hereto as Exhibit A.

3. **Hold Harmless**. The Grantee hereby agrees to indemnify, defend, and hold the City and its officers, employees, contractors, and representatives harmless from and against any and all such costs, expenses, damages, liabilities, losses and

claims which may arise out of, or are related to the services provided by the Grantee under this agreement or which relate to this Agreement or the funding provided herein. The Grantee agrees and acknowledges that the City is not in any way responsible for the conduct or provision of Grantee's programs or services, and is not responsible for the review, supervision or management of Grantee's personnel, volunteers, participants, programming, or services.

4. **Payment.** The City agrees to pay the Grantee the sum of Ten Thousand and No/100 Dollars ($10,000.00) for services rendered under this agreement. **Payment will be disbursed in four equal installments and will be processed upon receipt of the Grantee's quarterly reports, as required by this funding agreement.** In the event that this Agreement is terminated, no further payments shall be due or payable to Grantee. In the event that the City Council determines that the City's financial condition does not support making a payment otherwise due under this Agreement, the City may suspend, delay, or otherwise cancel payments due hereunder.

5. **Access to Financial Records**. The Grantee agrees to allow the City access to review any and all of Grantee's financial records as may be determined appropriate to insure the accountability of monies disbursed by the City. The Grantee also agrees to provide the City with a copy of its operating budget and its audit or year-end financial statement for each fiscal year or portion thereof in which the Grantee receives funding under this (or successor) agreements.

6. **Performance Reporting**. The Grantee agrees to send the City a report following every three months of services identifying the number of City of DeKalb citizens that have been provided services under the terms of this Agreement. The Grantee further agrees to send the City a copy of all documentation required to demonstrate its performance or which is identified as a performance-evaluation tool in Exhibit A.

   Quarterly reports shall be provided to the City on or before the 10th day of the following months:

   1st Quarter – April
   2nd Quarter – July
   3rd Quarter – October
   4th Quarter - January

7. **Compliance with Laws.** The Grantee expressly covenants and agrees that it shall comply with all applicable laws, including those laws applicable to the use of public funding to the extent that such laws are applicable to programs funded in whole or in part by the City of DeKalb. The Grantee expressly covenants that it shall not discriminate against any person or organization on the basis of any legally recognized protected classification, including but not limited to race, gender, religion, ethnic or cultural background, sexual preference, or other legally

recognized, protected classification, in the provision of its services or use of funding provided hereunder.

8. **Use of Funds.** The Grantee shall only utilize funds made available under this agreement for the provision of services consistent with this agreement and shall not use such funding for any other purpose, nor for the construction of any real property or improvement to real property, nor for any purpose which constitutes "Public Works" for purposes of the Illinois Prevailing Wage Act.

9. **Grantee's Organization.** Grantee is organized in the format as described in Exhibit A. For the term of this Agreement, Grantee shall take such actions as shall be required to maintain that form of organization. Grantee shall provide the City with notice of the meetings of its governing board or board of directors, and the City shall have the opportunity to attend such meetings as an *ex officio* member of such governing board; the City shall also have the right to review the minutes of all such meetings.

10. **Grantee-Specific Obligations.** Grantee shall comply with the listing of Grantee-Specific Obligations attached hereto as Exhibit D.

11. **Certification:** Grantee hereby certifies that it shall comply with the contents of this Agreement and the terms of its Application and certifies that the contents of this Agreement and the Application are true, accurate and correct. The recitals to this Agreement are expressly incorporated herein by reference.

IN WITNESS WHEREOF, the Grantee has caused this agreement to be signed, sealed, and attested to by its Chairman of the Board of Directors and Executive Director, on the _____ day of _____, _____, and said City has caused the same to be signed, sealed, and attested to by its Mayor and City Clerk or Executive Assistant of the City of DeKalb as of the date first mentioned in this Agreement.

ELDER CARE SERVICES

Board Chairman

ATTEST:

Executive Director

CITY OF DEKALB, ILLINOIS

Jerry Smith, Mayor

ATTEST:

# Exhibit A: Funding Application

City of DeKalb
opportunity · innovation

200 South Fourth Street
DeKalb, Illinois 60115
815.748.2000 • cityofdekalb.com

# FY 2021 HUMAN SERVICES FUNDING APPLICATION
## Twelve Months Funding 1/1/21 to 12/31/21

**APPLICATION MUST BE RECEIVED NO LATER THAN NOVEMBER 6, 2020.
INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.**

**Agency Name:** Elder Care Services of Dekalb County

**Mailing Address:** 1701 East Lincoln Highway, Dekalb, IL 60115

**Agency Director:** Tara Russo

**Contact Person:** Tara Russo

**Telephone No.:** 815-758-6550 **Email Address:** trusso@ecsdekalb.org

**Name of Person Responsible for Completing Quarterly Report:** Tara Russo

**Telephone No.:** 815-758-6550 **Email Address:** trusso@ecsdekalb.org

**Program Description:** Elder Care Services provides information & assistance, case management assessment and services, and Adult protective Services investigation and support programs. These various programs and services provide the framework that allows seniors and persons with disabilities in the DeKalb community to remain safely in their own homes while preventing premature institutionalization and substantially reducing public costs.

**Twelve Month Program Budget:** $ 1,063,130

**Amount of Funding Requested:** $ 15,000

**% of Total Program Budget:** 1.4 %

**Total Number of Estimated Program Participants:** 120

**Total Number of Estimated DeKalb Residents to be served:** 50

***The following documents must accompany the application:***

1. A current listing of the agency's Board of Directors and terms.

2. The current annual operating budget for the agency and a detailed budget for the program requesting funding

3. A detailed narrative explaining the program to be funded, its potential impact and any anticipated outcomes to be achieved. Also include any descriptive materials of the agency that would help augment the application.

4. Documentation of the agency's 501(c)(3) status.

5. Completed W-9 Form

6. Copy of agency's most recent financial audit.

The City of DeKalb retains the right to request any and all additional information from the agency it may determine necessary in making funding decisions. This may include, but not limited to, agency audits, articles of incorporation, or any other information deemed appropriate.

The undersigned hereby certifies the information contained in this application is true and accurate to the best of their knowledge and belief.

Name of Authorized Signer: Tara Russo

Title: Executive Director

Signature: _____

Date: 11/3/21

---

Please submit application in one of the following methods:

- via regular mail to be received no later than 5:00 p.m. on November 9,2018 to:

  City of DeKalb
  Attention: Joanne Rouse
  200 S. Fourth Street
  DeKalb, Illinois 60115

- via email dated no later than 5:00 p.m. on November 9, 2018 to:
  joanne.rouse@cityofdekalb.com

**OFFICE USE ONLY:**

RECEIVED
NOV 9 2020
By

Date Application Received: _____

☐ Approved – Annual Amount Awarded $_____ / $_____ per quarter

☐ Denied

November 3, 2020

Joanne Rouse, Community Services Assistant
200 S. Fourth Street
DeKalb, IL 60115

RE: FY 2021 Human Services Funding Application

Dear Ms. Rouse,

Please find enclosed our application for funding through the City of DeKalb's Human Services funding. With the City of DeKalb support, we are grateful and honored to have been able to assist so many of the older adults and persons with disabilities in our community with education, support, resources and hands-on involvement necessary to insure they remain independent and safe in their own homes for as long as possible.

The demand for our services have continued to grow and the services we provide have become essential to the well-being of the older adults and persons with disabilities we serve in the community. Elder Care Services continues to work hard to keep up with the demand for assistance. As in the past, ECS continues to see a rise of younger seniors with complex needs and concerns. Our intakes on self-neglect cases for seniors and vulnerable adults under 60 in DeKalb continue to rise. ECS takes on these cases, even though state funding for this program is not a possibility. ECS feels it is our responsibility to the local community to link vulnerable adults and persons with disabilities to supportive services and walk with them through the process. ECS has worked especially close with the City of DeKalb and their Police and Fire Departments on assisting and case managing many of their 911 high utilizers in the city. ECS is aware that there is a need that without our continued support, many vulnerable adults would fall into the cracks of the system. ECS also continues to grow awareness of mental health needs in our community. Our collaboration, communication and support between ECS and local health providers are improving the lives of many seniors and vulnerable adults while creating a substantial savings to the state and federal government.

Throughout the never ending program changes and process of assisting seniors and vulnerable adults in our community, we strive to be prudent in our endeavor to be as conservative as possible with our funding while continuing to provide our clients with the same exceptional service. We are requesting $15,000 for grant year 2021 to ensure that we may continue this valuable and needed program at the same level with the same efficiencies.

Again, on behalf of the Elder Care Services Board of Directors, our staff and myself, thank you again for the opportunity to collaborate with you for DeKalb Seniors. We are most appreciative of your kind consideration of our proposal request. Should you have any questions, please feel free to contact me at 815-758-6550. We look forward to continuing our partnership next year.

Sincerely,

Tara Russo
Executive Director

# ELDER CARE SERVICES
# FY 2020 AGENCY PROGRAMS AND SERVICES

**Care Coordination Program:**

a. Comprehensive assessment (screening) - to determine cognitive, functional, behavioral health, financial, and other needs that may cause barriers to living independently.
b. Plan of Care- to determine available community services that will mitigate the identified barriers.
c. IDOA income eligibility determination- only low income seniors are eligible for IDOA case management activities. For those that do not qualify for case management services (above IDOA income guidelines) a list of resources to address identified needs is provided.
d. Provider Selection- senior's select from an IDOA certified list of community service providers. The Care Coordinator schedules service provision and authorizes IDOA payment to the provider.
e. Ongoing Care Coordination- monthly and 'as needed' supportive monitoring and intensive casework as needed.
f. Annual Re-assessment and updated plan of care
g. 'Change of need' Re-assessment and updated plan of care as required.

**Adult Protective Services (Abuse, Neglect and Financial Exploitation):**

Elder Care Services is designated as the only local protective service system for older adults and now persons with disabilities age 18-59. We provide a vital service in identifying and preventing the abuse, neglect and financial exploitation of vulnerable seniors and persons with disabilities in our community. Elder Abuse Investigators/case managers are IDOA trained and certified. Abuse, Neglect and Financial Exploitation services include:

a. Twenty-four hour hot-line with standardized report screening
b. Investigation of all reports with/or without substantiation
c. Case work and advocacy for substantiated victims to mitigate the effects of the abuse
d. Monthly Follow-up and monitoring (up to 12 months) to ensure low risk and the senior remains safely in their home.
e. Early Intervention Funds- temporary financial assistance to assist in alleviating effects of abusive situation.

**Money Management Program:**

Elder Care Services is designated as the sole provider of this Illinois Department on Aging program designed to assist individuals 60 years of age and older with money management issues and now persons with disabilities that are active Adult protective service clients . The need and authorization for money management service is determined through the care coordination assessment or APS abuse investigation process. The Money Management Coordinator is Illinois Department on Aging certified as Care Coordinator and a Certified Professional Accountant. Money management services include:

a. The Care Coordinator trains and provides oversight to 16 community volunteers selected to assist seniors and APS clients with financial issues.
b. Seniors and APS clients are 'oversight' assisted with budgeting, banking, and advocacy with creditors, completing financial forms, and monitoring or acting as Representative payees.

**Information and Assistance Program:**

Elder Care Services is contracted by NIAAA to provide Information and Assistance for seniors, caregivers and professionals in DeKalb County. Information related to senior living is collected and available for review. Information concerning financial assistance, assistive technology, housing, energy assistance, pharmaceutical assistance and other relevant topics are available. ECS's I & A Specialist is certified through the Alliance of Information and Referral Systems (AIRS) and the Senior Health Insurance Program (SHIP). I&A services include:

a. Collection and organization of public and private benefit brochures and applications for seniors and their caregivers.
b. Development and updating of a Senior Resource Guide.
c. Provides guidance and assistance in identifying and applying for benefit programs at the federal, state, and local levels that a person, 60 years or older with low or very low income, may be eligible (i.e. Illinois Cares Rx and Medicare Part D, Illinois Circuit Breaker, and housing options, Medicare, Medicaid, Veteran's Association, ) .
d. Assists with preparation of government benefit applications.
e. Assists with linkage to other senior service providers with follow-up monitoring
f. Official SHIP (Senior Health Insurance Program) Site location.

**Self-Neglect Program**

Elder Care Services has been providing case management to seniors and most recently, persons with disabilities age 18-59, in our community that are vulnerable and prone to self-neglecting behaviors that are not in their best interests. Some of these self-neglecting behaviors include hoarding, animal hoarding, neglect of personal cleanliness, lack of financial follow through and refusal to take prescribed medications. ECS is aware that most self-neglecting behaviors are associated with mental health disorders. ECS has been the agency that residents and professionals have turned to over the years to assist with these individuals. Self-neglect has only recently come into the spotlight as an issue within communities due to media coverage. However, ECS has been working with and assisting these clients since ECS began, unfunded. As an agency, ECS is seeing more and more of these self-neglecting cases being referred to our agency. Our goal is to assist these clients with receiving the proper treatment if necessary and to assist them to remain in their home and community safe and healthy. Many times ECS may have to coordinate with local hospitals and mental health facilities to get these clients the help and care that they may need. Our trained care coordinators follow protocol that is similar to Adult

Protective Services. Additionally, these clients are staffed anonymously within our Self-Neglect task Force that was previously implemented with local authorities, law enforcement, EMS, state's Attorney and county code and animal code enforcement representatives.

## Get Me to Monday Emergency Food Pantry

Get Me to Monday is an emergency food program for senior citizens that may find them at the end of the month without enough money for food or prescriptions. Being on a tight, fixed income can be extremely difficult, especially for our vulnerable population. When there is a call for need, Elder Care Services is there with a "bag of hope" that not only provides 2-3 days of easy to open and prepare non- perishable food, but also with paper goods and resources and information. Not only that, a senior can have the option of a care coordination home visit so that assistance can be provided such as money management, an in-home helper and transportation assistance to places such as local food pantries and the grocery store. The goal is not only treat the symptom, but to hopefully create solutions for long term success.

## Healthy Ideas Program

Healthy Ideas is an evidence-based program that is designed to help older adults who are experiencing symptoms of depression. A Care Coordinator will meet with the individual to educate them on depression, link them to mental health resources, and encourage them to engage in activities that they enjoy by setting goals. A Care Coordinator meets with each person once a month for three months. At the initial visit, the participant identifies activities that bring them joy. They choose one activity and identify the steps needed to achieve this activity goal. At the second and third visits, the Care Coordinator reviews the goals that were set during the previous month and identify a new activity, if necessary. Studies show that participating in enjoyable activities can decrease symptoms of depression. Individuals who complete the program are more equipped to manage their symptoms of depression on their own and are encouraged to continue using what they learned throughout the program in their daily lives.

## Savvy Caregiver Program

Being a Savvy Caregiver is about more than caregiving for others, it is also about taking care of yourself. The evidenced based Savvy Caregiver Program helps participants build confidence in caregiving and learn about self-care. This program will help participants understand the dementia diagnosis and how it affects the person with dementia and their behaviors. It will also help participants understand and work with the challenging behaviors of dementia. This is a free program that will be offered twice yearly through a series of six weekly courses. Upon the completion of the course each participating member will receive a certificate showing they have completed the course work.

**ECS Vulnerable Adult Program:**

- This program is directed toward vulnerable adults, 18 YOA and older in DeKalb County, with a high number of clients in The City of Dekalb.
- Vulnerable adults are those that live in the community and exhibit at least one of the following :
    - Inability to care properly for physical self
    - Residence is in extremely poor condition (hoarding, infestations, squalor, excessive pets)
    - Has some type of physical or mental health impairment
    - Exhibits confusion, depression, suspected drug or alcohol abuse, overly withdrawn, suicidal ideations or denies problem.
    - High 911 utilizer, with repeated calls to local municipalities for assistance.

Our mission is to help seniors as well as vulnerable adults (18-59) be able to remain self-determined at home safely, with care in an affordable manner, where they want to be.

Our agency serves all of Dekalb County. We serve seniors 60 years and over and vulnerable adults 18-59. We provide long and short term care coordination, adult protective services, Information and assistance, Medicare and Medicaid assistance, money management, self-neglect services, Choices for Care transitional services, crisis intervention, caregiver support and assistance, financial assistance. Basically we have a "no wrong door motto", we will help anyone who comes through our door or get them to where they can get the help they need all for free. We provide walk-in services, scheduled appointments and home visits. We hold contracts with the Illinois Department on Aging as well as Northwestern Area Agency on Aging. We are the Aging Professionals for DeKalb County. All Care Coordinators have degrees, most have Master's Degrees in Social Work.

- How will the grant request be used?

If we are chosen the money would go toward our under 60 vulnerable adult (intermediate self-neglect clients) which is highly under-funded but has a great need especially in Dekalb and Sycamore. This program works closely with local fire and police departments on high 911 utilizers and reaches out to provide assistance, case management and some rehab for those that put themselves and their neighbors at risk of danger. It has proven great success so far and has relieved the local municipalities in lowering 911 calls and costs associated with those calls. This particular program is not funded by The Illinois Department on Aging. Their specifications and protocol only allow intervention if the client is in imminent risk and immediate danger. This Vulnerable Adult programs targets and focuses on the client before it gets to that level of high risk. This program is to catch the problem early and offer interventions and support before something of a serious nature occurs. By targeting this group while they are still at an intermediate risk, our staff has a better chance of resolving issues and helping the client to remain in the community safely. This program also has many financial benefits to The City of

DeKalb and its municipalities. By having this program involved, local police, fire fighters and EMS can contact ECS to complete a home visit and to follow, support and monitor the client. By doing this, it frees up these agencies to do their job and not have to spend hours of repeated 911 calls to the same residences. This program also would assist with lowering readmission rates at our local hospital, which is at an all-time high.

- How will we know about the success of the program and the impact on the community?

  ECS will specifically track each client intake through assessment, casework and follow up. ECS will staff these types of cases bi-weekly with a clinical consultant as well as monthly with a multi-disciplinary team made up of area professionals to brainstorm strategies on extremely complicated cases. Many of these types of clients include hoarders, untreated mental health issues and substance abuse. Statistics and explanations of the statistics will be made available in a confidential manner. In FY2017, ECS served 82 vulnerable adults and in FY18, ECS served 100 vulnerable adults. This number continues to rise each year, especially with the opioid epidemic and the lack of enough mental health programs locally that can offer this type of comprehensive care coordination.

ELDERCARE SERVICES

# REPORT OF ADULT IN NEED OF HELP

| | | | | | |
|---|---|---|---|---|---|
| **Name** | Click here to enter text. | **Date** | Click here to enter a date. | | |
| **Address** | Click here to enter text. | **DOB** | **Click here to enter text.** | **Age** | Click here to enter text. |
| **Phone** | Click here to enter text. | **Client location** | Click here to enter text. | **Time of contact** | Click here to enter text. |
| **Emergency Contact** | Click here to enter text. | | | | |

| PHYSICAL CONDITION | RESIDENCE CONDITION | DISABILITIES |
|---|---|---|
| ☐**Questionable bruises or welts** | ☐ **No Gas** | ☐**Wheelchair User or Mobility Impaired** |
| ☐ **Open Sores** | ☐**Excessive Heat** | ☐**Deaf** |
| ☐ **Soiled Bandages** | ☐**No Heat** | ☐ **Hard of Hearing** |
| ☐**Malnutrition** | ☐**No Water** | ☐ **Speech Difficulty** |
| ☐**Dehydration** | ☐**Hoarding** | ☐**Blind** |
| ☐**Foul Smelling** | ☐**Squalor** | ☐ **Low Vision** |
| ☐**Improper Clothing Worn** | ☐**Garbage Piled Up** | ☐ **Intellectual Disability** |
| ☐ **Soiled Clothing** | ☐**Excessive Household Pets** | ☐ **Epilepsy** |
| ☐**Under/Over weight** | ☐**Animal/Insect Infestation** | ☐**Diabetic** |
| ☐ **Repeated 911 calls** | ☐**Residence in State of Disrepair** | ☐**Autism** |
| ☐**Inability to Move Independently** | ☐**No Access to Mobility or Communication Devices** | ☐ **Mental Health Impairment** |
| ☐**Abuse Suspected** | ☐**Other:**_Click here to enter text. | ☐**Other Disability:Click here to enter text.** |

| MENTAL/EMOTIONAL OBSERVATION | |
|---|---|
| **Distorted or confused** | ☐ |
| **Cannot follow conversation** | ☐ |
| **Depression** | ☐ |
| **Suspected Drug or Alcohol abuse** | ☐ |
| **Severely anxious or fearful** | ☐ |
| **Withdrawn** | ☐ |
| **Denies problem** | ☐ |
| **Incoherent** | ☐ |
| **Suicidal ideations** | ☐ |
| **Hesitates to talk openly** | ☐ |

| COMMENTS: | | | |
|---|---|---|---|
| | | | |
| **REPORTED BY** | Click here to enter text. | **DATE** | Click here to enter a date. |

**RETURN FORM TO: ELDER CARE SERVICES OF DEKALB COUNTY**
**EMAIL: TRUSSO@ECSEKALB.ORG**
**1701 EAST LINCOLN HIGHWAY, DEKALB, ILLINOIS 60115**
**FAX: 815-758-4239**

**Elder Care Services of DeKalb County**

Board of Directors

July, 2020

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lrsill@niu.edu

Brian Grainger
3697 Eagle Ct.
DeKalb, IL 60115
Briang.solid@gmail.com

IRS Department of the Treasury
Internal Revenue Service

CINCINNATI OH 45999-0038

In reply refer to: 0248205449
July 30, 2020 LTR 4168C 0
36-3629138 000000 00
00010514
BODC: TE

ELDER CARE SERVICES OF DEKALB
COUNTY INC
1701 E LINCOLN HWY
DEKALB IL 60115-3956

024401

Employer ID number: 36-3629138
Form 990 required: Yes

Dear Taxpayer:

We're responding to your request dated July 21, 2020, about your tax-exempt status.

We issued you a determination letter in March 1989, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

We also show you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If you're required to file a return, you must file one of the following by the 15th day of the 5th month after the end of your annual accounting period:

- Form 990, Return of Organization Exempt From Income Tax
- Form 990EZ, Short Form Return of Organization Exempt From Income Tax
- Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or Form 990-EZ
- Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation

According to IRC Section 6033(j), if you don't file a required annual information return or notice for 3 consecutive years, we'll revoke your tax-exempt status on the due date of the 3rd required return or notice.

You can get IRS forms or publications you need from our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions, call 877-829-5500 between 8 a.m. and 5 p.m.,

0248205449
July 30, 2020 LTR 4168C 0
36-3629138 000000 00
00010515

ELDER CARE SERVICES OF DEKALB
COUNTY INC
1701 E LINCOLN HWY
DEKALB IL 60115-3956

local time, Monday through Friday (Alaska and Hawaii follow Pacific time).

Thank you for your cooperation.

Sincerely yours,

Kim A. Billups, Operations Manager
Accounts Management Operations 1

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

▶ Go to *www.irs.gov/FormW9* for instructions and the latest information.

**Give Form to the requester. Do not send to the IRS.**

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

ELDER CARE SERVICES OF DEKALB COUNTY, INC.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

*(Applies to accounts maintained outside the U.S.)*

5 Address (number, street, and apt. or suite no.) See instructions.

1701 E. LINCOLN HWY.

Requester's name and address (optional)

6 City, state, and ZIP code

DEKALB, IL 60115

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN,* later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

**Social security number**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | – | | | – | | | | |

**or**

**Employer identification number**

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 3 | 6 | – | 3 | 6 | 2 | 9 | 1 | 3 | 8 |

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign Here** Signature of U.S. person ▶ Dana Russo Date ▶ 11/10/2020

# General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

## Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See* What is backup withholding, *later.*

## Exhibit B: Current Year's Budget

**Elder Care Services Projected**
**2021 Budget (Fiscal Year Ending 6/30/21)**

| | | | FY 21 Projected |
|---|---|---|---|
| **Support and Revenue** | | | |
| **Government Grant** | | | |
| | | NIAAA I&A- Title III-B | |
| 4100 | -000 | | 95,551 |
| | | NIAAA I&A- III-E Caregiver Asst | |
| 4101 | -000 | | 21,914 |
| | | NIAAA - SHAP | |
| 4102 | -000 | | 10,000 |
| | | NIAAA-Options Counseling | |
| 4104 | -000 | | 2,750 |
| | | NIAAA - MIPPA2 | |
| 4103 | -000 | | 2,556 |
| | | NIAAA -Census grant | |
| | | | - |
| | | NIAAA-Social Isolation grant | |
| | | | 1,978 |
| | | NIAAA-Alzheimer Initative grant | |
| | | | 5,936 |
| 4250 | -000 | DeKalb Co. Mental Health Board | 116,000 |
| 4255 | -000 | DeKalb Township | 2,750 |
| 4260 | -000 | City of DeKalb-Human Services | 9,000 |
| 4265 | -000 | City of DeKalb- CDBG | 19,000 |
| 4270 | -000 | DeKalb Co. Senior Tax Levy | 55,000 |
| | New | ESS - FY21 | 35,522 |
| | New | CCU Technology Grant | - |
| | New | NIAAA-Cares Act-Title IIIB | 13,055 |
| | New | NIAAA-Cares Act-Title IIIE | 19,133 |
| | | Genoa Township | 1,000 |
| | | Sycamore Township | 500 |
| | | | |
| | **Total Government Grant** | | **411,645** |

| | | | |
|---|---|---|---|
| **Government Fee-for-Service** | | | |
| 4020 | -000 | IL DOA - Comp. Case Mgmt | **308,000** |
| | | *Initial Determination* | |
| 4020 | -260/60 | | 12,000 |
| 4020 | -050 | *MCO* | 5,000 |
| | | *Initial Determination w/Intensive CW/Monitoring* | |
| 4020 | -360 | | 60,000 |
| | | *Redetermination w/Intensive CW/Monitoring* | |
| 4020 | -362 | | 50,000 |
| | | *Intensive CW* | |
| 4020 | -366 | | 95,000 |
| | | *Intensive Monitoring* | |
| 4020 | -369 | | 10,000 |
| | | *Non-CCP Monitoring* | |
| 4020 | -253 | | 3,000 |
| | | *CCP Redetermination at NHPS* | |
| 4020 | -062 | | 12,000 |
| | | *Presumptive Eligibility* | |
| 4020 | -080 | | 12,000 |
| | | *Presumptive Eligibility - Spousal Impoverishment/translation* | |
| 4020 | -084 | | 1,000 |
| 4020 | -089 | *Medicaid/App* | 3,000 |

| | | | |
|---|---|---|---|
| | | *Automatic case management reimbursement* | |
| 4020 | -051 | | 45,000 |
| | | *Self-Neglect Capacity Grant* | |
| 4125 | -010 | | - |
| 4021 | -000 | IL DOA - NH Pre-Screen(64&66) | **87,000** |
| 4022 | -000 | IL DHS - ORS Pre-Screen | |
| 4025 | -000 | IL DOA - Money Management | **70,000** |
| | | *IDOA MM Initial Assessment or Rede* | |
| 4025 | -082 | | 5,000 |
| | | *IDOA MM Volunteer Hours* | |
| 4025 | -083 | | 65,000 |
| | | *NH Pre-Screen w/Language* | |
| 4020 | -081 | | - |
| 4125 | -000 | NIAAA - Elder Abuse (ANE) | **259,400** |
| | | *ANE/SN Assessment* | |
| 4125 | -001 | | 170,000 |
| | | *ANE/SN Case Work* | |
| 4125 | -002 | | 50,000 |
| | | *ANE/SN Followup* | |
| 4125 | -005 | | 30,000 |
| | | *ANE MM Assessments* | |
| 4125 | -006 | | 2,000 |
| | | *ANE MM Volunteer hrs* | |
| 4125 | -007 | | 5,000 |
| | | *ANE M-team stipend* | |
| 4125 | -008 | | 2,400 |
| 4020 | -090 | *NHPS Weekend* | **14,000** |
| | | APS COVID-19 Fund | 21,141 |
| | **Total Government Fee-for-Service** | | **745,541** |

| | | | |
|---|---|---|---|
| **Government Pass-Thru** | | | |
| 4115 | -000 | NIAAA - III-B/GRF/E Gap Filling Svs | 8,000 |
| 4130 | -000 | IDOA-MFP | - |
| 4120 | -000 | NIAAA- Elder Abuse EIF | 8,000 |
| 4130 | -000 | IDOA 24-7 APS Response | 5,000 |
| | | **Total Government Pass-Thru** | **21,000** |
| | | | |
| | | **Total Government Revenue** | **1,178,186** |
| | | | |
| | | **Bridge Program** | **110,000** |
| | | | |
| **Contributions** | | | |
| 4006 | -000 | Contributions-Food Pantry | 3,000 |
| 4005 | -000 | Fundraising/Donor base | 30,000 |
| 4010 | -000 | Contributions- Give Dekalb Co. | 15,000 |
| 4275 | -000 | Kishwaukee United Way | 4,000 |
| 4290 | 0.00 | DCCF Spring Grant | 5,000 |
| | | **Total Contributions** | **57,000** |
| | | | |
| **Other Revenue** | | | |
| 4041 | -000 | Sponsorships/Appeals | 15,000 |
| 4042 | -000 | Investment Income | 1,000 |
| | | Rent Income | 36,000 |
| | | **Total Other Revenue** | **$ 52,000.00** |
| | | | |
| | | **Total Support & Revenue** | **1,397,186** |
| | | | |
| **Operating Expenses** | | | |
| | | | |
| **Salaries and Related Expenses** | | | |
| 6010 | -000 | Salaries | 882,000 |
| 6011 | -000 | On-Call Wages | 5,200 |
| 6020 | -000 | FICA Tax Expense (7.65%) | 67,871 |
| 6030 | -000 | State Unemployment Tax | - |
| 6165 | -000 | Health Insurance | 1,500 |
| 6162 | -000 | Worker's Compensation Ins | 14,000 |
| 6155 | -000 | Retirement (5%) | 42,000 |
| 6156 | -000 | Other Employee Benefits | 1,500 |
| 6280 | -000 | Travel | 20,000 |

| | | | |
|---|---|---|---|
| | | **Total Salaries and Related** | **1,034,071** |
| | | | |
| **Staff Development** | | | |
| 6065 | -000 | Staff Development | 15,000 |
| | | | |
| | | **Total Staff Development** | **15,000** |
| | | | |
| **Support Services** | | | |
| 6150 | -000 | Equipment Maintenance | 10,000 |
| 6070 | -000 | Advertising/Website/Marketing | 20,000 |
| 6221 | -000 | Computer Expense | 18,000 |
| 6160 | -000 | Insurance-Other | 9,000 |
| 6300 | -000 | Legal and Professional Fees | 50,000 |
| 6220 | -000 | Office Supplies & Expense | 15,000 |
| 6225 | -000 | Postage | 6,000 |
| 6226 | -000 | Printing | 1,000 |
| 6140 | -000 | Telephone | 18,000 |
| | | Uniforms | 6,000 |
| | | | |
| | | **Total Support Services** | **153,000** |
| | | | |
| **Program Expenses** | | | |
| 6061 | -000 | IDOA-MFP | - |
| 6062 | -000 | NIAAA - III-B/GRF/E GAP Filling Svs | 8,000 |
| 6063 | -000 | NIAAA- Elder Abuse EIS | 8,000 |
| 6068 | -000 | Other Non-Reimb. Client Exp. | 5,000 |
| 6066 | -000 | Supplies - ANE M-Team/SN | 1,000 |
| 6067 | -000 | Supplies - MM Adv. & Volunteer mtg | 2,000 |
| 6330 | -000 | Depreciation | 33,000 |
| | | **Total Program Expenses** | **57,000** |
| | | | |
| **Occupancy** | | | |
| 6100 | -000 | Rent (in-kind)/FY19 Actual Rent | 12,000 |
| 6152 | -000 | Building Repair and Renovation | 25,000 |
| 6151 | -000 | Building Maintenance | 30,000 |
| 6110 | -000 | Electric (Com Ed) | 9,000 |
| 6110 | -000 | Gas (Nicor) | 2,000 |
| 6110 | -000 | Water(City of DeKalb) | 1,000 |
| 6110 | -000 | Waste Management | 1,500 |
| 6151 | -000 | | |
| 6110 | -000 | Security | 1,500 |
| | | Interest | 21,000 |

| | | |
|---|---|---|
| **Total Occupancy** | | **103,000** |
| | | |
| | **Total Expenses** | **1,362,071** |
| | | |
| | **Change in Net Assets** | **35,115** |
| Cash Flow Items | Cost of Building Loan | 3,700 |
| | Net Cash Effect for FY 21 | 31,415 |

| | A | B | C | D | E | F | G | H | I | J | K |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | | | | | | | | | | |
| 2 | City of DeKalb HS Budget for ECS VA Program | | | | | | | | | | |
| 3 | BUDGET JUSTIFICATION | | | | | | | | | | |
| 4 | | | | | | | | | | | |
| 5 | ***Program Expenses*** | | | | | | | | | | |
| 6 | Salaries of certified staff Dedicated to VA) | | | | | | | | $38,200.00 | | |
| 7 | Payroll taxes @ 6.2SS & 1.45% medicare | | | | | | | | $3,060.00 | | |
| 8 | Benefits: Healthcare | | | | | | | | $5,300.00 | | |
| 9 | Workmans comp | | | | | | | | $800.00 | | |
| 10 | Retirement @ 5%/year | | | | | | | | $1,910.00 | | |
| 11 | | | | | | | | | | | |
| 12 | | | **Program Expense Subtotal** | | | | | | | $49,270.00 | |
| 13 | | | | | | | | | | | |
| 14 | | | | | | | | | | | |
| 15 | | | | | | | | | | | |
| 16 | ***Support Expenses*** | | | | | | | | | | |
| 17 | Staff development | | | | | | | | $400.00 | | |
| 18 | Office support | | | | | | | | $2,000.00 | | |
| 19 | Program Intevention expense (clean out/respite/Rx/etc…) | | | | | | | | $5,000.00 | | |
| 20 | Mileage | | | | | | | | $2,000.00 | | |
| 21 | Telephone | | | | | | | | $1,000.00 | | |
| 22 | | | | | | | | | | | |
| 23 | | | **Support Subtotal** | | | | | | | $10,400.00 | |
| 24 | | | | | | | | | | | |
| 25 | | | | | | | | | | | |
| 26 | ***Occupancy Expenses*** | | | | | | | | | | |
| 27 | Office, Meeting rooms | | | | | | | | $1,218.00 | | |
| 28 | | | | | | | | | | | |
| 29 | | | | | | | | | | | |
| 30 | | | | | | | | | | | |
| 31 | | | **Occupancy Subtotal** | | | | | | | $1,218.00 | |
| 33 | | | | | | | | | | | |
| 47 | | | | | | | | | | | |
| 48 | **TOTAL COST OF VA PROGRAM:** | | | | | | | | | $60,888.00 | |
| 49 | | | | | | | | | | | |
| 50 | **Amount requested from City of DeKalb HS** | | | | | | | | $15,000.00 | | |
| 51 | | | | | | | | | | | |
| 52 | | | | | | | | | | | |
| 53 | | | | | | | | | | | |
| 54 | | | | | | | | | | | |
| 55 | **GRAND TOTAL:** | | | | | | | | $15,000.00 | | |

## Exhibit C: Most Recent Completed Fiscal Year's Audit or Year-End Financial Statement

# ELDER CARE SERVICES OF DEKALB COUNTY, INC.
DeKalb, Illinois

Financial Statements

Together With Independent Auditor's Report

As of June 30, 2019

TABLE OF CONTENTS


| | |
|---|---|
| Independent Auditor's Report | 1 |
| Financial Statements | |
| Statement of Financial Position | 3 |
| Statement of Activities | 4 |
| Statement of Functional Expenses | 5 |
| Statement of Cash Flows | 6 |
| Notes to the Financial Statements | 7 |
| Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* | 13 |
| Schedule of Findings and Responses | 15 |

**DE RAIMO ABENDROTH & ASSOCIATES**
Certified Public Accountants & Business Consultants

9601 West 165th Street • Suite #5 • Orland Park, Illinois 60467-5661 • Telephone (815) 469-7500 • Facsimile (815) 469-6970

JOHN J. DE RAIMO
DANIELLE N. ABENDROTH

# INDEPENDENT AUDITOR'S REPORT

Board of Directors
Elder Care Services of
DeKalb County, Inc.
DeKalb, Illinois

## Report on the Financial Statements

We have audited the accompanying financial statements of Elder Care Services of DeKalb County, Inc. (a nonprofit organization), which comprise the Statement of Financial Position as of June 30, 2019, and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Elder Care Services of DeKalb County, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2020, on our consideration of Elder Care Services of DeKalb County, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Elder Care Services of DeKalb County Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Elder Care Services of DeKalb County Inc.'s internal control over financial reporting and compliance.

*De Raimo Abendroth & Associates*

February 24, 2020

ELDER CARE SERVICES OF DEKALB COUNTY, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2019

ASSETS

| Current Assets | 2019 |
|---|---|
| Cash and cash equivalents | $ 228,348 |
| Short-term cash investments | 170,662 |
| Grants receivable | 188,397 |
| Interest receivable | 253 |
| Prepayments | 3,454 |
| Total Current Assets | 591,114 |
| | |
| Other Assets | |
| Long-term cash investments | 91,873 |
| | |
| Fixed Assets | |
| Furniture and equipment | 131,798 |
| Less: Accumulated depreciation | (111,817) |
| Total Fixed Assets | 19,981 |
| | |
| TOTAL ASSETS | $ 702,968 |

LIABILITIES AND NET ASSETS

| | |
|---|---|
| Current Liabilities | |
| Accounts payable | $ 16,052.00 |
| Accrued payroll liabilities | 9,973 |
| Accrued pension payable | 32,758 |
| Accrued vacation | 20,951 |
| Total Current Liabilities | 79,734 |
| | |
| Net Assets | |
| Without donor restrictions | 623,234 |
| | |
| Total Liabilities and Net Assets | $ 702,968 |

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

ELDER CARE SERVICES OF DEKALB COUNTY, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

| | 2019 |
|---|---|
| SUPPORT AND REVENUE | |
| Contributions | $ 15,606 |
| Government Grants - | |
| IL Department on Aging - | |
| Case coordination | 288,062 |
| Money management | 60,613 |
| Capacity | 135 |
| Other grants | 151,929 |
| NW IL Area Agency on Aging - | |
| Elder Abuse | 201,764 |
| Title III-B & E/Circuit Breaker | 129,170 |
| DeKalb County 708 Board | 116,000 |
| DeKalb Township | 2,725 |
| City of DeKalb | 11,775 |
| DeKalb County Tax Levy | 77,158 |
| Investment income | 4,752 |
| TOTAL SUPPORT AND REVENUE | 1,059,689 |
| EXPENSES | |
| Program services | 951,779 |
| Supporting services - | |
| Management and general | 110,834 |
| TOTAL EXPENSES | 1,062,613 |
| CHANGE IN NET ASSETS | (2,924) |
| NET ASSETS, BEGINNING OF YEAR | 626,158 |
| NET ASSETS, END OF YEAR | $ 623,234 |

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

ELDER CARE SERVICES OF DEKALB COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2019

| | Program Services | Supporting Services: Management and General | Total |
|---|---|---|---|
| Salaries | $ 695,974 | $ 21,525 | $ 717,499 |
| Payroll taxes | 60,228 | 1,863 | 62,091 |
| Workers' compensation insurance | 10,133 | 313 | 10,446 |
| Retirement | 31,636 | 978 | 32,614 |
| Health insurance | 1,039 | - | 1,039 |
| Staff development | 2,666 | - | 2,666 |
| Travel | 19,049 | - | 19,049 |
| Telephone | 20,471 | 2,274 | 22,745 |
| Postage | 5,257 | - | 5,257 |
| Insurance - other | 8,560 | - | 8,560 |
| Professional fees | - | 31,711 | 31,711 |
| Program supplies and expense | 25,820 | - | 25,820 |
| Equipment maintenance | - | 6,062 | 6,062 |
| Advertising | 18,347 | - | 18,347 |
| Occupancy | 38,494 | 12,831 | 51,325 |
| Building maintenance | 5,912 | 1,970 | 7,882 |
| Office supplies and expense | - | 12,734 | 12,734 |
| Computer expense | - | 15,843 | 15,843 |
| Depreciation | 8,193 | 2,730 | 10,923 |
| Total Expenses | $ 951,779 | $ 110,834 | $ 1,062,613 |

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

ELDER CARE SERVICES OF DEKALB COUNTY, INC.
STATEMENT OF CASH FLOWS
For the Years Ended June 30, 2019

| | 2019 |
|---|---|
| Cash Flows From Operating Activities: | |
| Change in Net Assets | $ (2,924) |
| Adjustments to reconcile change in net assets to net cash used by operating activities | |
| Depreciation | 10,923 |
| Increase in current assets - | |
| Grants receivable | 77,937 |
| Interest receivable | 226 |
| Prepayments | 1,300 |
| Increase (decrease) in current liabilities - | |
| Accounts payable | 2,598 |
| Accued payroll liabilities | 9,973 |
| Accrued pension payable | (1,666) |
| Accrued vacation | 3,965 |
| Net cash provided by operating activities | 102,332 |
| Cash Flows From Investing Activities: | |
| Purchases of furniture and equipment | (14,713) |
| Redemption of certificate of deposit | 54,684 |
| Net cash provided by investing activities | 39,971 |
| Net Change in Cash and Cash Equivalents | 142,303 |
| Cash and Cash Equivalents, Beginning of Year | 86,045 |
| Cash and Cash Equivalents, End of Year | $ 228,348 |

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

ELDER CARE SERVICES OF DEKALB COUNTY, INC.
Notes to the Financial Statements
June 30, 2019

## NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Nature of Activities

Elder Care Services of DeKalb County, Inc. (Elder Care), an Illinois non-profit organization, was established to promote and further the welfare of senior citizens and their families who live in DeKalb County through the provision of services which improve their well-being and quality of life.

### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Basis of Accounting

Elder Care's financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as promulgated by the American Institute of Certified Public Accountants.

### Basis of Presentation

In accordance with professional standards, contributions are recognized when the donor makes a promise to give and are recorded as either with or without donor restrictions depending on the existence and/or nature of any donor restrictions.

Professional standards establish the reporting requirements for exempt financial statements of nonprofit organizations, including a Statement of Financial Position, a Statement of Activities and a Statement of Cash Flows. The accompanying financial statements have been prepared to focus on Elder Care as a whole. Balances and transactions have been reclassified into the following classes of net assets based on the existence or absence of donor-imposed restrictions:

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

*Net Assets Without Donor Restrictions* – Net assets available for general use and not subject to donor restrictions. Elder Care's policy is to designate donor gifts without restriction at the discretion of the board of directors.

*Net Assets With Donor Restrictions* – Net assets that are contributions subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature that may or will be met, either by actions of the Organization and/or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity

Cash and Cash Equivalents

For purposes of these statements, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and having original maturities of three months or less.

As of June 30, 2019, Elder Care had deposits in financial institutions consisting of a checking account and certificates of deposit. Bank deposits are covered by Federal Deposit Insurance Corporation (FDIC) insurance. The FDIC insured limits cover up to $250,000 of total deposits at each financial institution. As of June 30, 2019, Elder Care had uninsured deposits at one financial institution of $214,343.

For the purposes of the Statement of Cash Flows, there were no cash payments for income taxes or for interest for the fiscal years ended June 30, 2019.

Public Support and Revenue

Revenues earned from government grants are reported as net assets with donor restrictions. When the donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. However, donor restricted contributions in which restrictions are met in the same reporting period are reported as without donor restrictions.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (CONTINUED)

Public Support and Revenue (continued)

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial 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, are recorded at their fair values in the period received. A substantial amount of donated services have been received from numerous unpaid volunteers for which no amounts have been recognized in the financial statements because the criteria for recognition of such volunteer effort have not been satisfied in accordance with professional standards.

Functional Allocation of Expenses

In accordance with standards of accounting and financial reporting promulgated by the American Institute of Certified Public Accountants, expenses are allocated on a functional basis among program and supporting service. Expenses are charged on a direct functional basis whenever practicable. When direct charges cannot be accomplished, the expenses are allocated on the basis of time records, historical analysis and on estimates made by Elder Care's management.

Income Taxes

Elder Care is exempt from federal and state income taxes under Section 501 (c) (3) of the Internal Revenue Code and, therefore, no provision for income taxes is presented in these financial statements.

Elder Care has evaluated for uncertain tax positions, and management has determined there are no uncertain tax positions as of June 30, 2019. Tax returns for the past three years remain open for examination by state and federal tax jurisdictions.

Fixed Assets

Fixed assets are recorded at original cost and depreciation is computed on the straight line basis over the estimated useful lives of these assets, which is 5-7 years for equipment. All acquisitions of property and equipment in excess of $2,500 with a useful life of more than 1 year and all expenditures for repairs, maintenance, improvements and betterments that materially prolong the useful lives of assets are capitalized. The cost of all other maintenance and repairs is charged to operations as incurred. Donated assets are recorded at estimated fair market value at the date of donation.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (CONTINUED)

Advertising and Promotion Costs

Elder Care expenses costs of advertising and promotion at the time incurred. Advertising and promotion expenses were $18,347 for the year ended June 30, 2019.

Fair Value Measurement

Elder Care's financial instruments consist primarily of cash, grants receivable, prepaid expenses, accounts payable and payroll and related liabilities. The carrying amount of these financial instruments approximate their fair value due to the short term nature of such instruments.

Subsequent Events

Management of Elder Care has evaluated subsequent events through February 24, 2020, the date the financial statements were available to be issued.

NOTE B – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

| | 2019 |
|---|---|
| Cash and cash equivalents | $ 228,348 |
| Short term cash investments | 170,662 |
| Grants receivable | 188,397 |
| | $ 587,407 |

NOTE C – CASH INVESTMENTS

Cash investments consist of certificates of deposit which are reported at cost plus accrued interest, which approximates fair market value. Short-term cash investments have a maturity of over three months and less than one year. Long-term cash investments mature in over one year.

## NOTE D – RECEIVABLES

Elder Care considers accounts and grants receivable to be fully collectable. Accordingly, no allowance for doubtful accounts is recorded. Accounts receivable are due within 30 days of invoicing. If amounts become uncollectable, they will be charged to operations when that determination is made. The outstanding receivables at June 30, 2019 are composed of the following:

| | 2019 |
|---|---|
| DeKalb County 708 Board | $ 9,685 |
| DeKalb County Government | 2,067 |
| DeKalb County Comptroller | 68,335 |
| MMP | 5,338 |
| Illinois Department on Aging | 79,497 |
| Illinois Department of Human Services | 537 |
| Network for Good | 60 |
| Northwestern Illinois Area Agency on Aging | 22,878 |
| Total Accounts Receivable | $ 188,397 |

## NOTE E – RETIREMENT PLAN

Elder Care has established a defined contribution pension plan for the benefit of its employees. The plan is non-contributory (employees do not contribute) and is administered by a local financial institution. Under the plan, a predetermined contribution is made to the account of each individual employee, based on annual compensation levels, and accrued for their benefit. For the fiscal year ended June 30, 2019, Elder Care contributed an amount equal to 5% of each eligible employee's compensation. Total retirement expense for the year ended June 30, 2019 was $32,614.

## NOTE F – COMPENSATED ABSENCES

Under terms of employment, employees are granted vacation in varying amounts. The amount of accumulated vacation at June 30, 2019 recorded on the Statement of Financial Position is $20,951.

## NOTE G – LEASES

### Building Lease

Elder Care is leasing its office in DeKalb, Illinois under a five-year lease agreement from July 1, 2014 through July 1, 2019. This lease requires monthly rental payments of $3,250. Rental payments under this lease for the year ended June 30, 2019 were $39,000. As of July 1, 2019, Elder Care is renting the space on a month to month basis. Accordingly, there are no future minimum payments on this lease.

### Equipment Lease

Elder Care is leasing a copy machine under a five year operating lease agreement from June 30, 2014 through June 30, 2019. This lease requires monthly rental payments of $431. Rental payments under this lease for the year ended June 30, 2019 were $6,062. As of June 30, 2019, Elder Care is only paying a monthly service agreement on this copy machine as the lease obligation has been fulfilled. Accordingly, there are no future minimum payments on this lease.

Total rent expense under all leases for the year ended June 30, 2019 is $45,062.

## NOTE H – CONCENTRATION

Illinois Department on Aging constituted approximately 42% of total grants receivable and revenues for the year ended June 30, 2019. Should these grants decline in the future, Elder Care's program services may be negatively impacted.

## NOTE I – ADOPTION OF NEW ACCOUNTING STANDARD

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)*. The Organization has adjusted the presentation of its financial statements accordingly. The new standards change the following aspects of the Organization's financial statements:

- The unrestricted net asset class has been renamed *net assets without donor restrictions.*
- The temporarily restricted net asset class has been renamed *net assets with donor restrictions.*

The financial statements include a new disclosure about the liquidity and availability of resources (Note B).

**DE RAIMO ABENDROTH & ASSOCIATES**
**Certified Public Accountants & Business Consultants**

**9601 West 165th Street • Suite #5 • Orland Park, Illinois 60467-5661 • Telephone (815) 469-7500 • Facsimile (815) 469-6970**

JOHN J. DE RAIMO
DANIELLE N. ABENDROTH

# INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANICAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANICAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Elder Care Services of
DeKalb County, Inc.
DeKalb, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Elder Care Services of DeKalb County, Inc. (a nonprofit organization), which comprise the Statement of Financial Position as of June 30, 2019, and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 24, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Elder Care Services of DeKalb County, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Elder Care Services of DeKalb County, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Elder Care Services of DeKalb County, Inc.'s internal control.

A *deficiency in internal* control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency*, is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal that we consider to be

material weaknesses. However material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as item 2019-001 Formal Fraud Risk Assessment, that we consider to be significant deficiencies.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Elder Care Services of DeKalb County, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Elder Care Services of DeKalb County, Inc.'s Response to Findings**

Elder Care Services of DeKalb County, Inc.'s response to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. Elder Care Services of DeKalb County, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purposes.

*DeRaimo Abendroth & Associates*

February 24, 2020

ELDER CARE SERVIES OF DEKALB COUNTY, INC.
Schedule of Findings and Responses
For the Year Ended June 30, 2019

## Financial Statement Findings

### Finding No. 2019-001 Formal Fraud Risk Assessment

#### Criteria or Specific Requirement

Risk Assessment, including fraud risk assessment, is one element of internal control. Thus, ideally Elder Care should include performance of this assessment.

#### Condition

Elder Care does not have a formal fraud risk assessment or antifraud program.

#### Context

Auditors performed risk assessments based on direct interviews and observations because Elder Care did not have a formal risk assessment process documented.

#### Effect

Auditors performed risk assessment procedures instead of testing Elder Care's fraud risk assessment procedures.

#### Cause

Elder Care does not have a formal fraud risk assessment or antifraud program.

#### Views of Responsible Officials and Planned Corrective Actions

Management is aware that this condition exists and is in the process of developing a formal fraud risk assessment process.

## Exhibit D: Grantee-Specific Obligations

Grantee agrees and acknowledges that it shall comply with the following obligations, which shall be considered to be an integral component of the Agreement:

Elder Care Services (Grantee) will provide information and assistance, case management assessment and services, and Vulnerable Adult Program support to assist residents age 18 to 59 in the City of DeKalb to remain safely in their own homes while preventing premature institutionalization and substantially reducing public costs.

Elder Care Services anticipates serving 120 under age 60 vulnerable adults this year. Of this number, 50 individuals are anticipated to be residents of the City of DeKalb. Grantee will track the total number of individuals served and will include a separate accounting of those individuals who are residents of the City of DeKalb to document that City of DeKalb Human Services Funding is used only to support those services directly benefiting DeKalb residents. Grantee will report revenue from other sources to document that the agency receives funding from other sources to cover services provided to individuals who are not residents of the City of DeKalb. Reports will be submitted on a Quarterly basis in order to receive payment of grant funds.

**HUMAN SERVICES AGREEMENT**
**FAMILY SERVICE AGENCY**

This agreement made this 28th day of December, 2020, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the "City" and Family Service Agency, hereinafter referred to as "Grantee," WITNESSETH:

WHEREAS, the City desires that Grantee provide certain services to the citizens of DeKalb and Grantee has the capacity to provide such services; and,

WHEREAS, the Grantee acknowledges that it is the City's intention to purchase said services for the citizens of the City of DeKalb under the following guidelines:

1. First priority shall be given to those services which will help meet basic emergency needs such as food, clothing,.and shelter. Second priority shall be given to those services which are preventative in nature and promote the highest degree of self-support, self-care, and self-help. Third priority shall be given to those services which seek to enhance the quality of life of persons whose basic needs are already met. Priority shall also be given to services which primarily benefit low and moderate income residents. The services provided by the Grantee are consistent with these guidelines as explained on the attached Exhibit A.

2. Services shall address specific documented needs. The services provided by the Grantee address the specific, documented needs as explained on the attached Exhibit A.

3. Services shall also receive financial support from other community sources. Grantee has attached hereto a copy of its budget for the period that this Agreement covers as Exhibit B, which budget establishes that the Grantee receives at least 97 % of its funding from third party sources. A copy of Grantee's audit or year end financial statement from the most recent complete year of operations is attached hereto as Exhibit C.

4. City funds are used only to support those services directly benefiting DeKalb residents. The City will not subsidize the cost of services to non-residents. Grantee has certified compliance with this requirement by signing the attached Exhibit A.

5. Administrative costs for these services are to be kept to a minimum. Grantee has identified the allocation between administrative costs and program costs as explained on the attached Exhibit A.

6. These services must be coordinated with other agencies when feasible. Grantee has outlined how services are coordinated with other agencies as explained on the attached Exhibit A.

7. The City will not fund, but may augment, services which are the responsibility of another public agency or funding source. Grantee has identified any areas where the City's funds are being utilized to augment third party responsibilities as explained on the attached Exhibit A.

8. City funds are to be used primarily to match or leverage other private or public funds. Grantee has explained how matching or leveraged funds are being sought or obtained as explained on the attached Exhibit A.

9. The City's intent is to contract for specific services and monitor their effectiveness. Grantee has: a) identified the metrics by which its performance is to be evaluated on an annual basis; b) identified those third parties that provide any review or evaluation of Grantee's efforts; and, c) explained its clearly defined performance evaluation process, as explained on the attached Exhibit A.

10. Grantee has clearly identified and delineated where any elected or appointed official of the City or any City employee is involved in its programming or receives any direct or indirect benefit, any compensation, or any pecuniary benefit of any form by virtue of Grantee's program or the City funding provided hereunder, as explained on the attached Exhibit A.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, and all such funds are held by the Grantee in a Grantee-specific checking account with the financial institution identified therein (and not in any personal checking account), unless otherwise indicated therein.

WHEREAS, the parties hereto understand and agree that the Grantee is an independent contractor and not an employee of the City; now,

In consideration of the agreements set forth and other good and valuable considerations, the parties agree as follows:

1. **Term**. The term of this agreement shall be from January 1, 2021 to December 31, 2021. The City or Grantee may terminate this Agreement at any time, upon the provision of thirty (30) days written notice. The City may terminate this agreement at any time based upon the occurrence of a breach of this Agreement, upon the provision of 48 hours written notice.

2. **Scope of Service**. The Grantee shall provide services in accordance with the service plan provided in the original application, a copy of which is attached hereto as Exhibit A.

3. **Hold Harmless**. The Grantee hereby agrees to indemnify, defend, and hold the City and its officers, employees, contractors, and representatives harmless from and against any and all such costs, expenses, damages, liabilities, losses and

claims which may arise out of, or are related to the services provided by the Grantee under this agreement or which relate to this Agreement or the funding provided herein. The Grantee agrees and acknowledges that the City is not in any way responsible for the conduct or provision of Grantee's programs or services, and is not responsible for the review, supervision or management of Grantee's personnel, volunteers, participants, programming, or services.

4. **Payment.** The City agrees to pay the Grantee the sum of Ten Thousand and No/100 Dollars ($10,000.00) for services rendered under this agreement. **Payment will be disbursed in four equal installments and will be processed upon receipt of the Grantee's quarterly reports, as required by this funding agreement.** In the event that this Agreement is terminated, no further payments shall be due or payable to Grantee. In the event that the City Council determines that the City's financial condition does not support making a payment otherwise due under this Agreement, the City may suspend, delay, or otherwise cancel payments due hereunder.

5. **Access to Financial Records**. The Grantee agrees to allow the City access to review any and all of Grantee's financial records as may be determined appropriate to insure the accountability of monies disbursed by the City. The Grantee also agrees to provide the City with a copy of its operating budget and its audit or year-end financial statement for each fiscal year or portion thereof in which the Grantee receives funding under this (or successor) agreements.

6. **Performance Reporting**. The Grantee agrees to send the City a report following every three months of services identifying the number of City of DeKalb citizens that have been provided services under the terms of this Agreement. The Grantee further agrees to send the City a copy of all documentation required to demonstrate its performance or which is identified as a performance-evaluation tool in Exhibit A.

   Quarterly reports shall be provided to the City on or before the 10th day of the following months:

   1st Quarter – April
   2nd Quarter – July
   3rd Quarter – October
   4th Quarter - January

7. **Compliance with Laws.** The Grantee expressly covenants and agrees that it shall comply with all applicable laws, including those laws applicable to the use of public funding to the extent that such laws are applicable to programs funded in whole or in part by the City of DeKalb. The Grantee expressly covenants that it shall not discriminate against any person or organization on the basis of any legally recognized protected classification, including but not limited to race, gender, religion, ethnic or cultural background, sexual preference, or other legally

recognized, protected classification, in the provision of its services or use of funding provided hereunder.

8. **Use of Funds.** The Grantee shall only utilize funds made available under this agreement for the provision of services consistent with this agreement and shall not use such funding for any other purpose, nor for the construction of any real property or improvement to real property, nor for any purpose which constitutes "Public Works" for purposes of the Illinois Prevailing Wage Act.

9. **Grantee's Organization.** Grantee is organized in the format as described in Exhibit A. For the term of this Agreement, Grantee shall take such actions as shall be required to maintain that form of organization. Grantee shall provide the City with notice of the meetings of its governing board or board of directors, and the City shall have the opportunity to attend such meetings as an *ex officio* member of such governing board; the City shall also have the right to review the minutes of all such meetings.

10. **Grantee-Specific Obligations.** Grantee shall comply with the listing of Grantee-Specific Obligations attached hereto as Exhibit D.

11. **Certification:** Grantee hereby certifies that it shall comply with the contents of this Agreement and the terms of its Application and certifies that the contents of this Agreement and the Application are true, accurate and correct. The recitals to this Agreement are expressly incorporated herein by reference.

IN WITNESS WHEREOF, the Grantee has caused this agreement to be signed, sealed, and attested to by its Chairman of the Board of Directors and Executive Director, on the 1 day of February, 2021, and said City has caused the same to be signed, sealed, and attested to by its Mayor and City Clerk or Executive Assistant of the City of DeKalb as of the date first mentioned in this Agreement.

FAMILY SERVICE AGENCY

Board Chairman

Tynisha Clegg
Executive Director

ATTEST:

CITY OF DEKALB, ILLINOIS

Jerry Smith, Mayor

ATTEST:

# Exhibit A: Funding Application

City of DeKalb
opportunity · innovation

164 East Lincoln Highway
DeKalb, Illinois 60115
815.748.2000 • cityofdekalb.com

# FY 2021 HUMAN SERVICES FUNDING APPLICATION

## Twelve Months Funding 1/1/21 to 12/31/21

**APPLICATION MUST BE RECEIVED NO LATER THAN 5:00 P.M. ON NOVEMBER 6, 2020. INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.**

**Agency Name:** Family Service Agency of DeKalb County

**Mailing Address:** 1325 Sycamore Road, DeKalb, IL 60115

**Agency Director:** Tynisha Clegg, Executive Director

**Contact Person:**

**Telephone No.:** 815-758-8618-6 **Email Address:** tclegg@fsadekalbcounty.org

**Name of Person Responsible for Completing Quarterly Report:** Erin Eckhardt

**Telephone No.:** 815-758-8616 **Email Address:** eeckhardt@fsadekalbcounty.org

**Program Description:** Club 55 Senior Activity Center in DeKalb continues to serve as a focal point for older adults to congregate for services and activities that respect their experience and skills, respond to diverse needs and interests, enhance dignity, support independence and encourage involvement in and with the center and the community.

**Twelve Month Program Budget:** $337,403.16

**Amount of Funding Requested:** $12,500

**% of Total Program Budget:** 3.70 %

**Total Number of Estimated Program Participants:** 600

**Total Number of Estimated DeKalb Residents to be Served:** 400

**Estimated DeKalb Residents as % of Total Participants to be Served:** 66.67 %

***The following documents must accompany the application:***

1. A current listing of the agency's Board of Directors and terms.

2. The current annual operating budget for the agency and a detailed budget for the program requesting funding.

3. A detailed narrative explaining the program to be funded, its potential impact, and any anticipated outcomes to be achieved. Be specific about the population to be served and the benefits derived from your services. Include any descriptive materials regarding the history and mission of the agency that would help augment the application.

4. Documentation of the agency's 501(c)(3) status.

5. Completed W-9 Form.

6. Copy of agency's most recent financial audit.

The City of DeKalb retains the right to request any and all additional information from the agency it may determine necessary in making funding decisions. This may include articles of incorporation or any other information deemed appropriate.

The undersigned hereby certifies the information contained in this application is true and accurate to the best of their knowledge and belief.

Name of Authorized Signer: Tynisha Clegg

Title: Executive Director

Signature: Tynisha Clegg

Date: 11·6·2020

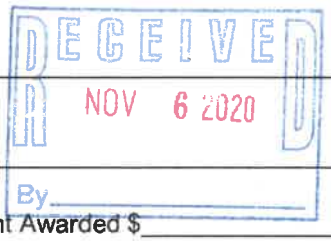
---

Please submit the application using one of the following methods:

- Via regular mail to be received no later than 5:00 p.m. on November 6, 2020 to:

  City of DeKalb
  Attention: Joanne Rouse
  164 East Lincoln Highway
  DeKalb, Illinois 60115

- Via email dated no later than 5:00 p.m. on November 6, 2020 to: joanne.rouse@cityofdekalb.com



**OFFICE USE ONLY:**

RECEIVED
NOV 6 2020
By_____

Date Application Received: _____

☐ Approved – Annual Amount Awarded $_____ / $_____ per quarter

☐ Denied

# Family Service Agency

*Strengthening Individuals & Families*

| | | |
|---|---|---|
| **Brian Oster (Chair)**<br>OC Creative<br>Owner | | **Tynisha Clegg (Secretary), Ex-Officio**<br>Family Service Agency<br>Executive Director |
| **Micki Chulick (Co-Vice Chair)**<br>Retired Executive Director | | **Suzanne Juday (Treasurer)**<br>Retired Educator |
| **Jerry Smith, Ex-Officio**<br>DeKalb Government<br>Mayor | | **Rick Amato, Ex-Officio**<br>DeKalb County Government<br>State's Attorney |
| **Cassandra Gottschalk**<br>Foster & Buick<br>Attorney | | **Brad Hoey**<br>Northern Illinois University<br>Special Projects Marketing & Communications |
| **Curt Lang**<br>Sycamore Government<br>Mayor | | **Jenny Jeep Johnson**<br>DeKalb Township<br>Supervisor |

Family Service Agency requests funding to support the Senior Services program and its impact among the City of DeKalb residents. Senior Services maintains multiple Club 55 senior activity centers and Senior Connections to help meet the needs of seniors in northern DeKalb County. By supporting Senior Services programming and activities, the City of DeKalb is allowing FSA to serve as a gateway connecting older adults, their families, and the community to resources that enable older adults to stay healthy, secure, and independent.

For most of 2020, FSA's Club 55 senior activity centers have taken on a new appearance. Due to COVID-19, programming and services at the centers were and are suspended for the safety of the participants. As an alternative each participant has and continues to receive a regular wellness check call. This is more than just calling to see how their health is or if they have any needs, this is a conversation to brighten a person's day. The lack of social interaction for older adults can be detrimental to their physical and mental health. Therefore, through conversations, mailings, virtual classes/workshops and limited outside, in-person, socially distanced activities FSA is combatting any negative impacts from COVID-19. The following is a list of programs and activities that have been provided during the pandemic in 2020 and will continue into 2021.

- Creative Arts and Expression Group
- Mail Buddies (*a collaboration with FSA's Youth Mentoring*)
- Virtual Creative Writing
- Outdoor Bingo
- Monthly Food Pantry
- Weekly telephone group conversation
- Virtual book clubs
- Virtual Low Impact Group Exercises
- Virtual Zumba Gold class
- Virtual Chair Yoga

Club 55 senior activity centers continue to serve as a focal point for older adults to congregate for services and activities that respect their experience and skills, respond to diverse needs and interests, enhance their dignity, support independence and encourage involvement in and with the center and the community. Families have come to rely on FSA's Senior Services program for guidance on current information regarding a variety of resources and referrals. In addition, families feel assured knowing that family elders have a place to visit for socialization, meals, physical activity and so much more.

The following list of activities and services are offered through FSA's Senior Services in-person.

- Nutrition Programs
    - Meals served at the centers via partnership with VAC
    - Wellness programs
    - Partnering with hunger relief programs, like Northern Illinois Food Bank & DeKalb County Community Gardens, to offer nutritious and fresh food distribution to seniors who may experience food insecurity
- Exercise classes including
    - Low-impact aerobic exercise
    - Tai Chi (*evidenced based*)
    - Chair Yoga (*evidenced based*)

    - Matter of Balance (*evidenced based*) in partnership with VAC
    - Chair Exercise
    - Walking Groups
    - Wii Bowling
- Health Services
    - Blood pressure checks, flu shots, diabetes management
    - Chronic disease management (*evidence based*)
    - Workshops and support groups with various focuses (*i.e. Grief Support Group, Parkinson's Support Group, Caregivers Workshop, etc.*)
    - Collaboration with FSA's Center for Counseling program to promote and diminishing mental health by reducing or eliminating:
        - Anxiety / Depression
        - stress and distress
        - sense of helplessness
        - abuse and violence
- Information and Assistance
    - Education and guidance in understanding Medicare and insurance
    - Referral and connection to appropriate community support services
    - Senior Health Fair in partnership with local State Legislators
- Education Classes
    - Computer Classes
    - Smart Phone Classes
    - AARP Smart Driver Course
    - State of IL Secretary of State Driver's Review Class
    - Creative Writing
- Financial Literacy
    - LIHEAP assistance
    - Avoiding identity theft
    - Tax topics for the elderly
- Social Events and Programs
    - Monthly Community Dinner
    - Day trips
    - Art, crafts, needle working
    - Monthly entertainment, birthday parties
    - Bridge, Pinochle, Mexican Dominoes, Mah Jong etc.

Senior Connections is a positive socialization and companionship to those appropriate for the program through referral and initial clinical assessment. The program pairs volunteers with an older adult who needs positive social contact. By encouraging regular visits, Senior Connections paves the way for friendships to develop. According to America's Health Ranking Senior Report[1], social isolation has current and more emerging issues affecting seniors. Senior Connections does not provide housekeeping, transportation, counseling, or personal care assistance, but to combat negative outcomes that can result from isolation, impairments in physical and mental health and early institutionalization. Through participation in the program, FSA envisions enabling positive outcomes including enjoying pleasurable and purposeful activities with a new friend, alleviating loneliness, isolation, depression or social barriers,

increased self-esteem, improved quality of life. In addition to, FSA foresees an increase in life satisfaction and more physical activity being reported by participants.

For FSA to have a successful Senior Services program, it is important to have objectives and goals that are clear and achievable. Senior Services' programming is designed to provide "opportunities to try new behaviors, experience mastery, learn new skills, meet new people, deepen existing relationships, and develop a clearer sense of self."[2] This is broken down into three categories of programming; treatment, leisure education, and recreation participation.[2] Treatment programming consists of physical, mental, emotional/affective, and social. Leisure education programming consists of leisure awareness, social interaction skills, leisure activity skills, and leisure resources. Recreation participation programming consists of activities that allow the client to practice newly acquired skills, and/or experience enjoyment and self-expression.

FSA believes in providing efficient and effective service delivery and the achievement of strategic and program goals. FSA believes in utilizing data to identify areas of needed improvement and implement improvement plans in support of achieving performance targets, program goals, client satisfaction, and positive client outcomes. As part of the process evaluation, FSA measures progress on goals and specific objectives, how many individuals are assessed, interviewed, paired, etc. and demographic information on participants, to name a few.

The main measurement tool utilized to collect data is self-assessment surveys. Through self-assessment surveys, FSA can measure the short, medium, and long -term outcomes of

- Knowledge of leisure opportunities in the community
- Intrinsic motivation to participate in meaningful leisure activities
- Health indicators
- Abilities for planning, making choices, and taking responsibility
- Overall health, well-being, and quality of life

Senior Services will also complete client satisfaction surveys that measure

- enjoying pleasurable and purposeful activities with a new friend;
- decreased feelings of loneliness, isolation, depression or social barriers;
- increased self-esteem;
- improved quality of life

Following FSA's Performance Quality and Improvement process, the Senior Services team will meet once a month to review activities relative to Senior Services including but not limited to areas of concern, strengths, needs and adjustments. The team will utilize a Plan-Do-Check-Act process for problem solving that relates to the Senior Services goals and objectives. The Performance and Quality Improvement Team, which consists of the Leadership Team, will review any unsolved issues, develop action plans and review progress towards goals on a quarterly basis, if not more often. Annually, information and data will be reported out to agency stakeholders.

[1] United Health Foundation. (2019). America's Health Rankings Senior Report [Data file]. Retrieved from https://assets.americashealthrankings.org/app/uploads/ahr-senior-report_2019_final.pdf

[2] Stumbo, Norma J., & Peterson, Carol A. (1998) The Leisure Ability Model. *Therapeutic Recreation Journal,* 82-95.

**Internal Revenue Service**

**Date:** February 28, 2007

FAMILY SERVICE AGENCY OF DEKALB
COUNTY INC
14 HEALTH SERVICES DR
DEKALB IL 60115-9637

**Department of the Treasury**
**P. O. Box 2508**
**Cincinnati, OH 45201**

**Person to Contact:**
DALPHENE NAEGELE 31-04012
CUSTOMER SERVICE SPECIALIST
**Toll Free Telephone Number:**
877-829-5500
**Federal Identification Number:**
36-2360012

Dear Sir or Madam:

This is in response to your request of February 28, 2007, regarding your organization's tax-exempt status.

In February 1964 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,

Michele M. Sullivan

Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations 1

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

▶ Go to *www.irs.gov/FormW9* for instructions and the latest information.

**Give Form to the requester. Do not send to the IRS.**

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Family Service Agency of DeKalb County, Inc

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☑ Other (see instructions) ▶ 501(c)(3)

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

*(Applies to accounts maintained outside the U.S.)*

5 Address (number, street, and apt. or suite no.) See instructions.
1325 Sycamore Road

6 City, state, and ZIP code
DeKalb, IL 60115

Requester's name and address (optional)

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

**Social security number**
| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | – | | | – | | | | |

or

**Employer identification number**
| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 3 | 6 | – | 2 | 3 | 6 | 0 | 0 | 1 | 2 |

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign Here** Signature of U.S. person ▶ Tynisha Clegg Date ▶ 9-10-2019

# General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

## Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See* What is backup withholding, *later.*

## Exhibit B: Current Year's Budget

Family Service Agency
*Strengthening Individuals & Families*

FY201Program and Agency Budget

| | Senior Services | Agency Budget |
|---|---|---|
| **Income** | | |
| **Total Direct** | $ 71,700.00 | $ 341,730 |
| **Total Government** | $ 88,000.00 | $ 1,288,235 |
| **Total Indirect** | | $ 38,009 |
| **Total Other** | $ 177,648.00 | $ 177,648 |
| **Total Service Fees** | $ - | $ 76,000 |
| **Total Income** | **$ 337,348.00** | **$ 1,921,622** |
| | | |
| **Expenses** | | $ - |
| **Total Employee Related Expenses** | $ 101,815.16 | $ 1,205,658 |
| **Total Occupancy** | $ 178,598.00 | $ 222,744 |
| **Total Other Expenses** | $ 1,300.00 | $ 284,309 |
| **Total Support Services** | $ 55,690.00 | $ 207,637 |
| **Total Expenses** | **$ 337,403.16** | **$ 1,920,348** |
| | | |
| **Net Operating Income** | **$ (55.16)** | **$ 1,275** |

## Exhibit C: Most Recent Completed Fiscal Year's Audit or Year-End Financial Statement

Erboe & Associates
Certified Public Accountants
3600 East State Street, Suite 318
Rockford, Illinois 61108
(815)394-0004
(815)394-0017 fax

# FAMILY SERVICE AGENCY OF DEKALB COUNTY, INC.

## FINANCIAL STATEMENTS

**Years Ended June 30, 2019 and 2018**

CONTENTS


Pages

INDEPENDENT AUDITOR'S REPORT ..... 1

FINANCIAL STATEMENTS:

Statement of Financial Position ..... 3

Statement of Activities ..... 4

Statement of Functional Support and Revenue ..... 5

Statement of Functional Expenses ..... 7

Statement of Cash Flows ..... 9

Notes to Financial Statements ..... 10

Erboe & Associates
Certified Public Accountants
3600 East State Street, Suite 318
Rockford, Illinois 61108
(815)394-0004
(815)394-0017 fax

# Independent Auditor's Report

To the Board of Directors
Family Service Agency of DeKalb County, Inc.
DeKalb, IL

We have audited the accompanying financial statements of Family Service Agency of DeKalb County, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

***Auditor's Responsibility***
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 of material misstatement.

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

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

***Opinion***
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Family Service Agency of DeKalb County, Inc., as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Report on Summarized Comparative Information***
We have previously audited Family Service Agency of DeKalb County, Inc.'s 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 27, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Erboe & Associates, CPAs*

Rockford, Illinois
March 24, 2020

Illinois State Registration # 066-004204

FAMILY SERVICE AGENCY OF DEKALB COUNTY, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2019 and 2018

## Assets

| | 2019 | 2018 |
|---|---|---|
| *Assets:* | | |
| Cash | $ 381,281 | $ 70,719 |
| Accounts receivable | 177,343 | 112,757 |
| Prepaid expenses (Note 2) | - | 8,190 |
| Property and equipment, net (Note 3) | 1,253,479 | 452,033 |
| | $1,812,103 | $ 643,699 |

## Liabilities and Net Assets

| | | |
|---|---|---|
| *Liabilities:* | | |
| Accounts payable | $ 115,616 | $ 52,041 |
| Accrued expenses: | | |
| Vacation | 15,280 | 12,044 |
| Pension | - | 170 |
| United Way | 405 | 240 |
| Unearned grant revenue | - | 2,667 |
| Line of credit (Note 4) | 40,000 | 196,312 |
| Current maturities of long term debt (Note 5) | 100,000 | - |
| Long term debt, less current maturities (Note 5) | 340,426 | - |
| Total liabilities | 611,727 | 263,474 |
| *Net Assets:* | | |
| With donor restrictions | - | - |
| Without donor restrictions | 1,200,376 | 380,225 |
| Total net assets | 1,200,376 | 380,225 |
| | $1,812,103 | $ 643,699 |

The accompanying notes are an integral part of this statement.

FAMILY SERVICE AGENCY OF DEKALB COUNTY, INC.
STATEMENT OF ACTIVITIES
For the Years Ended June 30, 2019 and 2018

| | 2019 | 2018 |
|---|---|---|
| Activities without donor restrictions: | | |
| Operating activities: | | |
| Support, revenues and transfers: | | |
| Direct Public Support | $ 756,129 | $ 378,529 |
| Indirect Public Support | 16,858 | 19,098 |
| Government Support | 630,084 | 483,485 |
| Program Service Revenue | 103,843 | 137,523 |
| Other | 696,401 | 177,648 |
| Total operating support, revenue and transfers | 2,203,315 | 1,196,283 |
| Expenses: | | |
| Program services: | | |
| Program | | |
| Center for Counseling | 302,513 | 278,976 |
| Youth Mentoring | 24,635 | 46,283 |
| Senior Services Center | 383,440 | 356,314 |
| Children's Advocacy Center | 231,058 | 194,667 |
| Community Action Program | 20,928 | - |
| Total program services | 962,574 | 876,240 |
| Supporting services: | | |
| Management and general expenses | 407,557 | 325,597 |
| Fund raising expenses | 13,033 | 8,206 |
| Total supporting services | 420,590 | 333,803 |
| Total operating expenses | 1,383,164 | 1,210,043 |
| Increase (decrease) in net assets without donor restrictions | 820,151 | ( 13,760) |
| Net assets, beginning of year | 380,225 | 393,985 |
| Net assets, end of year | $1,200,376 | $ 380,225 |

The accompanying notes are an integral part of this statement.

FAMILY SERVICE AGENCY OF DEKALB COUNTY, INC.
STATEMENT OF FUNCTIONAL SUPPORT AND REVENUE
For the Years Ended June 30, 2019 and 2018

| | 2019 | | | | | | |
|---|---|---|---|---|---|---|---|
| Direct Public Support: | Center for Counseling | Youth Mentoring | Senior Services Center | Children's Advocacy Fund | Community Action Program | General Fund | Total All Funds |
| Contributions unrestricted | $ 500 | $ 2,099 | $ 21,065 | $ 4,695 | $ - | $ 402,339 | $ 430,698 |
| Contributions in-kind | - | 425 | 253 | - | - | 560 | 1,238 |
| Affiliated | - | - | 56,443 | - | - | - | 56,443 |
| Foundations | - | 1,679 | 32,225 | - | - | 98,500 | 132,404 |
| Fundraising | - | 41,874 | 9,227 | 13,865 | - | 70,380 | 135,346 |
| Total public support | 500 | 46,077 | 119,213 | 18,560 | - | 571,779 | 756,129 |
| Indirect Public Support: | | | | | | | |
| United Way | - | - | - | - | - | 16,858 | 16,858 |
| Total indirect public support | - | - | - | - | - | 16,858 | 16,858 |
| Government Support: | | | | | | | |
| Community Services Block Grant | - | - | - | - | 39,332 | - | 39,332 |
| City Township and Village | - | 4,263 | 13,338 | - | - | - | 17,601 |
| DeKalb County 708 Board | 223,846 | - | 3,440 | 19,110 | - | - | 246,396 |
| DeKalb County | - | - | 56,500 | 28,238 | - | - | 84,738 |
| VCVA Attorney General | - | - | - | 15,900 | - | - | 15,900 |
| IL VOCA | - | - | - | 95,226 | - | - | 95,226 |
| IL DCFS CAC | 77,668 | - | - | 53,223 | - | - | 130,891 |
| Total government support | 301,514 | 4,263 | 73,278 | 211,697 | 39,332 | - | 630,084 |
| Program Service Revenue: | | | | | | | |
| Individual & family | 72,886 | - | - | - | - | - | 72,886 |
| Groups | 23,198 | - | - | - | - | - | 23,198 |
| Divorce mediation | 5,801 | - | - | - | - | - | 5,801 |
| Other service fees | 232 | 1,122 | - | 600 | - | 4 | 1,958 |
| Total program service revenue | 102,117 | 1,122 | - | 600 | - | 4 | 103,843 |
| Other: | | | | | | | |
| Gain on sale of assets | - | - | - | - | | 514,161 | 514,161 |
| Interest/discounts | - | - | - | - | | 2,092 | 2,092 |
| Rent | - | - | - | - | | 2,500 | 2,500 |
| Rent in-kind | - | - | 177,648 | - | - | - | 177,648 |
| Total other | - | - | 177,648 | - | - | 518,753 | 696,401 |
| Total revenue | $404,131 | $ 51,462 | $370,139 | $230,857 | $ 39,332 | $1,107,394 | $2,203,315 |

The accompanying notes are an integral part of this statement.

FAMILY SERVICE AGENCY OF DEKALB COUNTY, INC.
STATEMENT OF FUNCTIONAL SUPPORT AND REVENUE
For the Years Ended June 30, 2019 and 2018

| | 2018 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Center for Counseling | Youth Mentoring | Senior Services Center | Children's Advocacy Fund | Community Action Program | General Fund | Total All Funds |
| Direct Public Support: | | | | | | | |
| Contributions unrestricted | $ 1,905 | $ 1,952 | $ 18,465 | $ 17,008 | $ - | $ 93,412 | $ 132,742 |
| Contributions temporarily restricted | - | - | - | - | - | - | - |
| Contributions in-kind | - | 615 | 180 | - | - | - | 795 |
| Affiliated | - | 47 | 47,500 | - | - | 50 | 47,597 |
| Foundations | - | 8,175 | - | - | - | 65,250 | 73,425 |
| Fundraising | - | 46,583 | 11,272 | 20,220 | - | 45,895 | 123,970 |
| Total public support | 1,905 | 57,372 | 77,417 | 37,228 | - | 204,607 | 378,529 |
| Indirect Public Support: | | | | | | | |
| United Way | - | 922 | - | - | - | 18,176 | 19,098 |
| Total indirect public support | - | 922 | - | - | - | 18,176 | 19,098 |
| Government Support: | | | | | | | |
| City Township and Village | 10,000 | 3,563 | 15,683 | - | - | 3,000 | 32,246 |
| DeKalb County 708 Board | 164,657 | - | - | 10,805 | - | - | 175,462 |
| DeKalb County | - | - | 58,800 | 28,253 | - | - | 87,053 |
| VCVA Attorney General | - | - | - | 15,900 | - | - | 15,900 |
| IL VOCA | - | - | - | 103,185 | - | - | 103,185 |
| IL DCFS CAC | 16,415 | - | - | 53,224 | - | - | 69,639 |
| Total government support | 191,072 | 3,563 | 74,483 | 211,367 | - | 3,000 | 483,485 |
| Program Service Revenue: | | | | | | | |
| Individual & family | 105,201 | - | - | - | - | - | 105,201 |
| Groups | 17,905 | - | - | - | - | - | 17,905 |
| Divorce mediation | 7,025 | - | - | - | - | - | 7,025 |
| Other service fees | 255 | 7,076 | - | 2 | - | 59 | 7,392 |
| Total program service revenue | 130,386 | 7,076 | - | 2 | - | 59 | 137,523 |
| Other: | | | | | | | |
| Interest | - | - | - | - | - | - | - |
| Rent in-kind | - | - | 177,648 | - | - | - | 177,648 |
| Total other | - | - | 177,648 | - | - | - | 177,648 |
| Total revenue | $323,363 | $ 68,933 | $329,548 | $248,597 | $ - | $225,842 | $1,196,283 |

The accompanying notes are an integral part of this statement.

FAMILY SERVICE AGENCY OF DEKALB COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Years Ended June 30, 2019 and 2018

| | 2019 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Program Services | | | | | | Supporting Services | | | |
| | Center for Counseling | Youth Mentoring | Senior Services Center | Children's Advocacy Center | Community Action Program | Total | Mgmt and General | Special Events and Fundraising | Total | Total All Funds |
| Salaries | $215,108 | $ 15,342 | $141,562 | $142,403 | $ 13,205 | $527,620 | $178,697 | $ - | $178,697 | $ 706,317 |
| Payroll taxes | 16,767 | 1,190 | 10,023 | 10,371 | 911 | 39,262 | 13,320 | - | 13,320 | 52,582 |
| Employee insurance | 5,682 | 1,454 | 4,497 | 5,784 | 172 | 17,589 | 1,518 | - | 1,518 | 19,107 |
| Workman's comp insurance | - | - | - | - | - | - | 8,524 | - | 8,524 | 8,524 |
| Unemployment tax | 5,518 | 491 | 3,684 | 3,931 | 347 | 13,971 | 4,600 | - | 4,600 | 18,571 |
| Conference and meetings | 112 | - | 113 | 6,534 | 181 | 6,940 | 940 | - | 940 | 7,880 |
| Dues and subscriptions | - | 29 | 717 | 500 | - | 1,246 | 135 | - | 135 | 1,381 |
| Travel | 1,293 | 426 | 2,363 | 7,172 | 1,451 | 12,705 | 471 | - | 471 | 13,176 |
| Postage | 146 | 240 | 927 | 156 | - | 1,469 | 2,037 | - | 2,037 | 3,506 |
| Printing | 650 | 160 | 4,575 | 498 | 16 | 5,899 | 4,124 | 425 | 4,549 | 10,448 |
| Professional fees | 170 | 1,320 | - | 15,561 | - | 17,051 | 15,721 | - | 15,721 | 32,772 |
| Telephone | - | - | 2,365 | - | - | 2,365 | 6,482 | - | 6,482 | 8,847 |
| Office expense | 4,727 | 65 | 3,226 | 3,584 | - | 11,602 | 25,434 | - | 25,434 | 37,036 |
| Program supplies | 211 | 708 | 13,510 | 4,534 | - | 18,963 | 16,237 | 3,581 | 19,818 | 38,781 |
| Payroll processing | 1,490 | 277 | 1,002 | 972 | 54 | 3,795 | 725 | - | 725 | 4,520 |
| Utilities | - | - | - | ( 660) | - | ( 660) | 26,087 | - | 26,087 | 25,427 |
| Facility rental | - | - | 175 | 350 | - | 525 | 1,980 | 1,350 | 3,330 | 3,855 |
| Repairs and maintenance | - | - | 1,936 | - | - | 1,936 | 16,785 | - | 16,785 | 18,721 |
| City of DeKalb in-kind rent | - | - | 177,648 | - | - | 177,648 | - | - | - | 177,648 |
| Insurance | 12,499 | 682 | 3,409 | 6,136 | - | 22,726 | 24,192 | - | 24,192 | 46,918 |
| Interest | 8,009 | 433 | 2,165 | 3,897 | - | 14,504 | 9,276 | - | 9,276 | 23,780 |
| Bad debts | - | - | - | - | - | - | 1,570 | - | 1,570 | 1,570 |
| Depreciation | 27,454 | 1,498 | 7,488 | 13,478 | - | 49,918 | 12,480 | 6,933 | 19,413 | 69,331 |
| Promotion/marketing | 112 | 140 | 433 | 2,018 | 4,591 | 7,294 | 28,340 | 362 | 28,702 | 35,996 |
| Sponsorships | - | - | 150 | - | - | 150 | - | - | - | 150 |
| Other | 2,565 | 180 | 1,472 | 3,839 | - | 8,056 | 7,882 | 382 | 8,264 | 16,320 |
| Total expenses | $302,513 | $ 24,635 | $383,440 | $231,058 | $ 20,928 | $962,574 | $407,557 | $ 13,033 | $420,590 | $1,383,164 |

The accompanying notes are an integral part of this statement.

FAMILY SERVICE AGENCY OF DEKALB COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Years Ended June 30, 2019 and 2018

| | 2018 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Program Services | | | | | | Supporting Services | | | |
| | Center for Counseling | Youth Mentoring | Senior Services Center | Children's Advocacy Center | Community Action Program | Total | Mgmt and General | Special Events and Fundraising | Total | Total All Funds |
| Salaries | $231,721 | $ 21,845 | $126,714 | $122,661 | $ - | $502,941 | $145,758 | $ - | $145,758 | $ 648,699 |
| Payroll taxes | 18,957 | 1,606 | 9,169 | 9,211 | - | 38,943 | 9,981 | - | 9,981 | 48,924 |
| Employee insurance | 1,705 | 5,053 | 6,675 | - | - | 13,433 | 7,884 | - | 7,884 | 21,317 |
| Workman's comp insurance | - | - | - | - | - | - | 8,240 | - | 8,240 | 8,240 |
| Unemployment tax | 3,511 | 387 | 2,045 | 4,994 | - | 10,937 | (755) | - | (755) | 10,182 |
| Conference and meetings | 104 | 30 | 240 | 2,385 | - | 2,759 | 155 | - | 155 | 2,914 |
| Dues and subscriptions | - | 28 | 707 | 500 | - | 1,235 | 1,220 | - | 1,220 | 2,455 |
| Travel | 1,029 | 436 | 660 | 7,218 | - | 9,343 | 299 | - | 299 | 9,642 |
| Postage | 147 | 544 | 966 | 279 | - | 1,936 | 2,120 | - | 2,120 | 4,056 |
| Printing | 1,242 | 316 | 2,892 | 571 | - | 5,021 | 7,418 | 1,319 | 8,737 | 13,758 |
| Professional fees | 6,186 | - | 350 | 8,726 | - | 15,262 | 14,921 | - | 14,921 | 30,183 |
| Telephone | - | 102 | 1,764 | - | - | 1,866 | 7,948 | - | 7,948 | 9,814 |
| Office equipment and furniture | 2,838 | 1,000 | 2,214 | 9,524 | - | 15,576 | 19,645 | - | 19,645 | 35,221 |
| Program supplies | 1,056 | 2,429 | 14,626 | 4,727 | - | 22,838 | 16,007 | 3,622 | 19,629 | 42,467 |
| Payroll processing | 2,122 | 336 | 859 | 744 | - | 4,061 | 736 | - | 736 | 4,797 |
| Utilities | - | - | - | - | - | - | 16,059 | - | 16,059 | 16,059 |
| Facility rental | - | - | 250 | 336 | - | 586 | 1,827 | 1,845 | 3,672 | 4,258 |
| Repairs and maintenance | - | - | 180 | - | - | 180 | 12,615 | - | 12,615 | 12,795 |
| City of DeKalb in-kind rent | - | - | 177,648 | - | - | 177,648 | - | - | - | 177,648 |
| Insurance | - | - | - | - | - | - | 20,544 | - | 20,544 | 20,544 |
| Interest | - | - | - | - | - | - | 10,378 | - | 10,378 | 10,378 |
| Bad debts | - | - | - | - | - | - | 7,917 | - | 7,917 | 7,917 |
| Depreciation | 7,616 | 7,616 | 7,616 | 7,615 | - | 30,463 | 7,616 | - | 7,616 | 38,079 |
| Promotion/marketing | - | 726 | - | 220 | - | 946 | 2,406 | 420 | 2,826 | 3,772 |
| Sponsorships | - | - | 213 | - | - | 213 | 561 | - | 561 | 774 |
| Other | 742 | 3,829 | 526 | 14,956 | - | 20,053 | 4,097 | 1,000 | 5,097 | 25,150 |
| Total expenses | $278,976 | $ 46,283 | $356,314 | 194,667 | $ - | $876,240 | $325,597 | $ 8,206 | $333,803 | $1,210,043 |

The accompanying notes are an integral part of this statement.

FAMILY SERVICE AGENCY OF DEKALB COUNTY, INC.
STATEMENT OF CASH FLOWS
For the Years Ended June 30, 2019 and 2018

| | 2019 | 2018 |
|---|---|---|
| *Cash flows from operating activities:* | | |
| Increase (decrease) in net assets | $ 820,151 | $( 13,760) |
| Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities: | | |
| Depreciation | 69,331 | 38,080 |
| (Increase) decrease in investment | - | - |
| (Increase) decrease in receivables | 64,586 | ( 46,904) |
| (Increase) decrease in prepaid expenses | 8,190 | ( 6,327) |
| Increase (decrease) in accounts payable | 63,576 | 5,870 |
| Increase (decrease) in deferred revenue | ( 2,667) | 2,667 |
| Increase (decrease) in accrued expenses | 3,231 | ( 4,987) |
| Total adjustments | 206,247 | ( 11,601) |
| Net cash provided (used) by operating activities | 1,026,398 | ( 25,361) |
| *Cash flows from investing activities:* | | |
| Payments for purchase of fixed assets | (1,256,615) | ( 37,678) |
| Disposal of fixed assets | 744,893 | - |
| Net cash used by investing activities | ( 511,722) | ( 37,678) |
| *Cash flows from financing activities:* | | |
| Proceeds from line of credit | 40,000 | 246,000 |
| Principal payments on line of credit | ( 244,114) | ( 170,404) |
| Principal payments on capital lease | - | - |
| Net cash provided (used) by financing activities | ( 204,114) | 75,596 |
| Net increase in cash | 310,562 | 12,557 |
| Cash - beginning of year | 70,719 | 58,162 |
| Cash - end of year | $ 381,281 | $ 70,719 |
| *Supplemental disclosure of cash flow information:* | | |
| Cash paid during the year for interest | $ 23,780 | $ 10,377 |

The accompanying notes are an integral part of this statement.

FAMILY SERVICE AGENCY OF DEKALB COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Business Activity*

Family Service Agency of DeKalb County, Inc. is a not-for-profit corporation organized on July 18, 1956 under the laws of the State of Illinois and exists to provide vital human services which individuals and families need to overcome life's difficulties or to enhance the quality of their lives.

Center for Counseling program provides professional counseling services to children, adolescents and adults as well as to families, couples, and groups. Various emotional concerns can be addressed including stress, issues of depression, anxiety and divorce, grief, loss, abuse and help adjusting to life transitions. Other services include divorce mediation, psychological testing and assessment and an educational program for separating parents.

Big Brothers/Big Sisters program serves school age children primarily from single-parent families by matching them with adult volunteers who serve as mentors and role models. Professional case managers recruit, train, match and supervise the volunteers who spend a consistent amount of time each week with a child. Big Brothers/Big Sisters helps the whole family by strengthening the child's self-worth, social skills and competence while offering support and guidance.

Workshops are provided on a regular basis and cover topics such as anger, keeping kids safe, parenting, eating disorders, grief and relationships.

Senior Services Center offers a wide range of social, recreational, educational and mentoring programs county wide. The Agency operates five senior activity sites as well as intergenerational programs. All programs are non-sectarian and open to all persons in DeKalb County.

Children's Advocacy Center provides multidisciplinary teams of professional to help abused children. The teams offer forensic interviews, assessment and crisis intervention, counseling, case coordination and court advocacy to children in DeKalb County.

The Capital Fund was established for the purpose of major equipment purchases, building and site improvements, and maintenance of the Agency's building.

Community Action Program strives to help low-income families achieve and maintain their highest level of self-sufficiency by providing a variety of programs. We have two primary purposes: to provide essential anti-poverty programs, and to advocate for the needs of the poor in their communities. This program networks with various social service agencies, community groups, and businesses in the county to better serve the low-income population in DeKalb County.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

*Allowance for Uncollectible Receivables and Unconditional Promises to Give*

The Agency maintains a written policy on collection. The Agency determines the allowance for doubtful accounts as a percentage of Center for Counseling receivables based on a five year average ratio of accounts written off and accounts receivable. Based on experience, the director determines unconditional promises to give to be fully collectible; accordingly, no allowance for doubtful accounts has been established. If promises to give become uncollectible, they will be charged to operations when that determination is made.

*Basis of Presentation*

The financial statements of the Agency have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Without Donor Restrictions*
Net assets available for use in general operations and not subject to donor restrictions. Grants and contributions gifted for recurring programs are generally not considered "restricted" under GAAP, though for internal reporting, the Agency tracks such grants and contributions to verify that the disbursement matches the intent. Assets restricted solely through the actions of the Board are reported as net assets without donor restrictions, board-designated.

*With Donor Restrictions*
Net assets subject to donor-imposed stipulations that are more restrictive than the Agency's mission and purpose. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, when the donor stipulates that resources be maintained in perpetuity. The Agency had no net assets with donor restrictions as of June 30, 2019.

*Cash and Cash Equivalents*

Cash includes cash on hand and deposit accounts with financial institutions. For purposes of the Statement of Cash Flows, the Agency considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

*Use of Estimates*

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

*Donated Property and Equipment*

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Agency reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

*Donated Services*

The Agency receives a substantial amount of services donated by individuals interested in the Agency's programs. The services donated generally involve the contribution of time. These items generally are not reflected in the accompanying financial statements because the criteria for recognition under generally accepted accounting principles has not been met. However, when the criterion for recognition has been met, the amounts are reflected in the financial statements as revenues and expenditures.

*Employee Benefits*

The cost of employee benefits and compensated leave are accrued as they are vested to the employee. The Agency does not maintain any unfunded retirement or health care plans.

*Expense Allocation*

In accordance with standards of accounting and financial reporting prescribed for voluntary health and welfare organizations, functional expenses should be accounted for in three separate functions: program, management and general, and fundraising. Expenses are charged on a direct functional basis (to all four programs) whenever applicable. When direct charges cannot be accomplished, the expenses are charged to management and general. The Agency follows the practice of allocating fundraising expenses directly to the programs.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

*Income Taxes*

Family Service Agency of DeKalb County, Inc. is a not-for-profit organization and claims exemption from income taxes under Internal Revenue Code §501(c)(3) and similar state provisions. Therefore, income taxes are not provided for in the financial statements. The Agency is not classified as a private foundation.

The Agency files Form 990 in the federal jurisdiction and the State of Illinois. The Agency's tax returns for the current and prior three years remain subject to examination by the Federal and state tax jurisdictions.

*Promises to Give*

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions of which they depend are substantially met and the promises become unconditional.

Contributions are recognized when the donor makes a promise to give to the Agency that is, in substance, unconditional. Conditional promises are recognized as contributions when conditions have been met. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

*Property and Equipment*

Purchased property and equipment is recorded at cost. It is the policy of the Agency to capitalize betterments which materially add to the value of related assets or materially extend the useful life of assets with a cost in excess of $500. Normal maintenance and minor equipment purchases are charged to expense as incurred. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts with any resulting gain or loss reflected in the current period.

Depreciation provisions are determined using the straight line method over the estimated useful lives of the assets ranging from five to forty years.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

*Restricted and Unrestricted Revenue*

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction has been accomplished) in the reporting period in which the revenue is recognized. All other contributions with donor restrictions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

*Support from Governmental Units*

The Agency receives a substantial amount of support from state and local governments. A significant reduction in the level of this support, if this were to occur, may have a significant effect on the Agency's programs and activities.

*Total Columns*

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position, results of operations and changes in net assets balances in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

*Revenue Recognition*

Contributions from the public are recognized when received or pledged and are considered to be available for unrestricted use, unless specifically restricted by the donor. Conditional promises to give are not recognized as revenue until the condition is met.

Grants awarded for specific programs are recognized as income when terms of the grants have substantially been completed or when the grant is pledged unconditionally. Contract revenue from government agencies is recognized as the services are performed.

NOTE 2: PREPAID EXPENSES

*Prepaid expenses consist of the following at June 30, 2019 and 2018:*

| | 2019 | 2018 |
|---|---|---|
| Insurance | $ - | $ 6,556 |
| Other | - | 1,634 |
| | $ - | $ 8,190 |

## NOTE 3: PROPERTY AND EQUIPMENT

*Property and equipment, net, is summarized as follows at June 30, 2019 and 2018:*

| | 2019 | 2018 |
|---|---|---|
| Furniture, fixtures and equipment | $ 116,698 | $ 357,802 |
| Building | 575,000 | 670,971 |
| Land | - | 98,860 |
| Leasehold improvements | 681,615 | 123,367 |
| | 1,373,313 | 1,251,000 |
| Less accumulated depreciation | 119,834 | 798,967 |
| Property and equipment, net | $1,253,479 | $ 452,033 |

## NOTE 4: LINE OF CREDIT

The Agency has established a $150,000 secured line of credit with Resource Bank which expires November 29, 2019. Interest is payable monthly at a rate of .5% over index floating with a floor of 5.5% with the principal portion due upon maturity. The Agency has also established an additional $200,000 secured line of credit with Resource Bank, which expires September 30, 2037. Interest is payable monthly at a variable rate of 5.0%. At June 30, 2019 and 2018, $40,000 and $196,312 was outstanding on the lines of credit.

## NOTE 5: TERM LOAN

In order to purchase and renovate a new building, the Agency has established a secured term loan expiring December 31, 2022 with Resource Bank with the stipulation that up to $1,000,000 could be borrowed. Interest is payable annually at a rate of 5.5% on December 31. The payment terms are 3 payments of interest will be made beginning on December 31, 2019 and on the last day of each 12 month period thereafter. One principal payment of the lesser of $100,000 or outstanding principal is due December 31, 2019. Two principal payments of the lesser of $450,000 or outstanding principal is due beginning on December 31, 2020 and on the last day of each 12 month period thereafter. The final payment of outstanding principal and interest is due on December 31, 2022. At June 30, 2019 and 2018, $440,426 and $0 was outstanding on the term loan.

## NOTE 6: PENSION PLAN

The Agency sponsors a flexible benefit §403(b) "deferred compensation arrangement" pension plan. All employees are eligible to participate. This plan is administered by Charles Schwab. Employees may elect to defer up to $18,000 of their yearly compensation for the calendar year ending December 31, 2018. Participation in this plan is voluntary.

The Agency has adopted an employee benefit §125 cafeteria plan for the benefit of all employees after three months of employment. Benefits under this plan are financed by salary redirection sufficient to support benefits elected. Participation in this plan is voluntary.

## NOTE 7: DONATED FACILITIES

The Agency occupies five facilities located in DeKalb County. No rent is paid to the city by the Agency. The approximate fair value of the annual rental is $177,648 at June 30, 2019 and $177,648 at June 30, 2018. In addition, the Agency received advertising services from DeKalb County Broadcasters for which they did not pay. The approximate fair value of the annual advertising service is $1,238 at June 30, 2019 and $795 at June 30, 2018. These amounts are included in the financial statements as in-kind.

## NOTE 8: RELATED PARTY TRANSACTIONS

The Agency is affiliated with another non-profit organization, Family Service Agency Guild. The Guild is a volunteer organization of over 100 members. The members operate a thrift shop from which they sell a variety of articles for the home, gifts, decorations and clothing. The profits of the Country Store are granted to the Agency, specifically the Senior Services program. The Agency received grants from the Guild in the amount of $56,443 during the fiscal year ended June 30, 2019 and $47,500 during the fiscal year ended June 30, 2018.

## NOTE 9: CREDIT RISK

Financial instruments that potentially subject the Agency to concentrations of credit risk consist principally of cash and cash equivalents. The Agency maintains cash deposits with major banks which, from time to time, may exceed federally insured limits. The Agency periodically assesses the financial condition of the institutions and believes the risk of any loss is minimal. At June 30, 2019, the Agency had cash deposits at Resource Bank in excess of federally insured limits of approximately $132,163.

## NOTE 10: LIQUIDITY AND AVAILABILITY

The Agency has approximately $287,323 of financial assets available to meet cash needs for general expenditures. This consists of cash of $381,281 and accounts receivable of $177,343. The Agency has liabilities of $271,301 at year end. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure. The Agency has a goal to maintain financial assets on hand to meet at least 90 days of normal operating expenses which, on the average, total approximately $90,000 per month given full programmatic expenditures.

## NOTE 11: EVALUATIONS OF SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before financial statements are issued or are available to be issued. These events and transactions either provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing financial statements (that is, recognized subsequent events), or provide evidence about conditions that did not exist at the date of the statements of financial positions but arose after that date (that is, non-recognized subsequent events).

Subsequent events have been evaluated through the date of the auditor's report, which is the date the financial statements were available to be issued, and determined that there were no significant non-recognized subsequent events through that date.

## Exhibit D: Grantee-Specific Obligations

Grantee agrees and acknowledges that it shall comply with the following obligations, which shall be considered to be an integral component of the Agreement:

Family Service Agency (Grantee) operates four Senior Centers, one of which is located in the City of DeKalb. The DeKalb Senior Center will provide programs and activities that strengthen seniors mentally, physically, and socially to keep them as independent as possible for as long as possible.

Family Service Agency proposes to serve a total of 600 seniors through the Senior Center's Club 55 in the coming year. Of this number, 400 are anticipated to be residents of the City of DeKalb. Grantee will track the total number of seniors served and will include a separate accounting of seniors who are residents of the City of DeKalb to document that City of DeKalb Human Services Funding is used only to support those services directly benefiting DeKalb residents. Grantee will report revenue from other sources to document that the agency receives funding to cover services provided to individuals who are not residents of the City of DeKalb. Reports will be submitted on a Quarterly basis in order to receive payment of grant funds.

**HUMAN SERVICES AGREEMENT**
**FOX VALLEY OLDER ADULT SERVICES D/B/A FOX VALLEY COMMUNITY SERVICES**

This agreement made this 28th day of December, 2020, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the "City" and Fox Valley Older Adult Services d/b/a Fox Valley Community Services, hereinafter referred to as "Grantee," WITNESSETH:

WHEREAS, the City desires that Grantee provide certain services to the citizens of DeKalb and Grantee has the capacity to provide such services; and,

WHEREAS, the Grantee acknowledges that it is the City's intention to purchase said services for the citizens of the City of DeKalb under the following guidelines:

1. First priority shall be given to those services which will help meet basic emergency needs such as food, clothing, and shelter. Second priority shall be given to those services which are preventative in nature and promote the highest degree of self- support, self-care, and self-help. Third priority shall be given to those services which seek to enhance the quality of life of persons whose basic needs are already met. Priority shall also be given to services which primarily benefit low and moderate income residents. The services provided by the Grantee are consistent with these guidelines as explained on the attached Exhibit A.

2. Services shall address specific documented needs. The services provided by the Grantee address the specific, documented needs as explained on the attached Exhibit A.

3. Services shall also receive financial support from other community sources. Grantee has attached hereto a copy of its budget for the period that this Agreement covers as Exhibit B, which budget establishes that the Grantee receives at least
98% of its funding from third party sources. A copy of Grantee's audit or year-end financial statement from the most recent complete year of operations is attached hereto as Exhibit C.

4. City funds are used only to support those services directly benefiting DeKalb residents. The City will not subsidize the cost of services to non-residents. Grantee has certified compliance with this requirement by signing the attached Exhibit A.

5. Administrative costs for these services are to be kept to a minimum. Grantee has identified the allocation between administrative costs and program costs as explained on the attached Exhibit A.

6. These services must be coordinated with other agencies when feasible. Grantee has outlined how services are coordinated with other agencies as explained on the attached Exhibit A.

7. The City will not fund, but may augment, services which are the responsibility of another public agency or funding source. Grantee has identified any areas where the City's funds are being utilized to augment third party responsibilities as explained on the attached Exhibit A.

8. City funds are to be used primarily to match or leverage other private or public funds. Grantee has explained how matching or leveraged funds are being sought or obtained as explained on the attached Exhibit A.

9. The City's intent is to contract for specific services and monitor their effectiveness. Grantee has: a) identified the metrics by which its performance is to be evaluated on an annual basis; b) identified those third parties that provide any review or evaluation of Grantee's efforts; and, c) explained its clearly defined performance evaluation process, as explained on the attached Exhibit A.

10. Grantee has clearly identified and delineated where any elected or appointed official of the City or any City employee is involved in its programming or receives any direct or indirect benefit, any compensation, or any pecuniary benefit of any form by virtue of Grantee's program or the City funding provided hereunder, as explained on the attached Exhibit A.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, and all such funds are held by the Grantee in a Grantee- specific checking account with the financial institution identified therein (and not in any personal checking account), unless otherwise indicated therein.

WHEREAS, the parties hereto understand and agree that the Grantee is an independent contractor and not an employee of the City; now,

In consideration of the agreements set forth and other good and valuable considerations, the parties agree as follows:

1. **Term.** The term of this agreement shall be from January 1, 2021 to December 31, 2021. The City or Grantee may terminate this Agreement at any time, upon the provision of thirty (30) days written notice. The City may terminate this agreement at any time based upon the occurrence of a breach of this Agreement, upon the provision of 48 hours written notice.

2. **Scope of Service.** The Grantee shall provide services in accordance with the service plan provided in the original application, a copy of which is attached hereto as Exhibit A.

3. **Hold Harmless.** The Grantee hereby agrees to indemnify, defend, and hold the City and its officers, employees, contractors, and representatives harmless from and against any and all such costs, expenses, damages, liabilities, losses, and claims

which may arise out of or are related to the services provided by the Grantee under this agreement or which relate to this Agreement or the funding provided herein. The Grantee agrees and acknowledges that the City is not in any way responsible for the conduct or provision of Grantee's programs or services, and is not responsible for the review, supervision or management of Grantee's personnel, volunteers, participants, programming, or services.

4. **Payment.** The City agrees to pay the Grantee the sum of Five Thousand and No/100 Dollars ($5,000.00) for services rendered under this agreement. **Payment will be disbursed in four equal installments and will be processed upon receipt of the Grantee's quarterly reports, as required by this funding agreement.** In the event that this Agreement is terminated, no further payments shall be due or payable to Grantee. In the event that the City Council determines that the City's financial condition does not support making a payment otherwise due under this Agreement, the City may suspend, delay, or otherwise cancel payments due hereunder.

5. **Access to Financial Records.** The Grantee agrees to allow the City access to review any and all of Grantee's financial records as may be determined appropriate to ensure the accountability of monies disbursed by the City. The Grantee also agrees to provide the City with a copy of its operating budget and its audit or year-end financial statement for each fiscal year or portion thereof in which the Grantee receives funding under this (or successor) agreements.

6. **Performance Reporting.** The Grantee agrees to send the City a report following every three months of services identifying the number of City of DeKalb citizens that have been provided services under the terms of this Agreement. The Grantee further agrees to send the City a copy of all documentation required to demonstrate its performance or which is identified as a performance-evaluation tool in Exhibit A. The Grantee further agrees that it shall provide a verbal report to the City at a regularly scheduled meeting of the City Council at least once annually, and on additional dates as may be requested by the City from time to time.

   Quarterly reports shall be provided to the City on or before the 10th day of the following months:

   1st Quarter - April
   2nd Quarter - July
   3rd Quarter - October
   4th Quarter - January

7. **Compliance with Laws.** The Grantee expressly covenants and agrees that it shall comply with all applicable laws, including those laws applicable to the use of public funding to the extent that such laws are applicable to programs funded in whole or in part by the City of DeKalb. The Grantee expressly covenants that it shall not discriminate against any person or organization on the basis of any legally

recognized protected classification, including but not limited to race, gender, religion, ethnic or cultural background, sexual preference, or other legally recognized, protected classification, in the provision of its services or use of funding provided hereunder.

8. **Use of Funds.** The Grantee shall only utilize funds made available under this agreement for the provision of services consistent with this agreement and shall not use such funding for any other purpose, nor for the construction of any real property or improvement to real property, nor for any purpose which constitutes "Public Works" for purposes of the Illinois Prevailing Wage Act.

9. **Grantee's Organization.** Grantee is organized in the format as described in Exhibit A. For the term of this Agreement, Grantee shall take such actions as shall be required to maintain that form of organization. Grantee shall provide the City with notice of the meetings of its governing board or board of directors, and the City shall have the opportunity to attend such meetings as an *ex officio* member of such governing board; the City shall also have the right to review the minutes of all such meetings.

10. **Grantee-Specific Obligations.** Grantee shall comply with the listing of Grantee- Specific Obligations attached hereto as Exhibit D.

11. **Certification:** Grantee hereby certifies that it shall comply with the contents of this Agreement and the terms of its Application and certifies that the contents of this Agreement and the Application are true, accurate, and correct. The recitals to this Agreement are expressly incorporated herein by reference.

IN WITNESS WHEREOF, the Grantee has caused this agreement to be signed, sealed, and attested to by its Chairman of the Board of Directors and Executive Director, on the_____- day of _____, _____, and said City has caused the same to be signed, sealed, and attested to by its Mayor and City Clerk or Executive Assistant of the City of DeKalb as of the date first mentioned in this Agreement.

FOX VALLEY OLDER ADULT SERVICES D/B/A FOX VALLEY COMMUNITY SERVICES

Board Chairman

ATTEST:

Executive Director

CITY OF DEKALB, ILLINOIS

Jerry Smith, Mayor

ATTEST:

Exhibit A: Funding Application

City of DeKalb
opportunity · innovation

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DeKalb, Illinois 60115
815 748 2000 • cityofdekalb.com

# FY 2021 HUMAN SERVICES FUNDING APPLICATION
## Twelve Months Funding 1/1/21 to 12/31/21

**APPLICATION MUST BE RECEIVED NO LATER THAN 5:00 P.M. ON NOVEMBER 6, 2020. INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.**

**Agency Name:** Fox Valley Older Adult Services d/b/a Fox Valley Community Services

**Mailing Address:** 1406 Suydam Road, Sandwich, IL 60548

**Agency Director:** Cynthia Y. Worsley

**Contact Person:** Patty Steffens

**Telephone No.:** 815-786-9404 **Email Address:** psteffens@fvoas.org

**Name of Person Responsible for Completing Quarterly Report:** Donna McKeown

**Telephone No.:** 815-786-9404 **Email Address:** dmckeown@fvoas.org

**Program Description:** Opening of DeKalb Adult Day Service in the Elder Care Services building located at 1701 E. Lincoln Highway, DeKalb.

**Twelve Month Program Budget:** $ 235, 400

**Amount of Funding Requested:** $ 10,000

**% of Total Program Budget:** 4.25 %

**Total Number of Estimated Program Participants:** 15

**Total Number of Estimated DeKalb Residents to be Served:** 8

**Estimated DeKalb Residents as % of Total Participants to be Served:** 53 %

***The following documents must accompany the application:***

1. A current listing of the agency's Board of Directors and terms.

2. The current annual operating budget for the agency and a detailed budget for the program requesting funding.

3. A detailed narrative explaining the program to be funded, its potential impact, and any anticipated outcomes to be achieved. Be specific about the population to be served and the benefits derived from your services. Include any descriptive materials regarding the history and mission of the agency that would help augment the application.

4. Documentation of the agency's 501(c)(3) status.

5. Completed W-9 Form.

6. Copy of agency's most recent financial audit.

The City of DeKalb retains the right to request any and all additional information from the agency it may determine necessary in making funding decisions. This may include articles of incorporation or any other information deemed appropriate.

The undersigned hereby certifies the information contained in this application is true and accurate to the best of their knowledge and belief.

Name of Authorized Signer: Cynthia Y. Worsley

Title: Executive Director

Signature: Cynthia Y. Worsley

Date: November 4, 2020

---

Please submit the application using one of the following methods:

- Via regular mail to be received no later than 5:00 p.m. on November 6, 2020 to:

  City of DeKalb
  Attention: Joanne Rouse
  164 East Lincoln Highway
  DeKalb, Illinois 60115

- Via email dated no later than 5:00 p.m. on November 6, 2020 to: joanne.rouse@cityofdekalb.com

**OFFICE USE ONLY:**

RECEIVED
NOV 4 2020

Date Application Received: _____

By _____

☐ Approved – Annual Amount Awarded $_____ / $_____ per quarter

☐ Denied

Your Key To Independent Living

# FOX VALLEY COMMUNITY SERVICES*

1406 Suydam Road • Sandwich, IL 60548
Phone (815) 786-9404 • Fax (815) 786-2696
Web: www.fvoas.org

## 2020 Board Members

Meetings: 2nd Tuesday at Noon
At Fox Valley Community Center

| | |
|---|---|
| President: | Valerie M. Plomin, Ph.D. (2023)<br>Mailing address: 3109 Grove Ave, Berwyn, IL 60402<br>854 Holiday Dr., Sandwich IL 60548<br>v.plomin@comcast.net<br>708-280-0465 |
| Treasurer | Bill Newkirk (2020)<br>2 W Main, Plano, Il 60545<br>BNewkirk@NewkirkCPAs.com<br>630-552-1040 |
| Secretary | Mike Nadeau (2023)<br>607 E Church St. Plano, Il 60545<br>mikejnadeau@comcast.net<br>630-552-1951 or 630-388-9708 |
| Board Member | Sarah Greenhagen (2021)<br>Catalyst Physical Therapy<br>710 E. Railroad St.<br>Sandwich, IL 60548<br>Sarah@catalystpts.com<br>815-313-6333 (w) 815-793-7550 (c) |
| Board Member | Tyler Stevenson (2023)<br>First National Bank<br>100 W Church St, Sandwich, Il 60548<br>TStevenson@fnni.com<br>815-570-2843 (w) 815-901-4342 (c ) |

*Fox Valley Community Services: Your "Key" to Independent Living.*

*Fox Valley Older Adult Services is now doing business as Fox Valley Community Services
Same great programs and services, nothing has changed, just our name.

| | |
|---|---|
| Board Member | Ryan Skinner (2021)<br>160 Main St. Leland, IL 60531<br>ryan.skinner@countryfinancial.com<br>815-495-9396 (w) 815-228-1982 (c) |
| Board Member | Craig Elliott (2021)<br>105 S. Gage<br>PO Box 407<br>Somonauk Rd., IL 60552<br>Craigelliott36@yahoo.com<br>815-498-3377 (w) 815-325-4651 (c) |
| Board Member | Lanette Yingling (2021)<br>703 Eva Lane<br>Sandwich, IL 60548<br>Yingling3032@gmail.com<br>815-739-7669 |
| Board Member | Dawn Weekly (2022)<br>530 Indian Creek Dr.<br>Leland, IL 605031<br>mail.legacy@gmail.com<br>815-570-2334 (w) 815-378-3764 ( c) |

Your Key To Independent Living

# FOX VALLEY COMMUNITY SERVICES*

1406 Suydam Road • Sandwich, IL 60548
Phone (815) 786-9404 • Fax (815) 786-2696
Web: www.fvoas.org

Fox Valley Community Services is pleased to announce the planned opening of our DeKalb Adult Day Service (ADS) in the building occupied by Elder Care Services at 1701 E. Lincoln Highway in DeKalb. Our agency has been serving seniors in the city of DeKalb since 1972 and operating Adult Day Service for 28 years.

ADS offers families/caregivers peace of mind and the ability to continue to work and care for their families. They feel secure in knowing that their loved ones are being cared for by compassionate, trained staff members, including a registered nurse and certified nurse's assistants. Unfortunately, we had to close our previous ADS in DeKalb which served many seniors in need of care, because of the budget crisis 2015. That program ran successfully for 7 years providing services to many area families.

ADS provides a variety of person-centered activities including art, exercise, music, current events and mind stimulating projects. This program offers a warm and safe environment for those individuals who are unable to stay alone during the day. Respite for the caregiver/family helps prevent depression and provides much needed relief from care giving.

Our ADS program is directed by a registered nurse, Betty Erickson, RN. We have certified nurse assistants who meet the State mandated ratio per client. The Nurse Director documents conditions, participation and changes in client's charts according to the mandates of the Illinois Department on Aging. Staff meetings and trainings are held on a regular basis. Medication management and monthly health monitoring is provided by the registered nurse. Montessori based programing is practiced, which research has shown, improves the engagement, enhances moods and reduces behavior disturbances. This program treats the mind, body and spirit.

The hours of operation of the DeKalb ADS would be Monday-Friday, 8:00 a.m. - 4:00 p.m. The capacity based on Illinois Department on Aging ADS regulations per square footage would be up to 40 clients. Staffing based on state regulations is 2 staff members for every 2-12 clients or 3 staff members for every 13-20 clients. These staffing requirements include at least 1 RN.

*Fox Valley Community Services: Your "Key" to Independent Living.*

*Fox Valley Older Adult Services is now doing business as Fox Valley Community Services
Same great programs and services, nothing has changed, just our name.

Our Community Care Program and Department of Rehabilitation Services clients are currently State supported. The Private Adult Day Service client fee at this time is $17.00 an hour. This includes transportation, snacks, lunch and daily activities and programs. Long term insurance pays for some Private ADS clients when applicable. The Veterans Assistance program is also accepted for ADS.

FVCS collaborates with Elder Care Services through the Illinois Department on Aging Community Care Program. The Community Care Program provides services at no cost to the clients who meet a financial and needs criteria. FVCS works closely with Voluntary Action Center to meet the transportation and nutrition needs of their clients. Adult Protective Services, Prairie State Legal Services, Veterans Assistance, The Illinois Department of Public Health and the Illinois Department of Rehabilitation Services. Kish Health Systems, part of Northwestern Medicine are community supporters of FVCS.

Attainment of program goals is met by continual assessment of clients and documentation throughout the year. The Nurse Director reviews with staff, clients and family the attainment of program goals and individual achievements at annual reviews. Client outcomes are noted in meetings with caregivers of clients and in their person-centered care plans. Care plans are reviewed quarterly. Client charting notes are maintained and updated as needed.

The continued growth of the aging populace creates an increased client need for Adult Day Service. This is true in rural areas as well as in urban areas. Respite is also needed for caregivers who must continue to work or care for other family members.

As the Senior populace grows and encompasses the baby boomers, a need for Adult Day Service and Respite care also grows. If awarded, FVCS will use the funding from the City of DeKalb FY 2021 Human Services Grant to assist with opening expenses for the DeKalb Adult Day Services. We have many years of experience in the field of Adult Day Service and would be pleased to be able to bring this much needed service back to the residents of DeKalb.

Thank you for considering our request.

D. Articles of Incorporation
bylaws

Certificate Number 4061

# STATE OF ILLINOIS
## OFFICE OF THE SECRETARY OF STATE

**To all to whom these Presents Shall Come, Greeting:**

**Whereas,** Articles of Amendment to the Articles of Incorporation duly signed and verified of

FOX VALLEY OLDER ADULT SERVICES

have been filed in the Office of the Secretary of State on the 6th day of April A. D. 19 72, as provided by the "GENERAL NOT FOR PROFIT CORPORATION ACT" of Illinois, approved July 17, 1943, in force January 1, A. D. 1944;

Now Therefore, I, JOHN W. LEWIS, Secretary of State of the State of Illinois, by virtue of the powers vested in me by law, do hereby issue this Certificate of Amendment and attach thereto a copy of the Articles of Amendment to the Articles of Incorporation of the aforesaid corporation.

**In Testimony Whereof,** I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, Done at the City of Springfield this 6th day of April AD. 19 72 and of the Independence of the United States the one hundred and 96th.

John W. Lewis
SECRETARY OF STATE

578753 PAGE 1

Form **SS-15**
(Rev. June 1969)

Department of the Treasury
Internal Revenue Service

# Certificate Waiving Exemption from Taxes
## Under the Federal Insurance Contributions Act
(For use by organization exempt from income tax as an organization described in section 501(c)(3) of Internal Revenue Code)

Please type or print name of organization in full and the employer identification number (if any); also identify employee group if an organization described in section 3121 (k)(1)(E) of Federal Insurance Contributions Act.

FOX VALLEY OLDER ADULT SERVICES

Box 125, Serena, Illinois 60548

(Street and number) (City or town) (State) (ZIP code)

Effective date (For date to be inserted, see item 3 below)

July 1, 1972

Employer Identification Number

36-2738669

YOUR COPY

is a religious, charitable, educational, or other organization that is entitled to exemption from Federal income tax under section 501 (a) of the Internal Revenue Code as an organization described in section 501 (c)(3) of the Code. The organization hereby certifies that it desires to have the Federal insurance system established by title II of the Social Security Act extended to service performed by its employees (or by a group of its employees as provided in section 3121 (k)(1)(E) of the Federal Insurance Contributions Act if this certificate is filed pursuant to section 3121 (k)(1)(E)).

This certificate is accompanied by Form SS-15a which (a) contains the signature, address, and social security number of each employee who concurs in the filing of the certificate or (b) is noted "no concurring employee."

It is understood that:

(1) The list on Form SS-15a accompanying this certificate may be amended, at any time prior to the expiration of the twenty-fourth month following the calendar quarter in which the certificate is filed, by filing a supplemental list or lists on Form SS-15a Supplement, containing the signature, address, and social security number of each additional employee who concurs in the filing of this certificate.

(2) The taxes imposed under the Federal Insurance Contributions Act will apply to this organization and to each employee whose services constitute employment and whose signature appears on the accompanying list (or any supplemental list filed prior to the end of the first month following the calendar quarter in which this certificate is filed) commencing with the first day for which this certificate is effective. (See Item 3.) Such taxes also will apply immediately with respect to services that constitute employment performed by any individual who enters the employ of this organization after the close of the calendar quarter in which this certificate is filed. If an individual is in the employ of an organization in the same quarter in which the certificate is filed and continuously thereafter, and does not sign the original list of concurring employees on Form SS-15a, such employee can be covered only through the filing of a supplemental list on Form SS-15a Supplement. However, an individual who is hired or reemployed by an organization after the calendar quarter in which the organization filed a waiver certificate is immediately covered, and it is not necessary for such employee to sign a supplemental list. With respect to service performed by an individual whose signature appears on a supplemental list filed after the first month following the calendar quarter in which the certificate is filed, such taxes shall apply to services that constitute employment performed by such individual on or after the first day of the calendar quarter in which the supplemental list is filed.

(3) This certificate shall be in effect for the period beginning with the date specified by the organization in the effective date line, above, which is (a) the first day of the calendar quarter in which this certificate is filed, (b) the first day of the following calendar quarter, or (c) the first day of any one of twenty calendar quarters preceding the quarter in which this certificate is filed. After the certificate has been in effect for a period of not less than eight years, the certificate may be terminated by the organization by giving two years' advance notice, in accordance with section 3121 (k) of the Federal Insurance Contributions Act and the regulations applicable thereto.

(4) This certificate is not terminated if this organization loses its exemption as an organization described in section 501 (c)(3) of the Internal Revenue Code, but continues effective with respect to any subsequent periods during which this organization is so exempt.

(5) The acceptance by the Internal Revenue Service of this organization's certificate on Form SS-15 is not to be considered as determinative of the organization's status under section 501 (c)(3) of the Internal Revenue Code.

(6) If this certificate is filed pursuant to section 3121 (k)(1)(E) of the Federal Insurance Contributions Act, all of the foregoing is applicable in the same manner as if services performed by individuals as members of the group of employees identified in the name line, above, were the only services performed in the employ of the organization, and as if all other services were deemed to be performed for a different employer.

Jesse Enger, President, Board of Directors
(Signature of president or other principal officer) (Title)

James Bristol, Treasurer
(Signature of secretary, treasurer, etc.)

Catherine Justat, Secretary
(Title)

**Excerpts from section 3121 of the Federal Insurance Contributions Act**

(b) EMPLOYMENT.—For purposes of this chapter, the term "employment" means * * * any service, of whatever nature, performed after 1954 either (A) by an employee for the person employing him, irrespective of the citizenship or residence of either, (i) within the United States, * * * or (B) outside the United States by a citizen of the United States as an employee for an American employer * * * except that * * * such term shall not include—

* * * * *

(8) (A) service performed by a duly ordained, commissioned,

(OVER)

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

▶ Go to *www.irs.gov/FormW9* for instructions and the latest information.

**Give Form to the requester. Do not send to the IRS.**

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Fox Valley Older Adult Services

2 Business name/disregarded entity name, if different from above
DBA Fox Valley Community Services

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☑ Other (see instructions) ▶ 501 (C) (3)

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

*(Applies to accounts maintained outside the U.S.)*

5 Address (number, street, and apt. or suite no.) See instructions.
1406 Suydam Rd.

Requester's name and address (optional)

6 City, state, and ZIP code
Sandwich, IL. 60548

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

**Social security number**
___ - ___ - ____

or

**Employer identification number**
36 - 2738669

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign Here** Signature of U.S. person ▶ Cynthia A Worsley Date ▶ June 9, 2020

# General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

## Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See* What is backup withholding, *later.*

Exhibit B: Current Year's Budget

# Fox Valley Older Adult Services
## Profit & Loss Budget Overview
### January through December 2020

| | Jan 20 | Feb 20 | Mar 20 | Apr 20 | May 20 | Jun 20 | Jul 20 | Aug 20 | Sep 20 | Oct 20 | Nov 20 | Dec 20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Income** | | | | | | | | | | | | |
| 40110-HS-DORS | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 |
| 40110-Respite | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 |
| 40110-San ADS | 15,000.00 | 15,000.00 | 15,000.00 | 15,000.00 | 15,000.00 | 15,000.00 | 15,000.00 | 15,000.00 | 15,000.00 | 15,000.00 | 15,000.00 | 15,000.00 |
| 40120-ADS-Private Pay | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 |
| 40120-HS Private Pay | 10,000.00 | 10,000.00 | 10,000.00 | 10,000.00 | 10,000.00 | 10,000.00 | 10,000.00 | 10,000.00 | 10,000.00 | 10,000.00 | 10,000.00 | 10,000.00 |
| 40210-HS Dek | 50,000.00 | 50,000.00 | 50,000.00 | 50,000.00 | 50,000.00 | 50,000.00 | 50,000.00 | 50,000.00 | 50,000.00 | 50,000.00 | 50,000.00 | 50,000.00 |
| 40210-HS Kendall | 35,000.00 | 35,000.00 | 35,000.00 | 35,000.00 | 35,000.00 | 35,000.00 | 35,000.00 | 35,000.00 | 35,000.00 | 35,000.00 | 35,000.00 | 35,000.00 |
| 40210-HS LaSalle | 20,000.00 | 20,000.00 | 20,000.00 | 20,000.00 | 20,000.00 | 20,000.00 | 20,000.00 | 20,000.00 | 20,000.00 | 20,000.00 | 20,000.00 | 20,000.00 |
| 40310-Building Drive | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 40310-Don-Annual Drive | 1,500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 7,500.00 |
| 40310-Don-Brick | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 40310-Don-Business | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 |
| 40310-Don-Individuals | 1,850.00 | 1,850.00 | 1,850.00 | 1,850.00 | 1,850.00 | 1,850.00 | 1,850.00 | 1,850.00 | 1,850.00 | 1,850.00 | 1,850.00 | 1,850.00 |
| 40310-Gala | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 27,500.00 | 0.00 |
| 40310-Memberships | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 |
| 40310-Memorials | 750.00 | 750.00 | 750.00 | 750.00 | 750.00 | 750.00 | 750.00 | 750.00 | 750.00 | 750.00 | 750.00 | 750.00 |
| 40410-Grants | 3,375.00 | 3,375.00 | 3,375.00 | 3,375.00 | 3,375.00 | 3,375.00 | 3,375.00 | 3,375.00 | 3,375.00 | 3,375.00 | 3,375.00 | 3,375.00 |
| 40420-Dek Levy | 3,750.00 | 3,750.00 | 3,750.00 | 3,750.00 | 3,750.00 | 3,750.00 | 3,750.00 | 3,750.00 | 3,750.00 | 3,750.00 | 3,750.00 | 3,750.00 |
| 40430-Kendall Levy | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 29,000.00 | 0.00 | 0.00 | 29,000.00 | 1,500.00 | 0.00 |
| 40440-Title XX | 1,800.00 | 1,800.00 | 1,800.00 | 1,800.00 | 1,800.00 | 1,800.00 | 1,800.00 | 1,800.00 | 1,800.00 | 1,800.00 | 1,800.00 | 1,800.00 |
| 40460-Sponsorships | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 |
| 40540-Events | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 40560-Draw Down | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 7,500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 40610-Hall rentals | 1,350.00 | 1,350.00 | 1,350.00 | 1,350.00 | 1,350.00 | 1,350.00 | 1,350.00 | 1,350.00 | 1,350.00 | 1,350.00 | 1,350.00 | 1,350.00 |
| 40610-Trips | 5,350.00 | 5,350.00 | 5,350.00 | 5,350.00 | 5,350.00 | 5,350.00 | 5,350.00 | 5,350.00 | 5,350.00 | 5,350.00 | 5,350.00 | 5,350.00 |
| 40615-Bar receipts | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 |
| 40615-Bar receipts non tax | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 40810-Fair | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 42,000.00 | 0.00 | 0.00 | 0.00 |
| 40830-Acttivities | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 |
| 40835-Miscellaneous | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 |
| 40840-Gift Shop | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 40890-Happy Hatz | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 40975-MCO | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 |
| 40850 · Amazon payments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 49900 · Uncategorized Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total Income** | 165,725.00 | 164,225.00 | 164,225.00 | 164,225.00 | 164,225.00 | 171,725.00 | 193,225.00 | 164,225.00 | 206,225.00 | 193,225.00 | 193,225.00 | 171,725.00 |
| **Gross Profit** | 165,725.00 | 164,225.00 | 164,225.00 | 164,225.00 | 164,225.00 | 171,725.00 | 193,225.00 | 164,225.00 | 206,225.00 | 193,225.00 | 193,225.00 | 171,725.00 |

# Fox Valley Older Adult Services
## Profit & Loss Budget Overview
January through December 2020

| | TOTAL |
|---|---|
| | Jan - Dec 20 |
| **Income** | |
| 40110-HS-DORS | 18,000.00 |
| 40110-Respite | 3,000.00 |
| 40110-San ADS | 180,000.00 |
| 40120-ADS-Private Pay | 42,000.00 |
| 40120-HS Private Pay | 120,000.00 |
| 40210-HS Dek | 600,000.00 |
| 40210-HS Kendall | 420,000.00 |
| 40210-HS LaSalle | 240,000.00 |
| 40310-Building Drive | 1,200.00 |
| 40310-Don-Annual Drive | 9,000.00 |
| 40310-Don-Brick | 0.00 |
| 40310-Don-Business | 18,000.00 |
| 40310-Don-Individuals | 22,200.00 |
| 40310-Gala | 27,500.00 |
| 40310-Memberships | 4,200.00 |
| 40310-Memorials | 9,000.00 |
| 40410-Grants | 40,500.00 |
| 40420-Dek Levy | 45,000.00 |
| 40430-Kendall Levy | 59,500.00 |
| 40440-Title XX | 21,600.00 |
| 40460-Sponsorships | 24,000.00 |
| 40540-Events | 0.00 |
| 40560-Draw Down | 7,500.00 |
| 40610-Hall rentals | 16,200.00 |
| 40610-Trips | 64,200.00 |
| 40615-Bar receipts | 24,000.00 |
| 40615-Bar receipts non tax | 1,200.00 |
| 40810-Fair | 42,000.00 |
| 40830-Acttivities | 11,400.00 |
| 40835-Miscellaneous | 600.00 |
| 40840-Gift Shop | 1,200.00 |
| 40890-Happy Hatz | 1,200.00 |
| 40975-MCO | 42,000.00 |
| 40850 · Amazon payments | 0.00 |
| 49900 · Uncategorized Income | 0.00 |
| **Total Income** | 2,116,200.00 |
| **Gross Profit** | 2,116,200.00 |

# Fox Valley Older Adult Services
## Profit & Loss Budget Overview
January through December 2020

| | Jan 20 | Feb 20 | Mar 20 | Apr 20 | May 20 | Jun 20 | Jul 20 | Aug 20 | Sep 20 | Oct 20 | Nov 20 | Dec 20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Expense | | | | | | | | | | | | |
| 50122-Santrax | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 |
| 50540-Gala | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 3,500.00 | 0.00 |
| 50560-Draw Down | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2,750.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 50580- Trips | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 | 3,500.00 |
| 50615-Bar other | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 |
| 50620-Bar stock | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 |
| 50710-Fair | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 9,000.00 | 0.00 | 0.00 | 0.00 |
| 50800-Office Supplies | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 |
| 50820-Postage | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 |
| 50835-Copiers | 1,200.00 | 1,200.00 | 1,200.00 | 1,200.00 | 1,200.00 | 1,200.00 | 1,200.00 | 1,200.00 | 1,200.00 | 1,200.00 | 1,200.00 | 1,200.00 |
| 50840-C.C. processing | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 |
| 50980-Training | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 |
| 50985-Fingerprinting | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 |
| 60105-Gross Pay | 95,000.00 | 95,000.00 | 95,000.00 | 95,000.00 | 95,000.00 | 142,750.00 | 95,000.00 | 95,000.00 | 95,000.00 | 95,000.00 | 142,750.00 | 95,000.00 |
| 60115-Admin Medicare | 2,100.00 | 2,100.00 | 2,100.00 | 2,100.00 | 2,100.00 | 3,150.00 | 2,100.00 | 2,100.00 | 2,100.00 | 2,100.00 | 3,150.00 | 2,100.00 |
| 60120- SS | 6,000.00 | 6,000.00 | 6,000.00 | 6,000.00 | 6,000.00 | 9,000.00 | 6,000.00 | 6,000.00 | 6,000.00 | 6,000.00 | 9,000.00 | 6,000.00 |
| 60125-Mileage | 3,700.00 | 3,700.00 | 3,700.00 | 3,700.00 | 3,700.00 | 5,000.00 | 3,700.00 | 3,700.00 | 3,700.00 | 3,700.00 | 5,000.00 | 3,700.00 |
| 60130-Payroll Processing | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 |
| 60135-AFLAC | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 |
| 60145-Employee benefits | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 60210-Accounting & Legal Fees | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 60215-Outside Services | 4,200.00 | 4,200.00 | 4,200.00 | 4,200.00 | 4,200.00 | 5,300.00 | 4,200.00 | 4,200.00 | 4,200.00 | 5,300.00 | 4,200.00 | 6,049.18 |
| 60310-Happy Hatz | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 |
| 60325-Bank fees | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 60410-Liability insurance | 1,633.30 | 1,633.30 | 1,633.30 | 1,633.30 | 1,633.30 | 1,633.00 | 1,633.00 | 1,633.00 | 1,633.00 | 1,633.00 | 1,633.00 | 1,633.00 |
| 60415-Unemployment insurance | 7,500.00 | 7,500.00 | 7,500.00 | 7,500.00 | 10,750.00 | 7,500.00 | 7,500.00 | 7,500.00 | 7,500.00 | 7,500.00 | 10,750.00 | 7,500.00 |
| 60415-Workers Comp Insuance | 4,500.00 | 4,500.00 | 4,500.00 | 4,500.00 | 4,500.00 | 4,500.00 | 4,500.00 | 4,500.00 | 4,500.00 | 4,500.00 | 4,500.00 | 4,500.00 |
| 60510-Phone-Cable-Internet | 435.00 | 435.00 | 435.00 | 435.00 | 435.00 | 435.00 | 435.00 | 435.00 | 435.00 | 435.00 | 435.00 | 435.00 |
| 60515-Water | 390.00 | 0.00 | 0.00 | 390.00 | 0.00 | 0.00 | 390.00 | 0.00 | 0.00 | 390.00 | 0.00 | 0.00 |
| 60520-Heat | 750.00 | 750.00 | 750.00 | 750.00 | 750.00 | 150.00 | 150.00 | 150.00 | 150.00 | 150.00 | 750.00 | 750.00 |
| 60525-Electric | 995.00 | 995.00 | 995.00 | 995.00 | 995.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | 950.00 | 950.00 |
| 60535-Security | 174.00 | 174.00 | 174.00 | 174.00 | 174.00 | 174.00 | 174.00 | 174.00 | 174.00 | 174.00 | 174.00 | 174.00 |
| 60535-Trash removal | 202.00 | 202.00 | 202.00 | 202.00 | 202.00 | 202.00 | 202.00 | 202.00 | 202.00 | 202.00 | 202.00 | 202.00 |
| 60610-Training | 284.00 | 284.00 | 284.00 | 284.00 | 284.00 | 284.00 | 284.00 | 284.00 | 284.00 | 284.00 | 284.00 | 284.00 |
| 60715-Advertising | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 60720-Conferences/memberships | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 |
| 60750-Travel expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 60780-Activities | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 |
| 60780-Meetings | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 |
| 60810-Building Maintenance | 2,500.00 | 2,500.00 | 2,500.00 | 2,500.00 | 2,500.00 | 2,500.00 | 2,500.00 | 2,500.00 | 2,500.00 | 2,500.00 | 2,500.00 | 2,500.00 |
| 60820-Building Supplies | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 |
| 60830-Building Improvements | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 |
| 60845-VAC food | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 | 950.00 |
| 60846-VAC transportation | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 |
| 60850- · Amazon | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

# Fox Valley Older Adult Services
## Profit & Loss Budget Overview
January through December 2020

| | TOTAL |
|---|---|
| | Jan - Dec 20 |
| **Expense** | |
| 50122-Santrax | 12,000.00 |
| 50540-Gala | 3,500.00 |
| 50560-Draw Down | 2,750.00 |
| 50580- Trips | 42,000.00 |
| 50615-Bar other | 12,000.00 |
| 50620-Bar stock | 12,000.00 |
| 50710-Fair | 9,000.00 |
| 50800-Office Supplies | 6,000.00 |
| 50820-Postage | 4,200.00 |
| 50835-Copiers | 14,400.00 |
| 50840-C.C. processing | 2,400.00 |
| 50980-Training | 3,600.00 |
| 50985-Fingerprinting | 420.00 |
| 60105-Gross Pay | 1,235,500.00 |
| 60115-Admin Medicare | 27,300.00 |
| 60120- SS | 78,000.00 |
| 60125-Mileage | 47,000.00 |
| 60130-Payroll Processing | 6,000.00 |
| 60135-AFLAC | 600.00 |
| 60145-Employee benefits | 0.00 |
| 60210-Accounting & Legal Fees | 0.00 |
| 60215-Outside Services | 54,449.18 |
| 60310-Happy Hatz | 600.00 |
| 60325-Bank fees | 0.00 |
| 60410-Liability Insurance | 19,597.50 |
| 60415-Unemployment Insurance | 96,500.00 |
| 60415-Workers Comp Insuance | 54,000.00 |
| 60510-Phone-Cable-Internet | 5,220.00 |
| 60515-Water | 1,560.00 |
| 60520-Heat | 6,000.00 |
| 60525-Electric | 14,375.00 |
| 60535-Security | 2,088.00 |
| 60535-Trash removal | 2,424.00 |
| 60610-Training | 3,408.00 |
| 60715-Advertising | 0.00 |
| 60720-Conferences/memberships | 6,000.00 |
| 60750-Travel expense | 0.00 |
| 60780-Activities | 2,400.00 |
| 60780-Meetings | 600.00 |
| 60810-Building Maintenance | 30,000.00 |
| 60820-Building Supplies | 12,000.00 |
| 60830-Building Improvements | 6,000.00 |
| 60845-VAC food | 11,400.00 |
| 60846-VAC transportation | 12,000.00 |
| 60850- · Amazon | 0.00 |

# Fox Valley Older Adult Services
## Profit & Loss Budget Overview
### January through December 2020

| | Jan 20 | Feb 20 | Mar 20 | Apr 20 | May 20 | Jun 20 | Jul 20 | Aug 20 | Sep 20 | Oct 20 | Nov 20 | Dec 20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 66000 · Payroll Expenses | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 |
| 66900 · Reconciliation Discrepancies | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Expense | 144,338.30 | 143,948.30 | 143,948.30 | 144,338.30 | 147,198.30 | 200,803.00 | 144,243.00 | 143,853.00 | 152,853.00 | 145,343.00 | 203,753.00 | 145,752.18 |
| Net Income | 21,386.70 | 20,276.70 | 20,276.70 | 19,886.70 | 17,026.70 | -29,078.00 | 48,982.00 | 20,372.00 | 53,372.00 | 47,882.00 | -10,528.00 | 25,972.82 |

# Fox Valley Older Adult Services
## Profit & Loss Budget Overview
January through December 2020

| | TOTAL |
|---|---|
| | Jan - Dec 20 |
| 66000 · Payroll Expenses | 1,080.00 |
| 66900 · Reconciliation Discrepancies | 0.00 |
| Total Expense | 1,860,371.68 |
| Net Income | 255,828.32 |

# Fox Valley Community Services
# Proposed DeKalb Adult Day Service Budget
## For a 12-month Period for Facility is approximately 4500 sq. ft.

| | | | |
|---|---|---|---|
| **Income/Revenue** | | | |
| Client Revenue – based on a projected 15 clients for 1st year | | | |
| Private Pay | $ 11,000 | | |
| Community Care Program | $ 60,000 | | |
| Department of Rehabilitation Services | $ 13,000 | | |
| Veterans Assistance | $ 12,000 | | |
| Grants | $139,400 | | |
| **Total Income/Revenue** | | | **$ 235,400** |
| | | | |
| **Expenses** | | | |
| Direct | | | |
| Personnel Salaries | | | |
| Program Director | $ 70,000 | | |
| Support Staff | $ 64,000 | | |
| Sub-Total Salaries | | $ 134,000 | |
| Other Direct Expense | | | |
| Employer Payroll Taxes | $ 12,000 | | |
| Employer Payroll Insurances | $ 3,000 | | |
| Training | $ 5,000 | | |
| Liability Insurance | $ 10,000 | | |
| Rent | $ 24,000 | | |
| Utilities | | | |
| Gas/Electric/Water | $ (included in rent) | | |
| Phone/Internet/Copier | $ 6,000 | | |
| Rental Insurance | $ 3,000 | | |
| Maintenance | $ 10,000 | | |
| Building Security | $ 1,400 | | |
| Sub-Total Other Direct Exp | | $ 74,400 | |
| Total Direct Expense | | | $ 208,400 |
| Indirect Expense | | | |
| Start Up – Equipment | | | |
| Computers | $ 3,000 | | |
| Client Areas | $ 5,000 | | |
| Kitchen | $ 5,000 | | |
| Ongoing Indirect Expense | | | |
| Advertising/Publicity/Marketing | $ 2,000 | | |
| Office Supplies | $ 2,000 | | |
| Activities | $ 6,000 | | |
| Miscellaneous | $ 4,000 | | |
| Total Indirect Expense | | | $ 27,000 |
| | | | |
| **Total Expense** | | | **$ 235,400** |

Exhibit C: Most Recent Completed Fiscal Year's Audit or Year-End Financial Statement

# FOX VALLEY OLDER ADULT SERVICES

SANDWICH, ILLINOIS

ANNUAL FINANCIAL REPORT

December 31, 2018

# FOX VALLEY OLDER ADULT SERVICES

Table of Contents


| | Page |
|---|---|
| Independent Auditors' Report - Report on Financial Statements | 1-2 |
| Financial Statements | |
| Statements of Financial Position | 3 |
| Statements of Activity and Changes in Net Assets | 4 |
| Statements of Cash Flows | 5 |
| Notes to Financial Statements | 6-11 |
| Supplementary Information | |
| Statements of Functional Expenses | 12 |

Brian Zabel & ASSOCIATES P.C.
CERTIFIED PUBLIC ACCOUNTANTS
1040 West Route 6 • Morris, IL 60450
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# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Fox Valley Older Adult Services
Sandwich, Illinois

We have audited the accompanying financial statements of Fox Valley Older Adult Services (an Illinois nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities and cash flows for the year 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 opinions on these basic financial statements based on our audit. We conducted our audit 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 of material misstatement.

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fox Valley Older Adult Services as of December 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The schedule of functional expenses on page 12 are presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 financial statements as a whole.

**Change in Accounting Principle**

As discussed in Note 1 to the financial statements, effective January 1, 2017, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-14, Presentation of Financial Statement of Not-for-Profit Entities. Our opinion is not modified with respect to this matter.

Brian Zabel & Assoc. P.C.

BRIAN ZABEL & ASSOCIATES, P.C.
Certified Public Accountants

Morris, Illinois
January 6, 2020

## FOX VALLEY OLDER ADULT SERVICES

Statement of Financial Position

December 31, 2018

| ASSETS | | 2018 |
|---|---|---|
| Current Assets | | |
| Cash and cash equivalents | $ | 301,323 |
| Accounts Receivable | | 108,233 |
| Other Receivable | | - |
| Prepaid Expenses | | - |
| Total Current Assets | | 409,556 |
| Property and Equipment | | |
| Land | | 91,250 |
| Building and improvements | | 520,721 |
| Equipment | | 58,709 |
| Less: Accumulated Depreciation | | (412,694) |
| Total Property and Equipment, Net | | 257,986 |
| Total Assets | $ | 667,542 |
| **LIABILITIES AND NET ASSETS** | | |
| Current Liabilities | | |
| Accounts Payable | $ | 15,469 |
| Accrued Wages | | 27,148 |
| Accrued Liabilities | | 229 |
| Current Portion of Notes Payable | | 18,929 |
| Total Current Liabilities | | 61,775 |
| Long-Term Liabilities | | |
| Notes Payable | | 396,378 |
| Total Long-Term Liabilities | | 396,378 |
| Total Liabilities | | 458,153 |
| Net Assets | | |
| Without Donor Restrictions: | | |
| Undesignated | | 209,389 |
| Board Designated | | - |
| With Donor Restrictions | | - |
| Total Net Assets | | 209,389 |
| Total Liabilities and Net Assets | $ | 667,542 |

The accompanying notes are an integral part of these statements.

## FOX VALLEY OLDER ADULT SERVICES

Statement of Activities and Changes in Net Assets

For the year ended December 31, 2018

| | 2018 | | | |
|---|---|---|---|---|
| | Without Donor Restrictions | | | |
| | Undesignated | Board Designated | With Donor Restrictions | Total |
| Revenues: | | | | |
| Program Service Fees | $ 1,252,628 | $ - | $ - | $ 1,252,628 |
| Contributions | 149,588 | - | - | 149,588 |
| Grants | 167,766 | - | - | 167,766 |
| Fundraising | 136,006 | | | 136,006 |
| Interest Income | - | - | - | - |
| Net assets released from restrictions: | | | | |
| Satisfaction of program restrictions | - | - | - | - |
| Total Revenue | 1,705,988 | - | - | 1,705,988 |
| Expenses: | | | | |
| Program | 1,215,032 | - | - | 1,215,032 |
| Management and General | 491,176 | - | - | 491,176 |
| Fundraising | 72,293 | - | - | 72,293 |
| Total expenses | 1,778,501 | - | - | 1,778,501 |
| Change in Net Assets | (72,513) | - | - | (72,513) |
| Net assets, beginning of the year | 281,902 | - | - | 281,902 |
| Net assets, end of the year | $ 209,389 | $ - | $ - | $ 209,389 |

The accompanying notes are an integral part of these statements.

**FOX VALLEY OLDER ADULT SERVICES**

Statement of Cash Flows

For the year ended December 31, 2018

| | 2018 |
|---|---|
| Cash Flows from Operating Activities | |
| Decrease in Net Assets | $ (72,513) |
| Adjustments to Reconcile Change in Net Assets Provided by Operating Activities: | |
| Depreciation | 22,156 |
| Changes in Assets and Liabilities | |
| Decrease (Increase) in Accounts Receivable | 151,965 |
| Increase (Decrease) in Accounts Payable | (858) |
| Increase (Decrease) in Accrued Wages | 6,974 |
| Increase (Decrease) in Accrued Liabilities | (74,940) |
| Net Cash Provided by Operating Activities | 32,784 |
| Cash Flows from Investing Activities | |
| Purchase of Fixed Assets | - |
| Net Cash Used in Investing Activities | - |
| Cash Flows from Financing Activities | |
| Payment of Long-Term Notes Payable | (49,997) |
| Net Cash Used in Financing Activities | (49,997) |
| Net Decrease in Cash | (17,213) |
| Cash, Beginning of the Year | 318,536 |
| Cash, End of the Year | $ 301,323 |

The accompanying notes are an integral part of these statements.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Nature of Operations

Fox Valley Older Adult Services (the "Organization") is an Illinois, not-for-profit corporation that was established in 1969 to provide adult day services, homemaker services, transportation, senior center, senior lunches and information and assistance for seniors.

The organization operates a regional senior center in Sandwich, Illinois and provides a variety of educational and social programs in addition to providing area seniors with referral assistance. The Organization is a partner in a program which operates a transportation system from the senior center. The service allows area older adults to access local medical facilities, stores and other appointments, including service to an out-of-town dialysis center.

The Organization is a provider of adult day services in DeKalb, Kane, Kendall, and LaSalle counties. The Organization operates a center in Sandwich, Illinois. These facilities are social model daycare centers that provide services for elderly and disabled adults. The program promotes self-esteem and independence while providing emotional support and respite to family members in hopes of eliminating premature nursing home placement.

The Organization provides homemaker assistance to residents of Dekalb and Kendall counties. The Organization is one of the only sources of assistance helping low income residents of this area.

### Basis of Accounting

The financial statements of Fox Valley Older Adult Services (the Organization) have been prepared in conformity with the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. Under the accrual basis, revenues are recognized when they are earned and become measurable, and expenses are recorded when incurred.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### New Accounting Pronouncement

For 2017, the Organization began to include in its financial statements informative disclosures similar to those required by GAAP under the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2016-14 – Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-For-Profit Entities. This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. The changes required by the update have been applied retrospectively to all periods presented. A key change required by ASU 2016-14 is the description of the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions. In addition, a statement of functional epees is presented with the financial statements. Certain expenses have been reclassified to conform to the current year presentation. Theses reclassifications have no impact on net assets or the change in net assets as previously reported. Also, information regarding liquidity and availability of resources is presented in the notes to the financial statements.

### Basis of Presentation

Fox Valley Older Adult Services financial statements have been prepared on the accrual basis and have been prepared with a focus on the entity as a whole. Net assets, support, revenues, gains, and losses are classified based on the existence or absence of donor restrictions. Accordingly, the net assets of the Organization are classified and reported as follows:

*Net assets without donor restrictions* are net assets that are currently available for operating purpose under the direction of the board or designated by the board for specific use.

*Net assets with donor restrictions* are net assets subject to donor stipulations for specific operating purposes or time restrictions. These include donor restrictions requiring the net assets be held in perpetuity or for specified term with investment return available for operations or specific purposes.

### Cash and Cash Equivalents

Cash equivalents consist primarily of cash held in a checking account and petty cash.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Accounts Receivable

Fox Valley Older Adult Services grants trade credit to organizations and individuals located in Illinois. Accounts receivable consists primarily of fees due from program services and are non-interest bearing. Accounts receivable are stated at unpaid balances with no allowance for doubtful accounts. It is management's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

### Donations

Donations are recorded when received as without donor restrictions or with donor restrictions. When a donor restriction is met, net assets are reclassified to without donor restriction and reported in the statement of activities as satisfaction of program or time restrictions.

### Property and Equipment

Fox Valley Older Adult Services capitalizes building costs in excess of $2,500 and vehicle and equipment in excess of $1,500 for the year ended December 31, 2018. Assets are recorded at historical cost. Donations of property and equipment are recorded as support at their estimated fair value on the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

Expenditures for maintenance and repairs which do not extend the life of the respective assets are expensed currently. Major additions and betterments are capitalized. When properties are sold or retired, the related cost and accumulated depreciation are removed from the accounts and the resulting gains or losses are reflected.

Property and equipment are depreciated using the straight-line method based on useful lives of five (5) to forty (40) years. For the year ended December 31, 2018, depreciation expense was $22,156.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Income Taxes

Fox Valley Older Adult Services is a not-for-profit organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. They have also been classified as an entity that is not a private foundation within the meaning of Section 509(a). Accordingly, charitable contributions to Fox Valley Older Adult Services are tax deductible contributions. However, any income from certain activities not directly related to the organization's tax-exempt purpose would be subject to taxation as unrelated business income. There was no unrelated business income for the year ended December 31, 2018.

The tax effect from an uncertain tax position is recognized in the financial statements only if the position is more likely than not to be sustained on audit, based upon the technical merits of the position. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement with the relevant tax authority. Management has applied the standard to all tax positions for which the statute of limitations remained open and there was no material effect on the financial statements.

Fox Valley Older Adult Services files income tax returns in the U.S. Federal jurisdiction and in Illinois and is generally no longer subject to U.S. Federal and Illinois income tax examinations by tax authorities for years before 2015.

### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect (1) reported amounts of assets and liabilities, including the disclosure of contingent assets and liabilities at the financial statement date and (2) reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## NOTE 2. NET ASSETS

### With Donor Restrictions

At December 31, 2018, the Organization had no net assets with donor restrictions.

## NOTE 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of December 31, 2018, reduced by donor-imposed restrictions, resulting in net financial assets of $409,556, all of which are available to meet general expenditures within one year of the financial statement date.

| | 2018 |
|---|---|
| Cash and cash equivalents | $ 301,323 |
| Accounts Recievable | 108,233 |
| Prepaid Expenses | - |
| Financial Assets at year end | 409,556 |
| Less: Donor-imposed restrictions | - |
| Financial assets available to meet cash needs for general expenditures within one year | $ 409,556 |

## NOTE 4. FIXED ASSETS

The following is a summary of fixed assets as of December 31, 2018:

| | Beginning Balance | Additions | Disposals | Ending Balance |
|---|---|---|---|---|
| Land | 91,250 | | - | 91,250 |
| Builidng and Improvements | 520,721 | - | - | 520,721 |
| Equipment | 58,709 | - | - | 58,709 |
| Accumulated Depreciation | (390,538) | (22,156) | - | (412,694) |
| Total Net Assets | 280,142 | (22,156) | - | 257,986 |

## NOTE 5. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities and changes in net assets. Accordingly, certain costs have been allocated among programs, management and general, and fundraising.

## NOTE 6. NOTES PAYABLE

Fox Valley Older Adult Services has a $415,307 note payable to Heartland Bank with a maturity of February 26, 2035. The note is payable in monthly payments of $3,268 including interest at 5% and 229 monthly payments of principal plus interest at a variable rate which is calculated by the U.S. Treasury Independent Index rate plus a 3.75% margin. The note is secured by the building.

## NOTE 6. NOTES PAYABLE (Continued)

| | Balances January 1 | Additions | Reductions | Balances December 31 | Current Portion |
|---|---|---|---|---|---|
| **Governmental Activities** | | | | | |
| Heartland Bank and Trust | $ 465,304 | $ - | $ (49,997) | $ 415,307 | $ 18,929 |
| | $ 465,304 | $ - | $ (49,997) | $ 415,307 | $ 18,929 |

Future maturities of long-term notes payable are as follows:

| For the Year Ended December 31, | |
|---|---|
| 2019 | $ 18,929 |
| 2020 | 19,897 |
| 2021 | 20,915 |
| 2022 | 21,985 |
| 2023-2028 | 157,655 |
| 2029-2033 | 172,668 |
| 2034-2035 | 3,258 |
| | $ 415,307 |

## NOTE 7. SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2018, the date of the most recent balance sheet, have been evaluated for possible adjustments to the financial statements or disclosure is January 6, 2020, the date the financial statements were available to be issued.

## FOX VALLEY OLDER ADULT SERVICES

Statement of Functional Expenses

For the year ended December 31, 2018

| | 2018 | | | |
|---|---|---|---|---|
| | | Supporting Services | | |
| | Program Services | Management & General | Fundraising | Total |
| Functional Expenses: | | | | |
| Salaries | $ 1,040,985 | $ 152,930 | $ 60,824 | $ 1,254,739 |
| Payroll taxes | 77,907 | 11,442 | 4,548 | 93,897 |
| Employee benefits | 41,011 | 5,702 | - | 46,713 |
| Interest | - | 21,989 | - | 21,989 |
| Insurance | - | 84,914 | - | 84,914 |
| Conferences | 300 | 2,015 | - | 2,315 |
| Office Expenses | 624 | 25,392 | 285 | 26,301 |
| Marketing & Promotions | 1,910 | 7,031 | - | 8,941 |
| Miscellaneous | - | 3,487 | - | 3,487 |
| Postage | 100 | 4,889 | - | 4,989 |
| Professional fees | - | 18,775 | 50 | 18,825 |
| Program Supplies | 12,235 | 919 | - | 13,154 |
| Repairs & Maintenance | 3,161 | 26,150 | 575 | 29,886 |
| Training | 683 | 1,995 | - | 2,678 |
| Transportation | 18,442 | 2,077 | - | 20,519 |
| Travel | - | 135 | 6,004 | 6,139 |
| Other program expenses | 16,825 | 1,839 | - | 18,664 |
| Outside Services | 561 | 64,552 | 7 | 65,120 |
| Utilities | 288 | 32,787 | - | 33,075 |
| Depreciation | - | 22,156 | - | 22,156 |
| Total Functional Expenses | 1,215,032 | 491,176 | 72,293 | 1,778,501 |

## Exhibit D: Grantee-Specific Obligations

Grantee agrees and acknowledges that it shall comply with the following obligations, which shall be considered to be an integral component of the Agreement:

Fox Valley Community Services is seeking funding to open an Adult Day Care Center for the elderly and people with disabilities to provide a safe place for adults who need supervision to stay while family members work or take a needed break from caretaker responsibilities. The program will be located in the Elder Care Services building located at 1701 East Lincoln Highway.

Fox Valley Community Services proposes to serve 15 individuals with Adult Day Care services when the program opens. Of this number, 8 recipients of services are anticipated to be residents of the City of DeKalb. Grantee will track the total number of individuals served by the program and will include a separate accounting of individuals who are residents of the City of DeKalb to document that City of DeKalb Human Services Funding is used only to support direct services to DeKalb residents. Grantee will report revenue from other sources to document that the agency receives funding to cover services to individuals who are not residents of the City of DeKalb. Reports will be submitted on a Quarterly basis in order to receive payment of grant funds.

# FOX VALLEY OLDER ADULT SERVICES
# d.b.a. FOX VALLEY COMMUNITY SERVICES

SANDWICH, ILLINOIS

ANNUAL FINANCIAL REPORT

December 31, 2019

**FOX VALLEY OLDER ADULT SERVICES**
**d.b.a. FOX VALLEY COMMUNITY SERVICES**

Table of Contents


| | Page |
|---|---|
| Independent Auditors' Report - Report on Financial Statements | 1-2 |
| Financial Statements | |
| Statements of Financial Position | 3 |
| Statements of Activity and Changes in Net Assets | 4 |
| Statements of Cash Flows | 5 |
| Notes to Financial Statements | 6-12 |
| Supplementary Information | |
| Statements of Functional Expenses | 13 |

Brian Zabel & ASSOCIATES P.C.
CERTIFIED PUBLIC ACCOUNTANTS
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# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Fox Valley Older Adult Services
d.b.a. Fox Valley Community Services
Sandwich, Illinois

We have audited the accompanying financial statements of Fox Valley Older Adult Services d.b.a. Fox Valley Community Services (an Illinois nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities and cash flows for the year 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 opinions on these basic financial statements based on our audit. We conducted our audit 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 of material misstatement.

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

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

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fox Valley Older Adult Services d.b.a. Fox Valley Community Services as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Report on Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The schedule of functional expenses on page 13 are presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 financial statements as a whole.

## Change in Accounting Principle

As discussed in Note 1 to the financial statements, effective January 1, 2017, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-14, Presentation of Financial Statement of Not-for-Profit Entities. Our opinion is not modified with respect to this matter.

Brian Zabel & Assoc. P.C.
BRIAN ZABEL & ASSOCIATES, P.C.
Certified Public Accountants

Morris, Illinois
January 18, 2021

**FOX VALLEY OLDER ADULT SERVICES**
**d.b.a. FOX VALLEY COMMUNITY SERVICES**

Statement of Financial Position

December 31, 2019

| ASSETS | | 2019 |
|---|---|---|
| Current Assets | | |
| Cash and cash equivalents | $ | 320,316 |
| Accounts Receivable | | 38,936 |
| Other Receivable | | - |
| Prepaid Expenses | | - |
| Total Current Assets | | 359,252 |
| Property and Equipment | | |
| Land | | 91,250 |
| Building and improvements | | 520,721 |
| Equipment | | 58,709 |
| Less: Accumulated Depreciation | | (434,850) |
| Total Property and Equipment, Net | | 235,830 |
| Total Assets | $ | 595,082 |
| **LIABILITIES AND NET ASSETS** | | |
| Current Liabilities | | |
| Accounts Payable | $ | 23,651 |
| Accrued Wages | | 23,206 |
| Accrued Liabilities | | - |
| Current Portion of Notes Payable | | 19,897 |
| Total Current Liabilities | | 66,754 |
| Long-Term Liabilities | | |
| Notes Payable | | 390,781 |
| Total Long-Term Liabilities | | 390,781 |
| Total Liabilities | | 457,535 |
| Net Assets | | |
| Without Donor Restrictions: | | |
| Undesignated | | 137,547 |
| Board Designated | | - |
| With Donor Restrictions | | - |
| Total Net Assets | | 137,547 |
| Total Liabilities and Net Assets | $ | 595,082 |

The accompanying notes are an integral part of these statements.

**FOX VALLEY OLDER ADULT SERVICES**
**d.b.a. FOX VALLEY COMMUNITY SERVICES**

Statement of Activities and Changes in Net Assets

For the year ended December 31, 2019

| | 2019 | | | |
|---|---|---|---|---|
| | Without Donor Restrictions | | | |
| | Undesignated | Board Designated | With Donor Restrictions | Total |
| Revenues: | | | | |
| Program Service Fees | $ 1,664,551 | $ - | $ - | $ 1,664,551 |
| Contributions | 161,045 | - | - | 161,045 |
| Grants | 70,798 | - | - | 70,798 |
| Fundraising | 151,488 | - | - | 151,488 |
| Interest Income | - | - | - | - |
| Net assets released from restrictions: | | | | |
| Satisfaction of program restrictions | - | - | - | - |
| Total Revenue | 2,047,882 | - | - | 2,047,882 |
| Expenses: | | | | |
| Program | 1,711,656 | - | - | 1,711,656 |
| Management and General | 326,487 | - | - | 326,487 |
| Fundraising | 81,581 | - | - | 81,581 |
| Total expenses | 2,119,724 | - | - | 2,119,724 |
| Change in Net Assets | (71,842) | - | - | (71,842) |
| Net assets, beginning of the year | 209,389 | - | - | 209,389 |
| Net assets, end of the year | $ 137,547 | $ - | $ - | $ 137,547 |

The accompanying notes are an integral part of these statements.

**FOX VALLEY OLDER ADULT SERVICES**
**d.b.a. FOX VALLEY COMMUNITY SERVICES**

Statement of Cash Flows

For the year ended December 31, 2019

| | 2019 |
|---|---|
| Cash Flows from Operating Activities | |
| Decrease in Net Assets | $ (71,842) |
| Adjustments to Reconcile Change in Net Assets Provided by Operating Activities: | |
| Depreciation | 22,156 |
| Changes in Assets and Liabilities | |
| Decrease (Increase) in Accounts Receivable | 69,297 |
| Increase (Decrease) in Accounts Payable | 8,182 |
| Increase (Decrease) in Accrued Wages | (3,942) |
| Increase (Decrease) in Accrued Liabilities | (229) |
| Net Cash Provided by Operating Activities | 23,622 |
| Cash Flows from Investing Activities | |
| Purchase of Fixed Assets | - |
| Net Cash Used in Investing Activities | - |
| Cash Flows from Financing Activities | |
| Payment of Long-Term Notes Payable | (4,629) |
| Net Cash Used in Financing Activities | (4,629) |
| Net Decrease in Cash | 18,993 |
| Cash, Beginning of the Year | 301,323 |
| Cash, End of the Year | $ 320,316 |

The accompanying notes are an integral part of these statements.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Nature of Operations

Fox Valley Older Adult Services d.b.a. Fox Valley Community Services (the "Organization") is an Illinois, not-for-profit corporation that was established in 1969 to provide adult day services, homemaker services, transportation, senior center, senior lunches and information and assistance for seniors.

The organization operates a regional senior center in Sandwich, Illinois and provides a variety of educational and social programs in addition to providing area seniors with referral assistance. The Organization is a partner in a program which operates a transportation system from the senior center. The service allows area older adults to access local medical facilities, stores and other appointments, including service to an out-of-town dialysis center. The organization obtained an assumed name certificate for Fox Valley Community Services in 2019.

The Organization is a provider of adult day services in DeKalb, Kane, Kendall, and LaSalle counties. The Organization operates a center in Sandwich, Illinois. These facilities are social model daycare centers that provide services for elderly and disabled adults. The program promotes self-esteem and independence while providing emotional support and respite to family members in hopes of eliminating premature nursing home placement.

The Organization provides homemaker assistance to residents of DeKalb and Kendall counties. The Organization is one of the only sources of assistance helping low-income residents of this area.

### Basis of Accounting

The financial statements of Fox Valley Older Adult Services d.b.a. Fox Valley Community Services (the Organization) have been prepared in conformity with the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. Under the accrual basis, revenues are recognized when they are earned and become measurable, and expenses are recorded when incurred.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### New Accounting Pronouncement

For 2017, the Organization began to include in its financial statements informative disclosures similar to those required by GAAP under the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2016-14 – Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-For-Profit Entities. This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. The changes required by the update have been applied retrospectively to all periods presented. A key change required by ASU 2016-14 is the description of the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions. In addition, a statement of functional epees is presented with the financial statements. Certain expenses have been reclassified to conform to the current year presentation. Theses reclassifications have no impact on net assets or the change in net assets as previously reported. Also, information regarding liquidity and availability of resources is presented in the notes to the financial statements.

### Basis of Presentation

Fox Valley Older Adult Services d.b.a. Fox Valley Community Services financial statements have been prepared on the accrual basis and have been prepared with a focus on the entity as a whole. Net assets, support, revenues, gains, and losses are classified based on the existence or absence of donor restrictions. Accordingly, the net assets of the Organization are classified and reported as follows:

*Net assets without donor restrictions* are net assets that are currently available for operating purpose under the direction of the board or designated by the board for specific use.

*Net assets with donor restrictions* are net assets subject to donor stipulations for specific operating purposes or time restrictions. These include donor restrictions requiring the net assets be held in perpetuity or for specified term with investment return available for operations or specific purposes.

### Cash and Cash Equivalents

Cash equivalents consist primarily of cash held in a checking account and petty cash.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Accounts Receivable

Fox Valley Older Adult Services d.b.a. Fox Valley Community Services grants trade credit to organizations and individuals located in Illinois. Accounts receivable consists primarily of fees due from program services and are non-interest bearing. Accounts receivable are stated at unpaid balances with no allowance for doubtful accounts. It is management's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

### Donations

Donations are recorded when received as without donor restrictions or with donor restrictions. When a donor restriction is met, net assets are reclassified to without donor restriction and reported in the statement of activities as satisfaction of program or time restrictions.

### Property and Equipment

Fox Valley Older Adult Services d.b.a. Fox Valley Community Services capitalizes building costs in excess of $2,500 and vehicle and equipment in excess of $1,500 for the year ended December 31, 2019. Assets are recorded at historical cost. Donations of property and equipment are recorded as support at their estimated fair value on the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

Expenditures for maintenance and repairs which do not extend the life of the respective assets are expensed currently. Major additions and betterments are capitalized. When properties are sold or retired, the related cost and accumulated depreciation are removed from the accounts and the resulting gains or losses are reflected.

Property and equipment are depreciated using the straight-line method based on useful lives of five (5) to forty (40) years. For the year ended December 31, 2019, depreciation expense was $22,156.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Income Taxes

Fox Valley Older Adult Services d.b.a. Fox Valley Community Services is a not-for-profit organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. They have also been classified as an entity that is not a private foundation within the meaning of Section 509(a). Accordingly, charitable contributions to Fox Valley Older Adult Services d.b.a. Fox Valley Community Services are tax deductible contributions. However, any income from certain activities not directly related to the organization's tax-exempt purpose would be subject to taxation as unrelated business income. There was no unrelated business income for the year ended December 31, 2019.

The tax effect from an uncertain tax position is recognized in the financial statements only if the position is more likely than not to be sustained on audit, based upon the technical merits of the position. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement with the relevant tax authority. Management has applied the standard to all tax positions for which the statute of limitations remained open and there was no material effect on the financial statements.

Fox Valley Older Adult Services d.b.a. Fox Valley Community Services files income tax returns in the U.S. Federal jurisdiction and in Illinois and is generally no longer subject to U.S. Federal and Illinois income tax examinations by tax authorities for years before 2015.

### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect (1) reported amounts of assets and liabilities, including the disclosure of contingent assets and liabilities at the financial statement date and (2) reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## NOTE 2. NET ASSETS

**With Donor Restrictions**
As of December 31, 2019, the Organization had no net assets with donor restrictions.

## NOTE 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of December 31, 2019, reduced by donor-imposed restrictions, resulting in net financial assets of $359,252, all of which are available to meet general expenditures within one year of the financial statement date.

| | 2019 |
|---|---|
| Cash and cash equivalents | $ 320,316 |
| Accounts Recievable | 38,936 |
| Prepaid Expenses | - |
| Financial Assets at year end | 359,252 |
| Less: Donor-imposed restrictions | - |
| Financial assets available to meet cash needs for general expenditures within one year | $ 359,252 |

## NOTE 4. FIXED ASSETS

The following is a summary of fixed assets as of December 31, 2019:

| | Beginning Balance | Additions | Disposals | Ending Balance |
|---|---|---|---|---|
| Land | 91,250 | | - | 91,250 |
| Builidng and Improvements | 520,721 | - | - | 520,721 |
| Equipment | 58,709 | - | - | 58,709 |
| Accumulated Depreciation | (412,694) | (22,156) | - | (434,850) |
| Total Net Assets | 257,986 | (22,156) | - | 235,830 |

## NOTE 5. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities and changes in net assets. Accordingly, certain costs have been allocated among programs, management and general, and fundraising.

## NOTE 6. NOTES PAYABLE

Fox Valley Older Adult Services d.b.a. Fox Valley Community Services has a $410,678 note payable to Heartland Bank with a maturity of February 26, 2035. The note is payable in monthly payments of $3,268 including interest at 5% and 229 monthly payments of principal plus interest at a variable rate which is calculated by the U.S. Treasury Independent Index rate plus a 3.75% margin. The note is secured by the building.

| | Balances January 1 | Additions | Reductions | Balances December 31 | Current Portion |
|---|---|---|---|---|---|
| **Governmental Activities** | | | | | |
| Heartland Bank and Trust | $ 415,307 | $ - | $ 4,629 | $ 410,678 | $ 19,897 |
| | $ 415,307 | $ - | $ 4,629 | $ 410,678 | $ 19,897 |

Future maturities of long-term notes payable are as follows:

| For the Year Ended December 31, | |
|---|---|
| 2020 | 19,897 |
| 2021 | 20,915 |
| 2022 | 21,985 |
| 2023-2028 | 157,655 |
| 2029-2033 | 172,668 |
| 2034-2035 | 17,558 |
| | $ 410,678 |

## NOTE 7. SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2019, the date of the most recent balance sheet, have been evaluated for possible adjustments to the financial statements or disclosure is January 18, 2021, the date the financial statements were available to be issued.

In December 2019, a novel strain of coronavirus surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of the Organization could be materially adversely affected.

## NOTE 7. SUBSEQUENT EVENTS (CONTINUED)

The extent to which the coronavirus (or any other disease or epidemic) impacts business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus or treat its impact, among others.

**FOX VALLEY OLDER ADULT SERVICES**
**d.b.a. FOX VALLEY COMMUNITY SERVICES**

Statement of Functional Expenses

For the year ended December 31, 2019

| | 2019 | | | |
|---|---|---|---|---|
| | | Supporting Services | | |
| | Program Services | Management & General | Fundraising | Total |
| Functional Expenses: | | | | |
| Salaries | $ 1,158,827 | $ 193,899 | $ 32,268 | $ 1,384,994 |
| Payroll taxes | 85,348 | 14,346 | 2,776 | 102,470 |
| Employee benefits | 1,098 | 214 | 214 | 1,526 |
| Equipment Rental | 13,620 | 2,648 | 2,648 | 18,916 |
| Interest | - | 21,413 | - | 21,413 |
| Insurance | 41,296 | 8,030 | 8,030 | 57,356 |
| Conferences | 7,402 | 1,439 | 1,439 | 10,280 |
| Office | 8,360 | 1,626 | 1,626 | 11,612 |
| Marketing & Promotions | 5,420 | 1,054 | 1,054 | 7,528 |
| Postage | 8,287 | 1,612 | 1,612 | 11,511 |
| Professional fees | - | 28,136 | - | 28,136 |
| Repairs & Maintenance | 69,711 | 13,555 | 13,555 | 96,821 |
| Training | 4,139 | - | - | 4,139 |
| Transportation | 75,507 | - | - | 75,507 |
| Other program expenses | 148,505 | - | - | 148,505 |
| Outside Services | 53,091 | 10,323 | 10,323 | 73,737 |
| Utilities | 31,045 | 6,036 | 6,036 | 43,117 |
| Depreciation | - | 22,156 | - | 22,156 |
| Total Functional Expenses | 1,711,656 | 326,487 | 81,581 | 2,119,724 |

See Independent Auditors' Report

**HUMAN SERVICES AGREEMENT**
**HOPE HAVEN**

This agreement made this 28th day of December, 2020, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the "City" and Hope Haven, hereinafter referred to as "Grantee," WITNESSETH:

WHEREAS, the City desires that Grantee provide certain services to the citizens of DeKalb and Grantee has the capacity to provide such services; and,

WHEREAS, the Grantee acknowledges that it is the City's intention to purchase said services for the citizens of the City of DeKalb under the following guidelines:

1. First priority shall be given to those services which will help meet basic emergency needs such as food, clothing, and shelter. Second priority shall be given to those services which are preventative in nature and promote the highest degree of self-support, self-care, and self-help. Third priority shall be given to those services which seek to enhance the quality of life of persons whose basic needs are already met. Priority shall also be given to services which primarily benefit low and moderate income residents. The services provided by the Grantee are consistent with these guidelines as explained on the attached Exhibit A.

2. Services shall address specific documented needs. The services provided by the Grantee address the specific, documented needs as explained on the attached Exhibit A.

3. Services shall also receive financial support from other community sources. Grantee has attached hereto a copy of its budget for the period that this Agreement covers as Exhibit B, which budget establishes that the Grantee receives at least 99 % of its funding from third party sources. A copy of Grantee's audit or year end financial statement from the most recent complete year of operations is attached hereto as Exhibit C.

4. City funds are used only to support those services directly benefiting DeKalb residents. The City will not subsidize the cost of services to non-residents. Grantee has certified compliance with this requirement by signing the attached Exhibit A.

5. Administrative costs for these services are to be kept to a minimum. Grantee has identified the allocation between administrative costs and program costs as explained on the attached Exhibit A.

6. These services must be coordinated with other agencies when feasible. Grantee has outlined how services are coordinated with other agencies as explained on the attached Exhibit A.

7. The City will not fund, but may augment, services which are the responsibility of another public agency or funding source. Grantee has identified any areas where the City's funds are being utilized to augment third party responsibilities as explained on the attached Exhibit A.

8. City funds are to be used primarily to match or leverage other private or public funds. Grantee has explained how matching or leveraged funds are being sought or obtained as explained on the attached Exhibit A.

9. The City's intent is to contract for specific services and monitor their effectiveness. Grantee has: a) identified the metrics by which its performance is to be evaluated on an annual basis; b) identified those third parties that provide any review or evaluation of Grantee's efforts; and, c) explained its clearly defined performance evaluation process, as explained on the attached Exhibit A.

10. Grantee has clearly identified and delineated where any elected or appointed official of the City or any City employee is involved in its programming or receives any direct or indirect benefit, any compensation, or any pecuniary benefit of any form by virtue of Grantee's program or the City funding provided hereunder, as explained on the attached Exhibit A.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, and all such funds are held by the Grantee in a Grantee-specific checking account with the financial institution identified therein (and not in any personal checking account), unless otherwise indicated therein.

WHEREAS, the parties hereto understand and agree that the Grantee is an independent contractor and not an employee of the City; now,

In consideration of the agreements set forth and other good and valuable considerations, the parties agree as follows:

1. **Term**. The term of this agreement shall be from January 1, 2021 to December 31, 2021. The City or Grantee may terminate this Agreement at any time, upon the provision of thirty (30) days written notice. The City may terminate this agreement at any time based upon the occurrence of a breach of this Agreement, upon the provision of 48 hours written notice.

2. **Scope of Service**. The Grantee shall provide services in accordance with the service plan provided in the original application, a copy of which is attached hereto as Exhibit A.

3. **Hold Harmless**. The Grantee hereby agrees to indemnify, defend, and hold the City and its officers, employees, contractors, and representatives harmless from and against any and all such costs, expenses, damages, liabilities, losses and

claims which may arise out of, or are related to the services provided by the Grantee under this agreement or which relate to this Agreement or the funding provided herein. The Grantee agrees and acknowledges that the City is not in any way responsible for the conduct or provision of Grantee's programs or services, and is not responsible for the review, supervision or management of Grantee's personnel, volunteers, participants, programming, or services.

4. **Payment.** The City agrees to pay the Grantee the sum of Eight Thousand and No/100 Dollars ($8,000.00) for services rendered under this agreement. **Payment will be disbursed in four equal installments and will be processed upon receipt of the Grantee's quarterly reports, as required by this funding agreement.** In the event that this Agreement is terminated, no further payments shall be due or payable to Grantee. In the event that the City Council determines that the City's financial condition does not support making a payment otherwise due under this Agreement, the City may suspend, delay, or otherwise cancel payments due hereunder.

5. **Access to Financial Records**. The Grantee agrees to allow the City access to review any and all of Grantee's financial records as may be determined appropriate to insure the accountability of monies disbursed by the City. The Grantee also agrees to provide the City with a copy of its operating budget and its audit or year-end financial statement for each fiscal year or portion thereof in which the Grantee receives funding under this (or successor) agreements.

6. **Performance Reporting**. The Grantee agrees to send the City a report following every three months of services identifying the number of City of DeKalb citizens that have been provided services under the terms of this Agreement. The Grantee further agrees to send the City a copy of all documentation required to demonstrate its performance or which is identified as a performance-evaluation tool in Exhibit A.

   Quarterly reports shall be provided to the City on or before the 10th day of the following months:

   1st Quarter – April
   2nd Quarter – July
   3rd Quarter – October
   4th Quarter - January

7. **Compliance with Laws.** The Grantee expressly covenants and agrees that it shall comply with all applicable laws, including those laws applicable to the use of public funding to the extent that such laws are applicable to programs funded in whole or in part by the City of DeKalb. The Grantee expressly covenants that it shall not discriminate against any person or organization on the basis of any legally recognized protected classification, including but not limited to race, gender, religion, ethnic or cultural background, sexual preference, or other legally

recognized, protected classification, in the provision of its services or use of funding provided hereunder.

8. **Use of Funds.** The Grantee shall only utilize funds made available under this agreement for the provision of services consistent with this agreement and shall not use such funding for any other purpose, nor for the construction of any real property or improvement to real property, nor for any purpose which constitutes "Public Works" for purposes of the Illinois Prevailing Wage Act.

9. **Grantee's Organization.** Grantee is organized in the format as described in Exhibit A. For the term of this Agreement, Grantee shall take such actions as shall be required to maintain that form of organization. Grantee shall provide the City with notice of the meetings of its governing board or board of directors, and the City shall have the opportunity to attend such meetings as an *ex officio* member of such governing board; the City shall also have the right to review the minutes of all such meetings.

10. **Grantee-Specific Obligations.** Grantee shall comply with the listing of Grantee-Specific Obligations attached hereto as Exhibit D.

11. **Certification:** Grantee hereby certifies that it shall comply with the contents of this Agreement and the terms of its Application and certifies that the contents of this Agreement and the Application are true, accurate and correct. The recitals to this Agreement are expressly incorporated herein by reference.

IN WITNESS WHEREOF, the Grantee has caused this agreement to be signed, sealed, and attested to by its Chairman of the Board of Directors and Executive Director, on the _____ day of _____, _____, and said City has caused the same to be signed, sealed, and attested to by its Mayor and City Clerk or Executive Assistant of the City of DeKalb as of the date first mentioned in this Agreement.

HOPE HAVEN

Board Chairman

ATTEST:

Executive Director

CITY OF DEKALB, ILLINOIS

Jerry Smith, Mayor

ATTEST:

## Exhibit A: Funding Application

City of DeKalb
opportunity · innovation

164 East Lincoln Highway
DeKalb, Illinois 60115
815.748.2000 • cityofdekalb.com

# FY 2021 HUMAN SERVICES FUNDING APPLICATION

## Twelve Months Funding 1/1/21 to 12/31/21

**APPLICATION MUST BE RECEIVED NO LATER THAN 5:00 P.M. ON NOVEMBER 6, 2020. INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.**

**Agency Name:** Hope Haven of DeKalb County, Inc.

**Mailing Address:** 1145 Rushmoore Drive DeKalb, Illinois 60115

**Agency Director:** Lesly D. Wicks, LCSW

**Contact Person:** Lesly D. Wicks, LCSW

**Telephone No.:** 815-758-5765 **Email Address:** lwicks@hopehavendekalb.com

**Name of Person Responsible for Completing Quarterly Report:** Mary Ozgowicz

**Telephone No.:** 815-758-5765 **Email Address:** mozgowicz@hopehavendekalb.com

**Program Description:** Hope Haven provides Emergency Shelter to homeless individuals and families. Services include case management, mental health treatment, housing location,homeless prevention, etc.

**Twelve Month Program Budget:** $1,489,462

**Amount of Funding Requested:** $7,000

**% of Total Program Budget:** 0.5 %

**Total Number of Estimated Program Participants:** 200

**Total Number of Estimated DeKalb Residents to be Served:** 180

**Estimated DeKalb Residents as % of Total Participants to be Served:** 90 %

***The following documents must accompany the application:***

1. A current listing of the agency's Board of Directors and terms.

2. The current annual operating budget for the agency and a detailed budget for the program requesting funding.

3. A detailed narrative explaining the program to be funded, its potential impact, and any anticipated outcomes to be achieved. Be specific about the population to be served and the benefits derived from your services. Include any descriptive materials regarding the history and mission of the agency that would help augment the application.

4. Documentation of the agency's 501(c)(3) status.

5. Completed W-9 Form.

6. Copy of agency's most recent financial audit.

The City of DeKalb retains the right to request any and all additional information from the agency it may determine necessary in making funding decisions. This may include articles of incorporation or any other information deemed appropriate.

The undersigned hereby certifies the information contained in this application is true and accurate to the best of their knowledge and belief.

Name of Authorized Signer: Lesly D. Wicks, LCSW

Title: Executive Director

Signature: 

Date: 11/2/2020

---

Please submit the application using one of the following methods:

- Via regular mail to be received no later than 5:00 p.m. on November 6, 2020 to:

  City of DeKalb
  Attention: Joanne Rouse
  164 East Lincoln Highway
  DeKalb, Illinois 60115

- Via email dated no later than 5:00 p.m. on November 6, 2020 to: joanne.rouse@cityofdekalb.com

RECEIVED
NOV 5 2020

**OFFICE USE ONLY:**

Date Application Received: _____

By _____

☐ Approved – Annual Amount Awarded $_____ / $_____ per quarter

☐ Denied

Hope Haven

Hope Haven of DeKalb County, Inc.

*"Serving the homeless and the community for over 25 years"*

November 4, 2020

City of DeKalb
Joanne Rouse
200 South Fourth Street
DeKalb, Illinois 60114

Dear Ms. Rouse,

I would like to thank you and the City of DeKalb for giving Hope Haven the opportunity to submit another Human Services grant. With the financial support from this funding, we have provided thousands of homeless men, women, and children with food, shelter, and supportive services.

Last year alone we provided over 25,000 nights of emergency shelter and served over 50,000 meals. Without adequate shelter and housing, homeless individuals and families would cost the community thousands of dollars a year in emergency resources and services. We consider Hope Haven as not only a lifesaver for the homeless, but also as a vital community asset.

It is with much respect that we are requesting funds from the City of DeKalb in the amount of $7,000 to provide shelter, meals, and services to the homeless. Thank you in advance for what I know will be your thoughtful consideration of this request. If you have any questions, please contact me at 815-758-5765.

Respectfully submitted,

Lesly D. Wicks, LCSW, MSW
Executive Director

# PROGRAM NARRATIVE

## PROGRAM DESCRIPTION:

Hope Haven's Emergency Shelter provides food, shelter, and supportive services to homeless men, women, and children from DeKalb County. Last year alone, Hope Haven provided over 25,000 nights of shelter and served over 50,000 meals. Some of the supportive services offered at Hope Haven includes:

- Case Management
- Life Skills
- Group and Individual Therapy
- Psychiatry
- Drug and/or Alcohol Counseling
- Nursing Care
- Vocational Readiness
- Housing Search
- Legal Services
- Children's Programs
- Client Advocacy

Each client receiving services from Hope Haven develops a "plan of action" with their case manager. The goals and objectives are reviewed and revised on a weekly basis. Just as clients have outcome measures, the overall agency collects annual data as well. Hope Haven's goals are to:

- Assist clients in moving to permanent housing
- Help clients increase their household income
- Ensure clients have applied for all eligible mainstream resources
- Decrease the number of days the homeless spend in shelter
- Reduce the recidivism of homelessness

These outcome measures are calculated through a software-based management system which collects client data at the time of intake and outtake. Results are reported to both federal and state agencies.

## POPULATION TO BE SERVED:

The following demographics describe the homeless population that we serve:

Adults 86%
Children 14%

Men 69%
Women 31%

Caucasian 51%
African American 41%
Multiple Races 6%
Other 2%

Under 5 years old 5%
5-12 years old 6%
13-17 years old 3%
18-24 years old 20%
25-34 years old 21%
35-44 years old 21%
45-54 years old 12%
55-61 years old 8%
62+ years old 4%

Mental Illness 46%
Substance Abuse 28%
Chronic Health Condition 24%
Physical Disability 10%
Developmental Disability 5%
HIV/AIDS 1%

History of Domestic Violence 22%

**POTENTIAL IMPACT:**

Providing shelter to homeless individuals and families impact both the community and the homeless. Besides receiving safe shelter, adequate food, and meaningful supportive services, the main impact on the homeless includes:

- Establishing stability
- Having access to physical and mental health care
- Options that strengthen housing success (rapid re-housing, supportive housing)
- Understanding the educational rights of homeless children
- Receiving eligible mainstream resources
- Avoiding unnecessary legal issues due to homeless survival (pan handling, theft, trespassing, etc.)

The main impact on the community includes:

- Reducing the burden on community resources (hospitals, police, court system, etc.)
- Reducing the threat of communicable diseases
- Increasing public safety

- Improving the community's public image
- Providing opportunities for volunteerism in the community

**ANTICIPATED OUTCOMES:**

1. 90% of the homeless will transition to permanent housing
2. 50% of the homeless will maintain or increase their income
3. 100% of the homeless will apply for eligible mainstream resources
4. Sheltered homeless will spend less than 100 days in shelter
5. The recidivism rate for homelessness will be 25% or less

## HOPE HAVEN BOARD OF DIRECTORS

**Pernevlon Ellis, Chair (2020)**
**2nd Term Board Member**
Sociology Professor, Kishwaukee College
21193 Malta Rd
Malta, IL 60150
work: (815) 825-2086
cell: (312) 448-4445
email: pernevlonjr@gmail.com
On Board since: 11/2016

**Sgt. Alan Smith, Vice Chair (2022)**
**2nd Term Board Member**
NIU Police Department
395 Wirtz Drive
DeKalb, IL 60115
work: (815) 753-1212
email: bod.alsmith@gmail.com
On Board since: 02/2017

**Marilyn Ellerby, Treasurer (2020)**
**3rd Term Board Member**
Business Manager St. Paul's Church/Sandwich
223 W 3rd St
Sandwich, IL 60548
home: (815) 786-6102
email: bellerby@indianvalley.com
On Board since: 06/2013

**Laurie Knoke, Secretarty (2021)**
**1st Term Board Member**
Nurse Practioner
2 Cari Court
DeKalb, IL 60115
home: (815) 758-2976
email: akalula16@gmail.com
On Board since: 7/2018

**Sue Guio, Director (2021)**
**8th Term Board Member**
Retired - Community Development
211 Tilton Park Drive
DeKalb, IL 60115
cell: (815) 762-9956
email: sueguio@hotmail.com
On Board since: 04/1996

**Brian Ellingson, Director (2022)**
**6th Term Board Member**
Resource Bank
310 S Hwy 23
Genoa, IL 60135
cell: (815) 985-4556
email: bellingson@resourcebank.com
On Board since: 06/2004

**Suzanne Juday, Director (2022)**
**3rd Term Board Member**
Retired Educator
11208 N. Grove Rd.
Sycamore, IL 60178
home: (815) 895-2082
email: Suzanne.Juday@idealindustries.com
On Board since: 09/2012

**Julie Lamb, Director (2021)**
**1st Term Board Member**
Admin Asst. @ The Suter Co.
22 Jennifer Lane
DeKalb, IL 60115
cell: (815) 761-1199
email: jslamb@comcast.net
On Board since: 02/2017

**Kami L Knitt (2021)**
**1st Term Board Member**
Marketplace Chaplain
530 Lynn Avenue
Sycamore, IL 60178
cell: (937) 423-1086
email: kamiknitt@yahoo.com
On Board since: 12/2019

**Raymond Napientek (2021)**
**1st Term Board Member**
College Recruiter
1638 Fulton
Sycamore, IL 60178
cell: (815) 901-1300
email: rnapientek@gmail.com
On Board since: 12/2019

**Michelle Tecza (2022)**
**1st Term Board Member**
Heartland Bank & Trust Co.
124 S. Main Street
Sycamore, IL 60178
work: (815) 787-2235
cell: (847) 871-3974
email: mtecza@hbtbank.com
On Board since: 2/2020

**Lesly D. Wicks, Ex-Officio**
Hope Haven of DeKalb County, Inc.
1145 Rushmoore Drive
DeKalb, IL 60115
work: (815) 758-3166
cell: (815) 762-0076
email: ldwicks@yahoo.com

**Internal Revenue Service**

**Date:** October 26, 2006

HOPE HAVEN OF DEKALB COUNTY INC
1145 RUSHMOORE DR
DEKALB IL 60115-5132

**Department of the Treasury**
**P. O. Box 2508**
**Cincinnati, OH 45201**

**Person to Contact:**
Janet M. Duncan 31-07676
Correspondence Specialist/Screener
**Toll Free Telephone Number:**
877-829-5500
**Federal Identification Number:**
36-3537762

Dear Sir or Madam:

This is in response to your request of October 26, 2006, regarding your organization's tax-exempt status.

In November 1990 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,

Janna K. Skufca

Janna K. Skufca, Director, TE/GE
Customer Account Services

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

**Give Form to the requester. Do not send to the IRS.**

**Print or type.** See **Specific Instructions** on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

Hope Haven of DeKalb County, Inc.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

**Note:** Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☑ Other (see instructions) ▶ **Not for Profit**

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

*(Applies to accounts maintained outside the U.S.)*

5 Address (number, street, and apt. or suite no.) See instructions.

1145 Rushmoore Drive

6 City, state, and ZIP code

DeKalb, Illinois 60115

Requester's name and address (optional)

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN,* later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

**Social security number**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | – | | | – | | | | |

**or**

**Employer identification number**

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 3 | 6 | – | 3 | 5 | 3 | 7 | 7 | 6 | 2 |

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign Here** **Signature of U.S. person** ▶ [signature] **Date** ▶ 10/28/2020

# General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

## Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See* What is backup withholding, *later.*

## HOPE HAVEN HISTORY

Hope Haven of DeKalb County, Inc. began in 1986 as PADS, (Public Action to Deliver Shelter), which was operated by volunteers from five area churches. The churches provided food, shelter, and emotional support to the homeless from DeKalb County during the months of October through April. The churches rotated sites each night and every day volunteers transported sleeping pads from one church to another.

In 1988, PADS secured a regular site by renting the vacant parsonage at the First United Methodist Church in DeKalb. It was at this time a part-time Executive Director was hired.

In 1990, PADS evolved into a new not-for-profit agency named "Hope Haven". On October 1, 1990 Hope Haven opened its doors at 316 N. Sixth Street in DeKalb offering services to the homeless year round.

Due to the rising number of homeless in our community, Hope Haven embarked on a major capital campaign. On January 20, 2000 clients and staff moved into a newly constructed shelter at 1145 Rushmoore Drive. The new shelter tripled the capacity to serve homeless individuals and families.

On May 1, 2004 Hope Haven's first supportive housing program opened at 965 W. Dresser Road. Dresser Court Apartments provided permanent housing and supportive services to individuals who were chronically homeless due to a disability.

In 2011, Hope Haven broke ground on an expansion project that added almost 4,500 square feet to the existing Emergency Shelter. The new expansion included 30 more beds, a kitchen, living area, and large classroom.

***Hope Haven originated, and continues to grow, through the volunteerism and compassion of community members. On behalf of the homeless, THANK YOU!***

## HOPE HAVEN MISSION STATEMENT

The mission of Hope Haven is to provide emergency shelter to homeless individuals and families, permanent housing for induvial and families with a disability, and supportive services to help break the cycle of future homelessness.

## HOPE HAVEN GOALS

1. Transition the homeless from shelter to permanent housing
2. Reduce the number of days the homeless spend in shelter
3. Reduce the recidivism of homelessness
4. Increase income and employment for homeless clients
5. Help the homeless access eligible mainstream resources

## HOPE HAVEN STAFF

Lesly D. Wicks, Executive Director

Gary Chapman, Associate Director

Miki Hall Bagot, Grants Administrator

Mary Ozgowicz, Admin. Assistant

Karen Alberti, Clinical Director

Angie Shaulis, Emergency Shelter Coordinator

Quiana Jones, Dresser Court Coordinator

Jenny Swanson, Housing First Coordinator

United Way

# Hope Haven of DeKalb County, Inc.

Hope Haven

***Providing food and shelter to homeless individuals and families from DeKalb County since 1990.***


1145 Rushmoore Drive
DeKalb, IL 60115
(815) 758-5765
Fax: (815) 758-7006

965 W. Dresser Court
DeKalb, IL 60115
(815) 758-3166
Fax: (815) 517-1494


***www.hopehavendekalb.com***

facebook

**Hope Haven is a designated 501©3 charitable organization. All donations are tax deductible.**

## Emergency Shelter Program:

Hope Haven provides emergency food, shelter, and supportive services to homeless individuals and families from DeKalb County. Supportive Services include:

- Case Management
- Life Skills
- Counseling
- Vocational Readiness
- Housing Search
- Advocacy
- Children's Programs



## Rapid Re-Housing:

Rapid re-housing helps homeless families and individuals transition to permanent housing as quickly as possible. Relocation and stabilization services are offered immediately upon entrance to the shelter with the goal of transitioning to permeant housing within the first thirty days of homelessness. Rapid Re-housing clients receive case management and financial assistance for a limited time or until they can live independently

## Permanent Housing Programs:

### Dresser Court

Dresser Court is a twenty-six unit, subsidized apartment complex that provides permanent housing with intensive on-site programs and services for people with disabilities and a history of chronic homelessness. Hope Haven is responsible for screening residents for eligibility and providing supportive services. The goal of the program is to assist residents in maintaining permanent housing.

### Housing First

The Housing First Program, located at Hope Haven's Rushmoore Drive location, provides subsidized housing to twelve individuals who were chronically homeless due to a diagnosed mental illness. Residents live in private bedrooms with a shared kitchen and living space. Hope Haven provides case management and support so residents can live as independently as possible. The purpose of this program is to help the "hardest to house" homeless, secure a home of their own.

## Homeless Prevention:

Assistance designed to prevent the incidence of homelessness, including: emergency rent assistance for people in imminent danger of eviction, security deposits or first month's rent to help move into permanent housing and divert homelessness, emergency financial assistance to prevent housing foreclosure, and referrals to services designed to prevent homelessness.

## Youth Trauma Program:

Hope Haven provides individual and group therapy to homeless youth who have suffered childhood trauma. Treatment models include mutual support, cognitive behavioral therapy, and experiential therapy. Compared to non-homeless children, homeless children disproportionally experience childhood trauma at much higher rates. Trauma negatively effects the stress response system, rational thought, emotional and psychological presence, ability to trust and feel safe, coping skills, and emotional regulation. Risk factors of childhood trauma are homelessness, addictions, and poor mental and physical health in adulthood.



## Clinical Services:

Hope Haven offers clinical services for the homeless who struggle with a mental illness or who are experiencing anxiety and/or depression due to homelessness. Clinical services include psychiatry, individual and group counseling for adults and children, drug and alcohol counseling, and support groups. Services are provided by a licensed psychiatrist, clinical counselor, social worker, certified alcohol and drug counselor, and a registered nurse.

## Exhibit B: Current Year's Budget

July 1, 2020- June 30, 2021
Proposed Agency Budget

| | |
|---|---|
| **Revenue** | |
| Government Funding | |
| HUD Rapid Re-Housing | 48,422 |
| HUD Housing First (SRO) | 29,704 |
| HUD - Dresser Ct. | 98,690 |
| FEMA Grant | 19,000 |
| Dept Human Serv- ESG (DCEO) | 108,770 |
| Dept Human Serv-Emergen Shelter | 57,958 |
| Dept Human Serv-Hsg First (SRO) | 131,820 |
| Dept Human Serv-Prevention | 46,485 |
| DeKalb County Mental Health 708* | 382,600 |
| DeKalb County Senior Tax Levy | 19,645 |
| Township Grants | 10,000 |
| City of De Kalb | 7,000 |
| City of De Kalb/CDBG | 17,000 |
| Total Government Funding | 977,094 |
| Grants, Donations, Fundraising | |
| United Way Grants | 19,000 |
| Foundation & Corp Grants | 100,000 |
| Mary Uscian Health Grant | 4,340 |
| Donations (General) | 200,000 |
| "Night-By-Night"/ Give Local Fundraiser | 45,000 |
| Fundraising Events | 75,000 |
| Total Grants, Donations, Fundraising | 443,340 |
| Rent/ T.H. (Program Services) | - |
| Rent Housing First (SRO) | 69,000 |
| Interest Income | 28 |
| Total Revenue | **1,489,462** |
| **Expense** | |
| Payroll | |
| Salaries & Wages | 935,000 < |
| Payroll Taxes | 71,528 < |
| Health Insurance | 90,302 < |
| Workers Comp Insurance | 18,000 |
| Total Payroll | 1,114,830 |
| Payroll Fees | 4,000 |
| Advertising and Promotion | 3,000 |
| Audit Expense | 11,000 |
| Client Activities (Trauma) | 10,000 |
| Client Activities (Children) | 2,500 |
| Client Activities (Group Home) | 20,000 |
| Client Mary Uscian Health Expense | 4,340 |
| Client Services | 15,000 |
| Contractual Services | 40,000 |
| Fundraising Expense | 8,500 |
| Furnishing & Equipment Expense | 15,750 |
| Liability & D&O Insurance | 20,500 |
| Memberships & Dues | 5,000 |
| Miscellaneous | 4,176 |
| Office Expenses | 16,000 |
| Rent Assistance DHS/ Emerg Solu | 40,146 |
| Rent Assistance- DHS Prevention | 41,845 |
| Rent Assistance- HUD | 24,876 |
| Repair & Maintenance | 30,000 |
| Site Supplies | 8,000 |
| Staff Development & Training | 5,000 |
| Gas/Mileage | 5,000 |
| Telephone | 10,000 |
| Utilities | 30,000 |
| Total Expense | **1,489,462** |
| **Net Income (Loss)** | (0) |

## Hope Haven of DeKalb County, Inc.
## FY'21 Program Budget - Emergency Shelter

| INCOME: | | % of Funding |
|---|---|---|
| FEMA Grant | 28,000 | 6.09% |
| Dept Human Serv- ESG (DCEO) | 45,978 | 10.00% |
| Dept Human Serv-ESG CARES I | 35,500 | 7.72% |
| Dept. Human Serv-ESG CARES II | 15,000 | 3.26% |
| Dept Human Serv-Emergen Shelter | 57,958 | 12.60% |
| DeKalb County Mental Health 708 | 186,269 | 40.50% |
| City of De Kalb | 30,000 | 6.52% |
| City of De Kalb/CDBG | 18,000 | 3.91% |
| Foundation & Corp Grants | 22,000 | 4.78% |
| Mary Uscian Health Grant | 1,200 | 0.26% |
| General Donations / Fundraisers | 20,000 | 4.35% |
| **TOTAL INCOME** | **459,905** | 100.00% |

| EXPENSES: | Emergency Side | |
|---|---|---|
| Payroll (Incl S&W, HC & taxes) | 350,105 | 76.13% |
| Audit Expense | 2,500 | 0.54% |
| Mary Uscian Health Access | 1,200 | 0.26% |
| Client Services | 4,000 | 0.87% |
| Contractual Services | 16,500 | 3.59% |
| Furniture & Equipment Exp. | 8,400 | 1.83% |
| Insurance/General | 8,600 | 1.87% |
| Office Expenses | 3,000 | 0.65% |
| Repair & Maintenance | 32,000 | 6.96% |
| Site Supplies | 12,000 | 2.61% |
| Staff Mileage | 2,200 | 0.48% |
| Staff Training and Development | 2,400 | 0.52% |
| Telephone | 5,000 | 1.09% |
| Utilities | 12,000 | 2.61% |
| **TOTAL EXPENSES** | **459,905** | 100.00% |
| **NET INCOME (Loss)** | - | |

## Exhibit C: Most Recent Completed Fiscal Year's Audit or Year-End Financial Statement

Erboe & Associates
Certified Public Accountants

3600 East State Street, Suite 318
Rockford, Illinois 61108
(815)394-0004
(815)394-0017 fax

# HOPE HAVEN OF DEKALB COUNTY, INC.

## FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

**Year Ended June 30, 2019**

CONTENTS


Pages

INDEPENDENT AUDITOR'S REPORT ..... 1

FINANCIAL STATEMENTS:

Statement of Financial Position ..... 3

Statement of Activities ..... 4

Statement of Functional Expenses ..... 5

Statement of Cash Flows ..... 6

Notes to Financial Statements ..... 7

SUPPLEMENTAL INFORMATION:

Supplemental Schedule of Revenues ..... 14

Supplemental Schedule of Illinois Department of Human Services (DHS) Grant ..... 15

Supplemental Schedule of Illinois Department of Commerce and Economic Opportunity (DCEO) Grant ..... 16

Erboe & Associates
Certified Public Accountants
3600 East State Street, Suite 318
Rockford, Illinois 61108
(815)394-0004
(815)394-0017 fax

# Independent Auditor's Report

To the Board of Directors
Hope Haven
DeKalb, Illinois

We have audited the accompanying financial statements of Hope Haven (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

***Auditor's Responsibility***
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 of material misstatement.

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

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

***Opinion***
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hope Haven, as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***
*Other Information*
Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information shown on pages 14 - 16 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

*Erboe & Associates, CPAs*

Rockford, Illinois
XXX, 2020

Illinois State Registration # 066-004204

HOPE HAVEN OF DEKALB COUNTY, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2019

## Assets

| | |
|---|---|
| *Assets:* | |
| Cash and certificate of deposits | $ 435,658 |
| Employee advance | 1,300 |
| Accounts receivable (Note 2) | 130,604 |
| Pledges receivable (Note 3) | - |
| Prepaid expenses (Note 4) | 8,059 |
| Property and equipment, net (Note 5) | 1,651,335 |
| | $2,226,956 |

## Liabilities and Net Assets

| | |
|---|---|
| *Liabilities:* | |
| Accounts payable | $ 12,862 |
| Credit cards payable | 7,469 |
| Accrued expenses: | |
| Payroll/vacation | 35,202 |
| Payroll tax | 1,493 |
| Rental deposits | 1,510 |
| Total liabilities | 58,536 |
| *Net Assets:* | |
| With donor restrictions | - |
| Without donor restrictions: | |
| Board designated | - |
| Unrestricted | 2,168,420 |
| Total net assets | 2,168,420 |
| | $2,226,956 |

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

HOPE HAVEN OF DEKALB COUNTY, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

| | |
|---|---|
| Activities without donor restrictions: | |
| Operating activities: | |
| Support, revenues and transfers: | |
| Government funding | $ 917,113 |
| Grants, donations and fundraising | 429,024 |
| Other revenue | 63,629 |
| Total operating support, revenues and transfers | 1,409,766 |
| Expenses: | |
| Program services: | |
| Homeless shelter | 1,265,666 |
| Total program services | 1,265,666 |
| Supporting services: | |
| Management and general expenses | 174,877 |
| Fund raising expenses | 55,909 |
| Total supporting services | 230,786 |
| Total operating expenses | 1,496,452 |
| Decrease in net assets without donor restrictions | ( 86,686) |
| Net assets, beginning of year | 2,255,106 |
| Net assets, end of year | $2,168,420 |

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

HOPE HAVEN OF DEKALB COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2019

| | Supporting Services | | | | |
|---|---|---|---|---|---|
| | Management and General | Fund Raising | Total | Program Services | Total Expenses |
| Advertising & promotion | $ 534 | $ 164 | $ 698 | $ 3,412 | $ 4,110 |
| Professional fees | 507 | 156 | 663 | 3,237 | 3,900 |
| Client activities | - | - | - | 71,065 | 71,065 |
| Client services | - | - | - | 5,796 | 5,796 |
| Contractual services | 5,657 | 1,740 | 7,397 | 36,115 | 43,512 |
| Fundraising expense | - | 7,012 | 7,012 | - | 7,012 |
| Furnishings & small equipment | 1,637 | - | 1,637 | 7,991 | 9,628 |
| Insurance | 3,521 | 1,083 | 4,604 | 22,483 | 27,087 |
| Membership dues | 109 | 33 | 142 | 693 | 835 |
| Mileage & gas | 524 | 161 | 685 | 3,347 | 4,032 |
| Miscellaneous | 200 | 62 | 262 | 1,278 | 1,540 |
| Office expense | 3,294 | 137 | 3,431 | 3,431 | 6,862 |
| Salaries & wages | 121,141 | 37,274 | 158,415 | 773,440 | 931,855 |
| Employee benefits | 15,144 | 4,660 | 19,804 | 96,689 | 116,493 |
| Payroll taxes | 9,546 | 2,937 | 12,483 | 60,949 | 73,432 |
| Rent assistance | - | - | - | 67,473 | 67,473 |
| Repairs & maintenance | 2,689 | - | 2,689 | 8,065 | 10,754 |
| Site supplies | 1,043 | - | 1,043 | 5,911 | 6,954 |
| Staff development & training | 196 | 60 | 256 | 1,253 | 1,509 |
| Telephone | 1,399 | 430 | 1,829 | 8,930 | 10,759 |
| Utilities | 7,736 | - | 7,736 | 23,206 | 30,942 |
| Depreciation | - | - | - | 60,902 | 60,902 |
| Total functional expenses | $ 174,877 | $ 55,909 | $ 230,786 | $1,265,666 | $1,496,452 |

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

HOPE HAVEN OF DEKALB COUNTY, INC.
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2019

| | |
|---|---|
| *Cash flows from operating activities:* | |
| Decrease in net assets | $( 86,686) |
| Adjustments to reconcile decrease in net assets to net cash used by operating activities: | |
| Depreciation | 60,902 |
| (Increase) decrease in receivables | ( 49,753) |
| (Increase) decrease in prepaid expenses | 10,955 |
| Increase (decrease) in accounts payable | 6,403 |
| Increase (decrease) in credit cards payable | 4,476 |
| Increase (decrease) in deferred revenue | 310 |
| Increase (decrease) in accrued expenses | ( 34,357) |
| Total adjustments | ( 1,064) |
| Net cash used by operating activities | ( 87,750) |
| *Cash flows from investing activities:* | |
| Payments for purchase of fixed assets | ( 19,006) |
| Disposal of fixed assets | - |
| Net cash used by investing activities | ( 19,006) |
| Net decrease in cash | ( 106,756) |
| Cash - beginning of year | 542,414 |
| Cash - end of year | $ 435,658 |
| *Supplemental disclosure of cash flow information:* | |
| Cash paid during the year for interest | $ - |

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

HOPE HAVEN OF DEKALB COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Business Activity*

Hope Haven of DeKalb County, Inc. is a not-for-profit corporation organized on April 14, 1989 under the laws of the State of Illinois to provide shelter, food, and supportive services to homeless individuals and families of DeKalb County. Hope Haven of DeKalb County, Inc. currently offers three separate programs: emergency shelter, life skills training, and supportive housing for disabled homeless individuals. The emergency shelter program is for individuals and families who need temporary assistance before they obtain permanent housing. The Life Skills Training Center is open during the day Monday through Friday and offers life skills, psychiatric services, vocational preparation, socialization and meals to the homeless, the formerly homeless, and those at risk of homelessness. Supportive housing for disabled homeless individuals is for anyone chronically homeless and disabled. These individuals may stay in the program as long as they meet the criteria. Hope Haven of DeKalb County, Inc. is organized as a charitable corporation within the meaning of Section 501(c)(3) of the Internal Revenue Code.

*Allowance for Uncollectible Receivables and Unconditional Promises to Give*

The Organization maintains a written policy on collection. Based on experience, the director considers accounts receivable and unconditional promises to give to be fully collectible; accordingly, no allowance for doubtful accounts has been established. If accounts or promises to give become uncollectible, they will be charged to operations when that determination is made.

*Basis of Presentation*

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Without Donor Restrictions*
Net assets available for use in general operations and not subject to donor restrictions. Grants and contributions gifted for recurring programs are generally not considered "restricted" under GAAP, though for internal reporting, the Organization tracks such grants and contributions to verify that the disbursement matches the intent. Assets restricted solely through the actions of the Board are reported as net assets without donor restrictions, board-designated.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

*Basis of Presentation*, continued

*With Donor Restrictions*

Net assets subject to donor-imposed stipulations that are more restrictive than the Organization's mission and purpose. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, when the donor stipulates that resources be maintained in perpetuity. The Organization had no net assets with donor restrictions as of June 30, 2019.

*Cash and Cash Equivalents*

Cash includes cash on hand and deposit accounts with financial institutions. For purposes of the Statement of Cash Flows, the Organization considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

*Donated Property and Equipment*

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

*Donated Services*

The Organization receives a substantial amount of services donated by individuals interested in the Organization's programs. The services donated generally involve the contribution of time. These items generally are not reflected in the accompanying financial statements because the criteria for recognition under generally accepted accounting principles has not been met. However, when the criterion for recognition has been met, the amounts are reflected in the financial statements as revenues and expenditures.

*Employee Benefits*

The cost of employee benefits and compensated leave are accrued as they are vested to the employee. The Organization does not maintain any unfunded retirement or health care plans.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

*Use of Estimates*

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and 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 period. Accordingly, actual results could differ from those estimates. Such estimates include allowance for doubtful accounts, useful lives of depreciable and amortizable assets, allocation of functional expenses, and accrued expenses.

*Expense Allocation*

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Expenses are charged to program or management and general categories based on pre-determined allocations. Management and general expenses include those expenses that are not directly identifiable with any other specific function but to provide for the overall support and direction of the Organization.

*Income Taxes*

Hope Haven of DeKalb County, Inc. is a not-for-profit organization and claims exemption from federal and state income taxes under §501(c)(3) of the Internal Revenue Code and similar state provisions. The Organization is not classified as a private foundation.

The Organization files Form 990 in the federal jurisdiction and the State of Illinois. The Organization's tax returns for the current and prior three years remain subject to examination by the Federal and state tax jurisdictions.

*Promises to Give*

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions of which they depend are substantially met and the promises become unconditional.

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Conditional promises are recognized as contributions when conditions have been met. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

*Property and Equipment*

Purchased property and equipment is recorded at cost. It is the policy of the Organization to capitalize betterments which materially add to the value of related assets or materially extend the useful life of assets with a cost in excess of $500. Normal maintenance and minor equipment purchases are charged to expense as incurred. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts with any resulting gain or loss reflected in the current period.

Depreciation provisions are determined using the straight line method over the estimated useful lives of the assets ranging from five to forty years.

*Restricted and Unrestricted Revenue*

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction has been accomplished) in the reporting period in which the revenue is recognized. All other contributions with donor restrictions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

*Revenue Recognition*

Contributions from the public are recognized when received or pledged and are considered to be available for unrestricted use, unless specifically restricted by the donor. Conditional promises to give are not recognized as revenue until the condition is met.

Grants awarded for specific programs are recognized as income when terms of the grants have substantially been completed or when the grant is pledged unconditionally. Contract revenue from government agencies is recognized as the services are performed.

*Support from Governmental Units*

The Organization receives a substantial amount of support from state and local governments. A significant reduction in the level of this support, if this were to occur, may have a significant effect on the Organization's programs and activities.

*Total Columns*

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position, results of operations and changes in net assets balances in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

*Reporting Entity*

The reporting entity of the Organization was determined based on the oversight responsibility and the scope of the services provided. Oversight responsibility is measured by the extent of financial interdependency, control over the selection of the governing authority and management, and ability to significantly influence operations and accountability for fiscal matters. Based on these criteria, there are no agencies or other units which have been or should be combined with the general purpose financial statements of the Organization.

NOTE 2: ACCOUNTS RECEIVABLE

*Accounts receivable consists of the following at June 30, 2019:*

| | |
|---|---|
| DeKalb County Senior Tax Levy | $ 7,893 |
| DHS Emergency Shelter Grant | 12,093 |
| FEMA | 27,532 |
| HUD | 71,104 |
| United Way | 11,982 |
| | $130,604 |

NOTE 3: UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give are the amounts to be received from the United Way in the next fiscal year. Total unconditional promises to give for the year ended June 30, 2019 is $0.

NOTE 4: PREPAID EXPENSES

*Prepaid expenses consist of the following at June 30, 2019:*

| | |
|---|---|
| Liability insurance | $ 3,331 |
| Workman's comp insurance | 4,728 |
| | $ 8,059 |

## NOTE 5: PROPERTY AND EQUIPMENT

*Property and equipment, net is summarized as follows at June 30, 2019:*

| | |
|---|---|
| Land | $ 354,757 |
| Furniture and equipment | 81,612 |
| Playground equipment | 44,544 |
| Building | 1,838,088 |
| Vehicles | 32,429 |
| Land improvements | 101,146 |
| | 2,452,576 |
| Less accumulated depreciation | 801,241 |
| Property and equipment, net | $1,651,335 |

## NOTE 6: PROPERTY TAX STATUS

Hope Haven of DeKalb County, Inc. has been granted property tax exemption by the Illinois Department of Revenue for the property located at 1145 Rushmoore Drive, DeKalb, Illinois, and for an adjacent lot used as a playground.

## NOTE 7: RELATED PARTY TRANSACTIONS

The Organization reports that there are no related party transactions to be reported.

## NOTE 8: CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash, investments, and pledges receivable. The Organization maintains cash deposits with major banks which, from time to time, may exceed federally insured limits. The Organization periodically assesses the financial condition of the institutions and believes the risk of any loss is minimal.

## NOTE 9: CONTINGENCIES

The Hope Haven of DeKalb County, Inc. has no lawsuits or pending litigation against it at the end of the fiscal year June 30, 2019.

NOTE 10: LIQUIDITY AND AVAILABLITY

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Organization has approximately $507,726 of financial assets available to meet cash needs for general expenditures. This includes cash of $435,658 and accounts receivable of $130,604. The Organization has liabilities of $58,536 at year end. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure. The Organization has a goal to maintain financial assets on hand to meet at least 90 days of normal operating expenses.

NOTE 11: EVALUATIONS OF SUBSEQUENT EVENTS

Subsequent events have been evaluated by management through the date of the independent auditor's report, which is the date the financial statements were available to be issued. Material subsequent events, if any, are disclosed in a separate footnote to these financial statements.

# SUPPLEMENTARY INFORMATION

HOPE HAVEN OF DEKALB COUNTY, INC.
SUPPLEMENTAL SCHEDULE OF REVENUES
For the Year Ended June 30, 2019

| | |
|---|---|
| Government funding: | |
| City of DeKalb | $ 9,262 |
| City of DeKalb/CDBG | 21,281 |
| DeKalb County Mental Health 708 | 363,897 |
| DeKalb County Senior Tax Levy | 16,908 |
| FEMA Grant | 27,532 |
| Township Grants | 11,725 |
| Department of Human Services Homeless Prevention | 22,568 |
| Department of Human Services ESG (DCEO) | 60,979 |
| Department of Human Services Emergency Shelter | 57,958 |
| Department of Human Services Housing First (SRO) | 131,820 |
| Housing and Urban Development Dresser Court | 111,498 |
| Housing and Urban Development Housing First (SRO) | 29,608 |
| Housing and Urban Development Rapid Re-Housing | 52,077 |
| Total government funding | 917,113 |
| Grants, donations, and fundraising: | |
| Night-by-Night Fundraiser | 49,481 |
| Client activities donations | 20,332 |
| Donations (general) | 190,732 |
| Foundations and corporate grants | 69,372 |
| Fundraising events | 71,721 |
| Mary Uscian Health grant | 4,411 |
| United Way | 22,975 |
| Total grants, donations, and fundraising | 429,024 |
| Other revenue: | |
| Rent Housing First (SRO) | 61,276 |
| Interest income | 2,353 |
| Total other revenue | 63,629 |
| Total public support and revenue | $1,409,766 |

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

HOPE HAVEN OF DEKALB COUNTY, INC.
SUPPLEMENTAL SCHEDULE OF ILLINOIS DEPARTMENT
OF HUMAN SERVICES (DHS) GRANT
For the Year Ended June 30, 2019

| | |
|---|---|
| Emergency Food and Shelter Grant | |
| Grant awarded | $ 57,958 |
| Expenses funded: | |
| Direct service personnel | 45,656 |
| Insurance - shelter | 1,000 |
| Utilities | 2,676 |
| Administrative personnel | 8,626 |
| Total expenses funded | $ 57,958 |
| Difference | $ - |
| Homeless Assistance Tax Write-In | |
| Grant awarded | $ - |
| Expenses funded: | |
| Expansion furnishing | - |
| Total expenses funded | $ - |
| Difference | $ - |

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

HOPE HAVEN OF DEKALB COUNTY, INC.
SUPPLEMENTAL SCHEDULE OF ILLINOIS DEPARTMENT
OF COMMERCE AND ECONOMIC OPPORTUNITY (DCEO) GRANT
For the Year Ended June 30, 2019

| | | |
|---|---|---|
| Emergency Shelter Grants Program (ESPG) Award | | |
| July 1, 2018 through June 30, 2019 | | $ 60,979 |
| Match required: | | |
| DHS Emergency Shelter | $ 32,014 | |
| HUD Rapid Re-Housing | 24,392 | |
| Donations | 4,573 | |
| | | 60,979 |
| Total amount | | $121,958 |

| | ESGP | Other Sources | Amount Total | |
|---|---|---|---|---|
| Expenses funded | $ 60,979 | $ 60,979 | $121,958 | |
| Administration | | | | |
| Administration | 1,524 | 1,524 | 3,048 | |
| Essential services | | | | |
| Salaries | 29,394 | 29,394 | 58,788 | |
| Operations | | | | |
| Equipment | 2,061 | 4,900 | 6,961 | |
| Insurance | 2,000 | - | 2,000 | |
| Travel | - | 1,251 | 1,251 | |
| Maintenance | 5,262 | 2,921 | 8,183 | |
| Site supplies | 4,500 | 1,341 | 5,841 | |
| Telephone | 1,000 | 837 | 1,837 | |
| Utilities | 1,735 | 6,443 | 8,178 | |
| Client services | - | 2,829 | 2,829 | |
| Staff development | - | 155 | 155 | |
| Office expense | - | 1,826 | 1,826 | |
| Miscellaneous | | 1,513 | 1,513 | |
| Rapid Re-housing | | | | |
| RRH Housing Relocation | 5,503 | 6,045 | 11,548 | |
| RRH Rental Assistance | 8,000 | - | 8,000 | |
| Total expenses funded | $ 60,979 | $ 60,979 | $121,958 | $121,958 |
| Difference | | | | $ - |

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

## Exhibit D: Grantee-Specific Obligations

Grantee agrees and acknowledges that it shall comply with the following obligations, which shall be considered to be an integral component of the Agreement:

Hope Haven (Grantee) will provide emergency shelter, food, and supportive services to homeless individuals and families living in DeKalb County. It will provide case management, life skills training, counseling, nursing care, psychiatric care, and needed referrals to appropriate social service agencies.

Hope Haven proposes to serve 200 individuals this year. Of this number, 180 are estimated to be residents of the City of DeKalb. Grantee will track the total number of individuals served and will include a separate accounting of individuals who are residents of the City of DeKalb to document that City of DeKalb Human Services Funding is used only to support those services directly benefiting DeKalb residents. Grantee will report revenue from other sources to document that the agency receives funding to cover services to individuals who are not residents of the City of DeKalb. Reports will be submitted on a Quarterly basis in order to receive payment of grant funds.

**HUMAN SERVICES AGREEMENT**
**KISHWAUKEE FAMILY YMCA – CAMP POWER**

This agreement made this 28th day of December, 2020, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the "City" and Kishwaukee Family YMCA – Camp Power, hereinafter referred to as "Grantee," WITNESSETH:

WHEREAS, the City desires that Grantee provide certain services to the citizens of DeKalb and Grantee has the capacity to provide such services; and,

WHEREAS, the Grantee acknowledges that it is the City's intention to purchase said services for the citizens of the City of DeKalb under the following guidelines:

1. First priority shall be given to those services which will help meet basic emergency needs such as food, clothing, and shelter. Second priority shall be given to those services which are preventative in nature and promote the highest degree of self-support, self-care, and self-help. Third priority shall be given to those services which seek to enhance the quality of life of persons whose basic needs are already met. Priority shall also be given to services which primarily benefit low and moderate income residents. The services provided by the Grantee are consistent with these guidelines as explained on the attached Exhibit A.

2. Services shall address specific documented needs. The services provided by the Grantee address the specific, documented needs as explained on the attached Exhibit A.

3. Services shall also receive financial support from other community sources. Grantee has attached hereto a copy of its budget for the period that this Agreement covers as Exhibit B, which budget establishes that the Grantee receives at least 84 % of its funding from third party sources. A copy of Grantee's audit or year end financial statement from the most recent complete year of operations is attached hereto as Exhibit C.

4. City funds are used only to support those services directly benefiting DeKalb residents. The City will not subsidize the cost of services to non-residents. Grantee has certified compliance with this requirement by signing the attached Exhibit A.

5. Administrative costs for these services are to be kept to a minimum. Grantee has identified the allocation between administrative costs and program costs as explained on the attached Exhibit A.

6. These services must be coordinated with other agencies when feasible. Grantee has outlined how services are coordinated with other agencies as explained on the attached Exhibit A.

7. The City will not fund, but may augment, services which are the responsibility of another public agency or funding source. Grantee has identified any areas where the City's funds are being utilized to augment third party responsibilities as explained on the attached Exhibit A.

8. City funds are to be used primarily to match or leverage other private or public funds. Grantee has explained how matching or leveraged funds are being sought or obtained as explained on the attached Exhibit A.

9. The City's intent is to contract for specific services and monitor their effectiveness. Grantee has: a) identified the metrics by which its performance is to be evaluated on an annual basis; b) identified those third parties that provide any review or evaluation of Grantee's efforts; and, c) explained its clearly defined performance evaluation process, as explained on the attached Exhibit A.

10. Grantee has clearly identified and delineated where any elected or appointed official of the City or any City employee is involved in its programming or receives any direct or indirect benefit, any compensation, or any pecuniary benefit of any form by virtue of Grantee's program or the City funding provided hereunder, as explained on the attached Exhibit A.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, and all such funds are held by the Grantee in a Grantee-specific checking account with the financial institution identified therein (and not in any personal checking account), unless otherwise indicated therein.

WHEREAS, the parties hereto understand and agree that the Grantee is an independent contractor and not an employee of the City; now,

In consideration of the agreements set forth and other good and valuable considerations, the parties agree as follows:

1. **Term**. The term of this agreement shall be from January 1, 2021 to December 31, 2021. The City or Grantee may terminate this Agreement at any time, upon the provision of thirty (30) days written notice. The City may terminate this agreement at any time based upon the occurrence of a breach of this Agreement, upon the provision of 48 hours written notice.

2. **Scope of Service**. The Grantee shall provide services in accordance with the service plan provided in the original application, a copy of which is attached hereto as Exhibit A.

3. **Hold Harmless**. The Grantee hereby agrees to indemnify, defend, and hold the City and its officers, employees, contractors, and representatives harmless from and against any and all such costs, expenses, damages, liabilities, losses and

claims which may arise out of, or are related to the services provided by the Grantee under this agreement or which relate to this Agreement or the funding provided herein. The Grantee agrees and acknowledges that the City is not in any way responsible for the conduct or provision of Grantee's programs or services, and is not responsible for the review, supervision or management of Grantee's personnel, volunteers, participants, programming, or services.

4. **Payment.** The City agrees to pay the Grantee the sum of Eleven Thousand and No/100 Dollars ($11,000.00) for services rendered under this agreement. **Payment will be disbursed in four equal installments and will be processed upon receipt of the Grantee's quarterly reports, as required by this funding agreement.** In the event that this Agreement is terminated, no further payments shall be due or payable to Grantee. In the event that the City Council determines that the City's financial condition does not support making a payment otherwise due under this Agreement, the City may suspend, delay, or otherwise cancel payments due hereunder.

5. **Access to Financial Records.** The Grantee agrees to allow the City access to review any and all of Grantee's financial records as may be determined appropriate to insure the accountability of monies disbursed by the City. The Grantee also agrees to provide the City with a copy of its operating budget and its audit or year-end financial statement for each fiscal year or portion thereof in which the Grantee receives funding under this (or successor) agreements.

6. **Performance Reporting.** The Grantee agrees to send the City a report following every three months of services identifying the number of City of DeKalb citizens that have been provided services under the terms of this Agreement. The Grantee further agrees to send the City a copy of all documentation required to demonstrate its performance or which is identified as a performance-evaluation tool in Exhibit A.

   Quarterly reports shall be provided to the City on or before the 10th day of the following months:

   1st Quarter – April
   2nd Quarter – July
   3rd Quarter – October
   4th Quarter - January

7. **Compliance with Laws.** The Grantee expressly covenants and agrees that it shall comply with all applicable laws, including those laws applicable to the use of public funding to the extent that such laws are applicable to programs funded in whole or in part by the City of DeKalb. The Grantee expressly covenants that it shall not discriminate against any person or organization on the basis of any legally recognized protected classification, including but not limited to race, gender, religion, ethnic or cultural background, sexual preference, or other legally

recognized, protected classification, in the provision of its services or use of funding provided hereunder.

8. **Use of Funds.** The Grantee shall only utilize funds made available under this agreement for the provision of services consistent with this agreement and shall not use such funding for any other purpose, nor for the construction of any real property or improvement to real property, nor for any purpose which constitutes "Public Works" for purposes of the Illinois Prevailing Wage Act.

9. **Grantee's Organization.** Grantee is organized in the format as described in Exhibit A. For the term of this Agreement, Grantee shall take such actions as shall be required to maintain that form of organization. Grantee shall provide the City with notice of the meetings of its governing board or board of directors, and the City shall have the opportunity to attend such meetings as an *ex officio* member of such governing board; the City shall also have the right to review the minutes of all such meetings.

10. **Grantee-Specific Obligations.** Grantee shall comply with the listing of Grantee-Specific Obligations attached hereto as Exhibit D.

11. **Certification:** Grantee hereby certifies that it shall comply with the contents of this Agreement and the terms of its Application and certifies that the contents of this Agreement and the Application are true, accurate and correct. The recitals to this Agreement are expressly incorporated herein by reference.

IN WITNESS WHEREOF, the Grantee has caused this agreement to be signed, sealed, and attested to by its Chairman of the Board of Directors and Executive Director, on the 11th day of January, 2021, and said City has caused the same to be signed, sealed, and attested to by its Mayor and City Clerk or Executive Assistant of the City of DeKalb as of the date first mentioned in this Agreement.

KISHWAUKEE FAMILY YMCA - CAMP POWER

Chair
Board Chairman

ATTEST:

Executive Director

CITY OF DEKALB, ILLINOIS

Jerry Smith, Mayor

CITY OF DEKALB STATE OF ILLINOIS

ATTEST:

**Exhibit A: Funding Application**

City of DeKalb
opportunity · innovation

164 East Lincoln Highway
DeKalb, Illinois 60115
815.748.2000 • cityofdekalb.com

# FY 2021 HUMAN SERVICES FUNDING APPLICATION

## Twelve Months Funding 1/1/21 to 12/31/21

**APPLICATION MUST BE RECEIVED NO LATER THAN 5:00 P.M. ON NOVEMBER 6, 2020. INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.**

**Agency Name:** Kishwaukee Family YMCA

**Mailing Address:** 2500 Bethany Road, Sycamore, IL 60178

**Agency Director:** Mark Spiegelhoff

**Contact Person:** Brian Bickner

**Telephone No.:** 815-375-5378 **Email Address:** bbickner@kishymca.org

**Name of Person Responsible for Completing Quarterly Report:** Brian Bickner

**Telephone No.:** 815-375-5378 **Email Address:** bbickner@kishymca.org

**Program Description:** See attached document for description and outcomes.

**Twelve Month Program Budget:** $79,057

**Amount of Funding Requested:** $13,000

**% of Total Program Budget:** 16 %

**Total Number of Estimated Program Participants:** 110

**Total Number of Estimated DeKalb Residents to be Served:** 110

**Estimated DeKalb Residents as % of Total Participants to be Served:** 100 %

***The following documents must accompany the application:***

1. A current listing of the agency's Board of Directors and terms.

2. The current annual operating budget for the agency and a detailed budget for the program requesting funding.

3. A detailed narrative explaining the program to be funded, its potential impact, and any anticipated outcomes to be achieved. Be specific about the population to be served and the benefits derived from your services. Include any descriptive materials regarding the history and mission of the agency that would help augment the application.

4. Documentation of the agency's 501(c)(3) status.

5. Completed W-9 Form.

6. Copy of agency's most recent financial audit.

The City of DeKalb retains the right to request any and all additional information from the agency it may determine necessary in making funding decisions. This may include articles of incorporation or any other information deemed appropriate.

The undersigned hereby certifies the information contained in this application is true and accurate to the best of their knowledge and belief.

Name of Authorized Signer: Brian Bickner

Title: Development Director

Signature: Brian Bickner Digitally signed by Brian Bickner Date: 2020.10.28 14:46:56 -05'00'

Date: 10/28/2020

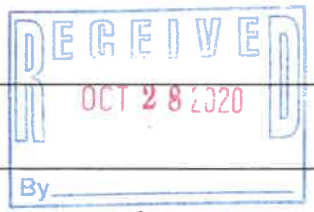
---

Please submit the application using one of the following methods:

- Via regular mail to be received no later than 5:00 p.m. on November 6, 2020 to:

  City of DeKalb
  Attention: Joanne Rouse
  164 East Lincoln Highway
  DeKalb, Illinois 60115

- Via email dated no later than 5:00 p.m. on November 6, 2020 to: joanne.rouse@cityofdekalb.com




**OFFICE USE ONLY:**

Date Application Received: _____

By _____

☐ Approved – Annual Amount Awarded $_____ / $_____ per quarter

☐ Denied

# 2020 Board Roster

Kishwaukee Family YMCA

| Name | Company | Joined the Board |
|---|---|---|
| Don Busse | First Midwest Bank | 2020 |
| Ron Cerutti | Crum-Halsted | 2011 |
| Kathy Countryman | Sycamore School District #427 | 2010 |
| Chad Hintzsche | First Insurance Group | 2020 |
| Gary Evans | First National Bank | 2012 |
| Keith Foster | Foster, Buick, Conklin, Lundgren & Tritt LLC | 2008 |
| Grant Goltz | First State Bank | 2016 |
| Lisa Gonzalez | DeKalb County Health Department | 2017 |
| Dr. Photine Liakos | Orthopaedic Surgeon | 2017 |
| Jim Lehan | Lehan Drugs, Inc. | 2013 |
| Greg Millburg | DeKalb County Farm Bureau | 2017 |
| Eric Olson | Shaw Media | 2018 |
| Julie P. Sommese | Heartland Bank and Trust | 2018 |
| Connie Teaberry | Northern Illinois University | 2019 |
| RoseMarie Tremi | Sycamore Chamber of Commerce | 2018 |
| Jim Winters | Sycamore Police Department | 2017 |

**Kishwaukee Family YMCA**
2500 W. Bethany Rd.
Sycamore, IL 60178
P: 815.756.9577 F: 815.758.4549
www.kishymca.org

## CAMP POWER: The City of DeKalb Grant Program Description

Due to the Covid-19 Pandemic, Camp Power was not offered in 2020. At the time, University Village, understandable, did not want anyone who lived outside of their campus coming onto their property. If this turns out to be the same case in 2021, we will decline any payment towards our award, as we did in 2020.

Camp Power is a free, collaborative summer program that provides many social services to University Village residents. It is offered on-site with a goal of helping children achieve their potential, providing employment opportunities for parents and helping residents connect with the community. The program is administered by the Kishwaukee Family YMCA along with support from collaborative partners. In 2019, we served 110 children during the camp season.

During the school year, the neighborhood schools provide structured activities, physical education, breakfast and lunch programs, and of course, education. Camp Power takes place for eight-weeks during the summer when there is no meal program, nor structured and supervised activities in that neighborhood.

Oversite for the program is provided by the Camp Power Steering Committee with representation from the City of DeKalb Police Department, Northern Illinois University, and the Kishwaukee Family YMCA.

The Kishwaukee Family YMCA manages the day to day operations of the Camp Power program including the curriculum, staffing and volunteer management. The program addresses summer learning loss, academics, healthy living & eating, life skills and relationship building with local police. Parents can apply for staff or mentor positions and receive training and education. Daily lunch time, along with a

couple of family events, provide the opportunity for families to play together and meet others in the community.

The DeKalb Police Department assists daily as part of their mentoring program with goals of reducing crime rates, calls for police service and building relationships with residents. Officers participate with the children and counselors in games and activities. The Police Department also coordinates an annual fishing derby for the children.

Several Northern Illinois University Departments provide programming support in education, life skills, and nutrition. NIU athletes spend time with the children to teach them about teamwork and working together. Data is collected regarding healthy living behaviors and affective climate.

The Voluntary Action Center includes this program in VAC's Summer Meals Program. The daily meal service is available for all children who participate in Camp Power as well as for all neighborhood children.

Camp Power continues to make big impacts due to the combined work of the YMCA, the Steering Committee, collaborative partners, and about 200 volunteers and donors willing to fund and support this great initiative.

Some of the activities the children engage in during the program include reading for learning, cooking, nutrition lessons, physical games and skills instruction, field trips, tending to the community gardens, reading games, STEM activities, arts and crafts, team building activities, asset building activities, and water games. A two-hour academic academy led by a District 428 teacher is additionally offered in the morning.

In 2019, we saw the highest reported behavior changes related to eating more fruit (76%) and trying new foods (71%). Over half of the campers reported asking someone at home to buy them more healthy foods (57%). In 2018, crime decreased by 16%. Our number of children also increased, and we continue to see great need in this community.

IRS Department of the Treasury
Internal Revenue Service

OGDEN UT 84201-0038

In reply refer to: 0438090075
Aug. 02, 2019 LTR 4168C 0
36-2379643 000000 00
Input Op: 0438090075 00024149
BODC: TE

KISHWAUKEE FAMILY YOUNG MENS
CHRISTIAN ASSOCIATION INC
2500 BETHANY RD
SYCAMORE IL 60178-3129

024330

Employer ID number: 36-2379643
Form 990 required: Yes

Dear Taxpayer:

We're responding to your request dated July 24, 2019, about your tax-exempt status.

We issued you a determination letter in April 1960, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

We also show you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If you're required to file a return, you must file one of the following by the 15th day of the 5th month after the end of your annual accounting period:

- Form 990, Return of Organization Exempt From Income Tax
- Form 990EZ, Short Form Return of Organization Exempt From Income Tax
- Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or Form 990-EZ
- Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation

According to IRC Section 6033(j), if you don't file a required annual information return or notice for 3 consecutive years, we'll revoke your tax-exempt status on the due date of the 3rd required return or notice.

You can get IRS forms or publications you need from our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions, call 877-829-5500 between 8 a.m. and 5 p.m.,

0438090075
Aug. 02, 2019 LTR 4168C 0
36-2379643 000000 00
Input Op: 0438090075 00024150

KISHWAUKEE FAMILY YOUNG MENS
CHRISTIAN ASSOCIATION INC
2500 BETHANY RD
SYCAMORE IL 60178-3129

local time, Monday through Friday (Alaska and Hawaii follow Pacific time).

Thank you for your cooperation.

Sincerely yours,

Deborah K Allan

Deborah K Allan
Program Manager, AM OPS 1

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

▶ Go to *www.irs.gov/FormW9* for instructions and the latest information.

**Give Form to the requester. Do not send to the IRS.**

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Kishwaukee Family Young Mens Association, Inc

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☑ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

*(Applies to accounts maintained outside the U.S.)*

5 Address (number, street, and apt. or suite no.) See instructions.
2500 Bethany Road

Requester's name and address (optional)

6 City, state, and ZIP code
Sycamore, IL 60178

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

**Social security number**
[ ][ ][ ] - [ ][ ] - [ ][ ][ ][ ]

or

**Employer identification number**
3 6 - 2 3 7 9 6 4 3

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign Here** Signature of U.S. person ▶ [signature] Date ▶ 10/28/2020

# General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

## Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See* What is backup withholding, *later.*

## Exhibit B: Current Year's Budget

2020 Kishwaukee YMCA Budget

| | |
|---|---|
| Revenue | |
| Contributions | $383,541 |
| Fundraising | $3,240 |
| Grants | $153,719 |
| Membership | $874,641 |
| Program Income | $559,847 |
| Other Income | $21,393 |
| Investment Income | $0 |
| PPP forgiveness | $401,315 |
| Total Revenue | $2,357,695 |
| | |
| Salaries | $1,491,755 |
| Emp Benefits | $138,675 |
| Payroll taxes | $106,952 |
| Contract Services | $310,618 |
| Supplies | $145,623 |
| Telephone | $11,747 |
| Postage | $3,799 |
| Utilities | $187,974 |
| Fund / Special Events Sup | $5,012 |
| Loan Interest | $70,510 |
| Insurance | $34,755 |
| Depreciation | $431,847 |
| YMCA Fair Share | $30,224 |
| Total Unrestricted Expenses | $2,969,489 |

## Camp Power Financial Summary

| Camp Power 1-Year expenses | Annual | Annual funding source | | Leveraged |
|---|---|---|---|---|
| Item | Expense | Fundraising | In Kind $ | Grants |
| Transportation for field trips | $2,000 | $2,000 | | |
| Field Trips | $3,500 | $3,500 | | |
| Supplies for family engagement activities & two events | $2,000 | $2,000 | | |
| Supplies for a variety of enrichment activities | $3,000 | $3,000 | | |
| Camp Shirts/Counselor uniform shirts | $1,000 | $1,000 | | |
| Printing/Marketing Expenses/Data | $1,000 | 1,000 | | |
| Staffing wages and related payroll taxes | $18,266 | $18,266 | | |
| 2,400 lunches (average per summer) | $8,598 | | | $8,598 |
| 1,600 snacks (average per summer) | $1,600 | | | $1,600 |
| Meal transportation/staffing | $10,000 | | $10,000 | |
| Police salaries | $14,000 | | $14,000 | |
| Field trips to Huskie Athletic teams | $2,800 | | $2,800 | |
| NIU Athletes to visit University Village | $306 | | $306 | |
| NIU Salarales for Nutrition Ed, supplies, food, field trip snacks, CHOPPED Competition at NIU | $5,000 | | | $5,000 |
| Admin costs for supervision of nutrition lessons, and committee time | $1,275 | | $1,275 | |
| Tutors for Academic portion & training them and training lead staff teacher for the program | $3,692 | | $452 | $3,240 |
| Admin costs for staff person to provide CATCH services and committee time | $1,020 | | $1,020 | |
| **Total** | **$79,057** | **$30,766** | **$29,853** | **$18,438** |

**Exhibit C: Most Recent Completed Fiscal Year's Audit or Year-End Financial Statement**

# Kishwaukee Family YMCA

DeKalb, Illinois

Financial Report

Years Ended December 31, 2019 and 2018

WIPFLI

WIPFLI

## Independent Auditor's Report

To the Board of Directors
Kishwaukee Family YMCA
Rockford, Illinois

We have audited the accompanying financial statements of Kishwaukee Family YMCA (the "Association"), which comprise the statement of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

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

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

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

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

WIPFLI

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kishwaukee Family YMCA as of December 31, 2019 and 2018, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States.

**Emphasis of Matter**

As discussed in Note 1 to the financial statements, the Association adopted Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities-Presentation of Financial Statements of Not-for-Profit Entities,* as of and for the year ended December 31, 2018. The ASU has been applied on a retrospective basis with the exception of the omission of certain information as permitted by the ASU.

Wipfli LLP

Wipfli LLP

July 21, 2020
Rockford, Illinois

# Kishwaukee Family YMCA

## Statements of Financial Position

### December 31, 2019 and 2018

| | 2019 | 2018 |
|---|---|---|
| ***Assets*** | | |
| Cash on hand | $ 400 | $ 400 |
| Cash and cash equivalents | 245,229 | 263,154 |
| Restricted cash - campaign | 21,400 | 22,003 |
| Cash in certificate of deposit | 153,721 | 150,000 |
| Inventory | 1,000 | - |
| Investments - DCCF | 36,528 | 33,986 |
| Pledges receivable | 9,000 | 31,040 |
| Accounts receivable - operations | 47,561 | 20,159 |
| Total current assets | 514,839 | 520,742 |
| Property and Equipment - Net | 6,636,204 | 5,386,166 |
| Total assets | $ 7,151,043 | $ 5,906,908 |
| ***Liabilities and Net Assets*** | | |
| Current liabilities: | | |
| Accounts payable | $ 64,461 | $ 43,936 |
| Member overpayments | 125 | 6,124 |
| Accrued expenses payable | 172,621 | 89,088 |
| Deferred revenue | 60,964 | 48,112 |
| Capital lease obligations | 55,957 | 41,475 |
| Notes payable | 59,598 | - |
| Mortgage payable | 133,825 | 94,865 |
| Total current liabilities | 547,551 | 323,600 |
| Long-term liabilities: | | |
| Capital lease obligations, less current maturities | 130,795 | 14,489 |
| Long-term debt, less current maturities | 1,887,162 | 1,850,777 |
| Total liabilities | 2,565,508 | 2,188,866 |
| Net Assets: | | |
| Without donor restrictions | 4,454,506 | 3,606,332 |
| With donor restrictions | 131,029 | 111,710 |
| Total net assets | 4,585,535 | 3,718,042 |
| Total liabilities and net assets | $ 7,151,043 | $ 5,906,908 |

See accompanying notes to financial statements.

# Kishwaukee Family YMCA

## Statements of Activities

| *Years Ended December 31,* | 2019 | 2018 |
|---|---|---|
| **Net Assets Without Donor Restrictions** | | |
| **Revenue, Gains, and Other Support** | | |
| Contributions | $ 423,848 | $ 308,720 |
| Inherent contribution | 1,033,128 | - |
| United Way Allotments | 6,417 | 6,500 |
| Regular Membership | 1,818,133 | 2,122,506 |
| Program Fees | 1,187,733 | 1,154,563 |
| Service Fees | 35,601 | 64,137 |
| Investment income | 6,147 | - |
| Gain (loss) on disposal of fixed assets | (79,436) | - |
| Sales to Public Net | (3,861) | (2,972) |
| Total revenue, gains, and other support | 4,427,710 | 3,653,454 |
| Net assets released from donor restriction | 47,678 | 2,500 |
| Total revenues, gains, other support and net assets released from restrictions | 4,475,388 | 3,655,954 |
| **Expenses** | | |
| Program Services Expense | 2,848,472 | 2,779,222 |
| Support services - management and general | 625,143 | 617,904 |
| Support services - fundraising | 92,705 | 145,511 |
| Total program and Support services | 3,566,320 | 3,542,637 |
| **Fair Share** | | |
| Fair share to YMCA of USA | 60,894 | 62,113 |
| Total fair share | 60,894 | 62,113 |
| Total expenses | 3,627,214 | 3,604,750 |
| **Change in Net Assets Without Donor Restrictions** | 848,174 | 51,204 |
| **Net Assets with Donor Restrictions** | | |
| Contributions | 66,997 | 20,000 |
| Net assets released from restrictions | (47,678) | (2,500) |
| **Change in Net Assets With Donor Restrictions** | 19,319 | 17,500 |
| **Total Change in Net Assets** | 867,493 | 68,704 |
| **Net Assets, Beginning of Year as Restated** | 3,718,042 | 3,649,338 |
| **Net Assets, End of Year** | $ 4,585,535 | $ 3,718,042 |

See accompanying notes to financial statements.

# Kishwaukee Family YMCA

## Statements of Cash Flows

| *Years Ended December 31,* | 2019 | 2018 |
|---|---|---|
| ***Cash Flows From Operating Activities*** | | |
| Change in Net Assets | $ 867,493 | $ 68,704 |
| Adjustments to reconcile change in net assets to cash provided by operating activities: | | |
| Depreciation | 409,113 | 399,908 |
| Noncash inherent contributions | (1,033,128) | - |
| Net (increase) decrease in current assets other than cash | (8,904) | 19,242 |
| Net increase (decrease) in current liabilities other than bank loans | 110,911 | (16,896) |
| Loss (gain) on sale of fixed assets | 79,436 | - |
| Net cash provided by operating activities | 424,921 | 470,958 |
| ***Cash Flows From Investing Activities*** | | |
| Purchase of property and equipment | (705,460) | (173,702) |
| Net cash (used in) investing activities | (705,460) | (173,702) |
| ***Cash Flows From Financing Activities*** | | |
| Borrowings from capital lease | 174,815 | - |
| Principal payments on capital lease | (44,027) | (98,221) |
| Borrowings from line of credit | 54,198 | - |
| Borrowings from long-term bank loans | 181,189 | - |
| Principal payments on long-term bank loans | (100,443) | (91,353) |
| Net cash (used in) financing activities | 265,732 | (189,574) |
| **Net Increase (Decrease) in Cash and Cash Equivalents** | (14,807) | 107,682 |
| **Cash and Cash Equivalents - beginning of year** | 435,557 | 327,875 |
| **Cash and Cash Equivalents - end of year** | $ 420,750 | $ 435,557 |
| Supplemental cash flow disclosures: | | |
| Cash paid for interest | $ 77,073 | $ 81,221 |

A capital lease obligation of $174,815 was incurrend when the Association entered into a lease for equipment in 2019.

# Kishwaukee Family YMCA

## Statements of Cash Flows(Continued)

Cash and cash equivalents are presented in the Statement of Financial Position for the years ended December 31, as follows:

| *Years Ended December 31,* | 2019 | 2018 |
|---|---|---|
| Cash on hand | $ 400 | $ 400 |
| Cash and cash equivalents | 245,229 | 263,154 |
| Restricted cash - campaign | 21,400 | 22,003 |
| Cash in certificate of deposit | 153,721 | 150,000 |
| Total | $ 420,750 | $ 435,557 |

The Association acquired Rochelle Daycare during fiscal year ending December 31, 2019. In conjunction with the acquisition, liabilities were assumed and a contribution was received from Rochelle Daycare as follows:

| *Years Ended December 31,* | 2019 |
|---|---|
| Fair value of assets acquired | $ 1,347,800 |
| Liabilities assumed | (314,672) |
| Contribution received in acquisition of Rochelle Daycare | $ 1,033,128 |

See accompanying notes to financial statements.

# Kishwaukee Family YMCA

## Statements of Functional Expenses

| *Years Ended December 31, 2019* | Program Services | Management and General | Fundraising | Total |
|---|---|---|---|---|
| Other program expenses | $ 240,117 | $ - | $ - | $ 240,117 |
| Salaries and wages - Other | 1,496,333 | 308,268 | 58,148 | 1,862,749 |
| Payroll taxes | 114,109 | 20,549 | 4,297 | 138,955 |
| Workers compensation | 17,309 | 3,055 | - | 20,364 |
| Health insurance | 65,850 | 11,859 | 2,480 | 80,189 |
| Fundraising expense | - | - | 27,179 | 27,179 |
| Retirement plan contributions | 52,274 | 8,298 | - | 60,572 |
| Other employee expenses | 23,981 | 3,979 | - | 27,960 |
| Utilities | 186,533 | 29,612 | - | 216,145 |
| Janitorial expenses | 19,453 | 3,088 | - | 22,541 |
| Maintenance contract | 44,570 | 7,075 | - | 51,645 |
| Maintenance repairs | 41,076 | 6,521 | - | 47,597 |
| Supplies | 53,476 | 5,548 | - | 59,024 |
| Postage and shipping | 3,093 | 491 | - | 3,584 |
| Dues and subscriptions | - | 3,614 | - | 3,614 |
| Contract services | - | 55,091 | - | 55,091 |
| Conferences, conventions and meetings | 15,948 | 2,873 | 601 | 19,422 |
| Bank charges | - | 29,324 | - | 29,324 |
| Insurance | 29,698 | 4,714 | - | 34,412 |
| Bad debt expense | - | - | - | - |
| Interest expense | 66,514 | 10,559 | - | 77,073 |
| Equipment expense | 6,419 | 1,019 | - | 7,438 |
| Printing and publications | 13,861 | 2,200 | - | 16,061 |
| Telephone | 10,112 | 1,605 | - | 11,717 |
| Software support | - | 44,434 | - | 44,434 |
| Total expense before depreciation | 2,500,726 | 563,776 | 92,705 | 3,157,207 |
| Depreciation | 347,746 | 61,367 | - | 409,113 |
| Total functional expenses | $ 2,848,472 | $ 625,143 | $ 92,705 | $ 3,566,320 |

See accompanying notes to financial statements.

# Kishwaukee Family YMCA

## Statements of Functional Expenses

| *Years Ended December 31, 2018* | Program | Management and General | Fundraising | Total |
|---|---|---|---|---|
| Other program expenses | $ 250,890 | $ - | $ - | $ 250,890 |
| Salaries and wages - Other | 1,407,431 | 292,765 | 68,875 | 1,769,071 |
| Payroll taxes | 109,760 | 22,831 | 5,371 | 137,962 |
| Workers compensation | 26,160 | 4,616 | - | 30,776 |
| Health insurance | 67,860 | 14,116 | 3,321 | 85,297 |
| Fundraising expense | - | - | 67,483 | 67,483 |
| Retirement plan contributions | 48,314 | 7,670 | - | 55,984 |
| Other employee expenses | 30,407 | 4,827 | - | 35,234 |
| Utilities | 192,024 | 30,484 | - | 222,508 |
| Janitorial expenses | 21,024 | 3,337 | - | 24,361 |
| Maintenance contract | 36,772 | 5,838 | - | 42,610 |
| Maintenance repairs | 40,458 | 6,423 | - | 46,881 |
| Supplies | 63,868 | 6,626 | - | 70,494 |
| Postage and shipping | 3,238 | 514 | - | 3,752 |
| Dues and subscriptions | - | 5,040 | - | 5,040 |
| Contract services | - | 55,145 | - | 55,145 |
| Conferences, conventions and meetings | 9,428 | 1,961 | 461 | 11,850 |
| Bank charges | - | 31,914 | - | 31,914 |
| Insurance | 25,931 | 4,117 | - | 30,048 |
| Bad debt expense | - | - | - | - |
| Interest expense | 70,094 | 11,127 | - | 81,221 |
| Office equipment expense | 11,315 | 1,796 | - | 13,111 |
| Printing and publications | 16,928 | 2,687 | - | 19,615 |
| Telephone | 7,398 | 1,175 | - | 8,573 |
| Software support | - | 42,909 | - | 42,909 |
| Total expense before depreciation | 2,439,300 | $ 557,918 | $ 145,511 | $ 3,142,729 |
| Depreciation | 339,922 | 59,986 | - | 399,908 |
| Total functional expenses | $ 2,779,222 | $ 617,904 | $ 145,511 | $ 3,542,637 |

See accompanying notes to financial statements.

# Kishwaukee Family YMCA

## Note 1: Summary of Significant Accounting Policies

### Nature of Activities

The Kishwaukee Family YMCA (Association) is a nonprofit corporation organized under the laws of the State of Illinois for the purpose of providing health and welfare facilities, programs, and services. The Association is a member of the national YMCA of which it pays dues annually to support the operations of this National Council. The Association primarily serves residents of Dekalb County, Illinois. The mission is to promote Christian principles by enriching the spirit, mind and body of all those in our community, especially families and children, regardless of ability to pay. The Kishwaukee Family YMCA builds Strong Kids, Strong Families and Strong Communities. The Association's programs focus on four core values-caring, honesty, respect, and responsibility. It serves men, women, and children of all ages, abilities, incomes, races, and religions. It provides financial assistance to those who need it. It identifies needs within the community and responds to them so that the entire community benefits from its efforts. The majority of its funding comes from membership and program fees, contributions, and endowments.

### Fund Accounting

The accounts of the Association are organized on the basis of funds, each of which is considered a separate entity. The Operating Funds are used to record normal operating revenues and disbursements and for various special purposes. The Capital Campaign Funds are used to track contributions relating to facility equipment and grounds improvements.

### Basis of Accounting

The financial statements of the Association have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

### Donated Services

Standards state that for donated services to be recognized in the financial statements, the services must either (a) create or enhance a non-financial asset or (b) be specialized skills, provided by entities or persons possessing those skills that would be purchased if not donated. For the years ending December 31, 2019 and 2018, there were no donations meeting the above criteria.

The Association receives donated services generally in the form of contributed time by volunteers. However, these donated services are not reflected in the financial statements since they do not meet the criteria for recognition as contributed services.

## Note 1: Summary of Significant Accounting Policies (Continued)

### Cash and Cash Equivalents

For purposes of reporting the statements of cash flows, the Association includes all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid investments with a maturity of three months or less as cash and cash equivalents.

### Investments

Investments are stated at the year end market value. Unrealized gain or loss on the year end aggregate market value of the investments is reflected in the current year's activity. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

### Pledges Receivable

Pledges made to the Association are recorded as receivables in the year the pledge was made. Pledges and other promises to give whose eventual uses are restricted by the donor are recorded as increases in temporarily restricted net assets. Unrestricted pledges to be collected in future periods are also recorded as an increase in temporarily restricted net assets and reclassified to unrestricted net assets when received.

Pledges to give are reported in the statement of financial position net of unamortized discounts and an allowance for uncollectible pledges. Pledges that are expected to be collected in future years are recorded at the present value of estimated future cash flows using a discount rate that approximates the rate of government securities. Amortization of the discount is recorded as an increase or decrease in contribution revenue. An allowance for uncollectible accounts is determined by management based on past collection history. There was no allowance for uncollectible accounts as of December 31, 2019 and 2018.

### Accounts Receivable

Accounts receivable are generally uncollateralized client obligations net of allowances for uncollectible accounts. Management individually reviews all past due accounts receivables and estimates the portion, if any, of the balance that will not be collected. Management believes all accounts receivables currently shown to be collectible.

## Note 1: Summary of Significant Accounting Policies (Continued)

### Income Taxes

The Association, as a nonprofit charitable organization, is exempt from federal income taxes under Internal Revenue Code Section (501)(c)(3).

The Association accounts for income taxes in accordance with Financial Accounting Standards Board *Accounting for Uncertainty Income Taxes*. The standard provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in an enterprise's financial statements and requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. The Association had determined there are no amounts to record as assets or liabilities related to uncertain tax positions. The federal forms (Form 990) remain open for examination by taxing authorities through their statutory periods.

### Net Assets

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets of the Association and changes therein are classified and reported as follows:

*Net assets without donor restrictions*: net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

*Net assets with donor restrictions*: net assets subject to donor or certain grantor imposed restrictions. Some donor imposed restrictions are temporary in nature, such as those that will be net by the passage of time, long-lived assets placed in service, or other events specified by the donor. Other explicit donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

### Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

## Note 1: Summary of Significant Accounting Policies (Continued)

### Deferred Revenue

Deferred revenue represents membership dues, program fees, and grants which have been received, but for which the prescribed services have not yet been completed. These fees will be recognized in income when these services are provided.

### Revenue Recognition

The YMCA has multiple revenue streams that are accounted for as reciprocal exchange transactions including membership and program fees. Contributions are recorded as revenue when an unconditional promise to give has been made. Contributions are recorded as with donor restrictions or without donor restriction, depending on donor intent. Membership revenue, program fees, and daycare fees are recognized evenly over the period of membership and programs.

Because the YMCA's performance obligations relate to contracts with a duration of less than one year, the YMCA has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a), *Revenue from Contracts with Customers*, and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. There are no incremental costs of obtaining a contract and no significant financing components.

Membership dues and program fees: Membership dues and program fees consist of amounts that families and individuals pay to participate in health, fitness, education and recreation activities and programs. Members join for varying lengths of time. Members generally pay a onetime joining fee plus monthly dues in advance. Memberships provide use of the recreation facilities, access to free classes, programs and activities, and discounts to fee-based programs. The YMCA offers a variety of programs including family, child care, day camp, resident camp, teen, scholastic, fitness, aquatics, health, immigration, and international services. Fee-based programs are available to the public. Program fees for short duration programs of two months or less, such as aquatics classes, are typically paid in advance at the time of registration. Program fees for longer duration programs, such as fee-based childcare, are usually paid monthly in advance. Cancellation provisions vary by program, but most transactions are not cancelable. Refunds may be available for services not provided. Financial assistance is available to members and program participants. Such financial assistance is reflected as a reduction of gross membership dues and program fees.The YMCA has multiple revenue streams that are accounted for as reciprocal exchange transactions including membership and program fees, residence program and related services, and government contract revenues

Membership dues and program fees are recognized ratably over the period the membership or program service is provided on a straight-line basis in an amount that reflects the consideration the YMCA expects to be entitled to in exchange for those services. All the YMCA's revenue from contracts with customers are from performance obligations satisfied over time. Prices are specific to a distinct performance obligation and do not consist of multiple transactions. Membership joining fees are ratably recognized over a one-year period from the membership start date.

Membership dues and program fees paid to the YMCA in advance represent contract liabilities and are recorded as other deferred revenue. Amounts billed but unpaid are contract assets and recorded as accounts receivables.

## Note 1: Summary of Significant Accounting Policies (Continued)

**Revenue Recognition** (Continued)

Because the YMCA's performance obligations relate to contracts with a duration of less than one year, the YMCA has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a), *Revenue from Contracts with Customers*, and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. There are no incremental costs of obtaining a contract and no significant financing components.

Government Contract Revenues: The YMCA has contracts with city, state, and federal agencies to provide a variety of program services to the public based on contract requirements. Such contracts from government agencies are recorded as revenue as performance obligations are satisfied, which is generally when the related expenditures are incurred over the period the service is provided.

Advances are recorded as deferred revenue from government contracts upon receipt. Included in government receivables are contract assets for unbilled services and receivables for billed unpaid services.

For government receivables, the allowance for doubtful accounts is determined by a monthly and semi-annual review of account balances, including the age of the balance, historical collection experience and specific identification of uncollectible accounts. Uncollectible receivables are charged to the allowance. An expense is recorded at the time the allowance is adjusted.

**Change in Accounting Policies**

In 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for-profit Entities. This ASU provides for certain improvements in financial reporting for not-for-profit organizations and requires changes to net asset classification, enhancements to liquidity presentation and disclosures, presentation of an analysis of expenses by function and by nature, netting of investment expenses with return, among other changes. The guidance was adopted effective January 1, 2018.

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers Topic (606)*. This ASU supersedes the revenue recognition requirements in *Topic 605, Revenue Recognition*, and most industry-specific guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The YMCA adopted this ASU on January 1, 2019.

The YMCA implemented ASU 2014-09 using a full retrospective method of application. The adoption of ASU 2014-09 resulted in changes to the disclosure of revenue. There were no material changes to the recognition or presentation of revenue as a result of the application of ASU 2014-09. As a result, no cumulative effect adjustment was recorded upon adoption.

In June 2018, the FASB issued (ASU) 2018-08, *Not-for-Profit Entities: Topic 958*. The amendments in this Update provide a more robust framework to determine when a transaction should be accounted for as a contribution under Subtopic 958-605 or as an exchange transaction accounted for under other guidance (for example, Topic

## Note 1: Summary of Significant Accounting Policies (Continued)

### Change in Accounting Policies (Continued)

606). The amendments also provide additional guidance about how to determine whether a contribution is conditional. The YMCA adopted this ASU on January 1, 2019.

The YMCA implemented ASU 2018-08 using a full retrospective method of application. The adoption of ASU 2018-08 resulted in changes to the disclosure of revenue. There were no material changes to the recognition or presentation of revenue as a result of the application of ASU 2018-08. As a result, no cumulative effect adjustment was recorded upon adoption.

### Pending Accounting Pronouncements

In 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, which is intended to improve financial reporting on leasing transactions. ASU 2016-02 will require lessees to recognize right of use assets and lease obligations for operating and finance leases under terms greater than 12 months. ASU 2016-02 is effective for fiscal years beginning after December 15, 2021, with early adoption permitted. ASU 2016-02 must be applied modified retrospectively. Management is evaluating what impact this new standard will have on its financial statements.

### Subsequent Events

The Association has evaluated events and transactions for potential recognition or disclosure in the financial statements through July 21, 2020, which is the date the financial statements were available to be issued.

On January 30, 2020, the World Health Organization declared the novel coronavirus (COVID-19) a Public Health Emergency of International Concern. Later, on March 11, 2020, the World Health Organization made the assessment that COVID-19 was a global health pandemic.

The YMCA primarily provides in-person programming, thus the outbreak of COVID-19 may adversely impact the ability of the YMCA to conduct its operations and/or the cost of operations. The global outbreak of COVID-19 continues to rapidly evolve, and the ultimate impact of the pandemic is highly uncertain. To date, management has applied for and received a $400,705 forgivable loan under the Paycheck Protection Program of the CARES Act, applied for an SBA Emergency Disaster Loan, and drawn on its available line of credit to manage cash flows and meet expenditures as they come due. The YMCA will continue to work with its stakeholders to develop solutions and strategies for addressing these financial and operational challenges, though the outcome of these matters cannot be predicted at this time.

## Note 2: Liquidity and Availability of Financial Assets

The Association monitors its liquidity so that it is able to meet its operating needs and other grant commitments while maximizing the investment of its excess operating cash. The YMCA has the following financial assets that could readily be made available within one year of the balance sheet to fund expenses without limitations:

| | 2019 | 2018 |
|---|---|---|
| Cash and cash equivalents | $ 245,229 | $ 263,154 |
| Accounts receivable - operations | 47,561 | 20,159 |
| Total | $ 292,790 | $ 283,313 |

The YMCA meets general expenditures over the year by collecting sufficient revenues from membership, programs and donations. The statement of cash flows identifies the sources and uses of the YMCA's cash and shows positive cash generated by operations of $424,921 and $470,958 for fiscal years ending Years Ended December 31, 2019 and 2018 , respectively.

## Note 3: Changes in Fixed Assets

Marketable securities consist of the following as of December 31:

| | 2018 | Additions | Disposals | 2019 |
|---|---|---|---|---|
| Land | $ 61,654 | $ 101,428 | $ - | $ 163,082 |
| Buildings and improvements | 10,085,927 | 1,395,100 | (144,857) | 11,336,170 |
| Equipments | 1,138,344 | 242,060 | (158,953) | 1,221,450 |
| Total | 11,285,925 | 1,738,588 | (303,810) | 12,720,702 |
| Less accumulated depreciation and amortization | 5,899,759 | 409,113 | (224,374) | 6,084,498 |
| Total | $ 5,386,166 | $ 1,329,475 | $ (79,436) | $ 6,636,204 |

Improvements and equipment over $2,000 are capitalized at cost. Purchases under $2,000 are expensed as maintenance and repair. Donated assets are capitalized at fair market value as of the date received. Depreciation and amortization is provided over the estimated useful lives of the assets on the straight-line method. Buildings and improvements are depreciated over 15 - 40 years, equipment is depreciated over 3 - 10 years, and leasehold improvements are amortized over 20 years.

Depreciation expense for December 31, 2019 and 2018 was $409,113 and $399,908, respectively.

## Note 4: Pledges

Pledges receivable consist of the following as of December 31:

| *Years Ended December 31,* | 2019 | 2018 |
|---|---|---|
| Less than one year | $ 9,000 | $ 31,040 |
| One to five years | - | - |
| Pledges receivable | $ 9,000 | $ 31,040 |

## Note 5: Notes Payable

On May 2, 2013, the Association obtained a loan from National Bank and Trust Company of Sycamore, Illinois in the amount of $2,357,000. The note matures on August 2, 2027 with an interest rate of 3.95% until August 2, 2020, at which time it will adjust. Monthly payments of $14,265.52, including interest, began September 2, 2013. The balance due as of December 31, 2018 was $1,945,462. The balance due as of December 31, 2019 was $1,850,558.

During 2011, the Association obtained a $200,000 Line of Credit from National Bank and Trust Company of Sycamore, Illinois. The Line of Credit matures September 10, 2020 with an interest rate of 5.25%. The balance due as of December 31, 2019 and 2018 was $0.

On December 1, 2019, the Association acquired the assets and liabilities of Rochelle Daycare. The Association assumed liability of the mortgage with Stillman Banccorp N.A. The note requires monthly payments of $3,478 including interest at the rate of 4.25% per annum and matures June 23, 2024. The balance on the mortgage was $167,979 as of December 31, 2019 and was refinanced into a new loan subsequent to year end. The Association assumed a loan with Stillman Banccorp N.A. in the amount of $6,198 with interest at a rate of 2.25% above the Wall Street Prime Rate and was refinanced into a new loan subsequent to year end. The Association assumed a loan with Central Bank Illinois which matures on August 25, 2022. The note requires monthly payments of $117, including 0% per annum interest rate. The balance on the note was $3,850 as of December 31, 2019. The Association assumed a loan from an individual in the amount of $6,000 at 0% interest. During the year ended December 31, 2019, $2,000 of this loan was forgiven and the balance on the note was $4,000 as of December 31, 2019. This is a non interest bearing note and is due on demand.

On December 1, 2019, the Association assumed a line of credit with Stillman Banccorp N.A. in the amount of $48,000 with interest at 2.25% above Wall Street Prime rate with an initial interest rate of 7.75%. The effective Wall Street Prime rate at December 31, 2019 was 4.75 %. The line of credit matures on December 15, 2019 and was refinanced into a new loan subsequent to year end. The line of credit is collateralized by all assets of the Association. The Association had an outstanding balance of $48,000 as of December 31, 2019.

On January 31, 2020, the three loans at Stillman Banccorp N.A. in the amount of $167,979, $48,000, and $6,198 were refinanced into a new mortgage loan.

## Note 5: Notes Payable (Continued)

Estimated annual principal payments for each of the next five years are:

| | |
|---|---|
| 2020 | $ 198,423 |
| 2021 | 140,981 |
| 2022 | 146,419 |
| 2023 | 151,396 |
| 2024 | 133,028 |
| Thereafter | 1,315,338 |
| Total | $ 2,085,585 |

## Note 6: Leases

### Capital Leases

The Association has capital lease agreements with an imputed interest rate ranging from 4.33% to 5.297%. Monthly payments of principal and interest range from $625 to $4,493 with a balloon payment of $25,000 paid in 2019 funded by a contribution. The assets and liabilities under capital leases are recorded at the lower of the present value of minimum lease payments or the fair value of the asset. The net capitalized cost of the leased property at December 31, 2019 and 2018 was $252,368 and $76,878, respectively. Assets are amortized over their estimated productive lives, for leases that transfer ownership or contain bargain purchase clauses. Amortization expense on capital leases is included in depreciation expense. Accumulated amortization was $37,935 and $24,432 as of December 31, 2019 and 2018, respectively.

### Operating Leases

The Association leases various office and fitness equipment. These leases are accounted for as operating leases. Rent expense on the operating leases was $7,438 and $13,111 for the years ended December 31, 2019 and 2018, respectively.

The following is a schedule of future minimum lease payments under all leases with an initial term in excess of one year at December 31, 2019:

| | Capital Leases | Operating Leases |
|---|---|---|
| 2020 | $ 63,021 | $ 6,970 |
| 2021 | 61,421 | 6,970 |
| 2022 | 53,921 | 6,970 |
| 2023 | 22,467 | 5,809 |
| Total future minimum lease payments | 200,830 | $ 26,719 |
| Less - Amount representing interest | (14,078) | |
| Present value of future minimum lease payments | 186,752 | |
| Less - current portion | (55,957) | |
| Long-term capital lease obligation | $ 130,795 | |

## Note 7: Fees to National Office

In accordance with the affiliation agreement between the Association and its National Office, $60,894 and $62,113 from the General Operating funds was remitted to the National Office for support of national research and other activities during 2019 and 2018, respectively.

## Note 8: Pension Plan

The Association is a participant in the YMCA Retirement Fund. The Fund provides defined contribution, money purchase pension plans and serves YMCA Associations only. Each employee who has worked over 1,000 hours during the year, has been employed for two full years, and is 21 years of age or older is required to participate by contributing a minimum of 5% of their wages to the plan. The Association is required to contribute 7% of each qualified employee's wages. Normal retirement is at age 60 with early retirement at age 55 with five years of service.

For the years ending December 31, 2019 and 2018, the Association contributed $60,572 and $55,984 to the plan, respectively .

## Note 9: Concentration of Credit Risk

At various times during the year ended December 31, 2019, the bank balances exceeded FDIC insurance.

## Note 10: Investments

The investments of the YMCA are handled by the Investment Advisors of the Dekalb County Community Foundation (DCCF). The YMCA funds are accounted for separately on the books of the DCCF and have an annual audit of their records. YMCA funds are invested along with other entities that are part of DCCF. The Association's investments are presented in the financial statements in the aggregate at their fair market value as determined by the recognized exchanges. The following were the investment balances as of December 31:

| | 2019 | |
|---|---|---|
| | Cost | Market Value |
| Investments | $36,528 | $36,528 |
| | **2018** | |
| | Cost | Market Value |
| Investments | $33,986 | $33,986 |

## Note 11: Fair Value

*Fair Value Measurements,* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy under *Fair Value Measurements* are described as follows:

**Level 1:** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Association has the ability to access.

**Level 2:** Inputs to the valuation methodology include; quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable market data by correlation or other means.

**Level 3:** Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The valuation methods may produce a fiar value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, while the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

## Note 11: Fair Value (Continued)

The following table presents the Association's approximate fair value hierarchy for the assets measured at fair value on a recurring basis at December 31:

| | | 2019 | | |
|---|---|---|---|---|
| Description | Fair Value | (Level 1) | (Level 2) | (Level 3) |
| Assets measured at fair value on a recurring basis: Investments held by Community Foundation | $36,528 | $ | $ | $36,528 |

| | | 2018 | | |
|---|---|---|---|---|
| Description | Fair Value | (Level 1) | (Level 2) | (Level 3) |
| Assets measured at fair value on a recurring basis: Investments held by Community Foundation | $33,986 | $ | $ | $33,986 |

Reconciliation of assets measured using Level 3 inputs as of December 31,:

| | 2018 | Gains (losses) | Purchases | Distributions | 2019 |
|---|---|---|---|---|---|
| Investment held by DCCF | $ 33,986 | $ 2,542 | $ - | $ - | $ 36,528 |

| | 2017 | Gains (losses) | Purchases | Distributions | 2018 |
|---|---|---|---|---|---|
| Investment held by DCCF | $ 34,223 | $ (237) | $ - | $ - | $ 33,986 |

## Note 12: Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following as of December 31:

| | 2019 | 2018 |
|---|---|---|
| Subject to expenditure for specified purpose: | | |
| Scholarship fund | $ 5,000 | $ 5,000 |
| Day care center | 44,334 | 20,000 |
| Subject to passage of time: | 74,195 | 79,210 |
| Not subject to spending policy or appropriation: | | |
| Initial contribution of the Dekalb County Community Foundation into the charitable fund | 7,500 | 7,500 |
| Net assets with donor restrictions | $ 131,029 | $ 111,710 |

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31:

| | 2019 | 2018 |
|---|---|---|
| Expiration of time restrictions | $ 47,678 | $ 2,500 |
| Net assets released from donor restrictions | $ 47,678 | $ 2,500 |

## Note 13: Restatement of Previously Issued Financial Statement [Prior Period Adjustment]

The financial statements as of and for the year ended December 31, 2019, have been restated to correct an error that was detected during the audit for the year ended December 31, 2019.

To correct this error of properly recording deferred revenue for memberships, program fees, and contributions, the beginning temporarily restricted net assets as of December 31, 2019, were increased by $77,208 and the beginning unrestricted net assets was decreased by $48,113. The total effect on the ending net assets as of December 31, 2019, was an increase of $29,095. The deferred revenue as of December 31, 2018 was reduced $29,095 to reflect this prior period adjustment.

## Note 13: Restatement of Previously Issued Financial Statement [Prior Period Adjustment] (Continued)

Net assets at December 31, 2018 were changed as follows:

| | 2019 |
|---|---|
| Net Assets, December 31, 2018 | $ 3,688,947 |
| Recognition of contribution revenue previously shown as deferred | 77,208 |
| Recognition of deferred revenue for memberships and programs | (48,113) |
| Net Assets, December 31, 2018 as restated | $ 3,718,042 |

## Note 14: Acquisition of Rochelle Daycare

Effective December 1, 2019, the Board of Directors of Rochelle Daycare voted to transfer all its assets, liabilities, and operations to the Association. Under the terms of the transaction, no consideration was transferred and Rochelle Daycare was dissolved. The Association accounted for the transaction as an acquisition recognizing the underlying assets and liabilities acquired at fair value in excess of the amount recognized as a contribution of $1,033,128 on the accompanying Statements of Activities.

Assets and liabilities acquired and related contribution recognized upon acquisition for the year ended December 31, 2019, are as follows:

| *Years Ended December 31,* | 2019 |
|---|---|
| Cash | $ 16,126 |
| Land | 100,000 |
| Building and improvements | 1,180,000 |
| Equipment | 17,210 |
| Inventory | 1,000 |
| Accounts receivable | 33,464 |
| Accounts payable | (19,131) |
| Line of credit payable | (53,338) |
| Notes payable | (11,367) |
| Mortgage note payable | (170,872) |
| Accrued expenses payable | (59,964) |
| Total | $ 1,033,128 |

## Exhibit D: Grantee-Specific Obligations

Grantee agrees and acknowledges that it shall comply with the following obligations, which shall be considered to be an integral component of the Agreement:

Kishwaukee Family YMCA – Camp Power (Grantee) will provide a collaborative summer program to the children of University Village to help them achieve their potential, provide employment opportunities for parents, and help residents connect to the community.

Camp Power proposes to serve 110 children with summer day camp services. Of this number, 110 recipients of services are anticipated to be residents of the City of DeKalb. Grantee will track the total number of individuals served by the program and will include a separate accounting of individuals who are residents of the City of DeKalb to document that City of DeKalb Human Services Funding is used only to support camp programming and services to DeKalb residents. Grantee will report revenue from other sources to document that the agency receives funding to cover services to individuals who are not residents of the City of DeKalb. Reports will be submitted on a Quarterly basis in order to receive payment of grant funds.

The program is designed to meet the needs of the children at University Village during the summer months when school is not in session. Due to the timing of when services are rendered and expenses are incurred, the City will consider requests to pay out grant funds on a schedule that will expend the total amount of allocated funds following the end of the quarter during which the last day of camp occurs.

**HUMAN SERVICES AGREEMENT**
**NGUZO SABA**

This agreement made this 28th day of December, 2020, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the "City" and Nguzo Saba Men's Club, hereinafter referred to as "Grantee," WITNESSETH:

WHEREAS, the City desires that Grantee provide certain services to the citizens of DeKalb and Grantee has the capacity to provide such services; and,

WHEREAS, the Grantee acknowledges that it is the City's intention to purchase said services for the citizens of the City of DeKalb under the following guidelines:

1. First priority shall be given to those services which will help meet basic emergency needs such as food, clothing, and shelter. Second priority shall be given to those services which are preventative in nature and promote the highest degree of self-support, self-care, and self-help. Third priority shall be given to those services which seek to enhance the quality of life of persons whose basic needs are already met. Priority shall also be given to services which primarily benefit low and moderate income residents. The services provided by the Grantee are consistent with these guidelines as explained on the attached Exhibit A.

2. Services shall address specific documented needs. The services provided by the Grantee address the specific, documented needs as explained on the attached Exhibit A.

3. Services shall also receive financial support from other community sources. Grantee has attached hereto a copy of its budget for the period that this Agreement covers as Exhibit B, which budget establishes that the Grantee receives at least 50 % of its funding from third party sources. A copy of Grantee's audit or year end financial statement from the most recent complete year of operations is attached hereto as Exhibit C.

4. City funds are used only to support those services directly benefiting DeKalb residents. The City will not subsidize the cost of services to non-residents. Grantee has certified compliance with this requirement by signing the attached Exhibit A.

5. Administrative costs for these services are to be kept to a minimum. Grantee has identified the allocation between administrative costs and program costs as explained on the attached Exhibit A.

6. These services must be coordinated with other agencies when feasible. Grantee has outlined how services are coordinated with other agencies as explained on the attached Exhibit A.

7. The City will not fund, but may augment, services which are the responsibility of another public agency or funding source. Grantee has identified any areas where the City's funds are being utilized to augment third party responsibilities as explained on the attached Exhibit A.

8. City funds are to be used primarily to match or leverage other private or public funds. Grantee has explained how matching or leveraged funds are being sought or obtained as explained on the attached Exhibit A.

9. The City's intent is to contract for specific services and monitor their effectiveness. Grantee has: a) identified the metrics by which its performance is to be evaluated on an annual basis; b) identified those third parties that provide any review or evaluation of Grantee's efforts; and, c) explained its clearly defined performance evaluation process, as explained on the attached Exhibit A.

10. Grantee has clearly identified and delineated where any elected or appointed official of the City or any City employee is involved in its programming or receives any direct or indirect benefit, any compensation, or any pecuniary benefit of any form by virtue of Grantee's program or the City funding provided hereunder, as explained on the attached Exhibit A.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, and all such funds are held by the Grantee in a Grantee-specific checking account with the financial institution identified therein (and not in any personal checking account), unless otherwise indicated therein.

WHEREAS, the parties hereto understand and agree that the Grantee is an independent contractor and not an employee of the City; now,

In consideration of the agreements set forth and other good and valuable considerations, the parties agree as follows:

1. **Term**. The term of this agreement shall be from January 1, 2021 to December 31, 2021. The City or Grantee may terminate this Agreement at any time, upon the provision of thirty (30) days written notice. The City may terminate this agreement at any time based upon the occurrence of a breach of this Agreement, upon the provision of 48 hours written notice.

2. **Scope of Service**. The Grantee shall provide services in accordance with the service plan provided in the original application, a copy of which is attached hereto as Exhibit A.

3. **Hold Harmless**. The Grantee hereby agrees to indemnify, defend, and hold the City and its officers, employees, contractors, and representatives harmless from and against any and all such costs, expenses, damages, liabilities, losses and

claims which may arise out of, or are related to the services provided by the Grantee under this agreement or which relate to this Agreement or the funding provided herein. The Grantee agrees and acknowledges that the City is not in any way responsible for the conduct or provision of Grantee's programs or services, and is not responsible for the review, supervision or management of Grantee's personnel, volunteers, participants, programming, or services.

4. **Payment.** The City agrees to pay the Grantee the sum of Five thousand and No/100 Dollars ($5,000.00) for services rendered under this agreement. **Payment will be disbursed in four equal installments and will be processed upon receipt of the Grantee's quarterly reports, as required by this funding agreement.** In the event that this Agreement is terminated, no further payments shall be due or payable to Grantee. In the event that the City Council determines that the City's financial condition does not support making a payment otherwise due under this Agreement, the City may suspend, delay, or otherwise cancel payments due hereunder.

5. **Access to Financial Records**. The Grantee agrees to allow the City access to review any and all of Grantee's financial records as may be determined appropriate to insure the accountability of monies disbursed by the City. The Grantee also agrees to provide the City with a copy of its operating budget and its audit or year-end financial statement for each fiscal year or portion thereof in which the Grantee receives funding under this (or successor) agreements.

6. **Performance Reporting**. The Grantee agrees to send the City a report following every three months of services identifying the number of City of DeKalb citizens that have been provided services under the terms of this Agreement. The Grantee further agrees to send the City a copy of all documentation required to demonstrate its performance or which is identified as a performance-evaluation tool in Exhibit A.

   Quarterly reports shall be provided to the City on or before the 10th day of the following months:

   1st Quarter – April
   2nd Quarter – July
   3rd Quarter – October
   4th Quarter - January

7. **Compliance with Laws.** The Grantee expressly covenants and agrees that it shall comply with all applicable laws, including those laws applicable to the use of public funding to the extent that such laws are applicable to programs funded in whole or in part by the City of DeKalb. The Grantee expressly covenants that it shall not discriminate against any person or organization on the basis of any legally recognized protected classification, including but not limited to race, gender, religion, ethnic or cultural background, sexual preference, or other legally

recognized, protected classification, in the provision of its services or use of funding provided hereunder.

8. **Use of Funds.** The Grantee shall only utilize funds made available under this agreement for the provision of services consistent with this agreement and shall not use such funding for any other purpose, nor for the construction of any real property or improvement to real property, nor for any purpose which constitutes "Public Works" for purposes of the Illinois Prevailing Wage Act.

9. **Grantee's Organization.** Grantee is organized in the format as described in Exhibit A. For the term of this Agreement, Grantee shall take such actions as shall be required to maintain that form of organization. Grantee shall provide the City with notice of the meetings of its governing board or board of directors, and the City shall have the opportunity to attend such meetings as an *ex officio* member of such governing board; the City shall also have the right to review the minutes of all such meetings.

10. **Grantee-Specific Obligations.** Grantee shall comply with the listing of Grantee-Specific Obligations attached hereto as Exhibit D.

11. **Certification:** Grantee hereby certifies that it shall comply with the contents of this Agreement and the terms of its Application and certifies that the contents of this Agreement and the Application are true, accurate and correct. The recitals to this Agreement are expressly incorporated herein by reference.

IN WITNESS WHEREOF, the Grantee has caused this agreement to be signed, sealed, and attested to by its Chairman of the Board of Directors and Executive Director, on the 20th day of January, 2021, and said City has caused the same to be signed, sealed, and attested to by its Mayor and City Clerk or Executive Assistant of the City of DeKalb as of the date first mentioned in this Agreement.

NGUZO SABA MEN'S CLUB

Board Chairman

ATTEST:

Executive Director

CITY OF DEKALB, ILLINOIS

Jerry Smith, Mayor

CITY OF DEKALB STATE OF ILLINOIS

ATTEST:

# Exhibit A: Funding Application

City of DeKalb
opportunity • innovation

164 East Lincoln Highway
DeKalb, Illinois 60115
815.748.2000 • cityofdekalb.com

# FY 2021 HUMAN SERVICES FUNDING APPLICATION

## Twelve Months Funding 1/1/21 to 12/31/21

**APPLICATION MUST BE RECEIVED NO LATER THAN 5:00 P.M. ON NOVEMBER 6, 2020. INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.**

**Agency Name:** Nguzo Saba Men's Club

**Mailing Address:** 1806 Kennicott Court, Sycamore, IL. 60178

**Agency Director:** Derrick Smith

**Contact Person:** Derrick Smith

**Telephone No.:** 815-793-1990 **Email Address:** dsssmith@niu.edu

**Name of Person Responsible for Completing Quarterly Report:** Derrick Smith

**Telephone No.:** 815-793-1990 **Email Address:** dsssmith@niu.edu

**Program Description:** See Attachment

**Twelve Month Program Budget: $** 12,000

**Amount of Funding Requested: $** 6,000

**% of Total Program Budget:** 50 %

**Total Number of Estimated Program Participants:** 150

**Total Number of Estimated DeKalb Residents to be Served:** 150

**Estimated DeKalb Residents as % of Total Participants to be Served:** 100 %

***The following documents must accompany the application:***

1. A current listing of the agency's Board of Directors and terms.

2. The current annual operating budget for the agency and a detailed budget for the program requesting funding.

3. A detailed narrative explaining the program to be funded, its potential impact, and any anticipated outcomes to be achieved. Be specific about the population to be served and the benefits derived from your services. Include any descriptive materials regarding the history and mission of the agency that would help augment the application.

4. Documentation of the agency's 501(c)(3) status.

5. Completed W-9 Form.

6. Copy of agency's most recent financial audit.

The City of DeKalb retains the right to request any and all additional information from the agency it may determine necessary in making funding decisions. This may include articles of incorporation or any other information deemed appropriate.

The undersigned hereby certifies the information contained in this application is true and accurate to the best of their knowledge and belief.

Name of Authorized Signer: Derrick Smith

Title: Director

Signature: Derrick Smith

Date: 11-9-20

---

Please submit the application using one of the following methods:

- Via regular mail to be received no later than 5:00 p.m. on November 6, 2020 to:

  City of DeKalb
  Attention: Joanne Rouse
  164 East Lincoln Highway
  DeKalb, Illinois 60115

- Via email dated no later than 5:00 p.m. on November 6, 2020 to:

RECEIVED
NOV 9 2020

**OFFICE USE ONLY:**

Date Application Received: _____

☐ Approved – Annual Amount Awarded $_____ / $_____ per quarter

☐ Denied

# Nguzo Saba
# Men's Club of DeKalb
## ***Board of Directors***

| | |
|---|---|
| Derrick Smith | Director |
| Jerry Wright | Asst. Director |
| Charles Williams | Treasurer |
| Leonard McCall | Secretary |
| Bruce Gholstein | Historian |
| Joseph Mitchell | P/Relations |
| Jason Wright | Member |
| Unique Shaw | Member |

**Other Members:**

| | |
|---|---|
| Keyalo Gray | Member |
| Vince Robinson | Member |
| George Mitchell | Member |
| James Bailey | Member |
| Leroy Mitchell | Member |
| Menelek Shaw | Member |
| David Seymour | Member |

*** The director and asst. director serve terms of three years each: All of the other officers serve two year terms.**

Name of Agency: **Nguzo Saba Men's Club of DeKalb**

Complete Description of Activities: The Men's Club began this program approximately 30 years ago to keep the youth (specifically African American males) in the community from "just hanging out" during the summers' late afternoon and evening hours. Basketball was used as the motivating factor to get the young people to attend the program and to attend on a regular basis. When the program first started members of the Men's Club volunteered 5 hours a day and 5 days a week for 8 weeks while paying for rental space at a local elementary school. Basketball continues to be the motivating factor to get young people in the program but we now have rap sessions about various topics such as education, health, gangs, alcohol and drug abuse, judicial system, etc, we also have guest speakers to come in their particular area of expertise. This program is extremely important for parents that cannot afford summer activities for their children in DeKalb. An integral part of the program and our goal as African American males in the community is to provide positive role models and mentoring for all the young people in the program as well as entire community. The mentoring aspect of the program stresses positive values and constructive behavior. This program allows young people to interact with each other while developing fundamental skills and gaining an understanding of the importance of teamwork from a personal and group capacity. When the program first started it was for males only until 2006, that summer we began accepting females and I am proud to say that 35% of the 150 young people involved in the program are females.

The program was first housed by Park District, later School District 428 took care of this issue and presently Northern Illinois University has been graciously housing the camp for approximately 10 years on campus. Three years ago the Kinesiology Department hired a new director and he made the decision to charge us a partial charge for rental purposes for the six months were are allowed to use their facilities. For the years before the university never charged us anything and that was done as a community outreach good faith gesture due to us never charging the participants where the majority comes from impoverished and single parent households. This added expense affected the program to the point where we couldn't hire enough people to adequately accommodate camp participants, having to make adjustments to our poorly supported financial situation was frustrating.

The program begins in late June at Anderson Hall's (on campus) gymnasiums in the northeast entrance and ends six weeks later in the first week of August. The camp meets Monday through Thursday every week from 5:00pm to 10:00pm. There is instructional basketball for grades 3rd through 8th from 5:00pm to 6:30pm and from 6:30pm to 7:30pm they play team basketball with coaches and referees The high school participants begin their instructional basketball at 7:30pm to 9:00pm and 9:00pm to 10:00pm they play highly competitive games. Unfortunately again this year the staff did not publicize the program as much as we had done in the past because we could not hire enough staff to handle the potential 200-250 participants. After funding from the city's grant was cut by

a 1/3 in 2011, the camp has averaged approximately 125 participants. Now that our funding has been cut, another $2000.00 this year it puts the program in a dire situation for the 2019 summer. It has been extremely difficult for me to understand how this program could be thrown into a pile of proposals as if there are other organizations and programs that deal with the youth of color who have traditionally been treated as outsiders in almost every operable system in this city. Our program is trying to do what only one or two programs for the community youth are doing at anytime during the year that will allow them a sense of belonging. This program has been part of the community in the summer for thirty years and receiving tremendous support from former Police Chief Berg and former Mayor Sparrow. The Men's Club had decided that we could no longer financially support this program and had decided to shut it down. This move motivated Chief Berg to set up a meeting with the mayor and executive board of the Men's Club to find some type of funding so that the program would continue. The Chief testified before the mayor and other staff members how effective the program had been in assisting the at-risk African American male youth change their position to becoming a positive asset to themselves, their families and the DeKalb community as a whole. I have lived in DeKalb since 1972 while attending NIU and don't recall more than two programs that targeted young people from underrepresented groups in order for people of color to feel like part of the community instead of outsiders. I say this in all seriousness after discovering two week ago that the student population of District 428 is now 50% students of color, which makes this program even more relevant and a community need. My request to the city is that it's understood the importance of this program in order for the Men's Club to receive funding as we have for the last twenty something years and that the funding cut last year ($2000.00) be returned to the allocation of the funding to the Nguzo Saba's Men's Club.

Sincerely,

Derrick Smith, Executive Director


Snack
PROVIDED
DAILY
JULY
1ST-AUG
1ST
SUMMER
Mon-Thur
5pm-10pm
NIU Anderson Hall | Contact Derrick Smith (815)793-1990

INTERNAL REVENUE SERVICE
P. O. BOX 2800
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: NOV 14 2012

NGUZO SABA MENS CLUB OF DEKALB
C/O DERRICK SMITH
1806 KENNICOTT COURT
SYCAMORE, IL 60178

Employer Identification Number:
36-0834202
DLN:
17053177332002
Contact Person:
JASON I SAMMONS ID# 31616
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
May 15, 2010
Contribution Deductibility:
Yes
Addendum Applies:
Yes

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

NGUZO SAABA MEMS CLUB OF DEKALB

Sincerely,

Holly O. Paz

Holly O. Paz
Director, Exempt Organizations
Rulings and Agreements

Enclosure: Publication 4221-PC

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

▶ Go to *www.irs.gov/FormW9* for instructions and the latest information.

**Give Form to the requester. Do not send to the IRS.**

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Nguzo Saba Men's Club

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☑ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

**Note:** Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

*(Applies to accounts maintained outside the U.S.)*

5 Address (number, street, and apt. or suite no.) See instructions.
1806 Kennicott Court

Requester's name and address (optional)

6 City, state, and ZIP code
Sycamore IL. 60178

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

**Social security number**
[ ][ ][ ] - [ ][ ] - [ ][ ][ ][ ]

or

**Employer identification number**
26 - 0634202

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign Here** Signature of U.S. person ▶ Derrick Smith Date ▶ 11-9-20

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

## Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See* What is backup withholding, *later.*

## Exhibit B: Current Year's Budget

**NGUZO SABA MEN'S CLUB**
**DEKALB SUMMER BASKETBALL/MENTORING PROGRAM**
**Annual Report for:20 2019**

**Personnel**

| | |
|---|---|
| Program Supervisor | $1,200.00 |
| Instructional Skills Counselors | $1,960.00 |
| Program Coordinators | $2,000.00 |

**Administration**

| | |
|---|---|
| Workshop Materials | $353.50 |
| Program Flyers | $200.00 |
| Registration Forms | $250.00 |
| Certificates & Awards | $700.00 |

**Equipment**

| | |
|---|---|
| Basketballs | $200.00 |
| Whistles | $50.00 |
| First Aid Kits | $60.00 |
| Ball Racks | $225.00 |
| New Scoreboards | $800.00 |

**Contractual**

| | | |
|---|---|---|
| NIU | | $1,500.00 |
| Pizza Hut | | $500.00 |
| LB3 Tees | (T-Shirts) | $1,200.00 |
| Wal-Mart | | $430.00 |
| **Total Expenditures: 20 2019** | | $11,628.50 |

**Deposits**

| | |
|---|---|
| City of DeKalb | $6,000.00 |
| New Hope Missionary Baptist Church | $1,800.00 |
| The Rock Christian Church | $2,000.00 |
| Mentoring Valuable Peers | $1,400.00 |

**Total Depo osits 2019** $11,200.00

Bank Balance of of 9/3 /30/2019 $93.45

In-Kind Contributions

| | |
|---|---|
| Northern Illinois University | $4,500.00 |
| NIU Basketball | $600.00 |
| **Total In-Kind** | $5,100.00 |

## Exhibit C: Most Recent Completed Fiscal Year's Audit or Year-End Financial Statement




# MOST RECENT FINANCIAL AUDIT FOR AGENCY:

The Nguzo Saba Men's Club of DeKalb does not have an recent or past financial audit. Any finances that's needed for any project or activity that we are involved in is on a donation or grant basis and the donations accepted are all used for that particular project or activity. The Board of Directors met and calculated to run this program as we have done with the first cuts 7-8 years ago it will cost approximately $7,500. The members of the Men's Club are in the process of formulating a list of businesses to raise the remaining 45% if we are allocated the same amount of funds that we received last year from the city's grant. Prayfully everything will work out as it did last year to support our work with the young people in order to allow them the opportunity to have a positive impact on the community.

## Exhibit D: Grantee-Specific Obligations

Grantee agrees and acknowledges that it shall comply with the following obligations, which shall be considered to be an integral component of the Agreement:

Nguzo Saba Men's Club (Grantee) will provide a basketball/mentoring program to keep youth off the streets during the summer late afternoon and evening hours. The program will provide youth with an opportunity to develop, progress, and be successful mentally, physically, socially, and academically. The program will serve both males and females with positive role models and mentors who stress positive values and constructive behaviors with the goal of preparing youth to make positive contributions to the DeKalb community and to society as a whole.

Nguzo Saba proposes to serve 150 participants this year. Of this number, 150 are anticipated to be residents of the City of DeKalb. Grantee will track the total number of individuals served and will include a separate accounting of individuals who are residents of the City of DeKalb to document that City of DeKalb Human Services Funding is used only to support those services directly benefiting DeKalb residents. Grantee will report revenue from other sources to document that the agency receives funding to cover services provided to individuals who are not residents of the City of DeKalb. Reports will be submitted on a Quarterly basis in order to receive payment of grant funds.

The program is designed to meet the needs of youth who reside in the Annie Glidden North Neighborhood during the summer months when school is not in session. Due to the timing of when services are rendered and expenses are incurred, the City will consider requests to pay out grant funds on a schedule that will expend the total amount of allocated funds following the end of the quarter during which the last day of camp occurs.

**HUMAN SERVICES AGREEMENT**
**RAMP**

This agreement made this 28th day of December, 2020, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the "City" and RAMP, hereinafter referred to as "Grantee," WITNESSETH:

WHEREAS, the City desires that Grantee provide certain services to the citizens of DeKalb and Grantee has the capacity to provide such services; and,

WHEREAS, the Grantee acknowledges that it is the City's intention to purchase said services for the citizens of the City of DeKalb under the following guidelines:

1. First priority shall be given to those services which will help meet basic emergency needs such as food, clothing, and shelter. Second priority shall be given to those services which are preventative in nature and promote the highest degree of self-support, self-care, and self-help. Third priority shall be given to those services which seek to enhance the quality of life of persons whose basic needs are already met. Priority shall also be given to services which primarily benefit low and moderate income residents. The services provided by the Grantee are consistent with these guidelines as explained on the attached Exhibit A.

2. Services shall address specific documented needs. The services provided by the Grantee address the specific, documented needs as explained on the attached Exhibit A.

3. Services shall also receive financial support from other community sources. Grantee has attached hereto a copy of its budget for the period that this Agreement covers as Exhibit B, which budget establishes that the Grantee receives at least 97 % of its funding from third party sources. A copy of Grantee's audit or year end financial statement from the most recent complete year of operations is attached hereto as Exhibit C.

4. City funds are used only to support those services directly benefiting DeKalb residents. The City will not subsidize the cost of services to non-residents. Grantee has certified compliance with this requirement by signing the attached Exhibit A.

5. Administrative costs for these services are to be kept to a minimum. Grantee has identified the allocation between administrative costs and program costs as explained on the attached Exhibit A.

6. These services must be coordinated with other agencies when feasible. Grantee has outlined how services are coordinated with other agencies as explained on the attached Exhibit A.

7. The City will not fund, but may augment, services which are the responsibility of another public agency or funding source. Grantee has identified any areas where the City's funds are being utilized to augment third party responsibilities as explained on the attached Exhibit A.

8. City funds are to be used primarily to match or leverage other private or public funds. Grantee has explained how matching or leveraged funds are being sought or obtained as explained on the attached Exhibit A.

9. The City's intent is to contract for specific services and monitor their effectiveness. Grantee has: a) identified the metrics by which its performance is to be evaluated on an annual basis; b) identified those third parties that provide any review or evaluation of Grantee's efforts; and, c) explained its clearly defined performance evaluation process, as explained on the attached Exhibit A.

10. Grantee has clearly identified and delineated where any elected or appointed official of the City or any City employee is involved in its programming or receives any direct or indirect benefit, any compensation, or any pecuniary benefit of any form by virtue of Grantee's program or the City funding provided hereunder, as explained on the attached Exhibit A.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, and all such funds are held by the Grantee in a Grantee-specific checking account with the financial institution identified therein (and not in any personal checking account), unless otherwise indicated therein.

WHEREAS, the parties hereto understand and agree that the Grantee is an independent contractor and not an employee of the City; now,

In consideration of the agreements set forth and other good and valuable considerations, the parties agree as follows:

1. **Term**. The term of this agreement shall be from January 1, 2021 to December 31, 2021. The City or Grantee may terminate this Agreement at any time, upon the provision of thirty (30) days written notice. The City may terminate this agreement at any time based upon the occurrence of a breach of this Agreement, upon the provision of 48 hours written notice.

2. **Scope of Service**. The Grantee shall provide services in accordance with the service plan provided in the original application, a copy of which is attached hereto as Exhibit A.

3. **Hold Harmless**. The Grantee hereby agrees to indemnify, defend, and hold the City and its officers, employees, contractors, and representatives harmless from and against any and all such costs, expenses, damages, liabilities, losses and claims which may arise out of, or are related to the services provided by the

Grantee under this agreement or which relate to this Agreement or the funding provided herein. The Grantee agrees and acknowledges that the City is not in any way responsible for the conduct or provision of Grantee's programs or services, and is not responsible for the review, supervision or management of Grantee's personnel, volunteers, participants, programming, or services.

4. **Payment.** The City agrees to pay the Grantee the sum of Five Thousand and No/100 Dollars ($5,000.00) for services rendered under this agreement. **Payment will be disbursed in four equal installments and will be processed upon receipt of the Grantee's quarterly reports, as required by this funding agreement.** In the event that this Agreement is terminated, no further payments shall be due or payable to Grantee. In the event that the City Council determines that the City's financial condition does not support making a payment otherwise due under this Agreement, the City may suspend, delay, or otherwise cancel payments due hereunder.

5. **Access to Financial Records**. The Grantee agrees to allow the City access to review any and all of Grantee's financial records as may be determined appropriate to insure the accountability of monies disbursed by the City. The Grantee also agrees to provide the City with a copy of its operating budget and its audit or year-end financial statement for each fiscal year or portion thereof in which the Grantee receives funding under this (or successor) agreements.

6. **Performance Reporting**. The Grantee agrees to send the City a report following every three months of services identifying the number of City of DeKalb citizens that have been provided services under the terms of this Agreement. The Grantee further agrees to send the City a copy of all documentation required to demonstrate its performance or which is identified as a performance-evaluation tool in Exhibit A.

   Quarterly reports shall be provided to the City on or before the 10th day of the following months:

   1st Quarter – April
   2nd Quarter – July
   3rd Quarter – October
   4th Quarter - January

7. **Compliance with Laws.** The Grantee expressly covenants and agrees that it shall comply with all applicable laws, including those laws applicable to the use of public funding to the extent that such laws are applicable to programs funded in whole or in part by the City of DeKalb. The Grantee expressly covenants that it shall not discriminate against any person or organization on the basis of any legally recognized protected classification, including but not limited to race, gender, religion, ethnic or cultural background, sexual preference, or other legally recognized, protected classification, in the provision of its services or use of funding provided hereunder.

8. **Use of Funds.** The Grantee shall only utilize funds made available under this agreement for the provision of services consistent with this agreement and shall not use such funding for any other purpose, nor for the construction of any real property or improvement to real property, nor for any purpose which constitutes "Public Works" for purposes of the Illinois Prevailing Wage Act.

9. **Grantee's Organization.** Grantee is organized in the format as described in Exhibit A. For the term of this Agreement, Grantee shall take such actions as shall be required to maintain that form of organization. Grantee shall provide the City with notice of the meetings of its governing board or board of directors, and the City shall have the opportunity to attend such meetings as an *ex officio* member of such governing board; the City shall also have the right to review the minutes of all such meetings.

10. **Grantee-Specific Obligations.** Grantee shall comply with the listing of Grantee-Specific Obligations attached hereto as Exhibit D.

11. **Certification:** Grantee hereby certifies that it shall comply with the contents of this Agreement and the terms of its Application and certifies that the contents of this Agreement and the Application are true, accurate and correct. The recitals to this Agreement are expressly incorporated herein by reference.

IN WITNESS WHEREOF, the Grantee has caused this agreement to be signed, sealed, and attested to by its Chairman of the Board of Directors and Executive Director, on the _____ day of _____, _____, and said City has caused the same to be signed, sealed, and attested to by its Mayor and City Clerk or Executive Assistant of the City of DeKalb as of the date first mentioned in this Agreement.

RAMP

Board Chairman

ATTEST:

Executive Director

CITY OF DEKALB, ILLINOIS

Jerry Smith, Mayor

CITY OF DEKALB STATE OF ILLINOIS

ATTEST:

# Exhibit A: Funding Application

City of DeKalb
opportunity • innovation

164 East Lincoln Highway
DeKalb, Illinois 60115
815.748.2000 • cityofdekalb.com

# FY 2021 HUMAN SERVICES FUNDING APPLICATION
## Twelve Months Funding 1/1/21 to 12/31/21

**APPLICATION MUST BE RECEIVED NO LATER THAN 5:00 P.M. ON NOVEMBER 6, 2020. INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.**

**Agency Name:** Regional Access & Mobilization Project, Inc (RAMP)

**Mailing Address:** 115 N First Street

**Agency Director:** Jackie Sundquist, Interim Executive Director/Services Director

**Contact Person:** Amy Morris, Development Director

**Telephone No.:** 815-756-3202 **Email Address:** amorris@rampcil.org

**Name of Person Responsible for Completing Quarterly Report:** Janel Mamer

**Telephone No.:** 779-774-1022 **Email Address:** dataanalyst@rampcil.org

**Program Description:** RAMP's Employment Services are geared toward individuals with disabilities who are motivated job seekers looking for either part-time or long-term competitive employment.

RAMP services include adult employment, Fast Track Transition Services for youth and Project SEARCH Internship program.

**Twelve Month Program Budget:** $132,204

**Amount of Funding Requested:** $5,000

**% of Total Program Budget:** 3.7 %

**Total Number of Estimated Program Participants:** 65

**Total Number of Estimated DeKalb Residents to be Served:** 35

**Estimated DeKalb Residents as % of Total Participants to be Served:** 54 %

***The following documents must accompany the application:***

1. A current listing of the agency's Board of Directors and terms.

2. The current annual operating budget for the agency and a detailed budget for the program requesting funding.

3. A detailed narrative explaining the program to be funded, its potential impact, and any anticipated outcomes to be achieved. Be specific about the population to be served and the benefits derived from your services. Include any descriptive materials regarding the history and mission of the agency that would help augment the application.

4. Documentation of the agency's 501(c)(3) status.

5. Completed W-9 Form.

6. Copy of agency's most recent financial audit.

The City of DeKalb retains the right to request any and all additional information from the agency it may determine necessary in making funding decisions. This may include articles of incorporation or any other information deemed appropriate.

The undersigned hereby certifies the information contained in this application is true and accurate to the best of their knowledge and belief.

Name of Authorized Signer: Amy Morris

Title: Development Director

Signature: Amy Morris Digitally signed by Amy Morris Date: 2020.11.05 10:32:04 -06'00'

Date: 11/5/2020

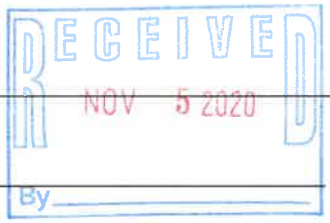
---

Please submit the application using one of the following methods:

- Via regular mail to be received no later than 5:00 p.m. on November 6, 2020 to:

  City of DeKalb
  Attention: Joanne Rouse
  164 East Lincoln Highway
  DeKalb, Illinois 60115

- Via email dated no later than 5:00 p.m. on November 6, 2020 to: joanne.rouse@cityofdekalb.com




**OFFICE USE ONLY:**

Date Application Received: _____

☐ Approved – Annual Amount Awarded $_____ / $_____ per quarter

☐ Denied

## RAMP BOARD OF DIRECTORS

| Name/Officer | Address | Term Expires |
|---|---|---|
| Craig Fetty<br>President | Raymond James Assoc<br>4443 Marsh Hawk Drive<br>Loves Park, IL 61111 | 2021 |
| Sharon Wyland<br>Vice-President | Retired NIU Professor<br>10 Meadow Trail West<br>DeKalb, IL 60115 | 2019 |
| Tina Kaatz<br>Past President | U of I College of Medicine<br>5030 Regents Park<br>Rockford, IL 61107 | 2021 |
| Alan Zais<br>Treasurer | Winnebago Co Housing Authority<br>1301 N Markel Rd<br>Ridott, IL 61067 | 2020 |
| Jessica Koltz<br>Secretary | Rasmussen College<br>6000 East State Street<br>Rockford, IL 61108 | 2019 |
| Bill Haynes | 5745 Highland Terrace<br>Rockford, IL 61108 | 2020 |
| Arles Hendershott | Milestone, Inc.<br>4450 Rockton Ave.<br>Rockford, IL 61103 | 2020 |
| Tim Kelly | 5488 Wansford Way Apt. 202<br>Rockford, IL 61109 | 2021 |
| Joe Marshall | Retired, Landstar Inway<br>1803 Stratford Lane<br>Rockford, IL 61107 | 2021 |
| Rick McVinnie | Rockford Mass Transit District<br>520 Mulberry Street<br>Rockford, IL 61101 | 2020 |
| Geoff Roemerman | Associated Bank<br>612 N. Main Street<br>Rockford, IL 61103 | 2020 |
| Shari Snyder | Alpine Bank<br>600 S. State St.<br>Belvidere, IL 61008 | 2021 |

RAMP
no limits

**RAMP EMPLOYMENT SERVICES**
**FISCAL YEAR 2021 HUMAN SERVICES FUNDING NARRATIVE**

## PROGRAM DESCRIPTION

RAMP's Employment Services are geared toward individuals with disabilities who are motivated job seekers looking for long-term competitive employment. This is accomplished through several different programs aimed at different target audiences based on eligibility, age, level of independence, etc. These programs include RAMP's Adult Employment Services (two types offered), Fast Track Transition Services, and Project SEARCH (now in the second year).

## NEED OF PROGRAMS

The Institute on Disability (IOD) at the University of New Hampshire's Rehabilitation Research and Training Center on Disability Statistics and Demographics (StatsRRTC) released its *Annual Disability Statistics Compendium* on February 14, 2017. Some of those key findings include:

- In 2015, 34.9% of people with disabilities in the US ages 18-64 living in the community were employed compared to 76.0% for people without disabilities - a gap of 41.1 percentage points.
- According to 2015 data, the median earnings of US civilians with disabilities ages 16 and over was $21,572, about two-thirds of the median earnings of people without disabilities ($31,874).
- More than one in five (21.2%) US civilians with disabilities of working-age in 2015 were living in poverty. For US civilians of working-age without disabilities, the national poverty rate was 13.8%. In 2015, states show an increasing poverty percentage gap between those with and without disabilities at all age groups except for people ages 65 and over.

## EMPLOYMENT SERVICES

There are two types of Employment Services for adults that RAMP provides – Employment Network Services/Ticket to Work (TTW) and Employment Vocational Rehabilitation Services (VR).

### Employment Network Services – Ticket to Work (TTW)

**Program Description/Intent:**
Social Security created the Ticket to Work program to provide incentives to individuals who want to return to work or figure out if they are able to return to work. They receive skills training, peer support, and education throughout their journey to achieving their full potential. Participants may continue to receive their cash and Medicare and/or Medicaid healthcare benefits as they transition to full-time work; and, may be able to return to these benefits if no longer able to work due to their disability. The long-term goal desired by this program is that the individual returns to full time work and no longer needs to rely on Social Security income.

**Admission Criteria:**
· SSI or SSDI beneficiary eligible for Ticket to Work
· Between ages of 18 and 64 who want to work
· Personal desire & motivation to work within the community

**Services Provided:**

· Resume development
· Master application development
· Interview skills training
· Career exploration
· Soft/Essential skill training
· Transportation training
· Job seeking skills training
· Job shadow/volunteer opportunities
· Job placement
· Job retention services
· Peer Support
· Benefit Planning Assistance/Referral

**Program Description/Intent:** Everyone has the right to work in their community and achieve their full potential. RAMP works with individuals to learn their likes, dislikes, skills and desires for a job. Working with those we serve, we identify goals that lead to employment, go out in the community and educate employers on the benefits of hiring a prepared candidate, and provide ongoing support to ensure job satisfaction and success.

**Admission Criteria:**

- Have a disability
- Out of high school or will graduate within next three months
- Personal desire & motivation to work within the community

**Services Provided:**

- Resume development
- Master application development
- Interview skills training
- Career exploration
- Soft/Essential skill training
- Transportation training
- Job seeking skills training
- Job shadow/volunteer opportunities
- Job placement
- Job retention services
- Peer Support
- Benefit Planning Assistance/Referral

**<u>Employment Services – Vocational Rehabilitation (VR)</u>**

**Program Description/Intent:** Everyone has the right to work in their community and achieve their full potential. RAMP works with individuals to learn their likes, dislikes, skills and desires for a job. Working with those we serve, we identify goals that lead to employment, go out in the community and educate employers on the benefits of hiring a prepared candidate, and provide ongoing support to ensure job satisfaction and success.

**Admission Criteria:**

- Have a disability
- Out of high school or will graduate within next three months
- Personal desire & motivation to work within the community

**Services Provided:**

- Resume development
- Master application development
- Interview skills training
- Career exploration
- Soft/Essential skill training
- Transportation training
- Job seeking skills training
- Job shadow/volunteer opportunities
- Job placement
- Job retention services
- Peer Support
- Benefit Planning Assistance/Referral

## Fast Track Transition Services

RAMP's Fast Track program serves students with a disability who want to explore their options for post-secondary education and/or employment by gaining job seeking skills, finding job shadow or internships in the community and/or obtaining community employment while still in school.

These services lay a foundation for high school students with disabilities to reach their full potential by encouraging enrollment in college, preparing for employment or career opportunities, and preparing for independent living. These services can be provided in a group setting or via individual instruction. The goal is to leave students with the tools needed for a successful transition to further their education and/or employment desires, keeping them out of the at-risk population after high school.

### Fast Track Admission Criteria

- Willing to enroll in the State of Illinois Vocational Rehabilitation Program
- Have a documented disability (IEP, 504, medical/counseling records)
- Ages 14 through 21
- Enrolled in an education program

### Fast Track Services Provided

- Career exploration
- Soft/Essential skill training
- Transportation training
- Job seeking skills training
- Job shadow/volunteer opportunities
- Apprenticeship/Internship opportunities
- Resume development
- Master application development
- Interview skills training
- Peer Support
- Benefit planning assistance/referral
- Mentoring on post-secondary education & certification opportunities
- Independent living skills training
- Self-Advocacy skills training

## Project SEARCH

Project SEARCH is a collaboration between Northwestern Medicine Kishwaukee Hospital, DeKalb High School, Vocational Rehabilitation (VR) and RAMP. A class of 11-14 students with disabilities are selected from area high schools to participate. Each student spends time in the classroom being taught employment and independent living skills such as effective communication, goal setting, problem-solving, nutrition, grooming and independent travel. Time is also spent on determining each student's capacity for memory, teamwork, job interests and interpersonal skills.

Each student also participates in three individualized worksite rotations, or internships, lasting 10 weeks each. Each of the internships involves real-world employment and teaches competitive, marketable and transferable skills. Placement in a paid job can happen at any time during the program but usually happens in the final month of the program or the following summer. The goal for each participating student is competitive employment in an integrated setting of their choosing with fringe benefits and opportunities to advance. Long-term supports that enable Project SEARCH alumni to retain their jobs, such as job coaching, are available for as long as necessary.

**Project SEARCH Admission Criteria:**

· Referred by a participating school district
· Intellectual or developmental disability
· Have an IEP or Individualized Education Plan
· Are in their last year of high school eligibility or, ready to graduate upon completion of PS
· Strong desire to achieve a job in the community

**Project SEARCH Services Provided:**

· Internship opportunities at work site
· Job skills training
· Resume development
· Master application development
· Interview skills training
· Career exploration
· Soft/Essential skill training
· Transportation training
· Job seeking skills training
· Job shadow/volunteer opportunities
· Job placement
· Job retention services
· Peer Support
· Benefit Planning Assistance/Referral

**Project SEARCH Target Outcomes:**

· Job placement in the community upon program completion or within the following 6 months
· Earning minimum wage or higher
· Working 16 or more hours per week

**IMPACT OF RAMP'S EMPLOYMENT PROGRAMS**

**FY 2020 Outcome Data/Results for Employment Services (TTW and VR services):**

- 77% of both VR and TTW consumers obtain a job as a result of working with RAMP. (Target is 80%)
- 100% of consumers surveyed could state their strengths and were able to promote themselves. (Target 80%).
- 54% of VR consumers were able to maintain their job for at least 12 months (Target 60%).
- 59% of TTW consumers were able to maintain their job for at least 12 months (Target 60%).
- 70% (50% year prior) of consumers surveyed after 12-month milestone reduced dependence on government assistance. (Target 50%)

**Program Statistics:**

| | FY 14 | FY 15 | FY 16 | FY 17 | FY 18 | FY 19 | FY 20 |
|---|---|---|---|---|---|---|---|
| Average hours worked | 27 | 29 | 28 | 26 | 24 | 25 | 26 |
| Average hourly pay rate | $10.49 | $11.83 | $10.85 | $10.27 | $10.78 | $10.82 | $11.13 |
| Average # of applications | 16 | 29 | 27 | 23 | 21 | 25 | 24 |
| Average # of interviews | 5 | 7 | 7 | 5 | 4 | 4 | 3 |

**FY2020 outcomes from our Fast Track Program:**

- 92% of youth served stated their desired career and/or education path (Target 75%).
- 92% of youth served completed the training offered (Target 75%).
- 14% of youth served obtained a job shadow and or volunteer opportunity in the community (Target 25%).
- 9% of youth served obtained a job (Target 10%).

**FY 2020 Outcome Results for Project SEARCH:**

- 83% of 2019 graduates have obtained employment in the community. (Target 100%)
- 100% of those working, are earning minimum wage or higher. (Target 100%)
- 79% of those working, are working more than 16 hours per week. (Target 100%)

## COST SAVINGS OF PROGRAMS

We are not only making an impact on the individuals served, but the cost-savings associated with the program are magnificent, as well. If 70% of those we served (or 43 people), as our outcomes indicate, were not paid Social Security benefits now because they were able to obtain employment, that means we saved the state and taxpayers $387,000.

Here is our math:
43 people not on Social Security benefits due to finding employment
x $750 month (what Social Security Benefits pay)
x 12 months
$387,000 cost savings annually

In addition, these working individuals are now more likely to receive health benefits through their employers now (14% earned benefits last year) rather than a State Medicaid program, saving even more tax dollars.

For instance, in 2019 alone, RAMP helped 61 individuals get a job. The average single person receives $300/month in the SNAP benefits formerly called food stamps. If you multiply that $300 by 12 months for each of the 61 now employed individuals, the savings is over $219,600 for just one year, and that is only counting one benefit not to mention others like housing and medical care.

## SUCCESS STORY

Many programs that RAMP provides are intended to work as a continuum of services and building blocks for our consumers. The success story from Brandon is a great example of Fast Track and Project SEARCH working hand in hand. At the completion of Project SEARCH, Brandon will become a part of our Employment services, either through VR or TTW.

*Brandon worked with RAMP staff for 2 years as part of the Fast Track program. In this program, Brandon worked on a variety of skills related to employment and self-advocacy. In particular, Brandon has worked with RAMP staff on improving his confidence and in believing that he is worthy of doing great things in his life. In 2019, Brandon set himself a personal goal to join Project SEARCH following his senior year of high school. Brandon got accepted into the 20-21 Project SEARCH class and in October he was named the class's first Intern of the Month. Despite his struggles over the years with confidence, he is now beginning to feel positive about his future outlook and is thriving in his maintenance internship at Northwestern Medicine Kishwaukee Hospital. There is a noticeable difference in his self-esteem after just a couple of months. He is so excited and hopeful for all this experience has yet to bring.*



**OUR REQUEST**

Our request is for $5,000 to provide employment services for 65 people in DeKalb County, 35 of which will be DeKalb residents.

# DeKalb County Employment Services - FY 21

(includes Adult Employment Services, Fast Track, and Project SEARCH Programs)

| | DeKalb Co. |
|---|---|
| **Income** | |
| **4000 · GRANT REVENUE** | |
| **Federal Grant Revenue** | $24,932.00 |
| **Total 4020 · State Grant Revenue** | $53,560.00 |
| **Total 4030 · Local Grant Revenue** | **$6,000.00** |
| **Total 4040 · United Way Grant Revenue** | $1,200.00 |
| **4050 · Other Grant Revenue** | $0.00 |
| **Total 4000 · GRANT REVENUE** | **$85,692.00** |
| **4100 · FOUNDATIONS** | $36,000.00 |
| **Total 4200 · GIFTS REVENUE** | $7,102.00 |
| **Total 4300 · SPECIAL EVENTS REVENUE** | $3,410.00 |
| **Total Income** | **$132,204.00** |
| **Expense** | |
| **6410 · Personnel** | $98,315.82 |
| **6420 · Fringe** | $16,280.63 |
| **Contractual** | $2,241.71 |
| **Marketing** | $446.12 |
| **Equipment** | $338.46 |
| **Supplies Expense** | $356.90 |
| **Total 6580 · Travel** | $2,453.67 |
| **6560 · Postage Expense** | $303.96 |
| **6565 · Printing Expense** | $118.97 |
| **Other Operating** | $11,347.51 |
| **Total Expense** | **$132,203.75** |
| **Net** | **$0.00** |

Please note: Due to the challenges and unknowns due to COVID-19 and the Pandemic, our FY 21 budget remained the same as FY 20 budget.

IRS Department of the Treasury
Internal Revenue Service
P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248205661
Feb. 28, 2017 LTR 4168C 0
36-3149827 000000 00
00019011
BODC: TE

REGIONAL ACCESS MOBILIZATION
PROJECT INC
202 MARKET ST
ROCKFORD IL 61107

050092

Employer ID Number: 36-3149827
Form 990 required: Yes

Dear Taxpayer:

This is in response to your request dated Feb. 16, 2017, regarding your tax-exempt status.

We issued you a determination letter in December 1982, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit www.irs.gov or call 1-800-TAX-FORM (1-800-829-3676).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

0248205661
Feb. 28, 2017 LTR 4168C 0
36-3149827 000000 00
00019012

REGIONAL ACCESS MOBILIZATION
PROJECT INC
202 MARKET ST
ROCKFORD IL 61107

Sincerely yours,

Kim A. Billups, Operations Manager
Accounts Management Operations 1

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

**Give Form to the requester. Do not send to the IRS.**

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

**Regional Access and Mobilization Project, Inc**

2 Business name/disregarded entity name, if different from above

**RAMP**

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

**Note:** Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☑ Other (see instructions) ▶ **501(c)(3) Nonprofit Corporation**

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) **5**

Exemption from FATCA reporting code (if any) _____

*(Applies to accounts maintained outside the U.S.)*

5 Address (number, street, and apt. or suite no.) See instructions.

**202 Market Street**

Requester's name and address (optional)

6 City, state, and ZIP code

**Rockford, IL 61107**

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

**Social security number**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | – | | | – | | | | |

**or**

**Employer identification number**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 3 | 6 | – | 3 | 1 | 4 | 9 | 8 | 2 | 7 |

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign Here** Signature of U.S. person ▶ [signature] Date ▶ 9/30/2020

# General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

## Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See* What is backup withholding, *later.*

## Exhibit B: Current Year's Budget

## Regional Access & Mobilization Project, Inc. (RAMP)

| | FY20 Budget | FY21 Budget |
|---|---|---|
| **Income** | | |
| **4000 · GRANT REVENUE** | | |
| **Total 4010 · Federal Grant Revenue** | 446,075 | 624,083 |
| **Total 4020 · State Grant Revenue** | 959,316 | 969,348 |
| **Total 4030 · Local Grant Revenue** | 26,000 | 26,000 |
| **Total 4040 · United Way Grant Revenue** | 50,950 | 16,950 |
| **4045 · INCIL PA** | 108,350 | 108,350 |
| **4050 · Other Grant Revenue** | 11,557 | 20,000 |
| **Total 4000 · GRANT REVENUE** | 1,602,248 | 1,764,731 |
| **4100 · FOUNDATIONS** | 300,000 | 300,000 |
| **Total 4200 · GIFTS REVENUE** | 136,219 | 136,219 |
| **Total 4300 · SPECIAL EVENTS REVENUE** | 156,650 | 156,650 |
| **Total 4400 · SOCIAL ENTERPRISE REVENUE** | 99,080 | 95,750 |
| **Total 4500 · OTHER REVENUE** | 60,515 | 64,300 |
| **Total Income** | 2,354,712 | 2,517,650 |
| **Gross Profit** | 2,354,712 | 2,517,650 |
| **Expenses** | | |
| **Total 6000 · GRANT EXPENSE** | 20,730 | 35,200 |
| **Total 6100 · GIFTS EXPENSE** | 7,110 | 7,110 |
| **Total 6200 · SPECIAL EVENTS EXPENSE** | 25,525 | 25,475 |
| **Total 6300 · SOCIAL ENTERPRISE** | 5,195 | 5,195 |
| **6400 · PERSONNEL** | | |
| **6410 · Wages Expense** | 1,652,839 | 1,630,876 |
| **Total 6420 · Fringe** | 273,702 | 266,791 |
| **Total 6400 · PERSONNEL** | 1,926,541 | 1,897,667 |
| **Total 6500 · OPERATING EXPENSE** | 401,212 | 372,733 |
| **Total 6600 · MISCELLANEOUS EXPENSE** | 1,000 | 37,000 |
| **Total Expenses** | 2,387,313 | 2,380,380 |
| **Net Ordinary Income** | -32,601 | **137,270** |

Please note:With the uncertainties and unknowns related to COVID-19 and the impact of it on services, contracts and and fundraising, we created a budget based on our FY 20 budget, with no increases or decreases in fundraising or service contract changes even though decreases are likely inevitable. We did include an increase in our Federal funds which is CARES Act money received. The Cares Act revenue is just over $200,000 with restrictions on spending. Therefore, our net ordinary income is likely to be in the red and not the surplus shown. It is a difficult year to budget with so many uncertainties.

## Exhibit C: Most Recent Completed Fiscal Year's Audit or Year-End Financial Statement

# REGIONAL ACCESS & MOBILIZATION PROJECT, INC.

Financial Statements

June 30, 2019 and 2018

(With Independent Auditor's Report Thereon)

**REGIONAL ACCESS & MOBILIZATION PROJECT, INC.**

CONTENTS


| | Page |
|---|---|
| Independent Auditor's Report | 1 – 2 |
| FINANCIAL STATEMENTS | |
| Statements of Financial Position | 3 |
| Statements of Activities | 4 |
| Statements of Functional Expenses | 5 |
| Statements of Cash Flows | 6 |
| Notes to Financial Statements | 7 – 19 |
| Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards | 20 – 21 |
| Schedule of Findings and Responses | 22 |

BENNING GROUP, LLC
CERTIFIED PUBLIC ACCOUNTANTS
www.BenningGroup.com

# Independent Auditor's Report

The Board of Directors
Regional Access & Mobilization Project, Inc.
Rockford, Illinois

We have audited the accompanying financial statements of Regional Access & Mobilization Project, Inc. (RAMP) which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

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

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

50 W. Douglas Street, Suite 801
Freeport, Illinois 61032
(815) 235-3157
Fax (815) 235-3158

6815 Weaver Road, Suite 300
Rockford, Illinois 61114
(815) 316-2375
Fax (815) 316-2389

1809 10th Street
Monroe, Wisconsin 53566
(608) 325-5035
Fax (608) 328-2843

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 Regional Access & Mobilization Project, Inc. as of June 30, 2019 and 2018, 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.

**Adoption of New Accounting Pronouncement**

As discussed in Note 17 to the financial statements, RAMP adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, as of and for the year ended June 30, 2019. The requirements of the ASU have been applied retrospectively to all periods presented. Our opinion is not modified with respect to this matter.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2019, on our consideration of RAMP's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering RAMP's internal control over financial reporting and compliance.

Bennig Group, LLC

Rockford, Illinois
October 23, 2019

## REGIONAL ACCESS & MOBILIZATION PROJECT, INC.

Statements of Financial Position

June 30, 2019 and 2018

| Assets | | 2019 | 2018 |
|---|---|---|---|
| Current assets: | | | |
| Cash and cash equivalents | $ | 238,785 | 369,944 |
| Accounts receivable: | | | |
| Department of Rehabilitation Services | | 130,679 | 213,372 |
| Other, net of allowance for doubtful accounts of $1,231 and $2,640 as of June 30, 2019 and 2018 | | 122,048 | 23,394 |
| Pledges receivable – current portion | | 679,426 | 61,371 |
| Prepaid expenses | | 36,019 | 22,306 |
| Total current assets | | 1,206,957 | 690,387 |
| Pledges receivable – long-term | | – | 1,000 |
| Investments – held for endowment purposes | | 1,262,183 | 1,271,977 |
| Property and equipment, net | | 555,236 | 566,698 |
| | $ | 3,024,376 | 2,530,062 |
| **Liabilities and Net Assets** | | | |
| Liabilities – current: | | | |
| Accounts payable | | 47,627 | 36,019 |
| Accrued expenses | | 118,352 | 96,021 |
| Unearned revenue | | 5,625 | 7,500 |
| Total liabilities – current | | 171,604 | 139,540 |
| Net assets: | | | |
| Without donor restrictions | | 1,328,127 | 1,446,358 |
| With donor restrictions | | 1,524,645 | 944,164 |
| Total net assets | | 2,852,772 | 2,390,522 |
| Total liabilities and net assets | $ | 3,024,376 | 2,530,062 |

See accompanying notes to financial statements

**REGIONAL ACCESS & MOBILIZATION PROJECT, INC.**

Statements of Activities

For the Years Ended June 30, 2019 and 2018

| | Without Donor Restrictions | With Donor Restrictions | Total 2019 | Without Donor Restrictions | With Donor Restrictions | Total 2018 |
|---|---|---|---|---|---|---|
| Revenue and support: | | | | | | |
| Grants: | | | | | | |
| Federal | $ 208,020 | – | 208,020 | 191,583 | – | 191,583 |
| State of Illinois | 737,230 | – | 737,230 | 737,945 | – | 737,945 |
| Other grants | 79,793 | – | 79,793 | 9,799 | – | 9,799 |
| Contributions – United Way | 2,471 | 55,482 | 57,953 | 8,538 | 32,217 | 40,755 |
| Rockford Mass Transit District | 18,000 | – | 18,000 | 18,000 | – | 18,000 |
| Capital contributions and other donations | 122,722 | 839,737 | 962,459 | 347,449 | 60,311 | 407,760 |
| Special events, net of direct expenses | 114,874 | 44,406 | 159,280 | 107,539 | 51,717 | 159,256 |
| Investment income | 31,200 | – | 31,200 | 77,702 | – | 77,702 |
| Interest income | 268 | – | 268 | 23 | – | 23 |
| Curriculum services | 41,998 | – | 41,998 | 45,315 | – | 45,315 |
| Other fees | 399,668 | – | 399,668 | 356,450 | – | 356,450 |
| Net assets released from restrictions | 359,144 | (359,144) | – | 143,745 | (143,745) | – |
| Total revenue and support | 2,115,388 | 580,481 | 2,695,869 | 2,044,088 | 500 | 2,044,588 |
| Expenses: | | | | | | |
| Program services | 1,662,669 | – | 1,662,669 | 1,510,995 | – | 1,510,995 |
| Management and general | 315,295 | – | 315,295 | 311,383 | – | 311,383 |
| Fundraising | 255,655 | – | 255,655 | 248,227 | – | 248,227 |
| Total expenses | 2,233,619 | – | 2,233,619 | 2,070,605 | – | 2,070,605 |
| Change in net assets | (118,231) | 580,481 | 462,250 | (26,517) | 500 | (26,017) |
| Net assets at beginning of year | 1,446,358 | 944,164 | 2,390,522 | 1,472,875 | 943,664 | 2,416,539 |
| Net assets at ending of year | $ 1,328,127 | 1,524,645 | 2,852,772 | 1,446,358 | 944,164 | 2,390,522 |

See accompanying notes to financial statements

**REGIONAL ACCESS & MOBILIZATION PROJECT, INC.**

Statements of Functional Expenses

For the Years Ended June 30, 2019 and 2018

| | Program | Management and General | Fundraising | Total 2019 | Program | Management and General | Fundraising | Total 2018 |
|---|---|---|---|---|---|---|---|---|
| Salaries and wages | $ 1,174,294 | 154,553 | 175,547 | 1,504,394 | 1,076,124 | 173,818 | 172,723 | 1,422,665 |
| Employee benefits | 103,449 | 13,615 | 15,465 | 132,529 | 103,498 | 16,717 | 16,612 | 136,827 |
| Payroll taxes | 91,372 | 12,026 | 13,659 | 117,057 | 85,105 | 13,746 | 13,660 | 112,511 |
| Grants supporting consumers | 65,008 | – | – | 65,008 | 42,564 | – | – | 42,564 |
| Buildings and grounds | 24,051 | 3,829 | 2,639 | 30,519 | 19,816 | 3,852 | 3,104 | 26,772 |
| Conferences and education | 6,143 | 1,372 | 482 | 7,997 | 3,244 | 2,510 | 649 | 6,403 |
| Dues and subscriptions | 2,199 | 5,096 | 1,409 | 8,704 | 3,003 | 2,669 | 2,232 | 7,904 |
| Equipment and repairs | 7,613 | 1,212 | 835 | 9,660 | 1,862 | 362 | 291 | 2,515 |
| Equipment rental | 3,213 | 511 | 353 | 4,077 | 4,051 | 787 | 634 | 5,472 |
| Food | 802 | 2,612 | 59 | 3,473 | 650 | 2,646 | 73 | 3,369 |
| Background checks | 660 | – | – | 660 | 1,457 | – | – | 1,457 |
| Insurance | 6,656 | 1,059 | 730 | 8,445 | 5,324 | 1,035 | 834 | 7,193 |
| Marketing | 4,328 | 6,957 | 1,452 | 12,737 | 1,965 | 12,973 | 4,332 | 19,270 |
| Interpreter | 8,560 | – | – | 8,560 | 4,721 | – | – | 4,721 |
| Professional fees | 29,189 | 79,364 | 29,149 | 137,702 | 30,172 | 53,929 | 16,784 | 100,885 |
| Postage | – | 3,366 | 681 | 4,047 | 1,402 | 556 | 1,381 | 3,339 |
| Printing | 1,653 | 1,131 | – | 2,784 | 1,896 | 318 | 395 | 2,609 |
| Rent | 24,542 | 10,516 | 4,926 | 39,984 | 24,176 | 10,359 | 4,853 | 39,388 |
| Supplies | 270 | 6,720 | 304 | 7,294 | 3,226 | 2,072 | 234 | 5,532 |
| Travel | 42,173 | 1,203 | 45 | 43,421 | 37,133 | 1,881 | 49 | 39,063 |
| Utilities and telephone | 28,301 | 4,272 | 3,442 | 36,015 | 24,034 | 4,425 | 3,793 | 32,252 |
| Miscellaneous | 7,211 | 949 | 1,078 | 9,238 | 5,701 | 921 | 915 | 7,537 |
| Depreciation | 30,982 | 4,932 | 3,400 | 39,314 | 29,871 | 5,807 | 4,679 | 40,357 |
| Total expenses | $ 1,662,669 | 315,295 | 255,655 | 2,233,619 | 1,510,995 | 311,383 | 248,227 | 2,070,605 |

See accompanying notes to financial statements.

**REGIONAL ACCESS & MOBILIZATION PROJECT, INC.**

Statements of Cash Flows

For the Years Ended June 30, 2019 and 2018

| | | 2019 | 2018 |
|---|---|---|---|
| Cash flows from operating activities: | | | |
| Increase (decrease) in net assets | $ | 462,250 | (26,017) |
| Adjustment to reconcile change in net assets to net cash provided by operating activities: | | | |
| Depreciation | | 39,314 | 40,357 |
| Realized and unrealized gains on investment securities | | (17,502) | (64,591) |
| Increase (decrease) in cash flow due to changes in: | | | |
| Accounts receivable | | (15,961) | (26,475) |
| Pledges receivable | | (617,055) | 21,756 |
| Prepaid expenses | | (13,713) | 16,214 |
| Accounts payable and accrued expenses | | 33,939 | 26,098 |
| Deferred revenue | | (1,875) | 3,125 |
| Net cash used in operating activities | | (130,603) | (9,533) |
| Cash flows from investing activities: | | | |
| Purchase of property and equipment | | (27,852) | (21,283) |
| Purchase of investments | | (111,484) | (205,113) |
| Proceeds from sale of investments | | 138,780 | 167,024 |
| Net cash used in investing activities | | (556) | (59,372) |
| Cash flows from financing activities | | – | – |
| Net change in cash and cash equivalents | | (131,159) | (68,905) |
| Cash and cash equivalents: | | | |
| Beginning of year | | 369,944 | 438,849 |
| End of year | $ | 238,785 | 369,944 |
| **Supplemental cash flow information –** | | | |
| Disposal of fully depreciated equipment | $ | 12,441 | 119,824 |

See accompanying notes to financial statements

## (1) Nature of the Organization and Significant Accounting Policies

### *(a) Nature of Business*

Regional Access & Mobilization Project, Inc. (RAMP) is a nonprofit corporation organized to enable persons with disabilities living in the Northern Illinois area to gain effective control over and direction of their own lives.

### *(b) Promises to Give*

Contributions are recognized when the donor makes a promise to give to RAMP that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with restrictions. When restricted contributions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

### *(c) Cash and Cash Equivalents*

Cash and cash equivalents represent cash on hand and on deposit in demand accounts at financial institutions.

### *(d) Property and Equipment*

Purchased property and equipment is stated at cost. RAMP capitalizes expenditures over $500 for building, improvements and equipment; donated property is capitalized at fair market value when received. Depreciation is computed on the straight-line method over the estimated useful lives of the assets: Building and improvements – 39 years; furniture and equipment – 3 to 7 years.

### *(e) Donated Materials and Services*

Donated materials are reflected as contributions at their estimated value at the date of receipt. Donated services are recognized as revenue if the services create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and typically need to be purchased if not provided by donation. RAMP uses the services of volunteers to assist its staff. No amounts have been reflected in the financial statements for these donated services, as they do not meet the requirements stated above.

### *(f) Income Taxes*

RAMP is a not-for-profit organization exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) as other than a private foundation and is therefore not subject to federal and state income or franchise taxes. Therefore, there is no provision for income taxes in the financial statements.

Management of RAMP has evaluated uncertain tax positions and has determined there are no uncertain tax positions as of June 30, 2019 and 2018. The Organization files its information returns (Form 990 series) in the U.S. federal jurisdiction and the office of the attorney general for the State of Illinois. Tax regulations within each jurisdiction are subject to the interpretation of the related tax laws and regulations require significant judgment to apply.

### *(g) Investment Valuation and Income Recognition*

Investment securities are reported at fair value, generally based upon quoted market prices. Realized and unrealized gains and losses are reflected in the statements of activities. Investment income and gains and losses on investments are reported as increases or decreases in net assets without restrictions unless a donor or law restricts their use. Investments are exposed to potential risks including interest rate risk, credit risk and overall market volatility. Accordingly, it is reasonably possible that changes in the value of investments will occur in the near term and such changes could be material in amount.

### *(h) Estimates*

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

*(i) Net Assets with Donor Restrictions*

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Contributions received are recorded as with or without donor restrictions depending on the existence or nature of any donor restrictions.

Net assets restricted with donor restrictions as of June 30, 2019 represent time restrictions for receivables that have not been collected and contributions that are restricted for the program services and permanent restrictions for the endowment fund.

*(j) Expense Allocation*

The financial statements report certain categories of expenses that are attributed to more than one program service or supporting activity. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Payroll and payroll related expenses are based on time allocation of employees. Occupancy related expenses (i.e. rent, building and grounds, insurance, repairs, and utilities) are based on a square footage allocation.

*(k) Reclassifications*

Certain reclassifications have been made to the 2018 financial statements to conform with the 2019 presentation.

**(2) Pledges Receivable**

A summary of pledges receivable is as follows at June 30, 2019 and 2018:

| | | 2019 | 2018 |
|---|---|---|---|
| Capital campaign | $ | 637,665 | 10,000 |
| Contributions | | 4,286 | 20,154 |
| United Ways | | 37,475 | 32,217 |
| | | 679,426 | 62,371 |
| less current portion | | (679,426) | (61,371) |
| | $ | – | 1,000 |

RAMP receives funding from a number of United Way agencies in its operating area including: NW Illinois, Boone County, Rock River Valley, Genoa Kingston, and Kishwaukee.

## (3) Investments – Held for Endowment Purposes

Investment securities – held for endowment purposes, which are recorded at quoted market values, are comprised of the following at June 30, 2019 and 2018:

| | | Market Value 2019 | Market Value 2018 |
|---|---|---|---|
| Cash and money market funds | $ | 5,711 | 4,644 |
| Equity mutual funds | | 541,741 | 541,990 |
| Fixed income investments | | 277,376 | 281,084 |
| Held at community foundations (CF): | | | |
| CF of Northern Illinois | | 336,892 | 338,129 |
| DeKalb County CF | | 24,240 | 24,944 |
| Boone County CF | | 10,004 | 13,235 |
| Freeport CF | | 66,219 | 67,951 |
| | $ | 1,262,183 | 1,271,977 |

The components of investment income for the years ended June 30, 2019 and 2018 were:

| | | 2019 | 2018 |
|---|---|---|---|
| Dividends | $ | 25,928 | 24,834 |
| Realized and unrealized gains (losses) | | 17,502 | 64,591 |
| Management fees | | (12,230) | (11,723) |
| | $ | 31,200 | 77,702 |

## (4) Property and Equipment

A summary of property and equipment at June 30, 2019 and 2018 is as follows:

| | | 2019 | 2018 |
|---|---|---|---|
| Building | $ | 511,838 | 511,837 |
| Building improvements | | 531,316 | 528,016 |
| Furniture and equipment | | 163,642 | 151,532 |
| | | 1,206,796 | 1,191,385 |
| Less accumulated depreciation | | 651,560 | 624,687 |
| | $ | 555,236 | 566,698 |

## (5) Line of Credit

RAMP has a line of credit for $525,000 maturing December 13, 2019 at an interest rate of prime with a minimum rate of 3.5% per annum (5.5% at June 30, 2019). This line is secured by a pledge agreement granting a security interest in the endowment assets and all other assets of the Organization. There was no balance outstanding at June 30, 2019 or 2018.

## (6) Endowment Net Assets

RAMP's endowment consists of both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Absent explicit donor stipulations to the contrary, the Board of Directors of RAMP has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds. As a result of this interpretation, RAMP classifies as net assets restricted for permanent endowment purchases as (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net asset with donor restrictions – permanent endowment is classified as net assets without donor restrictions – board designated endowment until those amounts are appropriated for expenditure by RAMP in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, RAMP considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of RAMP, and (7) RAMP's investment policies. All such amounts had been appropriated as of June 30, 2019.

RAMP has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets over the long-term. The endowment assets are invested in accordance with predetermined asset allocation and performance benchmarks. To satisfy its long-term rate-of-return objectives, RAMP relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). RAMP's spending policy provides that only the income from endowments may be used for the general purposes of RAMP, with RAMP withdrawing current income as it is needed only if invested funds are over $1,000,000.

RAMP has endowment accounts in the Community Foundations of Northern Illinois, Freeport, DeKalb and Belvidere as part of their campaign to reach $1,000,000 in investment assets held for endowment purposes.

The endowment composition by type of fund as of June 30, 2019 is as follows:

| | | Without Donor Restrictions | With Donor Restrictions | 2019 Total |
|---|---|---|---|---|
| Endowment funds: | | | | |
| Donor restricted | $ | – | 785,099 | 785,099 |
| Board designated | | 477,084 | – | 477,084 |
| | $ | 477,084 | 785,099 | 1,262,183 |

The endowment composition by type of fund as of June 30, 2018 is as follows:

| | | Without Donor Restrictions | With Donor Restrictions | 2018 Total |
|---|---|---|---|---|
| Endowment funds: | | | | |
| Donor restricted | $ | – | 785,099 | 785,099 |
| Board designated | | 496,878 | – | 496,878 |
| | $ | 496,878 | 785,099 | 1,281,977 |

The changes in endowment net assets for the year ended June 30, 2019 are as follows:

| | | Without Donor Restrictions | With Donor Restrictions | 2019 Total |
|---|---|---|---|---|
| Endowment net assets, beginning of year | $ | 496,878 | 785,099 | 1,281,977 |
| Investment return – Investment income | | 31,200 | – | 31,200 |
| Other income | | 6 | – | 6 |
| Withdrawals | | (51,000) | – | (51,000) |
| Endowment net assets, end of year | $ | 477,084 | 785,099 | 1,262,183 |

The changes in endowment net assets for the year ended June 30, 2018 are as follows:

| | | Without Donor Restrictions | With Donor Restrictions | 2018 Total |
|---|---|---|---|---|
| Endowment net assets, beginning of year | $ | 420,275 | 769,821 | 1,190,096 |
| Investment return – Investment income | | 77,702 | – | 77,702 |
| Other expense | | (1,099) | – | (1,099) |
| Contributions | | – | 15,278 | 15,278 |
| Endowment net assets, end of year | $ | 496,878 | 785,099 | 1,281,977 |

## (7) Net Assets Without Donor Restrictions and With Donor Restrictions

Components of net assets without donor restrictions as of June 30, 2019 and 2018 respectively, are as follows:

| | | 2019 | 2018 |
|---|---|---|---|
| Undesignated | $ | 295,807 | 382,782 |
| Investment in property and equipment | | 555,236 | 566,698 |
| Board designated – endowment | | 477,084 | 496,878 |
| | $ | 1,328,127 | 1,446,358 |

Components of net assets with donor restrictions as of June 30, 2019 and 2018 respectively, are as follows:

| | | 2019 | 2018 |
|---|---|---|---|
| Restricted as to time: | | | |
| Special events | $ | 44,406 | 51,717 |
| United Way | | 27,107 | 32,217 |
| Restricted as to purpose: | | | |
| Project Search program | | 10,368 | 75,131 |
| Building renovations | | 657,665 | – |
| Endowment fund | | 785,099 | 785,099 |
| | $ | 1,524,645 | 944,164 |

## (8) Liquidity and Availability of Financial Assets

The following table reflects the Organization's financial assets as of June 30, 2019 and 2018, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of contractual or donor restrictions.

| | | 2019 | 2018 |
|---|---|---|---|
| Cash and cash equivalents | $ | 238,785 | 369,944 |
| Accounts receivable | | 252,727 | 236,766 |
| Pledges receivable | | 679,426 | 62,371 |
| Investments, at fair value | | 1,262,183 | 1,271,977 |
| Total financial assets | | 2,433,121 | 1,941,058 |
| Board designated – endowments | | (477,084) | (496,878) |
| Donor restricted for time and program requirements | | (1,524,645) | (944,164) |
| | | (2,001,729) | (1,441,042) |
| Financial assets available to meet cash needs for general expenditures within one year | $ | 431,392 | 500,016 |

## (9) Major Source of Revenue

Approximately 27 and 36 percent of RAMP's revenue without donor restrictions was received from the State of Illinois in fiscal years 2019 and 2018, respectively. A significant reduction in the level of this support, if this were to occur, could have a significant effect on RAMP's programs and activities.

## (10) Special Events – Direct Expenses

During fiscal years 2019 and 2018 RAMP held several special fund-raising events with gross revenue of $260,669 and $238,971 and direct expenses of $101,389 and $79,715, respectively. The net proceeds from these events were $159,280 and $159,256, respectively.

## (11) Leases and Total Rental Expense

RAMP has entered into lease agreements for its DeKalb County and Boone County offices. The DeKalb County lease was extended through December 2023 with monthly rental payments of $1,649 from January 2018 through December 2018 and $1,675 from January 2019 through December 2021 and $1,700 from January 2022 through December 2023. During fiscal year 2017, RAMP agreed to a lease amendment for the Boone County office. The lease amendment extended the original lease 24 months with monthly rental payments of $1,670 through July 2019. During fiscal year 2019, the lease was extended for a one year term with rental payments of $1,670 through July 2020.

During 2018, RAMP entered into maintenance agreements for copiers at all four of RAMP's offices that is included in rental expense. The copier maintenance agreements expire in December 2022.

Minimum rental payments under these leases and maintenance agreements through expiration are as follows:

| Year ending June 30, | | Amount |
|---|---|---|
| 2020 | $ | 25,430 |
| 2021 | | 22,090 |
| 2022 | | 22,340 |
| 2023 | | 21,395 |
| 2024 | | 10,200 |

The total rental expense for fiscal years ending June 30, 2019 and 2018 was $44,061 and $44,861, respectively.

## (12) Risks and Uncertainties

Investment securities are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would be material to the amounts reported in the statements of activities.

## (13) Retirement Plan

RAMP maintains a 401(k) retirement plan which provides for retirement benefits based on the actual value of contributions and accumulated earnings at the time of retirement. Employees must be 18 years of age and have completed three months of service before they become eligible to participate. Employees attain a 20 percent vested interest in any employer matching or other contributions to the plan after two years of employment, increasing 20 percent each year over the following four years of employment. The amount of RAMP contributions to the plan, which are discretionary, was one percent of eligible employees' compensation. RAMP's contributions for the years ended June 30, 2019 and 2018 were $9,429 and $7,530, respectively.

## (14) Fair Value Measurements

The Financial Accounting Standards Board guidance establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that RAMP has the ability to access.

Level 2: Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full-term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value:

*Investments in registered investment companies* (money market and mutual funds) – Shares of mutual funds are valued at net asset value of shares held by RAMP at year end.

*Interest in investments under management with community foundations* – interest in investments under management with community foundations are valued based upon the fair value of the underlying assets as reported to RAMP by each community foundation.

The following tables set forth the level, within the fair value hierarchy, of RAMP's assets at fair value as of June 30, 2019 and 2018:

| | Assets at Fair Value as of June 30, 2019 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Money market funds | $ 5,711 | – | – | 5,711 |
| Equity mutual funds | 541,741 | – | – | 541,741 |
| Fixed income mutual funds | 277,376 | – | – | 277,376 |
| Interest in investments under management with community foundations | – | – | 437,355 | 437,355 |
| | $ 824,828 | – | 437,355 | 1,262,183 |

| | Assets at Fair Value as of June 30, 2018 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Money market funds | $ 4,643 | – | – | 4,643 |
| Equity mutual funds | 541,991 | – | – | 541,991 |
| Fixed income mutual funds | 281,084 | – | – | 281,084 |
| Interest in investments under management with community foundations | – | – | 444,259 | 444,259 |
| | $ 827,718 | – | 444,259 | 1,271,977 |

The following table provides a reconciliation of the beginning and ending balances of Level 3 investments for years ended June 30, 2019 and 2018:

| | | 2019 | 2018 |
|---|---|---|---|
| Balance at beginning of year | $ | 444,259 | 358,305 |
| Contributions | | – | 60,278 |
| Withdrawals | | (19,269) | – |
| Investment income | | 3,780 | 25,356 |
| Unrealized gain, net | | 12,740 | 3,705 |
| Fees | | (3,655) | (3,385) |
| Balance at end of year | $ | 437,855 | 444,259 |

## (15) Related Party Transactions

RAMP received $18,000 from Rockford Mass Transit District (RMTD) during fiscal years 2019 and 2018 for services provided. The Executive Director of RMTD joined RAMP's Board of Directors in April 2011 and his term ended at the end of fiscal year 2019.

## (16) Subsequent Events

Subsequent events are events or transactions that occur after the balance sheet date but before financial statements are issued or are available to be issued. These events and transactions either provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing financial statements (that is, recognized subsequent events), or provide evidence about conditions that did not exist at the date of the balance sheet but arose after that date (that is, non-recognized subsequent events).

RAMP has evaluated subsequent events through October 23, 2019, which was the date that these financial statements were available for issuance, and determined that there were no significant non-recognized subsequent events through that date.

## (17) Adoption of New Accounting Pronouncement

The Organization adopted the Financial Accounting Standards Board's Accounting Standards Update No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities, as of and for the year ended June 30, 2019. This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. The changes required by the update have been applied retrospectively to all periods presented. A key change required by the update are the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets, if applicable, are now reported as net assets with donor restrictions.

## (18) New Accounting Pronouncements

*Revenue Recognition*

In May 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-09, "Revenue from Contracts with Customers". ASU No 2014-09 will eliminate the transaction specific and industry specific revenue recognition guidance under current U.S. GAAP and replace it with a principle based approach for determining revenue recognition. ASU No 2014-09 will be effective for nonpublic entities for periods beginning after December 15, 2018 and is required to be applied retrospectively including any combination of practical expedients as permitted. RAMP has not determined the impact ASU No. 2014-09 will have on RAMP's financial statements.

*Accounting for Leases*

During February 2016, the FASB issued ASU NO. 2016-02, "Leases". ASU No. 2016-02 requires lessees to recognize lease assets and liabilities for the rights and obligations created by those leases and recognize expenses on their income statements in a manner similar to current accounting standards. For lessors, the guidance modifies the classification criteria and the accounting for sales-type and direct financing leases. ASU NO. 2016-02 is effective for annual periods beginning after December 15, 2019. Early adoption is permitted. RAMP has not yet determined the impact ASU No. 2016-02 will have on RAMP's financial statements.

BENNING GROUP, LLC
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**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and other Matters, Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**

The Board of Directors
Regional Access & Mobilization Project, Inc.
Rockford, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Regional Access & Mobilization Project Inc. (RAMP) which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 23, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered RAMP's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of RAMP's internal control. Accordingly, we do not express an opinion on the effectiveness of RAMPS's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any material weaknesses; however, as described in the accompanying schedule of findings and responses, we identified a certain deficiency in internal control that we consider to be a significant deficiency.

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

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A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. As described in the accompanying schedule of findings and responses, we identified a deficiency in internal control that we consider to be a significant deficiency (see 2019-01).

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether RAMP's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**RAMP's Response to Findings**

RAMP's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. RAMP's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of RAMP's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering RAMP's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bennig Group, LLC

Rockford, Illinois
October 23, 2019

## REGIONAL ACCESS & MOBILIZATION PROJECT, INC.

Schedule of Findings and Responses

For the Year Ended June 30, 2019

### Financial Statement Findings

**2019-01 – Internal Control and Preparation of Financial Statements**

Condition/Criteria – Management has chosen to rely on accounting skills, knowledge and experience of its auditors to apply adequate procedures to the financial statements and notes to ensure that RAMP's financial statements and related notes are in material compliance with accounting standards generally accepted in the United States of America.

Effects – Auditors use RAMP's trial balance and other financial information to prepare U.S. GAAP based financial statements and note disclosures for which management is responsible.

Cause – Like many small not-for-profit entities, RAMP did not have an accountant on staff during the fiscal year ended June 30, 2019 with experience in preparing U.S. GAAP based financial statements and note disclosures.

Recommendation – Due to the size of RAMP, we do not recommend any changes at this time. It is important to note that when this situation exists, the fair presentation of the financial statements remains management's responsibility and therefore management review of the financial statements is an important part of the internal control process.

Management response – RAMP's management plans to continue to review and take responsibility for the U.S. GAAP based financial statements and note disclosures prior to the finalizing of the auditor's report.

## Exhibit D: Grantee-Specific Obligations

Grantee agrees and acknowledges that it shall comply with the following obligations, which shall be considered to be an integral component of the Agreement:

RAMP (Grantee) will provide employment services geared toward individuals with disabilities who are motivated job seekers looking for long-term competitive employment.

RAMP proposes to serve 65 individuals with resume development, Master application development, career exploration, job seeking skills training, interview skills training, soft skills training, job shadowing/volunteer opportunities, job placement, job retention services, peer support, and Benefit Planning Assistance/Referral. Of this number, 35 recipients of services are anticipated to be residents of the City of DeKalb. Grantee will track the total number of individuals served by the program and will include a separate accounting of individuals who are residents of the City of DeKalb to document that City of DeKalb Human Services Funding is used only to support the direct services provided to DeKalb residents. Grantee will report revenue from other sources to document that the agency receives funding to cover services to individuals who are not residents of the City of DeKalb. Reports will be submitted on a Quarterly basis in order to receive payment of grant funds.

**HUMAN SERVICES AGREEMENT**
**VOLUNTARY ACTION CENTER (VAC)**

This agreement made this 28th day of December, 2020, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the "City" and Voluntary Action Center (VAC), hereinafter referred to as "Grantee," WITNESSETH:

WHEREAS, the City desires that Grantee provide certain services to the citizens of DeKalb and Grantee has the capacity to provide such services; and,

WHEREAS, the Grantee acknowledges that it is the City's intention to purchase said services for the citizens of the City of DeKalb under the following guidelines:

1. First priority shall be given to those services which will help meet basic emergency needs such as food, clothing, and shelter. Second priority shall be given to those services which are preventative in nature and promote the highest degree of self-support, self-care, and self-help. Third priority shall be given to those services which seek to enhance the quality of life of persons whose basic needs are already met. Priority shall also be given to services which primarily benefit low and moderate income residents. The services provided by the Grantee are consistent with these guidelines as explained on the attached Exhibit A.

2. Services shall address specific documented needs. The services provided by the Grantee address the specific, documented needs as explained on the attached Exhibit A.

3. Services shall also receive financial support from other community sources. Grantee has attached hereto a copy of its budget for the period that this Agreement covers as Exhibit B, which budget establishes that the Grantee receives at least 99 % of its funding from third party sources. A copy of Grantee's audit or year end financial statement from the most recent complete year of operations is attached hereto as Exhibit C.

4. City funds are used only to support those services directly benefiting DeKalb residents. The City will not subsidize the cost of services to non-residents. Grantee has certified compliance with this requirement by signing the attached Exhibit A.

5. Administrative costs for these services are to be kept to a minimum. Grantee has identified the allocation between administrative costs and program costs as explained on the attached Exhibit A.

6. These services must be coordinated with other agencies when feasible. Grantee has outlined how services are coordinated with other agencies as explained on the attached Exhibit A.

7. The City will not fund, but may augment, services which are the responsibility of another public agency or funding source. Grantee has identified any areas where the City's funds are being utilized to augment third party responsibilities as explained on the attached Exhibit A.

8. City funds are to be used primarily to match or leverage other private or public funds. Grantee has explained how matching or leveraged funds are being sought or obtained as explained on the attached Exhibit A.

9. The City's intent is to contract for specific services and monitor their effectiveness. Grantee has: a) identified the metrics by which its performance is to be evaluated on an annual basis; b) identified those third parties that provide any review or evaluation of Grantee's efforts; and, c) explained its clearly defined performance evaluation process, as explained on the attached Exhibit A.

10. Grantee has clearly identified and delineated where any elected or appointed official of the City or any City employee is involved in its programming or receives any direct or indirect benefit, any compensation, or any pecuniary benefit of any form by virtue of Grantee's program or the City funding provided hereunder, as explained on the attached Exhibit A.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, and all such funds are held by the Grantee in a Grantee-specific checking account with the financial institution identified therein (and not in any personal checking account), unless otherwise indicated therein.

WHEREAS, the parties hereto understand and agree that the Grantee is an independent contractor and not an employee of the City; now,

In consideration of the agreements set forth and other good and valuable considerations, the parties agree as follows:

1. **Term**. The term of this agreement shall be from January 1, 2021 to December 31, 2021. The City or Grantee may terminate this Agreement at any time, upon the provision of thirty (30) days written notice. The City may terminate this agreement at any time based upon the occurrence of a breach of this Agreement, upon the provision of 48 hours written notice.

2. **Scope of Service**. The Grantee shall provide services in accordance with the service plan provided in the original application, a copy of which is attached hereto as Exhibit A.

3. **Hold Harmless**. The Grantee hereby agrees to indemnify, defend, and hold the City and its officers, employees, contractors, and representatives harmless from and against any and all such costs, expenses, damages, liabilities, losses and claims which may arise out of, or are related to the services provided by the Grantee under this agreement or which relate to this Agreement or the funding provided herein. The Grantee agrees and acknowledges that the City is not in any way responsible for the conduct or provision of Grantee's programs or services, and is not responsible for the review, supervision or management of Grantee's personnel, volunteers, participants, programming, or services.

4. **Payment.** The City agrees to pay the Grantee the sum of Twenty Thousand and No/100 Dollars ($20,000.00) for services rendered under this agreement. **Payment will be disbursed in four equal installments and will be processed upon receipt of the Grantee's quarterly reports, as required by this funding agreement.** In the event that this Agreement is terminated, no further payments shall be due or payable to Grantee. In the event that the City Council determines that the City's financial condition does not support making a payment otherwise due under this Agreement, the City may suspend, delay, or otherwise cancel payments due hereunder.

5. **Access to Financial Records**. The Grantee agrees to allow the City access to review any and all of Grantee's financial records as may be determined appropriate to insure the accountability of monies disbursed by the City. The Grantee also agrees to provide the City with a copy of its operating budget and its audit or year-end financial statement for each fiscal year or portion thereof in which the Grantee receives funding under this (or successor) agreements.

6. **Performance Reporting**. The Grantee agrees to send the City a report following every three months of services identifying the number of City of DeKalb citizens that have been provided services under the terms of this Agreement. The Grantee further agrees to send the City a copy of all documentation required to demonstrate its performance or which is identified as a performance-evaluation tool in Exhibit A.

   Quarterly reports shall be provided to the City on or before the 10th day of the following months:

   1st Quarter – April
   2nd Quarter – July
   3rd Quarter – October
   4th Quarter - January

7. **Compliance with Laws.** The Grantee expressly covenants and agrees that it shall comply with all applicable laws, including those laws applicable to the use of public funding to the extent that such laws are applicable to programs funded in whole or in part by the City of DeKalb. The Grantee expressly covenants that it shall not discriminate against any person or organization on the basis of any legally

recognized protected classification, including but not limited to race, gender, religion, ethnic or cultural background, sexual preference, or other legally recognized, protected classification, in the provision of its services or use of funding provided hereunder.

8. **Use of Funds.** The Grantee shall only utilize funds made available under this agreement for the provision of services consistent with this agreement and shall not use such funding for any other purpose, nor for the construction of any real property or improvement to real property, nor for any purpose which constitutes "Public Works" for purposes of the Illinois Prevailing Wage Act.

9. **Grantee's Organization.** Grantee is organized in the format as described in Exhibit A. For the term of this Agreement, Grantee shall take such actions as shall be required to maintain that form of organization. Grantee shall provide the City with notice of the meetings of its governing board or board of directors, and the City shall have the opportunity to attend such meetings as an *ex officio* member of such governing board; the City shall also have the right to review the minutes of all such meetings.

10. **Grantee-Specific Obligations.** Grantee shall comply with the listing of Grantee-Specific Obligations attached hereto as Exhibit D.

11. **Certification:** Grantee hereby certifies that it shall comply with the contents of this Agreement and the terms of its Application and certifies that the contents of this Agreement and the Application are true, accurate and correct. The recitals to this Agreement are expressly incorporated herein by reference.

IN WITNESS WHEREOF, the Grantee has caused this agreement to be signed, sealed, and attested to by its Chairman of the Board of Directors and Executive Director, on the _____ day of _____, _____, and said City has caused the same to be signed, sealed, and attested to by its Mayor and City Clerk or Executive Assistant of the City of DeKalb as of the date first mentioned in this Agreement.

VOLUNTARY ACTION CENTER (VAC)

Board Chairman

ATTEST:

Executive Director

CITY OF DEKALB, ILLINOIS

Jerry Smith, Mayor

CITY OF DEKALB STATE OF ILLINOIS

ATTEST:

# Exhibit A: Funding Application

City of DeKalb
opportunity · innovation

164 East Lincoln Highway
DeKalb, Illinois 60115
815.748.2000 • cityofdekalb.com

# FY 2021 HUMAN SERVICES FUNDING APPLICATION

## Twelve Months Funding 1/1/21 to 12/31/21

**APPLICATION MUST BE RECEIVED NO LATER THAN 5:00 P.M. ON NOVEMBER 6, 2020. INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.**

**Agency Name:** Voluntary Action Center

**Mailing Address:** 1606 Bethany Rd. Sycamore, IL 60178

**Agency Director:** Ellen Rogers

**Contact Person:** Leah Jordal

**Telephone No.:** 815-758-3932 **Email Address:** ljordal@vacdk.org

**Name of Person Responsible for Completing Quarterly Report:** Leah Jordal

**Telephone No.:** 815-758-3932 **Email Address:** ljordal@vacdk.org

**Program Description:** Voluntary Action Center is the non-profit provider of home delivered meals for older adults and individuals with disabilities in DeKalb County.

**Twelve Month Program Budget:** $898,069.00

**Amount of Funding Requested:** $28,000.00

**% of Total Program Budget:** 3.12 %

**Total Number of Estimated Program Participants:** 550

**Total Number of Estimated DeKalb Residents to be Served:** 250

**Estimated DeKalb Residents as % of Total Participants to be Served:** 45 %

***The following documents must accompany the application:***

1. A current listing of the agency's Board of Directors and terms.

2. The current annual operating budget for the agency and a detailed budget for the program requesting funding.

3. A detailed narrative explaining the program to be funded, its potential impact, and any anticipated outcomes to be achieved. Be specific about the population to be served and the benefits derived from your services. Include any descriptive materials regarding the history and mission of the agency that would help augment the application.

4. Documentation of the agency's 501(c)(3) status.

5. Completed W-9 Form.

6. Copy of agency's most recent financial audit.

The City of DeKalb retains the right to request any and all additional information from the agency it may determine necessary in making funding decisions. This may include articles of incorporation or any other information deemed appropriate.

The undersigned hereby certifies the information contained in this application is true and accurate to the best of their knowledge and belief.

Name of Authorized Signer: Ellen Rogers

Title: Executive Director

Signature: Ellen Rogers Digitally signed by Ellen Rogers Date: 2020.11.05 16:21:22 -06'00'

Date: November 5, 2020

---

Please submit the application using one of the following methods:

- Via regular mail to be received no later than 5:00 p.m. on November 6, 2020 to:

  City of DeKalb
  Attention: Joanne Rouse
  164 East Lincoln Highway
  DeKalb, Illinois 60115

- Via email dated no later than 5:00 p.m. on November 6, 2020 to: joanne.rouse@cityofdekalb.com

**OFFICE USE ONLY:**




Date Application Received: _____

☐ Approved – Annual Amount Awarded $_____ / $_____ per quarter

☐ Denied

# Voluntary Action Center Board of Directors
# FY 2020-2021

## Executive Committee

**Melody Mitchell-President**
(July 1 2020-June 30, 2022 Term)
Committees: Executive Development (Chair)
Appointed Member Since 2013
468 Wood Street, DeKalb, IL 60115
Cell: 815-761-3804
mmitchell.rmn@gmail.com
Occupation: Director-Alumni Relations at NIU College of Law

**Sue Willey-Vice President**
(July 1 2020-June 30, 2021 Term)
Committees: Executive
HR (Chair) and Development
Appointed Member Since 2016
505 Brant Circle
DeKalb, IL 60115
Home: 815-901-0372
Cell: 901-6781
crazysue@comcast.net
Occupation: Retired-HR Administrator

**Joel Maurer-Secretary**
(July 1 2020-June 30, 2021 Term)
Committees: Executive
Appointed Member Since 2017
618 Hanna Court
DeKalb, IL 60115
Cell: 815-517-0717
Jamaurer618@comcast.net
Occupation:Retired-City of DeKalb Engineer

**Michael Haines-Treasurer**
(July 1 2020-June 30, 2023 Term)
Committees:Executive Finance (Chair) and Development
Appointed Member Since 2018
8723 River Lane
Kingston, IL 60145
Home/Work: 815-751-0624
mhaines@niu.edu
Occupation: Retired-Director Of National Social Norms Ctr. Currently-Michael Haines & Associates

**Keith Foster-Immediate Past President**
(July 1 2020-June 30, 2023 Term)
Committees: Executive Development
Appointed Member Since 2013
2040 Aberdeen Court
Sycamore, IL 60178
Work: 815-758-6616
kfoster@fosterbuick.com
Occupation: Attorney and The Foster Buick Law Group

# Voluntary Action Center Board of Directors
# FY 2020-2021

## Members at Large

**Elizabeth Bass**
(July 1 2020-June 30, 2023 Term)
- Appointed 1997
- 224 Rolfe Road, DeKalb, IL 60115
- Home: 815-756-1227
- ebass@niu.edu
- Occupation:Retired-NIU Public Affairs

**Pam Blickem**
(July 1 2020-June 30, 2021 Term)
- Appointed 2003
- Committees: Executive Committee, Development Committee, and Nominating Committee
- 337 George Street, Sycamore, IL 60178
- Home: 815-895-5310
- pblickem@yahoo.com
- Occipation: Retired-City Government

**Steve Curatti**
(July 1 2020-June 30, 2022 Term)
- Appointed 2018
- Committees: HR Committee
- 811 W. John Street, Yorkville, IL 60560
- Work: 630-553-8032
- Scuratti@co.kendall.il.us
- Occupation: Program Administrator-Kendall Co Health Dept

**Cindy Green-Deutsch**
(July 1 2020-June 30, 2022 Term)
- Appointed: 2018
- Committees: Development Committee
- 507 W. Cherokee Ave., Shabbona, IL 60550
- Work: 815-593-7048
- Cell: 309-255-3366
- cindy.green-deutsch@firstmidwest.com
- Occupation:First Midwest Bank Branch Manager--Lincoln Hwy Location

**Chad Henry**
(July 1 2020-June 30, 2023 Term)
- Appointed: 2016
- 352 ½ W State Street, Sycamore, IL 60178
- Work 815 895-8885
- chenry@forthrighttfp.net
- Occupation: Financial Planner

**Jerry Maring**
(July 1 2020-June 30, 2021 Term)
- Appointed: 1974
- Committees: Executive Nominating Committee (Chair)
- 1534 Pine Street, Sycamore, IL 60178
- Home: 815-895-6148
- jmaring@aol.com
- Occupation: Retired-Director North-Western Illinois Association

# Voluntary Action Center Board of Directors
# FY 2020-2021

## Mary Lynn McArtor

(July 1 2020-June 30, 2022 Term)
Appointed 1996

- 4403 Twombly Road, Malta, IL 60150
- Home: 815-825-2265
- mlmcartor@aol.com
- Occupation: Owner of Jonomac Orchards

## Maggie Peck

(July 1 2020-June 30, 2023 Term)

- Appointed: 2020
- Committees: HR Committee
- 1905 National StreetSycamore, Illinois 60178
- Phone: 815-762-3349
- Mag.peck@gmail.com
- Occupation:Director of Human and Administrative Resource-City of Sycamore

## Dick Stipher

(July 1 2020-June 30, 2022 Term)
Appointed: 2000

- Committees: HR Committee
- 356 Orchard PO Box 193, Sycamore, IL 60178
- Home: 815-895-6752
- rstipher@gmail.com
- Occupation:Retired-Regional Office of Education

## Bev Waite

(July 1 2020-June 30, 2021 Term)

- Appointed: 1980
- 2944 Greenwood Acres Drive, #E328, DeKalb, IL 60115
- Home: 815-758-8345
- waitebev58@gmail.com
- Occupation: Retired-Realtor

## Linda Wiggins

(July 1 2020-June 30, 2021 Term)

- Appointed: 2002
- Committees: Executive Development Committee and Nominating Committee
- 2702 Greenwood Acres Drive, DeKalb, IL 60115
- Home: 815-756-6376
- Work: 815-970-5808
- glwiggins@comcast.net
- Occupation: Retired-City Government

# Voluntary Action Center Board of Directors
# FY 2020-2021
## VOLUNTARY ACTION CENTER - ADMINISTRATIVE STAFF


Ellen Rogers-CEO

- 1606 Bethany Road, Sycamore, IL 60178
- Work: 815-758-3932
- Home: 815-895-8188
- Cell: 815-761-6317
- Erogers@vacdk.org

Mike Neuenkirchen-COO

- 1606 Bethany Road, Sycamore, IL 60178
- Work: 630-882-6962
- Cell: 815-257-2925
- mneuenkirchen@vacdk.org

Nate Kloster-CFO

- 1950 DeKalb Avenue, Unit E, Sycamore, IL 60178
- Work: 815-758-3932
- nkloster@vacdk.org

**VOLUNTARY ACTION CENTER (VAC) Detailed Program Narrative**

The program that Voluntary Action Center is asking the City of DeKalb for Human Services funding is Meals on Wheels.

**Meals on Wheels/Home Delivered Meals:** Provision of meals to older adults sixty year of age or older and their spouses in DeKalb County. Individuals served are homebound because of illness, physical or mental impairment, or are otherwise isolated. Meals on Wheels reduces hunger and food insecurity, promotes independence and socialization and promotes the health and well-being of older adults. Service may be available for individuals with disabilities. Meals on Wheels is provided with the help of 1,500 volunteers who deliver the meals five days a week and make contact with each client to ensure their safety and well-being. Menus meet 1/3 of the Dietary Reference Intakes and are approved by a Registered Dietitian. There is a suggested donation for the meals, but no one is denied meals for not donating. Anyone can refer a DeKalb County resident to the program including self- referral, physician's office, hospital, and family members. Government emergency funding was provided to eliminate the Meals on Wheels waiting list to ensure the most vulnerable older adults received meals due to the COVID-19 pandemic. However, this funding has ran out and VAC does have a waiting list now. The need for Meals on Wheels in DeKalb County is greater than what funding can provide. Meals on Wheels provided over 48,000 meals last fiscal year.

Funding for VAC programs are received from state and federal grants, local governments, user fares, client donations, United Ways Grants, charitable foundations, community donations and VAC fundraisers.

# Meals on Wheels Survey Comments 2020

Everyone has always been so helpful and polite.

Smaller like 45 minutes for food delivery etc.

Meatballs are still hard and tasteless but increased sauces and gravy help the meal. Some meals are hard and dry and difficult to eat. Fresh fruit is often replaced with fruit cocktail and gets boring. Beef and corned beef pieces seem to be more edible to chew, but meat patties still hard. Chicken, fish and pork dishes are good. Vegetables are okay, but frozen mix is probably boiled and usually too mushy to eat. Ending with a big Thank You All for your care and keep up the good work.

We are very grateful for your meals. It's so nice to have hot and cold foods that are just the right size for seniors.

Am glad to get the meals for nothing because I don't have money to pay for them. But I feel good about seeing that United Way is involved in this because I gave to them for 11 years of my working years at AT&T in Montgomery plant.

Disappointed that I only get hot meals 2 days per week.

Very good – slow down on the French fries.

Thank you so much for this service. It helps by my not needing to go to the grocery store. I have a bad back and have to limit bending, stooping, and lifting. You are doing a great service for me. Thank you and God bless!

No lima beans! ☹

I have added "NA" to your choices because I have not been prescribed a special diet and I have no problem staying in my home (in fact, I don't understand the question – what would be the alternative? Eating out? Losing my home? Going to an assisted living facility? I chose the service just to spare some time shopping, preparing, clean-up, etc) Service has been excellent and Dale and I have become good friends.

Thank you for understanding that it is hard to get to the door, it takes me a while.

1) Is it possible to have the "breakfast menu" served once a week? I love it! 2) Also, I have a hard time chewing some of the meat, but I don't care for meatloaf. 3) Could you serve hotdogs or hamburgers once in a while? Thank you so much for all your services!! I really appreciate it!!

Too much reliance on red meat.

**Outstanding community service. I'm so blessed to live in this community. If I may say though I would not prefer fried or breaded foods or hotdogs. What you do prepare is delicious. Colleen is doing a wonderful job as well as the whole staff.**

**The meals are so tasty. They are absolutely delicious, and I look so forward to them – I miss them on weekends. You must have a wonderful chef. Thank you so much.**

**I'm so happy to receive this service. It has made my life so much simpler. The volunteers are so nice. Always with a smile and a nice hello. I've never been happier with the service I receive. We are so very lucky to have a program like this and volunteers that go out of their way to make us comfortable and I look forward to seeing them everyday cus it makes me feel as someone cares. Please keep up the fantastic job you all do.**

**A lot of older people do not have very good teeth. Meats such as pork and beef need to be cooked til real tender. Some that I have received is so tough I can't even chew them, even cut into small bites. Some also need to have more seasoning added to them, it would entice the taste a lot more.**

**A while back I said I wanted my meals hotter and since that time they have been hotter. Also, the quality and taste have improved over time. I am 100 years old and these meals help me live in my own home. Thank you.**

**All great people. Prefer butter not margarine. And fresh fruit more often.**

**I really appreciate your services. Thank you.**

**The volunteers are wonderful.**

**Everyone is so kind. The only suggestion I have is sometimes the food has too much salt.**

**I could go over to the high rise and eat lunch everyday – but I don't, because I can stay home and eat, because of all the wonderful people that bring it. Thank you.**

**Lately quite a bit of food has been overcooked (especially all chicken) or undercooked. Too many spices and herbs are used.**

**I appreciate this service more than anyone can know. Thank you, thank you.**

**1) Stay with the menu 2) please no zucchini 3) meatballs on 1/6/20 was nasty.**

**I would prefer served meals at 5 pm or microwavable cartons but I do understand. The volunteers and staff deserve 100 stars!**

**I appreciate the weekend boc and also the emergency box of canned goods. Thank you so much and God bless you and yours. (And the effort the volunteers of meals on wheels and directors Ron and now Colleen)**

All the people who deliver the food are very nice. They are very much appreciated just like the Meals on Wheels program.

Some meals with green beans are crunchy, I would like an occasional meal substitute for days the menu says fish, cod, pollock. I have left messages on VAC Meals on Wheels phone to cancel a meal I don't like but I still get it. Colleen needs to check for messages left on the phone in the AM before all meals are loaded up for delivery.

Dale is great!

I like it when Gary Zell delivers my food because he is friendly. Sometimes the lid on the tray is not secured.

My mother and mother in law were both on meals on wheels back in Missouri, it gave me peace of mind to know someone would check on them at noon, as they both lived alone. Same for me.

Vey friendly driver that deliver. I appreciate them checking on me if I'm not home when they come with the meal.

Keep getting rotten bananas. Have to throw them out. Soft and dark brown, Have never gotten one I would eat. Delivery people are nice. Sometimes come "too" early.

I am pleased with your total service.

We enjoy seeing Gary our volunteer staff.

Your Italian meals are the best. The chicken not so very much.

Those that deliver the meals are kind, friendly and extremely polite.

The volunteers are so awesome. It is a pleasure to see their smiling faces.

I have just started but the staff or volunteers are very friendly and always wanting to help. Sometimes I have tests or Dr. appointments and just make it back. I have a Styrofoam container that I could put out that they could put the food in as I'll be home usually before noon. I do want you to know that I enjoy the food and eat everything. The food has been great and thee volunteers that bring it are great. Thank you.

Gary has been wonderful as my delivery guy and he really seems to care about my son Casey and I and our well being. Others that have delivered our meals are always friendly and caring as well! I am thankful for the meals, the interaction with my driver and feel safe and cared for when I get a call checking to be sure I'm ok if I forget to answer the door or forget to call when I'm not going to be home. I'd like to see more fresh food and less canned or processed foods!!

The volunteers are awesome!!

**Some of the volunteers I know they are very helpful and friendly. I have asked the drivers to blow their horns when they arrive and when they leave. Some do it some don't please tell them to follow instructions – I ask for this help for a reason.**

**The drivers are especially nice.**

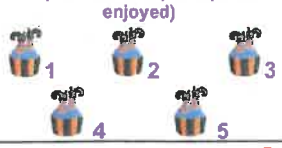
**We use all the food, savings for later in the day or next days breakfast. Like the food variety and fresh fruits and milk. Enjoy the variety of side dishes and meats and sides. Eating recipes and foods we would not be able to afford. Meals on Wheels has raised our quality of life, and we enjoy each day together, setting down as husband and wife, with no food preparation or dishes clean up after. Thanks for the time together, in our sunset years. After 52 years of marriage, we have a respite of food selection, preparation, and nutritional choice.**

Voluntary Action Center-DeKalb County




2020

Senior Luncheon Program/Meals on Wheel Menu

| Monday | Tuesday | Wednesday | Thursday | Friday |
|---|---|---|---|---|
| Tell us what you think | | | 1 | 2 |
| 1(least favorite) To 5(most enjoyed)<br>  <br> |  <br>At the end of the month, return the menu to us via your site coordinator or volunteer driver. |  | Cabbage Roll Casserole<br>Peas/Hard Boiled Egg<br>Orange/Wheat Bread<br>Fruit Juice | Honey Dijon Chicken Breast<br>Sliced Potatoes<br>Mixed Vegetables<br>Pineapple/Roll |
| 5 | 6 | 7 | 8 | 9 |
| Cheesy Beef & Hash Brown Casserole<br>Sliced Carrots<br>Sliced Peaches<br>Peanuts/Wheat Bread | Italian Chicken<br>Parmesan Potato Half<br>Cauliflower<br>Fruit Cocktail<br>French Bread | Scrambled Eggs<br>Sausage Gravy<br>Hash Browns<br>Banana<br>Tomato Juice/Biscuit |  <br> | Butter Crumb Pollock<br>Baked Potato<br>Sour Cream<br>Green Beans/Apple<br>Peanut Butter/Roll |
| 12 | 13 | 14 | 15 | 16 |
| Spaghetti with Meat Sauce<br>Italian Green Beans<br>Romaine Salad/Dressing<br>Fresh Pear<br>Italian Bread | Sliced Ham<br>Au Gratin Potatoes<br>Stewed Tomatoes<br>Tropical Fruit<br>Rye Bread | BBQ Pork Chop<br>Potato Salad<br>Buttered Corn<br>Melon<br>Cornbread | Baked Chicken<br>Red Potatoes<br>Kidney Bean Salad<br>Apricots<br>Dinner Roll | Ham & Swiss Casserole<br>Broccoli/Wheat Bread<br>Applesauce<br>Fruit Juice/Hard Boiled Egg |
| 19 | 20 | *Happy Birthday* 21 | 22 | 23 |
| French Onion Chicken Casserole<br>Spinach<br>Yogurt/Craisins<br>Wheat Bread | Meatloaf with Ketchup<br>Mashed Potatoes<br>Pea Salad<br>Nectarine<br>Dinner Roll | Pork Roast with Gravy<br>Baked Sweet Potato<br>Brussel Sprouts<br>Diced Pears<br>Cake/Dinner Roll  | Polish Sausage<br>Baked Beans<br>Sauerkraut<br>Fruited Gelatin<br>White Bread | Tuna Salad<br>Potato Wedges<br>Split Pea Soup<br>Cherry Crisp<br>Wheat Bread |
| 26 | 27 | 28 | 29 |  <br> 30 |
| Salisbury Steak with Gravy<br>Mashed Potatoes<br>Green Beans<br>Sliced Pineapple<br>Wheat Bread | BBQ Ham<br>Baked Beans<br>Coleslaw<br>Cinnamon Apples<br>Hawaiian Bun | Lemon Chicken Pasta Bake<br>Mixed Vegetables<br>Orange<br>Fruit Juice<br>Peanuts<br>Dinner Roll | Cornflake Chicken<br>Macaroni & Cheese<br>Yellow Squash<br>Blushing Pears<br>White Bread | Franken Burger<br>Eerie Potatoes<br>Creepy Carrots<br>Invisible Fruit<br>Pumpkin Mousse<br>Monster Bun  |

Voluntary Action Center does not discriminate in admission to programs or treatment of employment in programs or activities in compliance with appropriate state and federal statutes. If you feel you have been discriminated against, you have a right to file a complaint with the Illinois Department on Aging. For more information, call Senior Helpline at 1-800-252-8966 (Voice and TTY), NIAAA at 1-815-226-4901, or the Executive Director of Voluntary Action Center at 1-866-820-6641.

The Voluntary Action Center receives Title III Older Americans Act and State of Illinois General Revenue funds through the **Northwestern Illinois Area Agency on Aging**

**Voluntary Action Center is a United Way Partner Agency**

If you are homebound due to illness, disability or otherwise isolated, contact Meals on Wheels to arrange home delivery of your meals.

815.758.3932

**In need of transportation, please call:**
**815-758-6641**

# October

## Senior Luncheons

Offered to anyone age 60 and older, their spouses and all residents of the Hi-Rise Sites.

Reservations should be made by 10:00 am the day before.

Suggested Lunch Contribution $4.00

Guests under age 60 may dine at a cost of $6.00

No one eligible for VAC services will be denied due to inability to contribute.

## Locations:

**DeKalb Senior Center**
815.758.1678

**Taylor Street Plaza**
815.758.1678

**Fox Valley Older Adults**
815.787.6219

Voluntary Action Center

**Offering**
**Meals on Wheels**

**Senior Transportation**

**Senior Luncheons**

**Serving DeKalb County**


To Reach Us
Toll Free
1.866.820.6641
815.758.3932
Fax: 815.758.0202
Visit Us on the Web
www.vacdk.org

Internal Revenue Service

Department of the Treasury

District
Director

Person to Contact: EO:TPA

Telephone Number: (312) 886-5571

Refer Reply to: 88-1120

Date: 3-16-88

Voluntary Action Center of DeKalb
County
680 Haish Blvd.
Suite 300
DeKalb, IL 60115

RE: Voluntary Action Center of DeKalb County
EIN: 36-2798257 ✓

This is in response to the letter dated December 30, 1987 regarding your status as an organization exempt from Federal income tax.

Our records indicate that a ruling letter was issued in September 1974, granting your organization an exemption from Federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code of 1954. Our records also indicate that your organization is not a private foundation but one that is described in 509(a)(1) & 170(b)(1)(A)(vi).

Contributions made to you are deductible by donors in computing their taxable income in the manner and to the extent provided in Section 170 of the Internal Revenue Code.

If your gross receipts each year are normally $25,000.00 or more, you are required to file Form 990, Return of Organizations Exempt from Income Tax by the fifteenth day of the fifth month after the end of your annual accounting period.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under Section 511 of the Code. If you are subject to this tax, you must file an income tax return on F-990-T.

If any question arises with respect to your status for Federal income tax purposes, you may use this letter as evidence of your exemption.

This is an advisory letter.

Sincerely yours,

R. S. Wintrode Jr.

R. S. Wintrode Jr.
District Director

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

**Give Form to the requester. Do not send to the IRS.**

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

**Note:** Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

*(Applies to accounts maintained outside the U.S.)*

5 Address (number, street, and apt. or suite no.) See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN,* later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

**Social security number**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | – | | – | | | | |

**or**

**Employer identification number**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | – | | | | | | |

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign Here** **Signature of U.S. person** ▶ **Date** ▶

# General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

## Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See* What is backup withholding, *later.*

## Exhibit B: Current Year's Budget

# Voluntary Action Center
# FY 2021 Budget Data

| | Total VAC Budget FY 2021 | MOW Budget FY 2021 |
|---|---|---|
| **Revenues** | | |
| Government Grants | 5,893,897 | 501,444 |
| Local Governments | 174,042 | 7,459 |
| Project Income | 218,150 | 84,814 |
| Agency Contracts | 569,882 | |
| United Ways | 55,135 | 46,435 |
| Local Donations | 466,903 | 257,819 |
| Miscellaneous | 144 | 98 |
| **Total Revenues** | **7,378,152** | **898,069** |
| | | |
| **Expenses** | | |
| Personnel | 3,849,751 | 302,285 |
| Fringe Benefits | 849,962 | 64,682 |
| Material & Supplies | 1,144,799 | 213,408 |
| Operations & Maintenance | 426,178 | 27,700 |
| Purchased Services | 1,107,462 | 92,723 |
| **Total Expenses** | **7,378,152** | **700,798** |
| | | |
| **Net Income / (Loss)** | **1** | **197,271** |

## Exhibit C: Most Recent Completed Fiscal Year's Audit or Year-End Financial Statement

SIKICH®

# VOLUNTARY ACTION CENTER OF DEKALB COUNTY

## FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

For the Years Ended June 30, 2019 and 2018



**VOLUNTARY ACTION CENTER OF DEKALB COUNTY**
TABLE OF CONTENTS


| | Page(s) |
|---|---|
| INDEPENDENT AUDITOR'S REPORT | 3-4 |
| FINANCIAL STATEMENTS | |
| Statements of Financial Position | 5 |
| Statements of Activities | 6-7 |
| Statements of Functional Expenses | 8-9 |
| Statements of Cash Flows | 10 |
| Notes to Financial Statements | 11-21 |
| SUPPLEMENTARY INFORMATION | |
| Schedule of Activities by Program | 22 |

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*Members of American Institute of Certified Public Accountants*

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

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# INDEPENDENT AUDITOR'S REPORT

Board of Directors
Voluntary Action Center of DeKalb County
Sycamore, Illinois

## Report on the Financial Statements

We have audited the accompanying financial statements of Voluntary Action Center of DeKalb County (the Center), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Voluntary Action Center of DeKalb County as of June 30, 2019 and 2018, 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.

## Emphasis of Matter

As discussed in Note 2 of the financial statements, the Center adopted new accounting guidance as issued by the Financial Accounting Standards Board (FASB) under Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

## Other Matters

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on page 22 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2020 on our consideration of the Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
February 5, 2020

# FINANCIAL STATEMENTS

VOLUNTARY ACTION CENTER OF DEKALB COUNTY

STATEMENTS OF FINANCIAL POSITION

June 30, 2019 and 2018

| | 2019 | 2018 |
|---|---|---|
| **ASSETS** | | |
| **CURRENT ASSETS** | | |
| Cash and cash equivalents | $ 165,918 | $ 122,647 |
| Accounts receivable, net of allowance for doubtful accounts of $20,000 as of June 30, 2019 and 2018 | 123,168 | 111,344 |
| Grants receivable | 1,115,387 | 1,452,368 |
| Prepaid expenses | 67,860 | 31,803 |
| Total current assets | 1,472,333 | 1,718,162 |
| **NONCURRENT ASSETS** | | |
| Property and equipment, net of accumulated depreciation | 238,428 | 294,406 |
| Interest in assets held at DeKalb County Community Foundation | 133,913 | 132,303 |
| Total noncurrent assets | 372,341 | 426,709 |
| **TOTAL ASSETS** | $ 1,844,674 | $ 2,144,871 |
| **LIABILITIES AND NET ASSETS** | | |
| **CURRENT LIABILITIES** | | |
| Accounts payable | $ 258,347 | $ 305,832 |
| Deferred revenue | 172,425 | - |
| Accrued payroll and related liabilities | 236,020 | 262,880 |
| Vehicle loan | 5,623 | 5,347 |
| Line of credit | 225,000 | 400,000 |
| Total current liabilities | 897,415 | 974,059 |
| **NONCURRENT LIABILITIES** | | |
| Vehicle loan, net of current portion | 7,396 | 13,065 |
| Total noncurrent liabilities | 7,396 | 13,065 |
| Total liabilities | 904,811 | 987,124 |
| **NET ASSETS** | | |
| Without donor restrictions | 805,950 | 840,041 |
| With donor restrictions | 133,913 | 317,706 |
| Total net assets | 939,863 | 1,157,747 |
| **TOTAL LIABILITIES AND NET ASSETS** | $ 1,844,674 | $ 2,144,871 |

See accompanying notes to financial statements.

## VOLUNTARY ACTION CENTER OF DEKALB COUNTY

STATEMENTS OF ACTIVITIES

For the Year Ended June 30, 2019

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---|---|---|
| **REVENUES** | | | |
| Government grants | $ 6,027,280 | $ - | $ 6,027,280 |
| Cities and townships | 468,191 | - | 468,191 |
| Project income | 336,538 | - | 336,538 |
| Agency contracts | 1,067,118 | - | 1,067,118 |
| United Way funds | 52,751 | - | 52,751 |
| Contributions | 245,319 | - | 245,319 |
| In-kind contributions | 158,506 | - | 158,506 |
| Change in interest in assets held at DeKalb County Community Foundation | - | 1,610 | 1,610 |
| Other | 2,306 | - | 2,306 |
| Total revenues | 8,358,009 | 1,610 | 8,359,619 |
| **PROGRAM EXPENSES** | | | |
| Transportation | 4,762,504 | - | 4,762,504 |
| Nutrition | 2,738,267 | - | 2,738,267 |
| Total program expenses | 7,500,771 | - | 7,500,771 |
| **MANAGEMENT AND GENERAL EXPENSES** | | | |
| General and administrative | 1,054,883 | - | 1,054,883 |
| Fundraising | 21,849 | - | 21,849 |
| Total management and general expenses | 1,076,732 | - | 1,076,732 |
| Total expenses | 8,577,503 | - | 8,577,503 |
| CHANGE IN NET ASSETS | (219,494) | 1,610 | (217,884) |
| NET ASSETS, BEGINNING OF YEAR | 1,025,444 | 132,303 | 1,157,747 |
| **NET ASSETS, END OF YEAR** | $ 805,950 | $ 133,913 | $ 939,863 |

(This statement is continued on the following page.)

## VOLUNTARY ACTION CENTER OF DEKALB COUNTY

STATEMENTS OF ACTIVITIES (Continued)

For the Year Ended June 30, 2018

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---|---|---|
| **REVENUES** | | | |
| Government grants | $ 5,580,882 | $ - | $ 5,580,882 |
| Cities and townships | 450,201 | - | 450,201 |
| Project income | 297,141 | - | 297,141 |
| Agency contracts | 1,007,096 | - | 1,007,096 |
| United Way funds | 53,582 | - | 53,582 |
| Contributions | 319,746 | - | 319,746 |
| In-kind contributions | 166,288 | - | 166,288 |
| Change in interest in assets held at DeKalb County Community Foundation | - | 3,544 | 3,544 |
| Other | 9,817 | - | 9,817 |
| Net assets released from restrictions | 45,605 | (45,605) | - |
| Total revenues | 7,930,358 | (42,061) | 7,888,297 |
| **PROGRAM EXPENSES** | | | |
| Transportation | 4,423,447 | - | 4,423,447 |
| Nutrition | 2,620,876 | - | 2,620,876 |
| Total program expenses | 7,044,323 | - | 7,044,323 |
| **MANAGEMENT AND GENERAL EXPENSES** | | | |
| General and administrative | 973,089 | - | 973,089 |
| Fundraising | 16,061 | - | 16,061 |
| Total management and general expenses | 989,150 | - | 989,150 |
| Total expenses | 8,033,473 | - | 8,033,473 |
| CHANGE IN NET ASSETS | (103,115) | (42,061) | (145,176) |
| NET ASSETS, BEGINNING OF YEAR | 1,128,559 | 174,364 | 1,302,923 |
| **NET ASSETS, END OF YEAR** | $ 1,025,444 | $ 132,303 | $ 1,157,747 |

See accompanying notes to financial statements.

**VOLUNTARY ACTION CENTER OF DEKALB COUNTY**

STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2019

| | Program Services | | | | | |
|---|---|---|---|---|---|---|
| | Transportation Services | Nutrition Services | Total Program | General and Administrative | Fundraising | Total |
| **EXPENSES** | | | | | | |
| Personnel | $ 2,492,396 | $ 883,547 | $ 3,375,943 | $ 916,094 | $ - | $ 4,292,037 |
| Personnel benefits | 787,113 | 222,645 | 1,009,758 | 81,885 | - | 1,091,643 |
| Material and supplies | 466,582 | 1,143,797 | 1,610,379 | 4,299 | 21,849 | 1,636,527 |
| Operations and maintenance | 216,906 | 219,830 | 436,736 | 3,018 | - | 439,754 |
| Purchased services | 762,597 | 230,976 | 993,573 | 21,066 | - | 1,014,639 |
| Interest | - | - | - | 28,465 | - | 28,465 |
| Depreciation | 37,049 | 37,049 | 74,098 | - | - | 74,098 |
| Miscellaneous | (139) | 423 | 284 | 56 | - | 340 |
| **TOTAL EXPENSES** | $ 4,762,504 | $ 2,738,267 | $ 7,500,771 | $ 1,054,883 | $ 21,849 | $ 8,577,503 |

(This statement is continued on the following page.)

## VOLUNTARY ACTION CENTER OF DEKALB COUNTY

STATEMENTS OF FUNCTIONAL EXPENSES (Continued)

For the Year Ended June 30, 2018

| | Program Services | | | | | |
|---|---|---|---|---|---|---|
| | Transportation Services | Nutrition Services | Total Program | General and Administrative | Fundraising | Total |
| **EXPENSES** | | | | | | |
| Personnel | $ 2,328,794 | $ 950,100 | $ 3,278,894 | $ 658,095 | $ - | $ 3,936,989 |
| Personnel benefits | 703,787 | 193,624 | 897,411 | 180,330 | - | 1,077,741 |
| Material and supplies | 477,833 | 1,055,421 | 1,533,254 | 5,358 | 16,061 | 1,554,673 |
| Operations and maintenance | 140,083 | 156,469 | 296,552 | 30,317 | - | 326,869 |
| Purchased services | 733,501 | 207,347 | 940,848 | 76,418 | - | 1,017,266 |
| Interest | - | - | - | 22,227 | - | 22,227 |
| Depreciation | 37,587 | 37,587 | 75,174 | - | - | 75,174 |
| Miscellaneous | 1,862 | 20,328 | 22,190 | 344 | - | 22,534 |
| **TOTAL EXPENSES** | $ 4,423,447 | $ 2,620,876 | $ 7,044,323 | $ 973,089 | $ 16,061 | $ 8,033,473 |

See accompanying notes to financial statements.

## VOLUNTARY ACTION CENTER OF DEKALB COUNTY

### STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2019 and 2018

| | 2019 | 2018 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Change in net assets | $ (217,884) | $ (145,176) |
| Adjustments to reconcile change in net assets to net cash from operating activities | | |
| Depreciation | 74,098 | 75,174 |
| Change in interest in assets held at DeKalb County Community Foundation | (1,610) | (3,544) |
| Contributions restricted for long-term purposes | - | (33,000) |
| Change in assets and liabilities | | |
| (Increase) decrease in | | |
| Accounts receivable | (11,824) | (5,999) |
| Grants receivable | 336,981 | (264,679) |
| Prepaid expenses | (36,057) | 617 |
| Increase (decrease) in | | |
| Accounts payable | (47,485) | 167,165 |
| Deferred revenue | 172,425 | - |
| Accrued payroll and related liabilities | (26,860) | 18,980 |
| Net cash from operating activities | 241,784 | (190,462) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Purchases of property and equipment | (18,120) | (48,510) |
| Net cash from investing activities | (18,120) | (48,510) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Contributions restricted for long-term purposes | - | 33,000 |
| Proceeds from notes payable | - | 22,250 |
| Payments on notes payable | (5,393) | (3,838) |
| Line of credit - advances | 2,131,514 | 1,258,904 |
| Line of credit - repayments | (2,306,514) | (1,113,904) |
| Net cash from financing activities | (180,393) | 196,412 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 43,271 | (42,560) |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | 122,647 | 165,207 |
| **CASH AND CASH EQUIVALENTS, END OF YEAR** | $ 165,918 | $ 122,647 |
| **SUPPLEMENTAL DATA** | | |
| Interest paid | $ 28,465 | $ 22,227 |

See accompanying notes to financial statements.

## 1. NATURE OF ACTIVITIES

Voluntary Action Center of DeKalb County (the Center) is a nonprofit organization incorporated on January 11, 1974 in the State of Illinois. The Center's purpose is to provide quality of life enhancing services that meet mobility, basic nutritional, and volunteer needs in the community. The Center supports the needs of the members of DeKalb, LaSalle, Putnam, Bureau, and Kendall Counties of Illinois.

The Center's transportation services include public buses, rides to medical appointments, on demand door to door services, and rides for the elderly and disabled. The Center's nutritional program helps the elderly live independently in their homes and communities, while monitoring their nutritional intake and providing healthy meals for their overall well being.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Cash and Cash Equivalents

Cash and cash equivalents are comprised of deposits and certificates of deposit in various federally insured financial institutions. The Center considers cash equivalents to be highly liquid investments with an original maturity of three months or less.

At June 30, 2019 and 2018, the Center's cash accounts exceeded federally insured limits by approximately $55,296 and $0, respectively. The Center does not believe these funds to be at substantial risk of loss due to the lack of federal insurance coverage.

### Accounts Receivable

Accounts receivable represent amounts due from various local agencies and individuals for nutrition and transportation services and are stated at the amount management expects to collect from the outstanding balance. The Center charges off uncollectible accounts receivable when management determines the receivable will not be collected.

### Grants Receivable

Grants receivable represent funds owed to the Center by state and local government agencies. As of June 30, 2019 and 2018, management has determined all grants receivable are fully collectible based on historical experience and no allowance for doubtful accounts is necessary.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

The Center generally capitalizes purchases of fixed assets in excess of $2,000 and a useful life of one year or greater. Vehicles, buildings, and equipment are recorded at cost. Donated assets are recorded at fair value on the date of donation. Depreciation is calculated on the straight-line method over the following estimated useful lives: ranging from 10 to 40 years for real property and 3 to 15 years for furniture and equipment.

| | Years |
|---|---|
| Buildings and improvements | 10-40 |
| Furniture and equipment | 5-15 |
| Vehicles | 3-5 |

Interest in Assets Held at DeKalb County Community Foundation

The Center transferred funds to DeKalb County Community Foundation (the Foundation) which is holding them as an endowed fund (the Fund) for the benefit of the Center. The Fund is subject to the Foundation's investment and spending policies. Annually, distributions from the Fund are paid to the Center in accordance with the Foundation's spending policy, which is typically based on an annual spending rate applied to a three-year moving average of the total portfolio market value. The Foundation maintains variance power over these assets. Despite the variance power, the Center believes the Foundation will continue to make annual distributions to the Center.

The Center reports the fair value of its interest in assets held by the Foundation in the statements of financial position and reports distributions received as investment income. Investment income is reported as increases in net assets without donor restrictions if the restrictions are met in the fiscal year in which the investment income is recognized. Changes in the value of the interest in assets held by the Foundation are reported in the statements of activities as change in interest in assets held by DeKalb County Community Foundation.

In addition to the interest in assets held by the Foundation, the Foundation maintains other funds that have been contributed by various donors to the Foundation for the benefit of the Center. These funds are not included as assets of the Center because the Center does not have unconditional rights to distributions from these funds. The earnings from these funds typically are paid to the Center each year in accordance with the Foundation's spending policy, although the Foundation has the right to withhold distributions or pay them to another organization.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets

The accompanying financial statements have been prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

*Net Assets Without Donor Restrictions* include net assets available for use in general operations and are not subject to donor-imposed restrictions.

*Net Assets with Donor Restrictions* include net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met either by actions of the Center or the passage of time. They may also be subject to donor-imposed restrictions that the contribution be maintained in perpetuity and neither expire with the passage of time nor can be removed by satisfying a specific purpose. Generally, the donors of these assets permit the Center to use all or part of the income earned on these assets for general or specific purposes.

Revenue Recognition

Government grants, as well as grants from cities and townships, are considered conditional contributions, primarily funded on a reimbursement basis, and are recognized as income as qualifying expenses are incurred. Project income and program service fees provided under contracts with other agencies are recognized as revenue at the time the services are provided.

Contributions

Contributions are recognized when the donor makes a promise to give to the Center that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions are met in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions and are transferred to net assets without donor restrictions when the restrictions are met.

The Center also receives certain federal grants for the purchase of vehicles and other equipment to provide transportation services. These grants are considered conditional contributions and are recognized as revenue in the period when the related grant expenditures for the vehicles and other equipment have been made. In most cases, the grantor requires its approval prior to the disposal of these vehicles and other equipment. The grantor may also request the vehicles and other equipment be returned to them instead of disposal by the Center.

The Center has received conditional promises to give totaling approximately $284,000 and $208,000 as of June 30, 2019 and 2018, respectively, that are not recognized as assets in the statements of financial position. Such amounts are conditional upon the expenditure of funds and/or the performance of services.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In-Kind Contributions

The Center receives donated services from a variety of unpaid volunteers assisting the Center in the operation of the transportation and nutritional programs. Services totaling approximately $93,000 and $64,000 have not been recognized in the accompanying statements of activities for the years ended June 30, 2019 and 2018, respectively, as they do not meet the requirements for recognition.

The Center receives donated materials and use of facilities. Contributed property and equipment is recorded at fair value at the date of donation.

Functional Allocation of Expenses

The costs of supporting the various programs and other activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses allocated include administrative salaries and benefits, corporate insurance and rent expense, which have been allocated among the transportation and nutrition programs based on methodologies that would be appropriate for the respective expenses. Salaries and benefits are allocated based on time studies conducted during the year. Corporate insurance is allocated based on departmental full time equivalents. Rent is allocated based on time studies of the individuals occupying the leased facility.

Income Taxes

The Center has been classified as not a private foundation and has been determined to be exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code pursuant to a letter dated March 1988. Accordingly, no provision for income taxes is included in the financial statements.

Reclassifications

Certain reclassifications have been made in the 2018 financial statements to conform to the classifications used in the 2019 financial statements. The change relates to management's estimate of certain costs being allocated among the programs and supporting services benefitted. The reclassifications have no effect on the overall net assets or the change in net assets.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (USGAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, the actual results could differ from those estimates.

New Accounting Standards

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)*. ASU No. 2016-14 amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled net assets without donor restrictions and net assets with donor restrictions, (b) modifying the presentation of underwater endowment funds and related disclosures, (c) requiring the use of the placed-in-service approach to recognize the expirations or restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, (d) requiring that all nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (f) presenting investment return net of external and direct internal investment expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. The Center has adjusted the presentation of these statements accordingly. ASU No. 2016-14 has been applied retrospectively to all periods presented. Upon implementation of ASU No. 2016-14, $185,403 was reclassified from net assets with donor restrictions to net assets without donor restrictions as a result of using the placed-in-service approach to recognize the expirations or restrictions on gifts used to acquire or construct long-lived assets absent donor stipulations otherwise required under this new standard. The change is reflected in the beginning net assets without donor restrictions and beginning net assets with donor restrictions in the earliest period presented in the statements of activities.

In May 2014, FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*, as amended by ASU No. 2015-14, which supersedes or replaces nearly all USGAAP revenue recognition guidance. This standard establishes a new contract and control-based revenue recognition model, changes the basis for deciding when revenue is recognized over time or at a point in time, and will expand disclosures about revenue. ASU No. 2014-09, as amended, is effective for nonpublic companies for annual reporting periods beginning after December 15, 2018 and interim periods within the annual period beginning after December 15, 2019. The Center is currently assessing the impact of this new standard.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Standards (Continued)

In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)*, to increase the transparency and comparability about leases among entities. The new guidance requires lessees to recognize a lease liability and a corresponding lease asset for virtually all lease contracts. It also requires additional disclosures about leasing arrangements. ASU No. 2016-02, as amended by ASU No. 2019-10, is effective for nonpublic entities for fiscal years beginning after December 15, 2020 and interim periods within fiscal years beginning after December 15, 2021. ASU No. 2016-02 originally specified a modified retrospective transition method which requires the entity to initially apply the new leases standard at the beginning of the earliest period presented in the financial statements. In July 2018, FASB issued ASU No. 2018-11, *Leases (Topic 842): Targeted Improvements*, providing a second, optional transition method which allows the entity to apply the new standard at the adoption date and recognize a cumulative-effect adjustment to the opening balance of retained earning in the period of adoption. The Center is currently assessing the impacts of this new standard, including the two optional transition methods.

In August 2016, FASB issued ASU No. 2016-15, *Statement of Cash Flows (Topic 230), Classification of Certain Cash Receipts and Cash Payments*. This guidance is intended to reduce the diversity in practice in how certain transactions are classified in the statement of cash flows. In addition, in November 2016, FASB issued ASU No. 2016-18, *Statement of Cash Flows (Topic 230), Restricted Cash*. This ASU provides additional guidance related to transfers between cash and restricted cash and how entities present, in their statements of cash flows, the cash receipts and cash payments that directly affect the restricted cash accounts. Both of these ASUs will be effective for annual reporting periods beginning after December 15, 2018, with early adoption permitted. The Center is currently assessing the impact of this new standard.

In June 2018, FASB issued ASU No. 2018-08, *Not For Profit Entities (Topic 958) Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. The new guidance helps distinguish if grants and contracts with resource providers are exchange transactions or contributions. Once a transaction is deemed to be a contribution, the ASU also provides guidance to help determine when a contribution is conditional and evaluates the possibility that a condition will not be met is remote. Unconditional contributions are recognized immediately and classified as either net assets with or without donor restrictions, while conditional contributions received are accounted for as a liability until the barriers to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with or without restrictions. ASU No. 2018-08 is effective for fiscal years beginning after December 15, 2018. The Center is currently assessing the impact of this new standard.

## 3. LIQUIDITY AND AVAILABILITY

The Center regularly monitors liquidity required to meet both its operating needs and contractual commitments, while also striving to maximize the investment of its available funds. The Center has various sources of liquidity at its disposal, including cash and cash equivalents. The Center also has a line of credit with an available balance of $375,000 and $200,000 for 2019 and 2018, respectively.

Financial assets available for general expenditure, that is without donor or other restrictions limiting their use, within one year of the statements of financial position date, are comprised of the following:

| | 2019 | 2018 |
|---|---|---|
| FINANCIAL ASSETS | | |
| Cash and cash equivalents | $ 165,918 | $ 122,647 |
| Accounts receivable, net | 123,168 | 111,344 |
| Grants receivable | 1,148,331 | 1,452,368 |
| FINANCIAL ASSETS AVAILABLE TO MEET GENERAL EXPENDITURES WITHIN ONE YEAR | $ 1,437,417 | $ 1,686,359 |

## 4. PROPERTY AND EQUIPMENT

The following is a summary of property and equipment as of June 30, 2019 and 2018:

| | 2019 | 2018 |
|---|---|---|
| Buildings and improvements | $ 317,642 | $ 311,792 |
| Furniture and equipment | 353,143 | 368,245 |
| Vehicles | 371,882 | 459,656 |
| Construction in progress | 10,370 | - |
| Subtotal | 1,053,037 | 1,139,693 |
| Less accumulated depreciation | (814,609) | (845,287) |
| TOTAL | $ 238,428 | $ 294,406 |

## 5. FAIR VALUE MEASUREMENTS

USGAAP establishes a framework for measuring fair value. That framework uses a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. USGAAP requires the Center to maximize the use of observable inputs when measuring fair value. The hierarchy describes three levels of inputs, which are as follows:

## 5. FAIR VALUE MEASUREMENTS (Continued)

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Significant unobservable inputs.

In many cases, a valuation technique used to measure fair value includes inputs from more than one level of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. The categorization of an investment within the hierarchy reflects the relative ability to observe the fair value measure and does not necessarily correspond to the perceived risk of that investment.

If an investment that is measured using net asset value (NAV) has a readily determinable fair value (that is, it can be traded at the measurement date at its published NAV), it is included in Level 1 of the hierarchy. Otherwise, investments measured using NAVs are not included in Level 1, 2, or 3, but are separately reported.

The Center recognizes transfers into and out of levels within the fair value hierarchy at the end of the reporting period. There were no transfers between levels in the years ended June 30, 2019 and 2018.

Valuation Techniques

Following is a description of the valuation techniques used for assets measured at fair value on a recurring basis. There have been no changes to the techniques used during the years ended June 30, 2019 and 2018.

- Interest in assets held by the Foundation: Valued at NAV per unit as reported by the Foundation.

Recurring Measurements

Assets and liabilities measured at fair value on a recurring basis as of June 30, 2019 are as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| ASSETS | | | | |
| Interest in assets held at DeKalb County Community Foundation | $ - | $ - | $ 133,913 | $ 133,913 |
| TOTAL INVESTMENTS | $ - | $ - | $ 133,913 | $ 133,913 |

## 5. FAIR VALUE MEASUREMENTS (Continued)

Assets and liabilities measured at fair value on a recurring basis as of June 30, 2018 are as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| ASSETS | | | | |
| Interest in assets held at DeKalb County Community Foundation | $ - | $ - | $ 132,303 | $ 132,303 |
| TOTAL INVESTMENTS | $ - | $ - | $ 132,303 | $ 132,303 |

Unobservable (Level 3) Inputs

The activity for the interest in assets held at the Foundation, which is measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs), is as follows:

| | 2019 | 2018 |
|---|---|---|
| BEGINNING BALANCE | $ 132,303 | $ 128,759 |
| Distributions received | - | (5,401) |
| Change in fair value | 1,610 | 8,945 |
| ENDING BALANCE | $ 133,913 | $ 132,303 |

## 6. VEHICLE LOAN

The Center has a loan with a local bank for the financing of a vehicle with an interest rate of 5.00%. The loan matures on September 15, 2021. Interest charged on the loan for the years ended June 30, 2019 and 2018 was $764 and $735, respectively.

| | 2019 | 2018 |
|---|---|---|
| Total vehicle loan | $ 13,019 | $ 18,412 |
| Less: Current portion | 5,623 | 5,347 |
| AMOUNT DUE AFTER ONE YEAR | $ 7,396 | $ 13,065 |

## 6. VEHICLE LOAN (Continued)

Required payments on the vehicle loan through maturity are as follows:

| | |
|---|---|
| 2020 | $ 5,623 |
| 2021 | 5,916 |
| 2022 | 1,480 |
| TOTAL | $ 13,019 |

## 7. LINE OF CREDIT

The Center has a line of credit with a local bank. The available credit is $600,000, with an interest rate of 6.00%. The line of credit matures on February 15, 2020, and is secured by the business assets of the Center. Interest charged to operations on the line of credit for the years ended June 30, 2019 and 2018 was $27,701 and $21,493, respectively.

## 8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes at June 30, 2019 and 2018:

| | 2019 | 2018 |
|---|---|---|
| Subject to perpetual restrictions: | | |
| Interest in assets held at DeKalb County Community Foundation | $ 133,913 | $ 132,303 |
| TOTAL NET ASSETS WITH DONOR RESTRICTIONS | $ 133,913 | $ 132,303 |

## 9. OPERATING LEASES

On December 16, 1985, the Center entered into a lease agreement with the County of DeKalb for the purpose of renting a parcel of land. The term of the lease is 30 years and there is an option to renew, which was exercised to extend the lease through December 15, 2035. Annual rents are $100 per year, with any insurance and taxes considered additional rent. Under the terms of the lease, the Center bore the cost of construction of a mass transit maintenance garage and office facility and is responsible for all maintenance and repairs, insurance, and utilities. Upon termination of the lease, the lessor becomes the owner of the buildings and improvements on the land.

The Center leases certain property in LaSalle County that is classified as an operating lease. Monthly payments are $4,000 per month. The agreement expired on October 21, 2017, and the Center continued the agreement on a month-to-month basis until November 2018.

## 9. OPERATING LEASES (Continued)

The Center leased another property in LaSalle County that is classified as an operating lease. Monthly payments are $4,500 per month. The agreement began in November 2018, and expires October 31, 2023.

The Center leases office space in DeKalb County. The lease is cancellable upon notice. The monthly payment is $2,800 per month. The agreement expires on June 30, 2021.

The following is a schedule by years of future minimum lease payments at June 30, 2019:

| | |
|---|---|
| 2020 | $ 54,100 |
| 2021 | 54,100 |
| 2022 | 54,100 |
| 2023 | 54,100 |
| 2024 | 18,100 |
| Thereafter | 1,150 |
| TOTAL | $ 235,650 |

The Center also has use of donated facility space at no cost to the Center, which is recorded as in-kind revenue. Total rent expense under the Center's various leases for the years ended June 30, 2019 and 2018 was $185,464 and $135,489, respectively.

## 10. RELATED PARTY TRANSACTIONS

The Center has a member of the board of directors that is also the Center's attorney. Payments to the law firm totaled $6,527 and $6244 for the years ended June 30, 2019 and 2018, respectively. The Center also utilized a member of the board of directors to develop a strategic plan. Payments to the board member totaled $5,000 for each of the years ended June 30, 2019 and 2018.

## 11. SUBSEQUENT EVENTS

The Center has evaluated subsequent events through February 5, 2020, which was the date that these financial statements were available for issuance, and determined that there were no significant nonrecognized subsequent events through that date.

# SUPPLEMENTARY INFORMATION

**VOLUNTARY ACTION CENTER OF DEKALB COUNTY**

SCHEDULE OF ACTIVITIES BY PROGRAM

For the Year Ended June 30, 2019

| | Transportation | Nutrition | Management and General | Fundraising | Total |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| Government grants | $ 4,934,100 | $ 1,093,180 | $ - | $ - | $ 6,027,280 |
| Cities and townships | 305,008 | 163,183 | - | - | 468,191 |
| Project income | 138,607 | 197,931 | - | - | 336,538 |
| Agency contracts | 65,792 | 1,001,326 | - | - | 1,067,118 |
| United Way funds | 25,888 | 26,863 | - | - | 52,751 |
| Contributions | 50,547 | 194,772 | - | - | 245,319 |
| In-kind contributions | 23,700 | 134,806 | - | - | 158,506 |
| Change in interest in assets held at DeKalb County Community Foundation | 805 | 805 | - | - | 1,610 |
| Other | (35) | 2,341 | - | - | 2,306 |
| Total revenues | 5,544,412 | 2,815,207 | - | - | 8,359,619 |
| **EXPENSES** | | | | | |
| Personnel | 2,492,396 | 883,547 | 916,094 | - | 4,292,037 |
| Personnel benefits | 787,113 | 222,645 | 81,885 | - | 1,091,643 |
| Material and supplies | 466,582 | 1,143,797 | 4,299 | 21,849 | 1,636,527 |
| Operations and maintenance | 216,906 | 219,830 | 3,018 | - | 439,754 |
| Purchased services | 762,597 | 230,976 | 21,066 | - | 1,014,639 |
| Interest | - | - | 28,465 | - | 28,465 |
| Depreciation | 37,049 | 37,049 | - | - | 74,098 |
| Miscellaneous | (139) | 423 | 56 | - | 340 |
| Total expenses | 4,762,504 | 2,738,267 | 1,054,883 | 21,849 | 8,577,503 |
| **CHANGE IN NET ASSETS** | $ 781,908 | $ 76,940 | $ (1,054,883) | $ (21,849) | $ (217,884) |

## Exhibit D: Grantee-Specific Obligations

Grantee agrees and acknowledges that it shall comply with the following obligations, which shall be considered to be an integral component of the Agreement:

Voluntary Action Center – VAC (Grantee) will provide nutrition services including home delivered meals for the homebound elderly and persons with disabilities to the residents of DeKalb County. City of DeKalb funding serves as local match for state and federal grants.

VAC proposes to serve 550 individuals with dial-a-ride services, fixed route and deviated fixed route transportation, and nutrition services. Of this number, 250 recipients of services are anticipated to be residents of the City of DeKalb. Grantee will track the total number of individuals served the program and will include a separate accounting of individuals who are residents of the City of DeKalb to document that City of DeKalb Human Services Funding is used only to support those services directly benefiting DeKalb residents. Funding received from the City of DeKalb will be used as the local match to secure state and federal grants. Grantee will report revenue from other sources to document that the agency receives funding to cover services to individuals who are not residents of the City of DeKalb. Reports will be submitted on a Quarterly basis in order to receive payment of grant funds.

**HUMAN SERVICES AGREEMENT**
**SAFE PASSAGE**

This agreement made this 28th day of December, 2020, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the "City" and Safe Passage, hereinafter referred to as "Grantee," WITNESSETH:

WHEREAS, the City desires that Grantee provide certain services to the citizens of DeKalb and Grantee has the capacity to provide such services; and,

WHEREAS, the Grantee acknowledges that it is the City's intention to purchase said services for the citizens of the City of DeKalb under the following guidelines:

1. First priority shall be given to those services which will help meet basic emergency needs such as food, clothing, and shelter. Second priority shall be given to those services which are preventative in nature and promote the highest degree of self-support, self-care, and self-help. Third priority shall be given to those services which seek to enhance the quality of life of persons whose basic needs are already met. Priority shall also be given to services which primarily benefit low and moderate income residents. The services provided by the Grantee are consistent with these guidelines as explained on the attached Exhibit A

2. Services shall address specific documented needs. The services provided by the Grantee address the specific, documented needs as explained on the attached Exhibit A.

3. Services shall also receive financial support from other community sources. Grantee has attached hereto a copy of its budget for the period that this Agreement covers as Exhibit B, which budget establishes that the Grantee receives at least 99 % of its funding from third party sources. A copy of Grantee's audit or year end financial statement from the most recent complete year of operations is attached hereto as Exhibit C.

4. City funds are used only to support those services directly benefiting DeKalb residents. The City will not subsidize the cost of services to non-residents. Grantee has certified compliance with this requirement by signing the attached Exhibit A.

5. Administrative costs for these services are to be kept to a minimum. Grantee has identified the allocation between administrative costs and program costs as explained on the attached Exhibit A.

6. These services must be coordinated with other agencies when feasible. Grantee has outlined how services are coordinated with other agencies as explained on the attached Exhibit A.

7. The City will not fund, but may augment, services which are the responsibility of another public agency or funding source. Grantee has identified any areas where the City's funds are being utilized to augment third party responsibilities as explained on the attached Exhibit A.

8. City funds are to be used primarily to match or leverage other private or public funds. Grantee has explained how matching or leveraged funds are being sought or obtained as explained on the attached Exhibit A.

9. The City's intent is to contract for specific services and monitor their effectiveness. Grantee has: a) identified the metrics by which its performance is to be evaluated on an annual basis; b) identified those third parties that provide any review or evaluation of Grantee's efforts; and, c) explained its clearly defined performance evaluation process, as explained on the attached Exhibit A.

10. Grantee has clearly identified and delineated where any elected or appointed official of the City or any City employee is involved in its programming or receives any direct or indirect benefit, any compensation, or any pecuniary benefit of any form by virtue of Grantee's program or the City funding provided hereunder, as explained on the attached Exhibit A.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, and all such funds are held by the Grantee in a Grantee-specific checking account with the financial institution identified therein (and not in any personal checking account), unless otherwise indicated therein.

WHEREAS, the parties hereto understand and agree that the Grantee is an independent contractor and not an employee of the City; now,

In consideration of the agreements set forth and other good and valuable considerations, the parties agree as follows:

1. **Term**. The term of this agreement shall be from January 1, 2021 to December 31, 2021. The City or Grantee may terminate this Agreement at any time, upon the provision of thirty (30) days written notice. The City may terminate this agreement at any time based upon the occurrence of a breach of this Agreement, upon the provision of 48 hours written notice.

2. **Scope of Service**. The Grantee shall provide services in accordance with the service plan provided in the original application, a copy of which is attached hereto as Exhibit A.

3. **Hold Harmless**. The Grantee hereby agrees to indemnify, defend, and hold the City and its officers, employees, contractors, and representatives harmless from and against any and all such costs, expenses, damages, liabilities, losses and

claims which may arise out of, or are related to the services provided by the Grantee under this agreement or which relate to this Agreement or the funding provided herein. The Grantee agrees and acknowledges that the City is not in any way responsible for the conduct or provision of Grantee's programs or services, and is not responsible for the review, supervision or management of Grantee's personnel, volunteers, participants, programming, or services.

4. **Payment.** The City agrees to pay the Grantee the sum of Eleven Thousand and No/100 Dollars ($11,000.00) for services rendered under this agreement. **Payment will be disbursed in four equal installments and will be processed upon receipt of the Grantee's quarterly reports, as required by this funding agreement.** In the event that this Agreement is terminated, no further payments shall be due or payable to Grantee. In the event that the City Council determines that the City's financial condition does not support making a payment otherwise due under this Agreement, the City may suspend, delay, or otherwise cancel payments due hereunder.

5. **Access to Financial Records.** The Grantee agrees to allow the City access to review any and all of Grantee's financial records as may be determined appropriate to insure the accountability of monies disbursed by the City. The Grantee also agrees to provide the City with a copy of its operating budget and its audit or year-end financial statement for each fiscal year or portion thereof in which the Grantee receives funding under this (or successor) agreements.

6. **Performance Reporting.** The Grantee agrees to send the City a report following every three months of services identifying the number of City of DeKalb citizens that have been provided services under the terms of this Agreement. The Grantee further agrees to send the City a copy of all documentation required to demonstrate its performance or which is identified as a performance-evaluation tool in Exhibit A.

   Quarterly reports shall be provided to the City on or before the 10th day of the following months:

   1st Quarter – April
   2nd Quarter – July
   3rd Quarter – October
   4th Quarter - January

7. **Compliance with Laws.** The Grantee expressly covenants and agrees that it shall comply with all applicable laws, including those laws applicable to the use of public funding to the extent that such laws are applicable to programs funded in whole or in part by the City of DeKalb. The Grantee expressly covenants that it shall not discriminate against any person or organization on the basis of any legally recognized protected classification, including but not limited to race, gender, religion, ethnic or cultural background, sexual preference, or other legally

recognized, protected classification, in the provision of its services or use of funding provided hereunder.

8. **Use of Funds.** The Grantee shall only utilize funds made available under this agreement for the provision of services consistent with this agreement and shall not use such funding for any other purpose, nor for the construction of any real property or improvement to real property, nor for any purpose which constitutes "Public Works" for purposes of the Illinois Prevailing Wage Act.

9. **Grantee's Organization.** Grantee is organized in the format as described in Exhibit A. For the term of this Agreement, Grantee shall take such actions as shall be required to maintain that form of organization. Grantee shall provide the City with notice of the meetings of its governing board or board of directors, and the City shall have the opportunity to attend such meetings as an *ex officio* member of such governing board; the City shall also have the right to review the minutes of all such meetings.

10. **Grantee-Specific Obligations.** Grantee shall comply with the listing of Grantee-Specific Obligations attached hereto as Exhibit D.

11. **Certification:** Grantee hereby certifies that it shall comply with the contents of this Agreement and the terms of its Application and certifies that the contents of this Agreement and the Application are true, accurate and correct. The recitals to this Agreement are expressly incorporated herein by reference.

IN WITNESS WHEREOF, the Grantee has caused this agreement to be signed, sealed, and attested to by its Chairman of the Board of Directors and Executive Director, on the _____ day of _____, _____, and said City has caused the same to be signed, sealed, and attested to by its Mayor and City Clerk or Executive Assistant of the City of DeKalb as of the date first mentioned in this Agreement.

SAFE PASSAGE

Board Chairman

CITY OF DEKALB, ILLINOIS

Jerry Smith, Mayor

CITY OF DEKALB STATE OF ILLINOIS

ATTEST:

Mary Ellen Schaid

Executive Director

ATTEST:

# Exhibit A: Funding Application

City of DeKalb
opportunity • innovation

164 East Lincoln Highway
DeKalb, Illinois 60115
815.748.2000 • cityofdekalb.com

# FY 2021 HUMAN SERVICES FUNDING APPLICATION

## Twelve Months Funding 1/1/21 to 12/31/21

**APPLICATION MUST BE RECEIVED NO LATER THAN 5:00 P.M. ON NOVEMBER 6, 2020. INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.**

**Agency Name:** Safe Passage

**Mailing Address:** PO Box 621 DeKalb IL 60115

**Agency Director:** Mary Ellen Schaid

**Contact Person:** Becky Versluys

**Telephone No.:** 815-756-7930 **Email Address:** bversluys@safepassagedv.org

**Name of Person Responsible for Completing Quarterly Report:** Becky Versluys

**Telephone No.:** 815-756-7930 **Email Address:** bversluys@safepassagedv.org

**Program Description:** See attached.

**Twelve Month Program Budget:** $2,871,957

**Amount of Funding Requested:** $15,000

**% of Total Program Budget:** 0.5 %

**Total Number of Estimated Program Participants:** 800

**Total Number of Estimated DeKalb Residents to be Served:** 440

**Estimated DeKalb Residents as % of Total Participants to be Served:** 55 %

***The following documents must accompany the application:***

1. A current listing of the agency's Board of Directors and terms.

2. The current annual operating budget for the agency and a detailed budget for the program requesting funding.

3. A detailed narrative explaining the program to be funded, its potential impact, and any anticipated outcomes to be achieved. Be specific about the population to be served and the benefits derived from your services. Include any descriptive materials regarding the history and mission of the agency that would help augment the application.

4. Documentation of the agency's 501(c)(3) status.

5. Completed W-9 Form.

6. Copy of agency's most recent financial audit.

The City of DeKalb retains the right to request any and all additional information from the agency it may determine necessary in making funding decisions. This may include articles of incorporation or any other information deemed appropriate.

The undersigned hereby certifies the information contained in this application is true and accurate to the best of their knowledge and belief.

Name of Authorized Signer: Becky Versluys

Title: Director of Operations

Signature: Becky Versluys Digitally signed by Becky Versluys Date: 2020.11.06 11:43:54 -06'00'

Date: November 6, 2020

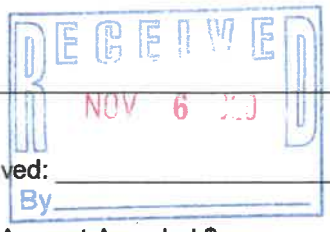
---

Please submit the application using one of the following methods:

- Via regular mail to be received no later than 5:00 p.m. on November 6, 2020 to:

  City of DeKalb
  Attention: Joanne Rouse
  164 East Lincoln Highway
  DeKalb, Illinois 60115

- Via email dated no later than 5:00 p.m. on November 6, 2020 to: joanne.rouse@cityofdekalb.com




**OFFICE USE ONLY:**

Date Application Received: _____

By_____

☐ Approved – Annual Amount Awarded $_____ / $_____ per quarter

☐ Denied

# Safe Passage
# Board of Directors

| Office | Member | Term Began | Term Ends |
|---|---|---|---|
| **President** | Michael Kokott | 2nd term: July 2018 | June 2021 |
| | | 1st term: (April) July 2015 | June 2018 |
| **Vice-President** | Nancy Partch | 2nd term: July 2018 | June 2021 |
| | | 1st term: (Oct) July 2015 | June 2018 |
| **Treasurer** | | | |
| **Secretary** | Debra Nottingham | 1st term: July (March) 2020 | June 2023 |
| | Arthur (Art) Bingham | 1st term: July 2019 | June 2022 |
| | | 1st term: July 2016 | June 2019 |
| | Tarryn Thaden | 2nd term: July 2019 | June 2022 |
| | | 1st term: (April) July 2016 | June 2019 |
| | Nancy Proesel | 1st term: July 2020 | June 2023 |
| | | 1st term: July 2017 | June 2020 |

| | | |
|---|---|---|
| Evan King | 1st term: (March) July 2018 | June 2021 |
| Brian Jackson | 1st term: (Jan) July 2019 | June 2022 |

FY2021 HUMAN SERVICES FUNDING
Twelve Months Funding 1/1/21 to 12/31/21

Program Description and Detailed Narrative

**PROGRAM DESCRIPTION**

In FY11, Safe Passage provided service to 1,000 individuals in the domestic violence and sexual assault victims programs. Forty-six percent of these were City of DeKalb residents. Over 21,000 hours of services were provided and over 20,000 meals were served. The Abuse Intervention Program provided 3,200 hours of service to 145 clients. During the first four months of FY20, over 550 clients have been served across the three programs.

The mission of Safe Passage is to promote the right to non-violent, abuse free relationships for all through advocacy, support, and intervention and prevention education in DeKalb County. We strive to accomplish this through a variety of programs and services. These include:

- A 24/7 Crisis Hotline answered by trained advocates through which staff provide crisis intervention, information and referrals to victims of domestic and sexual violence.
- Safety and stability for women, men and their children fleeing violence in their homes to the Emergency Shelter, which houses up to 27 women, men and children.
- Long-term transitional housing for women, men and children who are working on reaching goals such as education, housing, jobs, etc. and need more time and support to establish themselves safely in the community
- Supportive services including medical advocacy to victims when they come into an emergency room due to domestic or sexual assault. In addition, legal advocacy to assist them in obtaining orders of protection, supporting them in court proceedings, helping clients to learn and understand their legal rights.
- Individual, group and family counseling and therapy services for all victims of domestic and sexual violence stay in the emergency shelter or come in from the community to receive services.
- A Partner Abuse Intervention Program (PAIP) that provides psycho-educational groups for men and women who are charged with domestic battery.
- A complete range of prevention education programs in schools to children K-12, college students and presentations for any community groups to raise awareness of the causes and effects of domestic and sexual violence.
- Professional Education to first responders such as police, medical providers, teachers, recreation workers, youth workers and others to increase their understanding of the causes, effects and dynamics of domestic and sexual assault and how to identify and best respond to victims.

All Safe Passage services and programs except for PAIP are free of charge and completely confidential to women, men, and children who are victims of, or in the case of many children, exposed to domestic and sexual violence. In addition, the training we provide to all first responders, schools, community

organizations, and groups interested in learning more about Safe Passage are about the impact of domestic and sexual violence on individuals, how best to work with victims that are traumatized and the raising awareness to the community as a whole, are also provided free of charge. People who are referred to the PAIP program are charged fees on a sliding scale, according to their ability to pay.

Safe Passage also provides an extensive array of prevention and education programming and services every year to K-12 school children and staff; to students and staff at NIU and Kishwaukee College; to churches, civic and community groups throughout the county. We reach hundreds if not thousands of children and adults in DeKalb County by providing prevention education and outreach.

**PROGRAM TO BE FUNDED**

The program to be funded with the human service funding is our 24/7 crisis line and the domestic violence program, including the emergency shelter. We have been operating the Lethality Assessment Protocol since October of 2018 and have been able to reach over 250 victims that have been identified as being at risk of lethality or serious injury and provided them with shelter, legal advocacy and counseling services. Many of them have experienced strangulation and we are trying to work with the medical community to create better screening protocols and therapies that will help with brain injuries and neurological problems related to experiencing air blockage.

In addition, we have been able to grow our long term transitional housing program from six apartments on site to 12 total. We received funding from the Illinois Criminal Justice Information Authority to add six off site apartments, which we now rent from the DeKalb County Housing Authority. This is a program that allows survivors to live in an apartment for up to two years. During this time, clients are able to get their lives in order by seeking education, saving money, and working at jobs that offer them a better future.

We have a strong collaboration with the Housing Authority, who in addition to renting us these six apartments, provide a housing counselor on site at our shelter every other week so that survivors can get questions answered and apply for subsidized housing. Housing is the primary need most survivors have when they are living in our emergency shelter. Even people who live in the community but come into the agency for free counseling or legal advocacy identify housing as their greatest need if they are trying to leave an abusive partner. Having the ability to regularly speak with a housing officer has been extremely helpful for many survivors who often have challenges with such things as criminal records or past eviction records, often related to or as a result of the abuse they suffered. The Housing Authority has been able to help them work out those barriers so that they can become eligible for housing assistance.

We have also developed a strong collaboration with the nursing school at NIU to provide us with bi-weekly visits from supervised nursing students to provide medication management and other health services. Medication management is a huge need of many of the survivors that come to our shelter. They often come with a bag containing dozens of medications both prescribed and over the counter. We cannot deny survivors any of their medication but we often have concerns that some of these medications counteract each other and may cause health problems. Although, we help clients who are

usually eligible apply for Medicaid, they often have challenges getting into a doctor due to a lack of transportation or difficulty getting appointments. The nursing students will meet with them and answer questions they have about anything related to such things as their health, pregnancy or female issues. They will also do health screenings. We are very excited and grateful for this collaboration because adequate health care is something most of the survivors we serve have ignored or lived without. We are hopeful that this will help us to insure not only that medication is managed effectively but that their physical health will also be addressed on a consistent basis.

We are also in the process of developing a Memorandum of Understanding with NIU in order for Safe Passage to begin providing 24/7 advocacy to the NIU community, especially the students. We will also be providing advocacy and support to victims who are going through a Title IX investigation. Although COVID has slowed things down somewhat, we are hoping to have things fully operational by the first of the new year.

Our primary goal at Safe Passage is to meet the needs of our clients and to help them build safer and better lives. Strong collaborations are an important part of that. However, we are also researching new approaches to programming. One of the things that we have become acutely aware of is that many of our survivors are extremely challenged to achieve the kinds of goals that are important to building a safer and better life for themselves and their children. Many of the people we serve have histories of generational abuse, complex trauma and poverty. Poverty is an immense challenge that our culture tends to think of as only a lack of resources. As we provide long term housing, education, subsidized child care and other resources, we frequently find that clients are not able to benefit as much as we would hope from these resources. We are learning that the incredible amount of stress caused by a lifetime of poverty and trauma complicates things tremendously. Their stress comes from needing to juggle too much, with too few resources and too few opportunities to get out of poverty. We also recognize the stress caused by persistent social bias including class-based and/or racism. In the case of the survivors we serve, their stress is further complicated by the abuse that frequently accompanies poverty. We are starting to understand that these stresses can damage a survivor's sense of self including their identity, self-efficacy, and motivation. They may also lack important self-regulation skills including the ability to regulate thoughts, emotions and behavior. This may be further impacted by the injuries sustained by so many survivors of domestic violence including brain injuries resulting from multiple strangulations or from having their heads banged on floors and walls.

We are trying to provide more coaching as a partnership rather than case management as a social service where we are seen as "the experts". Clients are the experts of their own lives, but the impact of the toxic stress and trauma they have suffered makes it difficult for them to acknowledge or believe it. We are looking at some new programming for work with this population that is showing impressive outcomes. We have implemented some of the ideas including one that involves helping them to focus on their interaction with their children and help them to build more skills to parent in a way that teaches their child the executive skills they need as they grow. There is other research that shows children who grow up in the toxic stress of domestic violence coupled with poverty are at high risk of repeating the patterns their parent functions by. However children are resilient and things can be turned in a positive direction. If we can increase the amount of time a child spends with adults, but especially their parent, in positive interactions, they can avoid some of those dire outcomes of limited

executive function. Our case management staff is trying to create opportunities and activities to encourage positive interactions with their children. This has exposed people to things that they have never experienced such as concerts, lectures, horseback riding and trips to the pumpkin farm. Of course the COVID pandemic has greatly curtailed these activities.

The pandemic has been a challenge in many areas of the agency but currently we have our entire staff that has returned to the agency. The constant streaming that everyone is doing to provide prevention education, virtual counseling or for zoom meetings has been somewhat of a strain on our IT system but we are trying to upgrade as much as we can afford to do. Some clients are coming to see their counselors in person, and our legal advocates are still helping people obtain orders of protection. As for our emergency shelter, we are fortunate to have received COVID funding from a variety of sources that have enabled us to provide emergency shelter to some victims by placing them in hotels because our current shelter does not have enough space to safely distance people. This funding has also helped us to obtain PPE products to keep clients and staff safe, including thermometers, masks, face and desk shields, gloves, alcohol wipes and cleaning supplies. We require everyone entering a building and walking throughout it to take and document their temperature and wear a mask. So far we have been very lucky that no one has been found to be COVID positive.

We are privileged to provide vital and sometimes lifesaving services to the victims of domestic and sexual violence in DeKalb County. We are very grateful for the financial support we receive from the City of DeKalb that helps us to do that. We will utilize funds awarded to help support the trauma informed services described above to every victim who needs our help. Thank you so much for your consideration of funding and for partnering with us in this important work.

IRS Department of the Treasury
Internal Revenue Service
P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0752251763
Jan. 03, 2017 LTR 4168C 0
36-3108372 000000 00
00055943
BODC: TE

SAFE PASSAGE INC
PO BOX 621
DEKALB IL 60115-0621

06615

Employer ID Number: 36-3108372
Form 990 required: Yes

Dear Taxpayer:

This is in response to your request dated Dec. 22, 2016, regarding your tax-exempt status.

We issued you a determination letter in March 1981, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit www.irs.gov or call 1-800-TAX-FORM (1-800-829-3676).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific

Sincerely yours,

Teri M. Johnson
Operations Manager, AM Ops. 3

Form **W-9**
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

**Give Form to the requester. Do not send to the IRS.**

Print or type
See Specific Instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Safe Passage, Inc.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification; check only **one** of the following seven boxes:
☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate
☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶
**Note.** For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.
☑ Other (see instructions) ▶ Nonprofit corporation exempt under IRS Code 501(c)(3)

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any)
Exemption from FATCA reporting code (if any)
*(Applies to accounts maintained outside the U.S.)*

5 Address (number, street, and apt. or suite no.)
P.O. Box 621

Requester's name and address (optional)

6 City, state, and ZIP code
DeKalb, IL 60115

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

**Social security number**
[ ][ ][ ] - [ ][ ] - [ ][ ][ ][ ]

**or**

**Employer identification number**
3 6 - 3 1 0 8 3 7 2

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

**Sign Here** **Signature of U.S. person ▶** Jennifer Dibuch **Date ▶** 10/7/2020

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at *www.irs.gov/fw9*.

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding.* See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

## Exhibit B: Current Year's Budget

Safe Passage, Inc.
FY21 Budget

Date Printed: 11/4/2020 3:10 PM

| | FY21 Budget |
|---|---|
| **INCOME** | |
| IDHS | 590,110 |
| ICADV | 633,705 |
| ICASA | 742,431 |
| ICJIA | 282,852 |
| AG | 54,530 |
| FEMA | 10,000 |
| 708 Board | 159,325 |
| City of DeKalb | 10,000 |
| City of DeKalb-CDBG | 15,000 |
| UW-Kishwaukee | 14,000 |
| UW-GenoaKingston | 3,025 |
| DCHA | 47,880 |
| DeKalb Township | 9,025 |
| DCCF | 70,000 |
| | |
| PAIP client fees | 80,000 |
| Interest Income | - |
| Other Income | - |
| Fundraising | 50,000 |
| Community Support | 100,074 |
| In-Kind Donations | - |
| Total Income | 2,871,957 |
| | |
| **EXPENSE** | |
| Salaries/Fringes/Taxes | 2,314,218 |
| Repairs/Maintenance | 34,021 |
| Property Insurance | 10,000 |
| Utilities | 40,535 |
| Telephone/Comm | 21,759 |
| Mortgage Interest | 22,440 |
| Rent - LT Apts. | 52,416 |
| Rent - office space | 40,980 |
| Equipment | - |
| Property Taxes | 9,500 |
| Contract Services | 47,554 |
| Administration Exp | 27,103 |
| Bank/PayPal/Donate Now fees | - |
| Dues | 4,436 |
| D&O Insurance | 2,600 |
| License Fees | 1,325 |
| Awareness | 30,260 |
| Postage | 5,740 |
| Printing | - |
| Subscription | 2,353 |
| Office Supplies | 26,726 |
| Volunteer Training | - |
| Program Supplies | 16,307 |
| Conferences & Training | 32,438 |
| Travel | 29,004 |
| Fund Raising Expense | 8,100 |
| Client Food & Services | 50,515 |
| COVID - hotels | 31,627 |
| Indirect | 10,000 |
| In-Kind Expenses | - |
| Total Expenses | 2,871,957 |
| Net Income/Loss | 0 |

## Exhibit C: Most Recent Completed Fiscal Year's Audit or Year-End Financial Statement

# SAFE PASSAGE, INC.

Financial Statements and
Supplementary Information

June 30, 2019 and 2018

(With Independent Auditor's Report Thereon)

# SAFE PASSAGE, INC.

## CONTENTS


| | Page |
|---|---|
| Independent Auditor's Report | 1 – 2 |
| **FINANCIAL STATEMENTS** | |
| Statements of Financial Position | 3 |
| Statements of Activities | 4 |
| Statements of Cash Flows | 5 |
| Statements of Functional Expenses | 6 – 7 |
| Notes to Financial Statements | 8 – 14 |
| Schedule of Expenditures of Federal Awards | 15 |
| Notes to Schedule of Expenditures of Federal Awards | 16 |
| Changes in Net Assets by Function | 17 – 18 |
| Schedule of Functional Revenue and Expenses – DeKalb County Community Mental Health Board | 19 – 20 |
| Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards | 21 – 22 |
| Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance | 23 – 25 |
| Schedule of Findings and Questioned Costs | 26 – 27 |

BENNING GROUP, LLC
CERTIFIED PUBLIC ACCOUNTANTS
www.BenningGroup.com

# Independent Auditor's Report

The Board of Directors
Safe Passage, Inc.
DeKalb, Illinois

**Report on the Financial Statements**

We have audited the accompanying financial statements of Safe Passage, Inc. (a nonprofit organization) which comprise the statements of financial position as of June 30, 2019 and 2018 and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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

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

**Auditor's Responsibility**

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

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

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

50 W. Douglas Street, Suite 801
Freeport, Illinois 61032
(815) 235-3157
Fax (815) 235-3158

6815 Weaver Road, Suite 300
Rockford, Illinois 61114
(815) 316-2375
Fax (815) 316-2389

1809 10th Street
Monroe, Wisconsin 53566
(608) 325-5035
Fax (608) 328-2843

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Safe Passage, Inc. as of June 30, 2019 and 2018, 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.

## Other Matters

*Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the schedule of changes in net assets by function, and the schedule of functional revenues and expenses – DeKalb County Community Mental Health Board, are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

*Adoption of New Accounting Pronouncement*

As discussed in Note 10 to the financial statements, Safe Passage adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, as of and for the year ended June 30, 2019. The requirements of the ASU have been applied retrospectively to all periods presented. Our opinion is not modified with respect to this matter.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2019, on our consideration of Safe Passage, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Safe Passage, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Safe Passage, Inc.'s internal control over financial reporting and compliance.

Benning Group, LLC

Rockford, Illinois
December 16, 2019

**SAFE PASSAGE, INC.**

**Statements of Financial Position**

**June 30, 2019 and 2018**

| | | 2019 | 2018 |
|---|---|---|---|
| **Assets** | | | |
| Cash | $ | 60,777 | 247,541 |
| Grants receivable | | 397,708 | 422,440 |
| Prepaid expenses | | 25,777 | 20,276 |
| Property and equipment, net | | 1,314,697 | 1,115,422 |
| Total assets | $ | 1,798,959 | 1,805,679 |
| **Liabilities and Net Assets** | | | |
| Liabilities: | | | |
| Accounts payable | | 4,554 | 36,433 |
| Payroll related liabilities | | 714 | 690 |
| Wages payable | | 71,168 | 59,790 |
| Deferred revenue | | – | 29,056 |
| Accrued vacation and sick pay | | 75,479 | 66,518 |
| Other liabilities | | 8,052 | 4,276 |
| Long-term debt | | 484,098 | 499,891 |
| Total liabilities | | 644,065 | 696,654 |
| Net assets: | | | |
| Without donor restrictions | | 1,003,231 | 895,935 |
| With donor restrictions | | 151,663 | 213,090 |
| Total net assets | | 1,154,894 | 1,109,025 |
| Total liabilities and net assets | $ | 1,798,959 | 1,805,679 |

See accompanying notes to financial statements

**SAFE PASSAGE, INC.**

**Statements of Activities**

**For the Years Ended June 30, 2019 and 2018**

| | | 2019 | 2018 |
|---|---|---|---|
| Changes in net assets without donor restrictions: | | | |
| Support: | | | |
| Government grants | $ | 2,199,331 | 1,933,376 |
| Private foundation contributions | | 28,500 | 25,200 |
| United Way | | 3,520 | 5,858 |
| Contributions – other | | 162,392 | 146,240 |
| Donations of supplies and food | | 33,677 | 36,138 |
| Special events, including year-end appeal | | 53,338 | 67,269 |
| Total support | | 2,480,758 | 2,214,081 |
| Revenues: | | | |
| Abuser service fees | | 55,326 | 42,041 |
| Miscellaneous income | | 1,935 | 1,658 |
| Interest income | | 4,814 | 4,084 |
| Total revenues | | 62,075 | 47,783 |
| Net assets released from restrictions | | 252,427 | 38,499 |
| Total support and revenues without donor restrictions and net assets released from net assets with restrictions | | 2,795,260 | 2,300,363 |
| Expenses: | | | |
| Program services | | 2,298,542 | 1,927,786 |
| Fundraising | | 7,742 | 2,695 |
| Supporting services | | 381,680 | 339,922 |
| Total expenses | | 2,687,964 | 2,270,403 |
| Change in net assets without donor restrictions | | 107,296 | 29,960 |
| Changes in net assets with donor restrictions: | | | |
| Contributions restricted in succeeding periods | | 13,000 | 11,667 |
| Contributions restricted to purpose | | 178,000 | 55,000 |
| Net assets released from restrictions | | (252,427) | (38,499) |
| Changes in net assets with donor restrictions | | (61,427) | 28,168 |
| Change in net assets | | 45,869 | 58,128 |
| Net assets at beginning of year | | 1,109,025 | 1,050,897 |
| Net assets at end of year | $ | 1,154,894 | 1,109,025 |

See accompanying notes to financial statements

**SAFE PASSAGE, INC.**

**Statements of Cash Flows**

**For the Years Ended June 30, 2019 and 2018**

| | | 2019 | 2018 |
|---|---|---|---|
| **Cash flows from operating activities:** | | | |
| Change in net assets | $ | 45,869 | 58,128 |
| Adjustment to reconcile change in net assets to net cash from operating activities: | | | |
| Depreciation | | 75,796 | 66,255 |
| Increase (decrease) in cash flows due to changes in: | | | |
| Grants receivable | | 24,732 | 104,533 |
| Prepaid expenses | | (5,501) | (10,233) |
| Accounts payable | | (31,879) | 12,136 |
| Payroll related liabilities | | 24 | (1,342) |
| Wages payable | | 11,378 | 16,073 |
| Deferred revenue | | (29,056) | 29,056 |
| Accrued vacation and sick pay | | 8,961 | 20,418 |
| Other liabilities | | 3,776 | 1,531 |
| Net cash provided by operating activities | | 104,100 | 296,555 |
| **Cash flows from investing activities –** | | | |
| Purchase of property and equipment | | (275,071) | (80,941) |
| **Cash flows from financing activities –** | | | |
| Principal payments long-term debt | | (15,793) | (17,903) |
| Net increase (decrease) in cash | | (186,764) | 197,711 |
| Cash, beginning of year | | 247,541 | 49,830 |
| Cash, end of year | $ | 60,777 | 247,541 |
| **Supplemental cash flow information –** | | | |
| Disposal of fully depreciated equipment | $ | 7,205 | – |

See accompanying notes to financial statements

**SAFE PASSAGE, INC.**

**Statement of Functional Expenses**

**For the Year Ended June 30, 2019**

| | Abuser Services | Domestic Violence | Sexual Assault | Total Program Services | Fund-raising | Supporting Services | 2019 Totals |
|---|---|---|---|---|---|---|---|
| Salaries and wages | $ 63,328 | 994,082 | 353,268 | 1,410,678 | – | 235,903 | 1,646,581 |
| Fringe benefits and payroll taxes | 4,493 | 76,944 | 25,937 | 107,374 | – | 20,818 | 128,192 |
| Employee benefits | 5,396 | 179,460 | 51,144 | 236,000 | – | 39,011 | 275,011 |
| Workers compensation insurance | 687 | 23,077 | 8,462 | 32,226 | – | 6,345 | 38,571 |
| Travel/staff conferences | 1,560 | 25,812 | 15,667 | 43,039 | – | 7,147 | 50,186 |
| Rent | – | 45,246 | 14,443 | 59,689 | – | – | 59,689 |
| Utilities | 1,176 | 37,286 | 7,723 | 46,185 | – | 1,685 | 47,870 |
| Building maintenance | 644 | 28,950 | 9,731 | 39,325 | – | 20,817 | 60,142 |
| Occupancy insurance | 150 | 7,620 | 1,360 | 9,130 | – | 400 | 9,530 |
| Officers liability insurance | 261 | 1,824 | 521 | 2,606 | – | – | 2,606 |
| Postage and shipping | 6 | 2,472 | 1,910 | 4,388 | 900 | 1,104 | 6,392 |
| Printing | – | – | 550 | 550 | 783 | 413 | 1,746 |
| Communications and advertising | 85 | 1,098 | 9,206 | 10,389 | 34 | 775 | 11,198 |
| Books and subscriptions | – | 591 | 557 | 1,148 | – | 1,535 | 2,683 |
| Contractual fees | 1,947 | 13,460 | 5,392 | 20,799 | 2,356 | 2,109 | 25,264 |
| Supplies – program/office | 1,202 | 29,831 | 46,675 | 77,708 | 3,669 | 9,716 | 91,093 |
| Dues and fees | 471 | 4,278 | 1,752 | 6,501 | – | – | 6,501 |
| Client costs | – | 26,234 | – | 26,234 | – | – | 26,234 |
| Technology supplies/services | 1,667 | 24,586 | 25,829 | 52,082 | – | 2,099 | 54,181 |
| Interest expense | – | 5,076 | 6,922 | 11,998 | – | 10,497 | 22,495 |
| Donated supplies/services | – | 26,479 | 7,198 | 33,677 | – | – | 33,677 |
| Miscellaneous | – | – | – | – | – | 10,037 | 10,037 |
| Noncapitalized furniture and equipment | – | 2,167 | – | 2,167 | – | 122 | 2,289 |
| Depreciation | 380 | 49,829 | 14,440 | 64,649 | – | 11,147 | 75,796 |
| | $ 83,453 | 1,606,402 | 608,687 | 2,298,542 | 7,742 | 381,680 | 2,687,964 |

See accompanying notes to financial statements

**SAFE PASSAGE, INC.**

**Statement of Functional Expenses**

**For the Year Ended June 30, 2018**

| | Abuser Services | Domestic Violence | Sexual Assault | Total Program Services | Fund-raising | Supporting Services | 2018 Totals |
|---|---|---|---|---|---|---|---|
| Salaries and wages | $ 67,325 | 827,976 | 276,623 | 1,171,924 | – | 225,975 | 1,397,899 |
| Fringe benefits and payroll taxes | 5,236 | 67,744 | 19,195 | 92,175 | – | 17,922 | 110,097 |
| Employee benefits | 10,604 | 123,180 | 37,492 | 171,276 | – | 30,541 | 201,817 |
| Workers compensation insurance | 1,281 | 14,723 | 4,386 | 20,390 | – | 3,553 | 23,943 |
| Travel/staff conferences | 892 | 26,366 | 14,307 | 41,565 | – | 5,727 | 47,292 |
| Rent | – | 39,463 | 7,302 | 46,765 | – | – | 46,765 |
| Utilities | 1,271 | 36,015 | 6,204 | 43,490 | – | 1,949 | 45,439 |
| Building maintenance | 472 | 31,092 | 7,970 | 39,534 | – | 2,860 | 42,394 |
| Occupancy insurance | 127 | 6,487 | 1,176 | 7,790 | – | 339 | 8,129 |
| Officers liability insurance | 216 | 1,510 | 431 | 2,157 | – | – | 2,157 |
| Postage and shipping | 20 | 1,029 | 331 | 1,380 | – | 1,114 | 2,494 |
| Printing | 821 | 2,449 | 1,540 | 4,810 | 372 | 2,657 | 7,839 |
| Communications and advertising | 95 | 4,224 | 9,526 | 13,845 | – | 3,624 | 17,469 |
| Books and subscriptions | – | 676 | 314 | 990 | – | 1,529 | 2,519 |
| Contractual fees | 1,749 | 12,822 | 4,611 | 19,182 | 746 | 5,850 | 25,778 |
| Supplies – program/office | 1,366 | 39,415 | 45,702 | 86,483 | 1,577 | 11,325 | 99,385 |
| Dues and fees | 287 | 4,653 | 1,673 | 6,613 | – | 903 | 7,516 |
| Client costs | 2,096 | 46,255 | 8,400 | 56,751 | – | – | 56,751 |
| Technology supplies/services | 1,473 | 11,893 | 4,944 | 18,310 | – | 1,005 | 19,315 |
| Interest expense | 54 | 11,414 | 8,958 | 20,426 | – | 6,662 | 27,088 |
| Miscellaneous | – | – | – | – | – | 4,346 | 4,346 |
| Noncapitalized furniture and equipment | – | 6,862 | 401 | 7,263 | – | 453 | 7,716 |
| Depreciation | 452 | 41,664 | 12,551 | 54,667 | – | 11,588 | 66,255 |
| | $ 95,837 | 1,357,912 | 474,037 | 1,927,786 | 2,695 | 339,922 | 2,270,403 |

See accompanying notes to financial statements

## (1) Nature of the Organization and Significant Accounting Policies

### *(a) Nature of Business*

Safe Passage, Inc. is an Illinois non-profit organization. Safe Passage, Inc. was established to provide shelter and resources for victims of domestic violence and sexual assault. Its staff provides group and individual counseling and advocacy services to both children and adults, as well as counseling services to offenders. Safe Passage, Inc. maintains emergency shelter and long-term housing facilities and provides public education and awareness of the problems of domestic and sexual violence. Clients served are primarily from the DeKalb County area.

### *(b) Cash*

Safe Passage, Inc. at times had funds on deposit at one financial institution that exceeded the Federal insurance limit during 2018. At June 30, 2019 the bank balance of deposits was not in excess of federal deposit insurance limits.

### *(c) Grants Receivable*

Grant revenues are recognized when the conditions on which they depend are substantially met (for example, by incurring allowable costs or providing units of service). If there are no conditions, the grant revenue is recognized when the grantor informs Safe Passage, Inc. of its promise of the unconditional grant. Safe Passage, Inc. considers its grants receivable to be fully collectible; accordingly, no allowance for doubtful accounts is recorded.

### *(d) Promises to Give*

Contributions are recognized when the donor makes a promise to give to the organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

***(e) Property and Equipment***

Beginning in fiscal year 2019, expenditures for the acquisition of property and equipment in excess of $2,500 are capitalized at cost. In prior fiscal years, expenditures in excess of $500 for acquisition of property and equipment were capitalized at cost. The fair value of donated property and equipment is similarly capitalized. Depreciation on equipment and buildings is computed using the straight-line method over the estimated useful lives of the assets, as follows:

| | Years |
|---|---|
| Building & improvements | 10 - 40 |
| Equipment | 5 |
| Software and computer equipment | 5 |

***(f) Net Asset Classification***

Safe Passage, Inc. reports information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Contributions received are recorded as with or without donor restrictions depending on the existence or nature of any donor restrictions.

Net assets restricted with donor restrictions as of June 30, 2019 represent time restrictions for receivables that have not been collected and contributions that are restricted for program services.

***(g) Support and Expenses***

Safe Passage, Inc. reports gifts of goods and equipment at their estimated fair value as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations Safe Passage, Inc. estimates about how long those long-lived assets must be maintained. Safe Passage, Inc. reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

### *(h) Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### *(i) Income Taxes*

Safe Passage, Inc. is a not-for-profit organization which is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code as other than a private foundation and is therefore not subject to federal or state income or franchise taxes. Therefore, there is no provision for income taxes in the financial statements.

Management of Safe Passage, Inc. has evaluated uncertain tax positions and has determined there are no uncertain tax positions as of June 30, 2019 and 2018. The Organization files its information returns (Form 990 series) in the U.S. federal jurisdiction and the office of the attorney general for the State of Illinois. Tax regulations within each jurisdiction are subject to the interpretation of the related tax laws and regulations require significant judgment to apply.

### *(j) Functional Expense Allocation*

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs, fund-raising, and supporting services benefited. The allocations are based on direct labor hours, square footage, or other measures deemed appropriate for each cost category.

### *(k) Donated Services, Materials and Facilities*

Contributions of food, clothing and supplies and other goods for Safe Passage, Inc.'s program and fund-raising activities are reflected in the accompanying financial statements at their estimated fair value at the date of receipt.

Safe Passage, Inc. uses the services of volunteers to assist its staff. Donated services are recognized as revenue if the services create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and typically need to be purchased if not provided by donation. Contributed services that do not meet the above criteria are not recognized as revenues and expenses. No services were recognized as revenue in 2019 or 2018.

*(l) Advertising*

Advertising costs are expensed as incurred. Safe Passage, Inc. expensed outreach costs of $11,198 and $17,469 for the years ended June 30, 2019 and 2018 respectively.

**(2) Property and Equipment**

Property and equipment consists of following at June 30:

| | | 2019 | 2018 |
|---|---|---|---|
| Land | $ | 280,502 | 280,502 |
| Building and improvements | | 1,496,868 | 1,244,248 |
| Equipment | | 142,490 | 127,244 |
| Software and computer equipment | | 91,641 | 91,641 |
| | | 2,011,501 | 1,743,635 |
| Less accumulated depreciation | | (696,804) | (628,213) |
| | $ | 1,314,697 | 1,115,422 |

**(3) Line of Credit**

Safe Passage, Inc. has a line of credit with a financial institution with a limit of $200,000 and a maturity date of May 1, 2020 with interest payable monthly at 4.65%. The line of credit is secured by all real estate held by Safe Passage, Inc. The balance at June 30, 2019 and 2018 was $0.

**(4) Leases**

The Organization has four non-cancelable operating leases, for its long term housing program and two cancelable operating leases for two office buildings, that expire during the years ended June 30, 2021 and 2020.

Lease payments due under these leases are $33,097 in the coming fiscal year and $2,315 in fiscal year 2021. Rental expenses for those leases consisted of $59,689 and $46,765 for the years ended June 30, 2019 and 2018, respectively.

## (5) Long-Term Debt

Safe Passage, Inc. consolidated their long-term debt into one note during the year ended June 30 2018. Long-term debt consisted of the following at June 30:

| | | 2019 | 2018 |
|---|---|---|---|
| Bank note payable in monthly installments of $3,189 including interest rate of 4.50%, subject to scheduled rate change on May 21, 2023, not to exceed 3% above the weekly average yield on United States Treasury Securities adjusted to a constant maturity of five years, maturing in May 2038, secured by all real estate. | $ | 484,098 | 499,891 |
| Less current maturities | | (16,837) | (16,097) |
| Amount due after one year | $ | 467,261 | 483,794 |

The buildings and related land have a net carrying value at June 30, 2019 and 2018 of $1,080,976 and $1,033,759, respectively.

The following is a maturity schedule of notes payable:

| | | |
|---|---|---|
| 2020 | $ | 16,837 |
| 2021 | | 17,610 |
| 2022 | | 18,419 |
| 2023 | | 19,265 |
| 2024 | | 20,151 |
| Thereafter | | 391,816 |
| Total | $ | 484,098 |

Interest paid for June 30, 2019 and 2018 was $22,495 and $27,088, respectively.

## (6) Retirement Plan

Safe Passage, Inc. has implemented a 403(b) retirement plan which includes a discretionary employer match of employee elective deferral up to 3 percent of compensation for covered eligible employees. Contributions to the plan by Safe Passage, Inc. amounted to $23,388 and $14,275 for the years ended 2019 and 2018, respectively.

## (7) Concentration

Government grants accounted for approximately 81% and 86% of total unrestricted revenues for the years ended June 30, 2019 and 2018, respectively. Should these grants decline in the future, Safe Passage, Inc.'s program services may be negatively impacted.

## (8) Net Assets Without Donor Restrictions and With Donor Restrictions

Components of net assets without donor restrictions as of June 30, 2019 and 2018 respectively, are as follows:

| | | 2019 | 2018 |
|---|---|---|---|
| Undesignated | $ | 1,003,231 | 895,935 |

Components of net assets with donor restrictions as of June 30, 2019 and 2018 respectively, are as follows:

| | | 2019 | 2018 |
|---|---|---|---|
| Restricted for time – | | | |
| United Way pledges | $ | 10,833 | 11,667 |
| Restricted for program: | | | |
| Horizons – training | | – | 10,000 |
| Capital campaign | | 18,418 | – |
| DeKalb County Mental Health Board – sexual assault program | | 119,781 | 132,467 |
| Long-term apartments | | 2,631 | 45,000 |
| Trauma-informed service delivery | | – | 13,956 |
| | | 140,830 | 201,423 |
| | $ | 151,663 | 213,090 |

## (9) Liquidity and Availability of Financial Assets

The following table reflects Safe Passage, Inc.'s financial assets as of June 30, 2019 and 2018, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of contractual restrictions or donor restrictions.

| | 2019 | 2018 |
|---|---|---|
| Cash and cash equivalents | $ 60,777 | 247,541 |
| Grants and other receivables | 397,708 | 422,440 |
| Total financial assets | 458,485 | 669,981 |
| Less donor restrictions for time and program requirements | (151,663) | (213,090) |
| Financial assets available to meet cash needs for general expenditures within one year | $ 306,822 | 456,891 |

## (10) Subsequent Events

Safe Passage, Inc. has evaluated subsequent events through December 16, 2019, which was the date that these financial statements were available for issuance, and determined that there were no significant non-recognized subsequent events through that date.

## (11) Adoption of New Accounting Pronouncement

Safe Passage, Inc. adopted the Financial Accounting Standards Board's Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, as of and for the year ended June 30, 2019. This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. The changes required by the update have been applied retrospectively to all periods presented. A key change required by the update are the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets, if applicable, are now reported as net assets with donor restrictions.

**SAFE PASSAGE, INC.**

**Schedule of Expenditures of Federal Awards**

**For the Year Ended June 30, 2019**

| Federal Grantor/Pass-through Grantor/Program or Cluster Title: | Federal CFDA Number | Pass Through Entity Identifying Number | | Federal Expenditures |
|---|---|---|---|---|
| ***U.S. Department of Justice:*** | | | | |
| Passed through from Illinois Coalition Against Domestic Violence – | | | | |
| Crime Victim Assistance | 16.575 | 215201 | $ | 565,405 |
| Passed through from Illinois Coalition Against Sexual Assault – | | | | |
| Crime Victim Assistance | 16.575 | None | | 19,146 |
| Crime Victim Assistance | 16.575 | None | | 405,800 |
| Passed through from Illinois Criminal Justice Authority – | | | | |
| Crime Victim Assistance | 16.575 | 217170 | | 178,328 |
| | | **Total 16.575** | ** | 1,168,679 |
| Passed through from Illinois Coalition Against Sexual Assault – | | | | |
| VOCA Training | 16.582 | None | | 487 |
| Sexual Assault Services Formula Program | 16.017 | None | | 17,568 |
| Total U.S. Department of Justice | | | | 1,186,734 |
| ***U.S. Department of Human Services:*** | | | | |
| Passed through the Illinois Department of Human Services – | | | | |
| Social Services Block Grant | 93.667 | FCSXT01635 | | 220,125 |
| Social Services Block Grant | 93.667 | FCSXT01914 | | 29,900 |
| Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services | 93.671 | FCSXT01635 | | 83,110 |
| Passed through from Illinois Coalition Against Sexual Assault – | | | | |
| Violence Against Women Formula Grants | 93.136 | None | | 10,405 |
| Total U.S. Department of Human Services | | | | 343,540 |
| ***U.S. Department of Housing and Urban Development –*** | | | | |
| Passed through from City of DeKalb – | | | | |
| Community Development Block Grants/Entitlement Grants | 14.218 | None | | 15,000 |
| Total Expenditures of Federal Awards | | | $ | 1,545,274 |

** Major program

See accompanying notes to schedule of expenditures of Federal Awards

**SAFE PASSAGE, INC.**

Notes to Financial Statements

Years Ended June 30, 2019 and 2018

***Note A – Basis of Presentation***

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Safe Passage, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

***Note B – Summary of Significant Accounting Policies***

Expenditures on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of operations to amounts reported as expenditures in prior years. Safe Passage did not elect to include the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

***Note C – Other Matters***

Safe Passage, Inc. received no federal non-cash assistance during the year ended June 30, 2019. Additionally, the organization had no insurance, loans or loan guarantees related to federal funds. Safe Passage, Inc. had no sub-recipients during the year ended June 30, 2019.

**SAFE PASSAGE, INC.**
**Changes in Net Assets by Function**
**For the Year Ended June 30, 2019**

| | | #PCSXT01635 | #216001 | #217170 | | | #PCSXT01914 | | |
|---|---|---|---|---|---|---|---|---|---|
| Grant | | | | | | | | | |
| Match | $ | 29,603 | 141,351 | 44,588 | | | | | |
| | | IDHS DV | ICADV VOCA | ICHA Transitional Housing | Other Domestic Violence | Total Domestic Violence | IDHS Abuser Services | Other Abuser Services | Total Abuser Services |
| Grants from government agencies: | | | | | | | | | |
| ICADV | $ | – | 565,405 | – | – | 565,405 | – | – | – |
| IDHS | | 510,477 | – | – | – | 510,477 | 29,900 | – | 29,900 |
| ICHA | | – | – | 178,328 | – | 178,328 | – | – | – |
| State of Illinois Attorney General | | – | 31,598 | – | – | 31,598 | – | – | – |
| Housing Authority of DeKalb County | | – | – | – | 47,371 | 47,371 | | | |
| City of DeKalb CDBG (HUD) | | – | – | – | 15,000 | 15,000 | – | – | – |
| DeKalb Co. Mental Health 708 | | 29,603 | 70,197 | – | 12,500 | 112,300 | – | – | – |
| City of DeKalb, DeKalb Township | | – | – | – | 18,025 | 18,025 | – | – | – |
| Total grants | | 540,080 | 667,200 | 178,328 | 92,896 | 1,478,504 | 29,900 | – | 29,900 |
| Other support: | | | | | | | | | |
| United Way allocations | | – | – | – | 16,520 | 16,520 | – | – | – |
| Private donations | | – | 39,356 | 44,588 | 217,427 | 301,371 | – | 14,339 | 14,339 |
| Fundraising direct and indirect | | – | – | – | 88,810 | 88,810 | – | – | – |
| Other support | | – | 39,356 | 44,588 | 322,757 | 406,901 | – | 14,339 | 14,339 |
| Revenues: | | | | | | | | | |
| Abuser service fees | | – | – | – | – | – | – | 55,326 | 55,326 |
| Miscellaneous income | | – | – | – | 1,935 | 1,935 | – | – | – |
| Interest income | | – | – | – | 4,814 | 4,814 | – | – | – |
| Total revenues | | – | – | – | 6,749 | 6,749 | – | 55,326 | 55,326 |
| Total public support and revenues | | 540,080 | 706,756 | 222,916 | 422,402 | 1,892,154 | 29,900 | 69,665 | 99,565 |
| Expenses: | | | | | | | | | |
| Salaries and wages | | 310,515 | 512,456 | 125,188 | 214,115 | 1,162,274 | 25,772 | 47,316 | 73,088 |
| Fringe benefits and payroll taxes | | 24,900 | 37,194 | 14,339 | 15,455 | 91,788 | 2,126 | 3,229 | 5,355 |
| Employee benefits | | 53,671 | 74,447 | 29,159 | 49,998 | 207,275 | 1,596 | 5,414 | 7,010 |
| Worker's compensation insurance | | 7,671 | 11,159 | 2,448 | 6,322 | 27,600 | 406 | 544 | 950 |
| Travel/staff conferences | | 5,592 | 10,009 | 857 | 14,449 | 30,907 | – | 1,855 | 1,855 |
| Rent | | – | 12,736 | 27,969 | 4,542 | 45,247 | – | – | – |
| Utilities | | 18,566 | 5,940 | 7,662 | 6,319 | 38,487 | – | 1,246 | 1,246 |
| Building maintenance | | 44,251 | 11,037 | 13,376 | (24,872) | 43,792 | – | 1,505 | 1,505 |
| Occupancy insurance | | 7,620 | – | – | 285 | 7,905 | – | 166 | 166 |
| Officers liability insurance | | 1,824 | – | – | – | 1,824 | – | 261 | 261 |
| Postage and shipping | | – | 1,207 | – | 2,694 | 3,901 | – | 88 | 88 |
| Printing | | – | – | – | 853 | 853 | – | 50 | 50 |
| Communications and advertising | | – | 934 | – | 741 | 1,675 | – | 118 | 118 |
| Books and subscriptions | | – | 546 | – | 1,139 | 1,685 | – | 63 | 63 |
| Contractual fees | | 11,980 | 430 | – | 4,233 | 16,643 | – | 2,132 | 2,132 |
| Supplies – program/office | | 12,767 | 14,009 | 182 | 12,416 | 39,374 | – | 1,756 | 1,756 |
| Dues and fees | | 3,306 | 272 | – | 700 | 4,278 | – | 471 | 471 |
| Client costs | | 14,280 | 2,337 | – | 9,617 | 26,234 | – | – | – |
| Technology supplies/services | | 8,522 | 12,043 | 1,127 | 4,390 | 26,082 | – | 1,754 | 1,754 |
| Interest expense | | 6,465 | – | – | 6,094 | 12,559 | – | 434 | 434 |
| Donated supplies/services | | – | – | – | 26,479 | 26,479 | – | – | – |
| Miscellaneous | | – | – | – | 7,154 | 7,154 | – | 417 | 417 |
| Furniture expense | | 8,250 | – | 609 | (6,605) | 2,254 | – | 5 | 5 |
| Depreciation | | – | – | – | 57,776 | 57,776 | – | 841 | 841 |
| Total expenses | | 540,080 | 706,756 | 222,916 | 414,294 | 1,884,046 | 29,900 | 69,665 | 99,565 |
| Increase in net assets | $ | – | – | – | 8,108 | 8,108 | – | – | – |

**SAFE PASSAGE, INC.**
**Changes in Net Assets by Function**
**For the Year Ended June 30, 2019**

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Grant | | #PCSXT00867 | #61880 | #618800 | #83285003F | #61880 | #61880 | #PCSXT00867 | #83285003F | | | |
| Match | $ | 16,920 | $1,160 | 1,757 | 1,021 | 3,829 | | | | | | |
| | | ICASA General Service | ICASA Advocacy Counseling | ICASA SASP | ICASA VAWA Prevent. | ICASA VOCA One Time | ICASA Travel VOCA | ICASA Travel Gen Rev | ICASA Travel VAWA Prev. | Other Sexual Assault | Total Sexual Assault | Grand Total |
| Grants from government agencies: | | | | | | | | | | | | |
| ICADV | $ | - | - | - | - | - | - | - | - | - | - | 365,605 |
| ICASA | | 169,204 | 405,800 | 17,568 | 10,205 | 19,146 | 487 | 2,317 | 200 | - | 624,927 | 624,927 |
| IDHS | | - | - | - | - | - | - | - | - | - | - | 540,377 |
| ICHA | | - | - | - | - | - | - | - | - | - | - | 178,328 |
| State of Illinois Attorney General | | - | 22,400 | - | - | - | - | - | - | - | 22,400 | 53,998 |
| Housing Authority of DeKalb County | | - | - | - | - | - | - | - | - | - | - | 47,371 |
| City of DeKalb CDBG (HUD) | | - | - | - | - | - | - | - | - | - | - | 15,600 |
| DeKalb Co. Mental Health 708 | | - | 31,100 | - | - | - | - | - | - | 12,500 | 43,600 | 155,900 |
| DeKalb, DeKalb Township | | - | - | - | - | - | - | - | - | - | - | 18,025 |
| Total grants | | 169,204 | 459,300 | 17,568 | 10,205 | 19,146 | 487 | 2,317 | 200 | 12,500 | 690,927 | 2,199,331 |
| Other support: | | | | | | | | | | | | |
| United Way allocations | | - | - | - | - | - | - | - | - | - | - | 16,520 |
| Private donations | | - | 27,660 | 1,757 | 1,021 | 3,829 | - | - | - | - | 34,267 | 350,177 |
| Fundraising direct and indirect | | 16,920 | - | - | - | - | - | - | - | - | 16,920 | 105,730 |
| Total other support | | 16,920 | 27,660 | 1,757 | 1,021 | 3,829 | - | - | - | - | 51,187 | 472,427 |
| Revenues: | | | | | | | | | | | | |
| Abuser service fees | | - | - | - | - | - | - | - | - | - | - | 55,326 |
| Miscellaneous income | | - | - | - | - | - | - | - | - | - | - | 1,935 |
| Interest income | | - | - | - | - | - | - | - | - | - | - | 4,814 |
| Total revenues | | - | - | - | - | - | - | - | - | - | - | 62,075 |
| Total public support and revenues | | 186,124 | 486,960 | 19,325 | 11,226 | 22,975 | 487 | 2,317 | 200 | 12,500 | 742,114 | 2,733,833 |
| Expenses: | | | | | | | | | | | | |
| Salaries and wages | | 114,205 | 286,035 | 12,005 | 7,485 | - | - | - | - | (8,511) | 411,219 | 1,646,581 |
| Fringe benefits and payroll taxes | | 8,876 | 22,360 | 828 | 521 | - | - | - | - | (1,534) | 31,051 | 128,194 |
| Employee benefits | | 20,088 | 46,524 | 1,869 | 127 | - | - | - | - | (7,881) | 60,727 | 275,012 |
| Worker's compensation insurance | | 2,705 | 7,304 | 320 | 188 | - | - | - | - | (497) | 10,020 | 38,570 |
| Travel/staff conferences | | 3,477 | 7,068 | - | - | - | 487 | 2,317 | 200 | 3,874 | 17,423 | 50,185 |
| Rent | | - | 14,443 | - | | - | - | - | - | - | 14,443 | 59,690 |
| Utilities | | 1,444 | 6,509 | - | - | - | - | - | - | 185 | 8,138 | 47,871 |
| Building maintenance | | 4,980 | 4,224 | - | - | - | - | - | - | 5,641 | 14,845 | 60,142 |
| Occupancy insurance | | 1,398 | - | - | - | - | - | - | - | 98 | 1,458 | 9,329 |
| Officers liability insurance | | - | 521 | - | - | - | - | - | - | - | 521 | 2,606 |
| Postage and shipping | | 191 | 1 | 1,131 | 640 | - | - | - | - | 440 | 2,403 | 6,592 |
| Printing | | - | - | - | 550 | - | - | - | - | 294 | 844 | 1,747 |
| Communications and advertising | | 177 | 8,704 | - | - | - | - | - | - | 524 | 9,405 | 11,198 |
| Books and subscriptions | | - | 463 | - | - | - | - | - | - | 471 | 934 | 2,682 |
| Contractual fees | | 4,829 | 714 | 649 | - | - | - | - | - | 1,897 | 6,089 | 25,264 |
| Supplies - programs/office | | 3,831 | 41,100 | 766 | 694 | 2,988 | - | - | - | 584 | 49,963 | 91,893 |
| Dues and fees | | - | 1,752 | - | - | - | - | - | - | - | 1,752 | 6,301 |
| Client costs | | - | - | - | - | - | - | - | - | - | - | 26,234 |
| Technology supplies/services | | 3,841 | 3,958 | - | - | 17,521 | - | - | - | 1,025 | 26,345 | 54,181 |
| Interest expense | | - | 7,620 | - | - | - | - | - | - | 1,881 | 9,501 | 22,494 |
| Donated supplies/services | | - | 3,839 | 1,757 | 1,021 | - | - | - | - | 590 | 7,198 | 33,677 |
| Miscellaneous | | - | - | - | - | 2,466 | - | - | - | - | 2,466 | 10,837 |
| Furniture expense | | - | - | - | - | - | - | - | - | 30 | 30 | 2,289 |
| Depreciation | | 16,920 | 23,830 | - | - | - | - | - | - | (23,572) | 17,178 | 75,795 |
| Total expenses | | 186,124 | 486,960 | 19,325 | 11,226 | 22,975 | 487 | 2,317 | 200 | (25,261) | 704,353 | 2,687,964 |
| Increase in net assets | $ | - | - | - | - | - | - | - | - | 37,761 | 37,761 | 45,869 |

**SAFE PASSAGE, INC.**

**Schedule of Functional Revenue and Expenses – DeKalb County Community Mental Health Board**

**For the Year Ended June 30, 2019**

| | Domestic Violence Program Crisis Intervention | Domestic Violence Program Residential | Domestic Violence Program LT Housing | Sexual Assault Program | Partner Abuse Intervention Program | Sexual Assult Emergency Funding | Total |
|---|---|---|---|---|---|---|---|
| Public support and revenues – | | | | | | | |
| DeKalb Co Community Mental Health 708 | $ 27,400 | 27,400 | 45,000 | 31,100 | 25,000 | – | 155,900 |
| Expenses: | | | | | | | |
| Salaries and wages | 11,580 | 16,864 | 25,083 | 13,288 | 22,200 | 2,648 | 91,663 |
| Fringe benefits / payroll taxes | 899 | 1,208 | 1,708 | 1,043 | 1,738 | 393 | 6,989 |
| Employee benefits | 5,472 | 3,691 | 6,108 | 1,719 | 529 | 1,803 | 19,322 |
| Insurance | 281 | 370 | 528 | 842 | 533 | (49) | 2,505 |
| Travel/staff conferences | 329 | 821 | 351 | 870 | – | 1,373 | 3,744 |
| Utilities | – | – | 1,665 | 969 | – | – | 2,634 |
| Building maintenance | 1,608 | 718 | 6,404 | 987 | – | 1,365 | 11,082 |
| Postage / shipping | – | – | 21 | 1 | – | – | 22 |
| Communication / advertising | 934 | – | – | 234 | – | 325 | 1,493 |
| Contractual fees | 4,625 | – | 207 | 775 | – | – | 5,607 |
| Supplies – program / office | 854 | 1,229 | 2,406 | 717 | – | 4,734 | 9,940 |
| Dues/fees | 818 | 2,499 | – | 2,035 | – | 94 | 5,446 |
| Interest expense | – | – | – | 7,620 | – | – | 7,620 |
| Miscellaneous | – | – | 519 | – | – | – | 519 |
| Total expenses | 27,400 | 27,400 | 45,000 | 31,100 | 25,000 | 12,686 | 168,586 |
| | $ – | – | – | – | – | (12,686) | (12,686) |

**SAFE PASSAGE, INC.**

**Schedule of Functional Revenue and Expenses – DeKalb County Community Mental Health Board**

**For the Year Ended June 30, 2018**

| | Domestic Violence Program Crisis Intervention | Domestic Violence Program Residential | Domestic Violence Program LT Housing | Sexual Assault Program | Partner Abuse Intervention Program | Total |
|---|---|---|---|---|---|---|
| Public support and revenues – | | | | | | |
| DeKalb Co Community Mental Health 708 | $ 27,400 | 27,400 | 45,000 | 31,100 | 25,000 | 155,900 |
| Expenses: | | | | | | |
| Salaries and wages | 5,051 | 25,222 | 18,765 | 5,732 | 14,877 | 69,647 |
| Fringe benefits and payroll taxes | 287 | 1,961 | 1,449 | 360 | 1,186 | 5,243 |
| Employee benefits | 3,405 | 5,141 | 3,684 | 3,332 | 284 | 15,846 |
| Workers compensation insurance | 202 | 415 | 254 | 258 | 473 | 1,602 |
| Travel / staff conferences | 2,830 | 273 | 995 | 591 | – | 4,689 |
| Utilities | 179 | – | 2,425 | 2,214 | – | 4,818 |
| Building maintenance | 1,401 | – | 13,901 | 1,990 | 32 | 17,324 |
| Postage / shipping | 48 | – | – | – | 147 | 195 |
| Communication / advertising | 3,514 | – | – | – | 65 | 3,579 |
| Contractual fees | 1,081 | – | 38 | 3,851 | – | 4,970 |
| Supplies – program / office | 2,990 | (5,612) | 2,149 | 1,957 | 7,936 | 9,420 |
| Dues/fees | 3,351 | – | – | 1,684 | – | 5,035 |
| Small furniture / equipment purchases | 1,470 | – | 1,340 | – | – | 2,810 |
| Interest expense | 1,591 | – | – | 9,131 | – | 10,722 |
| Total expenses | 27,400 | 27,400 | 45,000 | 31,100 | 25,000 | 155,900 |
| | $ – | – | – | – | – | – |

BENNING GROUP, LLC
CERTIFIED PUBLIC ACCOUNTANTS
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**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

The Board of Directors
Safe Passage, Inc.:

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Safe Passage, Inc. (a nonprofit organization) as of and for the year ended June 30, 2019 and the related notes to the financial statements, and have issued our report thereon dated December 16, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Safe Passage's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Safe Passage's internal control. Accordingly, we do not express an opinion on the effectiveness of Safe Passage's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during

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our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Safe Passage's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards.* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lemming Group, LLC

Rockford, Illinois
December 16, 2019

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**Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

To the Board of Directors
Safe Passage, Inc.:

**Report on Compliance for the Major Federal Program**

We have audited Safe Passage, Inc.'s (a nonprofit organization) compliance with the types of compliance requirements described in *OMB Compliance Supplement* that could have a direct and material effect on Safe Passage's major federal program for the year ended June 30, 2019. Safe Passage's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for Safe Passage's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Safe Passage's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Safe Passage's compliance.

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**Opinion on the Major Federal Program**

In our opinion, Safe Passage complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2019.

**Report on Internal Control over Compliance**

Management of Safe Passage is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Safe Passage's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Safe Passage's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of Safe Passage, Inc. as of and for the year ended June 30, 2019, and have issued our report thereon dated December 16, 2019, which contained an unmodified opinion on those financial statements.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Safe Passage, Inc.'s basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Lenning Group, LLC

Rockford, Illinois
December 16, 2019

**SAFE PASSAGE, INC.**

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2019

**Section I – Summary of Auditor's Results**

***Financial Statements***

| | | |
|---|---|---|
| Type of auditor's report issued: | *unmodified* | |
| Internal control over financial reporting: | | |
| Significant deficiency(ies) identified? | _____ yes | __x__ no |
| Considered to be material weaknesses? | _____ yes | __x__ no |
| Noncompliance material to financial statements noted? | _____ yes | __x__ no |

***Federal Awards***

| | | |
|---|---|---|
| Internal Control over major programs: | | |
| Significant deficiency(ies) identified? | _____ yes | __x__ no |
| Considered to be material weaknesses? | _____ yes | __x__ no |
| Type of auditor's report issued on compliance for Major programs: | *unmodified* | |
| Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? | _____ yes | __x__ no |

Identification of major program:

| CFDA Number | Name of Federal Program or Cluster | Amount |
|---|---|---|
| 16.575 | Crime Victim Assistance | $ 1,168,679 |

| | |
|---|---|
| Dollar threshold used to distinguish Between Type A and Type B programs: | $ 750,000 |

| | | |
|---|---|---|
| Auditee qualified as low-risk auditee? | _____ yes | __x__ no |

## SAFE PASSAGE, INC.

Schedule of Findings and Questioned Costs

**Section II – Financial Statement Findings**

None

**Section III – Prior Year Financial Statement Findings**

None

**Section IV – Federal Award Findings and Questioned Costs**

None

**Section V – Prior Year Federal Award Findings and Questioned Costs**

None

**Section VI – Other Issues**

A management letter was issued for the year ended June 30, 2019 identifying no material weaknesses.

Submitted by:

**BENNING GROUP, LLC**

Curtis D. Kleckler, CPA
Member

Rockford, Illinois
December 16, 2019

## Exhibit D: Grantee-Specific Obligations

Grantee agrees and acknowledges that it shall comply with the following obligations, which shall be considered to be an integral component of the Agreement:

Safe Passage (Grantee) will provide comprehensive services to all victims of domestic violence and sexual violence including a 24/7 hotline, emergency shelter, transitional housing, supportive services, group and individual counseling, advocacy, and education.

Safe Passage proposes to serve 800 individuals in DeKalb County. Of this number, 440 are anticipated to be residents of the City of DeKalb. Grantee will track the total number of individuals served and will include a separate accounting of individuals who are residents of the City of DeKalb to document that City of DeKalb Human Services Funding is used only to support those services directly benefiting DeKalb residents. Grantee will report revenue from other sources to document that the agency receives funding to cover services to individuals who are not residents of the City of DeKalb. Reports will be submitted on a Quarterly basis in order to receive payment of grant funds.