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August 29, 2016

Board of Directors
Boys and Girls Club of Huntington County, Inc.
608 East State Street
P.O. Box 673
Huntington, IN 46750

We have reviewed the audit report prepared by David Culp & Co. LLP, for the period January 1, 2015 to December 31, 2015. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of Boys and Girls Club of Huntington County, Inc., as of December 31, 2015, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

BOYS AND GIRLS CLUB OF HUNTINGTON COUNTY, INC.

AUDIT REPORT

DECEMBER 31, 2015 AND 2014

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Independent Auditor's Report

To the Board of Directors
Boys and Girls Club of Huntington County, Inc.
Huntington, Indiana

We have audited the accompanying financial statements of Boys and Girls Club of Huntington County, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements -

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

Auditor's Responsibility -

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boys and Girls Club of Huntington County, Inc. as of December 31, 2015 and 2014, 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.

David Culp & Co. LLP
Certified Public Accountants

Huntington, Indiana
April 21, 2016

BOYS AND GIRLS CLUB OF HUNTINGTON COUNTY, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2015 AND 2014

<u>ASSETS</u>		
	<u>2015</u>	<u>2014</u>
<u>Current Assets:</u>		
Cash and cash equivalents - Note 1	\$ 681,422	\$ 635,200
Accounts receivable	52,322	83,932
Pledges receivable - Notes 1 and 2	294,287	515,583
Total current assets	<u>1,028,031</u>	<u>1,234,715</u>
<u>Fixed Assets - Note 1:</u>		
Vehicles	27,221	18,522
Equipment	119,132	29,528
Building	2,743,029	457,652
Furniture and fixtures	47,537	10,847
Construction in progress	-	891,763
Land improvements	12,505	2,463
Land	366,008	365,008
	<u>3,315,432</u>	<u>1,775,783</u>
<u>Less: Accumulated depreciation</u>	<u>147,493</u>	<u>106,410</u>
Total fixed assets	<u>3,167,939</u>	<u>1,669,373</u>
<u>Non-Current Assets:</u>		
Pledges receivable, net - Notes 1 and 2	<u>651,199</u>	<u>874,609</u>
Total assets	<u>\$4,847,169</u>	<u>\$3,778,697</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities:</u>		
Current maturity of long-term debt - Note 3	\$ 350,000	\$ -
Accounts payable	6,675	180,792
Accrued payroll liabilities and withholdings	9,735	15,707
Accrued interest payable	22,796	-
Total current liabilities	389,206	196,499
<u>Long-Term Liabilities:</u>		
Loan payable - Note 3	<u>734,761</u>	<u>-</u>
Total liabilities	<u>1,123,967</u>	<u>196,499</u>
<u>Net Assets:</u>		
Unrestricted -		
Undesignated	789,107	778,085
Designated - Note 4	52,550	63,618
Total unrestricted net assets	841,657	841,703
Temporarily restricted - Note 5	<u>2,881,545</u>	<u>2,740,495</u>
Total net assets	<u>3,723,202</u>	<u>3,582,198</u>
Total liabilities and net assets	<u>\$4,847,169</u>	<u>\$3,778,697</u>

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

BOYS AND GIRLS CLUB OF HUNTINGTON COUNTY, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>Revenues, gains and other support -</u>			
Contributions - Individuals	\$ 34,321	\$ -	\$ 34,321
Contributions - Corporate	4,424	-	4,424
Contributions - Organizations	4,461	-	4,461
United Way	30,550	-	30,550
Grants - Federal and state - Note 6	718,939	-	718,939
Grants - Other	71,928	7,951	79,879
Special events - Net of expenses of \$3,386	22,766	-	22,766
Dues	16,008	-	16,008
Capital campaign	-	164,765	164,765
Other income	15,015	-	15,015
(Loss) on disposal of assets	(1,232)	-	(1,232)
Interest	16	61	77
	<hr/>	<hr/>	<hr/>
Total revenues, gains and other support before net assets released from restrictions	917,196	172,777	1,089,973
Net assets released from restrictions	<u>31,727</u>	<u>(31,727)</u>	<u>-</u>
	<hr/>	<hr/>	<hr/>
Total revenues, gains and other support	<u>948,923</u>	<u>141,050</u>	<u>1,089,973</u>
	<hr/>	<hr/>	<hr/>
<u>Expenses -</u>			
Program services	836,921	-	836,921
Management and general	94,449	-	94,449
Fundraising	17,599	-	17,599
	<hr/>	<hr/>	<hr/>
Total expenses	<u>948,969</u>	<u>-</u>	<u>948,969</u>
	<hr/>	<hr/>	<hr/>
Change in net assets	(46)	141,050	141,004
	<hr/>	<hr/>	<hr/>
<u>Net assets, beginning of year</u>	<u>841,703</u>	<u>2,740,495</u>	<u>3,582,198</u>
	<hr/>	<hr/>	<hr/>
<u>Net assets, end of year</u>	<u>\$ 841,657</u>	<u>\$ 2,881,545</u>	<u>\$3,723,202</u>

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

BOYS AND GIRLS CLUB OF HUNTINGTON COUNTY, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>Revenues, gains and other support -</u>			
Contributions - Individuals	\$ 29,922	\$ -	\$ 29,922
Contributions - Corporate	-	-	-
Contributions - Organizations	6,243	-	6,243
United Way	30,300	-	30,300
Grants - Federal and state - Note 6	605,227	-	605,227
Grants - Other	84,385	3,870	88,255
Special events - Net of expenses of \$3,434	16,107	3,978	20,085
Dues	8,419	-	8,419
Capital campaign	-	343,276	343,276
Other income	24,902	-	24,902
Gain on disposal of assets	33	-	33
Interest	18	52	70
	<u>805,556</u>	<u>351,176</u>	<u>1,156,732</u>
Total revenues, gains and other support before net assets released from restrictions			
Net assets released from restrictions	<u>34,978</u>	<u>(34,978)</u>	<u>-</u>
Total revenues, gains and other support	<u>840,534</u>	<u>316,198</u>	<u>1,156,732</u>
<u>Expenses -</u>			
Program services	704,309	-	704,309
Management and general	56,122	-	56,122
Fundraising	45,695	-	45,695
	<u>806,126</u>	<u>-</u>	<u>806,126</u>
Total expenses			
Change in net assets	34,408	316,198	350,606
<u>Net assets, beginning of year</u>	<u>807,295</u>	<u>2,424,297</u>	<u>3,231,592</u>
<u>Net assets, end of year</u>	<u>\$ 841,703</u>	<u>\$ 2,740,495</u>	<u>\$3,582,198</u>

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

BOYS AND GIRLS CLUB OF HUNTINGTON COUNTY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Program Services</u>	<u>Manage- ment And General</u>	<u>Fund- raising</u>	<u>Total</u>
Salaries and wages	\$328,811	\$ 37,794	\$11,338	\$377,943
Employee benefits - Note 8	23,455	2,696	809	26,960
Payroll tax expense	<u>24,167</u>	<u>2,778</u>	<u>833</u>	<u>27,778</u>
 Total salaries and payroll expenses	 376,433	 43,268	 12,980	 432,681
 Advertising - Note 1	 -	 -	 3,970	 3,970
Bank charges	-	1,366	152	1,518
Depreciation - Note 1	47,828	5,314	-	53,142
Direct program supplies	306,061	-	-	306,061
Dues and subscriptions	9,327	1,036	-	10,363
Insurance	14,513	1,613	-	16,126
Legal and professional	-	9,545	-	9,545
Office expense	964	107	497	1,568
Postage	1,517	169	-	1,686
Rent expense	-	4,973	-	4,973
Repairs and maintenance	2,480	276	-	2,756
Small equipment	6,389	-	-	6,389
Supplies	18,147	-	-	18,147
Telephone	1,216	135	-	1,351
Training and education	20,824	-	-	20,824
Utilities	26,538	2,949	-	29,487
Vehicle expense	4,684	902	-	5,586
Interest expense	<u>-</u>	<u>22,796</u>	<u>-</u>	<u>22,796</u>
 Total expenses	 <u>\$836,921</u>	 <u>\$ 94,449</u>	 <u>\$17,599</u>	 <u>\$948,969</u>

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

BOYS AND GIRLS CLUB OF HUNTINGTON COUNTY, INC.

STATEMENT OF FUNCTIONAL EXPENSESFOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Program Services</u>	<u>Manage- ment And General</u>	<u>Fund- raising</u>	<u>Total</u>
Salaries and wages	\$309,308	\$ 35,553	\$10,666	\$355,527
Employee benefits - Note 8	18,103	2,081	624	20,808
Payroll tax expense	<u>21,278</u>	<u>2,445</u>	<u>734</u>	<u>24,457</u>
 Total salaries and payroll expenses	 348,689	 40,079	 12,024	 400,792
 Advertising - Note 1	-	-	8,047	8,047
Bank charges	-	537	173	710
Consulting fees	-	-	21,885	21,885
Depreciation - Note 1	17,765	1,974	-	19,739
Direct program supplies	257,445	-	-	257,445
Dues and subscriptions	7,757	864	-	8,621
Insurance	13,486	1,498	-	14,984
Legal and professional	-	6,865	-	6,865
Office expense	2,504	278	-	2,782
Postage	1,651	183	-	1,834
Repairs and maintenance	2,796	311	275	3,382
Supplies	-	-	3,291	3,291
Telephone	1,780	198	-	1,978
Training and education	20,414	-	-	20,414
Utilities	23,736	2,637	-	26,373
Vehicle expense	<u>6,286</u>	<u>698</u>	<u>-</u>	<u>6,984</u>
 Total expenses	 <u>\$704,309</u>	 <u>\$ 56,122</u>	 <u>\$45,695</u>	 <u>\$806,126</u>

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

BOYS AND GIRLS CLUB OF HUNTINGTON COUNTY, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<u>Cash flows from operating activities:</u>		
Change in net assets	\$ 141,004	\$ 350,606
Adjustments to reconcile change in net assets to net cash provided by operating activities -		
Depreciation	53,142	19,739
(Gain) Loss on disposal of assets	1,232	(33)
(Increase) Decrease in -		
Accounts receivable	31,610	(38,340)
Pledges receivable	444,706	194,243
Increase (Decrease) in -		
Accounts payable	(174,117)	1,858
Payroll withholding and accrual	(5,972)	(128)
Accrued interest payable	22,796	-
	<u>514,401</u>	<u>527,945</u>
Net cash provided by operating activities		
<u>Cash flows from investing activities:</u>		
Proceeds from sale of fixed assets	-	1,200
Purchase of fixed assets	<u>(468,179)</u>	<u>(877,206)</u>
Net cash (used in) investing activities	<u>(468,179)</u>	<u>(876,006)</u>
<u>Net increase (decrease) in cash and cash equivalents</u>	46,222	(348,061)
<u>Cash and cash equivalents at beginning of year</u>	<u>635,200</u>	<u>983,261</u>
<u>Cash and cash equivalents at end of year</u>	<u>\$ 681,422</u>	<u>\$ 635,200</u>
<u>Non-cash transactions:</u>		
Progress billing on construction included in accounts payable	<u>\$ -</u>	<u>\$ 166,860</u>
Loan proceeds to pay progress billings	<u>\$1,084,761</u>	<u>\$ -</u>

The accompanying notes are integral part of these financial statements.

BOYS AND GIRLS CLUB OF HUNTINGTON COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014

Note 1: Organization and summary of significant accounting policies -

Organization - The Boys and Girls Club of Huntington County, Inc. (the Organization) is a nonprofit corporation organized for the purpose of providing and supervising program activities in personal and educational development, citizenship and leadership development, cultural enrichment, health and physical education, social, recreation in outdoors, and environmental education for the youth of Huntington County, ages six through eighteen. The Organization strives to develop the qualities necessary for youth to become responsible citizens and leaders.

Basis of accounting - The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded when liabilities are incurred. Also, equipment purchased through grant awards is charged to expense in the period during which it is approved by funding sources and purchased. The equipment acquired is owned by the Organization while used in current or other future authorized programs. The funding sources have a reversionary interest in the equipment purchased with grant funds; therefore, its disposition as well as the ownership of any sale proceeds, is subject to funding source regulations.

Basis of presentation - The financial statements have been prepared in accordance with FASC 958, which requires, among other things, that the financial statements report the changes in, and totals of each net asset class based on the existence of donor restrictions, as applicable. Net assets are classified as unrestricted, temporarily restricted or permanently restricted and are detailed as follows:

Unrestricted - Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties. Donor-imposed stipulations are reported as unrestricted net assets if the stipulations expire in the reporting period in which the revenue is recognized.

BOYS AND GIRLS CLUB OF HUNTINGTON COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2015 AND 2014

Note 1: Organization and summary of significant accounting policies
(Continued) -

Basis of presentation (Continued) -

Temporarily restricted - Net assets whose use by the Organization is subject to donor-imposed stipulations that can be fulfilled by actions of the Organization pursuant to those stipulations or that expire by passage of time.

Permanently restricted - Net assets whose use by the Organization is subject to donor-imposed restrictions requiring that the principal be invested in perpetuity and the income only be utilized for purposes specified by the donor. At December 31, 2015 and 2014, there were no permanently restricted net assets.

Cash and cash equivalents - For the purpose of reporting cash flows, the Organization considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

Pledges receivable - When a donor has unconditionally promised to contribute funds to the Organization in future periods, the Organization recognizes a pledge receivable. Pledges expected to be collected within one year are recorded as support and a receivable at net realizable value. Pledges expected to be collected in future years are recorded as support and a receivable at the present value of expected future cash flows.

Fixed assets - Fixed assets are stated at cost or, if donated, at fair value at the date of the gift. Items with a cost or value of \$500 or more and a useful life of one year or more are capitalized. The Organization follows the policy of providing depreciation on the straight-line method for financial reporting purposes over the estimated useful lives of the related assets.

Depreciation - Depreciation charged against income was \$53,142 and \$19,739 for the years ended December 31, 2015 and 2014, respectively.

BOYS AND GIRLS CLUB OF HUNTINGTON COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2015 AND 2014

Note 1: Organization and summary of significant accounting policies
(Continued) -

Depreciation (Continued) -

The Company depreciates assets over their estimated useful lives, using the straight-line method of computing depreciation for financial statement purposes. Estimated useful lives for computing depreciation were as follows:

<u>Assets</u>	<u>Years</u>
Building	20-40
Equipment	5- 7
Furniture and fixtures	5- 7
Land improvements	15
Vehicles	5

Contributions - Under FASC 958, all contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Gifts of cash and other assets are reported as temporarily restricted or permanently restricted support if they are received with donor stipulations that limit their use. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Donor-restricted contributions are recorded in the temporarily restricted class for restrictions expiring during the fiscal year, and then reclassified to the unrestricted class. By definition, permanently restricted support must be maintained in perpetuity. Restrictions on these net assets do not expire and no assets are reclassified in the statements of activities.

Income tax status - The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and qualifies for the 50% charitable contributions deduction limitation, and is not considered to be a private foundation under Section 509(a) of the Code.

The Organization has adopted the accounting standard on accounting for uncertainty in income taxes. This standard addresses the determination of whether tax benefits claimed, or expected to be claimed, on a tax return should be recorded in the financial statements. Under this guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits that

BOYS AND GIRLS CLUB OF HUNTINGTON COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2015 AND 2014

Note 1: Organization and summary of significant accounting policies
(Continued) -

Income tax status (Continued) -

could be recognized in the financial statements from such positions would be measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses derecognition, classification, interest and penalties on income taxes, and accounting in interim periods. At December 31, 2015 and 2014, there were no unrecognized tax benefits identified or recorded as liabilities. The Organization files Form 990 and the related state of Indiana return, and remains subject to examination by the Internal Revenue Service for the most recent three years.

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 regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results could differ from those estimated.

Advertising - Advertising costs are charged to operations as incurred. Total advertising costs expensed during the years ended December 31, 2015 and 2014 was \$3,970 and \$8,047, respectively.

Note 2: Pledges receivable - Pledges due in periods greater than one year have been discounted using the five-year Treasury Bill rate of 1.76%, which has been deemed commensurate with the credit risk of the donors. Additionally, management does not believe an allowance for uncollectible pledges is necessary for the year ended December 31, 2015. Pledges receivable as of December 31, 2015 and 2014 are as follows:

BOYS AND GIRLS CLUB OF HUNTINGTON COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2015 AND 2014

Note 2: Pledges receivable (Continued) -

	<u>2015</u>	<u>2014</u>
Receivable in less than one year	\$ 294,287	\$ 515,583
Receivable in one to five years	682,960	893,633
Receivable in more than five years	<u>-</u>	<u>99,715</u>
Total pledges receivable	977,247	1,508,931
<u>Less:</u> Discount to net present value, at 1.76%	<u>(31,761)</u>	<u>(118,739)</u>
Total net present value of pledges receivable	945,486	1,390,192
Current portion of pledges receivable	<u>(294,287)</u>	<u>(515,583)</u>
Long-term portion of pledges receivable	<u>\$ 651,199</u>	<u>\$ 874,609</u>

As of December 31, 2015, the Organization had received pledges of approximately \$3,146,000. Approximately \$2,169,000 has been received.

Note 3: Loan payable - On September 26, 2014, the Organization secured a \$1,400,000 loan, payable in four annual installments beginning on January 15, 2015 at an interest rate of 3.49%. The note was collateralized by the building. As of January 28, 2015, no loan proceeds had been drawn on the account. Therefore, on January 28, 2015, the loan was modified requiring four annual installments of \$350,000 plus interest beginning on January 15, 2016. After the payment in January 2016, the loan was modified again on February 26, 2016. The future loan installments were adjusted to the amounts below:

2016	\$ 350,000
2017	245,000
2018	245,000
2019	160,000
2020	<u>84,761</u>
	<u>\$1,084,761</u>

Note 4: Board designated - The Organization's designated fund consists of a fund set aside in a savings account by the Board of Directors for the purpose of building improvements. The fund is reported as a component of unrestricted net assets.

BOYS AND GIRLS CLUB OF HUNTINGTON COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2015 AND 2014

Note 5: Temporarily restricted net assets - Temporarily restricted net assets are available for the following purposes at December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Keystone	\$ 394	\$ 2,539
Communities that care	3,286	3,284
Capital campaign	<u>2,877,865</u>	<u>2,734,672</u>
Total temporarily restricted net assets	<u>\$2,881,545</u>	<u>\$2,740,495</u>

Net assets were released from donor restriction by incurring expenses satisfying the purpose of the restrictions as follows:

	<u>2015</u>	<u>2014</u>
Keystone	\$10,096	\$ 5,658
Capital campaign	<u>21,631</u>	<u>29,320</u>
Total net assets released from restrictions	<u>\$31,727</u>	<u>\$34,978</u>

Note 6: Government funding - During 2015 and 2014, the Organization received the following amounts from government entities:

<u>Agency Or Federal Grantor/ Pass-Through Grantor</u>	<u>Federal CFDA Number</u>	<u>2015</u>	<u>2014</u>
U.S. Department of Justice - Passed through Boys and Girls Club of America - Office of Justice Program Grant	16.541	\$ 13,987	\$ 12,000
U.S. Department of Education - Passed through State of Indiana - 21st CCLC Grant	10.559	389,195	327,722
Summer Food Service Program Grant	10.559	11,505	30,541
Child and Adult Care Food Program Grant	10.559	<u>119,645</u>	<u>84,455</u>
Total federal assistance		534,332	454,718
State of Indiana		<u>184,607</u>	<u>150,509</u>
		<u>\$718,939</u>	<u>\$605,227</u>

BOYS AND GIRLS CLUB OF HUNTINGTON COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2015 AND 2014

Note 7: Community Foundation funds - The Huntington County Community Foundation holds funds donated on behalf of Boys and Girls Club of Huntington County, Inc. totaling \$208,076 and \$225,912 at December 31, 2015 and 2014, respectively. This balance has not been recorded as an asset of the Organization because the Community Foundation has maintained variance power over these funds. A portion of the earnings from these funds is made available to the Organization each year. At December 31, 2015 and 2014, \$8,323 and \$9,032 was available for distribution.

Note 8: Employee benefits - In December 2009, the Organization adopted a tax deferred annuity plan under Internal Revenue Code Section 403(b). All salaried employees are eligible to contribute a portion of their eligible compensation to the Plan in accordance with plan provisions. The Plan required the Organization to match dollar-for-dollar employee contributions of up to 3% of pay. Total contributions made to the Plan by the Organization totaled \$2,714 and \$1,842 for the years ended December 31, 2015 and 2014, respectively.

Note 9: Related parties - The Organization utilized management and employment services from an affiliated Boys and Girls Club in the amount of \$14,206 and \$29,198 for the years ended December 31, 2015 and 2014, respectively.

Note 10: Line of credit - The Organization received an unsecured line of credit agreement with iAB Financial Bank on September 30, 2013. The line of credit provides for borrowings up to \$100,000 with an interest rate of 4.5%. The line of credit agreement was renewed on September 30, 2014 with the same provisions as the prior agreement. The line of credit ended on September 30, 2015 and was not renewed. There was no balance on the line of credit at December 31, 2014.

Note 11: Subsequent events - The Organization evaluated all events or transactions that occurred after December 31, 2015 up through April 21, 2016, which is the date the financial statements were available to be issued. During this period, management has determined that the Organization did not have any material recognizable or disclosable subsequent events.