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November 22, 2019

Board of Directors
Fay Biccard Glick Neighborhood Center at Crooked Creek
2990 W. 71st Street
Indianapolis, IN 46268

We have reviewed the audit report of Fay Biccard Glick Neighborhood Center at Crooked Creek which was opined upon by Katz, Sapper & Miller, LLP, Independent Public Accountants, for the period January 1, 2017 to December 31, 2017. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of Fay Biccard Glick Neighborhood Center at Crooked Creek as of December 31, 2017 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Katz, Sapper & Miller, LLP prepared the audit report in accordance with guidelines established by the State Board of Accounts.

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

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



FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT

December 31, 2017

**FAY BICCARD GLICK
NEIGHBORHOOD CENTER AT CROOKED CREEK, INC.**

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Independent Auditors' Report

Board of Directors
Fay Biccard Glick Neighborhood Center at Crooked Creek, Inc.

We have audited the accompanying financial statements of Fay Biccard Glick Neighborhood Center at Crooked Creek, Inc. (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2017, 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.

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 and the *Uniform Guidelines for Examination of Entities Receiving Financial Assistance from Governmental Sources*, issued by the Indiana State Board of Accounts. 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 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 auditors consider 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 Fay Biccard Glick Neighborhood Center at Crooked Creek, Inc. as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of contract and grant activity for federal, state, and local government awards is presented for the purposes of additional analysis and is not a required part of the financial statements. The schedule of contract and grant activity for federal, state, and local government awards is required by the Indiana State Board of Accounts. 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.

Katz, Sapper & Miller, LLP

Indianapolis, Indiana
May 9, 2018

**FAY BICCARD GLICK
NEIGHBORHOOD CENTER AT CROOKED CREEK, INC.**

**STATEMENT OF FINANCIAL POSITION
December 31, 2017**

ASSETS

CURRENT ASSETS

Cash	\$ 59,691
Program service receivable	19,633
Total Current Assets	<u>79,324</u>

PROPERTY AND EQUIPMENT

Land	337,326
Building	3,219,705
Furniture and equipment	232,019
Vehicles	110,684
	<u>3,899,734</u>
Less: Accumulated depreciation	1,683,570
Total Property and Equipment	<u>2,216,164</u>

TOTAL ASSETS

\$ 2,295,488

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 51,383
Accrued expenses and deposits	50,568
Total Current Liabilities	<u>101,951</u>

NET ASSETS

Unrestricted - operating	2,158,828
Unrestricted - board designated	27,016
Temporarily restricted	7,693
Total Net Assets	<u>2,193,537</u>

TOTAL LIABILITIES AND NET ASSETS

\$2,295,488

See accompanying notes.

**FAY BICCARD GLICK
NEIGHBORHOOD CENTER AT CROOKED CREEK, INC.**

**STATEMENT OF ACTIVITIES
Year Ended December 31, 2017**

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE			
Direct Public Support:			
United Way allocation and grants	\$ 249,442		\$ 249,442
Grants and awards	166,542	\$ 17,500	184,042
Contributions	93,855		93,855
In-kind contributions	61,099		61,099
	<u>570,938</u>	<u>17,500</u>	<u>588,438</u>
Net assets released from restrictions	9,807	(9,807)	
Total Direct Public Support	<u>580,745</u>	<u>7,693</u>	<u>588,438</u>
Program service fees	397,276		397,276
Contract income	46,573		46,573
Rental income	46,326		46,326
Other income	49,597		49,597
	<u>539,772</u>		<u>539,772</u>
Total Support and Revenue	<u>1,120,517</u>	<u>7,693</u>	<u>1,128,210</u>
EXPENSES			
Program services	623,793		623,793
Management and general	511,615		511,615
Fundraising	45,753		45,753
Total Expenses	<u>1,181,161</u>		<u>1,181,161</u>
Increase (Decrease) in Net Assets	(60,644)	7,693	(52,951)
NET ASSETS			
Beginning of Year	<u>2,246,488</u>		<u>2,246,488</u>
End of Year	<u>\$ 2,185,844</u>	<u>\$ 7,693</u>	<u>\$ 2,193,537</u>

See accompanying notes.

**FAY BICCARD GLICK
NEIGHBORHOOD CENTER AT CROOKED CREEK, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2017**

	Program Services				
	Social Service	Seniors	Family Programming	Youth Programming	Child Care
Payroll and related benefits	\$ 6,245	\$ 1,377	\$ 12,491	\$ 74,945	\$ 218,589
Professional fees	8,474		12,711	4,237	4,237
Supplies	2,878	580	9,858	5,976	56,368
Telephone	198	198	198	593	989
Occupancy		10,010	10,010		15,014
Facility repairs and maintenance					3,872
Printing and publications			85		200
Travel and transportation	26	797	331	1,432	374
Equipment rental and maintenance			922		435
Activity fees and charges			2,000	5,848	830
Other insurance					
Specific assistance	12,947				
Depreciation expense	7,171	3,644	3,003	4,548	9,329
In-kind expense	61,099				
Other expenses	1,514	1,514	1,514	1,514	1,514
TOTAL EXPENSES	<u>\$ 100,552</u>	<u>\$ 18,120</u>	<u>\$ 53,123</u>	<u>\$ 99,093</u>	<u>\$ 311,751</u>

See accompanying notes.

<u>Program Services</u>		Management and General	Fundraising	Total
Rental Space	Total			
	\$ 313,647	\$ 273,420	\$ 37,472	\$ 624,539
\$ 12,711	42,370	38,134	4,237	84,741
2,397	78,057	31,607	2,474	112,138
593	2,769	1,186		3,955
20,019	55,053	45,043		100,096
2,283	6,155	17,051		23,206
	285	1,420	56	1,761
	2,960	4,982		7,942
179	1,536	616		2,152
	8,678			8,678
		25,648		25,648
	12,947			12,947
1,458	29,153	68,022		97,175
	61,099			61,099
1,514	9,084	4,486	1,514	15,084
<u>\$ 41,154</u>	<u>\$ 623,793</u>	<u>\$ 511,615</u>	<u>\$ 45,753</u>	<u>\$ 1,181,161</u>

**FAY BICCARD GLICK
NEIGHBORHOOD CENTER AT CROOKED CREEK, INC.**

**STATEMENT OF CASH FLOWS
Year Ended December 31, 2017**

OPERATING ACTIVITIES

Cash received from grantors and contributors	\$ 573,912
Cash received from program services	377,763
Cash received from other income	58,351
Cash received from rent	46,326
Total Operating Receipts	1,056,352
Cash paid to employees	592,399
Cash paid to suppliers	402,812
Total Operating Disbursements	995,211
Net Cash Provided by Operating Activities	61,141

INVESTING ACTIVITIES

Purchase of property and equipment	(1,864)
Net Cash Used by Investing Activities	(1,864)

NET INCREASE IN CASH

59,277

CASH

Beginning of Year	414
End of Year	\$ 59,691

**RECONCILIATION OF DECREASE IN NET ASSETS TO NET
CASH PROVIDED BY OPERATING ACTIVITIES**

Decrease in net assets	\$ (52,951)
Depreciation expense	97,174
Change in certain assets and liabilities:	
Increase in grants receivable	(19,513)
Decrease in related party receivable	8,754
Increase in accounts payable	8,645
Decrease in bank overdraft	(14,778)
Decrease in accrued expenses	33,810
	33,810
Net Cash Provided by Operating Activities	\$ 61,141

See accompanying notes.

**FAY BICCARD GLICK
NEIGHBORHOOD CENTER AT CROOKED CREEK, INC.**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General: Fay Biccard Glick Neighborhood Center at Crooked Creek, Inc. (the Center) was incorporated as a not-for-profit organization in July 1986, under the laws of the State of Indiana. Based in Indianapolis, the Center's purpose is to provide social services in the Center's designated area for cultural, physical, educational and social welfare of the community in an efficient and economical manner.

Basis of Presentation: The financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and classify the Center's activities and net assets based on the existence or absence of donor-imposed restrictions. Accordingly, the Center's net assets and changes therein are classified and reported as follows:

Unrestricted Net Assets represent unrestricted resources available to support the Center's operations. Unrestricted net assets include funds functioning as endowment through designation by the Board and other Board-designated net assets.

Temporarily Restricted Net Assets represent gifts that are subject to donor-imposed purpose or time restrictions that can be fulfilled either by actions of the Center pursuant to those restrictions, with the passage of time, or both. Upon satisfaction of such restrictions, net assets are released from temporarily restricted net assets and recognized as unrestricted net assets.

Permanently Restricted Net Assets represent gifts with donor-imposed restrictions that the original gift amounts be maintained in perpetuity as an endowment. At December 31, 2017, the Center had no permanently restricted net assets.

The accompanying financial statements do not include the accounts of Woods of Crooked Creek Apartments, Inc. or Woods of Crooked Creek Senior Living, Inc. Effective January 1, 2017, the governing documents of these two entities were amended to remove the Center's control of the boards of directors of these two entities. Accounting principles generally accepted in the United States of America require nonprofit organizations that have both economic interest in and control through majority voting interest in the boards of directors to account for such nonprofit organizations as consolidated entities. Therefore, the Center has not consolidated these entities in the accompanying financial statements.

Estimates: Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual results could vary from those estimates.

Cash: The Center maintains its cash in bank deposit accounts which, at times, may exceed the federally insured limits. The Center has not experienced any losses from these bank accounts.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment: Expenditures for property and equipment and items which substantially increase the useful lives of assets are capitalized at cost. Donated property and equipment are capitalized at fair value at the date of donation. Property held for future development is recorded at cost and is not depreciated. The Center provides depreciation using the straight-line method over the estimated economic useful lives as follows:

Building	7-39 years
Furniture and fixtures	3-10 years
Vehicles	5 years

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by comparison of the asset's carrying amount to future net undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds their fair market value. To date, no adjustments to the carrying amount of long-lived assets have been required.

Support and Revenue: The Center reports grants of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. 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. If a restriction is fulfilled in the same time period in which the contribution is received, the Center reports the support as unrestricted.

The Center reports gifts of land, buildings, 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 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 regarding 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.

Donated Materials, Services and Property: Contributions of services that create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation are recognized at their fair values in the period received.

Donated materials, services and property are reflected in the accompanying financial statements at their estimated fair values at date of receipt. In-kind donations of materials and services were \$61,099 in 2017.

Functional Allocation of Expenses: The costs of providing the Center's programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Program Services:

Social Service includes the following programs that are centered toward increasing the well-being of the surrounding community:

English as a Second Language: A Washington Township program to help non-native speakers to learn to speak the English language, which includes listening, speaking, writing, and comprehension skills.

Emergency Assistance Support provides short-term assistance to families or individuals facing a financial crisis. Assistance support is received through the Federal Emergency Management Agency (FEMA), Indiana Home Energy Assistance Program (EAP) and others.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Food Pantry and Farmers' Market: The food pantry provides grocery necessities to underprivileged families of the community once-a-month. The community farmers' market is held every Wednesday and is open to the community.

Seniors: The Center serves as the sponsor of two Housing and Urban Development (HUD) senior affordable housing facilities. The Center supported the development by paying expenses which were considered outside of the contractor's scope of work for the projects. Woods of Crooked Creek opened during 2015 and has 15 apartments that are engineered specifically for handicap seniors. Crooked Creek Senior Apartments opened in January 2015 and has 50 apartments in a three story building situated within the Crooked Creek community. The center also provides a Recycled Teenagers senior program that is geared toward keeping residents over the age of 55 both mentally and physically active.

Family Programming includes programs centered on increasing the quality of life for underprivileged families in the community. The Dynamic Eating and Living (DEAL) program was introduced in 2016 and is a nutrition education program designed for individuals and/or families. The program includes five hands-on cooking lessons, health focused workshops, shopping, budgeting tips, and couponing.

Youth Programming includes the following programs centered on the growth and development of at-risk youth:

Growth Program: A before and after school program focusing on the Science, Technology, Engineering, the Arts and Mathematics (STEAM) learning curriculum, education enrichment goals and outcomes, and musicianship for youth ages 5-12.

Future Leaders in Progress (FLIP) Project: A year-long teen program focused on developing and strengthening various aspects of the students.

Washington Township GED/HSE Classes: Washington Township M.S.D. offers morning classes on-site for residents to receive their GED/HSE certificate or diploma.

Child Care: The Center's preschool became a licensed childcare service in 2015 and received its Paths to Quality 3 accreditation in 2016. The Fay Biccard Glick Neighborhood Center at Crooked Creek Preschool is a place where children value their learning.

Pavilion: The Center owns a building (the Pavilion) located on-site that is used to host community events and celebrations. The Pavilion is available to the community to rent for various types of social events.

Income Taxes: The Center is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision or liability for income taxes has been included in the financial statements. In addition, the Center has been determined by the Internal Revenue Service (IRS) not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for the year ended December 31, 2017.

The Center files U.S. federal and state of Indiana information tax returns. The Center is no longer subject to U.S. federal and state income tax examinations by tax authorities for years before 2014.

Subsequent Events: The Center has evaluated the financial statements for subsequent events occurring through May 9, 2018, the date the financial statements were available to be issued.

NOTE 2 - BENEFIT PLAN

The Center participates in a retirement plan covering substantially all of its employees. Plan participants may elect, within IRS guidelines, to contribute pretax earnings to the Plan. The participants' contributions are invested in a variety of mutual funds. The Center made contributions to the Plan totaling \$1,062 in 2017.

NOTE 3 - NET ASSETS

Unrestricted net assets represent funds available to support the Center's operations at the discretion of the Governing Board.

Board designated net assets may only be utilized in accordance with the purposes established by the officers of the Governing Board. During 2017, no board designated net assets were released.

Temporarily restricted net assets and include assets related to gifts with explicit donor-imposed restrictions that have not been met as to specified purpose, or to later periods of time or after specified dates. At December 31, 2017, temporarily restricted assets were \$7,693, all of which were restricted for 2018 programs. During 2017, temporarily restricted net assets of \$9,807 were released.

NOTE 4 - CONCENTRATIONS

Grants and allocations from United Way of Central Indiana and program service fees from the Child Care Development Fund amounted to 52% of the Center's total support and revenue in 2017.

SUPPLEMENTARY INFORMATION

**FAY BICCARD GLICK
NEIGHBORHOOD CENTER AT CROOKED CREEK, INC.**

**SCHEDULE OF CONTRACT AND GRANT ACTIVITY FOR FEDERAL, STATE,
AND LOCAL GOVERNMENT AWARDS
Year Ended December 31, 2017**

	Type of Funding	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
FEDERAL AWARDS				
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through the City of Indianapolis:				
Community Development Block Grant	Federal Grant	14.218	Unknown	\$ 22,500
U.S. DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE				
Passed through the Indiana Department of Education:				
Child and Adult Food Program	Fee for service	10.558	Unknown	72,595
Child and Adult Food Program - Summer Program	State Grant	10.558	Unknown	2,500
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed through the United Way:				
Emergency Food and Shelter Program	Federal Grant	97.024	Unknown	10,933
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through the Indiana Family and Social Services CCDF				
Out-of-School Learning:				
Child Care and Development Block Grant	Federal Grant	93.575	Unknown	<u>318,683</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>427,211</u>
NONFEDERAL AWARDS				
INDIANA COMMISSION FOR HIGHER EDUCATION				
Direct programs:				
EARN Indiana	Fee for service	N/A	N/A	24,944
INDIANA FAMILY AND SOCIAL SERVICE ADMINISTRATION				
Direct programs:				
On My Way Pre-K	Fee for service	N/A	N/A	69,811
Passed through the United Way:				
On My Way Pre-K	Fee for service	N/A	N/A	<u>111,202</u>
TOTAL EXPENDITURES OF NONFEDERAL AWARDS				<u>205,957</u>
TOTAL EXPENDITURES OF FEDERAL, STATE, AND GOVERNMENT AWARDS				<u>\$ 633,168</u>