RESOLUTION 2015-061 PASSED: JUNE 22, 2015


WHEREAS, the City Council has reviewed and approved the Fiscal Year 2016 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 an agreement with the Voluntary Action Center for funding in the amount of $31,855, a copy of which is attached hereto and made a part thereof as Exhibit “A”.

Section 2. That the City Clerk of the City of DeKalb is authorized and directed to attest the Mayor’s signature.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a regular meeting thereof held on the 22nd day of June, 2015 and approved by me as Mayor on the same day. Passed by Omnibus roll call vote of 8-0 on the Consent Agenda. Aye: Jacobson, Finucane, Marquardt, Snow, Noreiko, Baker, O’Leary, Rey. Nay: None. Absent: None

ATTEST:

[Signatures]

JULIE ABRAHAM, Deputy City Clerk

JOHN A. REY, Mayor
HUMAN SERVICES AGREEMENT
VOLUNTARY ACTION CENTER

This agreement made this 1st day of July, 2015, between the City of DeKalb, a municipal corporation of the State of Illinois, hereinafter referred to as the “City” and Voluntary Action Center, 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, Question No. 6.

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, Question No. 7.

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, Question No. 8.

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, Question No.9.

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, Question No. 10.

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, Question No. 11.

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, Question No. 12.

11. Grantee has outlined the process by which funds are held by Grantee as explained on the attached Exhibit A, Question No. 13, 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 July 1, 2015 to June 30, 2016. 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 Thirty-One Thousand, Eight-Hundred, and Fifty-Five and No/100 Dollars ($31,855.00) 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, Question 11. 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 – September
- 2nd Quarter – January
- 3rd Quarter – March
- 4th Quarter – July

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 15th day of July, 2015, and said City has caused the same to be signed, sealed and attested to by its Mayor and City Clerk as of the date first mentioned in this Agreement.

**VOLUNTARY ACTION CENTER**

[Signature]
Board Chairman

**ATTEST:**

[Signature]
Executive Director

**CITY OF DEKALB, ILLINOIS**

[Signature]
John A. Rey, Mayor

**ATTEST:**

[Signature]
Julie Abraham
City Clerk - Deputy
Exhibit A: Funding Application
FY 2016 HUMAN SERVICES FUNDING APPLICATION

APPLICATION MUST BE RECEIVED NO LATER THAN MAY 1, 2016.
INCOMPLETE APPLICATIONS AND/OR LATE SUBMISSIONS WILL NOT BE CONSIDERED.

Agency Name: Voluntary Action Center
Mailing Address: 1606 Bethany Road, Sycamore, Illinois 60178
Agency Director: Tom Zucker
Contact Person: Tom Zucker
Telephone No.: (815) 758-3932 Email Address: tzvac@aol.com, tzucker@vacdk.com

Name of Person Responsible for Completing Quarterly Report: Tom Zucker
Telephone No.: (815) 758-3932 Email Address: tzvac@aol.com, tzucker@vacdk.com

Program Description:
Public and Community Transportation Services
TransVAC: VAC will provide demand response transportation services for City of DeKalb senior citizens, persons with disabilities, low income individuals and other transit dependent persons to and from a variety of community facilities and resources.
MedVAC: VAC will provide demand response transportation services for City of DeKalb senior citizens, persons with disabilities, low income individuals and other transit dependent persons to and from out of town medical appointments.

Community Nutrition Services
Meals on Wheels: VAC will provide home delivered meals to City of DeKalb senior citizens, persons with disabilities and others who are homebound or otherwise isolated.

Total Program Budget: $5,953,000
Amount of Funding Requested: $31,855
% of Total Program Budget: %
Total Number of Estimated Program Participants: 4,100
Total Number of Estimated DeKalb Residents to be Served: 2,700
% of Total Budget: %

Page 1 of 2
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.
3. Any descriptive materials of the agency that would help augment the application.
4. Documentation of the agency’s 501(c)(3) status.

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: Tom Zucker
Title: Executive Director
Signature: [Signature] Date: 04/29/15

Please submit application in one of the following methods:

- via regular mail postmarked no later than May 1, 2015 to:
  City of DeKalb
  Attention: Ruth Scott
  200 S. Fourth Street
  DeKalb, Illinois 60115

- via facsimile dated no later than May 1, 2015 to: (815) 748-2091, Attention: Ruth Scott

- via email dated no later than May 1, 2015 to: ruth.scott@cityofdekalb.com

OFFICE USE ONLY:
Date Application Received: 4-30-15

☐ Approved – Annual Amount Awarded $31855.00 / $79103.75 per quarter
☐ Denied

City of DeKalb FY2016 Human Services Funding Application Page 2 of 2
Voluntary Action Center (VAC) and the City of DeKalb have been partners in meeting the mobility needs of transit dependent persons and the nutritional needs of low income and frail elderly persons for 40 years. VAC’s public/community transportation service is a lifeline that enables transit dependent residents of the City of DeKalb to get to and from a variety of essential community facilities and resources. VAC’s community nutrition services help meet the basic need for food for persons who are homebound, frail, and isolated.

The City of DeKalb Human Services Funding Program not only makes essential funding available to provide these services, but serves as local match for several state and federal grants that provide the program infrastructure making it possible for VAC to provide these important services.

Transportation is an element of daily life that we ignore or forget until it is not available. Before you can do anything you have to “get there.” A growing number of older adults and persons with disabilities in DeKalb have limited personal mobility options. Many cannot rely on continued use of a personal automobile, don’t have family or friends who can consistently provide rides when needed, and simply cannot walk to and from the essential community facilities and resources needed to sustain a basic level of life. VAC’s community transportation services provide safe, dependable, and accessible transportation options for these residents.

TransVAC provides door to door demand response paratransit services to and from all of DeKalb’s community facilities and resources. Typical destinations include medical facilities, for employment, for shopping, and to obtain government services. Service is available Monday through Friday from 7:00 a.m. – 11:00 p.m. by a staff of paid, professional drivers.

MedVAC provides door to door demand response paratransit services to and from out of town medical facilities. Typical destinations include Rockford, Aurora, Chicago, and veteran’s medical facilities throughout northern Illinois. Service is provided by a staff of trained volunteer drivers.

Adequate nutrition is essential for maintaining good health, managing existing health problems, and maintaining independence for older adults and persons with disabilities. A growing number of older adults and persons with disabilities in DeKalb are at risk for poor nutrition, and of becoming isolated from their families as well as from the community at large. VAC’s community nutrition program provides nutritious meals and opportunities to socialize for these individuals.
Meals on Wheels provides home delivered meals to senior citizens and persons with disabilities who are homebound due to illness, physical or mental impairment, or who are otherwise isolated. Noon time meals are available for delivery on Monday through Friday for DeKalb residents. Meals are delivered with the help of 1,200 volunteers who also make personal contact with each client to ensure their safety and well being.

The Senior Luncheon program is provided in DeKalb at two locations. The program operates on Monday through Friday at the Senior Services Center and at the DeKalb High Rise. Meals are served in a group setting with the purpose of promoting better nutrition, better health, and to reduce isolation. The program offers daily opportunities to socialize and participate in social, recreational, and educational activities.

City of DeKalb Human Services funding is essential in order to continue to provide these services. VAC has had to cope with rapidly increasing costs for providing these services due to increases in the cost for fuel, raw food, and insurance. These local funds continue to be necessary as well for local match for a number of state and federal grants including the federal Title III program (transportation and nutrition), the state Title XX program (transportation), and the Downstate Operating Assistance Program (DOAP) grant (transportation) administered by IDOT.

VAC’s services provide an important role in supporting economic development in the City of DeKalb. Transportation services provide rides to and from work and for essential shopping for individuals with few or no other mobility options. Meals on Wheels provide a daily safety check as well as nutritious meals for family members of DeKalb residents. This provides some assurance that their loved ones are safe and cared for while they are at work or busy with other essential activities.

The City of DeKalb’s support for VAC’s programs helps to reduce what would be an increased burden on city staff and emergency services if these programs were reduced or eliminated. The City’s support of these programs also demonstrates compassion for DeKalb’s less fortunate and able residents as well as a recognition of the value of providing these services that provide mobility and promote health and independence.
Exhibit B: Current Year's Budget
### Revenues

<table>
<thead>
<tr>
<th>Source</th>
<th>Transportation</th>
<th>Nutrition</th>
<th>Cafe Catering</th>
<th>Administration</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Government Grants</td>
<td>3,555,300</td>
<td>438,100</td>
<td>0</td>
<td>114,400</td>
<td>4,117,800</td>
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<tr>
<td>Total Local Governments</td>
<td>33,600</td>
<td>32,800</td>
<td>0</td>
<td>0</td>
<td>66,400</td>
</tr>
<tr>
<td>Total Project Income</td>
<td>81,700</td>
<td>134,000</td>
<td>0</td>
<td>0</td>
<td>215,700</td>
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<tr>
<td>Total Agency Contracts</td>
<td>107,600</td>
<td>773,800</td>
<td>41,800</td>
<td>0</td>
<td>823,200</td>
</tr>
<tr>
<td>Total United Ways</td>
<td>12,600</td>
<td>25,600</td>
<td>0</td>
<td>0</td>
<td>38,200</td>
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<tr>
<td>Total Local Donations</td>
<td>86,000</td>
<td>405,700</td>
<td>0</td>
<td>78,800</td>
<td>570,500</td>
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<tr>
<td>Total Miscellaneous</td>
<td>19,400</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>19,400</td>
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<td>Total Sales Tax</td>
<td>0</td>
<td>2,300</td>
<td>0</td>
<td>0</td>
<td>2,300</td>
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<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>3,906,000</strong></td>
<td><strong>1,812,000</strong></td>
<td><strong>41,800</strong></td>
<td><strong>133,200</strong></td>
<td><strong>5,363,000</strong></td>
</tr>
</tbody>
</table>

### Expenses

<table>
<thead>
<tr>
<th>Category</th>
<th>Transportation</th>
<th>Nutrition</th>
<th>Cafe Catering</th>
<th>Operations &amp; Maintenance</th>
<th>Purchased Services</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Personnel</td>
<td>1,903,000</td>
<td>636,100</td>
<td>17,000</td>
<td>120,200</td>
<td>2,077,500</td>
<td></td>
</tr>
<tr>
<td>Total Fringe Benefits</td>
<td>516,900</td>
<td>172,900</td>
<td>1,400</td>
<td>59,700</td>
<td>750,900</td>
<td></td>
</tr>
<tr>
<td>Total Materials &amp; Supplies</td>
<td>678,100</td>
<td>794,800</td>
<td>19,800</td>
<td>600</td>
<td>1,392,300</td>
<td></td>
</tr>
<tr>
<td>Total Operations &amp; Maintenance</td>
<td>230,500</td>
<td>78,700</td>
<td>0</td>
<td>0</td>
<td>309,200</td>
<td></td>
</tr>
<tr>
<td>Total Purchased Services</td>
<td>678,900</td>
<td>129,800</td>
<td>0</td>
<td>12,700</td>
<td>819,400</td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>3,906,000</strong></td>
<td><strong>1,812,000</strong></td>
<td><strong>37,800</strong></td>
<td><strong>193,200</strong></td>
<td><strong>5,049,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Net Income / (Loss)**

|                  | 0   | 0   | 4,000 | 0   | 4,000 |

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**VOLUNTARY ACTION CENTER**  
**PROPOSED BUDGET - FY16**  
**AS OF 4/24/15**
Exhibit C: Most Recent Completed Fiscal Year’s Audit or Year-End Financial Statement
VOLUNTARY ACTION CENTER
OF DEKALB COUNTY

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR’S REPORT

For the Year Ended
June 30, 2014
VOLUNTARY ACTION CENTER OF DEKALB COUNTY
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<td>Statement of Financial Position</td>
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<td>Statement of Activities</td>
<td>6</td>
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<td>Statement of Cash Flows</td>
<td>7</td>
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<tr>
<td>Notes to Financial Statements</td>
<td>8-14</td>
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<tr>
<td>SUPPLEMENTARY INFORMATION</td>
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<tr>
<td>Schedule of Activities by Program</td>
<td>15</td>
</tr>
</tbody>
</table>
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 statement of financial position as of June 30, 2014, 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.

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 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 the Voluntary Action Center of DeKalb County as of June 30, 2014, 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 on page 15 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.

Report on Summarized Comparative Information

We have previously audited the Center’s 2013 financial statements, and our report dated January 15, 2014, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 7, 2015, on our consideration of 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.

Naperville, Illinois
January 7, 2015

Sikich LLP
FINANCIAL STATEMENTS
# VOLUNTARY ACTION CENTER OF DEKALB COUNTY

**STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2014  
(With Summarized Financial Information for the Year Ended June 30, 2013)

<table>
<thead>
<tr>
<th>REVENUES</th>
<th>Temporarily Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>2014</th>
<th>2013</th>
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<tr>
<td>Government grants</td>
<td>$4,890,609</td>
<td>$ -</td>
<td>$ -</td>
<td>$4,890,609</td>
<td>$5,939,502</td>
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<tr>
<td>Cities and townships</td>
<td>444,949</td>
<td>-</td>
<td>-</td>
<td>444,949</td>
<td>603,712</td>
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<tr>
<td>Project income</td>
<td>488,468</td>
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<td>-</td>
<td>488,468</td>
<td>504,058</td>
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<td>Agency contracts</td>
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<td>-</td>
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<td>948,681</td>
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<td>United Way funds</td>
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<td>-</td>
<td>-</td>
<td>61,769</td>
<td>52,640</td>
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<td>Local funds</td>
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<td>-</td>
<td>-</td>
<td>203,491</td>
<td>291,012</td>
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<td>In-kind contributions</td>
<td>271,474</td>
<td>-</td>
<td>-</td>
<td>271,474</td>
<td>307,872</td>
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<tr>
<td>Interest income</td>
<td>265</td>
<td>-</td>
<td>-</td>
<td>265</td>
<td>307</td>
</tr>
<tr>
<td>Other</td>
<td>5,078</td>
<td>-</td>
<td>-</td>
<td>5,078</td>
<td>7,745</td>
</tr>
<tr>
<td><strong>Net assets released from restrictions</strong></td>
<td>617,500</td>
<td>(617,500)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>7,981,409</td>
<td>(617,500)</td>
<td>-</td>
<td>7,363,909</td>
<td>8,655,529</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PROGRAM EXPENSES</th>
<th>Temporarily Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>3,499,168</td>
<td>-</td>
<td>-</td>
<td>3,499,168</td>
<td>3,105,781</td>
</tr>
<tr>
<td>Personal benefits</td>
<td>790,211</td>
<td>-</td>
<td>-</td>
<td>790,211</td>
<td>785,996</td>
</tr>
<tr>
<td>Material and supplies</td>
<td>2,172,695</td>
<td>-</td>
<td>-</td>
<td>2,172,695</td>
<td>2,127,019</td>
</tr>
<tr>
<td>Operations and maintenance</td>
<td>152,612</td>
<td>-</td>
<td>-</td>
<td>152,612</td>
<td>136,021</td>
</tr>
<tr>
<td>Purchased services</td>
<td>121,514</td>
<td>-</td>
<td>-</td>
<td>121,514</td>
<td>106,248</td>
</tr>
<tr>
<td>Depreciation</td>
<td>42,891</td>
<td>-</td>
<td>-</td>
<td>42,891</td>
<td>40,301</td>
</tr>
<tr>
<td><strong>Total program expenses</strong></td>
<td>6,779,091</td>
<td>-</td>
<td>-</td>
<td>6,779,091</td>
<td>6,301,366</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MANAGEMENT AND GENERAL EXPENSES</th>
<th>Temporarily Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>572,956</td>
<td>-</td>
<td>-</td>
<td>572,956</td>
<td>552,279</td>
</tr>
<tr>
<td>Personal benefits</td>
<td>135,403</td>
<td>-</td>
<td>-</td>
<td>135,403</td>
<td>135,449</td>
</tr>
<tr>
<td>Material and supplies</td>
<td>49,686</td>
<td>-</td>
<td>-</td>
<td>49,686</td>
<td>36,753</td>
</tr>
<tr>
<td>Operations and maintenance</td>
<td>237,934</td>
<td>-</td>
<td>-</td>
<td>237,934</td>
<td>238,759</td>
</tr>
<tr>
<td>Purchased services</td>
<td>516,686</td>
<td>-</td>
<td>-</td>
<td>516,686</td>
<td>574,080</td>
</tr>
<tr>
<td>Interest</td>
<td>3,223</td>
<td>-</td>
<td>-</td>
<td>3,223</td>
<td>10,652</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>39,910</td>
<td>-</td>
<td>-</td>
<td>39,910</td>
<td>19,012</td>
</tr>
<tr>
<td>Special events</td>
<td>16,051</td>
<td>-</td>
<td>-</td>
<td>16,051</td>
<td>16,950</td>
</tr>
<tr>
<td><strong>Total management and general expenses</strong></td>
<td>1,571,849</td>
<td>-</td>
<td>-</td>
<td>1,571,849</td>
<td>1,583,944</td>
</tr>
</tbody>
</table>

**Total expenses**  
8,350,940 - 8,350,940 - 7,885,310

**CHANGE IN NET ASSETS**  
(369,531) - (617,500) - (987,031) - 770,219

**NET ASSETS, BEGINNING OF YEAR**  
1,591,359 - 735,499 - 128,741 - 2,455,599 - 1,685,380

**NET ASSETS, END OF YEAR**  
$1,221,828 $117,999 $128,741 $1,468,568 $2,455,599

See accompanying notes to financial statements.
1. **NATURE OF ACTIVITIES**

Voluntary Action Center of DeKalb County (the Center) is a nonprofit center incorporated on January 11, 1974 in the State of Illinois. The Center is statutorily exempt from federal and state income taxation under the Internal Revenue Code Section 501(c)(3) which designates a center that normally receives a substantial part of its support from various governmental agencies or from the general public. The Center's purpose is to provide quality of life enhancing services that meet mobility, basic nutritional, and volunteer needs in the community.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a brief summary of the accounting policies adopted by the Center.

**Reporting Entity**

The financial statements of the Center include only the operations of the Center, and do not include the activities of any other sub-grantee or government instrumentality.

**Cash and Cash Equivalents**

Cash and cash equivalents are comprised of deposits and certificates of deposit in various federally insured financial institutions. All cash and cash equivalents are recorded at cost, which approximates market. For purposes of the statement of cash flows, the Center considers cash equivalents to be highly liquid investments with original maturity of three months or less.

**Significant Concentrations**

The Center has concentrated its credit risk for cash by maintaining deposits in the bank, which may at times exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance (FDIC). The Center has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.

**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 unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets and are transferred to unrestricted net assets when the restrictions expire.
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 estimated useful lives ranging from 10 to 40 years for real property and 4 to 15 years for furniture and equipment.

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.

The Center follows authoritative guidance issued by the Financial Accounting Standards Board (FASB) that clarifies the accounting for uncertainty in income taxes recognized in an entity’s financial statements and prescribes a recognition threshold of more-likely-than-not to be sustained upon examination. Measurement of the tax uncertainty occurs if the recognition threshold has not been met. This guidance also addresses derecognition, classification, interest and penalties, disclosure, and transition. The Center conducts business solely in the U.S. and, as a result, files information returns for U.S. and Illinois. In the normal course of business, the Center is subject to examination by taxing authorities.

The Center’s information returns for years subsequent to fiscal 2010 are open, by statute, for review by authorities. However, at present, there are no ongoing income tax audits or unresolved disputes with the various tax authorities that the Center currently files or has filed with.

Donated Services and Materials

The Center receives donated services from a variety of unpaid volunteers assisting the Center in the operation of the programs. Services (labor) have been recognized in the accompanying statement of activities at an amount computed by the Center at standard rates of $8.50 to $11.00 per hour for value of $65,974 and $87,267 for the years ended June 30, 2014 and 2013, respectively. Food valued at $104,800 and $121,680 was donated to the Center and has been recognized in the statement of activities for the years ended June 30, 2014 and 2013, respectively. In addition, the Center received in-kind rent support in the amount of $100,700 and $98,925 for the years ended June 30, 2014 and 2013, respectively.
4. NET ASSETS

Below is the reconciliation of the components of temporarily restricted net assets at June 30, 2014 and 2013.

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net book value at June 30, 2014, of assets purchased with restricted grant funds</td>
<td>$107,342</td>
<td>$117,999</td>
</tr>
<tr>
<td>Temporarily restricted grant funds</td>
<td>-</td>
<td>617,500</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$107,342</td>
<td>$735,499</td>
</tr>
</tbody>
</table>

5. RISK MANAGEMENT

The Center has purchased insurance through private companies. Risks covered include general liability, workers' compensation, medical, and other. Premiums have been displayed as expenditures and prepaid expenditures. No material decreases in insurance coverage have occurred nor have any insurance claims in excess of insurance coverage been paid or reported.

6. LAND LEASE

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 land is provided for the construction of a mass transit maintenance garage and office facility. The term of the lease is 30 years and there is an option to renew. Annual rents are $100 per year.

7. LINE OF CREDIT

The Center has a line of credit with a local bank. The available credit is $450,000, with interest rate of 1% over the U.S. Prime Rate which is currently at 3.25%. The line of credit matures on February 6, 2015 and is secured by the business assets of the Center.

At June 30, 2014 and 2013, the Center had balances of $100,000 and $0 on this line of credit, respectively.

Interest charged to operations on the line of credit and note payable for the years ended June 30, 2014 and 2013 was $3,223 and $10,652.

8. OPERATING LEASES

The Center leases certain a property in LaSalle County that is classified as an operating lease. Monthly payments are $4,000 per month expiring on October 21, 2017.
9. ENDOWMENT (Continued)

The following schedule summarizes the changes in endowment net assets for the years ended June 30 2014 and 2013:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Permanently Restricted</td>
<td>Permanently Restricted</td>
</tr>
<tr>
<td>NET ASSETS, BEGINNING OF YEAR</td>
<td>$128,741</td>
<td>$128,741</td>
</tr>
<tr>
<td>Contributions</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>NET ASSETS, END OF YEAR</td>
<td>$128,741</td>
<td>$128,741</td>
</tr>
</tbody>
</table>

10. SUBSEQUENT EVENTS

The Center has evaluated subsequent events through January 7, 2015, 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.
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:

To be determined.