

VOLUNTEER CENTER OF LUBBOCK, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2010

AND

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

VOLUNTEER CENTER OF LUBBOCK, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Volunteer Center of Lubbock, Inc.
Lubbock, Texas

We have audited the accompanying statement of financial position of the Volunteer Center of Lubbock, Inc., as of December 31, 2010, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Center's management. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statements referred to above present fairly, in all material respects, the financial position of the Volunteer Center of Lubbock, Inc., as of December 31, 2010, and the changes in net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Bolinger, Segars, Gilbert & Moss LLP

Certified Public Accountants

March 21, 2011

VOLUNTEER CENTER OF LUBBOCK, INC.

Exhibit A

**STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2010
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2009**

ASSETS

	December 31,	
	<u>2010</u>	<u>2009</u>
Current Assets		
Cash in Bank	\$ 145,729	\$ 133,841
Certificate of Deposit	132,534	130,269
Accounts Receivable - Temporarily Restricted	190,542	187,992
Accounts Receivable - Other		331
Prepaid Insurance	<u>1,993</u>	<u>1,993</u>
Total Current Assets	<u>\$ 470,798</u>	<u>\$ 454,426</u>
Fixed Assets		
Furniture and Equipment	\$ 44,704	\$ 48,290
Less: Accumulated Depreciation	<u>32,586</u>	<u>36,115</u>
Total Fixed Assets	<u>\$ 12,118</u>	<u>\$ 12,175</u>
Total Assets	<u><u>\$ 482,916</u></u>	<u><u>\$ 466,601</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts Payable and Other Accrued Liabilities	\$ <u>21,743</u>	\$ <u>21,699</u>
Total Current Liabilities	<u>\$ 21,743</u>	<u>\$ 21,699</u>
Deferred Revenue	<u>\$ 10,380</u>	<u>\$ 8,195</u>
Net Assets		
Unrestricted		
Undesignated	\$ 142,770	\$ 137,674
Net Investment in Equipment	12,118	12,175
Temporarily Restricted	<u>295,905</u>	<u>286,858</u>
Total Net Assets	<u>\$ 450,793</u>	<u>\$ 436,707</u>
Total Liabilities and Net Assets	<u><u>\$ 482,916</u></u>	<u><u>\$ 466,601</u></u>

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

VOLUNTEER CENTER OF LUBBOCK, INC.

Exhibit B

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>December 31,</u>	
			<u>2010</u>	<u>2009</u>
PUBLIC SUPPORT AND REVENUE				
Public Support				
Received Indirectly				
United Way of Lubbock	\$ 136,998	\$ 22,772	\$ 159,770	\$ 148,528
Received Directly				
Fund Raising	63,490		63,490	57,985
Donations	11,105		11,105	23,560
	<u>\$ 211,593</u>	<u>\$ 22,772</u>	<u>\$ 234,365</u>	<u>\$ 230,073</u>
GRANTS				
CH Foundation	\$ 64,250	\$ 77,770	\$ 142,020	\$ 137,945
Diekemper Family Foundation, Inc.			0	1,000
Helen Jones Foundation		90,000	90,000	90,000
	<u>\$ 64,250</u>	<u>\$ 167,770</u>	<u>\$ 232,020</u>	<u>\$ 228,945</u>
FEES AND OTHER REVENUE				
Activity - Seminars/Workshops	\$ 14,297	\$	\$ 14,297	\$ 17,145
Activity - Criminal Background Checks	2,649		2,649	4,162
Interest Earned	4,704		4,704	3,955
Other	12,932		12,932	11,906
	<u>\$ 34,582</u>	<u>\$ 0</u>	<u>\$ 34,582</u>	<u>\$ 37,168</u>
Net Assets Released from Restrictions				
Prior Year United Way Allocation	\$ 21,222	\$ (21,222)	\$	\$
CH Foundation Grant	71,173	(71,173)		
Helen Jones Foundation	89,100	(89,100)		
	<u>\$ 181,495</u>	<u>\$ (181,495)</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Support and Revenue	<u>\$ 491,920</u>	<u>\$ 9,047</u>	<u>\$ 500,967</u>	<u>\$ 496,186</u>
EXPENSES				
Program Services	\$ 412,365	\$	\$ 412,365	\$ 393,621
Management and General	21,578		21,578	18,121
Fund Raising	52,938		52,938	32,998
Total Expenses	<u>\$ 486,881</u>	<u>\$ 0</u>	<u>\$ 486,881</u>	<u>\$ 444,740</u>
CHANGE IN NET ASSETS	\$ 5,039	\$ 9,047	\$ 14,086	\$ 51,446
NET ASSETS - BEGINNING OF YEAR	<u>149,849</u>	<u>286,858</u>	<u>436,707</u>	<u>385,261</u>
NET ASSETS - END OF YEAR	<u>\$ 154,888</u>	<u>\$ 295,905</u>	<u>\$ 450,793</u>	<u>\$ 436,707</u>

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

VOLUNTEER CENTER OF LUBBOCK, INC.

Exhibit C

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2010
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2009

	December 31,	
	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 14,086	\$ 51,446
Adjustments to Reconcile Change in Net Assets to Net Cash Provided By Operating Activities		
Depreciation	6,603	5,649
Changes in Operating Assets and Liabilities		
Accounts Receivable - Restricted	(2,550)	(58,112)
Accounts Receivable - Other	331	10,195
Accounts Payable and Accrued Expenses	44	(3,771)
Deferred Revenue	<u>2,184</u>	<u>235</u>
Net Cash Provided by Operating Activities	<u>\$ 20,698</u>	<u>\$ 5,642</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Equipment	<u>\$ (6,545)</u>	<u>\$ (3,265)</u>
Net Cash Used in Investing Activities	<u>\$ (6,545)</u>	<u>\$ (3,265)</u>
NET INCREASE IN CASH	\$ 14,153	\$ 2,377
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>264,110</u>	<u>261,733</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 278,263</u></u>	<u><u>\$ 264,110</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid During the Year for:		
Interest	<u>\$ 0</u>	<u>\$ 0</u>
Income Taxes	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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

VOLUNTEER CENTER OF LUBBOCK, INC.

Exhibit D

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2010
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Totals</u>	
				2010	2009
Salaries and Benefits	\$ 234,920	\$ 13,394	\$ 23,950	\$ 272,264	\$ 259,266
Payroll Taxes	<u>18,795</u>	<u>440</u>	<u>1,727</u>	<u>20,962</u>	<u>20,359</u>
Total Salaries and Related Expense	\$ 253,715	\$ 13,834	\$ 25,677	\$ 293,226	\$ 279,625
Supplies	4,776	42	7,773	12,591	11,469
Volunteer Program Awards	57,149		700	57,849	59,163
Seminars/Workshops Expense	7,448			7,448	7,174
Criminal Background Checks				0	927
Telephone	3,966	52	206	4,224	3,444
Postage and Shipping	3,501	42	1,365	4,908	4,766
Occupancy	9,769	229	898	10,896	10,896
Equipment Repairs				0	270
Printing and Publications	10,637	84	1,138	11,859	11,019
Dues	2,368			2,368	2,450
Conferences and Travel	13,767	108	426	14,301	13,578
Insurance	2,812	66	258	3,136	3,267
Contract Services		6,853		6,853	5,636
Golf Tournament			13,966	13,966	14,806
Helen Jones Leadership	24,860			24,860	0
Other	<u>11,126</u>	<u>136</u>	<u>531</u>	<u>11,793</u>	<u>10,601</u>
Total Before Depreciation	\$ 405,894	\$ 21,446	\$ 52,938	\$ 480,278	\$ 439,091
Depreciation of Equipment	<u>6,471</u>	<u>132</u>		<u>6,603</u>	<u>5,649</u>
Total Expenses	\$ <u>412,365</u>	\$ <u>21,578</u>	\$ <u>52,938</u>	\$ <u>486,881</u>	\$ <u>444,740</u>

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

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Nature of Activities

The Volunteer Center of Lubbock, Inc. (the Center) was chartered in March of 1990 for the purpose of identifying and developing resources to meet community needs by linking volunteers with people or groups in need of volunteers and providing management assistance services to other nonprofit organizations. The Center is funded by United Way of Lubbock, Inc., grant income, and fees from workshops.

Income Taxes

The Center is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

Basis of Accounting

The financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Fixed Assets and Depreciation

Expenditures for equipment in excess of \$500 are capitalized. Depreciation is recorded on a straight-line basis at rates of 10% to 20% per year. Office furniture and equipment cost at December 31, 2010, is \$44,704 and accumulated depreciation is \$32,586. Depreciation expense for the year is \$6,603. Donated fixed assets are valued at fair market value at the time they are received.

Financial Statement Presentation

The Center is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets represent revenues and expenses no longer restricted by donors for which the Board of Directors has discretionary control to carry out operations of the Center in accordance with its by-laws.

Temporarily restricted net assets represent resources currently available for use or receivable from donors, but expendable only for those purposes specified by the donors.

Contributions

Contributions received are recorded as temporarily restricted support until any restrictions imposed by donors are met.

Functional Allocation of Expenses

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

Comparative Totals

The financial information for the year ended December 31, 2009, is presented for comparative purposes only and is not intended to be a complete financial statement presentation.

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

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.

Statement of Cash Flows

For purposes of the statement of cash flows, the Center considers cash in bank and certificates of deposit to be cash equivalents.

Contributed Services

Contributed services shall be recognized if the service received (a) creates or enhances nonfinancial assets or (b) requires specialized skills and would typically need to be purchased if not provided by donation. Many volunteers provide services related to the Center's programs and fund raising campaigns throughout the year. These services are not recognized as contributions in the financial statements, because the recognition criteria was not met.

Uncertain Tax Positions

On January 1, 2009, the Center adopted the "uncertain tax positions" provisions of accounting principles generally accepted in the United States of America. The primary tax position of the Center is its' filing status as a tax exempt entity. The Center determined that it is more likely than not that their tax positions will be sustained upon examination by the Internal Revenue Service (IRS), or other State taxing authorities. The Center is no longer subject to examinations by federal taxing authorities for years before 2006.

2. Accounts Receivable – Temporarily Restricted

Accounts receivable – restricted consists of amounts due from the following organizations:

United Way of Lubbock	\$	22,772
CH Foundation		77,770
Helen Jones Foundation		<u>90,000</u>
	\$	<u><u>190,542</u></u>

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

3. Temporarily Restricted Net Assets

Temporarily restricted net assets represent resources currently available for use or receivable from donors, but expendable only for grantor-specified purposes or based on time restrictions. At December 31, 2010, temporarily restricted net assets consisted of the following:

	<u>Balance 1/1/10</u>	<u>Proceeds/ Allocation Received</u>	<u>Released From Restrictions</u>	<u>Balance 12/31/10</u>
United Way of Lubbock				
2010 Allocation	\$ 21,222	\$	\$ (21,222)	\$
2011 Allocation		22,772		22,772
Helen Jones Foundation	91,603	90,000	(89,100)	92,503
CH Foundation - Youth	<u>174,033</u>	<u>77,770</u>	<u>(71,173)</u>	<u>180,630</u>
	<u>\$ 286,858</u>	<u>\$ 190,542</u>	<u>\$ (181,495)</u>	<u>\$ 295,905</u>

4. Leases

The Center is leasing photocopying equipment through an operating lease. The terms of the lease call for monthly payments of \$447 over 60 months. Lease expense for the year ended December 31, 2010, totaled \$5,814. The following represents future minimum lease payment:

2011	\$ 5,364
2012	5,364
2013	3,129

5. Subsequent Events

The Center has evaluated subsequent events through March 21, 2011, the date which the financial statements were available to be issued.

ACCOMPANYING INFORMATION

BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITORS' REPORT
ON ACCOMPANYING INFORMATION**

Our audit of the basic financial statements presented in the preceding section of this report was made for the purpose of forming an opinion on such financial statements taken as a whole. The accompanying information shown on Schedules I and II are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Bolinger, Segars, Gilbert & Moss L.L.P.

Certified Public Accountants

March 21, 2011

VOLUNTEER CENTER OF LUBBOCK, INC.

Schedule I

COMPARISON OF REVENUE AND EXPENSES TO BUDGET
CURRENT FUNDS - UNRESTRICTED
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Actual</u>	<u>Budget</u>	Variance Favorable (Unfavorable)
REVENUE			
Public Contributions	\$ 11,105	\$ 9,000	\$ 2,105
Fundraising	63,490	50,450	13,040
United Way	158,220	156,427	1,793
Other Grants	329,886	242,745	87,141
Seminars/Workshops	14,297	11,000	3,297
Criminal Background Checks	2,649	3,500	(851)
Interest Earned	4,704	4,000	704
Other	12,932	12,500	432
Total Support and Revenue	<u>\$ 597,283</u>	<u>\$ 489,622</u>	<u>\$ 107,661</u>
EXPENSES			
Salaries and Benefits	\$ 272,264	\$ 271,788	\$ (476)
Payroll Taxes	20,962	21,460	498
Supplies	12,591	12,497	(94)
Volunteer Program Awards	57,849	58,800	951
Seminars/Workshops Expense	7,448	7,450	2
Criminal Background Checks		1,000	1,000
Telephone	4,224	4,225	1
Postage and Shipping	4,908	4,909	1
Occupancy	10,896	10,896	0
Equipment Repairs		750	750
Printing/Publications	11,859	11,952	93
Dues/Memberships	2,368	2,500	132
Conferences and Travel	14,301	14,335	34
Insurance	3,136	3,500	364
Contract Services	6,853	6,850	(3)
Golf Tournament	13,966	14,000	34
Helen Jones Leadership	24,860	25,210	350
Other	11,793	17,500	5,707
	<u>\$ 480,278</u>	<u>\$ 489,622</u>	<u>\$ 9,344</u>
Total Support and Revenue Over Expenses	<u>\$ 117,005</u>	<u>\$ 0</u>	<u>\$ 117,005</u>

VOLUNTEER CENTER OF LUBBOCK, INC.

Schedule II

RECONCILIATION OF ACTUAL REVENUE AND EXPENSES
FOR CURRENT FUNDS - UNRESTRICTED PER EXHIBIT B
TO ACTUAL REVENUE AND EXPENSES FOR BUDGET PURPOSES
FOR YEAR ENDED DECEMBER 31, 2010

REVENUE

Total Support and Revenue - Exhibit B - Unrestricted	\$ 597,283
Total Revenue - Schedule I	<u>\$ 597,283</u>

EXPENSES

Expenses - Exhibit B	\$ 486,881
Less:	
Depreciation of Equipment	<u>6,603</u>
Total Expenses - Schedule I	<u>\$ 480,278</u>