

VOLUNTEER CENTER OF LUBBOCK, INC.

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED DECEMBER 31, 2018
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2017**

AND

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

VOLUNTEER CENTER OF LUBBOCK, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2017

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CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

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

We have audited the accompanying financial statements of the Volunteer Center of Lubbock, Inc. (the Center), which comprise the statement of financial position as of December 31, 2018, the related statements of activities, cash flows, and functional expenses 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 the Volunteer Center of Lubbock, Inc. 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 Summarized Comparative Information

We have previously audited the Volunteer Center of Lubbock, Inc.'s 2017 financial statements, and our report dated February 19, 2018, 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 December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Accompanying Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Volunteer Center of Lubbock, Inc. taken as a whole. The accompanying Schedules of Comparison of Revenues and Expenses to Budget – Current Funds – Without Donor Restrictions and Reconciliation of Actual Revenue and Expenses for Current Funds – Without Donor Restrictions Per Exhibit B to Actual Revenue and Expenses for Budget Purposes 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.

Bolinger, Segars, Gilbert & Moss LLP

Certified Public Accountants

Lubbock, Texas

February 19, 2019

VOLUNTEER CENTER OF LUBBOCK, INC.

Exhibit A

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2018
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2017

ASSETS				
	Without Donor Restrictions	With Donor Restrictions	December 31,	
			2018	2017
Current Assets				
Cash in Bank	\$ 179,924	\$ 110,341	\$ 290,265	\$ 306,633
Cash in Bank - Endowment		19,493	19,493	34,419
Certificate of Deposit	294,396		294,396	317,171
Accounts Receivable		144,950	144,950	100,306
Other Current Assets	22,384		22,384	951
Total Current Assets	\$ 496,704	\$ 274,784	\$ 771,488	\$ 759,480
Non-Current Assets				
Fixed Assets				
Furniture and Equipment	\$ 58,752	\$	\$ 58,752	\$ 52,677
Less: Accumulated Depreciation	40,276		40,276	31,898
Total Fixed Assets	\$ 18,476	\$ 0	\$ 18,476	\$ 20,779
Endowment Fund - Long-Term Investments	\$	\$ 1,004,344	\$ 1,004,344	\$ 1,126,352
Total Non-Current Assets	\$ 18,476	\$ 1,004,344	\$ 1,022,820	\$ 1,147,131
Total Assets	\$ 515,180	\$ 1,279,128	\$ 1,794,308	\$ 1,906,611
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts Payable and Other Accrued Liabilities	\$ 39,869	\$ 0	\$ 39,869	\$ 16,070
Total Current Liabilities	\$ 39,869	\$ 0	\$ 39,869	\$ 16,070
Deferred Revenue	\$ 14,530	\$ 0	\$ 14,530	\$ 13,362
Net Assets				
Without Donor Restrictions				
Undesignated	\$ 425,115	\$	\$ 425,115	\$ 389,087
Board Designated	17,190		17,190	17,190
Net Investment in Fixed Assets	18,476		18,476	20,779
With Donor Restrictions		1,279,128	1,279,128	1,450,123
Total Net Assets	\$ 460,781	\$ 1,279,128	\$ 1,739,909	\$ 1,877,179
Total Liabilities and Net Assets	\$ 515,180	\$ 1,279,128	\$ 1,794,308	\$ 1,906,611

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, 2018
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>December 31,</u>	
			<u>2018</u>	<u>2017</u>
PUBLIC SUPPORT AND REVENUE				
Public Support				
Received Indirectly				
United Way of Lubbock	\$ 200,143	\$	\$ 200,143	\$ 198,734
Received Directly				
Fund Raising	34,250		34,250	48,892
Donations	84,561		84,561	88,399
	<u>\$ 318,954</u>	<u>\$ 0</u>	<u>\$ 318,954</u>	<u>\$ 336,025</u>
GRANTS				
CH Foundation	\$	\$ 163,150	\$ 163,150	\$ 162,150
Helen Jones Foundation		60,000	60,000	321,000
HYPE Program	2,545	10,000	12,545	12,550
	<u>\$ 2,545</u>	<u>\$ 233,150</u>	<u>\$ 235,695</u>	<u>\$ 495,700</u>
FEES AND OTHER REVENUE				
Activity - Seminars/Workshops	\$ 18,829	\$	\$ 18,829	\$ 21,415
Interest Earned	8,934		8,934	7,108
Endowment Income (Loss)		(97,611)	(97,611)	133,564
Proceeds from Disposal of Asset				700
Other	34,652		34,652	27,310
	<u>\$ 62,415</u>	<u>\$ (97,611)</u>	<u>\$ (35,196)</u>	<u>\$ 190,097</u>
Net Assets Released from Restrictions				
CH Foundation Grant	\$ 163,256	\$ (163,256)	\$	\$
Helen Jones Foundation	60,000	(60,000)		
Talkington Foundation	40,000	(40,000)		
HYPE Program	3,955	(3,955)		
Endowment Fund	39,323	(39,323)		
	<u>\$ 306,534</u>	<u>\$ (306,534)</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Support and Revenue	<u>\$ 690,448</u>	<u>\$ (170,995)</u>	<u>\$ 519,453</u>	<u>\$ 1,021,822</u>
EXPENSES				
Program Services	\$ 598,813	\$	\$ 598,813	\$ 586,757
Management and General	32,422		32,422	10,339
Fund Raising	25,488		25,488	29,269
Total Expenses	<u>\$ 656,723</u>	<u>\$ 0</u>	<u>\$ 656,723</u>	<u>\$ 626,365</u>
CHANGE IN NET ASSETS	\$ 33,725	\$ (170,995)	\$ (137,270)	\$ 395,457
NET ASSETS - BEGINNING OF YEAR	<u>427,056</u>	<u>1,450,123</u>	<u>1,877,179</u>	<u>1,481,722</u>
NET ASSETS - END OF YEAR	<u>\$ 460,781</u>	<u>\$ 1,279,128</u>	<u>\$ 1,739,909</u>	<u>\$ 1,877,179</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, 2018
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2017

	December 31,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (137,270)	\$ 395,457
Adjustments to Reconcile Change in Net Assets to Net Cash		
From Operating Activities		
Depreciation	8,377	3,528
Changes in Operating Assets and Liabilities		
Accounts Receivable - Other		(306)
Accounts Receivable - Restricted	(44,644)	92,950
Net Investment Activity	78,661	(174,058)
Other Assets	(21,433)	75
Accounts Payable and Accrued Expenses	23,799	(5,009)
Deferred Revenue	1,168	1,840
	\$ (91,342)	\$ 314,477
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Equipment	\$ (6,075)	\$ (14,679)
Endowment Distributions	39,323	39,634
Proceeds from Sale of Investments	271,513	1,256,904
Purchases of Investments	(267,488)	(1,528,745)
	\$ 37,273	\$ (246,886)
NET CHANGE IN CASH	\$ (54,069)	\$ 67,591
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	658,223	590,632
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 604,154	\$ 658,223
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid During the Year for:		
Interest	\$ 0	\$ 0
Income Taxes	\$ 0	\$ 0

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, 2018
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2017

	Program Services	Management and General	Fund Raising	December 31,	
				2018	2017
Salaries and Benefits	\$ 339,010	\$ 18,937	\$ 8,293	\$ 366,240	\$ 334,567
Payroll Taxes	27,279	1,524	667	29,470	25,384
Total Salaries and Related Expense	\$ 366,289	\$ 20,461	\$ 8,960	\$ 395,710	\$ 359,951
Supplies	15,406	116	86	15,608	17,597
Volunteer Program Awards	56,027			56,027	63,142
Seminars/Workshops Expense	38,265			38,265	45,189
Telephone	4,374	144	63	4,581	3,797
Postage and Shipping	1,723	51	1,023	2,797	3,204
Occupancy	10,086	563	247	10,896	10,895
Equipment Repairs	463	26	11	500	249
Printing and Publications	11,668	233	102	12,003	12,389
Dues	3,979			3,979	2,306
Conferences and Travel	14,980	69		15,049	14,423
Insurance	1,974	110	48	2,132	2,224
Contract Services		9,202		9,202	8,981
Golf Tournament			13,490	13,490	20,746
United Way Division Expenses	4,699			4,699	4,697
Nonprofit Fellows	4,011			4,011	4,000
Marketing	12,780	714	313	13,807	16,735
Website Expenses	8,657	484	212	9,353	4,992
Agency Partner Support	993			993	539
HYPE Expenses	29,430			29,430	20,404
Other	4,748	133	933	5,814	6,377
Total Before Depreciation	\$ 590,552	\$ 32,306	\$ 25,488	\$ 648,346	\$ 622,837
Depreciation of Equipment	8,261	116		8,377	3,528
Total Expenses	\$ 598,813	\$ 32,422	\$ 25,488	\$ 656,723	\$ 626,365

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 33.33% per year. Office furniture and equipment cost at December 31, 2018, is \$58,752 and accumulated depreciation is \$40,276. Depreciation expense for the year is \$8,377. Donated fixed assets are valued at fair market value at the time they are received.

Financial Statement Presentation

The Center is required to classify net assets and revenues, expenses, gains and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

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 or other events specified by the donor. Other 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 stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Net assets without donor restrictions: Net assets not subject to donor-imposed restrictions. Net assets without donor restrictions are currently available for operating purposes under the direction of the board, designated by the board for specific use, or invested in property and equipment.

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 a restriction expires, restricted net assets are reclassified to net assets without donor restrictions.

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

Functional Allocation of Expenses

The costs of providing programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation and various conferences, which are based on utilization, as well as salaries and related expenses, supplies, telephone, postage and shipping, occupancy, repairs, printing, insurance, marketing, website expenses, and other expenses which are allocated on estimates of time and effort.

Comparative Totals

The financial information for the year ended December 31, 2017, is presented for comparative purposes only and is not intended to be a complete financial statement presentation.

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.

Reclassifications

Certain reclassifications have been made to the 2017 financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

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

The Center has 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 its 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 2015.

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

Fair Value Investments

Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The standard requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. The standard also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels. These levels, defined by the valuation techniques are described below:

Level 1 – Inputs include quoted prices in active markets for identical assets.

Level 2 – Inputs include available indirect information, such as quoted prices for similar assets in active markets, or quoted prices for identical or similar assets in markets that are not active.

Level 3 – Inputs are subjective and generally based on the entity’s own assumptions on how knowledgeable parties would price assets and are developed using the best information available in the circumstances.

See Note 3 for a detail of Endowment Investments and their fair value.

2. Accounts Receivable

Accounts receivable consists of amounts due from the following organizations:

Helen Jones Foundation	\$	60,000
CH Foundation		<u>84,950</u>
	\$	<u><u>144,950</u></u>

3. Investments

The Helen Devitt Jones Education Endowment consists of long-term investments in mutual funds. Values in these Investments and accumulated unrealized gains or losses are shown below:

	<u>Cost</u>	<u>Market</u>	<u>Unrealized Gain (Loss)</u>	<u>Investment Level</u>
Helen Devitt Jones Education Endowment				
Mutual Funds	\$ <u>1,064,414</u>	\$ <u>1,004,344</u>	\$ <u>(60,070)</u>	1

See Note 1 regarding a discussion on fair value investments. For the year ended December 31, 2018, unrealized loss of \$123,691 was recorded on the statement of activities. Expenses related to management of the funds were \$7,764 for the year ended December 31, 2018.

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

4. Endowment Fund

The Center's endowment includes donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. Donor-restricted endowments are classified as net assets with donor restrictions.

Balance as of 1/1/2018	\$ 1,160,771
Released from Restriction	(39,323)
Investment Income	25,493
Realized Gain	8,351
Unrealized Loss	(123,691)
Investment Fees	<u>(7,764)</u>
Balance as of 12/31/2018	<u>\$ 1,023,837</u>

Endowment funds are currently invested as follows as of December 31, 2018:

Cash in Bank	\$ 19,493
Long Term Investments	<u>1,004,344</u>
	<u>\$ 1,023,837</u>

Interpretation of Relevant Law

The Center's management has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Center classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with UPMIFA, the Center considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) The duration and preservation of the fund, (2) The purposes of the organization and the donor-restricted endowment fund, (3) General economic conditions, (4) The possible effect of inflation and deflation, and (5) The expected total return from income and the appreciation of investments.

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

5. Endowment Investment Objectives and Distribution Policy

The Volunteer Center of Lubbock, Inc. Helen Devitt Jones Education Endowment was established in January 2013, with a grant, in trust, from the Helen Jones Foundation in the amount of \$600,000. An additional \$250,000 was granted in November 2013, an additional \$75,000 was granted in December 2016, an additional \$250,000 was granted in August 2017, and an additional \$11,000 was granted in December 2017. As of December 31, 2018, \$1,023,837 is invested in various restricted investments.

The objective is to preserve real purchasing power by seeking long-term returns that either match or exceed the distribution rate plus inflation. The Trust views the Center's endowment as permanent. The Trust therefore places greater significance on projections of long-term market performance than on short-term market reversals. The general policy diversifies investments within both equity and fixed-income securities to provide a balance that will enhance total return while avoiding undue risk concentration in any single asset class of investment category.

The current policy is to annually distribute five percent of the Helen Devitt Jones Education Endowment based on the trailing 36 month average of the endowment's investment portfolio balance, with the expectation that, over time, the total real return (return net of inflation) from investments will exceed the endowment's pay-out rate, thus allowing for real growth of endowment assets. The percentage of distribution is determined by the Board of Trustees and will be reviewed annually for appropriateness in the then-current economic conditions.

The distribution amount is \$46,613 based on the year ended December 31, 2018 value to be used for restricted purposes beginning on January 1, 2019. The Trust is governed by its own Board of Trustees comprised of seven members consisting of the Center's President and Treasurer, two members appointed by the Center, two at-large members, and one member of the Helen Jones Foundation Board of Directors.

6. Net Assets with Donor Restrictions

At December 31, 2018, net assets with donor restrictions consisted of the following:

	Balance 1/1/18	Proceeds/ Allocation Received	Released From Restrictions	Balance 12/31/18
Subject to expenditure for specified purpose:				
Helen Jones Foundation	\$ 60,000	\$ 60,000	\$ (60,000)	\$ 60,000
CH Foundation - Youth	189,352	163,150	(163,256)	189,246
HYPE Income		10,000	(3,955)	6,045
Talkington Foundation	40,000		(40,000)	
	<u>\$ 289,352</u>	<u>\$ 233,150</u>	<u>\$ (267,211)</u>	<u>\$ 255,291</u>
Subject to the Center's spending policy and appropriation:				
Helen Jones Endowment Restricted in Perpetuity	\$ 1,160,771	\$ (97,611)	\$ (39,323)	\$ 1,023,837
	<u>\$ 1,450,123</u>	<u>\$ 135,539</u>	<u>\$ (306,534)</u>	<u>\$ 1,279,128</u>

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

7. Net Assets without Donor Restrictions – Board Designated

During the year ended December 31, 2014, the Board designated \$17,190 to be spent on marketing funds in 2015. The amount has not been spent and remains designated to be used in 2019.

8. Liquidity and Availability of Financial Assets

The following reflects the Center’s financial assets as of December 31, 2018 and 2017, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations.

	<u>2018</u>	<u>2017</u>
Cash in Bank	\$ 290,265	\$ 306,633
Cash in Bank - Endowment	19,493	34,419
Certificates of Deposit	294,396	317,171
Accounts Receivable	144,950	100,306
Other Current Assets	22,384	951
Fixed Assets	18,476	20,779
Endowment Fund - Long Term Investments	<u>1,004,344</u>	<u>1,126,352</u>
Total Financial Assets	\$ 1,794,308	\$ 1,906,611
Less contractual or donor-imposed restrictions:		
Cash Restricted	(110,341)	(189,352)
Accounts Receivable	(144,950)	(100,000)
Endowment Fund Investments	(1,023,837)	(1,160,771)
Net Investment in Fixed Assets	(18,476)	(20,779)
Board-Designated Assets for Marketing	<u>(17,190)</u>	<u>(17,190)</u>
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	<u>\$ 479,514</u>	<u>\$ 418,519</u>

9. Leases

The Center is leasing photocopying equipment through an operating lease. The terms of the lease call for monthly payments of \$424 over 60 months. Lease expense for the year ended December 31, 2018, totaled \$9,195. The following represents future minimum lease payments:

2019	\$	5,089
2020		<u>2,969</u>
	\$	<u><u>8,058</u></u>

10. Subsequent Events

The Center has evaluated subsequent events through February 19, 2019, the date which the financial statements were available to be issued.

ACCOMPANYING INFORMATION

VOLUNTEER CENTER OF LUBBOCK, INC.

Schedule I

**COMPARISON OF REVENUE AND EXPENSES TO BUDGET
CURRENT FUNDS - WITHOUT DONOR RESTRICTIONS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUE			
Public Contributions	\$ 84,561	\$ 83,200	\$ 1,361
Fundraising	34,250	34,250	0
United Way	200,143	199,135	1,008
Other Grants	269,756	272,831	(3,075)
Endowment Distribution	39,323	39,323	0
Seminars/Workshops	18,829	18,500	329
Interest Earned	8,934	7,400	1,534
Other	34,652	34,000	652
Total Support and Revenue	<u>\$ 690,448</u>	<u>\$ 688,639</u>	<u>\$ 1,809</u>
EXPENSES			
Salaries and Benefits	\$ 366,240	\$ 374,000	\$ 7,760
Payroll Taxes	29,470	30,950	1,480
Supplies	15,608	18,504	2,896
Volunteer Program Awards	56,027	63,750	7,723
Seminars/Workshops Expense	38,265	52,849	14,584
Telephone	4,581	4,800	219
Postage and Shipping	2,797	3,293	496
Occupancy	10,896	10,900	4
Equipment Repairs	500	500	0
Printing and Publications	12,003	12,610	607
Dues	3,979	4,000	21
Conferences and Travel	15,049	15,063	14
Insurance	2,132	3,600	1,468
Contract Services	9,202	9,200	(2)
Golf Tournament	13,490	13,500	10
United Way Division Expenses	4,699	4,700	1
Nonprofit Fellows	4,011	4,000	(11)
Marketing	13,807	13,850	43
Website Expenses	9,353	9,375	22
Agency Partner Support	993	1,000	7
HYPE Expenses	29,430	30,455	1,025
Other	5,814	7,740	1,926
Total Expenses	<u>\$ 648,346</u>	<u>\$ 688,639</u>	<u>\$ 40,293</u>
Total Support and Revenue Over Expenses	<u>\$ 42,102</u>	<u>\$ 0</u>	<u>\$ 42,102</u>

VOLUNTEER CENTER OF LUBBOCK, INC.

Schedule II

**RECONCILIATION OF ACTUAL REVENUE AND EXPENSES
FOR CURRENT FUNDS - WITHOUT DONOR RESTRICTIONS PER EXHIBIT B
TO ACTUAL REVENUE AND EXPENSES FOR BUDGET PURPOSES
FOR YEAR ENDED DECEMBER 31, 2018**

REVENUE

Total Support and Revenue - Exhibit B - Without Donor Restrictions	\$	690,448
Total Revenue - Schedule I	\$	<u>690,448</u>

EXPENSES

Expenses - Exhibit B	\$	656,723
Less: Depreciation of Equipment		<u>8,377</u>
Total Expenses - Schedule I	\$	<u>648,346</u>