

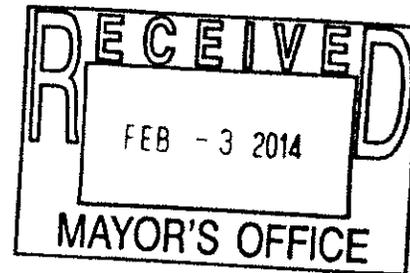
**ASSOCIATION for INDIVIDUAL
DEVELOPMENT**



Association for Individual Development

Finding ability in disability since 1961

Main Office
309 W. New Indian Trail Ct.
Aurora, Illinois 60506-2494
Phone: 630-966-4000
Fax: 630-844-2065
TDD: 630-844-5063
www.the-association.org



1 February 2014

St. Charles 708 Community Mental Health Board
2 East Main Street
St. Charles, IL 60174-1984

Dear Members of the Mental Health Board:

Thank you for the opportunity to submit an application to the St. Charles 708 Mental Health Board. The Association for Individual Development (AID) seeks funding to offer continued support to individuals with mental illness, substance abuse issues and developmental disabilities residing in the St. Charles community.

For the upcoming fiscal year, we respectfully request \$75,000 from the St. Charles 708 Mental Health Board. A portion of this request will be used to provide services to six St. Charles residents who have little or no funding for services; they must rely on local funding for support. Funds will also support services to the 95 St. Charles residents with disabilities and mental illness participating in AID programs each day.

Thank you for your continued support of AID vital services. If you need any additional information, please call our Grants Coordinator, Christie Plotzke at 847.931.2292.

Warmest Regards,

Lynn O'Shea
President

Enclosures

Case Management • Respite • Home Based Support • Community Integration & Employment • Residential Services • Behavioral Health & Crisis Intervention • Children's Services



Children & Therapy
309 W. New Indian Trail Ct.
Aurora, IL 60506
Phone: 630-896-1961
Fax: 630-966-9858

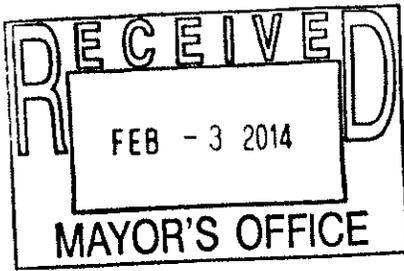
Behavioral Health & Crisis
1230 N. Highland Ave.
Aurora, IL 60506
Phone: 630-559-1291
Fax: 630-859-2994

Keeler Center & Pool
409 W. New Indian Trail Ct.
Aurora, IL 60506
Phone: 630-859-1144
Fax: 630-859-1229

Elgin Area Services
1138 Beves Rd.
Elgin, IL 60120
Phone: 847-931-6200
Fax: 847-698-6079

Yorkville Area Services
135 E. Van Emmon St.
Yorkville, IL 60550
Phone: 630-966-4450
Fax: 630-882-8409

Thompson Center
309 W. New Indian Trail Ct.
Aurora, IL 60506
Phone: 630-844-5040
Fax: 630-844-9011



Date: 1 February 2014

**City of St. Charles
708 Mental Health Board
Accountability Report for funds Expended**

Agency Name: Association for Individual Development (AID)

Contact Person: Christie Plotzke Phone #: 847.931.2292

Main Office Address: 309 W New Indian Trail Court Aurora, IL 60506

Funding requested from City of St. Charles 708 Board for fiscal year 14/15: \$75,000

Describe mission (include narrative explaining how mission relates to City of St. Charles):

For fifty two years, The Association for Individual Development (AID) has served individuals with developmental, physical and/or mental disabilities, those who have suffered a trauma and those at risk. Vital, life-enriching services include: early intervention; developmental therapy; audiology; autism programs; respite care; permanent housing; in-home support; developmental and vocational training; job placement and on-the-job coaching services; crisis intervention; victims services; mental health treatment; behavioral intervention; health and wellness; community education; and advocacy. With 20 programs operating in 45 communities, AID is a leading provider of services that address the unique needs of individuals throughout every stage of their lives. A person-centered approach coupled with innovative practices ensures the highest level of accomplishment. Our mission is to empower individuals with disabilities, mental illness and special needs to achieve independence and community inclusion. AID is a United Way partner agency and accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF).

In FY 2013, AID served 4,681 children and adults with disabilities in Kane, Kendall, DeKalb, DuPage, Will, and suburban Cook Counties. AID currently operates 5 day program/training centers in Elgin, Aurora, Batavia and Yorkville, a mental health center in Aurora and 39 home based, supervised and supported living facilities throughout Kane and Kendall Counties.

AID served 95 individuals from the St. Charles area in 2013. These individuals rely on the vital services they receive each day in order to live, work and participate in their communities.

Describe specific goals that fit City's mission and indicate how goals will be accomplished.

AID serves children and adults with diverse disabilities and mental illness throughout the entire span of their lives. Included in AID services are programs focused on behavioral health and substance abuse issues. St. Charles residents participate in a variety of services offered by AID. Six of the St. Charles residents currently receiving services have little or no funding for services; they must rely on local funding to continue to receive vital services. A portion of the FY 2014/15 requested 708 funds will be used to provide services to these six individuals. We continue to strive for excellence in quality programming and help as many individuals as possible whose dream it is to work, live and thrive in their communities. We will always provide services, support and guidance regardless of an inability to pay.

Describe how funds will be expended and quantify services provided to the City of St. Charles (e.g., City of St. Charles persons served, cost allocated to services, program descriptions, and other pertinent information). Also attach budget detailing sources (grants, other municipalities' contributions, fundraisers, and any other sources of funding –actual or being sought:

AID is requesting funds specifically for the following programs that serve St. Charles residents: Behavioral Health Outpatient Services; Children In-Home Support and Developmental Therapy; Crisis Intervention Services; Developmentally Disabled Community Living; Client and Family Support; Developmental Training, Vocational Development; Home Based Support and Respite. We continue to request the largest amount of funding in our Developmentally Disabled Community Living program. We currently operate two group homes in the city of St. Charles where residents receive around-the-clock care. The current cost per person per year in a group home is nearly \$50,000. Please see **Attachment B** for our most recent financial statements detailing sources of other funding for agency programs.

OVERVIEW OF ALL AID PROGRAMS AND SERVICES:

Behavioral Health Services

Behavioral Health Outpatient Services: Provide assessment, linkage/referral, advocacy and direct assistance to ensure that the needs of individuals with behavioral health care are met for sustaining community living. Case managers assist the individuals in securing housing, financial assistance, vocational opportunities, counseling and medical services in order to continue living in the community.

Alcohol and Other Drug (AOD) Case Management: Provides proactive education and intervention in order to support sobriety and prevent further substance abuse in individuals with mental illness and substance abuse disorders.

Psychosocial Rehabilitation (PSR): Provides a range of social, educational, occupational, behavioral and cognitive intervention designed to increase basic psychosocial capacities in everyday life. Individuals, counselors and mental health professionals work together to establish goals and develop skills leading to successful integration into the community. The goal of the PSR program is recovery.

Homeless Youth Services: Provide outreach and case management for homeless youth who are 18-20 years of age.

Crisis Intervention Services

Crisis Line of the Fox Valley (CLFV): Free, confidential 24-hour, 365 days a year, telephone counseling by paraprofessional volunteer operators or paid staff who are trained to help the caller with problems from loneliness, relationship issues, emergency situations, suicidal ideations and others.

Community Connections: Free calls to those in need in the community including; those with mental illness, developmental disabilities, elderly and shut-ins to assure the caller's well-being or provide social interaction.

Mobile Crisis Intervention Services: Walk-in Mobile Crisis Intervention Services are provided to individuals who are experiencing a psychiatric crisis and/or high levels of personal distress. Crisis

intervention provides immediate intensive treatment to reduce symptomatology and to stabilize clients' ability to function in the community. Services provided include assessment, counseling, referral and linkages to appropriate community resources.

Victims Services: 24-hour assistance to victims and survivors of violent crime or trauma to respond to their psychological, emotional and physical needs. Services include crisis intervention, counseling, advocacy, education, information and referral.

Community Support Services

Case Management: Case Management and Community Support Services promotes the agency mission by offering an array of programs that assist individuals and families in accessing and/or retaining services needed to maintain independence. The first step in this process is to evaluate the individual's needs, wants and skills in order to determine appropriate programming. If needed, social work and psychological services are available to assist each person in determining their needs and current skill levels. The program also promotes personal well-being and helping clients to remain integrated in their community. If AID services are inappropriate, the Case Manager will assist the individual in acquiring needed services elsewhere in the community.

Home Based Support: Provides service facilitation, including advocacy, personal support, and assistance to adults with developmental disabilities in their homes and community.

Supported Living Arrangement (SLA): SLAs are residential programs approved by the Office of Developmental Disabilities to help individuals reach a higher level of independent living. SLAs provide, through direct or consultative staff, minimum support, training and direction that enhances the individuals' skills and leads to total independence and social integration in the community. Individuals live in their own apartments in the community and receive program assistance and support as needed.

Respite: Provides short-term relief to families of clients with developmental disabilities, through flexible in-home or community-based services. Families may choose workers to provide services for their family member in their home or may choose a combination of in-home services that include recreation and leisure opportunities. The amount of service received varies with family need, Department of Human Services (DHS) guidelines and funding availability.

Employment and Community Integration Services

Employment and Community Integration Services provides training to individuals 18 years of age and older with developmental, physical, and/or emotional difficulties. Special emphasis is placed on training in vocational skills, independent living skills, and personal and social adjustment to improve the individual's ability to work and to cope with the challenges of daily living. Clients participate to the best of their ability in the development of goals, the methods to achieve these goals and the evaluation of progress achieved.

Developmental Training: Provides training in both a classroom and sheltered employment setting to individuals with developmental and physical disabilities to maximize or maintain their functional, social, and vocational skills and to maximize their integration into the community. Specialized training

in food service and warehouse training is available. This program includes two inclusive classrooms specifically for individuals with Autism.

Vocational Development: Provides assistance to individuals with disabilities in obtaining and maintaining community employment through on-site support based on individual need. Assistance is provided to individuals in the following areas: completing job applications, improving job-seeking skills, identifying realistic job goals, preparing for job interviews and locating possible employment opportunities. On-the-job coaching and/or training are provided. Follow-up services are provided for a one-year period after successful placement is obtained. AID's Jan-Aid Program (janitorial) provides training in janitorial skills by working in small cleaning crews that travel between various community sites.

Keeler Pool: Specifically designed for persons with disabilities. Individuals with special needs can be integrated into the program structure. In addition, open community swims and swimming lessons for children and adults are offered.

Community Living Services (for individuals with developmental disabilities)

Community Integrated Living Arrangement (CILA): Provide flexible living arrangements for adult individuals with developmental disabilities that need to develop independent living skills. The homes range in capacity from 4 to 8 residents and have 24-hour House Managers who assist them with day-to-day activities. Each home is located in a residential neighborhood and resembles a single family home. The group home setting provides clients with a stable, supervised environment in a family-like atmosphere.

Intermittent CILA: Provides flexible living arrangements for adult individuals with developmental disabilities that need to enhance their independent living skills. Living arrangements include living with parents/significant others and renting/leasing their own place. Direct Service Personnel provide services from 5-15 hours per week.

Intermediate Care Facility (ICF): Provide residential services for adults with developmental disabilities requiring 24-hour service. Residents must be in need of and receiving active treatment, require training in basic fundamental skills, and have significant deficits in growth and development. Services in this program are based on individual needs such as money management, cooking, community integration, apartment maintenance and use of public transportation.

Community Living Services (for individuals with mental illness)

Supervised Living Facility: Provide 24-hour staff-supervised residential facility for individuals with mental illness. Program focuses on skill acquisition in independent living and includes recovery-oriented counseling, peer support and other rehabilitative supports designed to facilitate eventual movement into a less restrictive residential setting.

Supported Living Facility: Serve individuals with moderate to substantial psychiatric disabilities and promote community integration skills, peer support and vocational readiness. Individuals are served in their own apartments and work with the support of mental health professionals by participating in individualized programs that help them to develop and maintain community living skills. Services in

this program are based on individual strengths and needs and include: housekeeping, money management, and medication management skills.

Children and Therapy Services

Early Intervention Services: Early Intervention serves children, birth to 21 years of age, who exhibit a developmental delay, have a diagnosed condition, such as Down syndrome or cerebral palsy, or who have a high-risk medical background. Services include evaluation, assessment, developmental therapy, and audiology services. Translation for Spanish speaking families is available.

Children In-Home Support: provides the family with personal service workers, service facilitation, behavioral training, adaptive equipment for house and vehicle and an array of other services including management and advocacy each week. Services are tailored to meet the needs of each individual child and are provided in the home or other locations in the child's community to achieve the most natural setting. A wide variety of options are available, including (but not limited to) tutoring, field trips, sports or other leisure opportunities. The program serves children under the age of 18 with developmental disabilities who live at home and are at risk of being residentially placed. Families must live in Kane or Kendall counties. Services are available regardless of financial ability.

Date: 1 February 2014

Agency Name: Association for Individual Development (AID)

St. Charles 708 Fund Expenditure History – explain how funds allocated from previous year were expended and purposes of those expenditures. Note: if funding allocation is over \$25,000, attached most recent financial statements, audit and annual report:

Please see Attachment A

On an annualized (12 month) basis, provide information on City of St. Charles residents served:

Direct service: number of individual clients/consumers served: 95

Aggregate number of direct service hours provided: 38,797 hours; 9,060 days

Describe agency cost basis per client/consumer served (e.g., per hour cost and/or program costs allocated to City of St. Charles residents and how this was derived):

Please see Attachment A. Dividing the actual total program expenses by the total direct service units provided yields the unit cost per client hour

Identify other services provided to and for the benefit of City of St. Charles' residents (education, presentations, volunteer training and group activities/events).

Individuals participate in the Special Olympics program, the Fox Valley Recreation program and Northern Illinois Special Recreation Association. They go to movies, restaurants, shopping and sporting events with their housemates and/or friends, participate in fundraising opportunities, attend educational classes as part of the Day Training Program (incl. Nutrition & Fitness, Cooking, Exercise, US History, News and Current Events, Safety, Art, Music and Voice, Computers, colors, shapes, letters, numbers and sign language). Individuals participate in planned community outings which include social, leisure and educational outings. Several individuals train and work in the AID Recycling Program; many have learned to deconstruct electronics and ready them for recycling. This micro-business gives individuals a chance to learn new skills while striving for financial independence. Self-sustaining businesses provide gainful employment while generating a small amount of revenue for AID in an attempt to preserve vital services that are threatened by budget cuts. AID currently supports individuals who volunteer at the Habitat for Humanity Restore shop and Feed Our Starving Children.

Attach a list of current Board of Directors for your agency, listing the length of time that each Board member has served in their current term. Also attach a brief summary of how Board members are elected, the qualifications sought, and any term limits for Board members.

Please see attachment C

Attach a copy of current 501C3 or tax exempt status certification.

Please see attachment D

Agency Name: Association for Individual Development

Please note that agencies that are allocated funds from the STC 708 Board in excess of \$25,000.00 in any fiscal year are also subject to the following requirements:

1. Monthly financial statements must be submitted to the Government Operations Committee of the St. Charles City Council by no later than the 15th day of the following month.
2. An annual report must be submitted to this same Committee.
3. A representative of the agency must make a brief presentation describing the purpose of the agency, it's future plans and how it's programs and services have benefited the residents of St. Charles to this Committee on an annual basis at a date and time to be determined (following the allocation recommendation process by the STC 708 Board, but prior to the actual release of any funds).

Funding request amount for current fiscal year \$ 75,000 Application Date: 1 February 2014

For STC 708 Board Only:

Recommended funding for current fiscal year: \$ _____ Recommendation Date: _____

Attachment A
Service numbers, cost per hour of service and allocation history

Attachment B
AID December 2013 financial statements

Association for Individual Development
Comparative Balance Sheet
December 31, 2013 and 2012

		<u>Actual 12/31/2013</u>	<u>Actual 12/31/2012</u>
Assets			
Current Assets			
1010	Cash - Operations - Harris NA	\$1,661,566	\$464,526
1011	Cash - Social Security - Harris NA	\$135,422	\$44,156
1012	Cash - Operations - National City Bank	\$0	\$1,587
1095	Petty Cash	\$5,070	\$4,285
1200	Accounts Receivable	\$3,090,864	\$3,311,991
1300	Allowance for Bad Debts	(\$40,000)	(\$40,000)
1420	Accounts Receivable - A&E	\$2,868	\$12,429
1430	Accounts Receivable - ARS	\$997	\$1,088
1440	Accounts Receivable - Kane Homes	\$31,586	\$18,100
1450	Accounts Receivable - Kaneco	\$14,665	\$17,396
1460	Accounts Receivable - Sherman Apts	\$4,737	\$11,378
1470	Accounts Receivable - CDHO-N Edgelawn	\$26,705	\$0
1700	Prepaid Expenses	\$240,076	\$183,033
1710	Prepaid Insurance	\$81,611	\$23,284
1720	Prepaid Rent	\$26,605	\$27,455
Total Current Assets		<u>\$5,282,772</u>	<u>\$4,080,709</u>
Fixed Assets			
1800	Land	\$1,473,619	\$1,473,619
1805	Land improvements	\$115,291	\$85,851
1810	Buildings	\$8,969,683	\$8,224,038
1815	Building improvements	\$461,397	\$403,422
1820	Leasehold improvements	\$114,575	\$105,492
1830	Furniture & fixtures	\$235,833	\$217,374
1840	Equipment & software	\$1,103,875	\$995,312
1850	Vehicles	\$1,537,829	\$1,465,063
1870	Less: Accum Deprec-land improvements	(\$25,781)	(\$20,577)
1875	Less: Accum Deprec-Buildings	(\$2,889,185)	(\$2,658,943)
1880	Less: Accum Deprec-Building Improvements	(\$99,930)	(\$86,227)
1882	Less: Accum Deprec-Leasehold Improvements	(\$51,213)	(\$42,153)
1885	Less: Accum Deprec-Furniture & Fixtures	(\$172,826)	(\$158,625)
1890	Less: Accumu Deprec-Eq't & Software	(\$793,297)	(\$672,484)
1895	Less: Accum Deprec-Vehicles	(\$1,246,323)	(\$1,153,178)
Total Fixed Assets		<u>\$8,733,545</u>	<u>\$8,177,985</u>
Other Assets			
1900	Cash Surrender Value - Life Insurance	\$12,549	\$12,242
1910	Client loan receivables	\$422	\$717
1912	Accounts Receivable - A&E (LT)	\$46,480	\$48,554
1914	Accounts Receivable - Kane Homes (LT)	\$147,178	\$162,902
1915	Accounts Receivable - Kaneco (LT)	\$69,586	\$69,586
1916	Accounts Receivable - Sherman Apts.(LT)	\$26,302	\$45,511
1920	Mortgage closing costs (legal/title)	\$43,731	\$7,711

Association for Individual Development
Comparative Balance Sheet
December 31, 2013 and 2012

		<u>Actual 12/31/2013</u>	<u>Actual 12/31/2012</u>
1990	Security Deposits	\$5,945	\$6,795
Total Other Assets		<u>\$352,194</u>	<u>\$354,017</u>
Total Assets		<u>\$14,368,512</u>	<u>\$12,612,711</u>
Liabilities & Fund Balance			
Liabilities			
Current Liabilities			
2000	Accounts payable - trade	\$248,349	\$165,599
2020	Accounts payable - voided payroll checks	\$1,214	\$466
2062	Due to Group Insurance Plans	\$0	\$77,176
2070	Due to United Way	\$733	\$198
2195	Current portion of Long Term Debt	\$194,228	\$182,084
2200	Accrued staff salaries	\$340,464	\$301,851
2205	Accrued FICA payable	\$65,724	\$22,879
2210	Accrued client salaries	\$16,617	\$20,711
2220	Accrued Paid time Off (PTO)	\$442,132	\$440,714
2230	Accrued Expenses	\$1,181,342	\$854,712
2240	Accrued Interest	\$13,143	\$8,116
2300	Deferred Revenue Grants	\$2,024,432	\$646,918
2305	Deferred Revenue IFF	\$1,379	\$9,536
2310	Deferred Revenue Special Events	\$3,179	\$1,325
2400	DCFS - Flex Funds	\$15,503	\$15,503
2402	LAN Funds--	\$1,338	\$7,438
2410	ISBE - Flex Funds	(\$272)	(\$7,276)
Total Current Liabilities		<u>\$4,549,505</u>	<u>\$2,747,948</u>
Long-Term Debt			
2600	Notes payable - vehicles	\$0	\$0
2750	Mortgage payable - Harris NA	\$1,550,985	\$1,632,364
2760	Mortgage payable - Knights of Columbus #1	\$26,191	\$54,762
2761	Mortgage Payable - Knights of Columbus #2	\$107,143	\$135,714
2762	Mortgage payable-IFF--	\$871,794	\$0
2995	Current portion of Long Term Debt	(\$194,228)	(\$182,084)
Total Long-Term Debt		<u>\$2,361,884</u>	<u>\$1,640,756</u>
Total Liabilities		<u>\$6,911,389</u>	<u>\$4,388,704</u>
Fund Balance			
3000	Fund Balance	\$7,457,122	\$8,224,006
Total Fund Balance		<u>\$7,457,122</u>	<u>\$8,224,006</u>
Total Liabilities & Fund Balance		<u>\$14,368,512</u>	<u>\$12,612,711</u>

Association for Individual Development Income Statement Six Months Ended December 31, 2013

Actual 2 mo. back 10/31/201	Actual Last Month 11/30/201	Current Month 12/31/201	Description	Actual YTD	Budget YTD 12/31/2013	Variance YTD	Fiscal Year Budget
REVENUE							
Developmental Disabilities							
11,912	11,912	11,912	4010 DD Special Projects-Respite Grant	71,472	71,472	0	142,944
61,860	53,924	49,194	4025 DD Developmental Training 31A	344,324	367,885	(23,561)	674,456
310,449	273,772	247,788	4027 DD Developmental Training 31U	1,697,951	1,784,253	(86,302)	3,271,131
593,746	524,396	570,600	4030 DD CILA 60D	3,433,711	3,607,610	(173,899)	7,452,721
21,947	19,291	18,058	4050 DD Supported Employment 36/39-G/U	122,322	103,756	18,566	207,513
0	0	0	4052 DD Day Program 38U	0	11,429	(11,429)	22,858
11,936	13,063	9,775	4056 DD One on One Services 53B/D/H/R/S/H	57,187	37,976	19,211	75,952
21,075	22,646	21,295	4060 DD Home Based Services 55A	126,331	129,632	(3,302)	259,265
10,959	41,593	11,919	4070 DD Behavior Services 56,57,58 (U&G)	104,569	105,000	(431)	210,000
5,625	15,056	30,324	4099 DD Rejection Billing	55,575	0	55,575	0
1,049,507	975,653	970,865	Total Developmental Disabilities	6,013,441	6,219,013	(205,572)	12,316,840
Mental Health							
15,631	15,631	15,631	4110 Psychiatric Leadership	93,788	93,731	58	187,461
14,170	14,170	14,170	4120 Crisis Services	115,178	99,155	16,023	198,310
9,494	8,825	9,983	4122 Aetna Crisis Line	63,584	90,000	(26,416)	180,000
1,165	1,173	1,173	4124 Colbert Crisis Line	6,985	0	6,985	0
15,358	15,358	15,358	4130 Supported Residential	92,146	92,146	0	184,292
23,178	23,178	23,178	4140 Supervised Residential - Indian Trail	139,068	166,882	(27,814)	333,764
23,178	23,178	23,178	4150 Supervised Residential - Sherman Apts	139,068	111,254	27,814	222,509
4,083	4,083	4,083	4155 SHPA BH Residential Services	24,499	127,000	(102,501)	254,000
193,097	174,965	184,712	4160 MH Medicaid MRO	1,070,990	1,248,838	(177,848)	2,497,677
15,367	11,870	11,167	4162 Aetna Medicaid	74,674	74,603	71	149,206
14,497	17,924	16,959	4164 Cenpatico Medicaid	102,128	114,672	(12,544)	229,344
23,831	28,452	28,858	4170 MH Non-Medicaid	167,931	89,742	78,189	179,484
353,049	338,807	348,450	Total Mental Health	2,090,040	2,308,023	(217,983)	4,616,047
Miscellaneous State Funding							
4,374	4,374	4,374	4210 Dept of Alcohol & Substance Abuse	26,243	26,243	0	52,486
35,214	28,444	23,702	4220 DRS Base Plus/Milestones	156,432	162,528	(6,096)	325,056

Association for Individual Development Income Statement

Six Months Ended December 31, 2013

Actual 2 mo. back 10/31/201	Actual Last Mont 11/30/201	Current Month 12/31/201	Description	Actual YTD	Budget YTD 12/31/2013	Variance YTD	Fiscal Year Budget
797	817	177	DRS Reg Supp Employ.	3,593	5,906	(2,313)	11,811
0	0	0	DRS Vocational Training-Forklift	0	2,000	(2,000)	4,000
0	0	0	Ticket to Work	2,002	6,750	(4,748)	13,500
4,640	6,160	10,560	State of Illinois - PAS	36,320	20,000	16,320	40,000
1,250	1,250	2,016	Mental Health Court(KaneCo)	8,266	7,500	766	15,000
1,854	1,854	1,854	State of Illinois - Homeless Youth	10,675	10,901	(225)	21,801
57,000	57,835	57,000	Long Term Care - Residential for TAC	343,670	343,542	128	687,085
18,911	18,911	18,911	Long Term Care - day program for TAC	113,466	113,470	(4)	226,940
21,828	18,654	16,254	Long Term Care - external for Bethesda	118,375	134,019	(15,645)	268,039
16,500	16,500	16,500	Long Term Care - external for Zachary	99,000	96,662	2,338	193,325
15,055	12,805	13,105	Victims' Services	79,255	81,225	(1,970)	162,450
0	0	0	ICG Grant	0	321,202	(321,202)	1,284,806
132	154	146	HFS - Public Aid - Children's Ther/Audiolog	564	3,500	(2,936)	7,000
163	361	21,510	HFS - Physician Services (Adult)	23,169	15,000	8,169	30,000
0	0	0	HFS - Transportation	95	2,250	(2,155)	4,500
0	0	0	Medicare - Psychiatric Services	0	27,500	(27,500)	55,000
7,058	9,598	8,469	School Transition	27,948	91,402	(63,454)	182,804
10	0	0	Psychologists-contractual and self pay	10	10,000	(9,990)	20,000
6,715	6,715	6,715	DHS- DFI Title XX	40,288	40,290	(2)	80,580
191,500	184,432	201,293	Total Miscellaneous State Funding	1,089,371	1,521,890	(432,519)	3,686,183
United Ways & 708 Boards							
2,058	2,058	2,058	United Way - Aurora	12,350	13,400	(1,050)	26,800
1,667	1,667	1,667	United Way - Elgin	10,000	10,000	0	20,000
247	0	0	United Way/CC other	1,169	500	669	1,000
375	375	375	United Way - Batavia	2,250	2,250	0	4,500
328	328	328	Community Chest - Geneva	1,774	1,000	774	2,000
2,317	2,317	2,317	United Way - Central Kane Co.	15,600	19,000	(3,400)	38,000
33,270	33,270	33,270	708 - So. Kane County (Aurora)	186,620	193,120	(6,500)	386,240
2,667	2,667	2,667	708 - Geneva	16,000	16,000	0	32,000
3,750	3,750	3,750	708 - Hanover Township	22,500	24,000	(1,500)	48,000

Association for Individual Development Income Statement

Six Months Ended December 31, 2013

Actual 2 mo. back 10/31/201	Actual Last Mont 11/30/201	Current Month 12/31/201	Description	Actual YTD	Budget YTD 12/31/2013	Variance YTD	Fiscal Year Budget
5,667	5,667	5,667	708 - St. Charles	36,000	35,000	1,000	70,000
2,042	2,042	2,042	708 - Kendall County	12,250	12,500	(250)	25,000
54,387	54,139	54,139	Total United Ways & 708 Boards	316,513	326,769	(10,256)	653,540
Special Events							
30,975	0	0	Auction	107,550	105,000	2,550	105,000
250	11,335	24,095	Membership	35,680	35,000	680	70,000
0	12	0	Telethon	52	0	52	95,000
3,592	2,379	637	Small Events	7,994	17,500	(9,506)	35,000
405	105	105	Family Partners	1,230	0	1,230	0
35,222	13,831	24,837	Total Special Events	152,506	157,500	(4,994)	305,000
Contributions							
0	2,500	35,000	Contributions - Grants	37,500	0	37,500	0
1,966	6,964	71,844	Contributions - Restricted	167,524	231,350	(63,826)	462,700
4,049	1,637	14,338	Contributions - Unrestricted	33,388	37,500	(4,112)	75,000
143	215	200	Contributions - Staff	987	500	487	1,000
27,292	27,292	27,292	Contributions - In-Kind Rent	163,751	163,751	0	327,502
4,713	2,824	26,755	In Kind Donations	65,405	52,500	12,905	100,000
7,715	845	620	Bequests and Memorials	86,027	45,000	41,027	90,000
45,877	42,277	176,048	Total Contributions	554,582	530,601	23,981	1,056,202
Program Fees							
135,962	131,496	130,418	Client Program fees	815,369	759,796	55,574	1,519,592
(7,624)	(7,624)	(8,693)	Intermittent CILA Payouts	(46,813)	(40,286)	(6,528)	(80,571)
0	1,764	(150)	Client Fees - Pool Lessons	4,131	15,000	(10,869)	30,000
0	0	0	Client Fees - Pool Contracts-Ext	0	3,200	(3,200)	6,400
555	555	555	Client Fees - Transportation	3,407	3,250	157	6,500
0	108	0	Program Activity Fees	13,046	283	12,763	567
3,013	2,555	2,999	CBO Early Intervention Income	19,454	15,000	4,454	30,000
0	1,650	550	Psychological Testing Income	5,220	0	5,220	0
3,414	655	3,445	Insurance Payments	18,310	10,000	8,310	20,000

Association for Individual Development Income Statement

Six Months Ended December 31, 2013

Actual 2 mo. back 10/31/201	Actual Last Month 11/30/201	Current Month 12/31/201	Description	Actual YTD	Budget YTD 12/31/2013	Variance YTD	Fiscal Year Budget
394	250	1,515	Family & 3rd Party Co-Pays	2,402	2,000	402	4,000
3,333	3,333	3,333	Hesed House	19,998	20,000	(2)	40,000
0	0	0	Flex Funds Admin fee income	0	395	(395)	790
4,500	4,500	6,280	Provena Mercy Aurora	28,780	32,500	(3,720)	65,000
143,547	139,243	140,251	Total Program Fees	883,305	821,138	62,167	1,642,278
Sub-Contract Sales							
13,379	15,487	7,913	Elgin Sub-Contract Sales	66,119	65,000	1,119	130,000
18,814	14,906	10,456	Aurora Sub-Contract Sales	94,803	100,000	(5,197)	200,000
34,641	11,642	8,303	Janitorial Sub-Contract - External	149,905	61,523	88,382	123,045
0	25,859	25,549	Janitorial Sub-Contract - Internal	51,408	172,950	(121,542)	345,900
66,833	67,894	52,221	Total Sub-Contract Sales	362,234	399,472	(37,239)	798,945
Other Income							
0	0	0	Gain/Loss on sale of Fixed Assets	0	1,000	(1,000)	2,000
0	0	0	Interest Income	3,031	0	3,031	0
3,680	3,573	2,064	Food Income	16,639	17,591	(952)	35,181
3,450	1,735	1,070	Vending Income	12,657	12,398	259	24,796
11,861	11,237	11,237	Rental Income - Tenants	39,594	0	39,594	0
16,625	10,760	14,310	Training income/reimbursement	80,730	41,999	38,731	87,000
6,261	6,261	6,261	Management fees-HUD Corps	37,953	33,350	4,603	66,700
17,448	14,535	13,109	LINK Income	84,130	107,309	(23,178)	222,118
135,000	135,000	135,000	RTA - Ride in Kane - JARC & NF	810,000	810,000	0	1,620,000
1,200	1,200	1,200	RTA - Ride in Kane - Mobility Mgt	7,200	7,800	(600)	15,600
7,362	1,098	182	Miscellaneous Income	15,991	6,590	9,401	13,180
202,887	185,399	184,433	Total Miscellaneous Income	1,107,925	1,038,036	69,889	2,086,575
2,142,809	2,001,674	2,152,537	TOTAL REVENUES	12,569,917	13,322,443	(752,526)	27,161,610
EXPENSES							
76,758	75,869	81,395	Salaries	465,420	515,085	49,666	1,030,171
		5000	Salaries - Admin & Support				

Association for Individual Development Income Statement

Six Months Ended December 31, 2013

Actual 2 mo. back 10/31/201	Actual Last Mont 11/30/201	Current Month 12/31/201	Description	Actual YTD	Budget YTD 12/31/2013	Variance YTD	Fiscal Year Budget
88,417	120,677	90,374	Salaries - Program Management	560,128	535,292	(24,835)	1,086,829
350,932	313,073	368,597	Salaries - Professional	2,065,522	2,382,505	316,982	4,875,591
(7,499)	(11,499)	(11,499)	Salaries - Professional - HUD reimb	(64,994)	(69,000)	(4,006)	(138,000)
529,718	501,210	529,261	Salaries - Direct Service	3,079,554	2,978,981	(100,573)	6,085,078
86,892	80,199	82,998	Salaries - Program Support	504,158	524,888	20,730	1,049,777
(2,893)	(3,858)	(2,232)	Salaries - Program Support - HUD reimb	(18,542)	(20,450)	(1,909)	(40,900)
1,122,325	1,075,671	1,138,893	Total Salaries	6,591,246	6,847,301	256,055	13,948,546
Benefits							
136,702	121,017	150,934	Group Medical Insurance	830,760	842,085	11,325	1,714,998
5,215	2,363	5,298	Group Dental Insurance	25,386	38,297	12,911	77,999
10,844	9,896	11,350	Life & Disability Insurance	65,561	61,377	(4,184)	125,003
29,256	223,614	29,764	Workers Comp Insurance	370,400	203,771	(166,629)	415,005
59,612	89,404	63,248	Employee Retirement	407,359	254,455	(152,905)	525,000
81,636	78,329	82,954	Staff FICA Tax	483,118	513,758	30,640	1,060,000
(3,407)	(5,047)	(4,505)	Employee Benefits - HUD reimb	(27,673)	(29,030)	(1,358)	(58,060)
0	5,751	0	Unemployment Expense	9,578	29,080	19,502	59,999
1,977	7,345	6,701	Tuition Reimbursement	23,803	21,809	(1,994)	44,998
25	9,103	918	Employee Recognition, Wellness, Other	14,598	0	(14,598)	0
0	0	0	Employee Assistance Program	1,832	3,392	1,560	7,000
0	0	0	Employee Health Screen	0	24,232	24,232	49,999
1,652	5,093	1,028	Other Prof/HR Benefits/Pre Emp Tests	13,164	14,540	1,376	30,002
323,512	546,868	347,691	Total Benefits	2,217,886	1,977,765	(240,120)	4,051,943
Client Salaries & Benefits							
36,377	39,057	30,532	Client Salaries	215,416	214,750	(666)	429,500
2,783	2,988	2,336	Client FICA	16,479	16,428	(51)	32,857
0	0	0	Client incentives	0	15,749	15,749	32,750
2,660	2,152	2,152	Client Workers Compensation Insurance	14,943	15,000	57	30,000
41,820	44,197	35,019	Total Client Salaries & Benefits	246,838	261,927	15,090	525,107
Consultants & Outside Services							

Association for Individual Development Income Statement

Six Months Ended December 31, 2013

Actual 2 mo. back 10/31/201	Actual Last Mont 11/30/201	Current Month 12/31/201	Description	Actual YTD	Budget YTD 12/31/2013	Variance YTD	Fiscal Year Budget
800	800	2,400	Audiology	7,200	5,000	(2,200)	10,000
9,425	15,555	8,550	Psychiatrists	67,175	79,670	12,495	160,000
1,285	4,905	3,040	Consult & Professional Fees	25,083	51,043	25,961	102,588
0	0	0	CCC	0	216,080	216,080	864,320
6,118	454	12,104	Nursing - Consultants VNA	35,838	35,000	(838)	70,000
46	207	414	Consultants - IT	1,127	15,984	14,857	33,001
0	0	0	Intern stipends	3,000	6,000	3,000	12,000
581	0	5,440	Temporary Services	11,735	10,000	(1,735)	20,000
7,259	17,668	9,175	Show You Care Kane	110,883	132,850	21,967	265,700
8,807	7,751	7,076	Outside Services - Respite	49,666	52,500	2,834	105,000
8,386	8,366	10,243	IT Licenses/Maintenance/Supplies	57,299	91,422	34,123	185,549
945	945	945	Audit Fees	5,127	23,731	18,604	48,999
217	217	5,593	Legal Services	12,872	16,942	4,070	34,980
43,869	56,868	64,982	Total Consultants & Outside Services	387,004	736,222	349,218	1,912,137
4,426	3,130	4,554	Household/Sanitary/Safety Supplies	23,574	37,811	14,238	79,698
1,819	1,041	0	Special Events Auction Expenses	15,711	13,000	(2,711)	13,000
0	0	92	Special Events Telethon Expenses	92	12,500	12,408	25,000
7,080	0	0	Special Events Expenses - clients	7,437	7,500	63	15,000
0	0	1,274	Special Events Expenses - small events	1,274	50	(1,224)	100
4,713	2,824	26,755	In-Kind Expenses	65,405	50,000	(15,405)	100,000
9,032	8,672	13,418	Residences/Client Materials & Activities	57,017	70,359	13,342	145,720
0	20,039	0	Program Activities/FVSR	39,075	49,000	9,925	98,000
2,793	6,940	3,329	Sub-contract/Jan-AID Supplies	21,407	23,000	1,592	46,000
149	(185)	1,036	Sub-Contract Shipping	2,325	0	(2,325)	0
3,759	4,627	1,198	Food Service Costs	17,619	15,000	(2,619)	30,000
23,449	20,752	20,913	Food Costs	130,491	152,199	21,708	313,399
4,776	3,914	2,522	Coffee/Water/Vending Supplies	21,792	21,309	(482)	42,619
61,995	71,752	75,091	Total Supplies	403,219	451,728	48,510	908,536
			Specific Assistance to Individuals				

Association for Individual Development
Income Statement
Six Months Ended December 31, 2013

Actual 2 mo. back 10/31/201	Actual Last Mont 11/30/201	Current Month 12/31/201	Description	Actual YTD	Budget YTD 12/31/2013	Variance YTD	Fiscal Year Budget
0	0	463	Rent for clients	463	0	(463)	0
0	0	290	Medications for clients	2,714	8,599	5,885	17,800
60	0	0	Medical/Dental for clients	873	4,299	3,426	8,900
60	0	752	Total Specific Assistance to Individuals	4,050	12,898	8,848	26,700
Vehicles & Transportation							
25,225	12,274	13,433	Vehicle Operating Costs	83,086	84,010	924	169,998
9,913	6,690	8,649	Vehicle Repairs & Maint	49,883	48,627	(1,256)	99,998
3,651	3,651	3,651	Vehicle Insurance	21,905	19,336	(2,569)	40,001
15,157	15,234	16,292	Staff Mileage reimbursement	102,942	105,116	2,174	216,900
240	0	320	Resident Transportation Services	800	500	(300)	1,000
15,019	13,928	14,767	Client Transportation RIDE in KANE	91,619	96,150	4,531	192,300
69,205	51,777	57,111	Total Vehicles & Transportation	350,236	353,739	3,504	720,197
Occupancy							
51,947	51,947	51,947	Facilities Rental	318,834	311,765	(7,068)	647,119
3,833	4,558	7,732	Utilities-Gas	23,152	33,923	10,772	69,159
17,837	10,420	20,771	Utilities-Electric	93,632	87,640	(5,992)	177,989
4,307	4,822	4,075	Utilities-Water & Sewer	25,040	26,223	1,184	52,805
7,035	7,198	9,922	Supplies - Janitorial	43,077	45,286	2,209	92,328
3,160	2,431	7,605	Telephone - Cellular	28,495	16,622	(11,873)	36,000
17,913	16,918	17,582	Telephone	91,251	110,666	19,415	225,998
0	290	25,599	Snow Removal	25,889	14,918	(10,971)	59,419
2,576	2,989	2,996	Refuse Disposal	15,942	14,772	(1,170)	30,279
600	1,033	6,313	Security Services	33,344	29,872	(3,472)	61,875
0	317	1,868	Moving & Relocation Expense	3,908	2,999	(909)	6,300
13,203	12,246	11,189	Building & Grounds - Maint & Repairs	63,803	77,992	14,190	159,667
22,007	25,859	25,549	Building & Grounds - JanAID	133,590	172,950	39,360	345,900
4,815	4,155	340	Lawn Maintenance	28,240	35,041	6,801	61,133
678	1,161	7,436	Small Equipment and Furniture	25,686	8,999	(16,687)	19,500
5,422	6,310	6,311	Prop/Gen Liab/Prof/Umbrella Insurance	34,372	34,715	343	70,967
1,110	1,110	1,110	Directors & Officers/Crime Insurance	6,599	7,267	668	14,535

Association for Individual Development Income Statement

Six Months Ended December 31, 2013

Actual 2 mo. back 10/31/201	Actual Last Mont 11/30/201	Current Month 12/31/201	Description	Actual YTD	Budget YTD 12/31/2013	Variance YTD	Fiscal Year Budget
7,491	7,554	11,299	Interest Expense - Mortgage	49,237	70,205	20,968	140,411
0	0	0	Real Estate Taxes	584	489	(95)	978
163,934	161,318	219,645	Total Occupancy	1,044,674	1,102,346	57,672	2,272,362
Equipment							
1,437	715	316	Equipment-Repairs/Maintenance	4,749	6,000	1,251	12,000
770	642	954	Equipment Rental	4,131	6,000	1,868	12,000
2,207	1,357	1,269	Total Equipment	8,880	12,000	3,120	24,000
Depreciation & Amortization							
43,683	43,623	44,477	Depreciation expense	260,139	275,693	15,555	558,685
228	5,967	1,992	Amortization expense	8,869	1,365	(7,504)	2,730
43,911	49,590	46,469	Total Depreciation & Amortization	269,007	277,058	8,051	561,415
Other Expenses							
4,067	1,834	2,225	Advertising/Job Recruiting	15,825	17,605	1,779	36,003
1,132	1,503	1,528	Bank Fees	11,035	5,000	(6,035)	10,000
1,930	2,364	1,536	Conferences & Meetings	8,336	9,630	1,295	19,999
606	229	600	Publications & Subscriptions	4,085	8,285	4,199	16,996
5,029	8,242	4,903	License, Permits, Dues, CARF Accred	39,959	29,211	(10,748)	60,000
8,212	5,325	4,738	Office Supplies	38,612	44,143	5,531	89,934
13,535	10,219	8,431	Payroll Service Fees	50,880	58,322	7,442	119,998
1,172	1,578	1,630	Postage	8,151	8,214	62	16,996
1,398	1,975	1,923	Printing	5,725	7,477	1,752	15,500
135,000	135,000	135,000	RTA - Ride in Kane - JARC & NF	810,000	810,000	0	1,620,000
1,000	500	500	RTA - Ride in Kane - Mobility Mgt	3,848	4,500	652	9,000
2,868	9,486	364	Staff Training	19,137	20,010	873	48,899
331	0	0	Interest Expense - other	3,731	12,500	8,769	25,000
0	0	0	Bad Debts	4,333	15,000	10,667	30,000
0	0	0	Bequest & Memorials Pass Through	0	7,500	7,500	15,000
143	223	1,088	Miscellaneous Expense	2,110	10,000	7,890	20,000
0	0	0	Cash over/short	50	0	(50)	0

**Association for Individual Development
Income Statement**

Six Months Ended December 31, 2013

Actual 2 mo. back 10/31/201	Actual Last Mont 11/30/201	Current Month 12/31/201	Description	Actual YTD	Budget YTD 12/31/2013	Variance YTD	Fiscal Year Budget
0	12,032	12,033	HFS TAC Participation Fees	36,098	24,066	(12,032)	48,132
0	0	0	Program Support Allocation	0	(32,501)	(32,501)	0
0	0	0	Admin Allocation	0	(17,369)	(17,369)	0
<u>176,421</u>	<u>190,509</u>	<u>176,500</u>	Total Other Expenses	<u>1,061,915</u>	<u>1,041,592</u>	<u>(20,322)</u>	<u>2,201,457</u>
<u>2,049,259</u>	<u>2,249,905</u>	<u>2,163,421</u>	TOTAL EXPENSES	<u>12,584,953</u>	<u>13,074,577</u>	<u>489,624</u>	<u>27,152,400</u>
<u>93,550</u>	<u>(248,232)</u>	<u>(10,884)</u>	NET SURPLUS/(DEFICIT)	<u>(15,036)</u>	<u>247,866</u>	<u>(262,902)</u>	<u>9,210</u>

Attachment C
AID Board of Directors

AID BOARD OF DIRECTORS

AGENCY NAME: Association for Individual Development (AID) . . **ADDRESS:** 309 W. New Indian Trail Court, Aurora, IL 60506

EXECUTIVE DIRECTOR: Lynn O'Shea . . **PHONE:** 630-966-4001 . . **DATE OF NEXT BOARD ELECTION:** 6/2014

NAME	HOME ADDRESS	OCCUPATION & EMPLOYER	EXPIRES
Chuck Miles (Chairman)	1015 Westfield Course Geneva, IL 60134 630.232.6926 Miles Charles_H@cat.com	Caterpillar	6/2015
Patrick M. Flaherty (Vice Chairman)	920 Hardin Rd Aurora, IL 60506 630.892.0033 pflaherty@kfkllaw.com	Attorney/Partner Kinnally Flaherty	6/2015
Waiter Dwyer (Treasurer)	1210 Clayton Court Geneva, IL 60134 630-208-9242 wdwyer@ihcconstruction.com	Vice President IHC Construction, Elgin	6/2016
Toni Vaughan (Secretary)	1885 Alschuler Drive Aurora, IL 60506 630.892.7560 apvaughan@comcast.net	Retired	6/2014
Dr. Clem Mejia	2676 Danford Way Geneva, IL 60134 630.232.7288 clemmejia@comcast.net	Retired Kane County Superintendent	6/2016
John Potter	130 River Mist Drive Oswego, IL 60543 630.551.3323 jandspot@sbcglobal.net	Retired President of Advocate Dreyer Medical	6/2016
Sue Bergeson	111 Aberdeen Court Geneva, IL 60134 630.232.2088 susan.bergeson@optumhealth.com	National VP Consumer Affairs-Optum Health (United Health Care Co)	6/2014
Clifford Klotz	3014 Fox Glen Ct St. Charles, IL 60174 630.584.3055 crkinc@sbcglobal.net	Retired	6/2014
Dan Lundberg	1532 Charleston St Batavia, IL 60510 630.377.4195 dan.lundberg@bmo.com	Relationship manager/analyst U.S. SAMU	6/2014
Dr. Melinda James	89 Plymouth Court Aurora, IL 60504 630.229.3306 mjames@waubonsee.edu	Vice President of Student Development- Waubonsee Community College	6/2014
Dr. Laurie Schnell	2541 Whiteway Court Aurora, IL 60504 630.859.6815 Laurie.schnell@advocatehealth.com	Pediatrician-Dreyer Medical Clinic	6/2014
Angelica Silva	51 Garfield Lane Streamwood, IL 60107 630.210.1369 asilva@elginstatebank.com	Branch Manager-Elgin State Bank	6/2016
David De La Fuente	1600 Martha Drive Elgin, IL 60123 847.627.0919 David_dlf@sbcglobal.net	Bilingual Counselor-Larkin Center Community Counseling Services	6/2016

Board Meeting Dates: First Wednesday in August; October; December; February; April; May (annual meeting); June.

Board Meeting Location: Kane County Education Office, 210 S. Sixth Street, Geneva, IL 60134 at 5:30 p.m.

Excerpt from AID BY-LAWS

ARTICLE VI: Board of Directors

Section 1. Powers

The business of AID shall be managed by or under the direction of its Board of Directors. The Board, subject to these bylaws, shall exercise broad stewardship and policy direction for the corporation. In its fiduciary role, the Board shall have the power to solicit, receive, use, hold, invest and reinvest gifts, bequests, devises, grants or funds from whatever source and use the same or the proceeds thereof for AID or any of its activities, or as specifically designated. It shall cause the books and financial statements of AID to be audited annually by independent certified public accountants. It shall actively promote the corporation's purposes and mission throughout the community.

The Board of Directors shall employ a President/ CEO and empower the President/CEO to transact business, administer established policies, manage the corporation's services, hire, discharge and supervise all personnel, and manage the real and personal properties of the Association, subject to the direction of the Board of Directors. The President shall serve as the registered agent for the corporation.

Section 2. Number of Directors

The number of directors shall be no fewer than 12 nor more than 17 in number, which number shall be fixed from time to time by resolution of the Board of Directors, provided, however, that a resolution to reduce the size of the Board of Directors shall not affect the unexpired term of any director then a member of the Board of Directors. A director must at all times be a member in good standing of AID. Directors shall be elected at the regular annual meeting of the Board of Directors or in the event that any directorship is to be filled by reason of an increase in the number of directors, by the Board of Directors at any regular meeting of the Board of Directors. Such regular annual meeting of the Board of Directors shall be held in the month of May of each year on a date selected by the President/CEO of this corporation. Unless otherwise specifically provided by the Board of Directors who elect a director, or by the terms of Section 5 of this Article VI, the term of an elected director shall be three years, commencing on July 1st following the annual meeting. No director shall serve for more than three (3) consecutive terms or nine (9) consecutive years, except that if a director is elected to fill a vacancy pursuant to Section 5 of Article VI with two years or less remaining in that unexpired term, then that director shall serve for not more than four (4) consecutive terms (the word "term" shall include any unexpired term for which the director is elected to fill a vacancy) or eleven (11) consecutive years.

Any provision herein to the contrary notwithstanding, in the case of a director who serves as Chairman of the Board of Directors in his or her ninth consecutive year as a director, then he or she shall be eligible to serve one additional year on the Board of Directors as a director.

A director may resign at any time by giving written notice to the Board of Directors or to the Chairman or to the Secretary. A resignation is effective when the notice is given unless the notice specifies a future date. The pending vacancy may be filled before the effective date, but the successor shall not take office until the effective date.

No employee of AID nor of any organization with which AID has a franchise relationship nor of any agency of the State of Illinois that provides funding to AID nor of any nursing home or sheltered care home that is a part of the Illinois service delivery system nor any member of his or her immediate family (spouse, parent, child, brother or sister) shall be eligible to serve as a director.

Section 3. Quorum and Action

A majority of the number of directors fixed by the Board of Directors from time to time to constitute the Board of Directors shall form a quorum for the transaction of business at any meeting of the Board of Directors, provided that if fewer than a majority of such number of directors are present at a meeting, a majority of the directors present may adjourn the meeting at any time without further notice. The directors shall hold no fewer than six regular meetings annually. The directors by resolution shall schedule meetings on a recurring basis without the necessity of notice other than such resolution.

The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless applicable state statutes, these by-laws, or the Articles of Incorporation require the act of a greater number.

Use of a conference telephone or interactive technology, including but not limited to electronic transmission, internet usage, or remote communication, by means of which all persons participating in the meeting can communicate with each other is permissible for purposes of attendance at any meeting of the Board of Directors, unless otherwise prohibited by the Illinois General Not-for-Profit Corporation Act, as amended.

Section 4. Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the Chairman or any two or more directors. The person or persons authorized to call special meetings of the Board of Directors may fix the date, time and place for the special meeting.

Notice of any special meeting shall be given at least three days previous thereto by written notice to each director at the director's address on the membership list. If mailed, such notice shall be deemed to be deliverable when deposited with the United States Postal Service so addressed, with postage thereon prepaid. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 5 Vacancies.

Any vacancy occurring in the Board of Directors or any directorship to be filled by reason of an increase in the number of directors shall be filled by the Board of Directors. A director elected or appointed as the case may be, to fill in a vacancy shall be elected for the unexpired term of his or her predecessor in office. Unless otherwise specified by the Board of Directors, a director elected or appointed as the case may be, to fill a directorship by reason of an increase in the number of directors shall be elected for a term beginning on the date specified by the Board of Directors and ending on June 30th of the year which ends three years after the last June 30th.

Attachment D
501c3 tax exempt determination letter

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

In reply refer to: 0248364799
July 05, 2012 LTR 4168C E0
36-2472748 000000 00
00037151
BODC: TE


ASSOCIATION FOR INDIVIDUAL
DEVELOPMENT
309 W NEW INDIAN TRAIL CT
AURORA IL 60506

67870

Employer Identification Number: 36-2472748
Person to Contact: Mrs. K Hopton
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your June 25, 2012, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in May 1963.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(2).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.

0248364799
July 05, 2012 LTR 4168C E0
36-2472748 000000 00
00037152

ASSOCIATION FOR INDIVIDUAL
DEVELOPMENT
309 W NEW INDIAN TRAIL CT
AURORA IL 60506

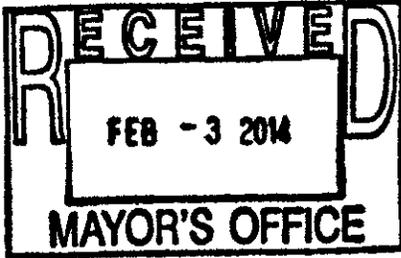
If you have any questions, please call us at the telephone number
shown in the heading of this letter.

Sincerely yours,



S. A. Martin, Operations Manager
Accounts Management Operations

**ECKER CENTER FOR
MENTAL HEALTH**



Date: January 31, 2014

City of St. Charles
708 Mental Health Board
Accountability Report for funds Expended

Agency Name: Ecker Center for Mental Health

Contact Person: Karen Beyer Phone #: 847-695-0484

Main Office Address: 1845 Grandstand Place

Elgin, IL 60123

Funding requested from City of St. Charles 708 Board for fiscal year 14/15: \$67,000

Describe mission (include narrative explaining how mission relates to City of St. Charles):

Our mission is to provide quality mental health services that are accessible and responsive to community needs. St. Charles residents receive individual and group therapy services at our St. Charles and Elgin offices. They also receive emergency psychiatric assessments, available around the clock 365 days a year, at Delnor, Sherman or Presence St. Joseph Hospitals. The emergency assessments may include facilitation of hospitalization, supportive counseling or referrals to appropriate programs at the Ecker Center or other organizations. St. Charles residents also use the services of Ecker Center's psychiatrists who prescribe medications and nurses who help them obtain those medications and use them correctly to treat their mental illnesses. Case managers provide assistance in obtaining money on which to live, housing, dental and medical care as well as personal monitoring to help people avoid hospitalization. Psychosocial Rehabilitation services help residents of St. Charles, who have severe mental illnesses, learn skills of daily living, illness management and job readiness.

On occasion a St. Charles resident may require daily supervision at one of Ecker's five supervised living facilities. Two of the residences are supervised 24 hours a day and two are supervised only during the day. A fifth very short term residential program is available to St. Charles residents who have an acute mental illness that does not require hospitalization and to residents who are leaving a short hospitalization and are not yet ready to return to the community. These residential facilities are located in Elgin.

Describe specific goals that fit City's mission and indicate how goals will be accomplished.

The Ecker Center's goal of providing comprehensive mental health services assists the City in its stewardship role of maintaining the social character of the City. The Ecker Center offers those citizens who are suffering from a mental illness the assistance they need to maintain their contributions to the City's positive social character, or in their recovery process begin to assume contributions to the positive social character of the community. These same services can help some citizens dramatically lighten their personal and/or family burden and preoccupation with mental illness and assist them in achieving the positive mental health that is required to provide input to the City governmental process, as well as other civic activities in the community.

The Ecker Center's goal of collaboration with the City of St. Charles includes its grateful receipt of funding from the City's Mental Health Board and its provision of counseling services in its City of St. Charles office as well as its presence at the nearest local hospital, Delnor's Emergency Department, when assistance in evaluation and state funded inpatient treatment is needed by a St. Charles resident.

The Ecker Center Psychiatric Emergency Program helps the City of St. Charles provide a safe and secure community for its citizens. The Ecker Center's Psychiatric Emergency Program is the only such program serving the St. Charles area. It provides quick, round the clock assessment and intervention in true psychiatric emergencies. The program helps those who would harm themselves or others due to severe untreated psychosis and depression, and in this manner the Ecker Center contributes to the safety and security of the community.

Like the City of St. Charles, the Ecker Center strives to treat its customers with courtesy, respect and dignity at all times and to continually engage in a positive approach to problem solving.

The City of St. Charles and the Ecker Center share the goal of outcome driven decisions and service provision. The Ecker Center's community programs have clinical outcomes that are continually measured. The goals and objectives (outcomes) in its strategic plan are measured quarterly.

Like the City, the Ecker Center is committed to best practices in its field. The Center is constantly modifying its services to reflect the recognized best practices and evidence based practices in the field of mental health treatment and recovery services. The Ecker Center clearly documents continuous performance improvement process at all levels of the organization, which helps it provide the best services possible. The Center is accredited by the Joint Commission which holds its accredited organizations to high standards of clinical performance and adherence to the latest best practices.

The Ecker Center's bilingual staff and staff training in cultural sensitivity reflect commitment to group and cultural diversity.

The Ecker Center is continually striving to provide services that meet the actual needs of citizens of the City of St. Charles and as a result the Center actively seeks funding from a wide range of sources: private, corporate and governmental.

Describe how funds will be expended and quantify services provided to the City of St. Charles (e.g., City of St. Charles persons served, cost allocated to services, program descriptions, and other pertinent information). Also attach budget detailing sources (grants, other municipalities' contributions, fundraisers, and any other sources of funding –actual or being sought):

All of St. Charles Mental Health Funds would be expended on all of Ecker Center's services on behalf of St. Charles residents. The following services are provided by the Ecker Center. Ecker Center's psychiatrists provide adults with evaluations, medication prescriptions and monitoring. Nurses provide medication monitoring, injections and assistance in obtaining medications and/or required medical tests. Case managers provide assistance in obtaining stable sources of income, food, clothing, housing, medical and dental care and they monitor clients to avert crisis. Psychiatric Emergency Program (PEP) staff will be available to St. Charles residents of any age who are experiencing a psychiatric crisis at any time of the day or night. The PEP therapists will provide evaluations, make referrals and help arrange for psychiatric inpatient treatment for those who require it. Therapists will provide evaluations, individual and group counseling and referrals. When the Larkin Center closed in October, 2013 we carried on their counseling and psychiatry programs for children, adolescents and adults. As a result, the Ecker Center now provides therapy, counseling and psychiatry to children and adolescents in addition to the adults it has always served. Psychosocial rehabilitation staff will assist adults with severe mental illnesses to manage their illnesses and learn to handle the tasks of daily living adequately.

Four residential options are available to community residents. The most intensive is the short-stay Crisis Residential Program, for those in severe psychiatric crisis. The program is staffed twenty-four hours a day and has a nurse on most shifts. A psychiatrist visits the clients frequently to monitor their progress and adjust their medications. A second longer term residential option provides twenty four hour supervision, meal preparation and on-site case management at the living facility. A third residential program provides day-time case management to clients who live in their own apartments and prepare their own meals. The Ecker Center acquired 28 new residential clients and the funding subsidies for their apartments and daytime case managers when the Larkin Center closed. A fourth option provides assistance in paying rent and off-site case management to adults living in their own apartments.

As a result of the growing state and national emphasis on integrated care and our own desire to provide comprehensive care, we have partnered with a nationwide for-profit pharmacy, Genoa Healthcare, and with a local, federally qualified health care center, VNA Healthcare, to provide their services to our clients at our main location in Elgin. Genoa matches the low medication prices of pharmacies such as Walmart, packages drugs in bubble packs and mails medications to clients' homes when asked. VNA offers low cost and sliding fee scale primary care to our clients, 64% of whom have incomes at poverty level or below.

The state of Illinois supplied about 64% of the Ecker Center's revenue in the last fiscal year. In fiscal year 2013 the State's support was \$949,347 less than fiscal year 2008. This is an average decrease of \$189,869 per year for the last five years. The State's payments have been an average of 110 days outstanding in the last year. Fifty-five percent of funds received by Illinois was grant payments and the remaining 45% was payments for services rendered and billed (fee for service). We continue to be able to manage the state's late payment cycle without borrowing. At this time the state owes us about \$320,000. We continue to concentrate our efforts to raise foundation grants and other donations and keeping expenses as low as possible to continue to provide the needed services under these conditions. Our audit for the year ending June 30, 2013 indicates that our nongovernmental revenues were up 7% over fiscal year 2011.

The state has contracted with four new managed care companies that in turn contract with the Ecker Center to provide services. The six companies that manage payments for Medicaid and Medicare beneficiaries in our area pay us in a timely manner but they have presented other challenges. Each has their own coverage limits, billing and preauthorization requirements, which has required us to hire an additional billing specialist in 2013 and spend uncompensated time on preauthorization for services.

(see also attached Budget FY 2014 St. Charles Residents)

STC 708 Board Funding Request

Date: January 31, 2014

Agency Name: Ecker Center for Mental Health

St. Charles 708 Fund Expenditure History – explains how funds allocated from previous year were expended and purposes of those expenditures. Note: if funding allocation is over \$25,000, attached most recent financial statements, audit and annual report:

Funds were expended for staff, commodities, contractual services, and other expenses.

On an annualized (12 month) basis, provide information on City of St. Charles residents served:

Direct service: number of individual clients/consumers served: 285

Aggregate number of direct service hours provided: 2,177

Describe agency cost basis per client/consumer served (e.g., per hour cost and/or program costs allocated to City of St. Charles residents and how this was derived):

City of St. Charles residents are served mainly in our St. Charles office, but are also seen in the Elgin and Streamwood offices. Costs to provide services to consumers vary by the type of services rendered. Ecker Center's costs for one hour of service range from \$15 for Psycho-Social Rehabilitation to \$240 for a psychiatric visit. Extending our standard costs per procedure hour gives us a standard total expense of \$326,280. That amount divided by the total number of hours devoted to St. Charles residents (2,177) gives us a cost basis per consumer per hour of \$150.

Identify other services provided to and for the benefit of City of St. Charles' residents (education, presentations, volunteer training and group activities/events).

The Ecker Center works very closely with the Lazarus House providing therapy services just a block away from the Lazarus House in St. Charles. Ecker Center joined Lazarus House and other social service organizations to apply for an IDHEA housing subsidies grant program that was possible because of the collaborative effort. Low income St. Charles residents are benefiting from the housing subsidies that the collaborative was able to obtain. The Ecker Center sublets office space from the Renz Center in St. Charles and this is a cost saving option for both organizations.

The Ecker Center participates in the Kane County (mental health) Treatment Alternative Court (TAC) by providing services to people referred by the Court,

staffing new cases and serving in an advisory capacity to TAC. Ecker Center has produced more successful graduates of the TAC program than any other participating agency.

The Ecker Center's brochures are in the display rack at the St. Charles Public Library. The Ecker Center belongs to the St. Charles Chamber of Commerce in an effort to identify other partnerships and opportunities to benefit St. Charles residents.

The Ecker Center provides meeting space for NAMI, the National Alliance for the Mentally Ill, Northern Kane County Chapter. NAMI is a nonprofit membership group that provides support, education and advocacy for persons with mental illnesses and their families.

Attach a list of current Board of Directors for your agency, listing the length of time that each Board member has served in their current term. Also attach a brief summary of how Board members are elected, the qualifications sought, and any term limits for Board members.

Attach a copy of current 503C or tax exempt status certification.

Please note that agencies that are allocated funds from the STC 708 Board in excess of \$25,000.00 in any fiscal year are also subject to the following requirements:

1. Monthly financial statements must be submitted to the Government Operations Committee of the St. Charles City Council by no later than the 15th day of the following month.
2. An annual report must be submitted to this same Committee.
3. A representative of the agency must make a brief presentation describing the purpose of the agency, it's future plans and how it's programs and services have benefited the residents of St. Charles to this Committee on an annual basis at a date and time to be determined (following the allocation recommendation process by the STC 708 Board, but prior to the actual release of any funds).

Funding request amount for current fiscal year \$ 67,000 Application Date: January 31, 2014

For STC 708 Board Only:

Recommended funding for current fiscal year: \$ _____

Recommendation Date: _____

Ecker Center for Mental Health

**Self Funding Efforts that Specifically Benefit St. Charles Residents
in FY 2014**

Fundraising Events

Festival of Trees sale and gala
Annual appeal letter
Spring fundraiser
Wishes for Wellness brunch and annual awards celebration
Shop and Share resale store proceeds

General Operating Donations

Verizon Foundation
St. Charles Township
Kane County
Alfred Bersted Foundation

Grants to Specific Programs

United Way of Central Kane County
State of Illinois Division of Mental Health
St. Charles Noon Kiwanis Foundation
Kane County Riverboat
Hanover Township Mental Health Board

Capital and Housing Grants

HUD, Illinois Housing Development Authority and Division of Mental Health housing subsidies to individual clients, Cosmopolitan Club, Geneva Community Chest

Fee for Service

Private medical insurance
State of Illinois Division of Mental Health and Healthcare and Family Services
Payments for Medicare and Medicaid services that we provide and bill for

Ecker Center for Mental Health

Budget F' 2014

Statement of Activity

	<u>St. Charles Budget</u>	<u>Ecker Budget</u>
Revenues		
Public Support		
Contributions	8,696	110,000
In-kind Contributions	2,370	30,000
United Way - Barrington	553	7,000
United Way - Elgin	2,923	37,000
Far Northwest Suburban United	2,370	30,000
United Way-St. Charles	1,264	16,000
Community Chest-Geneva	83	1,055
Total Public Support	<u>18,259</u>	<u>231,055</u>
Fees & Grants - Governmental		
Geneva 708 Board	2,291	29,000
Hanover Mental Health	5,996	75,900
St. Charles 708 Board	5,135	65,000
Grant-In-Aid	137,375	1,738,927
Barrington Township	316	4,000
HUD	27,415	347,022
Kane County-Treatment Alternative Court	1,086	13,750
Renz/SAMHSA CHIP Program	3,089	39,102
Fee For Service - Medicaid	87,651	1,109,500
Fee For Service - Non-Medicaid	18,407	233,000
Fee For Serv.-PAS Eval.	6,051	76,600
Fee For Service - HBS	28	360
Total Fees & Grants - Governmental	<u>294,840</u>	<u>3,732,161</u>
Fundraising		
Festival of Trees	5,135	65,000
Summer Fundraiser	474	6,000
Awards Event	205	2,600
December Mailing	395	5,000
Total Fundraising	<u>6,209</u>	<u>78,600</u>
Program Service Fees		
Patient Fees - Voluntary	4,183	52,950
Private Insurance Payments	20,271	256,600
Patient Fees - Public Aid	119	1,500
Medicare	7,671	97,100
Rental income- clients	12,202	154,450
Reimbursements - CILA	5,846	74,000
Fee for Service - Rep Payee	514	6,500
Contracts-US Probation Office	790	10,000
Contracts - St. Joe's	2,212	28,000
Contracts-SASS	6,320	80,000
Contracts - PEP	3,847	48,700
Total Program Service Fees	<u>63,975</u>	<u>809,800</u>

Other Revenue		
Interest Income	608	7,700
Report Writing	711	9,000
Rental Income	1,738	22,000
Total Other Revenue	<u>3,057</u>	<u>38,700</u>

Total Revenues	<u>386,340</u>	<u>4,890,316</u>
----------------	----------------	------------------

Expenses

Personnel and Benefits		
Salaries - Administrative	44,324	561,067
Salaries - Professional	141,828	1,795,288
Personnel Pool	3,324	42,072
Payroll Taxes - FICA	14,495	183,480
Insurance-Unemployment	899	11,386
Insurance - Group Medical	26,283	332,700
Insurance - Workers' Comp.	4,708	59,600
Insurance - ST Disability	179	2,260
Retirement	7,492	94,830
Recruitment	181	2,285
Temporary Services	1,877	23,754
Employee Expenses	2,299	29,105
Training & Ed -T&E Committee	150	1,895
Training & Education-M-Team	211	2,675
CPR Training Fees	99	1,250
Total Personnel and Benefits	<u>248,349</u>	<u>3,143,647</u>

Program Expenses

Consultation - Doctors	39,108	495,040
Rep. & Maint.-Equipment	510	6,450
Prog. Expenses - Supplies	178	2,250
Program Expenses - Events	174	2,200
Prog. Expenses - Pharmacy	417	5,275
Program Exp.-Subscriptions	486	6,150
Program Exp.-Equipment	344	4,350
Program Exp.-Cell & Pager	325	4,120
Food	3,255	41,205
Vehicle Oper. & Maint.	423	5,355
Volunteer Stipends	514	6,500
In-Kind Medications	2,370	30,000
Total Program Expenses	<u>48,104</u>	<u>608,895</u>

Specific Assistance to Clients

Spec. Assist. Meds/Treat	340	4,300
Specific Assist.-Transport.	689	8,725
Specific Assist.-Misc.	408	5,160
Spec. Assist. - Furnishings	8	100
Total Specific Assistance to Clients	<u>1,445</u>	<u>18,285</u>

Occupancy

Rental Of Facilities	23,700	300,000
Electricity	5,785	73,230
Gas	1,189	15,050
Water	1,453	18,390
Scavenger	672	8,505
Exterminating	92	1,170
Janitorial & Supplies	4,140	52,400
Fire System Maintenance	578	7,320

Elevator Maintenance	373	4,720
Door & Key Maintenance	348	4,405
Repairs-electrical	251	3,175
Repairs-plumbing	510	6,450
Repairs-general	4,935	62,470
Hardware & supplies	442	5,590
HVAC	1,695	21,450
Rep. & Maint.-Grounds	2,345	29,680
Real Estate Taxes	71	900
Insurance-Prop. & Liab.	3,494	44,225
Insurance-Liab. Umbrella	87	1,100
Interest Expense - Mortgage	4,213	53,325
Total Occupancy	<u>56,373</u>	<u>713,555</u>

Development & PR		
FR exp - Festival of Trees	1,343	17,000
FR Exp-Summer Event	261	3,300
Annual Awards Event	119	1,500
Fundraising Exp.-Misc.	79	1,000
Dues and memberships	1,501	19,000
Marketing & PR	269	3,400
Annual board meeting	16	200
Total Development & PR	<u>3,588</u>	<u>45,400</u>

Management & General		
Payroll Service	521	6,600
Accounting & Audit	1,106	14,000
Legal	395	5,000
All Staff Activ/Recogn/Anniver	617	7,806
JCAHO Survey	537	6,800
Bank Charges	474	6,000
Insurance-Directors/Officer	474	6,000
Miscellaneous Expense	71	893
Total	<u>4,195</u>	<u>53,099</u>

Other Expenses		
Stationery/printing	97	1,225
Office Equip. & Supplies	6,485	82,090
Office Supplies-Software	1,264	16,000
Consultants	3,265	41,335
Rental Of Equipment	126	1,600
Telephone	3,527	44,650
Postage	466	5,900
Business Travel	1,402	17,750
Total Other Expenses	<u>16,632</u>	<u>210,550</u>

Depreciation		
Depreciation	7,654	96,885
Total Depreciation	<u>7,654</u>	<u>96,885</u>

Total Expenses	<u>386,340</u>	<u>4,890,316</u>
----------------	----------------	------------------

NET SURPLUS/(DEFICIT)	<u>0</u>	<u>0</u>
-----------------------	----------	----------

Ecker Center for Mental Health Statement of Financial Position

	Current Year 12/31/2013	Prior Year 12/31/2012	Variance
Assets			
Current Assets	769,154.79	884,497.96	(115,343.17)
Long Term Investments	820,710.19	176,431.52	644,278.67
Receivables	166,696.94	1,590,321.89	(1,423,624.95)
Other Current Assets	28,701.87	21,367.02	7,334.85
Fixed Assets	1,740,608.58	1,808,339.59	(67,731.01)
Total Assets	3,525,872.37	4,480,957.98	(955,085.61)
Liabilities and Net Assets			
Liabilities			
Current Liabilities	(247,358.81)	366,293.39	613,652.20
Long-term Liabilities	856,806.85	910,206.80	53,399.95
Total Liabilities	609,448.04	1,276,500.19	667,052.15
Net Assets			
Unrestricted Net Assets	2,916,424.33	3,204,457.79	(288,033.46)
Total Net Assets	2,916,424.33	3,204,457.79	(288,033.46)
Total Liabilities and Net Assets	3,525,872.37	4,480,957.98	955,085.61

Ecker Center for Mental Health Statement of Activity

	Month Actual 12/31/2013	Month Budget 12/31/2013	Year to Date Actual 12/31/2013	Year to Date Budget 12/31/2013	Year to Date Variance	Percent Variance
Revenues						
Public Support	77,882	9,695	106,039	55,530	50,509	90.96%
Fees & Grants - Governmental	269,097	321,169	1,823,997	1,896,563	(72,566)	(3.83)%
Fundraising	5,712	5,000	68,821	76,000	(7,179)	(9.45)%
Program Service Fees	59,717	64,152	386,306	404,912	(18,606)	(4.60)%
Other Revenue	13,652	3,225	110,792	19,350	91,442	472.57%
Total Revenues	426,060	403,241	2,495,954	2,452,355	43,599	1.78%
Expenses						
Personnel and Benefits	315,504	281,743	1,568,041	1,487,062	(80,980)	(5.45)%
Program Expenses	66,812	45,068	345,856	270,408	(75,448)	(27.90)%
Specific Assistance to Clients	3,134	1,523	6,835	9,138	2,303	25.21%
Occupancy	71,457	59,203	373,337	358,221	(15,116)	(4.22)%
Development & PR	4,381	700	37,153	39,700	2,547	6.42%
Management & General	91,354	9,913	118,371	37,148	(81,223)	(218.65)%
Other Expenses	37,708	18,459	129,640	105,754	(23,886)	(22.59)%
Depreciation	8,075	8,074	48,447	48,444	(3)	(0.01)%
Total Expenses	598,424	424,683	2,627,682	2,355,875	(271,807)	(11.54)%
NET SURPLUS(DEFICIT)	(172,364)	(21,442)	(131,727)	96,480	(228,208)	(236.53)%

ECKER CENTER FOR MENTAL HEALTH, INC.

**FINANCIAL STATEMENTS
AS OF JUNE 30, 2013 AND 2012**

TOGETHER WITH AUDITOR'S REPORT

Dugan & Lopatka

Certified Public Accountants & Consultants
A Professional Corporation
104 East Roosevelt Road
Wheaton, Illinois 60187
(630) 665-4440
Fax (630) 665-5030
www.duganlopatka.com
e-mail: info@duganlopatka.com

Michael J. Dugan
Jerry L. Lopatka
Mark F. Schultz
Peter J. Zich
Leo M. Misdom

T. Brett Flickinger
Karen M. Olson
Hugh E. Elliott
James P. Hofner

Gwen S. Henry

INDEPENDENT AUDITOR'S REPORT

Board of Directors of
Ecker Center for Mental Health, Inc.:

We have audited the accompanying financial statements of Ecker Center for Mental Health, Inc. (the Center) which comprise the statement of financial position as of June 30, 2013 and 2012, and the related statements of activities, cash flows and functional expenses 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.

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

Board of Directors of
Ecker Center for Mental Health, Inc.:
Page two

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ecker Center for Mental Health, Inc. as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Dugan & Lopatka

DUGAN & LOPATKA

Wheaton, Illinois
October 24, 2013

ECKER CENTER FOR MENTAL HEALTH, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2013 AND 2012

ASSETS

	<u>2013</u>	<u>2012</u>
CURRENT ASSETS:		
Cash and cash equivalents - Unrestricted	\$ 1,775,731	\$ 763,143
- Restricted	6,889	2,414
Investments	195,724	164,404
Program service fees receivable	510,824	1,470,591
Grants receivable	92,000	111,375
Due from related party	97,673	85,373
Deposits	11,110	11,110
Prepaid expenses	17,413	10,014
	<u>2,707,364</u>	<u>2,618,424</u>
PROPERTY AND EQUIPMENT:		
Land	381,832	381,832
Building	1,599,509	1,599,008
Building improvements	788,500	788,500
Furniture and equipment	211,844	311,143
Vehicles	70,879	70,879
Leasehold improvements	55,357	55,357
Software	12,977	12,977
	<u>3,120,898</u>	<u>3,219,696</u>
Less - Accumulated depreciation	<u>1,367,284</u>	<u>1,370,107</u>
	<u>1,753,614</u>	<u>1,849,589</u>
	<u>\$ 4,460,978</u>	<u>\$ 4,468,013</u>

The accompanying notes are an integral part of this statement.

EXHIBIT 1**LIABILITIES AND NET ASSETS**

	<u>2013</u>	<u>2012</u>
CURRENT LIABILITIES:		
Notes payable, current	\$ 849,188	\$ 52,084
Accounts payable	133,361	61,153
Accrued wages and payroll taxes	111,597	114,793
Accrued vacation pay	96,187	96,187
Rent deposit	9,010	5,500
Grant advance	185,132	185,132
	<u>1,384,475</u>	<u>514,849</u>
Total current liabilities	1,384,475	514,849
LONG-TERM LIABILITIES:		
Notes payable, net of current portion	<u>33,991</u>	<u>884,052</u>
	<u>1,418,466</u>	<u>1,398,901</u>
Total liabilities	1,418,466	1,398,901
COMMITMENTS		
NET ASSETS:		
Unrestricted	2,943,623	2,955,323
Temporarily restricted	<u>98,889</u>	<u>113,789</u>
	<u>3,042,512</u>	<u>3,069,112</u>
Total net assets	3,042,512	3,069,112
	<u>\$ 4,460,978</u>	<u>\$ 4,468,013</u>

ECKER CENTER FOR MENTAL HEALTH, INC.
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012

	2013		2012		Total
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	
REVENUES, GAINS, AND OTHER SUPPORT:					
Contributions -					
United Way and Community Chest	\$ -	\$ 84,376	\$ 84,376	\$ -	\$ 110,925
Other support	128,399	13,475	141,874	28,300	132,734
Fundraising	81,876	-	81,876	-	72,955
In-kind	31,630	-	31,630	-	160,000
Fees and grants from governmental agencies -					
Department of Human Services -					
Fees for service	1,419,421	-	1,419,421	-	1,419,825
Grant-in-aid	1,718,445	-	1,718,445	-	1,843,718
Township 708 funds	173,095	-	173,095	17,625	171,400
Department of Housing and Urban Development	331,462	-	331,462	-	325,439
Other governmental grants	48,817	4,000	52,817	30,838	84,871
Other revenues -					
Program service fees	806,024	-	806,024	-	568,227
Rent income	23,070	-	23,070	-	14,992
Interest income	7,720	-	7,720	-	115,479
Dividend income	3,423	-	3,423	-	10,459
Unrealized gain (loss) on investments	27,955	-	27,955	-	(11,452)
Other revenues	9,515	-	9,515	-	18,009
Net assets released from restrictions	116,751	(116,751)	-	(153,501)	-
Total revenues, gains, and other support	4,927,603	(14,900)	4,912,703	17,012	5,037,581
EXPENSES:					
Program services -					
Community Counsel Services -					
Elgin Therapy	160,950	-	160,950	-	167,117
Barrington Therapy	26,112	-	26,112	-	31,598
St. Charles Therapy	46,420	-	46,420	-	48,970
Intake	52,365	-	52,365	-	52,876
Nursing	284,203	-	284,203	-	489,231
Psycho-Social Rehabilitation	297,620	-	297,620	-	270,349

The accompanying notes are an integral part of this statement.

ECKER CENTER FOR MENTAL HEALTH, INC.
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012

	2013			2012		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
EXPENSES: (Continued)						
Program services - (Continued)						
Psychiatrist Services	\$ 501,637	\$ -	\$ 501,637	\$ 496,062	\$ -	\$ 496,062
Case Management	540,424	-	540,424	426,977	-	426,977
Psychiatric Emergency Program	439,535	-	439,535	452,418	-	452,418
Community Integrated Living Arrangement	329,706	-	329,706	311,101	-	311,101
Preadmission Assessment	60,824	-	60,824	68,584	-	68,584
Supported Residential Screening	297,578	-	297,578	206,451	-	206,451
Supported Residential Scattered Sites	-	-	-	59,122	-	59,122
HUD On-Site Staff	210,494	-	210,494	214,451	-	214,451
HUD Leasing	183,887	-	183,887	192,788	-	192,788
Supervised Residential	313,330	-	313,330	318,489	-	318,489
Crisis Residential	385,047	-	385,047	456,297	-	456,297
Total program services	4,130,132	-	4,130,132	4,262,881	-	4,262,881
Supporting services -						
Management and general	786,910	-	786,910	552,065	-	552,065
Fundraising	22,261	-	22,261	18,280	-	18,280
Total supporting services	809,171	-	809,171	570,345	-	570,345
Total expenses	4,939,303	-	4,939,303	4,833,226	-	4,833,226
CHANGE IN NET ASSETS	(11,700)	(14,900)	(26,600)	187,343	17,012	204,355
NET ASSETS, Beginning of year	2,955,323	113,789	3,069,112	2,767,980	96,777	2,864,757
NET ASSETS, End of year	\$ 2,943,623	\$ 98,889	\$ 3,042,512	\$ 2,955,323	\$ 113,789	\$ 3,069,112

The accompanying notes are an integral part of this statement.

ECKER CENTER FOR MENTAL HEALTH, INC.
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	<u>\$ (26,600)</u>	<u>\$ 204,355</u>
Adjustments to reconcile change in total net assets to net cash provided by (used in) operating activities:		
Depreciation	96,479	91,283
Unrealized (gain) loss on investments	(27,955)	11,452
(Increase) decrease in assets:		
Program service fees receivable	959,767	(552,854)
Grants receivable	19,375	(15,125)
Due from related party	(12,300)	12,300
Deposits and prepaid expenses	(7,399)	4,895
Increase (decrease) in liabilities:		
Accounts payable	72,208	(362)
Accrued expenses	314	13,868
Total adjustments	<u>1,100,489</u>	<u>(434,543)</u>
Net cash provided by (used in) operating activities	<u>1,073,889</u>	<u>(230,188)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(504)	(100,423)
Purchase of investments	<u>(3,365)</u>	<u>(10,437)</u>
Net cash (used in) investing activities	<u>(3,869)</u>	<u>(110,860)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments of long-term debt	<u>(52,957)</u>	<u>(50,321)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,017,063	(391,369)
CASH AND CASH EQUIVALENTS, Beginning of year	<u>765,557</u>	<u>1,156,926</u>
CASH AND CASH EQUIVALENTS, End of year	<u>\$ 1,782,620</u>	<u>\$ 765,557</u>
SUPPLEMENTAL DISCLOSURES:		
Interest paid	<u>\$ 52,795</u>	<u>\$ 55,433</u>

The accompanying notes are an integral part of this statement.

ECKER CENTER FOR MENTAL HEALTH, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2013

	Program Services									
	Community-Counseled Services					Program Services				
	Elgin Therapy	Barrington Therapy	St. Charles Therapy	Intake	Nursing	Psycho-Social Rehabilitation	Psychiatrist Services	Case Management	Psychiatric Emergency Program	Community Integrated Living Arrangement
PERSONNEL:										
Salaries	\$ 86,250	\$ 12,775	\$ 24,754	\$ 34,812	\$ 153,099	\$ 169,596	\$ 1,688	\$ 362,507	\$ 327,802	\$ 207,736
Payroll taxes	6,175	911	1,790	2,391	14,080	11,194	116	32,149	22,954	14,781
Employees benefits	16,843	2,298	4,897	6,253	36,553	29,298	1,501	64,897	60,781	38,235
Total personnel	109,268	15,984	31,441	43,456	203,632	210,088	3,205	459,553	411,537	260,752
COMMODITIES:										
Office supplies	3,170	747	851	977	3,727	3,393	5,565	11,173	4,228	3,891
Printing and publications	-	-	-	-	110	-	-	-	-	-
Program supplies	-	-	-	-	37,718	1,611	-	-	1,590	1,870
Food and beverages	-	-	-	-	-	1,262	-	-	-	13,364
Total commodities	3,170	747	851	977	41,555	6,266	5,565	11,173	5,818	19,125
CONTRACTUAL SERVICES:										
Advertising	-	-	-	12	2,127	129	-	12	463	71
Consultation	2,651	570	702	763	3,630	3,286	452,645	9,200	3,369	2,268
Rental of equipment	-	-	-	-	-	-	-	-	-	-
Rental of facilities	-	1,200	9,619	-	-	-	-	-	-	-
Specific assistance - individuals	-	-	-	-	-	-	138	5,037	19	12,996
Insurance	4,778	-	-	717	2,867	7,645	2,867	5,818	717	-
Utilities	8,161	-	260	1,224	4,897	13,057	4,897	8,161	1,224	6,903
Repairs and maintenance	17,893	-	764	2,952	14,639	29,535	10,092	19,378	2,523	10,528
Professional services	-	-	-	-	-	-	-	-	-	-
Telephone	917	1,635	2,183	340	1,893	2,476	-	4,035	8,580	2,959
Postage	-	-	-	-	-	-	-	-	-	-
Dues and memberships	-	-	-	-	-	-	-	-	-	-
Real estate taxes	-	-	-	-	-	-	-	-	-	-
Outside services	26	5,387	6	10	49	42	13,582	140	93	62
Total contractual services	34,426	8,792	13,534	6,018	30,102	56,170	484,221	51,781	16,988	35,187
OTHER EXPENSES:										
Interest	6,606	-	-	991	3,963	10,569	3,963	6,606	991	-
Travel	7	-	6	-	44	44	-	2,763	2,749	1,160
Training and education	128	28	3	-	481	263	-	554	571	622
Special events	-	-	-	-	-	-	-	-	-	-
Miscellaneous	419	99	123	-	314	3,138	427	1,068	419	320
Total other expenses	7,160	127	132	991	4,758	14,014	4,390	10,991	4,750	2,102
Total expenses before depreciation	154,024	25,650	45,958	51,442	280,047	286,538	497,481	533,498	439,073	317,166
DEPRECIATION	6,926	462	462	923	4,156	11,082	4,156	6,926	462	12,540
TOTAL EXPENSES	\$ 160,950	\$ 26,112	\$ 46,420	\$ 52,365	\$ 284,203	\$ 297,620	\$ 501,637	\$ 540,424	\$ 439,535	\$ 329,706

The accompanying notes are an integral part of this statement.

ECKER CENTER FOR MENTAL HEALTH, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2013

	Program Services - continued						Supporting Services			Total Program and Supporting Services
	Pre-admission Assessment	Supported Residential Screening	HUD On-site Staff	HUD Leasing	Supervised Residential	Crisis Residential	Total	Management and General	Fundraising	
PERSONNEL:										
Salaries	\$ 41,713	\$ 119,686	\$ 97,602	\$ 32,517	\$ 208,340	\$ 248,031	\$ 2,128,908	\$ 328,719	\$ -	\$ 2,457,627
Payroll taxes	2,985	8,558	6,817	2,236	14,497	14,751	156,385	22,843	-	179,228
Employee benefits	7,524	22,736	17,165	5,027	38,225	36,371	388,504	119,748	-	508,252
Total personnel	52,222	150,980	121,584	39,780	261,062	299,153	2,673,797	471,310	-	3,145,107
COMMODITIES:										
Office supplies	378	5,471	2,290	555	2,847	3,120	52,383	57,439	193	110,015
Printing and publications	-	-	-	-	-	-	110	(4)	-	106
Program supplies	-	2,959	1,548	1,016	2,116	6,825	57,253	-	-	57,253
Food and beverages	-	1,436	2,908	1,781	11,890	4,171	36,812	5	-	36,817
Total commodities	378	9,866	6,746	3,352	16,853	14,116	146,558	57,440	193	204,191
CONTRACTUAL SERVICES:										
Advertising	-	996	-	-	-	506	4,316	3,255	130	7,701
Consultation	364	2,026	1,286	253	2,275	2,653	487,941	3,106	-	493,047
Rental of equipment	-	106,694	56,700	132,660	-	-	306,873	1,605	-	306,873
Rental of facilities	-	283	252	376	79	92	18,672	-	-	18,672
Specific assistance - individuals	-	-	-	-	-	-	32,895	17,063	-	49,958
Insurance	717	-	-	717	-	6,052	17,378	-	-	105,777
Utilities	1,224	12,135	9,196	1,224	5,499	10,337	88,399	40,421	-	221,313
Repairs and maintenance	2,523	8,688	12,130	3,008	13,750	32,489	180,892	20,631	-	22,098
Professional services	1,067	400	-	-	-	-	1,467	7,381	-	41,843
Telephone	402	2,921	1,243	602	2,328	1,948	34,462	3,606	1,208	4,814
Postage	-	-	-	-	-	-	70	16,673	-	16,743
Dues and memberships	-	-	70	-	-	-	-	808	-	808
Real estate taxes	-	-	-	-	-	-	-	-	-	-
Outside services	12	32	25	6	58	56	19,586	-	-	19,586
Total contractual services	6,309	134,175	80,902	138,846	23,989	54,133	1,175,573	133,927	1,338	1,310,838
OTHER EXPENSES:										
Interest	991	-	-	991	2,185	8,367	46,223	6,572	-	52,795
Travel	-	1,248	515	444	646	72	9,654	6,047	196	15,897
Training and education	-	155	55	12	262	170	3,304	5,124	-	8,428
Special events	-	-	-	-	-	-	-	-	20,534	20,534
Miscellaneous	-	1,154	230	-	296	263	8,270	76,764	-	85,034
Total other expenses	991	2,557	800	1,447	3,389	8,872	67,451	94,507	20,730	182,688
Total expenses before depreciation	59,900	297,578	210,032	183,425	305,293	376,274	4,063,379	757,184	22,261	4,842,824
DEPRECIATION	924	-	462	462	8,037	8,773	66,753	29,726	-	96,479
TOTAL EXPENSES	\$ 60,824	\$ 297,578	\$ 210,494	\$ 183,887	\$ 313,330	\$ 385,047	\$ 4,130,132	\$ 786,910	\$ 22,261	\$ 4,939,303

The accompanying notes are an integral part of this statement.

ECKER CENTER FOR MENTAL HEALTH, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2012

	Program Services									
	Community Counsel Services					Program Services				
	Elgin Therapy	Barrington Therapy	St. Charles Therapy	Inmate	Nursing	Psycho-Social Rehabilitation	Psychiatrist Services	Case Management	Psychiatric Emergency Program	Community Integrated Living Arrangement
PERSONNEL:										
Salaries	\$ 92,519	\$ 17,926	\$ 25,950	\$ 36,453	\$ 226,204	\$ 149,267	\$ 25,508	\$ 281,294	\$ 335,805	\$ 199,571
Payroll taxes	6,809	1,322	1,915	2,454	16,383	10,158	5,920	20,062	23,637	14,361
Employees benefits	18,908	3,093	5,253	6,521	45,143	26,179	5,139	49,858	60,930	35,867
Total personnel	118,236	22,341	33,118	45,428	287,730	185,604	36,567	351,214	420,372	249,799
COMMODITIES:										
Office supplies	1,886	542	887	423	2,383	1,802	458	5,357	1,854	791
Printing and publications	-	-	-	-	220	-	216	-	-	-
Program supplies	-	-	-	-	164,861	1,116	-	-	1,597	1,440
Food and beverages	-	-	-	-	-	1,561	-	-	-	13,637
Total commodities	1,886	542	887	423	167,464	4,479	674	5,357	3,451	15,868
CONTRACTUAL SERVICES:										
Advertising	-	-	-	-	37	127	14	-	30	197
Consultation	2,763	619	720	791	4,099	3,161	420,556	8,541	3,467	2,238
Rental of equipment	-	-	-	-	-	-	-	-	-	-
Rental of facilities	-	700	9,619	-	-	-	-	-	-	-
Specific assistance - individuals	-	-	-	-	145	-	-	5,015	198	11,039
Insurance	5,887	-	-	810	2,944	9,200	2,944	6,928	810	-
Utilities	9,592	-	205	1,291	4,696	14,675	4,696	9,392	1,291	6,169
Repairs and maintenance	13,801	-	1,309	2,105	9,161	24,243	6,615	14,550	1,829	11,203
Professional services	-	-	-	-	-	-	-	-	-	-
Telephone	1,223	1,813	2,285	432	3,264	2,534	340	3,302	8,312	3,474
Postage	-	-	-	-	-	-	-	-	-	-
Dues and memberships	-	-	-	-	-	-	-	-	-	-
Real estate taxes	-	-	-	-	-	-	-	-	-	-
Outside services	1,175	5,328	337	626	2,824	1,849	17,190	3,662	4,437	2,551
Total contractual services	34,241	8,460	14,475	6,055	27,170	55,789	452,355	51,390	20,374	36,891
OTHER EXPENSES:										
Interest	6,813	-	-	937	3,407	10,646	3,407	6,813	937	-
Travel	46	-	-	-	107	23	-	3,071	3,996	673
Training and education	25	-	-	-	225	220	-	607	1,384	402
Special events	-	-	-	-	-	-	-	-	-	-
Miscellaneous	368	87	108	-	267	2,778	375	1,210	368	282
Total other expenses	7,252	87	108	937	4,006	13,667	3,782	11,701	6,685	1,357
Total expenses before depreciation	161,615	31,430	48,588	52,843	486,370	259,339	493,378	419,662	450,882	303,915
DEPRECIATION										
	5,502	168	382	33	2,861	10,810	2,684	7,315	1,536	7,186
TOTAL EXPENSES	\$ 167,117	\$ 31,598	\$ 48,970	\$ 52,876	\$ 489,231	\$ 270,149	\$ 496,062	\$ 426,977	\$ 452,418	\$ 311,101

The accompanying notes are an integral part of this statement.

ECKER CENTER FOR MENTAL HEALTH, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2012

	Program Services - continued						Supporting Services			Total Program and Supporting Services	
	Preadmission Assessment	Supported Residential Screening	Supported Residential Scattered Sites	HUD On-site Staff	HUD Leasing	Supervised Residential	Crisis Residential	Total	Management and General		Fundraising
PERSONNEL:											
Salaries	\$ 49,556	\$ 71,682	\$ 8,170	\$ 104,536	\$ 37,854	\$ 214,343	\$ 299,948	\$ 2,176,586	\$ 284,547	\$ -	\$ 2,461,133
Payroll taxes	3,612	5,068	899	7,420	2,454	15,127	21,464	159,065	20,120	-	179,185
Employee benefits	8,842	12,794	1,099	18,873	6,802	38,945	53,764	398,010	51,629	-	449,639
Total personnel	62,010	89,544	10,168	130,829	47,110	268,415	375,176	2,733,661	356,296	-	3,089,957
COMMODITIES:											
Office supplies	-	1,900	397	886	-	614	1,166	21,346	31,248	10	52,604
Printing and publications	-	-	-	-	-	892	867	436	716	-	1,152
Program supplies	-	1,320	810	2,689	810	892	867	175,592	-	-	175,592
Food and beverages	-	825	-	2,808	1,644	12,215	7,810	40,500	240	-	40,740
Total commodities	-	4,045	397	6,383	2,454	13,721	9,843	237,874	32,204	10	270,088
CONTRACTUAL SERVICES:											
Advertising	478	49	-	410	-	177	744	1,285	3,903	50	5,238
Consultation	-	1,100	522	1,390	355	2,373	3,595	456,788	4,508	-	461,296
Rental of equipment	-	-	-	-	-	-	-	-	1,548	-	1,548
Rental of facilities	-	81,550	-	56,700	133,220	157	120	281,789	3,771	-	281,789
Specific assistance - individuals	-	460	41,671	809	299	157	59,913	37,841	14,510	-	63,684
Insurance	810	-	810	-	810	-	5,888	97,115	13,769	-	110,884
Utilities	1,291	16,243	1,291	8,648	3,267	5,176	9,392	137,876	20,702	-	158,578
Repairs and maintenance	1,819	4,796	1,819	4,398	2,304	12,778	25,146	137,876	20,702	-	158,578
Professional services	593	3,089	73	2,027	830	2,545	3,327	40	26,931	-	28,971
Telephone	-	-	-	-	-	-	-	39,663	4,706	-	44,369
Postage	-	-	-	-	-	-	-	-	4,879	1,058	5,937
Dues and memberships	-	-	-	-	-	-	-	-	14,516	-	14,516
Real estate taxes	-	-	-	-	-	-	-	-	818	-	818
Outside services	613	898	78	1,346	484	2,737	3,837	49,992	(7,183)	-	42,809
Total contractual services	5,604	108,225	46,264	75,728	141,569	25,963	51,749	1,162,202	109,378	1,108	1,272,788
OTHER EXPENSES:											
Interest	937	-	937	-	937	2,838	6,814	45,443	9,989	-	55,432
Travel	-	638	-	387	675	511	5	10,152	7,249	14	17,415
Training and education	-	18	50	148	10	127	167	3,383	1,075	-	4,488
Special events	-	-	-	-	-	-	-	-	-	16,927	16,927
Miscellaneous	-	3,961	455	202	-	260	231	10,952	3,926	-	14,878
Total other expenses	937	4,637	1,442	737	1,622	3,736	7,217	69,930	22,239	16,941	109,110
Total expenses before depreciation	68,551	206,451	58,271	213,677	192,755	311,835	443,985	4,203,767	520,117	18,059	4,741,943
DEPRECIATION	33	-	851	774	33	6,634	12,312	59,114	31,948	221	91,283
TOTAL EXPENSES	\$ 68,584	\$ 206,451	\$ 59,122	\$ 214,451	\$ 192,788	\$ 318,469	\$ 456,297	\$ 4,262,881	\$ 552,065	\$ 18,280	\$ 4,833,226

The accompanying notes are an integral part of this statement.

ECKER CENTER FOR MENTAL HEALTH INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013 AND 2012

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF ACTIVITIES:

Ecker Center for Mental Health, Inc. (the Center) is a not-for-profit charitable organization offering various psychiatric services for adults primarily in Kane and Western Cook Counties.

The financial statements were available to be issued on October 24, 2013, with subsequent events being evaluated through this date.

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

Basis of Accounting -

The Center records its financial transactions and maintains its books and records on the accrual basis of accounting which recognizes revenue as it is earned and expenses as they are incurred.

Cash and Cash Equivalents -

The Center considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Credit Risk -

Financial instruments, which potentially subject the Center to concentrations of credit risk, consist principally of cash. The Center places its cash and deposits with high credit quality financial institutions; however, deposits may exceed the federally insured limits from time to time.

Accounts Receivables -

Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Center establishes an allowance for doubtful accounts based on past experience and analysis of current receivable collectibility.

Pledges Receivable -

Pledges are recognized as revenue in the period pledged. Pledges are recorded at net realizable value if expected to be collected in more than one year. The Center establishes an allowance for uncollectible pledges based on historical collection experience. Conditional pledges are recognized only when the conditions on which they depend are substantially met and the pledges become unconditional.

Property and Equipment -

Property and equipment which cost exceeds \$5,000 and have estimated useful lives of greater than one year are capitalized. Maintenance, repairs and renewals which neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Property and equipment are recorded at cost or estimated fair value, if donated. Gains or losses on dispositions of property and equipment are included in income. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Building and leasehold improvements	15-39 years
Furniture, equipment and software	3-12 years
Vehicles	3-5 years

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF ACTIVITIES:
(Continued)

Contributed Goods and Services -

Certain contributed goods and supplies are recorded as support and expense at fair market value when determinable, otherwise, at values indicated by the donor. Unpaid volunteers have made contributions of their time to develop and administer the Center's programs. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition under accounting principles generally accepted in the United States of America.

Support -

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Center reports gifts of cash and other assets as restricted support if they are designated as support for a specific purpose or a future period. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The Center reports gifts of goods and equipment 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 or when 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 about how long those long-lived assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

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 the reported amounts of assets and liabilities and disclosures 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 and the differences could be material to these financial statements.

Reclassifications -

Certain prior year balances have been reclassified to conform with the current year presentation.

Functional Allocation of Expenses -

The cost of providing the Center's various programs and supporting services has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

(2) INVESTMENTS:

Investments of the Center are carried at fair value and at June 30, 2013 and 2012 are summarized as follows:

	<u>2013</u>		<u>2012</u>	
	<u>Value</u>	<u>Cost</u>	<u>Value</u>	<u>Cost</u>
Mutual funds	<u>\$ 195,724</u>	<u>\$ 181,997</u>	<u>\$ 164,404</u>	<u>\$ 178,574</u>

Total investment return consists of the following for the years ended June 30, 2013 and 2012.

	<u>2013</u>	<u>2012</u>
Dividend income	\$ 3,423	\$ 10,459
Unrealized gain (loss) on investments	<u>27,955</u>	<u>(11,452)</u>
Total investment return	<u>\$ 31,378</u>	<u>\$ (993)</u>

(3) FAIR VALUE MEASUREMENTS:

The Accounting Standards Codification for fair value measurements establishes a single definition of fair value and a framework for measuring fair value, sets out a fair value hierarchy to be used to classify the source of information used in fair value measurement and expands disclosures about fair value measurements required under other accounting pronouncements. It does not change existing guidance as to whether or not an instrument is carried at fair value.

The codification established market and observable inputs as the preferred source of values, followed by assumptions based on hypothetical transaction in the absence of market inputs.

The valuation techniques are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Center's market assumptions. These two types of inputs create the following fair value hierarchy.

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

(3) FAIR VALUE MEASUREMENTS: (Continued)

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. There have been no changes in the methodologies used at June 30, 2013 and 2012.

Mutual Funds: Valued at the net asset value (NAV) of shares held at year end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Center believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the assets at fair value:

<u>Description</u>	<u>Assets at Fair Value as of June 30, 2013</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Growth funds	\$ 189,378	\$ -	\$ -	\$ 189,378
Money market funds	6,346	-	-	6,346
Total mutual funds	\$ 195,724	\$ -	\$ -	\$ 195,724

<u>Description</u>	<u>Assets at Fair Value as of June 30, 2012</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Growth funds	\$ 158,059	\$ -	\$ -	\$ 158,059
Money market funds	6,345	-	-	6,345
Total mutual funds	\$ 164,404	\$ -	\$ -	\$ 164,404

(4) RELATED PARTY TRANSACTIONS:

The Center entered into an agreement to lease facilities from Fox Valley Mental Health Foundation (the Foundation) at a monthly rental payment of \$12,925 (\$155,100 annually) and \$4,725 (\$56,700 annually) during the years ended June 30, 2013 and 2012, respectively. The Center owed \$12,300 to the Foundation at June 30, 2012. The Center has advanced \$97,673 in which the Board of the Foundation has discussed making monthly payments of \$5,000 including interest at a rate of 5% until balance is paid in full.

The Center charged an allocation for salaries to the Foundation of \$4,418 for the year ended June 30, 2012.

(5) TAX-EXEMPT STATUS:

The Center has been determined to be exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code pursuant to a letter dated June, 2002. However, certain debt-financed rental property is subject to unrelated business income tax.

The Center files income tax returns in the U.S. federal jurisdiction and Illinois. With few exceptions, they are no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2009. The Center does not expect a material net change in unrecognized tax benefits in the next twelve months.

(6) COMMITMENTS AND CONTINGENCIES:

Operating Leases -

The Center is obligated under the terms of operating leases for office space and equipment.

The office space lease agreements require total monthly rental payments between \$200 and \$4,725 with various expiration dates through December 31, 2013. There is another lease that is month-to-month. The terms of the lease agreements require the Center to be responsible for utilities, general maintenance, and public liability insurance. The Center also leases facilities from a related party, which requires monthly rental payments totaling \$12,925. The leases are renewed every year for one year.

The Center leases various apartment units on a month-to-month basis on behalf of the Center's clients through its HUD Leasing Program. The monthly rental payments are between \$774 and \$800.

The Center has an equipment lease that requires a monthly rental payment of \$129 with an expiration date in December, 2014. The Center is also responsible for general maintenance of the equipment and to maintain adequate insurance.

Total future minimum lease commitments for the remaining terms of the leases as of June 30, 2013 are summarized as follows:

<u>For the year ending</u>	<u>Office Space</u>	<u>Equipment Rental</u>	<u>Total</u>
2014	<u>\$ 148,100</u>	<u>\$ 774</u>	<u>\$ 148,874</u>

Total rental expense for the years ended June 30, 2013 and 2012 was \$308,478 and \$283,337, respectively.

Federal and State Grants -

The Center receives significant financial assistance from several federal, state and local government agencies in the form of grants. Program revenue in excess of program expenses is typically subject to recapture under various provisions. Additionally, the disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability to the Center.

(7) LEASING ACTIVITY:

Rental income is derived from leasing office space to unrelated tenants under non-cancelable operating leases with a monthly rent of \$1,035 through June, 2014, at which time the majority of the tenants will have an option to renew their leases. The future minimum rent under the leases at June 30, 2014 is \$12,420.

The rental real estate held for lease consists of 1,465 square feet which represents approximately 4% of the Center's premises in Elgin, Illinois.

(8) NOTES PAYABLE:

Note payable at June 30, 2013 and 2012 consisted of the following:

	<u>2013</u>	<u>2012</u>
Payable in monthly installments of \$6,891, principal and interest, bearing interest at 5.9%, due in November, 2013, and secured by land and a building.	\$ 827,885	\$ 859,997
Payable in monthly installments of \$2,034, principal and interest, bearing interest at 5.6%, due in January, 2016, and secured by land and a building.	<u>55,294</u>	<u>76,139</u>
Total	<u>\$ 883,179</u>	<u>\$ 936,136</u>

Principal payments due on long-term debt during each of the next three fiscal years are as follows:

Year ending <u>June 30</u>	
2014	\$ 849,188
2015	22,502
2016	<u>11,489</u>
Total	<u>\$ 883,179</u>

(9) LINE OF CREDIT:

The Center has a line of credit that allows borrowings up to \$125,000 payable on demand, with interest at the prime rate less .25 percentage points. The line is collateralized by substantially all business assets not otherwise secured. There were no amounts outstanding on this line of credit as of June 30, 2013 and 2012.

(10) EMPLOYEE RETIREMENT PLAN:

The Center maintains an employee retirement plan available to all full-time employees who have completed one year service. The Center's required contribution is a percentage of the employee's annual salary based on years of service as follows:

<u>Years of Service</u>	<u>Percent</u>
1 - Less than 3	2.5%
3 - Less than 6	4.0%
6 - Less than 10	5.5%
10 - or more	7.0%

All contributions are fully vested in tax-sheltered annuities. The Center follows the policy of funding contributions to the plan on a current basis. The contributions for the years ended June 30, 2013 and 2012 was \$93,543 and \$96,328, respectively.

(11) TEMPORARILY RESTRICTED NET ASSETS:

Temporarily restricted net assets of \$98,889 and \$113,789 relate to time restrictions on grants receivable and cash for the periods after June 30, 2013 and 2012, respectively.

(12) CONCENTRATIONS:

Approximately 64% and 65% of the Center's funding for the years ended June 30, 2013 and 2012, respectively, was provided by grants from the Illinois Department of Human Services.

Ecker Center for Mental Health

Annual Report
F.Y. 2013

The Joint Commission accredited
United Way & Mental Health Board funded

Ecker Center for Mental Health

1845 Grandstand Place Elgin, Illinois 60123-4983

October, 2013

Dear Friends:

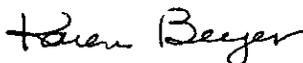
We have enjoyed a full year of partnership with Genoa Pharmacy and VNA Healthcare, at our main facility on Grandstand Place. Genoa is a full service pharmacy serving only our clients and VNA Healthcare provides primary healthcare to our clients. This year the state implemented a 4 drug per month prescription limit for people enrolled in Medicaid. This has been a difficult situation for persons with mental illness that often need multiple prescriptions for their mental illness plus medications for other conditions... People with mental illnesses tend to have more health problems than the general population and usually die at a much earlier age than individuals without mental illnesses. Genoa Pharmacy has been very helpful in assisting our psychiatrists and nurses ask for exceptions to the four drug rule for specific clients.

This was the first year in the last five that the state of Illinois has not reduced funding to community mental health centers such as the Ecker center for Mental Health. However, late in the year, the State announced the six new managed care insurance companies that it contracted with to manage the benefits of individuals that have both Medicaid and Medicare benefits. This brings the number of managed care companies that we must bill for Medicaid and Medicare to nine. Each has slightly different preauthorization requirements for service provision and all have different billing systems, which increases our indirect costs of service provision.

Our innovative Psychosocial Rehabilitation Program continued to expand and provide more therapy and drop in groups to engage consumers. Like our other programs, the PSR program measures and tracks consumer changes as a result of each consumer's level of participation in the services provided.

In addition to the State, our funding for our services comes through the generosity of foundations, business and individual donations, as well as United Ways/Community Chests, municipalities and townships. We are deeply grateful for the support we receive because it enables us to carry out our mission of providing quality mental health services that are accessible and responsive to community needs.

With gratitude,



Executive Director
Karen Beyer



VOICE: 847-695-0484

Hope, Recovery and Well Being

DEAF / HARD OF HEARING: ILLINOIS RELAY CENTER, 800-526-0857 FAX: 847-695-1265
<http://www.eckercenter.org>



Ecker Center for Mental Health Annual Report 2013

Board of Directors (July 1, 2012 – June 30, 2013)

Officers:	Chairman Dave Conroy	Sales Manager Gordon Flesch Co.
	Vice Chairman Aaron Sellers	CEO Comprehensive Training Solutions, Inc.
	Secretary Dr. Vicki Alden	Private Practice Psychotherapy
	Treasurer Stephen Tousey	Attorney at Law Early, Tousey, Regan & Wlodek
Directors:	Alan Kirk	COO, Results Medical Consulting, LLC
	Dr. Bob Tiballi	President/CEO, Germbusters, P.C.
	Tanya Stewart	Student

Committee Members:

Susan Angell-Case
Laurie Huske
Sandy Kaptain
Jaye Nichols
Jeff Nyman
John Ostrem
Judge Timothy Sheldon
Laurel Warren

Management Team:

Karen Beyer, MSW, MPA, MBA, LCSW, CSWM
Executive Director

Caroline Bailey, MSW, LCSW
Director of PEP & Therapy Services

Tim Bates, BS
Director of Accounting, Facilities & Office Operations

Victoria Gesinger, MA, LCPC
Director of Residential Services

Heidi Napolitano, RN-BC
Director of Medical Services

Ramona Grauzinis, MBA, SPHR
Director of Resource Development

Rick Vander Forest, MS
Director of Emergency, Recovery and Information Services

Categorization of Recipients by Service

Total number of People Served FY 2013

3,693

The Ecker Center is a comprehensive community mental health center where clients often receive multiple services.

<u>Service</u>	<u>Recipients of Service</u>
Psychiatric Emergency Program	1,504
Crisis Residential Program	58
Therapy	588
Psychosocial Rehabilitation Program	271
Case Managers	2,207
Psychiatric Nurses	997
Psychiatric Evaluations & Psychiatric Services	1,868
Residential	72

Ecker Center for Mental Health

Serving northern Kane County, Hanover and Barrington Townships

Crisis Services (847) 888-2211 All Other Services (847) 695-0484
Intake (874)-695-0484 ext. 329

The Ecker Center, a nonprofit community mental health center, has served the community since 1955. It has an array of outpatient mental health services to help adults with mental illness and those who support them. Our Elgin office at 1845 Grandstand Place is home to all outpatient services, and our satellite offices in St. Charles and Streamwood provide therapy services. Twenty four hour psychiatric emergency services (PEP) are available at Ecker's PEP Program at Sherman Hospital on Randall Road in Elgin. Services are provided in English and Spanish and all programs are accredited by the Joint Commission. In FY 2013 we served 3,693 individuals.

Services:

- The Psychiatric Emergency Program (PEP) provides walk in psychiatric crisis services at the Sherman Hospital Emergency Department and by phone 24 hours a day for people of all ages
- Psychiatrists provide diagnostic assessment, consultation and prescriptions for medications
- Psychiatric nurses help clients follow treatment plans and obtain the psychotropic medications
- The Crisis Residential Program provides short term 24 hour treatment and support services during psychiatric crisis
- Case managers help people establish incomes, apply for benefits and obtain housing, dental and general healthcare
- Therapists provide short term/problem focused individual and group therapy
- The Psychosocial Rehabilitation Program (PSR) helps people manage symptoms of mental illness and improve their daily living skills
- Longer term residential options provide support and skill building
- Our intake specialist provides information and referral to other resources

Other Services Available at the Ecker Center:

- Pharmacy provided by Genoa Healthcare
- Primary healthcare provided by VNA Healthcare

Service Availability:

- Services for psychiatric emergencies, not manageable by routine appointments, are available 24/7/365
- Medicaid, with co-payment, is accepted for all our medically necessary covered services
- Medicare assignment and some private insurance is accepted for covered psychiatry and therapy services, co-payments apply
- Sliding fee scale rates are available to low income individuals
- Outpatient services can be purchased at the Center's full costs, which are below commercial rates

We accept Medicaid & Medicare with co pays and some private insurance. Clients without insurance pay according to our subsidized fee scales.

Services funded by the State of Illinois, the United Ways of Elgin, Barrington, Central Kane, Metropolitan Chicago and Geneva Community Chest, the Hanover Township, Geneva and St. Charles Mental Health Boards, Elgin and Barrington Townships and donations from individuals and foundations.

www.eckercenter.org

7-29-'13

STATEMENT OF REVENUE AND EXPENSES
FISCAL YEAR 2013 AUDITED

Community Revenue	
Fundraising	\$ 81,876
United Way and Community Chest, Municipalities and Townships	84,376
Other	173,504
Total Community Revenue	\$ 339,756
Government Revenue	
Illinois Department of Human Services	\$ 3,137,866
Department of Housing and Urban Development	331,462
Other	225,912
Total Government Revenue	\$ 3,695,240
Agency General Revenue	
Program Service Fees	\$ 806,024
Investment and Other Income	71,683
Total Agency Generated Revenue	\$ 877,707
TOTAL REVENUE	\$ 4,912,703
Direct Program Expenses	
Therapy Programs	\$ 233,482
Intake	52,365
Nursing	284,203
Psycho-social Rehabilitation	297,620
Psychiatric Services	501,637
Case Management	540,424
Psychiatric Emergency Program	439,535
Community Integrated Living Arrangement	329,706
Preadmission Assessment	60,824
Supported Residential Screening	297,578
HUD On-Site Staff	210,494
HUD Leasing	183,887
Supervised Residential	313,330
Crisis Residential	385,047
Total Program Expenses	\$ 4,130,132
Support Services	
Administration	\$ 786,910
Fundraising	22,261
Total Support Services	\$ 809,171
TOTAL EXPENSES	\$ 4,939,303

Contributors

We are pleased to acknowledge gifts to the Ecker Center received from the following friends and supporters between July 1, 2012 and June 30, 2013.

Acevedo, Saul
Advanced Cardiology Consultants, LTD
Alden, Dr. Vicki
Alexander's Restaurant
Alfred Bersted Foundation, Bank of America, N.A., Trustee
Alm, Dr. Walter/Alm Foot Care
American Legion Auxillary Unit #57
American NTN Bearing
Anastazia: Treasures for the Home
Anderson, Thomas & Chere
Anonymous
Anwar, M. D., Dr. Syed & Waheeda
Artistic Carton Company
Asplund, Philip & Marian
AYW General Contractor
Bailey, Caroline
Baird & Warner, Fox Valley
Barbezat, Michel & Mary Ellen
Barconi, Todd & Jennifer
Barrington Area United Way
Barrington Motor Sales RV
Barrington Township
Beck, Sandra
Bethlehem Evangelical Lutheran Church
Bettadapur, Chandra
Beyer, Karen
Biddle, Don
Birr, Jeff
Bitter, James & Laurie
Blackwell, Royce & Mary
Blizzard, Harry & Phyllis
Block, Connie
Blue Cross Blue Shield of Illinois
BMO Harris Bank
Boisclair, Ann
Brady & Jensen, LLP
Brittain, Jackie
Brittain's Car Wash, Inc
Brittain's Express Oil & Lube, Inc
Burnidge, Donna & Roger
Carroll, Jane
Case, Gary & Susan Angell-Case
Cassell, Charles
Celebrating Smiles
Jakle, Rick & Sharon
James Harvey Photography
Jens, Jeffrey
Jensen, Elmer & Erickson, Karen
Jewel-Osco, Elgin
Johnson, Ken & Frances
JP Morgan Chase Bank
Kaufman, Gary
KCT Credit Union
Kenyon, Michael & Carol
Kirk, Alan, Sandy, & Aaron
Kosnoff, Gary & Connie
Kostka, Richard & Suzanne
Laird, Donald & Patricia
Lamp, Inc.
Lamp, Earl & Luann
Larkin Center
Lazarus House
Lew, Jacqueline
Likou, Emmanuel & Carolyn Kirk-Likou
Linden Group Health Services
Lonis, Dale & Kelly Brown-Lonis
Lopez, Patricia
Lundstrom Insurance
Martorano, Vincent & Michelle
McGuire, Deborah
McKay, Michael
McClendon, Julia
McNish, Jim & Diana
MDRT Foundation
Mecum, Dolonna
Meek, William & Mary
Meijer, Elgin
Miranda, Susan
Missele, Carl & Christine
Moylan, Jr., William & Susan
Myers-Bauer, Lois
NAIFA Fox Valley
NAMI Kane County
Nash Disability Law
Nauman, Roberta
Nichols, Jaye
Nick's Pizza and Pub, Elgin
Northwest Suburban United Way

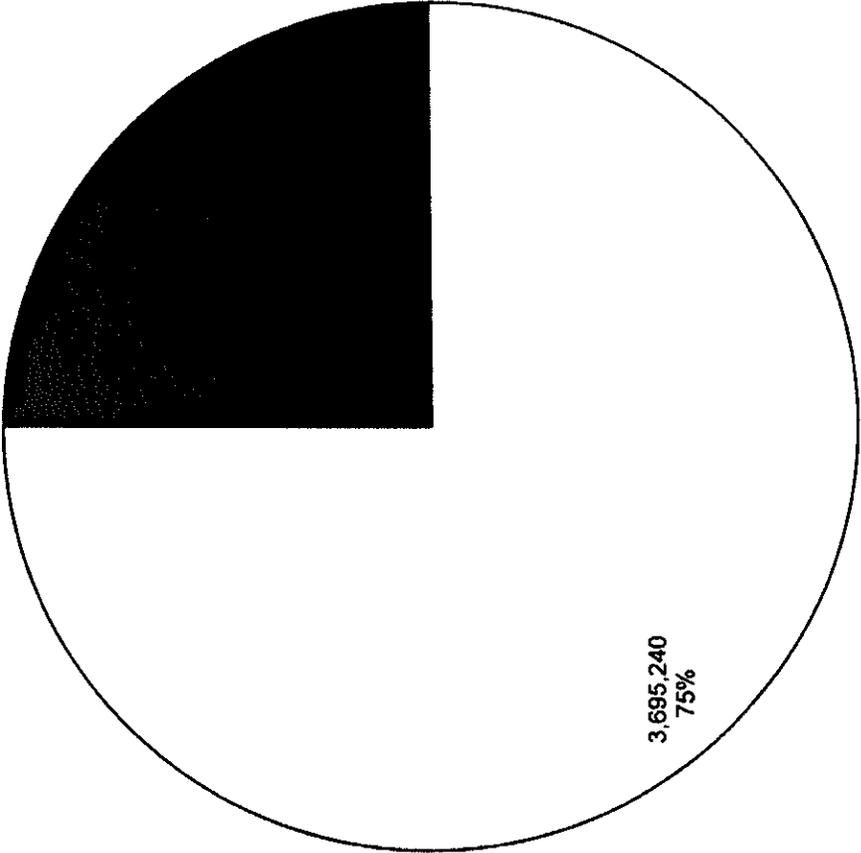
Chapman, John & Kathy Fackler-Chapman
Chianti's
Chicago Bears Football Club
Chicago Cubs
Chicago White Sox
Chicago Wolves
Childers, John & Charene
Chu, Dr. Felicia
Circa
City of Elgin
City of Geneva, 708 Board
City of St Charles, 708 Board
Clarion Construction, Inc
Coffee Drop Shop
Community Crisis Center
Compton, Daniel
Conroy, David & Lori
Cornerstone Church Quilters Club
Cosmopolitan Club of Elgin
Crane, Andy
Crance, Andy & Kim
Crystal Life Technology, Inc
Czmyrid, Daniel
Davey Tree Expert Company
Demi & Cooper, Inc
Dene Gallery
Derderian, Merrie & John
Destination Fitness
Diamond, Lynne
Dobosz Law Offices, P. C.
Dobosz, Dana
Domani Café
Dunning, Charles & Patricia
Dunning, Terry & Pat
Eakins, Edward & Elizabeth
Early, John
Eberly, Donna
Edmundson, David & Julia
EFS Foundation
Elbert, Marvin & Donna
Elmer, Charles
Elgiloy Specialty Metals
Elgin Community College
Elgin Junior Service Board
Elgin Public House
Elgin State Bank
Elgin Symphony Orchestra
Elgin Woman's Club
Ellingson, Janet

Northwestern Mutual Foundation
Nosh
Odalisque Beauty Apothecary
Ollayos, Clare
Orpen, Jerry
PADS of Elgin
Papenhouse, Glen & Cathy
Parsons, Delbert & Sandra
Petersen, Gary & Helen
Piper, Aleta
Provena Saint Joseph Hospital
Q Center Employees
Rakow, Thomas & Susan
Ralph Helm, Inc
Rauschenberger Partners LLC
Raymond, Steve & Renee
Renz Center
Ricks, Burke
Rippberger, Carl & Margit
Rosenfeld, Dr. Joseph & Maureen Manning-Rosenfeld
Rotary Charitable Projects Foundation
Royal Coach Ltd
Samaritan of the Far West Suburbs
Sam's Club, Elgin
Scheflow, Florence
Schening, Albert & Barbara
Schmitt, Matt
Schock, Edward & Karen
Schoenholtz, Bette
Schueneman, Arthur & Nancy
Sellers, Aaron & Theresa
Shales, Jack & Marlene
Shales, John & Shelly
Sherman Health Foundation
Sherwin, Marilyn
Shop & Share, Inc
Signature, Inc
Silber, Cecelia
Sinnott, Jr., Richard & Karen
Sjurseth, Vic & Pat
Skogmo, Jerome & Melinda
St. Charles Noon Kiwanis Foundation
Starbucks, Elgin
Stephenson, Kim
Stewart, Tanya
Tabernacki, Donna
The Home Depot
The IHC Group Foundation
The Learning Tree, Inc

Elmer, Charles
Family Service Association of Greater Elgin Area
Farnham, Rep. Keith
Eric J. Fernandez & Co.
Fideliter Club of Elgin
Fifth Third Bank
Figueroa, Juana
Fiore, Anna
First Community Bank
First Presbyterian Church
Floyd, Richard & Maureen
Follrath, Joseph
Fox Valley Fire & Safety
Gail BordenPublic Library
Gambino, Tony
Garcia, Jaime & Donna
Geneva Community Chest
Geneva Historical Society & Museum
Geneva Jake's
Genoa Healthcare
Gerbusters, P. C.
Golden Law Offices
Gordon Flesch Company, Inc
Graeser, Phyllis
Graham's Fine Chocolates
Grand Victoria Foundation
Gratto Italian Tapas
Grauzinis, Algimantas & Ramona
Guthrie, Nancy
Hannula, Thomas & Sue
Hanover Township Mental Health Board
Hans and Sons, Inc
Hansemann, Bruce & Murna
Harvey and Ethel Daeumer Foundation
Hazel, Jack & Jeanne
Hedberg, James & Sofia
Helm, Ralph & Vera
Hess, Donald & Jean
Hewitt, Dennis & Mary
Hoeft, Elizabeth
Hoffer Foundation
Home Depot, South Elgin
Howe, Deborah
Hudgens, Paul & Sarah
Huls, Jason & Erin
IHC Construction Companies L.L.C.
Illinois Tool Works Foundation
Inc Board
Irizarry, George & Jacqueline

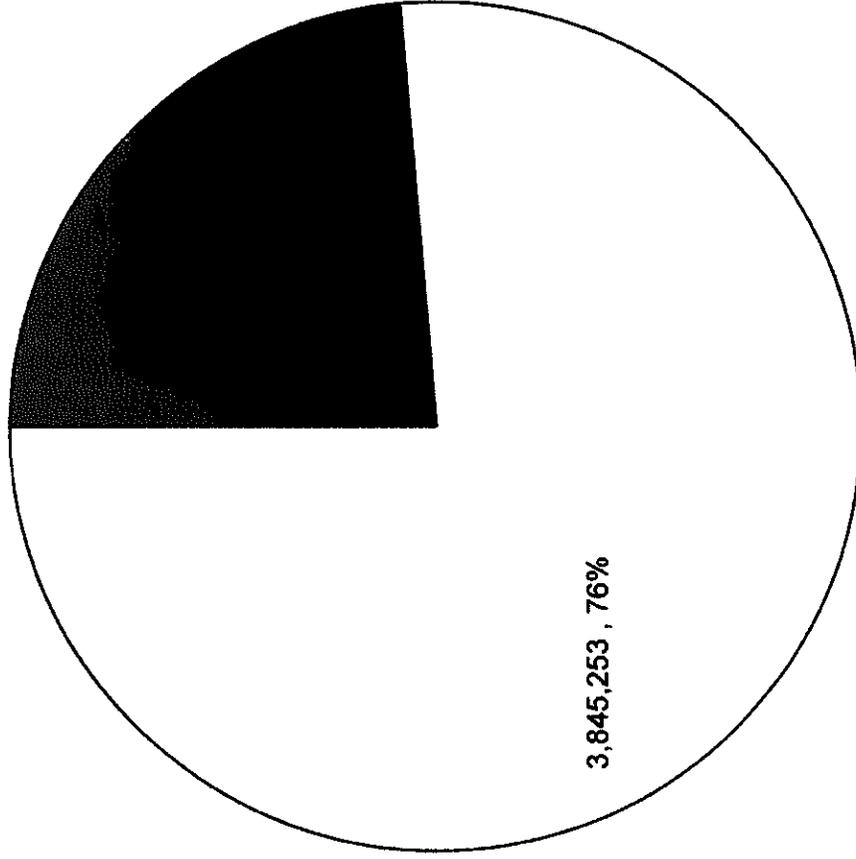
The Olive Mill
The Perfect Setting
Tiballi, Dr. Robert
Tom's Auto Clinic
Tousey, Stephen & Susan
Tousey, Stephen Law Offices
Town of Elgin
Tredup, Jacqueline
Tucker, Charles & Becky
Underhill, Richard & Susan
Unitarian Universalist Church of Elgin
United Way of Central Kane County
United Way of Elgin
United Way of Metropolitan Chicago
Vander Forest, Rick & Kelley
Verizon Foundation
Verve on Third
Village of Streamwood
Walsh, Jim & Mary Catherine
Walters, John & Deborah
Ward, Margaret
Warren, Michael & Laurel
Weiner, Barbara
Welch, John
Westenberg, Joyce
Wilhelmi, Walter & Michelle
Wine Sergi & Co, LLC
Withers, Wendy
Wong, Jennifer
Wooten, June & James
Worksite One Resources
Young, Thomas & Barbara

**Ecker Center for Mental Health, Inc.
2013 Revenue Sources**



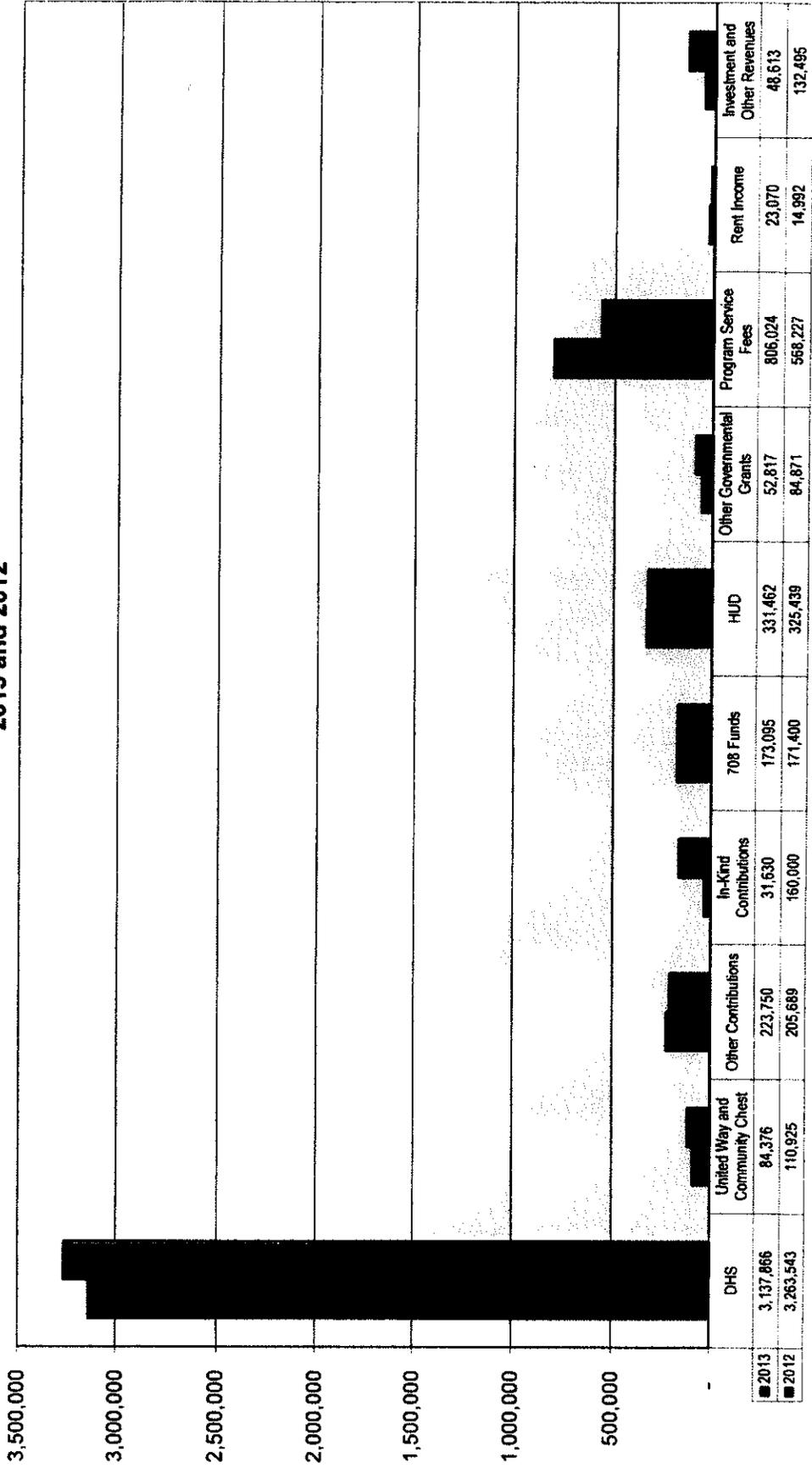
■ Other Revenue ■ Contributions □ Fees & Grants from Gov't Agencies

**Ecker Center for Mental Health, Inc.
2012 Revenue Sources**

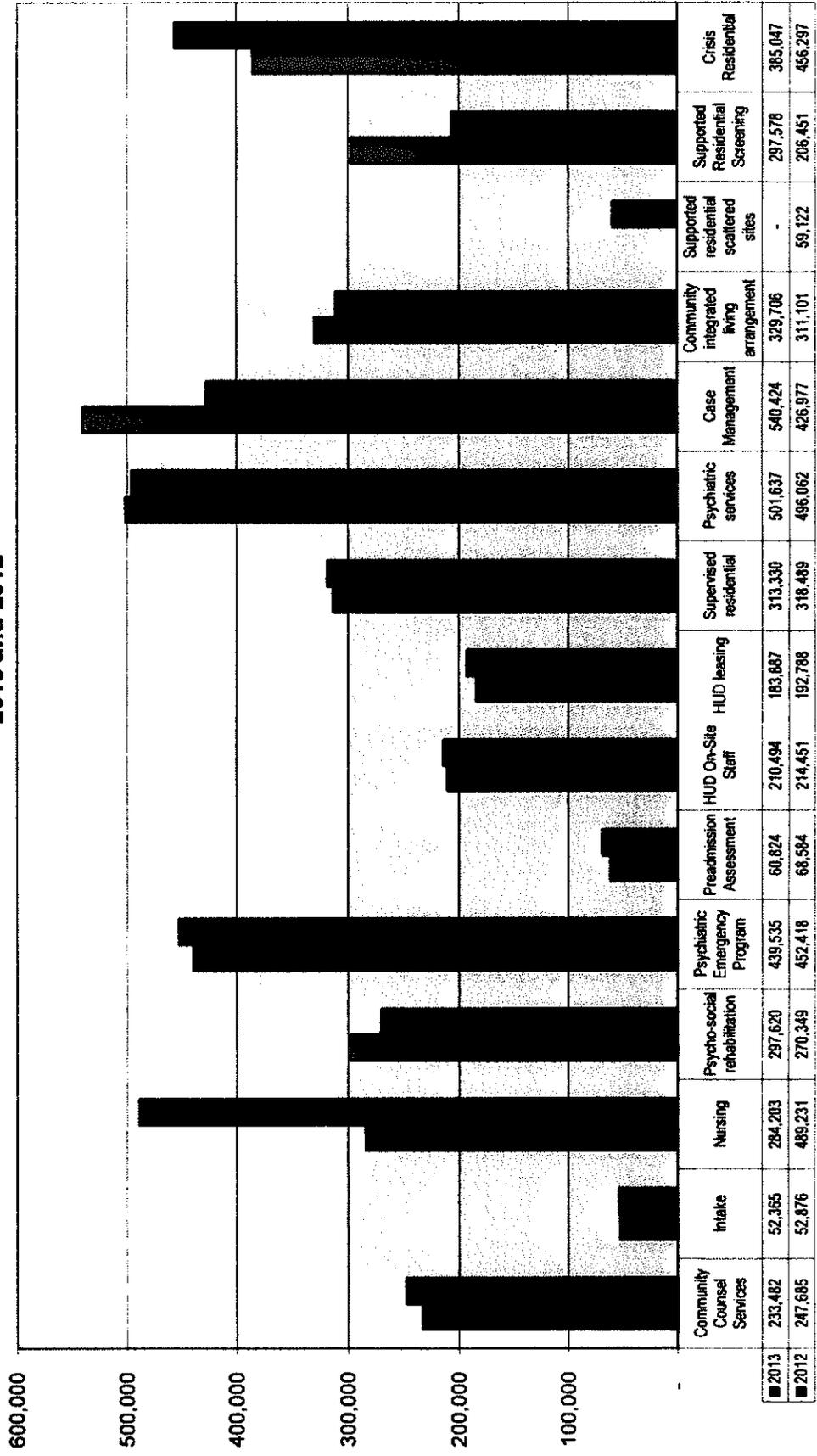


■ Other Revenue ■ Contributions □ Fees & Grants from Gov't Agencies

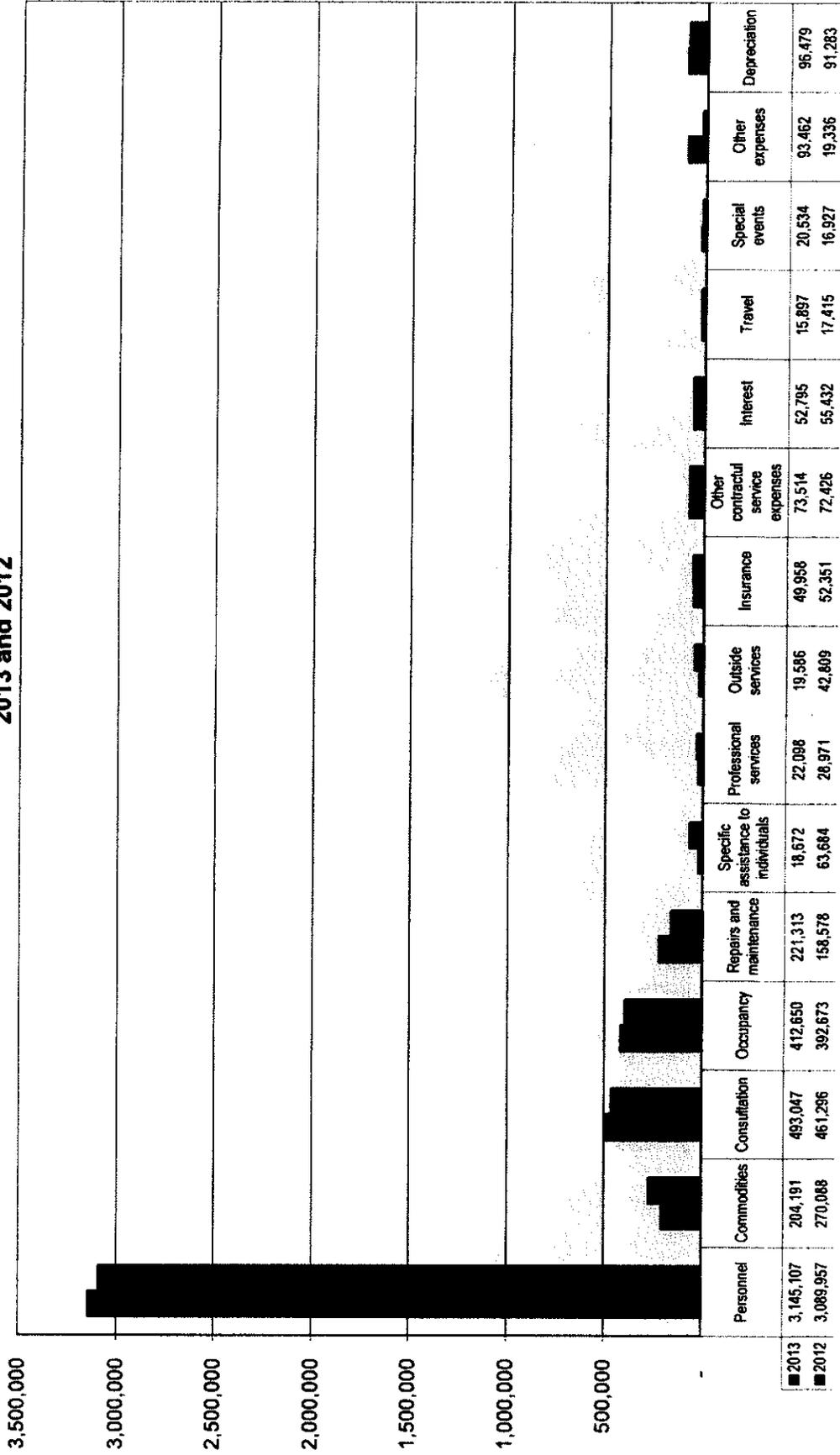
**Ecker Center for Mental Health, Inc.
Revenue by Source
2013 and 2012**



**Ecker Center for Mental Health, Inc.
Program Expenses
2013 and 2012**



**Ecker Center for Mental Health, Inc.
Functional Expenses
2013 and 2012**



**ECKER CENTER FOR MENTAL HEALTH
BOARD OF DIRECTORS**

October 2013 – October 2014

NAME/EMPLOYER/POSITION	MEMBER SINCE	TERM EXPIRATION
Conroy, David , Chairman Gordon Flesch Co. Sales Manager	12/2006	12/2015 – 3 rd
Sellers, Aaron , Vice Chairman Comprehensive Training Solutions, Inc. CEO	10/2006	10/2015 – 3 rd
Tousey, Stephen , Treasurer Early, Tousey, Regan & Wlodek Attorney at Law	2/2012	2/2015 – 1 st
Grunnet-Alden, Dr. Vicki , Secretary Private Practice, Psychotherapy	8/2010	8/2016 – 2 nd
Kirk, Alan Results Medical Consulting, LLC COO	8/2004	8/2016 – 4 th
Sheldon, Timothy Judge, Retired	8/2013	8/2016 – 1 st
Kaptain, Sandy Registered Nurse	10/2013	10/2016 – 1 st
Stewart, Tanya Student	2/2006	2/2015 – 3 rd

Ecker Center for Mental Health

Board of Directors' Election, Qualifications and Terms

New Ecker Center board members are elected by a majority of the board for three, three year terms. No director shall be qualified to hold office more than three consecutive terms except upon recommendation of the Governance Committee to serve an additional term. Board members must leave the board for at least a year after the terms are over, and after that year they are eligible to be invited, once again, to join the board. Most board members have been recruited first to serve on committees of the board. If they serve faithfully and indicate that they would like to join the board of directors, they are invited to join the board.

Ecker Center seeks board members of all ages that have expertise in medicine, business, law, accounting, management and are from, or knowledgeable about, the communities that the Center serves. The Center always has a client and a family member of a client on the board. By plan, the board represents the ethnic and cultural diversity of the communities that the Ecker Center serves. In the last three years, the board has not been able to recruit a Hispanic member, and the group is working to remedy this situation.

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

In reply refer to: 0248206044
Jan. 25, 2013 LTR 4168C E0
36-2312495 000000 00
00015077
BODC: TE


ECKER CENTER FOR MENTAL HEALTH INC
1845 GRANDSTAND PL
ELGIN IL 60123-6603

016350

Employer Identification Number: 36-2312495
Person to Contact: Ms. Smith
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Jan. 15, 2013, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in March 1956.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.

0248206044
Jan. 25, 2013 LTR 4168C E0
36-2312495 000000 00
00015078

ECKER CENTER FOR MENTAL HEALTH INC
1845 GRANDSTAND PL
ELGIN IL 60123-6603

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Richard McKee

Richard McKee, Department Manager
Accounts Management Operations

LAZARUS HOUSE



Luke 16:19-31

LAZARUS HOUSE

214 Walnut Street, St. Charles, IL 60174

Email: Info@LazarusHouseOnline.com

Web Site: lazarushouseonline.com

Working together to offer hope and a future

Board of Directors

Executive Officers

Betsy Penny
Board President
Retired St. Charles
Alderman and Teacher

Deb Akins
Board Vice President
V.P., BMO Harris Bank N.A.

Robert McDowell
Board Secretary
Owner/President,
McDowell Inc. of St. Charles

Steve Sager
Board Treasurer
CPA, Jones, Sager, Haines
& Co. LLP

Board Members

Lynette Anderson
Director, Children & Family
Ministries-Hosanna!

Lynn Bruesewitz
Owner, Software Support, Inc.

Jeff Cadwallader
Real Estate Broker,
Coldwell Banker

Diane DeWitte
Office Assistant, DuPage
Airport Authority

Peter Fazio
Owner, PJ Plumbing Service
Owner, Full Access Products

Carolyn Hanna
Commercial Insurance Broker
Corkill Insurance Agency, Inc.

Julie Harter
Executive Director,
Ernst & Young

John Michalak
VP, Chicago Investment
Advisory Council, Inc.

Beth Mooncoch
Social Worker, MSW

Jim Skaar
Attorney at Law,
Law Office of James D. Skaar

Marve Stockert
Executive Vice President,
Falcon Innovations

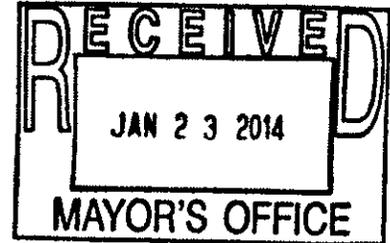
Advisory Directors

Pastor Dave Mann
Free Methodist Church Rep

Ellen Wildman
Student Rep

January 24, 2014

May Foster
Office of the Mayor and
Recording Secretary for the
St Charles 708 Community Mental Health Board
Two East Main Street
St. Charles, IL 60174



Dear May,

Enclosed please find our application from Lazarus House for St Charles 708 Mental Health Board funds. We thank the Board so much for your generous support of Lazarus House in 2013.

If you have any questions or require additional information, please do not hesitate to contact me. Thank you for your consideration and assistance as together we provide care for our St. Charles neighbors in need.

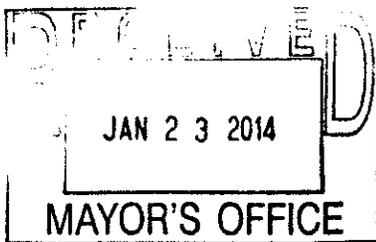
Gratefully,

Liz Eakins
Executive Director



General/Emergency Shelter Phone: 630-587-2144 Fax: 630-587-2540
Transitional Housing Phone: 630-485-5143 Outreach Phone: 630-587-5872 Outreach Fax: 630-587-0785





Date: January 24, 2014

**City of St. Charles
708 Mental Health Board
Accountability Report for funds Expended**

Agency Name: Lazarus House

Contact Person: Liz Eakins, Executive Director **Phone #:** (630) 587-2144

Main Office Address: 214 Walnut St.
St. Charles, IL 60174

Funding requested from City of St. Charles 708 Board for fiscal year 14/15: \$47,000

** This request is based on 11% of the estimated cost of service to those with mental health, developmental disabilities, substance abuse, and /or drug abuse issues and their children. It does not include the projected cost of care that Lazarus House provides to other St Charles residents that are at risk of these issues (such as domestic violence victims and their children).*

Describe mission (include narrative explaining how mission relates to City of St. Charles):

The mission of Lazarus House is to provide hospitality, food, safe shelter, and support services to men, women, and children connected to our community who are homeless or in need. The purpose of services is to assist clients to increase self-sufficiency with the goal of achieving and maintaining permanent housing. Lazarus House has an Emergency Shelter Program and a Center for Transitional Living Program-both serving those connected to Batavia, Geneva, St. Charles, and western rural Kane County, Illinois. In 2006 a new Women and Children's Day Center (which is part of the Emergency Shelter program.) was added along with an expanded Homeless Prevention/Outreach program. In 2008 a nearby building was purchased to provide desperately needed space for the Outreach program and for other operating needs. This building, the Community Resource Center, opened in October, 2008.

Describe specific goals that fit City's mission and indicate how goals will be accomplished.

Lazarus House goals that support the City's mission include:

- Help homeless persons return to independent living with the skills and habits needed for long-term success.
- Offer services and referrals to those in need in our community in order to prevent homelessness and support the well being of individuals and their families.

These goals are enabled by activities of stewardship and collaboration that form a core part of the City of St. Charles' mission. The goal of the St Charles 708 Community Mental Health Board is to assist with services for City of St Charles residents with, or at risk of, mental disorders, developmental disabilities, substance abuse, and /or drug abuse. Through its homeless and homeless prevention programs, Lazarus House serves residents of St Charles who have, or at risk of having, these conditions. Specifically, Lazarus House will collaborate with the City of St. Charles, the County, area social service agencies and landlords to provide the support services needed by homeless St. Charles residents (many with mental health or substance abuse issues) to help them gain and retain permanent housing. Through its state and federally funded rental subsidy programs, Lazarus House will also work with qualifying St. Charles families at risk of losing housing to provide rental assistance and support services. The goal is to enable households to retain permanent housing and to improve financial, budgeting, and other skills to create stronger, more secure lives in this community going forward. These programs also allow for re-housing of those previously homeless, who, as a result of Lazarus House services, are ready again for independent living. The strong collaboration that exists between the staff, other agencies and the 1,900 plus volunteers that support the work of Lazarus House, helps maintain and strengthen the social character of

Date: 1/24/2014

Agency Name: Lazarus House

St. Charles. Working with others to solve problems contributes to a safe and secure community and future for the City and its residents.

Through its programs Lazarus House:

- 1) Promotes mental health by providing a safe place and case management to help support mental health and the well being of those with substance abuse, mental health and /or other disabilities. Our education staff, trained volunteers, along with professionals from TriCity Family Services and Community Crisis Center of Elgin, offer a number of classes for adults and children on topics such parenting, self-esteem, healthy relationships, domestic violence, budgeting and employment skills to improve each person's well-being.
- 2) Provides specific assistance with disorders and treatment through our own needs assessment process, case management and education approach, action plans, and house rules. We collaborate closely with Ecker Center, Renz Center, and other service providers to help those needing formal assessments and treatment to access needed services and receive needed care. Our staff works closely with homeless parents, collaborating with school districts and service providers to provide early intervention for kids at risk of developing mental health issues and other illnesses.
- 3) Helps detect and treat disorders at the earliest stages through our assessment process at intake. Starting in January 2010 we enhanced services provided by Renz, based on a collaborative multiyear grant written by Renz. Their staff come twice weekly to our premises to interview and assess guests on site for mental health and substance abuse issues. Ecker Center is a valued partner in this collaboration as well. Those affected by these disorders are linked to programs at both Renz and Ecker to begin the process of treatment and recovery. Services are delivered at Renz and Ecker with round-trip transportation provided. Additionally, we offer parenting classes, domestic violence support groups and life skills classes to help prevent mental illnesses from becoming worse.
- 4) Supports rehabilitation through our case management and follow-up process to help ensure treatment plans are followed.

Describe how funds will be expended and quantify services provided to the City of St. Charles (e.g., City of St. Charles persons served, cost allocated to services, program descriptions, and other pertinent information). Also attach budget detailing sources (grants, other municipalities' contributions, fundraisers, and any other sources of funding –actual or being sought:

Based on historical trends and current projections, in FY14 and FY15 Lazarus House anticipates serving approximately 160 St Charles residents and providing 11,000 nights of service in its Emergency Shelter and Transitional Living Programs. Our request includes \$40,000 of funding to cover 10% of the estimated \$400,000 cost of providing a projected 8,000 nights of service in FY15 to St. Charles residents and their children with mental health and/or substance abuse issues at a projected cost of approximately \$51 per day. The estimated cost of service and related costs for those adults with these issues is \$300,000 (6,000 nights of service). The estimated cost of serving the children of those with these issues is \$100,000 (2,000 nights of service.) Services include: safe shelter, food, personal hygiene items, shower and laundry facilities, clothing through the local clothes closet, healthcare through a local free clinic and other local funding, case management, coaching, linkage to needed services in the community and to federal and state programs, including access to mental health and substance abuse services, transportation for work, school appointments, budgeting and credit repair, employment assistance/skills upgrade, GED tutoring, assistance with securing college scholarships and job training grants, in-house classes that support successful living, and provide one-time and ongoing government funded rental and utility assistance to qualifying low income households. We also offer limited financial assistance for prescription medications.

Date: 1/24/2014

Agency Name: Lazarus House

In addition, funding is requested to cover 10% of the cost of supporting Outreach Program guests from St Charles who have mental health and/or substance abuse issues. Last year, ongoing rental assistance subsidies were provided to 23 low income St. Charles households to enable them to remain in housing and avoid homelessness. One-time assistance was provided to an additional 6 St. Charles households. The average daily cost incurred by Lazarus House per household after lease payments was \$10 per day. For 17 of these households, under the terms of the rental assistance grants that help to support the programs in which they participate, we are able to provide case management to help address the issues that have caused them to be homeless or at risk of homelessness. Twenty-three persons in these St Charles households have issues with mental health, substance abuse, or developmental disabilities. For the 6 St Charles households who received one-time assistance in FY13 rental assistance programs, Lazarus House met with each household to discuss needs, qualification for the rental program, and resources available to address financial, food, health, mental health, substance abuse, and other needs. Those participating are also invited to participate in Lazarus House's training classes that cover topics such as parenting, self-esteem, healthy relationships, domestic violence, budgeting and employment. In FY13, St Charles households with mental health, substance abuse, or developmental disabilities were provided 6,150 days of ongoing rental subsidies and other support services, at a total cost of \$61,500.

In FY15 we anticipate providing ongoing support services to a minimum of 20 St Charles households with mental health, substance abuse, and other disability issues. Our funding request is based on 10% (\$7,000) of the estimated FY15 \$70,000 cost of providing these households service at an estimated cost of \$11 per day.

The attached budget shows the \$1,025,982 projected FY15 cost for the Emergency Shelter and Center for Transitional Living Programs and \$327,826 for the Outreach Program. The estimated budget for fiscal year 2015 is \$1,353,808. The overall budget is comparable to the FY14 budget. We have continued to closely scrutinize the budget to control costs in all areas while maintaining essential services.

Sources for funding these budgets are listed. Based on historical experience, Lazarus House has projected funding from United Way/Community Chest agencies in Batavia, Geneva and St. Charles, 708 Mental Health Boards in Geneva and St. Charles, Kane County Community Development Block Grant Program, Department of Human Services (DHS) Emergency and Transitional Housing Services, DHS Homeless Youth Program, Department of Commerce and Economic Opportunity (DCEO), Housing & Urban Development (HUD), Federal Emergency Management Agency (FEMA), the Illinois Housing Development Authority and contributions from individuals, businesses, churches, clubs, foundations, and fund raising events.

St. Charles 708 Fund Expenditure History – explain how funds allocated from previous year were expended and purposes of those expenditures. Note: if funding allocation is over \$25,000, attached most recent financial statements, audit and annual report:

For the year ended June 30, 2013, 10,932 nights of service were provided to St. Charles residents at a cost of \$546,600 (using FY13 audited cost per day figures). These services were provided to 158 persons from St. Charles. Costs were expended to pay for the services noted in response to the prior question: clothing, shelter, case management, training, access to needed medical and mental health services in the community, transportation, etc. Of these totals, 5,778 nights of service were provided to St Charles residents with mental health, substance abuse and/or developmental disabilities—at a cost of \$288,900.

Agency Name: Lazarus House

In addition, 7,440 days of ongoing rental subsidy and other services were provided to 29 St Charles households to enable them to become /stay housed, at a total cost, excluding lease payments, of \$74,400. Of these totals, 6,150 days were provided to 23 households with mental health and other issues at a cost of \$61,500.

General donations continue to be below desired levels in this tight economic environment. The net income earned at Christmas time is used each year to help cover the lean months when expenses exceed revenues. As in the past few years, Lazarus House has operated with a focus to keep the lights on and provide essential services. We continue significant cost containment measures.

On an annualized (12 month) basis, provide information on City of St. Charles residents served:

Direct service: number of individual clients/consumers served: 10,932 nights of service were provided to 158 persons from St. Charles in FY13. Fifty-six (56) % of all nights of service provided by Lazarus House were to persons from St. Charles. 5,778 nights of service (53 %) provided to those in St Charles, were provided to households with mental health, substance abuse or other disability issues. In addition 29 St. Charles households were provided interim and ongoing rental assistance to enable them to remain in housing. Six St Charles households were provided one-time assistance. Twenty-three persons provided rental assistance and related support services had mental illness and/or substance abuse issues.

Aggregate number of direct service hours provided: Nights of service noted above is one measure of service hours, a figure we report to the 708 Board quarterly. We also have established a daily cost of service for the Outreach program. Another measure is the staff time involved with case management, operations and education. We have 14 full time equivalents (FTE) staff who support case management, operations, and training (7.8 FTEs for St. Charles residents). This translates to over 29,300 service hours (16,400 hours for St. Charles residents).

Describe agency cost basis per client/consumer served (e.g., per hour cost and/or program costs allocated to City of St. Charles residents and how this was derived):

In FY13 a night of service in our emergency shelter and transitional housing programs cost \$50 per day. This is calculated by dividing our FY13 actual audited Emergency Shelter and Transitional Housing expenses of \$968,864 by our actual FY13 shelter nights of 19,353. This cost reflects the costs associated with providing the variety of ongoing support services to help the homeless return to self-sufficient living in permanent housing. In FY14 we anticipate a cost per day of \$50 based on a budget of \$1,025,982 and 20,520 nights of service (exclusive of the outreach program). In FY15 we anticipate a cost per day of \$51 based on a budget of \$1,025,982.

In FY13 the cost of our ongoing rental support outreach program was \$9 per day per household. This figure, net of lease payments, includes the cost of support services, case management, budget assistance and operating costs. The estimated daily cost for outreach in FY15 is projected to be about \$11 per day.

Identify other services provided to and for the benefit of City of St. Charles' residents (education, presentations, volunteer training and group activities/events).

Other services that benefit City of St. Charles residents include: 1) Serving as a de facto help line for those in crisis who do not know where else to turn for help. Last year we fielded over 1,200 financial needs calls, an average of 104 per month. These calls exclude the numerous calls Lazarus House handles regarding referrals to persons seeking advice on where to get mental health, substance abuse and other types of help for themselves or

Date: 1/24/2014

Agency Name: Lazarus House

loved ones. 2) Serving as a soup kitchen for people who are food insecure in our community. 3) Volunteer training and providing many opportunities for St. Charles residents to serve others in a meaningful way. 4) Participation in St. Charles Housing Commission, St. Charles Ministerial Association and other groups whose goals support a stronger St. Charles. Host a monthly social service provider networking lunch. Serve on the Kane County Continuum of Care.

Attach a list of current Board of Directors for your agency, listing the length of time that each Board member has served in their current term. Also attach a brief summary of how Board members are elected, the qualifications sought, and any term limits for Board members.

Attach a copy of current 503C or tax exempt status certification.

Please note that agencies that are allocated funds from the STC 708 Board in excess of \$25,000.00 in any fiscal year are also subject to the following requirements:

1. Monthly financial statements must be submitted to the Government Operations Committee of the St. Charles City Council by no later than the 15th day of the following month.
2. An annual report must be submitted to this same Committee.
3. A representative of the agency must make a brief presentation describing the purpose of the agency, it's future plans and how it's programs and services have benefited the residents of St. Charles to this Committee on an annual basis at a date and time to be determined (following the allocation recommendation process by the STC 708 Board, but prior to the actual release of any funds).

Funding request amount for current fiscal year \$ 47,000

Application Date: 1/24/2014

For STC 708 Board Only:

Recommended funding for current fiscal year: \$ _____ Recommendation Date: _____

Lazarus House Board of Directors

Board Officers

President: Betsy Penny Secretary: Bob McDowell
 1st V.P.: Deb Akins Treasurer: Steve Sager

Full Board

Name	Home Address	Employer	Term	Years in Office	Skills
Deb Akins	704 Gray St. St. Charles, IL 60174	V.P. BMO Harris Bank, N.A. 1200 E. Warrenville Rd. Hinsdale, IL 60563	2014	2 1/2	Management
Lynette Anderson	421 S. 11 th St St. Charles, IL 60174	Director of Children and Family Ministries Hosanna Lutheran Church 36W925 Red Gate Rd. St. Charles IL 60175	2015	1 1/2	Strategic Planning, Community Connections, Faith Community Connection
Lynn Bruesewitz	1707 Patricia Lane St. Charles, IL 60174	Owner, Software Support Systems, Inc. 803 S. 5 th Ave St. Charles, IL 60174	2014	2 1/2	Technology, Community Connections
Jeff Cadwallader	2812 Caldwell Lane, Geneva, IL 60134	Real Estate Broker, Coldwell Bank Residential 2690 E Main St. St. Charles, IL 60174 Photographer, Flashed-It! Media, 2812 Caldwell Lane Geneva, IL 60134	2015	1/2	Preferred Professionals, Rejoice Lutheran Church, Climbers Art Collective
Diane DeWitte	228 Sedgewick Circle St. Charles, IL 60174	Office Assistant DuPage Airport Authority 2700 International Dr., Ste 200 West Chicago, IL 60185	2015	1/2	St. Charles Noon Kiwanis Club
Peter Fazio	2661 Sandpiper Trail West Chicago, IL 60185	Owner, Full Access Products Owner, PJ Plumbing Service 504 Congress Circle Roselle, IL 60172	2015	1 1/2	Property Management & Construction, Public Relations, Revenue Generation
Carolyn Hanna	8 N. Daniels Drive Batavia, IL 60510	Commercial Insurance Broker Corkill Insurance Agency, Inc. 25 NW Point Blvd, 625 Elk Grove Village, IL 60606	2014	2 1/2	Human Resources, Organization Development, PR/Marketing, Risk Management, Strategic Planning

Julie Harter	46W085 Ellithorpe Rd Hampshire, IL 60140	Executive Director, Ernst & Young 155 North Wacker Drive, Chicago, Illinois 60606	2016	1/2	Human Resources, Organization Development, Technology, Revenue Generation, Customer Experience Design
Robert McDowell	3N231 E. Mary Lane St. Charles, IL 60175	Owner/President McDowell, Inc of St. Charles 521 West Main Street St. Charles, IL 60174	2016	1/2	Property Management & Construction, Strategic Planning, Community Contacts, Prior Board Experience
John Michalak	541 W. Thornwood Dr. South Elgin, IL 60177	VP, Chicago Investment Advisory Council, Inc. 1601 E. Main St. St. Charles, IL. 60174	2014	1	Finance
Beth Mooncotch	3108 S. Route 59, Ste. 124-360 Naperville, IL 60564	Social Worker, MSW and President, BAM Decking Co	2014	2 1/2	Psychology/Social work, Community Contacts, Faith Community Connection, Revenue Creation, Organizational Development
Betsy Penny	90 Whittington Course St. Charles, IL 60174	Retired, St. Charles City Council Alderman and Special Education Teacher	2016	1/2	Community Contacts, Organization Development
Jim Skaar	640 McKinley Ave Geneva, IL 60134 Email: jim@skaarlaw.com	Attorney Law Office of James D. Skaar 220 South 3 rd St. Geneva, IL 60134	2014	2 1/2	Legal
Steve Sager	40 Home St. St. Charles, IL 60174	CPA, MBA Jones, Sager, Haines & Co. LLP 1001 East Main St., Suite B St. Charles, IL 60174	2015	1 1/2	Finance, Organization Development
Marve Stockert	7538 W. Devon Ave Chicago, IL 60631	Executive Vice President Falcons Innovations 7538 W. Devon Ave Chicago, IL 60631	2016	1/2	Housing, Management, Legislation, Finance
Pastor Dave Mann	310 S 14th St Saint Charles, IL 60174	Free Methodist Church representative	n/a*		Landlord Perspective
Ellen Wildman	1110 Union St. Geneva, IL 60134	Student representative	n/a*		Youth perspective

*Nonvoting member

Board development occurs:

- At each meeting as part of the education of members about the operations and ministry of Lazarus House. - Through information shared with the Executive Board on fiduciary matters gleaned from conferences
- through review of needs and risk areas in the strategic plan
- Through subcommittees on key Lazarus House matters. Newer and more experienced members will learn and share from each other through these committees.

Board elections: Take place annually at the June meeting. Individual Board members may be voted in during subsequent months if a vacancy exists and a qualified candidate is interested. There are a maximum of 17 voting members allowed on the Board at any one time. Terms are for 1, 2, or 3 year periods, with approximately 1/3 of the terms expiring each year. Officer positions are all one year terms. No limits exist on how many terms a Board member or officer may have. Applications for prospective candidates are gathered throughout the year. One or more Board members present the candidate for consideration. Attributes considered in Board member selection are a balance of the types of skills listed in the far right column above, along with leadership, commitment to the mission of Lazarus House and the needs of the poor, and connection to the area served by Lazarus House.

01/09/14
Cash Basis

Lazarus House
Balance Sheet-Cash Basis
As of December 31, 2013

	<u>Dec 31, 13</u>
ASSETS	
Current Assets	
Checking/Savings	
1010 · 022 Op Checking - H.B	135,602.08
1040 · 282 HUD Operating - H.B	87,959.37
1050 · 812 CTL Operating - H.B	25,373.93
1060 · 4031 Benefit Checking - H.B	1,899.39
1070 · 0793 Operating Checking - PNC	84,926.82
1080 · 863 Vanco General Checking -H.B	24,987.61
1090 · 766 Petty Cash Checking - H.B	1,500.00
1100 · Cash On Hand	200.00
1110 · Gift Card	7,232.69
1140 · MB Financial Money Market	249,248.14
1145 · 825 STC Bank & Trust	249,645.65
1150 · IHDA Pilot/Renewal Checking 152	33,071.35
1155 · IHDA RHSP Checking 005	2,362.00
1165 · Securities America	71.77
Total Checking/Savings	<u>904,080.80</u>
Other Current Assets	
1350-00 · Prepaid Insurance	1,646.95
1355 · Prepaid Supplies Inventory	17,465.24
1380 · Prepaid Deposits	3,113.75
1390 · Prepaid Rent	3,000.00
Total Other Current Assets	<u>25,225.94</u>
Total Current Assets	929,306.74
Fixed Assets	
1410 · Buildings Asset Account	1,742,553.56
1420 · Equipment Asset Account	14,144.80
1430 · Land Asset Account	290,000.00
Total Fixed Assets	<u>2,046,698.36</u>
TOTAL ASSETS	<u><u>2,976,005.10</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
1520 · Office Depot	161.96
Total Credit Cards	<u>161.96</u>
Other Current Liabilities	

Lazarus House
Balance Sheet-Cash Basis
As of December 31, 2013

	<u>Dec 31, 13</u>
1610 · Quill	404.34
1620 · Ace Hardware	151.01
2010 · Payroll Liabilities	1,419.84
2021-00 · Accrued Payroll	26,494.64
2023-00 · Accrued Vacation	33,951.28
2026 · Deferred Program Revenue	13,956.13
2028 · IHDA Lease Payments	362.00
2040 · Key Deposit- CTL	570.00
Total Other Current Liabilities	<u><u>77,309.24</u></u>
Total Current Liabilities	<u><u>77,471.20</u></u>
Total Liabilities	77,471.20
Equity	
3100 · Temp restricted net assets	582,434.97
3900 · Unrestricted Net Assets	2,139,602.50
Net Income	176,496.43
Total Equity	<u><u>2,898,533.90</u></u>
TOTAL LIABILITIES & EQUITY	<u><u>2,976,005.10</u></u>

Lazarus House
Profit & Loss Budget Performance
December 2013

	Dec 13	Budget	Jul - Dec 13	YTD Budget	Annual Budget
Income					
4000 · Donations	170,122.39	207,000.00	334,579.86	413,215.00	555,452.00
4100 · Fundraisers	4,434.64	3,000.00	5,919.64	3,000.00	6,414.00
4160 · Special Events	1,949.00	3,250.00	32,075.37	30,296.00	57,750.00
4200 · General Grants/Foundation	48,800.00	73,050.00	125,426.00	111,435.00	154,635.00
4300 · Government Grants	28,298.28	42,680.00	199,004.84	206,358.00	418,702.00
4400 · United Way/ Community Chest	5,447.92	11,105.00	15,534.48	22,082.00	42,825.00
4500 · 708 Boards	10,500.00	8,700.00	56,100.00	54,300.00	54,300.00
4600 · In-Kind Contribution	4,400.44	6,554.00	16,319.81	17,819.00	30,165.00
4700 · Interest Income	0.00	90.00	432.47	543.00	1,099.00
4800 · Other Income	6,845.83	1,480.00	9,857.84	4,440.00	8,880.00
4950 · Occupancy Fees- CTL	2,345.03	2,700.00	9,949.42	11,700.00	19,077.00
4960 · Application Fee- CTL	50.00	50.00	300.00	350.00	750.00
Total Income	283,193.53	359,659.00	805,499.73	875,538.00	1,350,049.00
Gross Profit	283,193.53	359,659.00	805,499.73	875,538.00	1,350,049.00
Expense					
5000 · Advertising/ Community Outreach	0.00	201.00	725.68	1,119.00	2,327.00
5010 · Bank Service Charges	437.00	388.00	1,109.45	937.00	1,477.00
5015 · Cash Over/Short	-1.00	0.00	-6.50	0.00	0.00
5020 · Depreciation	5,695.00	5,695.00	34,170.00	34,170.00	68,340.00
5030 · Dues and Subscriptions	0.00	100.00	743.09	901.00	1,395.00
5040 · Fundraising	0.00	0.00	4,743.16	4,027.00	12,077.00
5050 · Furniture, Fixtures & Equipment	905.60	2,400.00	5,077.15	5,543.00	12,543.00
5060 · Guest Expenses	3,917.93	5,341.00	17,388.35	19,502.00	31,258.00
5071 · Outreach Materials & Supplies	24.00	24.00	64.47	64.00	160.00
5090 · Insurance	963.81	964.00	6,130.78	6,132.00	12,929.00
5095 · Insurance, Workers' Comp	2,377.00	2,377.00	7,365.00	14,262.00	26,396.00
5100 · Meals & Entertainment	0.00	0.00	0.00	0.00	0.00
5110 · Miscellaneous	814.01	589.00	1,193.16	930.00	1,530.00
5200 · Office Supplies	780.14	554.00	3,799.06	4,071.00	9,698.00
5400 · Payroll Expense	52,345.13	54,194.00	334,278.82	343,383.00	714,213.00
5500 · Employee Benefits	15,570.27	11,070.00	58,520.23	60,559.00	129,579.00
5600 · Postage & Delivery	191.44	225.00	2,457.37	3,070.00	5,800.00
5700 · Printing	0.00	0.00	933.00	981.00	2,100.00
5800 · Professional Fees	1,300.00	6,249.00	21,047.49	21,012.00	29,161.00
5900 · Recognition	119.99	93.00	357.17	362.00	921.00
6200 · Occupancy Expense	5,701.45	5,525.00	30,418.85	30,701.00	64,000.00
6300 · Rental Assistance	14,830.84	16,274.00	87,139.11	88,196.00	190,145.00
6400 · Repairs & Maintenance	913.14	1,700.00	4,710.74	7,800.00	18,000.00
6500 · Telephone	727.30	850.00	4,649.26	4,897.00	9,562.00
6555 · Gain/Loss on Disposal	0.00	0.00	0.00	0.00	0.00
6600 · Training Expense	0.00	110.00	313.00	623.00	1,265.00
6700 · Travel	265.35	475.00	1,675.41	2,352.00	5,173.00
6900 · Interest Expense	0.00	0.00	0.00	0.00	0.00
Total Expense	107,878.40	115,396.00	629,003.30	655,594.00	1,350,049.00
Net Income	175,315.13	244,263.00	176,496.43	219,944.00	0.00

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

DEPARTMENT OF THE TREASURY

Date:

FEB 04 2002

LAZARUS HOUSE
214 WALNUT ST
ST CHARLES, IL 60174-0000

Employer Identification Number:
36-4187609
DLN:
17053005740002
Contact Person:
DAVID B KOUCKY ID# 31368
Contact Telephone Number:
(877) 829-5500
Our Letter Dated:
March 1998
Addendum Applies:
No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

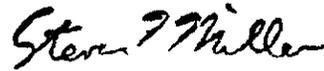
Letter 1050 (DO/CG)

LAZARUS HOUSE

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

A handwritten signature in black ink that reads "Steven T. Miller". The signature is written in a cursive style with a large, prominent "S" and "M".

Steven T. Miller
Director, Exempt Organizations



LAZARUS HOUSE 2013 ANNUAL REPORT

Our mission is to provide hospitality, food, safe shelter and support services to persons connected to our community who are homeless or in need.
May all who enter feel the love of Jesus.

Lazarus House Facilities



Main Building (location for donation drop offs)
This facility houses the Emergency Shelter & Center for Transitional Living
214 Walnut St. (At corner of Walnut St. & 3rd St, entrance on 3rd St.)



Women & Children's Day Center
15 S. 3rd St



Community Resource Center
308 Walnut St.

We believe that everyone here is a gift from God, and we are here to help those that need assistance. We work together with many social service agencies, a large and wonderful network of volunteers, federal, state and community resources, and our donors to help provide the specific services needed by each person and family.

**Our desire is to give all those coming to our doors
the opportunity for hope and a future.**



Lazarus House
214 Walnut Street
St. Charles, IL 60174

Main Number: 630-587-2144
Outreach Number: 630-587-5872
Visit us at www.lazarushouseonline.com



The following pages outline these programs in greater detail.

If you've not had a chance to visit Lazarus House, we encourage you to visit us. We offer an open house with tours every year. We give tours at every new volunteer orientation. We also schedule other tours as appropriate, so we're very flexible.

We'd be glad to include you on our newsletter list. If you're not receiving our quarterly newsletter or monthly electronic newsletter and you'd like to, please give us a call at 630-587-2144 or visit "Sign Up!" on our website, www.lazarushouseonline.com.

We have many volunteer opportunities and would be happy to speak with you about those as well. We hold volunteer orientations approximately every 6 weeks.

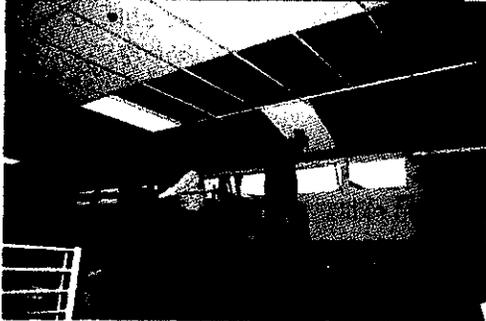
We invite you to visit our website, www.lazarushouseonline.com, for more information.

Please know that we consider it an honor and a privilege to serve our community. We look forward to working together to provide hope and a future to those in need.

Facility Improvements

In addition to all the case management, education and other life-building activities that go on under our roof, there is a great collaboration between volunteers, board members and staff to maintain the facilities.

Emergency Shelter Gift Over Head

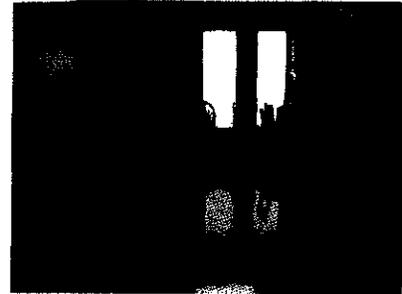


This past fiscal year, we were blessed by volunteer groups from Christ Community Church, Baker Memorial Church, St. Charles Free Methodist Church, South Elgin High School and Express Baseball Training Group who came together to replace our deteriorating Emergency Shelter ceiling.

During a day of service, they replaced the old, dirty and cracked ceiling in the Emergency Shelter with new tiles and painted the ceiling grid, brightening the room and eliminating a lot of dirt and dust. The army of volunteers began to arrive at 6:30 a.m. Scaffolds were built and duties were assigned. What was anticipated to be a 14-hour renovation was completed at noon when the last new tile was installed.

Transitional Living Gift Under Foot

After 10 years of heavy traffic, the flooring in the Center for Transitional Living got a much needed "footlift." Thanks to a grant from the Community Foundation of the Fox River Valley and the sweat equity of numerous volunteers, the worn carpet was removed to make way for new sanitary tile.



It was not a simple undertaking to displace sleeping rooms, fixtures and personal belongings, along with freezers, cabinets, computers and more, but we were blessed by several teams of volunteers from River City Church, Service Master of Carol Stream and St. Charles North REACH club who helped over the course of several weeks to complete this project very successfully.

Exterior Landscaping



Our buildings got an unexpected revitalization in December when Clausen Landscape removed dying trees and planted evergreens, shrubs and rose at our main entrance for a very attractive, low maintenance garden area.

In the spring, BMO Harris volunteers spruced up our other landscape beds, by weeding, pruning, mulching and planting annuals.

Lazarus House Women and Children's Day Center

The Women and Children's Day Center offers home-like space for our women and children during their waking hours. While the entire house is a blessing, we are especially thankful for the children's playroom, the fenced backyard with play equipment, and the space afforded for classes and education.

The WCC has a dedicated staff of women who are "house moms", keeping the house running smoothly 7 days per week. The case manager for our women is a caring, dedicated woman who is ready to do whatever it takes to help our women and their children of all ages achieve their goals.

Here is a story we'd like to share from the WCC:

When "Candy" came to Lazarus House, she appeared disheveled and sickly. She had owned her own business before things fell apart; she became ill and ended up homeless. Although "Candy" was not in good shape physically, she had a desire to improve her status and once again become an integral part of the community. Working with her case manager to set goals, "Candy" began by taking short walks around the block, each day increasing the walk by one block to improve her physical stamina. After two weeks, "Candy's" determination paid off, she began to feel better and look better.

Once she began to feel better, "Candy" was able to search and interview for employment. "Candy" was hired on a part-time basis and was elated. The more she improved physically, the more her determination increased. "Candy" submitted a petition for our Center for Transitional Living, desiring to continue to work toward independence. She was accepted into the CTL. "Candy" continues to improve physically with the goal of acquiring full-time employment and eventually integrating into the community. She stated she has learned so much while at Lazarus House and could not have gotten where she is today without the help of Lazarus House.

Fiscal Year 2013 statistics from our Outreach programs:

- 11 households received one-time emergency assistance
- 15 former chronically homeless individuals were provided permanent housing, with funding primarily through the U.S. Department of Housing and Urban Development (HUD).
- 5 households received ongoing rent subsidy with funding primarily through the Illinois Housing Development Authority (IHDA).
- 9 households total were assisted through the Emergency Solutions Grant. Of these, 4 households received ongoing subsidy and 5 received one-time assistance.
- 1,200+ households called and received referral and other outreach services.
- In total 439 months of housing support (13,170 days) and other services were provided to help 98 persons obtain or stay in housing.

Results from the most recent follow-up period include:

- 100% of households in the ongoing rental programs that require households to use direct services learned to follow a monthly budget.
- 50% of households new to the ongoing programs that require households to use direct services accessed new benefits (better job, government benefits, Food Stamps, day care funds, etc.) to improve their finances and/or health. The remaining households were already accessing those benefits for which they were eligible.
- 91% of those receiving one-time state funded rental assistance in the prior year remained in housing for at least 6 months. 100% of individual's contacted for follow up remained in their housing. One household was unable to be reached for follow up.

Here is a story from our Outreach program that we would like to share.

"Pam" first contacted Lazarus House extremely stressed. She was underemployed, receiving a very low amount of unemployment, and she did not know how she was going to pay her rent. She had been in her St. Charles apartment for several years and was always able to make ends meet. However, due to a layoff about two years ago, she began to struggle in ways she never had before. "Pam" had always been able to find employment, but in recent months she just couldn't find full-time work. In the beginning of 2013, she found herself in a situation she never thought possible – she was asking for help to pay her rent. She began participating in a temporary housing program through the Outreach department at Lazarus House. She worked on budgeting and job searching. Within a month, she had a part-time job a very short commute from home. This was great news but not enough to make ends meet. Her case manager coached her along and she kept the job search going. She had several interviews, but no job offers. As "Pam's" participation on this program was ending she still didn't have full-time employment. She was stressed beyond words, but kept her motivation. On a Thursday she had her last case management appointment and by the following Tuesday she found a job that paid generously per hour and it was a three-quarter time position. With this new position and working her other job part time a few weekends a month, she would be able to pay her rent on her own and remain in her community. "Pam" shared that her faith had been restored through this trial and she was reminded that God was always with her, even when it didn't seem like it. "Pam" is an example of how hard work and positivity can really turn your life around.

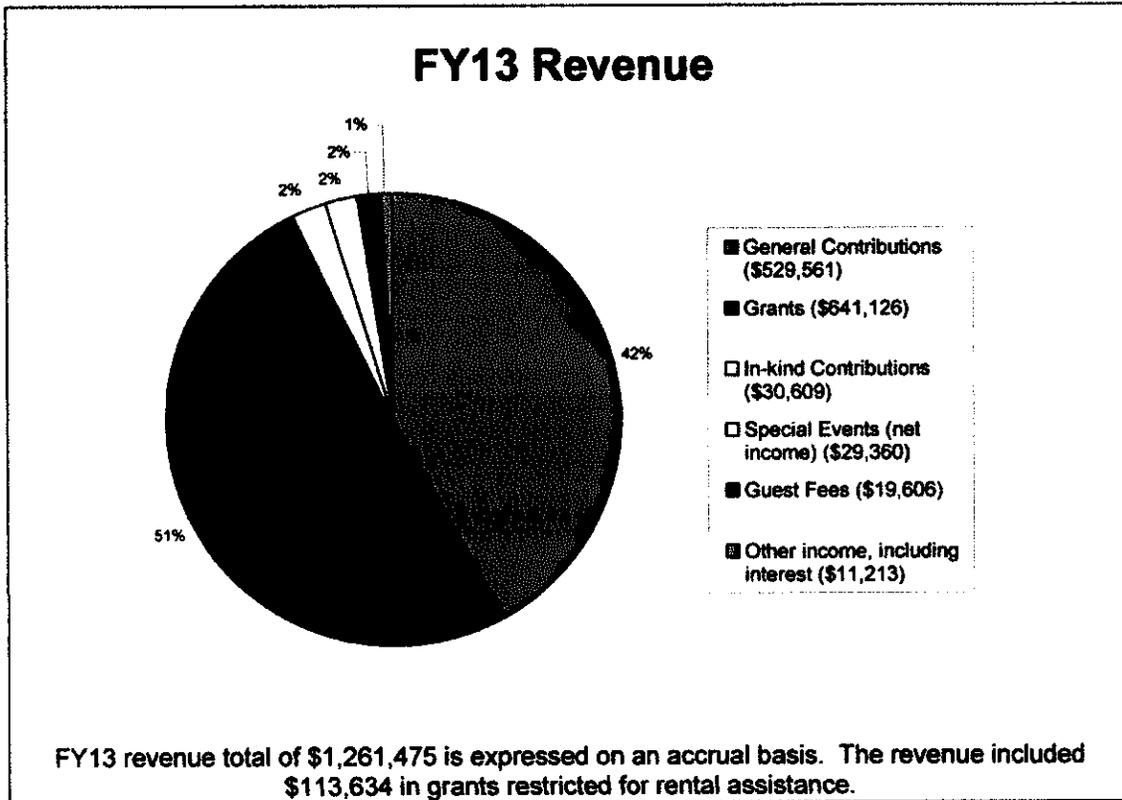
"Lisa" paid off the large amount of debt, while she was in the CTL with the help of our volunteer CPA who provided financial counseling.

"Lisa" was also able to get hearing aids and dentures with the help of her case manager, who located resources to make this possible.

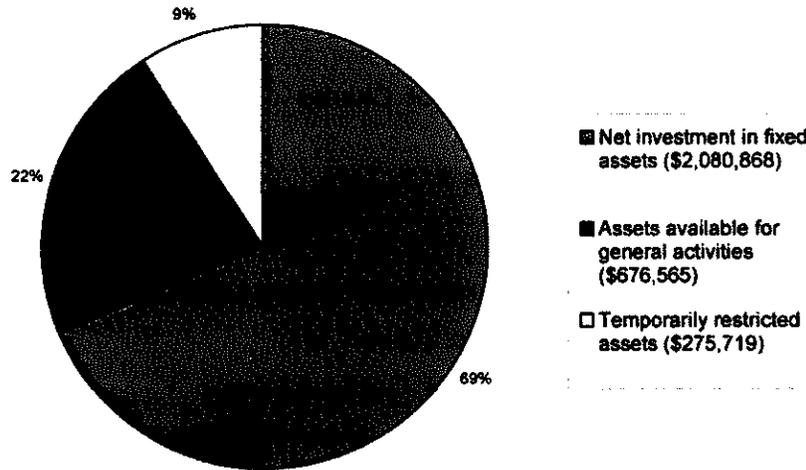
"Lisa" and "Andy" were able to move into their own housing in the same town that "Andy's" school is located. "Lisa" took advantage of the six-month continued case management that is offered to resident guests when they leave the CTL and is doing very well. "Lisa" expressed her extreme gratitude for all of the help she received from Lazarus House and the community and commented many times about how she wouldn't have been able to accomplish all she did without the help she received at Lazarus House.

Financial Results

In fiscal year 2013, Lazarus House spent 9% of expenses on administrative costs (fundraising as well as management and general costs). This covers director oversight time, administrative time of staff to handle correspondence, human resources, technology, fundraising, the complexities of federal and state grant requirements and more.



Net Assets, as of 6/30/13



Of the \$3,116,528 in assets, \$676,565 (22%) is available for general activities. FY13 reflects a \$8,111 decrease in net assets.



BORHART
SPELLMEYER &
COMPANY, LLC

certified public accountants and consultants

Board of Directors and Audit / Finance Committee
Lazarus House
St. Charles, Illinois

In planning and performing our audit of the financial statements of Lazarus House as of and for the year ended June 30, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered Lazarus House's internal control over financial reporting (internal control) as a basis for designing auditing 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

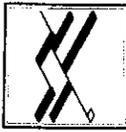
Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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 deficiencies in internal control that we consider to be material weaknesses.

This communication is intended solely for the information and use of management, the Audit / Finance Committee, the Board of Directors, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Borhart Spellmeyer & Company, LLC

Elgin, Illinois
September 17, 2013



BORHART
SPELLMEYER &
COMPANY, LLC

certified public accountants and consultants

September 17, 2013

Board of Directors
Lazarus House

We have audited the financial statements of Lazarus House for the year ended June 30, 2013, and have issued our report thereon dated September 17, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated July 2, 2013. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Lazarus House are described in Note B to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ended June 30, 2013. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the collectability of all receivables is based on historical collection rates and an analysis of the collectability of individual promises. We evaluated the key factors and assumptions used to determine the collectability of all receivables, and determined that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. These proposed adjustments are listed on the enclosed schedule. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in aggregate, to the financial statements taken as a whole.

Board of Directors
September 17, 2013
Page 2

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 17, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters; similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplemental information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplemental information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and management of Lazarus House and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Barbara Spellmeyer & Company, LLC

Lazarus House
Proposed Adjustments Summary
June 30, 2013

		E F F E C T O N:					
Proposed Entries	Account name/ Description	Statement of Financial Position					
		Statement of Activities Change on Net Assets	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Net Assets
	Unadjusted balances at June 30, 2013	(8,110.53)	1,035,659.94	2,080,868.36	83,375.33	-	3,041,263.50
RJE#1	To reclass Outreach receivables for financial statement presentation purposes	-	-	-	-	-	-
RJE#2	To reclass restricted donations and grant for financial statement presentation purposes	-	-	-	-	-	-
RJE#3	To reclass expense by program for financial statement presentation purposes	-	-	-	-	-	-
AJE#4	To adjustment temporarily restricted net assets to detail	-	-	-	-	-	-
RJE#5	To record net assets released from restrictions for financial statement presentation purposes	-	-	-	-	-	-
RJE#6	To reclass unrestricted funds held in Charter One account to provide minimum balance	-	-	-	-	-	-
RJE#7	To reclass cash held in investment portfolio money market	-	-	-	-	-	-
Total adjusting and reclassifying entries		-	-	-	-	-	-
Adjustments to change in net assets							
Adjusted balances at June 30, 2013		(8,110.53)	1,035,659.94	2,080,868.36	83,375.33	-	3,041,263.50
PASSED JOURNAL ENTRIES							
Reversal of effects of prior year passed journal entries (None)							
PJE #B	To record W/C credit receivable as of 6/30/13	6,897.00	6,897.00				
Total passed entries		6,897.00	6,897.00				
Adjustments to change in net assets							6,897.00
Balance if accumulative passed entries were posted		(1,213.53)	1,042,556.94	2,080,868.36	83,375.33	-	3,048,160.50

LAZARUS HOUSE
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
JUNE 30, 2013 AND 2012

CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENTS OF FINANCIAL POSITION	2
STATEMENTS OF ACTIVITIES	3
STATEMENTS OF CASH FLOW	4
NOTES TO FINANCIAL STATEMENTS	5
SUPPLEMENTAL INFORMATION	
SCHEDULES OF FUNCTIONAL EXPENSES	10-11



BORHART
SPELLMEYER &
COMPANY, LLC

certified public accountants and consultants

INDEPENDENT AUDITORS' REPORT

Board of Directors
Lazarus House
St. Charles, Illinois

We have audited the accompanying financial statements of Lazarus House (a nonprofit organization), which comprise the statements of financial position as of June 30, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance 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 Lazarus House as of June 30, 2013 and 2012, 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 Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional expenses on pages 10-11 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 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 taken as a whole.

Borhart Spellmeyer & Company, LLC

Elgin, Illinois
September 17, 2013

FINANCIAL STATEMENTS

LIABILITIES AND NET ASSETS

	<u>2013</u>	<u>2012</u>
CURRENT LIABILITIES		
Accounts payable	\$ 2,311	\$ 1,994
Accrued payroll and benefits	28,391	26,057
Accrued vacation	33,951	30,648
Refundable advances	362	-
Accrued expenses	520	600
Deferred revenue	<u>17,841</u>	<u>14,040</u>
Total current liabilities	83,376	73,339
NET ASSETS		
Unrestricted		
Net investment in fixed assets	2,080,868	2,132,140
Undesignated, available for general activities	<u>676,565</u>	<u>601,016</u>
Total unrestricted	2,757,433	2,733,156
Temporarily restricted	<u>275,719</u>	<u>308,107</u>
Total net assets	<u>3,033,152</u>	<u>3,041,263</u>
Total liabilities and net assets	<u>\$ 3,116,528</u>	<u>\$ 3,114,602</u>

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

2012		
Unrestricted	Temporarily Restricted	Total
\$ 544,959	\$ 940	\$ 545,899
48,675	58,500	107,175
29,224	281,357	310,581
9,919	40,995	50,914
-	65,600	65,600
28,660	-	28,660
1,314	-	1,314
20,690	-	20,690
20,475	-	20,475
15,270	-	15,270
719,186	447,392	1,166,578
721,720	(721,720)	-
1,440,906	(274,328)	1,166,578
664,844	-	664,844
189,475	-	189,475
400,842	-	400,842
109,848	-	109,848
18,712	-	18,712
1,383,721	-	1,383,721
57,185	(274,328)	(217,143)
2,675,971	582,435	3,258,406
<u>\$ 2,733,156</u>	<u>\$ 308,107</u>	<u>\$ 3,041,263</u>

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

LAZARUS HOUSE
STATEMENTS OF CASH FLOWS
Years ended June 30,

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities		
Change in net assets	\$ (8,111)	\$ (217,143)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	68,400	69,121
Change in operating assets and liabilities:		
(Increase) decrease in:		
Restricted cash	34,548	(19,258)
Receivables	22,646	252,679
Prepaid expenses	22,030	(15,824)
Increase (decrease) in:		
Accounts payable	317	76
Accrued expenses	5,919	(29,806)
Deferred revenue	3,801	(21,496)
Net cash provided by operating activities	<u>149,550</u>	<u>18,349</u>
Cash flows from investing activities		
Purchases of property and equipment	<u>(17,128)</u>	<u>(4,455)</u>
Net increase in cash and cash equivalents	132,422	13,894
Cash and cash equivalents at beginning of year	<u>521,075</u>	<u>507,181</u>
Cash and cash equivalents at end of year	<u>\$ 653,497</u>	<u>\$ 521,075</u>

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

LAZARUS HOUSE

NOTES TO FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE A - NATURE OF ORGANIZATION

Lazarus House (the Organization) is a nonprofit organization established to provide shelter and support services to the homeless within St. Charles, Batavia, Geneva, and western rural Kane County, Illinois through an emergency shelter program and a transitional housing program. The Organization also operates an outreach program to provide rental assistance and supportive services to low income residents of the area. The operations of Lazarus House are primarily supported by donor contributions and grants.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements follows.

1. Basis of accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

2. Estimates

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

3. Financial statement presentation

The Organization has adopted the Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) on the presentation of financial statements of not-for-profit entities. Under these standards, the Organization 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. In addition, the Organization is required to present a statement of cash flows.

4. Cash and cash equivalents

The Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Restricted cash represents amounts received under a grant requiring receipts to be maintained in a separate bank account. This restricted cash amount does not include cash from other grants and contributions that are also restricted in their use, but which do not require the maintenance of a separate bank account.

5. Grants receivable and contingencies

Grants receivable are uncollateralized unconditional promises to give. Management individually reviews all grant receivable balances and based on an assessment of grantor's current funding status estimates the portion, if any, of the balance that will not be collected. As of June 30, 2013 and 2012, management considers all grant receivable balances to be collectible. If amounts become uncollectible, they are adjusted when that determination is made.

LAZARUS HOUSE

NOTES TO FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. Grants receivable and contingencies – continued

The Organization receives significant financial assistance from several government agencies in the form of grants. The disbursement of funds received under these grants generally requires compliance with terms and conditions specified in the grant agreements. Disbursements are typically on a reimbursement basis, therefore, if the Organization does not incur sufficient qualified expenses, a portion of the grant may not be received. In the case of an advance payment of grant funds, a portion may become a liability to the Organization.

6. Property and equipment

The Organization capitalizes all expenditures for property and equipment with a useful life of over one year in excess of \$2,500. Purchased property and equipment are stated at cost. Donated property and equipment are stated at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Leasehold improvements	7-39
Building and improvements	10-39
Equipment	3-10

Routine maintenance and repairs are charged to operations in the year incurred. Gains and losses on dispositions of equipment are included in change in net assets in the year of disposition.

7. Income taxes

The Organization is a not-for-profit organization that is exempt from federal income taxes under Section 501(a) as described in Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income tax expense is included in the accompanying financial statements.

The Organization files an annual exempt organization information return in the U.S. federal jurisdiction. The Organization is subject to examination by U.S. federal tax authorities for three years after a return is due or filed, whichever is later. The Organization as an exempt organization is not subject to examination by the Illinois state tax authorities.

8. Contributions and grants

Contributions and grants, including unconditional pledges, are recognized as revenues in the period received. Conditional pledges are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions and grants received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions. Temporarily restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restriction.

LAZARUS HOUSE

NOTES TO FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

9. Donated materials and services

Donated materials and supplies which pass through the Organization to the guests are not recorded as revenue or expenditures.

The Organization receives a substantial amount of services donated by local churches, community organizations, and individuals. The value of this contributed time is not reflected in the accompanying financial statements. The Organization received approximately 17,800 and 17,300 hours in the years ended June 30, 2013 and 2012, respectively.

10. Related party transactions

The Organization receives several contributions from its officers, board members, and volunteers. The Organization received contributions of \$15,100 in 2013 and \$18,600 in 2012 from board members and companies in which a board member is an owner.

11. Subsequent events

Management has evaluated subsequent events through September 17, 2013. This date represents the date the financial statements are available to be issued.

NOTE C - RENTAL ASSISTANCE SUBSIDY AGREEMENT

In September 2008, the Organization entered into an agreement with the Illinois Housing Development Authority (the Authority) to work with other Kane County agencies to provide rental housing support for severely low income households through the agreement termination date of June 30, 2011. Under the terms of the agreement, the Organization received funding from the Authority and then disbursed subsidy funds to qualified landlords and agencies. As an agent of the Authority, the Organization recognized funding advances as refundable advances on the statements of financial position. The Organization entered into a renewal of this first round agreement with the Authority signed in September 2008. This renewal will continue to provide up to \$660,000 in rental housing support for severely low income households served under the first agreement. This renewal agreement terminates on June 30, 2014.

In September 2009 and September 2010, the Organization entered into additional agreements with the Illinois Housing Development Authority (the Authority) to work with other Kane County agencies to provide up to \$692,802 and \$478,606, respectively, in rental housing support for severely low income households through the agreement termination dates of June 30, 2012 and June 30, 2013. The Organization entered into a renewal of the second round agreement with the Authority during fiscal year 2013. This renewal continues to provide up to \$674,022 in rental housing support for severely low income households served under the second agreement and terminates June 30, 2015. Subsequent to year end, the Organization entered into a renewal of the third round agreement with the Authority. This renewal will continue to provide up to \$435,656 in rental housing support for severely low income households served under the original agreement. This renewal agreement terminates June 30, 2016.

The Organization earns an operating fee under the terms of these agreements. The operating fee is considered an exchange transaction. Accordingly, revenue is recognized when earned.

LAZARUS HOUSE

NOTES TO FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE C - RENTAL ASSISTANCE SUBSIDY AGREEMENT - Continued

The agreement activity for the years ending June 30, 2013 and 2012 is as follows:

	<u>Agreement Total</u>	<u>Refundable Advances</u>	<u>Deferred Revenue</u>
Balance at June 30, 2011	\$ 57,871	\$ 22,335	\$ 35,536
Receipts	352,428	344,701	7,727
Expenditures	(419,821)	(390,598)	(29,223)
Refunded expenditures	<u>23,562</u>	<u>23,562</u>	<u>-</u>
Balance at June 30, 2012	14,040	-	14,040
Receipts	397,687	358,107	39,580
Expenditures	(398,245)	(362,296)	(35,949)
Refunded expenditures	<u>4,721</u>	<u>4,551</u>	<u>170</u>
Balance at June 30, 2013	<u>\$ 18,203</u>	<u>\$ 362</u>	<u>\$ 17,841</u>

NOTE D - LINE OF CREDIT

The Organization has \$250,000 available under a collateralized line of credit agreement with a bank, expiring March 1, 2014. Borrowings on the line of credit bear interest at the bank's prime rate plus 0.50% (3.75% at June 30, 2013). The line is secured by substantially all assets of the organization. There were no outstanding balances at June 30, 2013 and 2012.

NOTE E - OPERATING LEASE

On May 1, 2001, the Organization entered into a 15-year lease for its primary operating facility that began on March 7, 2002, the date of issuance of the occupancy permit. The lease grants the Organization the right to renew for an additional 5-year term. The lease requires monthly rent of \$1,226 plus agreed-upon reimbursement allocations of operating expenses such as utilities, security system, and insurance.

The total future minimum lease commitments on operating leases as of June 30, 2013 are as follows:

2014	14,712
2015	14,712
2016	14,712
2017	<u>9,808</u>
	<u>\$ 53,944</u>

LAZARUS HOUSE

NOTES TO FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE E - OPERATING LEASE - Continued

Occupancy expense for the years ended June 30, 2013 and 2012 totaled \$62,434 and \$63,262, respectively. In 2013, occupancy expense consists of \$14,712 rent for the primary operating facility, \$35,563 of additional costs agreed to by the Organization for the primary facility and \$12,159 for expenses related to other facilities. In 2012, total occupancy expense consisted of \$14,712 for rent for the primary facility and \$35,939 for additional costs agreed to by the Organization for the primary facility and \$12,611 for expenses related to other facilities.

NOTE F - RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets totaling \$161,129 and \$119,899 at June 30, 2013 and 2012, respectively, are available to provide various support services to the Organization's guests. Additional temporarily restricted net assets totaling \$114,590 and \$188,208 at June 30, 2013 and 2012, respectively, are held with time restrictions that will expire during the 2014 fiscal year.

NOTE G - NET ASSETS RELEASED FROM RESTRICTION

Net assets were released from donor imposed restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	<u>2013</u>	<u>2012</u>
Purpose restriction accomplished:		
Program expenses	\$ 558,050	\$ 721,720
Capital expenditures	13,451	-
Time restrictions expired	-	-
	<u> </u>	<u> </u>
Total restrictions released	<u>\$ 571,501</u>	<u>\$ 721,720</u>

NOTE H - CONCENTRATIONS

The Organization maintains its cash balances in six financial institutions located in St. Charles, Illinois and Batavia, Illinois. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. There were no uninsured cash balances at June 30, 2013 and 2012.

SUPPLEMENTAL INFORMATION

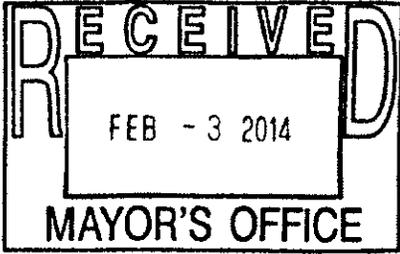
LAZARUS HOUSE
SCHEDULE OF FUNCTIONAL EXPENSES
Year ended June 30, 2013

	Program Services			Support Services		Total
	Emergency Shelter	Transitional Housing	Outreach	Management and General	Fundraising	
Compensation and related expense						
Compensation	\$ 408,005	\$ 80,365	\$ 61,818	\$ 55,637	\$ 12,364	\$ 618,190
Payroll taxes	40,169	7,912	6,086	5,478	1,217	60,862
Employee benefits	80,889	15,933	12,256	11,030	2,451	122,559
	<u>529,063</u>	<u>104,210</u>	<u>80,161</u>	<u>72,145</u>	<u>16,032</u>	<u>801,611</u>
Advertising	697	697	697	-	-	2,091
Bank service charges	-	-	(4)	990	-	986
Conferences and training	220	43	233	80	107	683
Depreciation	20,781	40,155	5,192	2,273	-	68,401
Dues and subscriptions	159	159	759	120	-	1,197
Furniture and fixtures	9,171	2,922	-	-	-	12,093
Guest expense	-	-	-	-	-	-
Assistance	-	-	-	-	-	-
Clothing	1,198	302	23	-	-	1,523
Substance abuse	1,807	60	-	-	-	1,867
Food and toiletries	18,160	6,339	33	-	-	24,532
GED	2,440	25	-	-	-	2,465
Medical	426	130	-	-	-	556
Miscellaneous	373	198	-	-	-	571
Program materials	(748)	(342)	178	-	-	(912)
Transportation	2,315	91	-	-	-	2,406
Rental assistance	-	-	164,141	-	-	164,141
Insurance						
Property and casualty	6,564	2,119	2,423	1,245	181	12,532
Workers' compensation	15,887	3,129	2,407	2,166	481	24,070
Loss on disposal of assets	-	-	-	-	-	-
Miscellaneous	561	197	-	808	-	1,566
Printing	554	554	554	-	416	2,078
Office supplies	2,644	2,644	2,644	2,644	441	11,017
Payroll processing	1,597	315	242	218	48	2,420
Postage and delivery	1,160	1,015	1,334	1,356	702	5,587
Professional fees	5,166	5,166	5,566	11,700	-	27,598
Recognition	-	-	-	941	-	941
Occupancy	35,436	23,419	2,762	719	98	62,434
Repairs and maintenance	15,086	3,838	1,204	-	-	20,128
Telephone	5,856	1,203	1,134	1,736	177	10,106
Travel and entertainment	2,813	1,161	703	197	44	4,918
	<u>\$ 679,386</u>	<u>\$ 199,749</u>	<u>\$ 272,386</u>	<u>\$ 99,338</u>	<u>\$ 18,727</u>	<u>\$ 1,289,586</u>

LAZARUS HOUSE
SCHEDULE OF FUNCTIONAL EXPENSES
Year ended June 30, 2012

	Program Services			Support Services		Total
	Emergency Shelter	Transitional Housing	Outreach	Management and General	Fundraising	
Compensation and related expense						
Compensation	\$ 418,797	\$ 77,316	\$ 70,873	\$ 64,430	\$ 12,886	\$ 644,302
Payroll taxes	37,570	6,936	6,358	5,780	1,156	57,800
Employee benefits	74,004	13,662	12,524	11,365	2,277	113,852
	530,371	97,914	89,755	81,595	16,319	815,954
Advertising	526	526	526	-	-	1,578
Bank service charges	-	-	-	1,971	-	1,971
Conferences and travel	486	67	136	56	10	755
Depreciation	21,333	39,609	5,896	2,483	-	69,121
Dues and subscriptions	172	172	472	119	-	935
Furniture and fixtures	2,069	619	12	-	-	2,700
Guest expense	20	-	-	-	-	20
Assistance	1,814	204	-	-	-	2,018
Clothing	886	380	-	-	-	1,266
Substance abuse	17,671	7,552	-	-	-	25,223
Food and toiletries	4,532	61	-	-	-	4,593
GED	473	32	-	-	-	505
Medical	785	126	-	-	-	911
Miscellaneous	456	208	-	-	-	664
Program materials	2,117	417	-	-	-	2,534
Transportation	-	-	285,738	-	-	285,738
Rental assistance	5,241	1,673	1,482	1,176	171	9,743
Insurance	15,384	2,840	2,603	2,368	473	23,668
Property and casualty	-	-	-	-	-	-
Workers' compensation	408	175	-	1,061	-	1,644
Loss on disposal of assets	579	579	579	-	434	2,171
Miscellaneous	2,469	2,468	2,467	2,467	412	10,283
Printing	1,805	296	272	247	48	2,469
Office supplies	1,011	914	1,057	1,552	631	5,165
Payroll processing	4,672	4,672	5,340	11,500	-	26,184
Postage and delivery	-	-	-	460	-	460
Professional fees	35,922	23,264	3,134	922	20	63,262
Recognition	6,041	2,780	29	-	-	8,850
Occupancy	5,275	1,026	1,019	1,683	162	9,165
Repairs and maintenance	2,526	901	525	188	31	4,171
Telephone	-	-	-	-	-	-
Travel and entertainment	664,844	189,475	400,842	109,848	18,712	1,303,721
	\$ 664,844	\$ 189,475	\$ 400,842	\$ 109,848	\$ 18,712	\$ 1,303,721

**RENZ ADDICTION COUNSELING
CENTER**



**City of St. Charles
708 Mental Health Board
Accountability Report for funds Expended**

Agency Name: Renz Addiction Counseling Center

Contact Person: Jerry Skogmo Phone #: 847-742-3545 ext. 232

Main Office Address: One American Way, Elgin, Illinois 60120

Funding requested from City of St. Charles 708 Board for fiscal year 14/15: \$71,000

Describe mission (include narrative explaining how mission relates to City of St. Charles):

Renz Addiction Counseling Center is a not-for-profit corporation dedicated to empowering people to lead healthier lives. Through evidenced-based prevention and treatment programs, the Center delivers effective and professional services with integrity and compassion. City of St. Charles 708 Mental Health Board funds will support the clinical staff to provide the most effective preventative and clinical care in a safe and nurturing environment through a teamwork approach for anyone affected by addiction or addiction-related issues.

The philosophy of treatment programs of Renz Addiction Counseling Center is based on the belief that addiction is a chronic, progressive disease with its own symptomatology. Clients receive a thorough assessment and are placed in a treatment program according to the level of care needed. City of St. Charles residents who come to the agency fit into the mission and philosophy of the Center. It should be noted that the research on the negative effects of addiction is compelling for a community. Addiction is highly correlated with increased incidence of health problems, crime, family discord, domestic violence, poverty, low productivity and unemployment. We see this pattern in all of the communities we serve including St. Charles. In the final analysis, successfully treating substance abuse helps make the City of St. Charles healthier and safer.

Describe specific goals that fit City's mission and indicate how goals will be accomplished.

The goal for each client is to reduce or eliminate the use of alcohol and/or drugs. The Center strongly promotes abstinence and this is the goal for the vast majority of clients. We also employ a "harm-reduction" model for clients who are not motivated to quit their consumption but are willing to reduce their use. These are clients who abuse drugs or alcohol but are not dependent on them (physically addicted). Those who are alcohol or drug dependent, abstinence is necessary. The program has met goals as it relates to access to treatment and treatment retention. We have decreased the time it takes for an individual contacting us to get into their first appointment and we have also increased the length of time an individual is in treatment. Both of these factors are very important because the research shows, not surprisingly, that the easier it is to access treatment and the longer an individual is in treatment the better the prognosis. We have worked very hard at meeting these two objectives. Our rating from the Illinois Department of Alcoholism and Substance Abuse (DASA) has been higher than the state-wide average for client engagement in the first 30 days and in retention of clients attending at least 10 sessions after the first 30 days.

STC 708 Board Funding Request

Agency Name: Renz Addiction Counseling Center

The Center evaluates the effectiveness of the programs in a number of ways:

1. Initially all treatment plans are reviewed by a physician to help ensure that the client (patient) is receiving the proper treatment plan.
2. Each case is reviewed every 30 days by the Center's Clinical Director.
3. A client satisfaction survey is given to clients annually. The information provided from the results of the surveys measures many variables, from our responsiveness as an organization to clients' satisfaction with their progress.
4. A quality assurance professional reviews a random sample (15%) of all cases for a record review and to ascertain the quality of services being provided to each client.
5. Renz Center reports data to the state that measures treatment access engagement and treatment retention. Results of measuring these indicators are used to evaluate program effectiveness and compare to other providers.

Describe how funds will be expended and quantify services provided to the City of St. Charles (e.g., City of St. Charles persons served, cost allocated to services, program descriptions, and other pertinent information). Also attach budget detailing sources (grants, other municipalities' contributions, fundraisers, and any other sources of funding –actual or being sought:

Funds at our St. Charles location are primarily for two counselors, clinical supervision, and support staff. Occupancy costs are the second largest expense although we do rent out one of our offices to another community provider, Ecker Center For Mental Health. The budget submitted also reflects costs directly related to services at the Walnut Street location and includes administrative expenses, supplies and equipment. City of St. Charles funds assist with payment for St. Charles residents. In fiscal year 2013, 3,738 hours of service were provided to 185 City residents in programs ranging from special services to adolescents and women to compulsive gamblers, to offenders referred by the court system.

Attached is a budget that outlines expected revenues and expenses for the next fiscal year for our St. Charles office. The other municipality or organizations contributing to this office is the City of Geneva (currently \$7,000) and the United Way of Central Kane County (\$18,000–pending). Contributions to the agency in the form of donations and fundraisers indirectly help pay for the expenses of this office.

STC 708 Board Funding Request

Agency Name: Renz Addiction Counseling Center

St Charles 708 Fund Expenditure History – explain how funds allocated from previous year were expended and purposes of those expenditures. Note: if funding allocation is over \$25,000, attached most recent financial statements, audit and annual report:

Funds from the City of St. Charles helped pay for a wide variety of clinical services to residents of St. Charles. These include three-hour comprehensive assessments, individual, family and group counseling, special programming for women clients and adolescents, psychiatric services for a number of clients, case management between Renz Center and schools, the court system and other health care/social service providers, and toxicology tests to verify treatment compliance. In 2010 Renz Center staff spearheaded a 5-year federal grant targeting the homeless, mentally ill and/or substance abuse population. The homeless not unexpectedly have a high incidence of alcohol/drug abuse &/or mental illness. One of our partners Lazarus House works with Renz Center staff on this important initiative that helps the most vulnerable residents of our communities.

On an annualized (12 month) basis, provide information on City of St. Charles residents served:

Direct service: number of individual clients/consumers served: 185

Aggregate number of direct service hours provided: 3,738

*includes clients in our CHIP (Community Homeless Integration Project)

Describe agency cost basis per client/consumer served (e.g., per hour cost and/or program costs allocated to City of St. Charles residents and how this was derived):

Program Cost per St. Charles Client = \$71,000 (request)/185 (estimate of clients served) = \$384/client

Hourly Cost per St. Charles Client = \$71,000 (request)/ 3738 (estimated client hours) = \$18.99/hour

Identify other services provided to and for the benefit of City of St. Charles' residents (education, presentations, volunteer training and group activities/events).

City of St. Charles residents eligible to receive services for problem and compulsive gambling. Also, educational presentations - primarily drug and alcohol abuse education and HIV education are often provided to St. Charles residents. In addition, DUI offenders may be seen for assessments and risk education classes. Also, Renz Center is licensed to provide education and training to restaurants, bars and liquor retail establishments. Employees of these businesses can participate in a training designed to prepare them for dealing with unruly customers and eliminating uncertainty in ambiguous situations and educating them on the physiological effects of overconsumption. Finally, Renz Center offers HIV prevention, testing and counseling to City of St. Charles residents at little or no cost and has several programs that target high risk individuals. Each year our HIV prevention programming includes St. Charles residents.

Attach a list of current Board of Directors for your agency, listing the length of time that each Board member has served in their current term. Also attach a brief summary of how Board members are elected, the qualifications sought, and any term limits for Board members.

Attach a copy of current 503C or tax exempt status certification.

STC 708 Board Funding Request

Agency Name: Renz Addiction Counseling Center

Please note that agencies that are allocated funds from the STC 708 Board in excess of \$25,000 in any fiscal year are also subject to the following requirements:

1. Monthly financial statements must be submitted to the Government Operations Committee of the St. Charles City Council by no later than the 15th day of the following month.
2. An annual report must be submitted to this same Committee.
3. A representative of the agency must make a brief presentation describing the purpose of the agency, it's future plans and how it's programs and services have benefited the residents of St. Charles to this Committee on an annual basis at the date and time to be determined (following the allocation recommendation process by the STC 708 Board, but prior to the actual release of any funds).

Funding request amount for current fiscal year \$71,000. Application Date: January 23, 2014

For STC 708 Board Only:

Recommended funding for current fiscal year: \$ _____ **Recommendation Date:** _____

**Operating and Capital Grantors
Fiscal Year 2013**

Operating Grants	Amount Awarded
Substance Abuse Mental Health Services Administration (SAMHSA)	\$685,000
Illinois Department of Human Services - Alcoholism & Substance Abuse Treatment	\$617,313
Illinois Department of Public Health	\$399,852
Illinois Department of Human Services – Family & Community Services	\$145,000
Hanover Township	\$ 64,875
City of St. Charles	\$ 60,000
School District 300	\$ 35,480
Kane County Probation	\$ 23,595
US Probation	\$ 17,166
United Way of Central Kane County	\$ 15,500
City of Elgin Township Grant	\$ 10,000
EFS Foundation	\$ 10,000
Sheridan Correctional Facility	\$ 9,479
National Library of Medicine	\$ 8,029
Kane County Second Chance	\$ 7,320
City of Geneva	\$ 7,000
Gordon Flesch Foundation	\$ 5,000
First Congregational United Church of Christ	\$ 2,000
Zurich Foundation	\$ 1,500
Geneva Community Chest	\$ 1,100
Seigle Family Foundation	\$ 1,000
IHC Foundation	\$ 500
Capital Grants	
Community Development Block Grant – City of Elgin	\$ 35,000
Hanover Township	\$ 15,000

**RENZ ADDICTION COUNSELING CENTER
SUMMARY - UNAUDITED RESULTS
5 MONTHS ENDED November 30, 2013**

Revenue Source	1-Month Ended 11/30/13	5-Months Ended 11/30/13	Budget Year-To-Date	5-Months Ended 11/30/12
Programs	\$ 206,240	\$ 988,580	\$ 907,585	\$ 977,477
Fundraising	1,019	10,787	4,583	6,599
EAS	0	5,872	5,719	6,645
Administrative	40,601	70,178	36,312	39,028
Total Revenues	\$ 247,860	\$ 1,075,417	\$ 954,199	\$ 1,029,749
Expenditures				
Programs	\$ 186,369	\$ 869,504	\$ 765,263	\$ 797,926
EAS	470	2,606	3,562	3,401
Administrative	35,363	171,104	190,370	187,875
Total Expenditures	222,202	1,043,214	959,195	989,202
Profit(Loss)	25,658	32,203	(4,996)	40,547
Contributions - capital campaign	0	50	2,083	14,463
Interest -accounts receivable	0	2,116	2,917	0
Real estate tax refund	0	0	0	0
Total Profit(Loss)	\$ 25,658	\$ 34,369	\$ 4	\$ 55,010
Activities Departmentalized				
Elgin	\$ 15,502	\$ 50,660		
Streamwood	4,973	25,037		
St. Charles	5,571	31,853		
Prevention - HIV	(3,598)	31,841		
Prevention - ATOD	(2,576)	(14,052)		
EAS	(471)	3,266		
Operating profit	19,401	128,605		
Net administration	6,257	(90,139)		
Profit(Loss)	25,658	38,466		
Contributions - capital campaign	0	50		
Interest -accounts receivable	0	2,116		
Total Profit(Loss)	\$ 25,658	\$ 40,632		
Assets				
Cash		\$ 314,568		\$ 410,051
Accounts receivable		627,124		545,455
Capital campaign pledges received		4,354		13,693
Allowance for bad debt		(40,700)		(30,600)
Net property and equipment		1,942,406		1,906,341
Other assets		15,802		13,377
Total Assets		\$ 2,863,554		\$ 2,858,317
Liabilities				
Current liabilities		\$ 180,153		\$ 145,228
Mortgage payable		544,820		637,688
Board designated fund balance		125,000		125,000
Fund balance		2,013,581		1,950,401
Total Liabilities and Fund Balance		\$ 2,863,554		\$ 2,858,317

Renz Addiction Counseling Center

Financial Statements

**One Month and Five Months ended
November 30, 2013 and 2012**

Table of Contents

Accountant's Compilation Report	1
Statements of Financial Position	2
Statements of Activities	3-4
Statements of Cash Flows	5
Supplemental Information	
Schedules of Program Expenditures	6-8
Schedule of Activities-Departmentalized-for the Month	9
Schedule of Activities-Departmentalized-for the Year	10-11



Accountant's Compilation Report

To the Members of the Board
Renz Addiction Counseling Center
One American Way, 2nd Floor West
Elgin, IL 60120

We have compiled the accompanying statements of financial position of Renz Addiction Counseling Center(a nonprofit organization) as of November 30, 2013 and 2012 and the related statements of activities and cash flows for the one month and five months then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The supplemental information contained on pages 6-11 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Renz Addiction Counseling Center.

Tighe, Kress & Orr P.C.

Elgin, IL
December 30, 2013

**Renz Addiction Counseling Center
Statements of Financial Position**

	Assets	
	<u>November 30, 2013</u>	<u>November 30, 2012</u>
Current Assets		
Cash		
Cash	\$ 271,482.65	\$ 367,072.64
Cash-CD's	43,085.50	42,977.90
Total Cash	<u>314,568.15</u>	<u>410,050.54</u>
Accounts Receivable		
Accounts receivable	627,124.16	545,454.58
Capital campaign pledges receivable	4,354.00	13,693.00
Allowance for bad debt	(40,700.00)	(30,600.00)
Total Accounts Receivable	<u>590,778.16</u>	<u>528,547.58</u>
Total Current Assets	<u>905,346.31</u>	<u>938,598.12</u>
Property and Equipment		
Land and building	1,760,968.09	1,760,968.09
Equipment	343,644.74	343,644.74
Computer equipment	64,078.99	55,078.99
Leasehold improvements	591,869.84	498,024.84
Software	10,636.84	10,636.84
Total Property and Equipment	<u>2,771,198.50</u>	<u>2,668,353.50</u>
Less: accumulated depreciation	(828,792.15)	(762,012.49)
Net Property and Equipment	<u>1,942,406.35</u>	<u>1,906,341.01</u>
Other Assets		
Refinance costs	3,500.00	3,500.00
Accumulated amortization	(1,341.61)	(641.65)
Prepaid expense	9,768.87	6,644.10
Security deposit	3,875.00	3,875.00
	<u>15,802.26</u>	<u>13,377.45</u>
Total Assets	<u>\$ 2,863,554.92</u>	<u>\$ 2,858,316.58</u>
Liabilities and Fund Balance		
Current Liabilities		
Accounts payable	\$ 70,695.52	\$ 48,370.04
Accrued expenses	78,190.21	73,736.17
Due to State of Illinois	16,750.00	0.00
Real estate tax payable	12,336.84	20,940.94
Security deposit	2,181.00	2,181.00
Total Current Liabilities	<u>180,153.57</u>	<u>145,228.15</u>
Other Liabilities		
Long term loans payable	544,820.13	637,687.52
Total Other Liabilities	<u>544,820.13</u>	<u>637,687.52</u>
Fund Balance		
Board designated funds	125,000.00	125,000.00
Unrestricted net assets	2,013,581.22	1,950,400.91
Total Fund Balance	<u>2,138,581.22</u>	<u>2,075,400.91</u>
Total Liabilities and Net Assets	<u>\$ 2,863,554.92</u>	<u>\$ 2,858,316.58</u>

See Accountant's Compilation Report

**Renz Addiction Counseling Center
Statements of Activities**

	<u>One Month Ended November 30, 2013</u>	<u>Five Months Ended November 30, 2013</u>	<u>One Month Ended November 30, 2012</u>	<u>Five Months Ended November 30, 2012</u>	
Revenue - Programs:					
DASA contracts	66,061.24	330,306.20	66,014.58	330,072.90	31.6
Medicaid and misc DASA	4,702.32	32,367.16	6,997.38	34,772.82	3.3
United Way contracts	1,333.33	6,666.65	1,375.00	6,875.00	0.7
IDPH Minority grant	7,291.66	18,958.32	0.00	0.00	0.0
IDPH - Category 2	9,987.00	49,435.00	17,001.11	85,005.55	8.1
Lake County HIV	6,788.33	33,943.65	6,233.33	31,166.65	3.0
Cook County HIV	5,280.00	26,400.00	5,280.00	27,840.00	2.7
Rockford HIV	1,133.33	5,666.65	3,966.66	19,833.30	1.9
SAMHSA grant	0.00	83,833.28	27,944.42	139,722.10	13.4
SAMHSA grant - CHIP	29,166.66	145,833.30	29,166.66	145,833.30	14.0
SAMHSA grant - SUPPORT	47,272.72	94,545.44	0.00	0.00	0.0
National Library of Medicine	0.00	0.00	0.00	0.00	0.0
Second Chance Program	360.00	5,040.00	1,280.00	8,029.48	0.8
Client fees	6,821.50	38,417.40	7,129.54	3,400.00	0.3
Client fees - third party	2,760.03	22,283.76	6,965.03	28,948.16	2.8
US Probation and Pretrial fees	738.00	2,918.00	0.00	20,231.17	1.9
Kane County Probation fees	0.00	24,353.00	1,777.00	9,766.00	0.9
Hanover Township	4,750.00	23,750.00	5,624.99	11,359.00	1.1
School District 300	6,263.00	17,603.00	5,245.00	28,124.95	2.7
Other foundations and grants	140.00	4,173.35	2,070.00	11,790.00	1.1
Geneva Community Chest	158.00	794.00	100.00	2,730.00	0.3
Sheridan Correctional Facility	0.00	887.76	1,432.06	400.00	0.0
St Charles Mental Health	5,333.33	26,666.69	5,000.00	6,575.64	0.6
Total Program Revenue	<u>\$ 206,240.45</u>	<u>\$ 994,842.59</u>	<u>\$ 200,602.78</u>	<u>\$ 977,477.02</u>	<u>93.6</u>

**Renz Addiction Counseling Center
Statements of Activities (continued)**

	One Month Ended November 30, 2013	Five Months Ended November 30, 2013	One Month Ended November 30, 2012	Five Months Ended November 30, 2012
Revenue-Program	\$ 206,240.45	\$ 994,842.59	\$ 200,602.78	\$ 977,477.02
Revenue-Fundraising(Net)	1,018.71	10,786.70	1,555.95	6,598.57
Revenue-Employee Assistance Svcs	0.00	5,872.12	0.00	6,644.62
Revenue-Administrative:				
Contributions	870.00	1,423.56	1,000.00	12,393.20
Interest and dividends	20.40	382.67	43.30	253.96
Rental income	801.60	4,008.00	801.60	4,008.00
One American Way rental income	2,845.20	14,193.02	5,027.06	16,370.54
Management fee	1,063.53	5,422.35	1,003.09	4,752.02
Other income	35,000.00	44,749.42	71.84	1,251.44
Total Operating Revenue	247,859.89	1,081,680.43	210,105.62	1,029,749.37
Program expenditures	186,368.59	869,503.70	167,778.73	797,926.26
Employee Assistance Svcs expenditures	470.54	2,906.20	629.62	3,401.44
Administrative expenditures	35,363.18	171,104.53	39,165.33	187,874.59
Total Expenditures	222,202.31	1,043,214.43	207,573.68	989,202.29
Increase/(Decrease)	25,657.58	38,466.00	2,531.94	40,547.08
Other Sources:				
Contributions-Capital Campaign	0.00	50.00	0.00	14,462.99
Interest - accounts receivable	0.00	2,116.00	0.00	0.00
Increase/(Decrease) net assets	25,657.58	40,632.00	2,531.94	55,010.07
Beginning unrestricted net assets	1,972,949.22	1,972,949.22	1,972,949.22	1,895,390.84
Ending unrestricted net assets	2,013,581.22	2,013,581.22	2,013,581.22	1,950,400.91

**Renz Addiction Counseling Center
Statements of Cash Flows**

	<u>One Month Ended November 30, 2013</u>	<u>Five Months Ended November 30, 2013</u>	<u>One Month Ended November 30, 2012</u>	<u>Five Months Ended November 30, 2012</u>
Cash Flows From Operating Activities				
Net income (Loss)	\$ 25,657.58	\$ 40,632.00	\$ 2,531.94	\$ 55,010.07
Items not requiring cash currently: Depreciation and amortization	4,988.18	24,940.90	4,907.49	24,537.45
Changes in operating assets and liabilities:				
Accounts receivable	(51,621.34)	(142,851.09)	(74,248.79)	(155,616.09)
Capital campaign pledges receivable	102.00	4,887.50	2,377.00	3,638.00
Allowance for bad debt	3,800.00	6,700.00	2,700.00	5,600.00
Security deposit	0.00	0.00	0.00	0.00
Prepaid expenses	245.49	673.22	2,408.78	7,571.20
Accounts payable	(15,719.67)	32,077.08	12,620.98	(11,176.93)
Accrued real estate taxes	0.00	0.00	1,870.00	(614.41)
Due to State of Illinois	(1,750.00)	(7,750.00)	0.00	0.00
Accrued liabilities	1,388.27	1,724.84	469.92	838.67
Unearned revenue	0.00	0.00	0.00	0.00
Net Cash Provided By (Used in) Operating Activities	<u>(32,909.49)</u>	<u>(38,965.55)</u>	<u>(44,362.68)</u>	<u>(70,212.04)</u>
Cash Provided By (Used For) Investing Activities				
Leasehold improvements	<u>(10,860.00)</u>	<u>(48,575.00)</u>	<u>0.00</u>	<u>(7,795.49)</u>
Net Cash Provided By (Used In) Investing Activities	<u>(10,860.00)</u>	<u>(48,575.00)</u>	<u>0.00</u>	<u>(7,795.49)</u>
Cash Flows From Financing Activities				
Long term debt	<u>(5,422.06)</u>	<u>(41,463.13)</u>	<u>(8,664.34)</u>	<u>(43,066.78)</u>
Net Cash Provided By (Used In) Financing Activities	<u>(5,422.06)</u>	<u>(41,463.13)</u>	<u>(8,664.34)</u>	<u>(43,066.78)</u>
Net Increase (Decrease) in Cash And Cash Equivalents	<u>(49,191.55)</u>	<u>(129,003.68)</u>	<u>(53,027.02)</u>	<u>(121,074.31)</u>
Cash And Cash Equivalents At Beginning Of Period	<u>363,759.70</u>	<u>443,571.83</u>	<u>463,077.56</u>	<u>531,124.85</u>
Cash And Cash Equivalents At End Of Period	<u>\$ 314,568.15</u>	<u>\$ 314,568.15</u>	<u>\$ 410,050.54</u>	<u>\$ 410,050.54</u>
Supplemental Disclosure				
Interest expense	\$ 2,477.39	\$ 12,034.12	\$ 2,735.11	\$ 13,930.47

SUPPLEMENTAL INFORMATION

**Renz Addiction Counseling Center
Schedules of Program Expenditures**

	<u>One Month Ended November 30, 2013</u>	<u>Five Months Ended November 30, 2013</u>	<u>One Month Ended November 30, 2012</u>	<u>Five Months Ended November 30, 2012</u>
Expenditures - Program				
Salaries	\$ 92,716.64	37.4	\$ 86,968.92	41.4
Payroll taxes	6,770.37	2.7	6,205.07	3.0
Health, life, dental and disability	5,281.57	2.1	8,259.52	3.9
Contract and outside labor	47,382.45	19.1	31,701.33	15.1
Insurance	2,409.52	1.0	2,407.61	1.1
Licensing and accreditation	0.00	0.0	150.00	0.1
Recruiting	0.00	0.0	0.00	0.0
Auto expense	3,010.14	1.2	3,141.27	1.5
Advertising	2,060.18	0.8	1,925.00	0.9
Conferences and conventions	0.00	0.0	70.00	0.0
Dues and subscriptions	0.00	0.0	0.00	0.0
Retirement	1,853.25	0.7	1,853.25	0.9
Educational materials	38.22	0.0	345.78	0.2
Training and tuition reimbursement	48.60	0.0	0.00	0.0
Meals and dinners	260.40	0.1	161.38	0.1
Program supplies	1,303.18	0.5	2,967.16	1.4
Office supplies	1,536.82	0.6	1,366.12	0.7
Postage	62.23	0.0	37.65	0.0
Printing	410.67	0.2	116.60	0.1
Rent	3,473.12	1.4	4,535.00	2.2
Janitorial	121.34	0.0	0.00	0.0
Repairs and maintenance	1,544.55	0.6	917.72	0.4
Telephone	1,805.58	0.6	1,790.06	0.9
Utilities	1,805.58	0.7	2,170.50	1.0
Legal and accounting	3,800.00	1.5	3,800.00	1.8
Travel and Entertainment	1,075.53	0.4	88.48	0.0
Interest expense	1,156.52	0.5	1,385.38	0.7
Depreciation	4,239.65	1.7	2,423.90	1.2
Equipment rent	2,458.28	1.0	2,991.03	1.4
	<u>\$ 186,388.59</u>	<u>74.8</u>	<u>\$ 167,778.73</u>	<u>80.0</u>
			<u>\$ 797,926.26</u>	<u>16.1</u>

**Renz Addiction Counseling Center
Schedules of Program Expenditures**

	<u>One Month Ended November 30, 2013</u>	<u>Five Months Ended November 30, 2013</u>	<u>One Month Ended November 30, 2012</u>	<u>One Month Ended November 30, 2012</u>
Expenditures - administration				
Salaries	\$ 22,626.97	\$ 114,324.31	\$ 23,263.80	\$ 112,827.91
Payroll taxes	1,915.60	9,916.68	1,900.07	10,668.50
Advertising	1.00	338.50	0.00	26.00
Computer Consulting Expense	116.77	1,218.18	1,105.00	2,615.00
Conferences and meetings - Admin	0.00	250.00	0.00	0.00
Dues and Subscriptions - Admin	129.00	1,405.90	30.00	888.00
Employee benefits - Admin	0.00	0.00	0.00	755.00
Training - Admin	0.00	120.00	0.00	128.07
Recruiting - Admin	50.00	130.00	0.00	60.00
Legal and Accounting - Admin	160.00	1,112.00	160.00	1,224.00
Licensing and Accreditation - Admin	0.00	10.00	0.00	15.00
Repair and maintenance - Admin	42.10	249.19	43.20	714.42
Telephone-Admin	57.09	1,107.71	210.47	1,202.82
Utilities-Admin	238.65	1,183.62	210.01	1,318.56
Depreciation-Admin	295.82	1,478.10	776.86	3,884.30
Interest Expense-Admin	440.29	2,066.60	449.91	2,269.16
Rent equipment-Admin	141.13	705.65	141.13	907.28
Travel and entertainment - Admin	0.00	317.80	0.00	3.20
Auto	269.37	1,715.63	296.80	1,700.65
Health, life, dental, and disability	1,092.37	4,048.91	1,245.54	7,175.07
Insurance	101.41	549.70	102.67	493.65
Meals and dinners	334.11	721.14	50.00	210.01
Miscellaneous	543.39	2,612.52	433.79	2,412.27
Postage	212.27	516.35	68.55	416.73
Office supplies	455.45	1,684.36	323.22	2,353.64
Contract and outside labor	0.00	127.85	44.00	88.28
Bad debt expense	3,800.00	9,700.00	2,700.00	5,600.00
Retirement	704.43	3,522.15	704.43	3,413.79
Subtotal administration expenditures	<u>33,727.12</u>	<u>181,033.85</u>	<u>34,259.45</u>	<u>163,369.31</u>
One American Way				
Amortization Expense - OAW	58.33	291.65	58.33	291.65
Depreciation - OAW	394.38	4,190.36	1,648.40	8,242.00
Interest expense - OAW	880.58	4,133.19	899.82	4,538.43
Property taxes - OAW	0.00	0.00	1,870.00	9,350.00
Repair and maintenance - OAW	12.00	166.98	27.84	133.39
Telephone - OAW	0.00	0.00	29.95	83.03
Utilities - OAW	290.77	1,288.50	371.54	1,866.78
Subtotal One American Way Expenditures	<u>1,636.06</u>	<u>10,070.68</u>	<u>4,905.86</u>	<u>24,505.28</u>
Total Administration Expenditures	<u>\$ 35,363.18</u>	<u>\$ 171,104.53</u>	<u>\$ 39,165.33</u>	<u>\$ 187,874.59</u>

**Renz Addiction Counseling Center
Schedules of Program Expenditures**

	One Month Ended November 30, 2013	Five Months Ended November 30, 2013	One Month Ended November 30, 2012	Five Months Ended November 30, 2012
Revenues-Employee Assistance Services				
Contract revenue	\$ 0.00	\$ 5,872.12	\$ 0.00	\$ 6,644.62
	<u>0.00</u>	<u>5,872.12</u>	<u>0.00</u>	<u>6,644.62</u>
				<u>100.0</u>
				<u>100.0</u>
Expenditures - Employee Assistance Services				
Salaries-managing director	280.00	1,165.00	0.00	0.00
Salaries-counselors	0.00	0.00	330.00	1,920.00
Payroll taxes	0.00	36.38	25.25	159.39
Health, life, dental and disability	5.98	29.90	5.98	29.44
Contract and outside labor	7.95	7.95	0.00	0.00
Insurance	25.15	127.69	25.80	121.04
Advertising	0.25	0.25	0.00	0.25
Meals and dinners	1.73	1.73	0.00	0.00
Dues and subscriptions	95.00	706.00	0.00	581.00
Supplies	0.00	0.00	172.00	182.00
Office expense	0.00	6.58	3.29	13.65
Postage	9.16	39.26	16.50	25.00
Printing	0.00	15.76	0.00	12.32
Training	0.00	155.00	0.00	0.00
Telephone	5.32	36.70	10.80	51.35
Legal and accounting	40.00	278.00	40.00	306.00
	<u>8.6</u>	<u>10.9</u>	<u>6.4</u>	<u>9.0</u>
	\$ 470.54	\$ 2,606.20	\$ 629.62	\$ 3,401.44
	<u>101.7</u>	<u>101.7</u>	<u>100.0</u>	<u>100.4</u>

**Renz Addiction Counseling Center
Schedule of Activities - Departmentalized
One Month Ended November 30, 2013**

	Elain	Streamwood	St Charles	Prevention - HIV	Prev-AIOD	EAS	Total
	\$	\$	\$	\$	\$	\$	\$
Revenues:							
Dasa contracts	46,235.80	1,594.33	5,314.45	0.00	12,916.66	0.00	66,061.24
Medicaid and misc.	4,702.32	0.00	0.00	0.00	0.00	0.00	4,702.32
United Way	0.00	0.00	1,333.33	0.00	0.00	0.00	1,333.33
Lake County HIV	0.00	0.00	0.00	6,788.33	0.00	0.00	6,788.33
Cook County HIV	0.00	0.00	0.00	5,280.00	0.00	0.00	5,280.00
Rockford HIV	0.00	0.00	0.00	1,133.33	0.00	0.00	1,133.33
SAMHSA - CHIP	21,875.00	0.00	7,291.66	0.00	0.00	0.00	29,166.66
SAMHSA - SUPPORT	47,272.72	0.00	0.00	0.00	0.00	0.00	47,272.72
IDPH HIV minority grant	0.00	0.00	0.00	7,291.66	0.00	0.00	7,291.66
IDPH - Category 2	0.00	0.00	0.00	9,887.00	0.00	0.00	9,887.00
Client fees	6,521.50	0.00	300.00	0.00	0.00	0.00	6,821.50
Client fees - third party	2,760.03	0.00	0.00	0.00	0.00	0.00	2,760.03
Second Chance Program	360.00	0.00	0.00	0.00	0.00	0.00	360.00
US Probation and Pretrial	738.00	0.00	0.00	0.00	0.00	0.00	738.00
Geneva Community Chest	0.00	0.00	158.00	0.00	0.00	0.00	158.00
Hanover Township	0.00	4,750.00	0.00	0.00	0.00	0.00	4,750.00
School District 300	6,263.00	0.00	0.00	0.00	0.00	0.00	6,263.00
Other foundations and grants	0.00	0.00	0.00	0.00	140.00	0.00	140.00
St Charles Mental Health	0.00	0.00	5,333.33	0.00	0.00	0.00	5,333.33
Total revenue	<u>136,728.37</u>	<u>6,344.33</u>	<u>19,730.77</u>	<u>30,380.32</u>	<u>13,056.66</u>	<u>0.00</u>	<u>208,240.45</u>
Expenditures:							
Salaries	57,853.93	663.06	6,781.03	17,801.68	9,616.94	280.00	92,996.64
Payroll taxes	4,886.70	27.89	28.53	1,372.65	454.60	0.00	6,770.37
Employee benefits	3,109.64	38.43	134.94	520.28	5.98	5.98	5,287.55
Retirement	1,164.98	32.51	0.00	437.17	218.59	0.00	1,853.25
Contract and outside labor	38,907.29	91.05	1,913.30	3,745.19	2,725.62	7.95	47,390.40
Auto expense	799.06	0.00	91.53	2,044.78	74.77	0.00	3,010.14
Advertising	1,408.17	22.40	621.89	5.80	1.92	0.25	2,060.43
Dues and subscriptions	0.00	0.00	0.00	0.00	0.00	95.00	95.00
Program materials	38.22	0.00	0.00	0.00	0.00	0.00	38.22
Insurance	1,282.80	75.46	251.53	599.80	199.93	25.15	2,434.67
Training and tuition reimbursement	0.00	0.00	0.00	0.00	48.60	0.00	48.60
Legal and accounting	2,040.00	120.00	400.00	930.00	310.00	40.00	3,840.00
Meals and dinners	129.25	5.19	17.29	95.27	13.40	1.73	262.13
Program supplies	184.45	0.00	39.00	745.20	334.53	0.00	1,303.18
Interest expense	716.23	0.00	0.00	440.29	0.00	0.00	1,156.52
Office and printing	1,360.18	16.35	182.76	328.11	59.09	0.00	1,947.49
Postage	41.35	0.46	0.00	20.42	0.00	9.16	71.39
Rent	223.12	100.00	2,950.00	200.00	0.00	0.00	3,473.12
Repairs and maintenance	1,185.93	0.00	173.31	285.99	40.66	0.00	1,665.89
Telephone and utilities	2,000.31	93.94	292.02	849.20	119.89	5.32	3,360.68
Travel and entertainment	65.85	0.00	0.00	765.89	243.79	0.00	1,075.53
Depreciation	2,612.84	0.00	0.00	1,195.50	431.31	0.00	4,239.65
Equipment rental	1,216.39	84.68	282.21	656.25	218.75	0.00	2,458.28
Total expenses	<u>121,228.69</u>	<u>1,371.42</u>	<u>14,159.34</u>	<u>33,978.47</u>	<u>15,632.67</u>	<u>470.54</u>	<u>186,839.13</u>
Net program income	<u>15,501.68</u>	<u>4,972.91</u>	<u>5,571.43</u>	<u>(3,598.15)</u>	<u>(2,576.01)</u>	<u>(470.54)</u>	<u>19,401.32</u>
Administrative revenue allocated	24,510.01	832.38	2,913.36	9,156.28	3,791.21	418.20	41,619.44
Administrative cost allocated	(22,871.84)	(707.28)	(2,475.43)	(7,779.90)	(1,175.11)	(353.64)	(35,363.18)
Net income	<u>17,139.85</u>	<u>5,088.03</u>	<u>6,009.36</u>	<u>(2,221.72)</u>	<u>40.09</u>	<u>(407.98)</u>	<u>25,657.58</u>

**Renz Addiction Counseling Center
Schedule of Activities - Departmentalized
Five Months Ended November 30, 2013**

	<u>Elgin</u>	<u>Streamwood</u>	<u>St Charles</u>	<u>Prevention - HIV</u>	<u>Prevention - AIOD</u>	<u>EAS</u>	<u>Total</u>
DASA contracts	231,179.00	7,971.65	26,572.25	0.00	64,583.30	0.00	330,306.20
Medicaid and misc.	32,367.16	0.00	0.00	0.00	0.00	0.00	32,367.16
United Way	0.00	0.00	6,666.65	0.00	0.00	0.00	6,666.65
Lake County HIV	0.00	0.00	0.00	33,943.65	0.00	0.00	33,943.65
Cook County HIV	0.00	0.00	0.00	26,400.00	0.00	0.00	26,400.00
Rockford HIV	0.00	0.00	0.00	5,666.65	0.00	0.00	5,666.65
SAMHSA	0.00	0.00	0.00	83,833.26	0.00	0.00	83,833.26
SAMHSA - CHIP	109,375.00	0.00	36,458.30	0.00	0.00	0.00	145,833.30
SAMHSA - SUPPORT	94,545.44	0.00	0.00	0.00	0.00	0.00	94,545.44
IDPH HIV minority grant	0.00	0.00	0.00	18,958.32	0.00	0.00	18,958.32
IDPH - Category 2	0.00	0.00	0.00	49,435.00	0.00	0.00	49,435.00
Kane County Probation	24,353.00	0.00	0.00	0.00	0.00	0.00	24,353.00
Client fees	35,905.70	50.00	2,461.70	0.00	0.00	0.00	38,417.40
Client fees - third party	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Second Chance program	22,283.76	0.00	0.00	0.00	0.00	0.00	22,283.76
US Probation and Pretrial	5,040.00	0.00	0.00	0.00	0.00	0.00	5,040.00
Geneva Community Chest	2,918.00	0.00	0.00	0.00	0.00	0.00	2,918.00
Geneva Community Chest	0.00	0.00	794.00	0.00	0.00	0.00	794.00
Harover Township	0.00	23,750.00	0.00	0.00	0.00	0.00	23,750.00
School District 300	17,603.00	0.00	0.00	0.00	0.00	0.00	17,603.00
Employee Assistance Services revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sheridan Correctional Facility	887.76	0.00	0.00	0.00	0.00	5,872.12	5,872.12
Other foundations and grants	(1,666.65)	0.00	0.00	0.00	0.00	0.00	887.76
St Charles Mental Health	0.00	0.00	0.00	0.00	5,840.00	0.00	4,173.35
Total revenue	<u>\$ 574,791.17</u>	<u>\$ 31,771.65</u>	<u>\$ 99,619.59</u>	<u>\$ 218,236.88</u>	<u>\$ 70,423.30</u>	<u>\$ 5,872.12</u>	<u>\$ 1,000,714.71</u>

Renz Addiction Counseling Center
Schedule of Activities - Departmentalized
Five Months Ended November 30, 2013

	<u>Elain</u>	<u>Streamwood</u>	<u>St Charles</u>	<u>Prevention - HIV</u>	<u>Prevention - ATOD</u>	<u>EAS</u>	<u>Total</u>
Expenditures:							
Salaries	\$ 258,659.86	\$ 3,035.80	\$ 33,776.09	\$ 98,906.81	\$ 61,199.15	\$ 1,165.00	\$ 456,742.71
Payroll taxes	23,907.24	242.14	493.20	9,495.50	2,498.58	36.38	36,673.04
Employee benefits	14,266.75	150.84	509.66	4,389.50	1,856.62	29.80	21,213.27
Retirement	5,824.90	162.55	0.00	2,185.85	1,092.95	0.00	9,266.25
Contract and outside labor	136,189.12	331.53	6,642.71	23,634.13	3,161.62	7.95	169,967.06
Auto expense	3,300.88	8.10	228.24	7,958.36	987.55	0.00	12,483.13
Advertising	6,828.21	144.94	2,333.21	5.80	26.92	0.25	9,339.33
Conferences and conventions	315.00	0.00	0.00	498.00	0.00	0.00	813.00
Dues and subscriptions	359.22	15.00	50.00	149.00	31.00	706.00	1,310.22
Program materials	980.53	0.00	0.00	150.00	458.25	0.00	1,588.78
Training and tuition reimbursement	292.00	0.00	0.00	0.00	1,101.35	155.00	1,548.35
Legal and accounting	14,278.00	834.00	2,780.00	6,463.50	2,154.50	278.00	26,788.00
Licensing	132.00	3.00	15.00	65.00	0.00	0.00	215.00
Insurance	6,626.93	383.12	1,277.05	3,074.18	1,029.73	127.69	12,518.70
Meals and dinners	677.67	5.19	17.29	443.24	533.34	1.73	1,678.46
Program supplies	2,778.95	40.90	39.00	6,166.53	2,156.35	0.00	11,181.73
Interest expense	3,767.71	0.00	0.00	2,066.62	0.00	0.00	5,834.33
Office and printing	4,477.39	72.06	537.81	957.84	503.93	22.34	6,571.37
Postage	454.85	0.46	0.00	115.00	0.00	39.26	609.57
Recruiting	1,050.00	0.00	0.00	0.00	0.00	0.00	1,050.00
Rent	446.24	500.00	14,750.00	1,285.00	0.00	0.00	16,981.24
Repairs and maintenance	5,385.02	0.00	794.17	1,425.71	243.97	0.00	7,848.87
Telephone and utilities	11,908.39	363.61	2,047.11	4,301.68	944.72	36.70	19,602.21
Travel and entertainment	3,627.61	0.00	0.00	3,301.90	1,332.02	0.00	8,261.53
Depreciation	10,845.74	0.00	0.00	5,977.50	2,156.55	0.00	18,979.79
Equipment rental	6,751.31	441.52	1,476.13	3,368.75	1,006.25	0.00	13,043.96
Total expenses	<u>524,131.52</u>	<u>6,734.76</u>	<u>67,766.67</u>	<u>196,395.40</u>	<u>84,475.35</u>	<u>2,606.20</u>	<u>872,109.90</u>
Net program income	50,659.65	25,036.89	31,852.92	31,841.48	(14,052.05)	3,265.92	128,604.81
Administrative revenue allocated	46,150.46	1,619.31	5,667.60	17,812.46	8,906.23	809.66	80,965.72
Administrative cost allocated	(97,529.58)	(3,422.09)	(11,977.32)	(37,643.00)	(18,821.49)	(1,711.05)	(171,104.53)
Net income	<u>\$ (719.47)</u>	<u>\$ 23,234.11</u>	<u>\$ 25,543.20</u>	<u>\$ 12,010.94</u>	<u>\$ (23,967.31)</u>	<u>\$ 2,364.53</u>	<u>\$ 36,466.00</u>

**Renz Addiction Counseling Center
Statement of Activities- Budget and Actual**

**Five Months Ended
November 30, 2013**

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Annual Budget</u>
Revenue - programs:				
DASA Contracts	\$ 330,306.20	\$ 319,166.55	\$ 11,139.65	\$ 766,000.00
Medicaid and misc.	32,367.16	37,500.00	(5,132.84)	90,000.00
United Way contracts	6,666.65	6,458.30	208.35	15,500.00
Lake County HIV	33,943.65	31,250.00	2,693.65	75,000.00
SAMHSA grant	83,833.26	34,927.05	48,906.21	83,825.00
SAMHSA grant - CHIP	145,833.30	146,041.65	(208.35)	350,500.00
SAMHSA grant - SUPPORT	94,545.44	0.00	94,545.44	0.00
IDPH HIV minority grant	18,958.32	20,833.30	(1,874.98)	50,000.00
IDPH - Category 2	49,435.00	64,166.65	(14,731.65)	154,000.00
Cook County HIV	26,400.00	26,666.65	(266.65)	64,000.00
Rockford HIV	5,666.65	20,000.00	(14,333.35)	48,000.00
Client fees	38,417.40	37,500.00	917.40	90,000.00
Client fees - third party	22,283.76	22,083.30	200.46	53,000.00
US Probation and Pretrial	2,918.00	8,750.00	(5,832.00)	21,000.00
City of Elgin - gambling	0.00	14,583.35	(14,583.35)	35,000.00
Kane County Probation	24,353.00	8,750.00	15,603.00	21,000.00
Second Chance program	5,040.00	2,916.65	2,123.35	7,000.00
Township grants	0.00	4,166.65	(4,166.65)	10,000.00
Geneva 708	0.00	3,125.00	(3,125.00)	7,500.00
Geneva Community Chest	794.00	416.65	377.35	1,000.00
Hanover Township	23,750.00	23,750.00	0.00	57,000.00
School District 300	17,603.00	18,750.00	(1,147.00)	45,000.00
Sheridan Correctional Facility	887.76	4,166.65	(3,278.89)	10,000.00
Other foundations and grants	4,173.35	26,616.60	(22,443.25)	63,880.00
St Charles Mental Health	<u>26,666.69</u>	<u>25,000.00</u>	<u>1,666.69</u>	<u>60,000.00</u>
	994,842.59	907,585.00	87,257.59	2,178,205.00
REVENUE-EAS	5,872.12	5,718.70	153.42	13,725.00
REVENUE-Fundraising	10,786.70	4,583.35	6,203.35	11,000.00
REVENUE-ADMINISTRATIVE:				
Contributions	1,423.56	8,333.30	(6,909.74)	20,000.00
Interest and dividends	382.67	291.65	91.02	700.00
Rental income	4,008.00	4,020.80	(12.80)	9,650.00
One American Way rental income	14,193.02	8,333.30	5,859.72	20,000.00
Management fee	5,422.35	4,708.30	714.05	11,300.00
Other income	<u>44,749.42</u>	<u>10,625.00</u>	<u>34,124.42</u>	<u>25,500.00</u>
Total Revenue	<u>1,081,680.43</u>	<u>954,199.40</u>	<u>127,481.03</u>	<u>2,290,080.00</u>
Program expenditures	869,503.70	765,263.10	(104,240.60)	1,836,640.00
EAS expenditures	2,606.20	3,562.25	956.05	8,550.00
Administrative expenditures	<u>171,104.53</u>	<u>190,370.02</u>	<u>19,265.49</u>	<u>456,890.00</u>
Total expenditures	<u>1,043,214.43</u>	<u>959,195.37</u>	<u>(84,019.06)</u>	<u>2,302,080.00</u>
Increase(decrease)	38,466.00	(4,995.97)	43,461.97	(12,000.00)
OTHER SOURCES:				
Contributions-Capital Campaign	50.00	2,083.30	(2,033.30)	5,000.00
Interest - accounts receivable	2,116.00	2,916.65	(800.65)	7,000.00
Excess revenues over expenditures	<u>\$ 40,632.00</u>	<u>\$ 3.98</u>	<u>\$ 40,628.02</u>	<u>\$ 0.00</u>

**Renz Addiction Counseling Center
Actual vs Budgeted Expenditures**

**Five Months Ended
November 30, 2013**

Expenditures - program	Actual	Budget	Variance	Annual Budget
Salaries	\$ 455,577.71	\$ 403,333.00	\$ (52,244.71)	\$ 968,000.00
Payroll taxes	36,636.66	35,979.00	(657.66)	86,350.00
Health, life, dental and disability insurance	21,183.37	30,828.90	9,645.53	73,990.00
Contract and labor	169,959.11	102,832.95	(67,126.16)	246,800.00
Recruiting	1,050.00	625.00	(425.00)	1,500.00
Auto expense	12,483.13	12,333.25	(149.88)	29,600.00
Advertising	9,339.08	5,291.50	(4,047.58)	12,700.00
Conferences	813.00	1,416.85	603.65	3,400.00
Dues and subscriptions	604.22	3,624.85	3,020.63	8,700.00
Retirement	9,266.25	11,124.90	1,858.65	26,700.00
Educational materials	1,136.22	2,083.30	947.08	5,000.00
Training and tuition reimburse	1,393.35	2,583.25	1,189.90	6,200.00
Meals and dinners	1,676.73	1,562.35	(114.38)	3,750.00
Miscellaneous program expense	11,181.73	13,895.75	2,714.02	33,350.00
Office supplies	4,596.88	7,083.20	2,486.32	17,000.00
Postage	570.31	916.55	346.24	2,200.00
Printing	1,952.15	2,824.90	672.75	6,300.00
Rent	16,981.24	17,770.80	789.56	42,650.00
Janitorial	635.56	833.30	197.74	2,000.00
Repairs and maintenance	7,129.77	7,374.90	245.13	17,700.00
Telephone	9,113.20	7,208.25	(1,904.95)	17,300.00
Utilities	10,452.31	11,124.95	672.64	26,700.00
Legal and accounting	26,510.00	25,708.25	(801.75)	61,700.00
Travel and entertainment	8,261.53	6,499.95	(1,761.58)	15,600.00
Insurance	12,391.01	13,437.20	1,046.19	32,250.00
Licensing and accreditation	215.00	562.40	347.40	1,350.00
Interest expense	5,834.33	6,666.60	832.27	16,000.00
Depreciation	18,979.79	12,874.95	(6,104.84)	30,900.00
Equipment rent	13,580.06	17,062.25	3,482.19	40,950.00
	<u>869,503.70</u>	<u>765,263.10</u>	<u>(104,240.60)</u>	<u>1,836,640.00</u>
Employee assistance services - expenditures				
Salaries - Managing Director - EAS	1,165.00	0.00	(1,165.00)	0.00
FICA Taxes - EAS	0.00	104.15	104.15	250.00
IL unemployment tax - EAS	36.38	41.65	5.27	100.00
Employee disability ins - EAS	29.90	41.65	11.75	100.00
Outside services - EAS	0.00	125.00	125.00	300.00
Workers' comp - EAS	31.75	41.65	9.90	100.00
Mileage expense - EAS	0.00	83.30	83.30	200.00
Salaries - EAS - T. Lee	0.00	625.00	625.00	1,500.00
Salaries - EAS - R. Ahlberg	0.00	1,041.65	1,041.65	2,500.00
Advertising - EAS	0.25	125.00	124.75	300.00
Computer consultanting - EAS	7.95	0.00	(7.95)	0.00
Dues and subscriptions - EAS	706.00	416.65	(289.35)	1,000.00
Insurance - EAS	95.94	208.30	112.36	500.00
Legal and Accounting - EAS	278.00	291.65	13.65	700.00
Meals - EAS	1.73	41.65	39.92	100.00
Supplies - EAS	0.00	125.00	125.00	300.00
Office Expense - EAS	6.58	41.65	35.07	100.00
Postage and Delivery - EAS	39.26	62.50	23.24	150.00
Printing - EAS	15.76	62.50	46.74	150.00
Telephone - EAS	36.70	83.30	46.60	200.00
Training-EAS	155.00	0.00	(155.00)	0.00
	<u>\$ 2,606.20</u>	<u>\$ 3,562.25</u>	<u>\$ 956.05</u>	<u>\$ 8,550.00</u>

**Renz Addiction Counseling Center
Actual vs Budgeted Expenditures**

**Five Months Ended
November 30, 2013**

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Annual Budget</u>
Expenditures - administration				
Salaries-directors	\$ 114,324.31	\$ 116,249.95	\$ 1,925.64	\$ 279,000.00
Advertising	338.50	41.65	(296.85)	100.00
Bad debt	9,700.00	8,125.00	(1,575.00)	19,500.00
Computer Consulting Expense	1,218.18	2,500.00	1,281.82	6,000.00
Conferences and meetings - Admin	250.00	0.00	(250.00)	0.00
Dues and Subscriptions - Admin	1,405.90	708.30	(697.60)	1,700.00
Employee benefits - Admin	0.00	500.00	500.00	1,200.00
Training - Admin	120.00	83.30	(36.70)	200.00
Recruiting - Admin	130.00	62.50	(67.50)	150.00
Legal and Accounting - Admin	1,112.00	1,166.65	54.65	2,800.00
Licensing and Accreditation - Admin	10.00	41.65	31.65	100.00
Repair and maintenance - Admin	249.19	541.65	292.46	1,300.00
Telephone-Admin	1,107.71	1,166.65	58.94	2,800.00
Utilities-Admin	1,183.62	1,250.00	66.38	3,000.00
Depreciation-Admin	1,479.10	4,166.65	2,687.55	10,000.00
Interest Expense-Admin	2,066.60	2,083.30	16.70	5,000.00
Rent equipment-Admin	705.65	833.30	127.65	2,000.00
Travel and entertainment - Admin	317.80	83.30	(234.50)	200.00
Auto	1,715.63	1,875.00	159.37	4,500.00
Health, life and dental insurance	4,048.91	6,579.10	2,530.19	15,790.00
Insurance	549.70	520.80	(28.90)	1,250.00
Meals and dinners	721.14	458.30	(262.84)	1,100.00
Miscellaneous	2,612.52	2,666.65	54.13	6,400.00
Postage	516.35	541.65	25.30	1,300.00
Office supplies	1,684.36	1,708.30	23.94	4,100.00
Contract and outside labor	127.85	291.65	163.80	700.00
Payroll and other taxes	9,816.68	10,624.95	808.27	25,500.00
Retirement	3,522.15	3,666.65	144.50	8,800.00
Subtotal administration	<u>161,033.85</u>	<u>168,536.90</u>	<u>7,503.05</u>	<u>404,490.00</u>
One American Way				
Outside services - OAW	0.00	208.30	208.30	500.00
Amortization Expense - OAW	291.65	291.65	0.00	700.00
Depreciation - OAW	4,190.36	8,750.00	4,559.64	21,000.00
Interest expense - OAW	4,133.19	4,166.62	33.43	10,000.00
Property taxes - OAW	0.00	5,833.30	5,833.30	14,000.00
Repair and maintenance - OAW	166.98	833.30	666.32	2,000.00
Telephone - OAW	0.00	83.30	83.30	200.00
Utilities - OAW	1,288.50	1,666.65	378.15	4,000.00
Subtotal One American Way	<u>10,070.68</u>	<u>21,833.12</u>	<u>11,762.44</u>	<u>52,400.00</u>
Total administration	<u>\$ 171,104.53</u>	<u>\$ 190,370.02</u>	<u>\$ 19,265.49</u>	<u>\$ 456,890.00</u>

RENZ ADDICTION COUNSELING CENTER

**Report on Audited Financial Statements
and Other Supplemental Information**

June 30, 2013

**MANNING SILVERMAN & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
(847) 459-8850**

RENZ ADDICTION COUNSELING CENTER
TABLE OF CONTENTS
JUNE 30, 2013

	<u>Page</u>
Independent Auditor's Report	1 - 2
Financial Statements	
Statement of Financial Position	3
Statement of Activities and Changes in Net Assets	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 11
Supplementary Information	
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 <i>Government Auditing Standards</i>	13 - 14
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133	15 - 17
Independent Auditor's Report on Schedule of Expenditures of Federal Awards	18
Schedule of Expenditures of Federal Awards	19
Schedule of Findings and Questioned Costs	20 - 21
Independent Auditor's Report on Grant Report	22
Grant Report	23 - 24
Provider Demographic Information	25
Personnel/Administrative Information	26
Board of Directors	27
DHS Financial Reporting Checklist	28



175 Olde Half Day Rd. Suite 290
Lincolnshire, IL 60069
P: (847) 459-8850
F: (847) 537-8954
www.manningsilverman.com

INDEPENDENT AUDITOR'S REPORT

**Board of Directors
Renz Addiction Counseling Center
Elgin, Illinois**

Report on the Financial Statements

We have audited the accompanying financial statements of Renz Addiction Counseling Center (a nonprofit organization), which comprise the statement of financial position as of June 30, 2013, 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 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 Renz Addiction Counseling Center as of June 30, 2013, 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 Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 September 27, 2013, on our consideration of Renz Addiction Counseling Center'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 Renz Addiction Counseling Center's internal control over financial reporting and compliance.



Manning Silverman & Company

Lincolnshire, IL
September 27, 2013

RENZ ADDICTION COUNSELING CENTER
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2013

ASSETS			
	Unrestricted	Temporarily Restricted	Total
Current Assets:			
Cash and Cash Equivalents	\$ 443,572	\$ -	\$ 443,572
Accounts Receivable (Net of Allowance for Doubtful Accounts of \$34,000)	432,970	-	432,970
Prepaid Expenses and Deposits	14,317	-	14,317
Pledges Receivable, Current Portion	9,242	-	9,242
Refinance Costs (Net of Amortization of \$1,050)	2,450	-	2,450
Total Current Assets	902,551	-	902,551
Property and Equipment:			
Land	510,028	-	510,028
Building and Improvements	1,794,235	-	1,794,235
Furniture and Equipment	418,361	-	418,361
Total Property and Equipment	2,722,624	-	2,722,624
Less: Accumulated Depreciation	(804,143)	-	(804,143)
Total Property and Equipment	1,918,481	-	1,918,481
Total Assets	\$ 2,821,032	\$ -	\$ 2,821,032

LIABILITIES AND NET ASSETS

Current Liabilities:			
Accounts Payable	\$ 38,618	\$ -	\$ 38,618
Current Portion of Long-Term Debt	67,417	-	67,417
Accrued Compensation	20,671	-	20,671
Accrued Real Estate Taxes	12,337	-	12,337
Accrued Vacation Pay	55,795	-	55,795
Security Deposit	2,181	-	2,181
Due to State of Illinois	24,500	-	24,500
Total Current Liabilities	221,519	-	221,519
Long-Term Liabilities:			
First Mortgages Payable, Less Current Portion Above	518,866	-	518,866
Total Liabilities	740,385	-	740,385
Unrestricted Net Assets	2,080,647	-	2,080,647
Temporarily Restricted Net Assets	-	-	-
Total Net Assets	2,080,647	-	2,080,647
Total Liabilities and Net Assets	\$ 2,821,032	\$ -	\$ 2,821,032

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

**RENZ ADDICTION COUNSELING CENTER
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Public Support and Other Revenue:			
Public Support			
Federal, State and Local Governmental Agencies	\$ 2,181,917	\$ -	\$ 2,181,917
Other Organizations	34,870	-	34,870
Other Revenue			
Employee Assistance Services	14,469	-	14,469
Client Fees and Third Party Reimbursements	118,413	-	118,413
Miscellaneous Income	48,609	-	48,609
Interest Income	592	-	592
Donations	44,278	-	44,278
Fundraising Events	37,668	-	37,668
Rental Income - One American Way	43,941	-	43,941
Total Public Support and Other Revenue	<u>2,524,757</u>	<u>-</u>	<u>2,524,757</u>
Expenses:			
Program Services			
Elgin and Passage Outpatient Substance Abuse	1,072,746	-	1,072,746
Streamwood Outpatient Substance Abuse	23,623	-	23,623
St. Charles Outpatient Substance Abuse	149,874	-	149,874
Prevention - HIV	484,136	-	484,136
Employee Assistance Services	6,293	-	6,293
Prevention - ATOD	225,921	-	225,921
Total Program Services	<u>1,962,593</u>	<u>-</u>	<u>1,962,593</u>
Supporting Services, Management and General			
Rental Expense - One American Way	443,160	-	443,160
	58,748	-	58,748
Total Expenses	<u>2,464,501</u>	<u>-</u>	<u>2,464,501</u>
Excess of Public Support and Other Revenue over Expenses	60,256	-	60,256
Net Assets, Beginning of Year	<u>2,020,391</u>	<u>-</u>	<u>2,020,391</u>
Net Assets, End of Year	<u>\$ 2,080,647</u>	<u>\$ -</u>	<u>\$ 2,080,647</u>

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

**RENZ ADDICTION COUNSELING CENTER
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2013**

	Program Services										Total Program and Supporting Services
	Elgin and Passage Outpatient Substance Abuse	Streamwood Outpatient Substance Abuse	St. Charles Outpatient Substance Abuse	HIV Prevention	A TOD Prevention	Employee Assistance Services	Total Program Services	Supporting Services, Management and General	Total		
Personnel Services	\$ 566,983	\$ 13,110	\$ 72,376	\$ 223,864	\$ 166,086	\$ 3,635	\$ 1,046,054	\$ 273,638	\$ 1,319,692		
Other Employee Expense, Including Fringe Benefits	120,068	2,041	2,635	43,167	16,957	285	185,153	51,574	236,727		
Contract Services	169,057	1,257	14,431	76,163	2,860	47	263,815	870	264,685		
Commodities	103,176	4,633	18,488	91,686	25,564	2,018	245,565	33,002	278,567		
Occupancy, Including Rent	89,657	2,582	41,944	40,358	10,777	308	185,626	43,100	228,726		
Bad Debt	-	-	-	-	-	-	-	17,804	17,804		
Fundraising Expense	-	-	-	-	-	-	-	25,224	25,224		
Repayment of Illinois Funding	-	-	-	-	-	-	-	26,000	26,000		
Total Expenses Before Depreciation and Amortization	1,048,941	23,623	149,874	475,238	222,244	6,293	1,926,213	471,212	2,397,425		
Depreciation and Amortization	23,805	-	-	8,898	3,677	-	36,380	30,696	67,076		
Total Expenses	\$ 1,072,746	\$ 23,623	\$ 149,874	\$ 484,136	\$ 225,921	\$ 6,293	\$ 1,962,593	\$ 501,908	\$ 2,464,501		

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

**RENZ ADDICTION COUNSELING CENTER
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013**

Cash Flows from Operating Activities:	
Increase in Net Assets	\$ 60,256
Adjustments to Reconcile Increase in Net Assets to Net Cash	
Provided by (Used in) Operating Activities:	
Depreciation and Amortization	67,076
Changes in Assets and Liabilities:	
(Increase) in Accounts Receivable	(68,132)
Decrease in Prepaid Expenses	3,773
(Decrease) in Accounts Payable	(20,929)
(Decrease) in Accrued Real Estate Taxes	(9,219)
Increase in Accrued Compensation and Vacation Pay	3,568
Decrease in Pledges Receivable	8,089
Increase in Due to State of Illinois	<u>24,500</u>
Net Cash Provided by Operating Activities	<u>68,982</u>
Cash Flows from Investing Activities:	
Purchases of Fixed Assets	<u>(62,064)</u>
Net Cash (Used in) Investing Activities	<u>(62,064)</u>
Cash Flows from Financing Activities:	
Repayment of Mortgage	<u>(94,471)</u>
Net Cash (Used in) Financing Activities	<u>(94,471)</u>
Net (Decrease) in Cash and Cash Equivalents	(87,553)
Cash and Cash Equivalents, Beginning of Year	<u>531,125</u>
Cash and Cash Equivalents, End of Year	<u>\$ 443,572</u>
Supplemental Information:	
Cash Paid for Interest	<u>\$ 31,823</u>

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

**RENZ ADDICTION COUNSELING CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

1. Organization and Nature of Operations

Renz Addiction Counseling Center is a non-profit corporation organized under the laws of the state of Illinois to specialize in the treatment of substance abuse on an outpatient basis and the delivery of prevention programming. The Center's primary service area includes northern Kane County and the northwestern portions of Cook and DuPage Counties.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accounts of the Center are maintained on the accrual basis.

Information regarding the financial position and activities of the Center are reported in three classes of net assets (as applicable): unrestricted, temporarily restricted or permanently restricted, the latter two of which are based on the existence or absence of externally (donor) imposed restrictions on contributions. Accordingly, net assets of the Center and changes therein are classified and reported as follows:

- Unrestricted Net Assets – Unrestricted net assets are not subject to donor-imposed stipulations. They include all activities of the Center, except for those that are temporarily or permanently restricted by donors. Board designated amounts are part of unrestricted net assets.
- Temporarily Restricted Net Assets – Temporarily restricted net assets are subject to donor-imposed stipulations that can be removed through the passage of time (time restrictions) or actions of the Center (purpose restrictions).
- Permanently Restricted Net Assets – Permanently restricted net assets are subject to the restrictions imposed by donors who require that the principal of this class of net assets be retained in perpetuity as an endowment with only the income to be reclassified to unrestricted net assets.

Cash and Cash Equivalents

The Center considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents, excluding those amounts contained in the investment portfolios.

RENZ ADDICTION COUNSELING CENTER
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2013

Allowance for Doubtful Accounts

Accounts receivable are stated net of an allowance for doubtful accounts. The Center estimated the allowance based on its historical experience of the relationship between actual bad debts and net amounts collected.

Property and Equipment

Property and equipment is recorded at historical cost. The Center capitalizes fixed asset additions over \$1,000. Depreciation is computed using the straight-line method for all property and equipment. The estimated useful lives in computing depreciation are as follows:

Description	Years
Furniture and Office Equipment	5 - 7
Building and Improvements	39

Maintenance and repairs, which neither materially add to the value of property nor appreciably prolong the lives, are charged to expense as incurred. Gains or losses on dispositions of property and equipment are included in the statement of activities and changes in net assets.

Contributions, Grants and Contracts

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor, grantor or contracting agency. Amounts received that are designated for future periods or are restricted for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. Unconditional promises to give, which do not state a due date, are presumed to be unrestricted net assets.

A donor restriction expires when a stipulated time restriction ends, when an unconditional promise with an implied time restriction is collected, or when a purpose restriction is accomplished. Upon expiration, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities and changes in net assets as net assets released from restrictions. Permanently restricted net assets include the principal amount of contributions accepted with the stipulations from the donors that the principal be maintained in perpetuity, with only the income therefrom to be expended for either general purposes or a purpose specified by the donor.

RENZ ADDICTION COUNSELING CENTER
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2013

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and changes in net assets. Expenses that are easily and directly associated with a particular program or supporting service are allocated directly to that functional category. Certain costs have been allocated among the programs and supporting services benefited based on time devoted to the functional areas and other appropriate methods.

Income Taxes

The Center is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and is not considered to be a private foundation. It is also required to recognize or derecognize in its financial statements positions taken or expected to be taken in a tax return on a "more likely than not" threshold. The Center does not believe its financial statements include any uncertain tax positions. The Center's income tax filings for the years 2008 and thereafter remain subject to examination by the Internal Revenue Service.

Use of Estimates

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

3. Concentrations of Credit Risk

Certain financial instruments potentially subject the Center to concentrations of credit risk. These financial instruments consist primarily of cash and cash equivalents and receivables. The Center maintains its cash in various bank deposit accounts which, at times, may exceed federally insured limits. The Center has not experienced any losses in such accounts. Concentrations of credit risk with respect to receivables are generally diversified due to the large number of entities and individuals composing the Center's program and donor base. The Center performs ongoing credit evaluations and writes off uncollectible amounts as they become known.

4. Support from Governmental Units and Contingencies

The Center receives a significant amount of its support from federal, state and local governments. A substantial reduction in the level of this support, if it were to occur, could have a significant effect on the Center's programs and activities.

RENZ ADDICTION COUNSELING CENTER
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2013

Various programs are subject to review by government agency grantors or their representatives. The reviews of certain of these programs for the year ended June 30, 2013 have not been conducted. Accordingly, the Center's compliance with applicable requirements will be established at some future date. The amount, if any, of expenditure that may be disallowed by the government agencies cannot be determined at this time, although the Center expects such amounts, if any, to be immaterial.

5. Pledges Receivable

A number of contributors have made pledges to the Renz Capital Campaign. The pledges are payable over a 3-5 year term. \$9,242 of pledges are expected to be received in the year ending June 30, 2014.

6. Property and Equipment

Renz Addiction Counseling Center purchased an adjacent property at One American Way for \$928,978 on November 30, 2007. The building units are leased to a non-profit governmental unit and a for-profit insurance office. The lease with the non-profit governmental unit terminates as of December 31, 2013. The lease with the insurance company will be terminated as of December 31, 2014. As there is a for-profit component in the rents received, the building is partially subject to real estate tax liability and potentially some unrelated business income tax liability.

7. First Mortgages Payable

The original mortgage loan of \$735,011 to purchase the One American Way building was refinanced as of January 20, 2013 at 4.68%. The new maturity date of this loan is January 20, 2017 and the loan is secured by the property. The Board approved a pay down of the loan by \$226,500 as of January 1, 2013. The loan balance as of June 30, 2013 was \$417,605.

The Center borrowed \$257,474 at 5.625% on June 1, 2011 to remodel the building at Two American Way. This loan has a maturity date of May 1, 2016 and is secured by the property. The loan balance as of June 30, 2013 was \$168,678.

Scheduled maturities of the obligations are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Amount</u>
2014	\$ 67,417
2015	72,378
2016	77,434
2017	<u>369,054</u>
Total	<u>\$ 586,283</u>

RENZ ADDICTION COUNSELING CENTER
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2013

8. Compensated Absences

Employees of the Center are entitled to paid vacation, paid sick days, and personal days off, depending on job classification, length of service, and other factors. It is impracticable to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying financial statements. The Center's policy is to recognize the costs of compensated absences when actually paid to employees.

9. Subsequent Events

Subsequent events have been evaluated through September 27, 2013 which is the date the financial statements were available to be issued; there are no subsequent events requiring recognition and/or disclosure.

SUPPLEMENTARY INFORMATION



CERTIFIED PUBLIC ACCOUNTANTS

175 Olde Half Day Rd, Suite 290
Lincolnshire, IL 60069
P: (847) 459-8850
F: (847) 537-8954
www.manningsilverman.com

**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***

Board of Directors
Renz Addiction Counseling Center
Elgin, 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 Renz Addiction Counseling Center (a nonprofit organization), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 27, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Renz Addiction Counseling Center'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 Renz Addiction Counseling Center'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.

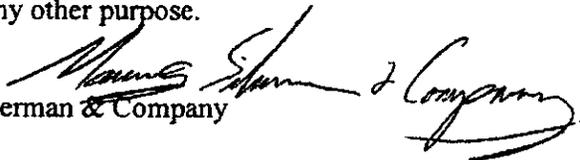
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Renz Addiction Counseling Center'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.

Manning Silverman & Company



Lincolnshire, IL
September 27, 2013



175 Olde Half Day Rd, Suite 290
Lincolnshire, IL 60069
P: (847) 459-8850
F: (847) 537-8954
www.manningsilverman.com

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

Board of Directors
Renz Addiction Counseling Center
Elgin, Illinois

Report on Compliance for Each Major Federal Program

We have audited Renz Addiction Counseling Center's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Renz Addiction Counseling Center's major federal programs for the year ended June 30, 2013. Renz Addiction Counseling Center'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Renz Addiction Counseling Center'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 Renz Addiction Counseling Center'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 Renz Addiction Counseling Center's compliance.

Opinion on Each Major Federal Program

In our opinion, Renz Addiction Counseling Center 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, 2013.

Report on Internal Control Over Compliance

Management of Renz Addiction Counseling Center 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 Renz Addiction Counseling Center'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 OMB Circular A-133, 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 Renz Addiction Counseling Center'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.



175 Olde Half Day Rd, Suite 290
Lincolnshire, IL 60069
P: (847) 459-8850
F: (847) 537-8954
www.manningsilverman.com

**INDEPENDENT AUDITOR'S REPORT
ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Board of Directors
Renz Addiction Counseling Center
Elgin, Illinois

We have audited the financial statements of Renz Addiction Counseling Center for the year ended June 30, 2013, and have issued our report thereon dated September 27, 2013. These financial statements are the responsibility of Renz Addiction Counseling 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, *Government Auditing Standards* issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 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.

Our audit was made for the purpose of forming an opinion on the basic financial statements of Renz Addiction Counseling Center for the year ended June 30, 2013, taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133, and is not a required part of the basic financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.


Manning Silverman & Company
Certified Public Accountants

September 27, 2013

**RENZ ADDICTION COUNSELING CENTER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013**

<u>Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Number</u>	<u>Federal Disbursements/ Expenditures</u>
<u>MAJOR PROGRAMS</u>			
Department of Health and Human Services:			
Directly Received from SAMHSA	93.243		\$ 685,333
Passed Through Illinois Department of Human Services, Office of Alcoholism and Substance Abuse:			
Substance Abuse Prevention and Treatment Block Grant	93.959	10CM001585	132,988
	93.959	10CM001585	<u>337,391</u>
			470,379
<u>NON-MAJOR PROGRAMS</u>			
Department of Health and Human Services:			
Passed Through Illinois Department of Human Services, Office of Alcoholism and Substance Abuse:			
Title XX Block Grant	93.667		6,145
Passed Through Illinois Department of Public Health			
Cook County HIV Grant	93.940		72,000
Lake County HIV Grant	93.940		74,800
IDPH-Minority Grant	93.940		64,285
IDPH-Catagoryc	93.940		73,408
Rockford HIV Grant	93.940		<u>47,600</u>
			<u>332,093</u>
Total			\$ <u>1,493,950</u>

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards of Renz Addiction Counseling Center is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, the amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.

2. Amounts Provided to Subrecipients

None

3. Non-Cash Assistance, Insurance, Loans or Guarantees

See Independent Auditor's Report on Schedule of Expenditures of Federal Awards.

**RENZ ADDICTION COUNSELING CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

SECTION 1—SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

- Material weaknesses identified? _____ Yes X No
- Reportable conditions identified that are not considered to be material weaknesses? _____ Yes X No
- Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

- Material weaknesses identified? _____ Yes X No
- Reportable conditions identified that are not considered to be material weaknesses? _____ Yes X No

Type of auditor's report issued on compliance for major programs: Unqualified

Are audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? _____ Yes X No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
93.959	Substance Abuse Prevention and Treatment Block Grant
93.243	Substance Abuse Prevention and Treatment Block Grant

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee: X Yes _____ No

**RENZ ADDICTION COUNSELING CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2013**

SECTION 2 – FINANCIAL STATEMENT FINDINGS

None

SECTION 3 – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

SECTION 4 – PRIOR AUDIT FINDINGS

None



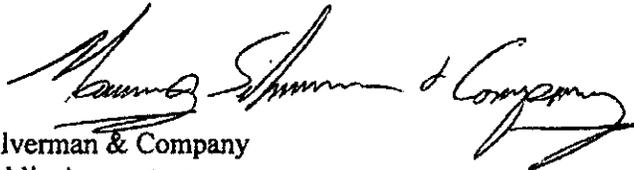
175 Olde Half Day Rd. Suite 290
Lincolnshire, IL 60069
P: (847) 459-8850
F: (847) 537-8954
www.manningsilverman.com

INDEPENDENT AUDITOR'S REPORT ON GRANT REPORT

Board of Directors
Renz Addiction Counseling Center
Elgin, Illinois

Our audit was made for the purpose of forming an opinion on the basic financial statements of Renz Addiction Counseling Center as of June 30, 2013 and for the year then ended, taken as a whole. The accompanying Grant Report for the year ended June 30, 2013 on pages 23 - 24 is presented for the purpose of additional analysis as required by the Illinois Department of Human Services and is not a required part of the basic financial statements. However, such information has been subjected to the auditing procedures applied in our 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.

The additional information on pages 25 - 28 marked "Unaudited," has not been subjected to auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.



Manning Silverman & Company
Certified Public Accountants

September 27, 2013



State of Illinois
Department of Human Services

Grant Allowable Cost Summary

GRANT REPORT for the period July 1 through June 30, 2013

AGENCY NAME: Ranz Addiction Counseling Center

FEIN: 38-2447195

	DHHS GRANT - FUNDED SERVICES					Mgmt. & General	Total
	Program 1	Program 2	Program 3	Program 4	Program 5		
Program Name/Number/Contract Number/Other Identification	43CR00074	FCSRE01598					
A Direct Program expenses	6,250	119,825				822,899	770,175
B Allocate Management and General Costs (Note 1)	1,750	25,376				92,276	0
C SUBTOTAL A & B	10,000	145,000				815,175	770,175
D Subtract Unallowable costs per page 2							
E Add other approved uses (attach documentation)							
F TOTAL Allowable costs							
G Special provisions (see instructions)							
H Interest Earned (see instructions)							

NOTE 1: Management and General costs are allocated based on: direct salaries, total direct costs, other basis (attach explanation).

See Independent Auditor's Report on Information Accompanying Audited Financial Statements.
The accompanying notes are an integral part of these financial statements.



State of Illinois - Department of Human Services

UNALLOWABLE COST REPORT

Agency Name: Renz Addiction Counseling Center

FEIN: 36-2447195

Program Name/Number/Contract Number	DHS Grant-Funded Services				
	Program 1	Program 2	Program 3	Program 4	Program 5
	43CRC	FCSRE			

Unallowable Costs (see instructions)

Compensation of Governing Body					
Entertainment					
Association Dues					
Meetings and Conventions					
Furnishings					
Bad Debt					
Charity and Grants					
Unallowable Interest					
Impairments					
Depreciation of DHS-funded Assets					
Cost of Production					
In-Kind Expenses					
Alcoholic Beverages					
Personal Automobile					
Fines and Penalties					
Personal Use Items					
Lobbying					
Unallowable Relocation					
Gratuities					
Political Contributions					
Related Party Transactions					
Costs Where a Conflict of Interest Exists					

Unallowable Cost if Program is Federally Funded or Cost Restricted by Contract (See instructions)

Explain:					
Explain:					
Total Unallowable Costs (to line D of Grant Report) - See below if None	NONE	NONE			

If no unallowable costs are listed, sign and date as follows:
 I certify that no unallowable costs are included in either direct costs or allocated Management and General costs on the Grant Report.

Signature: [Signature]
 Printed Name and Title: Jerry Skoogno, Exec. Director

Date: 10/18/13



Provider Demographic Information

Please confirm/correct the information below, fill in blanks when applicable, and post this form to the CRV with your financial report submission.

Note: Information on this form is used by the DHS Office of Contract Administration to fulfill various administrative responsibilities. Changes to information on this form will not affect information used by other offices within DHS.

FEIN 362447195
Provider RENZ ADDICTION COUNSELING CENTER
Doing Business As (DBA)
Fiscal Year End 06/30/13
Not For Profit Yes
For Profit
Taxpayer Type* Corporation, other than hospital
Contact JERRY SKOGMO, MA
Title EXECUTIVE DIRECTOR
Address Line 1 1 AMERICAN WAY
Address Line 2
City, State, Zip ELGIN, IL 60120
Phone (847) 742-3545 **Ext.** 232
FAX (847) 697-5583
EMail Primary JSKOGMO@RENZCENTER.org
EMail Secondary renzcenter@renzcenter.org

* Valid Taxpayer Types are: Corporation, other than hospital
Hospital
Individual
Partnership
Regional Office of Education
School District
Sole Proprietorship
Unit of County Government
Unit of Municipal Government
Unit of State Government
University, College or Junior College

D

PERSONNEL/ADMINISTRATIVE INFORMATION

Please complete this form and return to DHS with your financial report submission.

Agency Name: Renz Addiction Counseling Center FEIN #: 36-2447195
Number of employees in agency on the last day of most recent fiscal year? 48
Number of newly hired employees during the most recent fiscal year? 1
Number of budgeted vacancies on the last day of most recent fiscal year? 0

Supplemental Fiscal Information

Please list the names and titles of all bonded employees:

Name	Title
_____	_____
_____	_____
_____	_____
_____	_____

Please list the names and titles of all employees issued corporate credit cards:

Name	Title
<u>Jerry Skogmo</u>	<u>Exec. Director</u>
<u>Lora Towar</u>	<u>Dir. of Admin. Svc.</u>
<u>Deb Howe</u>	<u>Marketing Director</u>
<u>Ricardo Gasca</u>	<u>Prevention Specialist</u>
<u>Colleen Koncilia</u>	<u>Director of Clinical Ser.</u>
<u>Catherine Stauffer</u>	<u>HIV Prevention Specialist</u>

Please list the current members of the Board of Directors and their terms, identifying the officers:

Name	Title
<u>see board listing</u>	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

[Please attach additional pages, if necessary, or a separate listing]

Please indicate the frequency of the entity's Board of Directors' regular meetings: monthly

Please give the dates of the three (3) most recent Board meetings:

Meeting Date(s)
August 1, 2013
June 6, 2013
May 2, 2013

**RENZ ADDICTION COUNSELING CENTER
BOARD OF DIRECTORS**

Title	Name	Occupation/Employer	Beginning of Term	Term Expires Month/Year	Mailing Address/ Daytime Telephone Number
President	Jolie Esposito	Vice President First Community Bank	June '05 Pres. - 6/13	June '14	First Community Bank 165 South Randall Road Elgin, IL 60123 847-622-8800
Vice President	Brian Monson	Vice President Commercial Relationship Manager STC Capital Bank	December '10 VP - 6/13	December '16	STC Capital Bank 460 South 1 st Street St. Charles, Illinois 60174
Secretary/ Treasurer	Michael Walsh	Retired Certified Public Accountant	April '09	April '16	12865 Rock Creek Circle, Huntley, IL 60142 847-515-8821
Director	Patricia Arroyo	Supervisor Interpreting Services and Community Health Mission Services Presence Saint Joseph Hospital	April '11	April '14	Presence Saint Joseph Hospital 77 North Airlite Street Elgin, IL 60123-4912 847-695-3200, ext. 5179 847-931-5550 fax
Director	Allen Belanger	Lutheran Minister- Interim Ministry Metropolitan Chicago Synod/E.L.C.A.	December '06	December '15	943 Manchester Court South Elgin, IL 60177 847-888-8172
Director	Mary Hyatt	Retired	May '11	May '14	39W280 Happy Hills Road St. Charles, IL 60175 630-584-3397
Director	Dr. Ian Jones	VP Clinical Performance Sherman Hospital	December '04	December '13	Sherman Hospital 1425 N. Randall Road Elgin, IL 60123 224-783-8116
Director	Bill Kousoulas	Account Executive Gordon Flesch Company 401 N. Kirk Rd. Geneva, IL 60134	December '12	December '15	566 Clayton Circle Sycamore, IL 60178 630-262-8300
Director	James Lamkin	City of St. Charles Police Chief	June '10	June '13	1221 Falcon Ridge Drive Elgin, IL 60124 630-514-2120
Director	Claudia Martinez	Teacher Larkin High School	Oct. '11	Oct. '14	2070 Clearwater Elgin, IL 60123 314-497-4951
Director	Sherry Totzke	Collection/Account Rep Zurich North America	October '05	October '14	Zurich 1400 American Way Schaumburg IL 60194 847-240-4492
Director	Linda M. Siete	Manager, Sales & Operations Reflejos Publications, LLC	June '11	June '14	155 E. Algonquin Rd. Arlington Heights, IL 60005
DIRECTOR EMERITUS	Ron Razowsky	Retired			625 Wood Ridge Ct. Elgin, IL 60123 847-888-3774

8/8/13

**DHS FY13 FINANCIAL REPORTING CHECKLIST
THIS FORM MUST BE SIGNED AND POSTED WITH REPORTING PACKAGE.**

Provider Name: **RINZ ADDICTION COUNSELING CENTER** FEIN: **962447195**
 Ending Date of Provider's Fiscal Year: **06/30/13** Report Due Date: **12/27/13**
 Name of Provider Contact: **JERRY SKOGMO, MA, EXECUTIVE DIRECTOR** Phone #: **(847) 742-3345**

The items marked with "X" below should be included in the Provider's financial reporting package submitted to DHS.

- X... Independently Audited Financial Statements (Posted to CRV as: _____)
- X... OMB Circular A-133 Single Audit Report *Note: If there is an "X" next to this item, your agency is assumed to have expended \$500,000 or more in Federal funds from all sources and you are required to submit to DHS an audit in compliance with OMB Circular A-133 (Single Audit) unless you declare exemption by checking the box below.*
 (Posted to CRV as: _____)

We expended less than \$500,000 in Federal funds from all sources, so are not required to do A-133.

- CFR Schedule 1: Schedule of Program Costs
- CFR Schedule 2: Schedule of Program Revenues
- CFR Schedule 3: Program Personnel
- CFR Schedule 4: Program Consultant and Contractual
- CFR Schedule 5: Report of Service Units/Days/Nights

Independent Auditor's Report on Applying Agreed-Upon Procedures to CFR Schedule of Program Costs
 (Posted to CRV as: _____)

Independent Auditor's "In Relation To" Opinion on CFR Schedule of Program Costs
 (Posted to CRV as: _____)

X... Grant Report (Posted to CRV as: _____)

Independent Auditor's Report on Applying Agreed-Upon Procedures to Grant Report
 (Posted to CRV as: _____)

Independent Auditor's "In Relation To" Opinion on Grant Report (Posted to CRV as: _____)

X... IRS Return or Report (IRS 990, 990 EZ, 990 FF or other) (Posted to CRV as: _____)

X... AG 990 DL (Posted to CRV as: _____)

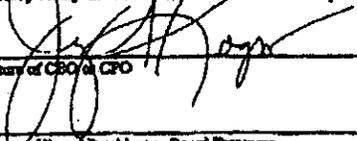
X... 990T (UBIT), if applicable (Posted to CRV as: _____)

X... Personnel/Administrative Information Form (Posted to CRV as: _____)

X... Provider Demographic Information Form (Posted to CRV as: _____)

Management Certification:

We hereby certify that it is our belief that the financial reports and materials submitted to DHS are complete and accurate.

Signature of CEO or CFO:  Date: 10/29/13
 Signature of Board President or Board Treasurer: _____ Date: _____

**RENZ ADDICTION COUNSELING CENTER
BOARD OF DIRECTORS**

Title	Name	Affiliations	Beginning of Term	Term Expires Month-Year	Home Mailing Address Telephone Number
President	Jolie Esposito	Vice President First Community Bank	June '05 Pres. - 6/13	June '14	165 S. Randall Rd. Elgin, IL 60123 630-365-5056
Vice President	Brian Monson	Vice President Commercial Relationship Manager STC Capital Bank	December '10 VP - 6/13	December '16	4200 Barley Ridge Trail Cherry Valley, IL 61016 630-463-4303 (office)
Secretary/ Treasurer	Michael Walsh	Retired Certified Public Accountant	April '09	April '15	12865 Rock Creek Circle, Huntley, IL 60142 847-515-8821
Director	Patricia Arroyo	Supervisor Interpreting Services and Community Health Mission Services Presence Saint Joseph Hospital	April '11	April '14	77 North Airlite Street Elgin, IL 60123-4912 847-695-3200, x 5179 (office)
Director	Allen Belanger	Lutheran Minister- Interim Ministry Metropolitan Chicago Synod/E.L.C.A.	December '06	December '15	943 Manchester Court South Elgin, IL 60177 847-888-8172
Director	Mary Hyatt	Retired	May '11	May '14	39W280 Happy Hills Road St. Charles, IL 60175 630-584-3397
Director	Bill Kousoulas	Account Executive Gordon Flesch Company 401 N. Kirk Rd. Geneva, IL 60134	December '12	December '15	566 Clayton Circle Sycamore, IL 60178 630-262-8300
Director	James Lamkin	City of St. Charles Police Chief	June '10	June '16	1221 Falcon Ridge Drive Elgin, IL 60124 224-535-8291
Director	Claudia Martinez	Teacher Larkin High School	Oct. '11	Oct. '14	2070 Clearwater Elgin, IL 60123 314-497-4951
Director	Laura Newman	Mitutoyo America Corp.	December '13	December '16	345 N. Batavia Ave. Batavia, IL 60510 630-879-1954
Director	Sherry Totzke	Collection/Account Rep Zurich North America	October '05	October '14	133 McCabe Streamwood, IL 60107 847-888-8234
Director	Linda M. Siete	Manager, Sales & Operations Reflejos Publications, LLC	June '11	June '14	1649 Lin Lor Lane Elgin, IL 60123 847-888-8234
DIRECTOR EMERITUS	Ron Razowsky	Retired			625 Wood Ridge Ct. Elgin, IL 60123 847-888-3774

Board Selection

Renz Addiction Counseling Center has a Board Development Committee that is comprised of board members and the Center's Executive Director and Development and Marketing Director. Prospective Board members' qualifications are discussed at both formal and informal committee meetings. The Committee seeks individuals who are committed to the mission of Renz Center and attempts to fill board vacancies with members that represent the communities we serve. We evaluate each prospective board member individually and strive to recruit involved citizens who can bring their past experiences and vocational/technical skills to the Board. We find that board members can be a very good resource for the agency. Board members can serve no more than 3 terms (3 years per term), for a total of 9 years.

Currently the Renz Board is well-balanced with a variety of individuals with backgrounds in medical care, school administration, law enforcement, banking, media, and private business.



Department of the Treasury
Internal Revenue Service
P.O. Box 2508
Cincinnati OH 45201

Attachment G
IRS Determination Letter

In reply refer to: 0248226129
Mar. 31, 2009 LTR 4168C E0
36-2447195 000000 00 000
00019107
BODC: TE

RENZ ADDICTION COUNSELING CENTER
TWO AMERICAN WAY
ELGIN IL 60120-4341



002006

Employer Identification Number: 36-2447195
Person to Contact: Ms. K. Hilson
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your request of Mar. 20, 2009, regarding your tax-exempt status.

Our records indicate that a determination letter was issued in May 1965, that recognized you as exempt from Federal income tax, and discloses that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use 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 you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Michele M. Sullivan

Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations I

City of St. Charles
Characteristics of the Population – 178*

Referral Source:		Treated for:		Educational Level:	
Addiction Treatment Provider	1	Alcohol	75	Less than 10 years	6
Criminal Justice: Diversionary Prgrm = 3 DUI = 1 Oth Court(Court Supervision) = 3 Probation/Parole = 17 State / Federal Court = 2 Other = 1	27	Amphetamines & Other Amphetamines	2	10 through 11 years	26
		Benzodiazepines	4	12 years	83
		Cocaine/Crack	17	13 through 14 years	38
		Heroin	17	15 through 16 years	20
		Individual	4	Marijuana/Hashish	48
Other Community Referral	140	Not treated for Substance	8		
Other Health Care Provider	3	Other Opiates and Synthetics	6		
School	3	Over the Counter	1		
Total	178	Total	178	Total	178

Problem Area:		Prior Treatment Episodes:		ETHNICITY:	
Alcohol	48	No prior treatment	69	African American	19
Drugs	49	One	57	American Indian	0
Both Alcohol and Drugs	74	Two	22	Asian	2
Gambling	0	Three	8	Caucasian	150
None	7	Four	12	Hispanic	7
		Five or more	10	Not Specified	0
Total	178	Total	178	Total	178

AGE:		GENDER:		OTHER:	
12 and Under	0	Male	127	Veterans	13
13 - 20	35	Female	51	MISA Clients	87
21 – 30	42			Pregnant Clients	0
31 – 40	23			Income <20,001	165
41 – 50	34				
51 – 60	39				
61 and over	5				
Total	178	Total	178		

Clients / Hours Served : 185

67 Clients received treatment in the St. Charles Office:	1155.50
108 Clients received treatment in the Elgin Office:	2561.50
3 Clients received treatment offsite	4.25
* 7 Clients received treatment in the Second Chance Program (demographic information is not collected)	17.50
185 Clients	Hours Served: 3738.75

TRI CITY FAMILY SERVICES

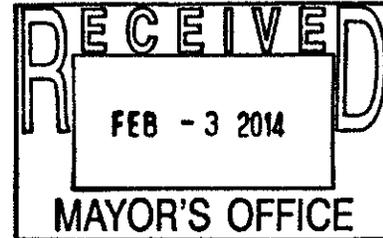


Family Services

1120 Randall Court • Geneva, IL 60134 • (630) 232-1070 • (630) 232-1471 fax

February 3, 2014

St. Charles Community Mental Health Board
c/o City of St. Charles
2 East Main Street
St. Charles, IL 60174-1984



Dear Members of the Board:

Thank you for your sustained support of TriCity Family Services. We are grateful for the opportunity to submit this request for funds to the St. Charles 708 Mental Health Board.

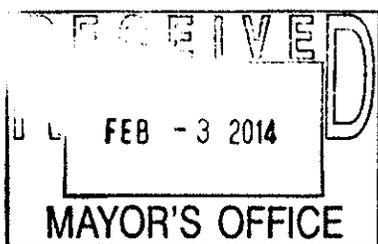
With this letter, we are requesting an allocation of \$204,000. As we continue to provide quality, affordable mental health services to the St. Charles community, your support is vital to us and invaluable to the St. Charles residents we serve.

Our complete application with attachments is enclosed for your review. If you have any questions about this submission, or our agency, please contact me at 630-232-1070 or mbarfuss@tricityfamilyservices.org.

Sincerely,

Miranda Barfuss
Development Manager





Date: 01/31/14

**City of St. Charles
708 Mental Health Board
Accountability Report for funds Expended**

Agency Name: TriCity Family Services

Contact Person: James R. Otepka Phone #: (630) 232-1070

Main Office Address: 1120 Randall Court
Geneva, IL 60134

Funding requested from City of St. Charles 708 Board for fiscal year 14/15: \$ 204,000.00

Describe mission (include narrative explaining how mission relates to City of St. Charles):

TriCity Family Services (TCFS) is a private, not-for-profit, human service agency serving the community members of central Kane County. The agency is dedicated to strengthening people and building community through the provision of quality, affordable counseling, youth crisis intervention, prevention and early intervention services that promote sound mental health and effective family functioning. As a community-based agency, TCFS promotes service excellence, honesty, hopefulness, personal responsibility and respect for others.

Our services are designed to address a wide-range of mental disorders that destabilize families and prevent individuals from leading productive, satisfying lives. Integral to our mission and charter is our commitment to making our programs and services affordable to area residents in need, particularly those uninsured or under-insured individuals for whom outpatient mental health services in the private practice sector are simply out of reach financially. By operating under a sliding fee scale and offering scholarships for our group programs, TCFS ensures that no one is denied services based on an inability to pay. To put the financial needs of our clients into perspective, last year 93% of all counseling clients paid less than our full fee for counseling; 31% of all clients receiving counseling services paid \$25 or less per session; and 61% of all TCFS clients reported incomes of \$30,000 or less.

Counseling is at the core of our work at TriCity Family Services. We specialize in family-centered counseling for children and adolescents. Experienced professionals who know the special needs of children and teens help them work through complex and multi-faceted challenges including; conflict with other family members, problems interacting with peers, disruptive behavior, substance abuse, physical or sexual abuse and depression. TCFS is also skilled in providing short-term individual or couples counseling for adults, addressing mental health issues like depression, marital discord, grief, divorce, domestic violence, parenting, stress, communication problems, sexual abuse and anxiety/phobias. All of our clients have access to our on-site psychiatric services, if indicated. 98% of our counseling clients have been diagnosed with a mental health disorder.

We also seek to fulfill our mission through the provision of early intervention and prevention services. We consider it essential to provide educational and supportive programming that reduces or eliminates those conditions that place people at risk of developing mental disorders and/or substance abuse problems later in life. While we do not conduct formal mental health assessments of all early intervention clients, and therefore do not know the percentage of those with a diagnosis of a mental disorder, a large number of them likely have one.

Early intervention programs provide specific protection against mental health disorders and detect and treat disorders in their earliest stages. Prevention programs promote individual and family mental health and wellness. These programs offered to residents of the City of St. Charles are:

- Smart Choices - anger management for K-5, middle school, and high school
- I-CAN - anger management for adults
- Bridges - workshop for children of divorce
- Chick Chat – one day retreat for 4th, 5th, 6th grade girls
- International Child Development Program – enriching parents and caregivers
- Single Mom’s Group - support group for single mothers
- Grandparents Raising Grandchildren Group - for grandparents who are primary caregivers
- Wilderness Challenge Program - for at-risk adolescents
- Wilderness Challenge Follow Up Group - for former participants
- Mindful Emotions - mental health skills training for adolescent girls
- Teen Girls Retreat - therapeutic weekend trip for adolescent girls
- Caregiver Connections - early childhood mental health support for child care providers
- Lazarus House Parent and Family Group - onsite group for parents and children at Lazarus House homeless shelter
- Lazarus House Women’s Group - onsite group for female guests of Lazarus House

The City of St. Charles seeks to maintain a high quality of life, instill a strong sense of community, and work together to create effective solutions. TriCity Family Services shares a commitment to enhancing the quality of life in the community through our provision of professional, high-quality services to all residents in need. We believe that good mental/emotional health is integral to maintaining our community’s quality of life.

We also include community building in our mission statement to demonstrate our dedication to community-based mental health services and working with our neighbors to maximize community impact, including other social service organizations, corporations, churches, community groups, the schools, and the City of St. Charles itself. We, in service to the St. Charles community, are dedicated to collaboration in order to create effective solutions and help the City fulfill its mission of stewardship, engagement and collaboration.

In addition, as the community mental health facility for central Kane County, TriCity Family Services is an extremely strong community contributor to the 708 Board’s goals of aiding community mental health facilities to provide services for City of St. Charles residents suffering from or at risk of mental disorders. This is our primary charter and key service to the people of the City of St. Charles.

Describe specific goals that fit City’s mission and indicate how goals will be accomplished.

TriCity Family Services would like to be recognized as the provider of choice for individuals, couples, and families at all income levels seeking high quality, affordable, outpatient mental health services delivered across the family life cycle. Several of our goals that exemplify the City of St. Charles’ mission are:

- Continue to assume a leadership role in treating children's mental health disorders;

We treat children with severe and chronic mental illness as well as children who are experiencing behavior problems, difficulty at school or at home, and all youth who run the gamut in between. The community need for this service is great as we consider national children’s mental health statistics, which find that four million children and adolescents in this country suffer from mental disorders severe enough to cause significant functional impairments at home, at school, and with their peers. Additionally, only 20% of children with mental disorders are identified, and receive, mental health services. Early identification and treatment prevents the loss of these critical developmental years, which cannot be recovered, and helps youth avoid years of unnecessary suffering.¹

TriCity Family Services has extensive expertise in treating children’s mental health disorders. Our staff are particularly unique and skilled in providing family-based services to conduct systemic assessments and collaborate with those considered key change agents within a child’s family, school, and social networks. Our distinct competency in this area, and our ability to provide wrap-around counseling services on a sliding fee scale basis to families with a variety of needs, is what makes our agency very unique in general, and particularly unique in our service area. We are also the only agency in our area offering psychiatric services (psychiatric evaluations and medication management) to children and adolescents on a sliding fee scale basis.

- Continue to partner with schools, law enforcement, and other local providers, maximizing the use of existing resources, and collaborating in the design and delivery of needed mental health services;

Our agency's systemic orientation means that client treatment plans typically require an interdisciplinary approach and a great deal of collaboration among other entities involved in a client's life. This is especially true for services to children and adolescents, which may involve collaborative efforts with school social workers, guidance counselors, special education staff, pediatricians, Kane County juvenile probation officers, and Court Appointed Special Advocate volunteers.

This year, we will continue to network and collaborate closely with schools to reach out to at-risk youth and families, and our Employee Assistance Program client companies to contribute to healthy work-settings for employees. We will continue to offer home visits for our clients who need them, and expand our group services where they are needed. For example, in past years we have brought our services onsite to Lazarus House, Mooseheart Child City, Batavia Apartments, the Holmstad, and daycare centers throughout the county through our Caregiver Connections program.

¹ National Alliance on Mental Illness – www.nami.org

We are committed to continually increasing our community impact through collaboration with other agencies and organizations. This is demonstrated through our partnership with Lazarus House to offer our Parent and Family Group, and our partnership with the Geneva school district and the Geneva Coalition for Youth to bring the Chick Chat program to the community. We also continually increase our networking with senior service providers and physicians, local youth coalitions (including the St. Charles Youth Commission), and the Kane County Mental Health Advocacy Council to effectively plan and deliver comprehensive mental health services to the community.

- Continue our traditions of creating and delivering programs designed to prevent the occurrence of substance abuse and mental health problems and promote individual and family wellness;

We will deliver our entire array of existing prevention and early intervention programs designed to either arrest the development of mental health problems in their early stages, or prevent such problems through supportive and educational opportunities for individuals who are entering a new situation, or needing to find a community for support. The provision of these services reduces human pain and suffering and saves the community the cost of treating fully developed mental health or substance abuse problems later. We consider wellness a key contributor to the high quality of life that the City of St. Charles seeks to maintain.

Describe how funds will be expended and quantify services provided to the City of St. Charles (e.g., City of St. Charles persons served, cost allocated to services, program descriptions, and other pertinent information). Also attach budget detailing sources (grants, other municipalities' contributions, fundraisers, and any other sources of funding –actual or being sought:

The cost of serving St. Charles clients is calculated based on the percentage of St. Charles residents compared to the total number of clients served. St. Charles residents are typically served in the following lines of service: Counseling (24%), Early Intervention (4%), and Prevention & Wellness (72%) programs.

A complete agency budget is ATTACHMENT A. A summary is outlined below.

Other sources of funding:

Department of Mental Health (State)	\$ 23,253 (actual – FY2014)
United Way of Central Kane County	\$ 46,000 (actual – FY2014)

Contributions:

Individuals	\$170,000 (being sought)
Corporate/Foundations	\$126,500 (being sought)
Churches/Community Groups	\$ 21,000 (being sought)

St. Charles 708 Fund Expenditure History – explain how funds allocated from previous year were expended and purposes of those expenditures. Note: if funding allocation is over \$25,000, attached most recent financial statements, audit and annual report:

St. Charles 708 funds for FY13 were expended and allocated in the same manner as described above. See attached audited financial statements (ATTACHMENT B) for details. The cost of serving St. Charles clients is calculated based on the number of clients served.

On an annualized (12 month) basis, provide information on City of St. Charles residents served:

Direct service: number of individual clients/consumers served: 1602

Aggregate number of direct service hours provided: 8,284.50

Describe agency cost basis per client/consumer served (e.g., per hour cost and/or program costs allocated to City of St. Charles residents and how this was derived):

City of St. Charles Clients Served FY2013	1602
Total Clients Served-All Programs	4004
Cost of All Programs (less depreciation)	\$1,298,495.00
Cost of City of St. Charles clients (\$1,298,495 X 40%)	\$ 519,513.32
Cost per client – cost of City of St. Charles clients divided by 1602	\$ 324.29
Cost per hour – cost of City of St. Charles clients Divided by total hours of service (8,284.50)	\$ 62.71

Identify other services provided to and for the benefit of City of St. Charles' residents (education, presentations, volunteer training and group activities/events).

In addition to the provision of clinical services through our counseling, crisis intervention, early intervention and prevention programs, TCFS continues to serve the citizens of St. Charles by providing presentations or training upon request.

In the past year, City of St. Charles residents attended TCFS presentations for the St. Charles Noon Kiwanis Club, Exchange Club of the TriCities, the Congregational United Church of Christ, the St. Charles Noon Rotary, and the St. Charles Breakfast Rotary. TCFS was also represented at the health fair sponsored by St. Charles North High School, and took an active leadership role in the District 303 Mental Health Summit.

Attach a list of current Board of Directors for your agency, listing the length of time that each Board member has served in their current term. Also attach a brief summary of how Board members are elected, the qualifications sought, and any term limits for Board members.

List of Board Members and Terms is ATTACHMENT C

We receive referrals for prospective Board Members mainly through current Board Members and Emeritus Board Members. We also receive some referrals through our Friends of TCFS volunteer auxiliary and online resources such as Volunteermatch.com and Boardnet.usa. The importance of representing the needs and interests of the community is stressed during the new board member recruitment and orientation process. Current and former board members, who are responsible for recruiting the majority of new directors, understand that the dedication and commitment of their future board colleagues is a direct correlation of their personal affinity with the mission of the agency. The message is further reinforced by the Executive Director, who meets with every board candidate for the

primary purpose of establishing a “best fit”, taking into consideration the mission of the agency, the needs of the board, and the interests and qualifications of the candidate. At this preliminary orientation meeting, the prospective director also tours the agency, is briefed regarding the agency’s history, programs, current goals, pending board issues, and is introduced to key staff members.

Board Members then have their name placed in nomination at a Board Meeting. They are voted into office thirty days later if no objections are raised. Board Members can serve a maximum of two continuous three-year terms and a partial term of up to two years for a total of eight consecutive years.

Attach a copy of current 503C or tax exempt status certification.

See ATTACHMENT D

Please note that agencies that are allocated funds from the STC 708 Board in excess of \$25,000.00 in any fiscal year are also subject to the following requirements:

1. Monthly financial statements must be submitted to the Government Operations Committee of the St. Charles City Council by no later than the 15th day of the following month.
2. An annual report must be submitted to this same Committee.
3. A representative of the agency must make a brief presentation describing the purpose of the agency, it’s future plans and how it’s programs and services have benefited the residents of St. Charles to this Committee on an annual basis at a date and time to be determined (following the allocation recommendation process by the STC 708 Board, but prior to the actual release of any funds).

Funding request amount for current fiscal year: \$ 204,000.00 Application Date: 01/31/14

For STC 708 Board Only:

Recommended funding for current fiscal year: \$ _____ Recommendation Date: _____



Family
Services

TriCity Family Services
FY 2014 BUDGET

Expenses	2013 Budget	2014 Budget	Difference (\$)	Difference (%)
Personnel	\$ 1,362,737	\$ 1,408,216	45,479	3%
Consultants	73,620	85,770	12,150	17%
Operating	216,629	242,864	26,235	12%
NON CASH EXPENSE (DEPRECIATION)	16,626	16,626	0	0%
EXPENSES TOTAL	1,669,612	1,753,476	83,864	5%
Revenue	2013 Budget	2014 Budget	Difference (\$)	Difference (%)
Public Funding	414,755	430,079	15,324	4%
Private Support-Contributions	369,000	382,500	13,500	4%
Private Support-Special Events	105,000	160,500	55,500	53%
Service Income	558,581	584,003	25,422	5%
EAP Income	59,926	57,986	(1,940)	-3%
Other	162,350	138,408	(23,942)	-15%
REVENUE TOTAL	1,669,612	1,753,476	83,864	5%
TOTAL REVENUE LESS EXPENSES	-	0		

TriCity Family Services
Expense Budget FY 2014

Personnel	2013 Budget	2014 Budget	Difference (\$)	Difference (%)
Administrative Salaries	390,891	393,721	2,830	1%
Clinical Salaries	453,922	478,518	24,596	5%
Part-Time Clinical Salaries	126,804	140,856	14,052	11%
Associates Wages	46,568	63,577	17,009	37%
Hourly Clerical Wages	64,675	66,171	1,496	2%
In Kind Clinical Services	23,562	23,562	0	0%
Employee Incentives			0	0%
Total	1,106,422	1,166,406	59,984	5%
Taxes & Benefits				
Medical & Life Insurance	102,444	84,502	(17,942)	-18%
Workman's Compensation	6,617	6,830	213	3%
FICA-Employers	79,035	78,915	(120)	0%
State Unemployment Insurance	19,554	19,202	(352)	-2%
TSA Payments	48,665	52,360	3,695	8%
Total	256,315	241,810	(14,505)	-6%
PERSONNEL TOTAL	1,362,737	1,408,216	45,479	3%
Consultants	2013 Budget	2014 Budget	Difference (\$)	Difference (%)
Clinical Consultants		7,550	7,550	undefined
Work/Life Benefit	3,600	3,600	0	0%
Audit Costs	9,600	7,500	(2,100)	-22%
Accounting Services			0	0%
Legal Consultants	1,520	2,720	1,200	79%
Management Consultants		6,300	6,300	undefined
Payroll Service	2,900	3,100	200	7%
Transcription Service	1,000		(1,000)	0%
Inkind Consultants	55,000	55,000	0	100%
Consultants Total	73,620	85,770	12,150	17%
Operating	2013 Budget	2014 Budget	Difference (\$)	Difference (%)
Facilities & Equipment				
General Insurance	5,593	6,150	557	10%
Building Maintenance/Repair	11,755	27,000	15,245	130%
Building/Ground Supplies	1,300	1,300	0	0%
Food/Beverage	2,100	2,100	0	0%
Grounds Maintenance	3,840	3,840	0	0%
Snow Plowing	6,500	5,000	(1,500)	-23%
Gas	2,200	2,200	0	0%
Electricity	5,500	6,000	500	9%
Water	1,300	1,800	500	38%
Refuse	2,000	1,260	(740)	-37%
Telephone	10,750	10,750	0	0%
Equipment Maintenance	8,000	8,000	0	0%
Pager Cost	550	550	0	0%
Answering Service	2,500	2,500	0	0%
Alarm System Costs	1,400	1,400	0	0%
Computer Maintenance & Repair	9,555	11,120	1,565	16%
Website Development			0	0%
Total	74,843	90,970	16,127	22%

TriCity Family Services
Expense Budget FY 2014

Operating Continued	2013 Budget	2014 Budget	Difference (\$)	Difference (%)
Commodities				
Office Supplies	9,012	9,100	88	1%
Postage	8,000	9,000	1,000	13%
Books & Journals	400	400	0	0%
Subscriptions	1,500	1,500	0	0%
Printing	2,800	2,800	0	0%
Program Materials	6,500	5,000	(1,500)	-23%
Total	28,212	27,800	(412)	-1%
Staff Expenses				
Training	11,500	11,500	0	0%
Travel/Lodging/Meals	1,000	1,500	500	50%
Local Mileage	2,500	2,500	0	0%
Professional Liability Insurance	7,312	7,522	210	3%
Staff Recruitment	-	-	0	0%
Dues & Memberships	1,850	1,660	(190)	-10%
Total	24,162	24,682	520	2%
Other				
Aid to Individuals	1,000	1,000	0	0%
Friends of TriCity	-	-	0	0%
Bad Debt	5,000	5,000	0	0%
Misc.	6,500	10,000	3,500	54%
Bank Charges	6,000	6,500	500	8%
Accreditation	400	5,895	5,495	1374%
Board Development	500	500	0	0%
Wilderness Challenge	16,550	15,895	(655)	-4%
WCP Followup Groups	7,810	3,500	(4,310)	-55%
Teen Girls Retreat	-	5,205	5,205	100%
Family Connections	5,000	5,000	0	0%
Lazarus House	-	-	0	0%
Caregiver Connections	2,000	2,000	0	0%
Chick Chat	16,050	10,552	(5,498)	-34%
ICDP USA	-	3,406	3,406	100%
Mindful Emotions Middle School	-	300	300	100%
Equipment Purchase	2,000	2,243	243	12%
Loan Payments	5,802	5,816	14	0%
Total	74,612	82,812	8,200	11%
RD/Marketing				
Annual Report	3,000	3,000	0	0%
Donor Recognition/Barth Award	2,500	4,000	1,500	60%
Phonathon	1,800	1,800	0	0%
Donor Cultivation	1,000	1,000	0	0%
Marketing Material/Advertising	2,000	2,000	0	0%
Newsletter	500	500	0	0%
Direct Mail	2,000	2,000	0	0%
Other RD Expense	1,000	1,000	0	0%
Misc. Marketing Materials	1,000	1,300	300	100%
Total RD/Marketing	14,800	16,600	1,800	12%
OPERATING TOTAL	216,629	242,864	26,235	12%
NON CASH EXPENSE (DEPRECIATION)	16,626	16,626	0	100%
Total Expenses	233,255	259,490	26,235	11%

TriCity Family Services
Revenue Budget FY 2014

Public Funding	2013 Budget	2014 Budget	Difference (\$)	Difference (%)
Community Chests/United Ways				
St. Charles	52,000	50,000	-2,000	-4%
Geneva	8,430	8,576	146	2%
Batavia	7,100	8,000	900	13%
Total Community Chests/United Ways	67,530	66,576	-954	-1%
Cities/708 Funds				
INC Board	75,750	91,650	15,900	21%
INC Board-Family Connections	19,000	19,000	0	0%
708 Geneva	29,000	27,600	-1,400	-5%
708 St. Charles	204,000	200,000	-4,000	-2%
Total Cities/708 Funds	327,750	338,250	10,500	3%
State Funds				
Department of Human Services-Psych Grant	19,475	25,253	5,778	100%
Total State Funds	19,475	25,253	5,778	30%
TOTAL PUBLIC FUNDING	414,755	430,079	15,324	4%
Private Support	2013 Budget	2014 Budget	Difference (\$)	Difference (%)
Individual	180,000	170,000	-10,000	-6%
Corporate	35,000	36,500	1,500	4%
Foundation	75,000	90,000	15,000	20%
Church	12,000	10,000	-2,000	-17%
Community Groups	12,000	11,000	-1,000	-8%
Other Grants & Contributions	-	10,000	10,000	undefined
Inkind Donations	55,000	55,000	0	0%
Total Contributions	369,000	382,500	13,500	4%
Special Events				
Annual Benefit	65,000	125,000	60,000	92%
Lobster Sale	5,500	5,500	0	0%
Snowflake Shuffle	20,000	18,000	-2,000	-10%
Friends Misc. Special Events	14,500	12,000	-2,500	-17%
Total Special Events	105,000	160,500	55,500	53%
TOTAL PRIVATE SUPPORT	474,000	543,000	69,000	15%
Service Income	2013 Budget	2014 Budget	Difference (\$)	Difference (%)
Inkind Clinical	\$ 23,562	\$ 23,562	0	0%
Client Co-payments	113,683	113,794	111	0%
Medicaid Payments	251,173	291,712	40,539	16%
Client Insurance Payments	165,868	150,835	-15,033	-9%
WIN Group	4,100	4,100	0	0%
Parenting Education & Support Series	195	-	-195	100%
Community Consultation & Education	-	-	0	0%
Total Service Income	558,581	584,003	25,422	5%

TriCity Family Services
Revenue Budget FY 2014

Service Income Continued	2013 Budget	2014 Budget	Difference (\$)	Difference (%)
EAP Income				
Contract Income	59,926	57,986	-1,940	-3%
Total EAP Income	59,926	57,986	-1,940	-3%
TOTAL SERVICE INCOME	618,507	641,989	23,482	4%
Other Income				
Interest	900	500	-400	-44%
Friends of Tricity	-	-	0	0%
Aid to Individuals	1,000	1,000	0	0%
Wilderness Challenge	4,100	2,389	-1,711	-42%
WCP Follow Up Groups (WCG)	-	-	0	0%
Caregiver Connections	75,000	75,000	0	0%
Lazarus House Group	3,300	2,500	-800	-24%
Chick Chat	16,050	18,460	2,410	15%
ICDP USA	-	3,406	3,406	100%
3G Foundation to Aid Individuals	10,000	6,681	-3,319	-33%
Mindful Emotions Middle School	-	540	540	100%
Donor Designated	42,000	22,932	-19,068	-45%
Misc.	10,000	5,000	-5,000	-50%
TOTAL OTHER INCOME	162,350	138,408	-23,942	-15%
Total Revenue	2,460,618	2,556,479	95,861	4%

TriCity Family Services, Inc.
Audited Financial Statements
For the Year Ended June 30, 2013

Table of Contents

Independent Auditors' Report1-2

Financial Statements

Statements of Financial Position.....3

Statements of Activities and Changes in Net Assets4

Statements of Cash Flows.....5

Statements of Functional Expenses6

Notes to Financial Statements.....7-14

Independent Auditors' Report

To the Board of Directors of
TriCity Family Services, Inc.

We have audited the accompanying financial statements of TriCity Family Services, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2013, and the related statements of activities and changes in net assets, statements of functional expenses, and statements of cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 Auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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.

Independent Auditors' Report (continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TriCity Family Services, Inc. as of June 30, 2013, 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.

Tighe, Kress & Orr P.C.

Elgin, Illinois
October 4, 2013

Tri City Family Services, Inc.
Statements of Financial Position
For the Year Ended June 30, 2013

Assets		June 30, 2013
Current Assets:		
Cash and cash equivalents	\$	109,559
Receivables		
Grants and contracts		69,290
Pledges receivable		-
Client fees, net of allowance for doubtful accounts of \$ 28,710 and \$17,100, respectively		172,642
Prepaid expenses		8,518
Total current assets		360,009
Property and Equipment, at cost:		
Land		234,248
Building		644,544
Furniture and fixtures		128,818
Equipment		358,724
		1,366,334
Less accumulated depreciation		(701,819)
Net property and equipment		664,515
Total Assets	\$	1,024,524
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$	16,347
Accrued expenses		20,139
Deferred revenue		37,113
Mortgage payable - current portion		6,207
Total current liabilities		79,806
Long-term Liabilities:		
Mortgage payable - noncurrent portion		104,839
Total liabilities		184,645
Net Assets:		
Unrestricted	\$	741,505
Board designated - capital fund		25,000
Total unrestricted		
Temporarily restricted (Note 4)		73,374
Permanently restricted		-
Total net assets		839,879
Total Liabilities and Net Assets	\$	1,024,524

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

Tri City Family Services, Inc.
Statements of Activities and Changes in Net Assets
For the Year Ended June 30, 2013

	Unrestricted	Temporarily Restricted	Total
Revenue:			
Client fees and third party payments	\$ 517,142	\$ -	\$ 517,142
Occupational services	56,090	-	56,090
Caregiver connections	62,500	12,500	75,000
Strong Future/Strong Families	51,161	22,812	73,973
Other Programs	9,170	-	9,170
Miscellaneous income	6,452	-	6,452
Total revenue	<u>702,515</u>	<u>35,312</u>	<u>737,827</u>
Public support:			
Contributions	377,828	11,550	389,378
St. Charles Community Mental Health Board-708 taxes	200,000	-	200,000
Geneva Community Mental Health Board-708 taxes	27,600	-	27,600
INC Board-708 taxes	93,068	-	93,068
United Way of St. Charles	52,000	-	52,000
Geneva Community Chest	8,110	-	8,110
United Way of Batavia	7,000	-	7,000
Illinois Department of Human Services	25,250	-	25,250
In-kind clinical services	26,499	-	26,499
Special events, net of direct expenses of \$105,719 and \$62,508, respectively	177,140	3,700	180,840
Total public support	<u>994,495</u>	<u>15,250</u>	<u>1,009,745</u>
Net assets released from restrictions	99,623	(99,623)	-
Total revenue and public support	<u>1,796,633</u>	<u>(49,061)</u>	<u>1,747,572</u>
Expenses:			
Program services:			
Counseling	1,192,917	-	1,192,917
Early intervention	120,728	-	120,728
Prevention and wellness	17,530	-	17,530
Occupational services	50,876	-	50,876
	<u>1,382,051</u>	<u>-</u>	<u>1,382,051</u>
Supporting services:			
Management and general	185,743	-	185,743
Fundraising	177,433	-	177,433
	<u>363,176</u>	<u>-</u>	<u>363,176</u>
Total expenses	<u>1,745,227</u>	<u>-</u>	<u>1,745,227</u>
Change in Net Assets	51,406	(49,061)	2,345
Net Assets, Beginning of Year	715,099	122,435	837,534
Net Assets, End of Year	<u>\$ 766,505</u>	<u>\$ 73,374</u>	<u>\$ 839,879</u>

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

Tri City Family Services, Inc.
Statements of Cash Flows
For the Year Ending June 30, 2013

	June 30, 2013
Cash Flows from Operating Activities:	
Change in net assets	\$ 2,345
Adjustments to reconcile change in net assets to	
Cash provided (used) by operating activities:	
Increase in allowance for doubtful accounts	11,610
Depreciation	67,828
Decrease (increase) in cash surrender value of life insurance	-
Cash provided (used) by assets and liabilities:	
Receivables	(23,603)
Prepaid expenses	(454)
Accounts payable	(1,317)
Accrued expenses	(18,761)
Deferred revenue	(79,280)
Net cash provided (used) by operating activities	(41,632)
 Cash Flow from Investing Activities:	
Purchase of equipment	(90,243)
Net cash provided (used) by investing activities	(90,243)
 Cash Flow from Financing Activities:	
Payments of mortgage payable	(5,901)
Proceeds from mortgage payable	-
Net cash provided (used) by financing activities	(5,901)
 Increase (Decrease) in Cash	(137,776)
 Cash and Cash Equivalents, Beginning of Year	247,335
 Cash and Cash Equivalents, End of Year	\$ 109,559
 Supplementary Disclosure:	
Interest Paid	\$ 5,793

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

Tri City Family Services, Inc.
Statements of Functional Expenses
For the Year Ending June 30, 2013

	June 30, 2013						Total	
	Counseling	Early Intervention	Prevention and Wellness	Occupational Services	Program Services	Management and General		Fundraising Services
Expenses:								
Personnel expenses	\$ 774,316	\$ 65,634	\$ 11,191	\$ 32,480	\$ 883,621	\$ 116,837	\$ 109,068	\$ 1,109,526
Salaries and wages	144,840	12,984	2,214	6,425	166,463	23,340	21,795	211,598
Taxes and benefits	919,156	78,618	13,405	38,905	1,050,084	140,177	130,863	1,321,124
Total personnel expenses	62,668	5,618	958	2,780	72,024	10,098	9,430	91,552
Consultants	63,541	5,697	971	2,819	73,028	10,239	9,561	92,828
Facility costs	19,443	1,743	297	863	22,346	3,133	2,926	28,405
Commodities cost	19,425	1,741	297	862	22,325	2,066	1,928	26,319
Staff expenses	39,883	21,144	550	1,595	63,172	12,549	5,209	80,930
Other costs	-	-	-	-	-	-	10,530	10,530
Resource development	22,372	2,005	342	992	25,711	-	-	25,711
Bad debt expense	46,429	4,162	710	2,060	53,361	7,481	6,986	67,828
Depreciation expense								
Total Expenses	\$ 1,192,917	\$ 120,728	\$ 17,530	\$ 50,876	\$ 1,382,051	\$ 185,743	\$ 177,433	\$ 1,745,227

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

TriCity Family Services, Inc.
Notes to Financial Statements
June 30, 2013

Note 1 – Significant Accounting Policies

Nature of Activities:

TriCity Family Services (the Agency) is an Illinois not-for-profit service agency serving the community members and organizations of central Kane County. The Agency is dedicated to strengthening people and building community through the provision of quality, affordable counseling, youth crisis intervention, prevention, and early intervention services that promote sound mental health and effective family functioning. As a community-based agency, TriCity Family Services promotes service excellence, honesty, hopefulness, personal responsibility and respect for others. TriCity Family Services conducts the following programs:

Counseling – Counseling is at the core of our work at TriCity Family Services. We specialize in family-centered, confidential counseling to all ages and all income levels. Experienced professionals who know the special needs of children and teens use a family-centered approach to help them work through challenges including: conflict with other family members, problems interacting with peers, disruptive behavior, substance abuse, physical or sexual abuse and depression. In addition, we excel in the provision of personalized individual or couples counseling for adults, addressing issues such as depression, marital discord, grief, divorce, domestic violence, parenting, stress, communication problems, sexual abuse and anxiety/phobias. We also an innovative outpatient, family-based program for the treatment of eating disorders. This past year 1507 individuals were served in our counseling programs.

Occupational Services - TriCity Family Services contracts with employers to provide an Employee Assistance Program (EAP) as part of their employee benefits package. For employees, it is a free and confidential service that offers assessment and referrals to employees and their family members who are experiencing any type of mental health or personal problem. EAP is a positive approach that helps employees resolve problems before they begin to affect their jobs. Community-based and able to provide immediate and personalized responsiveness, TriCity Family Services EAP has many advantages over a typical “800-number” EAP. 194 individuals were able to find help through our occupational services program this past year.

Prevention and Early Intervention – We consider it essential to provide educational and supportive programming that reduces or eliminates those conditions that place people at risk of developing emotional and/or substance abuse problems later in life. Our prevention and early intervention programs help resolve problems before they become serious and effectively reduce human pain and suffering. Our prevention and early intervention programs include: Bridges, for children of divorce; Smart Choices, anger management for children of all ages; I-CAN, anger management for adults; Single Mom’s Support Group; Grandparents Raising Grandchildren Support Group; Wilderness Challenge Program, for at-risk teens; Family Connections, family communication workshop; Mindful Emotions, skills training for teen girls; Parenting Group, for the guests of the Lazarus House homeless shelter; Chick Chat, for 4th-6th grade girls; ICDP, for parents; and Caregiver Connections, support for daycare providers. In all, our Prevention and Early Intervention programs served 2,379 individuals this past year.

TriCity Family Services, Inc.
Notes to Financial Statements
June 30, 2013

Note 1 – Significant Accounting Policies (continued)

Method of Accounting:

The financial statements of TriCity Family Services have been prepared on the accrual basis of accounting and in accordance with United States Generally Accepted Accounting Principles applicable to non-profit organizations. Revenues are recognized as they are earned and expenses as they are incurred.

Use of Estimates:

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

Basis of Presentation:

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) 958-210. Under FASB ASC 958-210, The Agency 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.

Temporarily restricted net assets represent net assets subject to donor imposed restrictions which will either be met by the Agency's actions or the passage of time. Temporarily restricted net assets are reclassified to unrestricted net assets when the restrictions are met or have expired. These reclassifications are reported in the statement of activities as net assets released from restrictions. At June 30, 2013, TriCity Family Services is holding temporarily restricted net assets of \$40,662.

Permanently restricted net assets are net assets subject to donor-imposed stipulations that the assets be maintained permanently by TriCity Family Services. Generally, the donors of these assets permit TriCity Family Services to use all or part of the income earned on any related investments for general or specific purposes. At June 30, 2013, TriCity Family Services did not have any permanently restricted net assets.

All donor-restricted support and revenues are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (such as when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets as net assets released from restrictions.

TriCity Family Services, Inc.
Notes to Financial Statements
June 30, 2013

Note 1 – Significant Accounting Policies (continued)

Cash and Cash Equivalents:

TriCity Family Services, for the purposes of reporting cash flows, defines cash and cash equivalents 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.

Contributions:

TriCity Family Services accounts for contributions in accordance with the recommendations in FASB ASC 958-225. In accordance with FASB ASC 958-225, contributions and grants received are recorded as unrestricted, temporarily restricted, or permanently restricted support and revenue, depending on the existence and/or nature of any donor restrictions.

All contributions are considered to be available for unrestricted use unless specifically restricted by donors. Unrestricted contributions are recognized when received or when promised.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor restricted support, if any, is reported as an increase in temporarily or permanently restricted net assets. When a donor restriction expires, such as when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets released from restrictions and reported in the Statement of Activities as net assets released from restrictions.

Income Tax Status:

TriCity Family Services is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, a provision for income taxes has not been made on the financial statements.

The Agency adopted the implementation of FASB ASC 740 (formerly FIN 48, "Accounting for Uncertainty in Income Taxes"). Under FASB ASC 740, management must evaluate the positions it has taken on tax returns. Management has determined that there are no tax provisions that would result in a more likely than not (50% chance) of being sustained under a potential audit or examination.

TriCity Family Services Federal Exempt Organization Income Tax Returns (Form 990) for 2010, 2011, and 2012 are subject to examination by the IRS, generally for three years they were filed.

TriCity Family Services, Inc.
Notes to Financial Statements
June 30, 2013

Note 1 – Significant Accounting Policies (continued)

Concentrations of Credit Risk:

TriCity Family Services maintains its cash balances in several bank accounts. Interest-bearing accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2013 the Agency had no accounts in excess of the FDIC insured limits.

Property and Equipment:

Fixed assets are recorded at cost if purchased or at their estimated fair market value at the time received if donated. Expenditures for repairs and maintenance are charged to expenses as incurred, whereas renewals and betterments that extend the lives of property are capitalized. TriCity Family Services follows the practice of capitalizing, at cost, all expenditures for property and equipment in excess of \$5,000. Depreciation is computed using the straight-line method over the estimated useful life of the asset as follows:

Building 50 years
 Furniture and fixtures 10 years
 Equipment 3 – 10 years

	Cost June 30, 2012	Acquisitions (Dispositions)	Cost June 30, 2013	Accumulated Depreciation June 30, 2013
Land	\$ 234,248	\$ -	\$ 234,248	\$ -
Building	644,544	-	644,544	250,997
Furniture and fixtures	128,818	-	128,818	120,389
Equipment	268,481	90,244	358,724	330,433
Total	\$ 1,276,091	\$ 90,244	\$ 1,366,335	\$ 701,819

Depreciation expense for the year ended June 30, 2013 was \$67,828.

Functional Allocation of Expenses:

The costs of providing TriCity Family Services various programs and other activities have been summarized on a functional basis in the Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs, fundraising activities, and supporting services benefited.

Expenses are allocated based on line of service and are summarized on the statement of functional expenses. The allocation is based on hours of service performed in each area.

TriCity Family Services, Inc.
Notes to Financial Statements
June 30, 2013

Note 1 – Significant Accounting Policies (continued)

Receivables:

Unconditional promises to give are recognized as receivables and revenues in the period pledged. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. The receivables are due under terms established by the donors.

Management provides for probable uncollectible amounts through a provision for bad debt expense based on its assessment of the current status of individual receivables. Balances that are still outstanding after management has used reasonable collection efforts are written off to bad debt expense. At June 30, 2013, no allowance for uncollectible promises was considered necessary.

Donated Property and Services:

Donations received in property and services other than cash are recorded at their fair market value on the date of the gift. Donations in property and services whose fair market values are not objectively determinable are omitted from the financial statement in accordance with generally accepted accounting standards.

The Agency receives a significant amount of donated services from unpaid volunteers who assist in fund-raising and special projects. No amounts have been recognized in the statement of activities because the criteria for recognition under FASB ASC 958-225 have not been satisfied.

The Agency receives donated services from student interns to help provide counseling services. An estimated value for the professional services of the student interns has been recognized in the Statement of Activities, having met the criteria for recognition.

Donated services are recognized as contributions in accordance with FASB ASC 958-225 if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Agency. These contributions have been presented in the financial statements as support with a like amount shown as expense. During the fiscal year ended June 30, 2013, donated services amounted to approximately \$26,499.

Deferred Revenue:

Deferred revenue consists of fees received in advance for future periods

TriCity Family Services, Inc.
Notes to Financial Statements
June 30, 2013

Note 2 – Lease Commitments

The Agency leases equipment for certain programs requiring monthly payments of \$633 under terms of an operating lease which terminates January 2016. The Agency is responsible for repairs and maintenance and adequate insurance on the equipment. Expenses included in operations for this lease totaled \$7,602 for the year ended June 30, 2013.

Following are the minimum future lease commitments:

<u>Years ended June 30:</u>	
2014	\$ 7,602
2015	7,602
2016	4,434
	<u>\$ 19,638</u>

Note 3 – Restrictions on Net Assets

Temporarily restricted net assets are available for the following purposes and periods:

	<u>2013</u>
Strong Future/Strong Family	\$ 22,812
General operations	46,862
Fiscal 2013 special events sponsorship	-
Fiscal 2014 special events sponsorship	3,700
	<u>\$ 73,374</u>

Restrictions satisfied during the year ended June 30, 2013 were:

	<u>2013</u>
Wilderness Challenge	\$
Strong Future/Strong Family	74,123
General operations	13,450
Fiscal 2013 special events sponsorship	12,050
Fiscal 2012 special events sponsorship	-
	<u>\$ 99,623</u>

TriCity Family Services, Inc.
Notes to Financial Statements
June 30, 2013

Note 4 – Mortgages Payable

The Agency has a mortgage payable to a bank. The mortgage is collateralized by the Agency's real property. The mortgage bears interest of 5% and is payable in monthly principal and interest payments of \$975 with a final payment due on May 2017. The balance due at June 30, 2013 was \$111,046.

Principal payments on the mortgage payable are as follows:

<u>Years ended June 30:</u>	
2014	\$ 6,207
2015	6,529
2016	6,855
2017	91,455
	<u>\$ 111,046</u>

In connection with refinancing the mortgage in 2012, the board designated \$25,000 of the Agency's cash to be maintained for debt service.

Note 5 – Retirement Plan

The Agency maintains a tax sheltered annuity program for employees who become eligible after two years of Eligibility Service, which consists of completing at least 1000 hours of service for each of two consecutive years. The Agency contributes 7% of the employee's gross income to the Plan. Employees may also make voluntary pretax contributions to the plan. The provisions for retirement costs for the year ended June 30, 2013 was \$49,710.

Note 6 – Contingencies

The Agency receives grants from several state and local government agencies. The disbursement of grant funds requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability to the Agency. However, management believes that any such disallowed claims would not have a material effect on the financial statements or the overall financial position of the Agency.

Note 7 – Cash Surrender Value of Life Insurance

The Agency was named as a beneficiary of a life insurance policy. The policy was terminated in 2012 and the Agency received the cash value.

TriCity Family Services, Inc.
Notes to Financial Statements
June 30, 2013

Note 8 – Funds Held by the Community Foundation of Fox River Valley

TriCity Family Services is the beneficiary of two funds held by the Community Foundation of the Fox River Valley (Community Foundation). The assets of these funds are not included in the Statements of Financial Position as the funds are not the assets of the Agency.

The TriCity Family Services Fund (the Fund) is used to provide support for the Agency in carrying out its mission and activities. Although the Fund is the property of the Community Foundation, the Agency has the right to make suggestions to the Community Foundation as to the distribution of the principal or income of the Fund. The decisions on the suggestions are at the sole discretion of the Community Foundation. The balance in the Fund at June 30, 2013 as reported by the Community Foundation was \$132,773. No distributions were received by the Agency in 2013 from the Fund.

The TriCity Family Services Endowment Fund (the Endowment Fund) was established to provide current income and long term protection for the operation of the Agency. Although the Endowment Fund is the property of the Community Foundation, the Agency has the right to receive distributions of net income from the Endowment Fund on at least an annual basis; however, the Agency may elect to accumulate income rather than receive distributions thereof. The balance in the Endowment Fund at June 30, 2013 as reported by the Community Foundation was \$433,446. No distributions were received in 2013 from the Endowment Fund. At June 30, 2013, there was an accumulated net earnings available for distribution to the Agency of \$52,046.

Note 9 – Date of Management's Review

Subsequent events have been evaluated through the date of this report. It was concluded that there are no subsequent events required to be disclosed.



Board of Directors

Fiscal Year 2014

TERM	COMMITTEE	NAME (Spouse/Partner/SO) e-mail address	OCCUPATION/EMPLOYER	MAILING ADDRESS	TELEPHONE
8/25/08- 8/24/14	Exec*	DI CIAULA, JIM President James.Diciaula@bmo.com	Director Customer Experience, Personal & Small Business Banking Harris N.A.	34W573D Roosevelt Ave. St. Charles, IL 60174	H: 847-429-9390 W: 630-399-0525 CELL: 312-461-6397
3/26/12- 3/23/15	RD/Audit	SCHNEIDER, JASON Vice President jasonpschneider@gmail.com	Attorney at Law John J. Malm & Associates, P.C	38W277 Monterey Drive Batavia, IL 60510	W: 630-527-4177 CELL: 630-306-3186
1/23/12- 1/22/15	Exec/Finance*	KANNAKA, STEVE (Sally) Treasurer stevekannaka@gmail.com	General Manager Site Maintenance, Inc.	641 W. Washington Street Marengo, IL 60152	H: 815-568-7315 W: 847-697-1077 CELL: 815-260-5905
6/26/06- 6/30/14	Exec/HR* Liaison to QAC	JONES, LINDA (Steve) Secretary SJones630@comcast.net	Retired School Teacher	41W750 Griffin Lane St. Charles, IL 60175	H: 630-377-3907
6/25/12- 8/31/14	Friends' Liaison	BEHMER, KRISTIN (Chris) kmbehmer@comcast.net	President The Friends of Tricity Family Services	1S758 Grove Hill Drive Batavia, IL 60510	H: 630-406-0460 CELL: 630-258-4256
11/26/07- 11/25/13	F/Audit	CARLSON, DEAN (Joan) dcarlson@bankstcharles.com	Vice President St. Charles Bank & Trust	P.O. Box 902 St. Charles, IL 60174	W: 630-377-9500 CELL: 630-624-2265
4/27/09- 4/26/15	BHD	JONES LINK, ROSALIE (Dwight) RM.Jones@covenantretirement.org	Stewardship Manager (PT) The Holmstad	23 North Daniels Drive Batavia, IL 60510	H: 630-879-6673 W: 630-879-4200
10/25/10- 10/24/13	RD	MEISTER, JIM (Connie) james.meister@exeloncorp.com	Vice President, Operations Support Exelon Generation	4N123 Thornly Road St. Charles, IL 60174	H: 630-584-5774 W: 630-657-3899 CELL: 630-650-9618
7/25/11- 6/24/14	HR	MILLS, GREG (Carol) GTMills726@aol.com	Financial Advisor Waddell & Reed	726 Fargo Blvd. Geneva, IL 60134	H: 630-208-9859 W: 630-339-8171 CELL: 630-738-0206 FAX: 630-339-8178
5/21/12- 5/18/15	F	LARSEN, CRAIG (Marcia) craig.r.larsen@gmail.com	President AHC Advisors, Inc.	153 Picasso Drive St. Charles, IL 60175	H: 630-762-9118 W: 630-762-8185 CELL: 630-745-8185
7/23/12- 7/22/15	BH*	PARKER, SUSAN (Eric) susanparker111@gmail.com	Benefit Advisor Susan Parker & Associates	43W467 Cornwall Drive St. Charles, IL 60175	H: 630-365-6894 CELL: 630-995-6858
7/23/12- 7/22/15	RD	LAVERY, PAT (Dick) plavery@sbcglobal.net	Retired - Customer Service	506 Wing Lane St. Charles, IL 60174	H: 630-377-6456 CELL: 630-707-6457

TCFS Board of Directors

Fiscal Year 2014

TERM	COMMITTEE	NAME (Spouse/Partner/SO) e-mail address	OCCUPATION/EMPLOYER	MAILING ADDRESS	TELEPHONE
3/25/13- 3/24/16	Special Projects	BREUNLIN, KYLE (Brenda) kylebreunlin@kbrprincipal.com	Founding Partner KB Principal	1700 River Road S. Elgin, IL 60177	CELL: 630-364-0833
3/25/13- 3/24/16	RD	NOLAN, DR. ERIC (Mike) ericwardnolan@gmail.com	Child Psychiatrist Streamwood Behavioral Health Creekwood Associates	40W615 Stonebriar Lane Elgin IL 60124	CELL: 314-223-2993 WORK: 630-377-1414
6/24/13- 6/23/16	BH	RUSSE, THOMAS R. (Sarah) trusse@sterbank.com			CELL: 630-777-5678
6/24/13- 6/23/16	HR	KADELA, CYNTHIA (Michael) llike712@comcast.net	Human Resources Director Nalco, an Ecolab Company	712 South 5 th Avenue St. Charles, IL 60174	H: 630-992-1488 W: Same Cell: Same
7/22/13- 7/21/16	Marketing Task Force	WILLIAMS, DAVID P. (Adria) David_williams4@cable.comcast.com	VP Sales & Marketing Comcast	33 Hightgate Course St. Charles, IL 60174	H: 630-945-3365 W: 847-789-1281 Cell: 847-924-7910
10/28/13- 10/27/16	RD	SZKLAREK, ABBY (Jeff) abbyszklarek@gmail.com	Community Volunteer	2349 Kane Lane Batavia, IL 60510	Cell: 630-917-7961
10/28/13- 10/27/16	BH	JOHNSON, CHERYL Cjba96@sbcglobal.net	Retired Public Health Administrator	2251 Vanderbilt Geneva, IL 60134	H: 630-608-0063

* **Committee Chair**

QAC = Quality Advisory Committee

Agency Telephone/Fax Numbers

Main #: 630-232-1070 FAX #: 630-232-1471
 Backdoor #: 630-232-9384 (bypasses switchboard)
 Jim - ext. 115 (jotepka@tricityfamilyservices.org)
 Sally - ext. 139 (skelley@tricityfamilyservices.org)
 Miranda - ext. 136 (mbarfuss@tricityfamilyservices.org)
 Courtney - ext. 141 (claverty@tricityfamilyservices.org)
 Sandy - ext. 117 (siones@tricityfamilyservices.org)

RECEIVED NOV 14 1989

ATTACHMENT D

Internal Revenue Service

Department of the Treasury

District
Director

Person to Contact: EU:1FA

TriCity Family Services
321 Hamilton Street
Daneva, IL 60134

Telephone Number: 1-800-424-1040
312-435-1040

Refer Reply to: 90-0106

Date: November 9, 1989

RE: Confirmation
EIN: 23-7310008

This is in response to the letter dated September 19, 1989 regarding your status as an organization exempt from Federal income tax.

Our records indicate that a ruling letter was issued in September, 1973, 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)(2).

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.

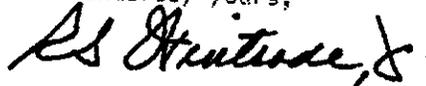
If your gross receipts each year are normally \$25,000.00 or more, you are required to file Form 990, Return of Organizations Exempt from Income Tax by the fifteenth day of the fifth month after the end of your annual accounting period.

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.
District Director