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May 11, 2021

Board of Directors  
Northeast Indiana Positive Resource Connection, Inc.  
525 Oxford Street  
Fort Wayne, IN 46806

We have reviewed the audit report of Northeast Indiana Positive Resource Connection, Inc. which was opined upon by Haines, Isenbarger & Skiba, LLC, Independent Public Accountants, for the period January 1, 2016 to December 31, 2016. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly the financial condition of Northeast Indiana Positive Resource Connection, Inc. as of December 31, 2016 and the results of its operations for the period then ended, on the basis of accounting described in the report.

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

A handwritten signature in blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA  
State Examiner

Financial Statements and  
Other Financial Information

**NORTHEAST INDIANA POSITIVE RESOURCE CONNECTION, INC.**

*Years ended December 31, 2016 and 2015  
with Independent Auditors' Report*

Northeast Indiana Positive Resource Connection, Inc.

Financial Statements and  
Other Financial Information

Years ended December 31, 2016 and 2015

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## Independent Auditors' Report

The Board of Directors  
Northeast Indiana Positive Resource Connection, Inc.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Northeast Indiana Positive Resource Connection, Inc., which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities and changes in net assets, 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 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 Northeast Indiana Positive Resource Connection, Inc. as of December 31, 2016 and 2015, and changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matter: Schedule of Government Funds Received and Schedule of Contributions and Grants**

Our audits were conducted for the purposes of forming an opinion on the financial statements as a whole. The accompanying schedule of government funds received and schedule of contributions and grants for the years ended December 31, 2016 and 2015 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Haines, Asenbarger & Skiba, LLC*

Fort Wayne, Indiana  
April 19, 2017

Northeast Indiana Positive Resource Connection, Inc.

Statements of Financial Position

	<b>December 31</b>	
	<b>2016</b>	<b>2015</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 240,234	\$ 219,310
Receivables:		
Pledges	133,270	137,618
Reimbursement claims—government grants	72,053	79,631
Rental and other	6,311	2,035
	<u>211,634</u>	219,284
Prepaid expenses and other current assets	12,803	9,744
Beneficial interest in funds held by the Community Foundation of Greater Fort Wayne Inc.	4,159	4,086
Land, building, and equipment:		
Land and improvements	43,000	43,000
Building and improvements	710,322	708,492
Equipment	133,834	140,814
	<u>887,156</u>	892,306
Less accumulated depreciation	694,110	675,634
	<u>193,046</u>	216,672
Total assets	<u>\$ 661,876</u>	<u>\$ 669,096</u>
<b>Liabilities and net assets</b>		
Liabilities:		
Accounts payable	\$ 15,592	\$ 10,317
Accrued compensation	19,998	17,882
Tenant deposits	3,400	2,250
Deferred revenue	195	250
Total liabilities	<u>39,185</u>	30,699
Net assets:		
Unrestricted	355,521	336,815
Temporarily restricted	267,170	301,582
Total net assets	<u>622,691</u>	638,397
Total liabilities and net assets	<u>\$ 661,876</u>	<u>\$ 669,096</u>

See accompanying notes.

Northeast Indiana Positive Resource Connection, Inc.

Statements of Activities and Changes in Net Assets

	Year ended December 31					
	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Support, revenues, and gains (losses)</b>						
Contributions and grants	\$ 29,227	\$ 261,168	\$ 290,395	\$ 32,384	\$ 312,425	\$ 344,809
Contributed goods and services	860	-	860	1,127	-	1,127
Government grants	575,192	-	575,192	524,888	-	524,888
United Way	28,331	-	28,331	32,426	-	32,426
Special events	77,450	45,375	122,825	77,394	34,416	111,810
Rent	38,569	-	38,569	36,409	-	36,409
Loss on sale of land, building, and equipment	(234)	-	(234)	-	-	-
Investment income (loss), net	145	-	145	(190)	-	(190)
Total support, revenues, and gains before net assets released from restrictions	749,540	306,543	1,056,083	704,438	346,841	1,051,279
Net assets released from restrictions	340,955	(340,955)	-	258,611	(258,611)	-
Total support, revenues, and gains (losses)	1,090,495	(34,412)	1,056,083	963,049	88,230	1,051,279
<b>Expenses</b>						
Program services	891,587	-	891,587	776,864	-	776,864
Management and general	96,149	-	96,149	117,628	-	117,628
Fundraising	84,053	-	84,053	82,671	-	82,671
Total expenses	1,071,789	-	1,071,789	977,163	-	977,163
<b>Increase (decrease) in net assets</b>	18,706	(34,412)	(15,706)	(14,114)	88,230	74,116
Net assets at beginning of year	336,815	301,582	638,397	350,929	213,352	564,281
Net assets at end of year	\$ 355,521	\$ 267,170	\$ 622,691	\$ 336,815	\$ 301,582	\$ 638,397

See accompanying notes.

Northeast Indiana Positive Resource Connection, Inc.

Statement of Functional Expenses

Year ended December 31, 2016

	Program Services						Supporting Services		Total Expenses	
	Care Coordination	CPR/Prevention	Special Populations	Parkview Clinic	HOPWA/JRH	Syringe Services	Management and General	Fundraising		
Salaries	\$ 247,260	\$ 145,630	\$ 34,771	\$ -	\$ 33,108	\$ 429	\$ 461,198	\$ 40,191	\$ 35,200	\$ 536,589
Employee benefits	35,427	20,866	4,982	-	4,744	62	66,081	5,757	5,043	76,881
Payroll taxes	24,196	14,251	3,403	-	3,240	42	45,132	4,137	3,240	52,509
Staff development	411	242	58	-	55	1	767	67	59	893
Total salaries and related expenses	307,294	180,989	43,214	-	41,147	534	573,178	50,152	43,542	666,872
Grants to subrecipients	-	1,942	-	-	-	-	1,942	-	-	1,942
Insurance	6,460	3,622	852	-	774	-	11,708	6,043	617	18,368
Marketing	22,931	13,639	3,058	-	2,779	41	42,448	3,372	4,131	49,951
Occupancy	16,073	9,217	2,173	4,563	80,315	-	112,341	2,360	1,569	116,270
Office supplies	9,381	5,413	1,213	-	1,203	35	17,245	4,925	1,254	23,424
Purchased services	2,154	2,748	89	-	564	-	5,555	28,646	65	34,266
Special assistance to individuals	41,594	3,738	-	312	27,102	2,261	75,007	-	-	75,007
Special event expenses	-	-	-	-	-	-	-	-	31,740	31,740
Travel and transportation	8,861	7,884	602	-	1,127	-	18,474	105	365	18,944
Total expenses before depreciation	414,748	229,192	51,201	4,875	155,011	2,871	857,898	95,603	83,283	1,036,784
Depreciation	5,278	3,073	665	-	24,673	-	33,689	546	770	35,005
Total expenses	\$ 420,026	\$ 232,265	\$ 51,866	\$ 4,875	\$ 179,684	\$ 2,871	\$ 891,587	\$ 96,149	\$ 84,053	\$ 1,071,789

See accompanying notes.

Northeast Indiana Positive Resource Connection, Inc.

Statement of Functional Expenses

Year ended December 31, 2015

	Program Services					Total	Supporting Services		Total Expenses
	Care Coordination	CPR/Prevention	Special Populations	Parkview Clinic	HOPWA/JRH		Management and General	Fundraising	
Salaries	\$ 230,684	\$ 143,169	\$ 35,000	\$ -	\$ 29,919	\$ 438,772	\$ 47,170	\$ 35,328	\$ 521,270
Employee benefits	32,308	22,977	5,169	-	701	61,155	4,237	3,216	68,608
Payroll taxes	22,972	13,232	3,309	-	2,733	42,246	12,962	3,239	58,447
Staff development	322	90	62	-	50	524	218	-	742
Total salaries and related expenses	286,286	179,468	43,540	-	33,403	542,697	64,587	41,783	649,067
Grants to subrecipients	-	4,026	-	-	-	4,026	-	-	4,026
Insurance	6,178	2,445	867	-	378	9,868	6,722	848	17,438
Marketing	3,243	1,692	422	-	137	5,494	1,566	1,267	8,327
Occupancy	17,080	6,587	2,237	1,098	33,031	60,033	5,832	2,347	68,212
Office supplies	8,767	3,553	1,193	44	456	14,013	6,630	1,326	21,969
Purchased services	5,568	489	172	128	-	6,357	31,989	210	38,556
Special assistance to individuals	47,356	2,531	447	-	27,584	77,918	-	-	77,918
Special event expenses	-	-	-	-	-	-	-	34,068	34,068
Travel and transportation	9,754	9,247	556	-	598	20,155	-	621	20,776
Total expenses before depreciation	384,232	210,038	49,434	1,270	95,587	740,561	117,326	82,470	940,357
Depreciation	2,064	1,183	277	-	32,779	36,303	302	201	36,806
Total expenses	\$ 386,296	\$ 211,221	\$ 49,711	\$ 1,270	\$ 128,366	\$ 776,864	\$ 117,628	\$ 82,671	\$ 977,163

See accompanying notes.

Northeast Indiana Positive Resource Connection, Inc.

Statements of Cash Flows

	<b>Year ended December 31</b>	
	<b>2016</b>	<b>2015</b>
<b>Operating activities</b>		
Increase (decrease) in net assets	\$ (15,706)	\$ 74,116
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	35,005	36,806
Loss on sale of land, building, and equipment	234	-
Change in value of beneficial interest in funds held by the Community Foundation of Greater Fort Wayne Inc.	(73)	247
Changes in operating assets and liabilities:		
Receivables	7,650	(30,288)
Prepaid expenses and other current assets	(3,059)	18,880
Accounts payable	5,275	(2,140)
Accrued compensation	2,116	(8,583)
Tenant deposits	1,150	(650)
Deferred revenue	(55)	(750)
Net cash provided by operating activities	<u>32,537</u>	<u>87,638</u>
<b>Investing activities—</b>		
Purchases of land, building, and equipment	<u>(11,613)</u>	<u>(32,195)</u>
Increase in cash and cash equivalents	20,924	55,443
Cash and cash equivalents at beginning of year	219,310	163,867
Cash and cash equivalents at end of year	<u>\$ 240,234</u>	<u>\$ 219,310</u>

See accompanying notes.

# Northeast Indiana Positive Resource Connection, Inc.

## Notes to Financial Statements

December 31, 2016

### 1. Organization and Summary of Significant Accounting Policies

#### Organization

The mission and core values of the Northeast Indiana Positive Resource Connection, Inc. (Positive Resource Connection) is:

#### Mission Statement

*The mission of the Northeast Indiana Positive Resource Connection, Inc. is to prevent new cases of HIV, AIDS, Hepatitis, and STDs and advance a compassionate and stigma-free community response.*

#### Statement of Core Values

*We believe that individuals who are HIV positive deserve compassionate and comprehensive assistance in living full and productive lives. We believe that with proper medical care and treatment, people with HIV can achieve an undetectable viral load even with several barriers in which they may face such as poverty. We believe that public knowledge about HIV, AIDS, Hepatitis, and STDs can contribute to lower rates of infection, better understanding of the diseases, and less discrimination against those who are HIV positive. Finally, we believe that participation of diverse populations in all aspects of the organization improves the quality of service for everyone involved with the Positive Resource Connection.*

The Positive Resource Connection was begun in 1985 by a group of volunteers who saw the need to care for people infected with HIV/AIDS and provide the community with accurate information. The Positive Resource Connection has grown into a professional social service agency serving hundreds of individual clients each year and sharing information with the general public in northeast Indiana through annual programs and presentations.

The Positive Resource Connection offers services for persons living with HIV/AIDS, their families and loved ones, persons at risk for HIV, and the general public. Case management, residential services, prevention education, and public awareness remain central to the work of the Positive Resource Connection.

The Positive Resource Connection owns and operates a nineteen unit residential facility for persons living with HIV/AIDS in downtown Fort Wayne. The residential facility provides one-bedroom apartments and efficiency units, all with full kitchens and private baths. Additionally, the house offers a common living room, dining room, kitchen, weight room, and meeting room.

Northeast Indiana Positive Resource Connection, Inc.

Notes to Financial Statements (continued)

**1. Organization and Summary of Significant Accounting Policies (continued)**

**Organization (continued)**

The Positive Resource Connection is a nonprofit voluntary health and welfare organization, exempt from income tax under Section 501(c)(3) of the Internal Revenue Code (IRC), and qualifies for the 50 percent charitable contributions deduction limitation. The Positive Resource Connection has been classified as an organization that is not a private foundation under Section 509(a) of the IRC. However, the Positive Resource Connection is subject to federal income tax on any unrelated business taxable income. Management believes the Positive Resource Connection is no longer subject to examination by tax authorities for years before December 31, 2013.

**Cash and Cash Equivalents**

All highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents. The Positive Resource Connection maintains cash accounts at a local bank. From time to time during the year, the Positive Resource Connection cash amounts exceeded federally insured limits.

**Land, Building, and Equipment**

Land, building, and equipment are stated at cost or if donated, at fair value at the date of the donation, except for land, building, and equipment that have been impaired. For impaired assets, the carrying amount is reduced to the estimated fair market value. There were no impaired assets at December 31, 2016 and 2015. Items with a cost or value of \$500 or more and a useful life of one year or more are capitalized.

Depreciation is computed primarily by accelerated methods over the following estimated useful lives:

Land improvements	7 – 15 years
Building and improvements	7–27.5 years
Equipment	3 – 7 years

Expenditures for normal repairs and maintenance are expensed when incurred.

# Northeast Indiana Positive Resource Connection, Inc.

## Notes to Financial Statements (continued)

### **1. Organization and Summary of Significant Accounting Policies (continued)**

#### **Net Assets**

Net assets are allocated to and accounted for based upon the donor's intended purpose. Unrestricted net assets have no donor imposed restrictions placed upon them. In addition, the Positive Resource Connection has received certain net assets for specific purposes or later periods of time or after specified dates, and these amounts are reported as temporarily restricted net assets. Temporarily restricted net assets include amounts whose use is limited by donor imposed stipulations that can be met and removed by actions of the Positive Resource Connection pursuant to those stipulations, occurrence of a stated event, or passage of a specified time period. When donor imposed restrictions are met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities and changes in net assets as net assets released from restrictions.

Permanently restricted net assets include amounts whose use is limited by donor imposed restrictions which stipulate that resources be maintained permanently, but permits the Positive Resource Connection to expend part or all of the income derived from the donated assets for either unrestricted or temporarily restricted purposes. Resources arising from the results of operations or assets set aside by the Board of Directors are not considered to be donor restricted. As of December 31, 2016 and 2015, the Positive Resource Connection had no permanently restricted net assets.

#### **Contributions and Pledges Receivable**

Contributions, including gifts, grants, bequests, pledges, and other unconditional promises to give, without restrictions or stipulations are recorded as support (revenue) in the period received. Contributions are reported as temporarily restricted or permanently restricted support if they are received with donor imposed stipulations that limit their use.

Contributions of assets other than cash are recorded at their fair market value. The Positive Resource Connection reports gifts of 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 temporarily restricted support. Absent explicit donor stipulations regarding how long those long-lived assets must be maintained, the Positive Resource Connection reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. The Positive Resource Connection reclassifies these temporarily restricted net assets to unrestricted net assets at that time.

# Northeast Indiana Positive Resource Connection, Inc.

## Notes to Financial Statements (continued)

### **1. Organization and Summary of Significant Accounting Policies (continued)**

#### **Contributions and Pledges Receivable (continued)**

Contributions of services are recognized as revenue if the services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills and typically need to be purchased if not provided by donation. A substantial number of volunteers donate significant amounts of time in providing the Positive Resource Connection's services; however, because the majority of donated services do not meet accounting guidelines, only limited amounts have been reported in the financial statements.

When considered necessary, the Positive Resource Connection provides an allowance for doubtful receivables, which is based on historical collection experience and management's estimate of losses that will be incurred in the collection of all receivables. As of December 31, 2016 and 2015, no allowance for doubtful accounts was deemed necessary.

#### **Government Support**

Government support funded by grants is recognized as the Positive Resource Connection performs the contracted services pursuant to grant agreements. Grant revenue is recognized as earned as the eligible expenses are incurred. Grant expenditures are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

The Positive Resource Connection receives a substantial amount of its support from government funds. A significant reduction in the level of this support, if this were to occur, may have an effect on the Positive Resource Connection's programs and activities.

#### **Special Events**

The Positive Resource Connection recognizes revenue from special events upon their completion. Accordingly, funds received for special events, including ticket sales and sponsorships, related to future periods are recorded as deferred revenue. Special events include the AIDS Walk and Gay Lesbian Dinner Dance.

#### **Functional Allocation of Expenses**

The cost of providing the program and other activities has been summarized on a functional basis in the accompanying statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the program and supporting services benefited.

# Northeast Indiana Positive Resource Connection, Inc.

## Notes to Financial Statements (continued)

### 1. Organization and Summary of Significant Accounting Policies (continued)

#### Recently Issued Accounting Standards

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958), Presentation of Financial Statements of Not-for-Profit Entities*. Key elements of the ASU include a reduction in the number of net asset categories from three to two, conforming requirements on releases of capital restrictions, several new requirements related to expense presentation and disclosure (including investment expenses) and new required disclosures communicating information useful in assessing liquidity. The new standard is effective for the Positive Resource Connection in the fiscal year ending December 31, 2018, early adoption is allowed. The Positive Resource Connection is currently evaluating the impact of the adoption of the standard on its financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The new standard is effective for the Positive Resource Connection's December 31, 2020 financial statements. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Positive Resource Connection is currently evaluating the effect of the pending adoption of the new standard on the financial statements.

#### Use of Estimates

Preparation of the 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 in the financial statements and accompanying notes. Actual results could differ from those estimates.

#### Reclassifications

Certain 2015 amounts have been reclassified to conform with the 2016 presentation.

Northeast Indiana Positive Resource Connection, Inc.

Notes to Financial Statements (continued)

**2. Pledges Receivable**

Pledges receivable represent unconditional promises or pledges to the Positive Resource Connection and are recorded at the present value of future cash flows. The present value factor used was 0.85 percent for 2016. Pledges receivable consisted of the following:

	<b>December 31</b>	
	<b>2016</b>	<b>2015</b>
Foellinger Foundation	\$ 63,722	\$ 29,000
Indiana AIDS Fund	60,000	64,500
The St. Joseph Community Health Foundation, Inc.	1,900	1,900
Parkview Hospital—Community Health Improvement Program	-	42,000
Other	7,648	218
	<b>\$ 133,270</b>	<b>\$ 137,618</b>

	<b>December 31</b>	
	<b>2016</b>	<b>2015</b>
Amounts due in:		
Less than one year	\$ 100,548	\$ 137,618
One to five years	33,000	-
Gross grants receivable	133,548	137,618
Less discount for present value	278	-
Net grants receivable	<b>\$ 133,270</b>	<b>\$ 137,618</b>

The Indiana AIDS Fund is the fundraising arm of The Health Foundation of Greater Indianapolis, Inc.

The Positive Resource Connection has received indication of an intention to give in the amount of \$11,500 from the United Way of Allen County. The expected funding is to be used for future operations and has not been recorded as an asset of the Positive Resource Connection as of December 31, 2016.

Northeast Indiana Positive Resource Connection, Inc.

Notes to Financial Statements (continued)

**3. Beneficial Interest in Funds Held by the  
Community Foundation of Greater Fort Wayne Inc.**

The beneficial interest in the funds held and invested by the Community Foundation of Greater Fort Wayne Inc. (Community Foundation) of \$4,159 and \$4,086 at December 31, 2016 and 2015, respectively, is the result of an agreement whereby the Positive Resource Connection has transferred assets to the Community Foundation and has specified itself as the beneficiary of the assets. The Positive Resource Connection may draw up to a certain percent of the value of the assets each year, subject to certain conditions and limitations, but may only obtain a return of the full value of the assets upon consent of the Community Foundation.

Additionally, the Community Foundation holds funds, with a value of \$15,785 and \$15,003 at December 31, 2016 and 2015, respectively, for the benefit of the Positive Resource Connection for which it has retained variance power. The Positive Resource Connection is precluded from recognizing these assets held by the Community Foundation because the donors explicitly granted variance power to the Community Foundation. Accordingly, the Positive Resource Connection only recognizes its annual grants by the Community Foundation from these funds as contributions.

**4. Debt Arrangements**

Pursuant to a revolving line of credit arrangement with a bank, the Positive Resource Connection may borrow up to \$35,000 subject to certain terms and conditions. This line of credit arrangement is secured by real estate and is due on demand. The line of credit bears interest at the prime rate plus .5 percent, but not less than 5% (5% percent at December 31, 2016), which is payable monthly. There were no borrowings pursuant to this revolving line of credit arrangement at December 31, 2016 and 2015.

Northeast Indiana Positive Resource Connection, Inc.

Notes to Financial Statements (continued)

**5. Temporarily Restricted Net Assets**

Temporarily restricted net assets are to be used for the following purposes:

	<b>December 31</b>	
	<b>2016</b>	<b>2015</b>
Programs:		
Capacity building and program expansion	<b>\$ 44,886</b>	\$ 46,452
Client assistance	<b>43,224</b>	126,248
Injection drug HIV awareness campaign	<b>30,860</b>	30,860
Prevention and community outreach	<b>16,316</b>	68,878
Syringe service program	<b>7,740</b>	-
Equipment	<b>144</b>	144
Future periods—operating support	<b>124,000</b>	29,000
	<b><u>\$ 267,170</u></b>	<b><u>\$ 301,582</u></b>

Net assets released from donor restrictions as a result of incurring expenses to satisfy the restricted purposes or by occurrence of other events specified by donors were \$340,955 in 2016 and \$258,611 in 2015.

Unrestricted net assets of \$130,000 and \$70,000 at December 31, 2016 and 2015, respectively, were designated by the Board of Directors as the Ryan Fund to be used for emergencies, unanticipated expenses, and extraordinary opportunities.

**6. Lease Commitments**

On June 9, 2014, the Positive Resource Connection entered into a lease for its program service and office facilities pursuant to an operating lease expiring on May 31, 2017. The monthly rent is \$2,000 and the Positive Resource Connection is obligated for utilities, insurance, and any alterations made or installed on the premises. Future minimum payments for this and one additional lease using noncancelable operating leases with initial terms of one year or more are \$10,000 at December 31, 2016.

Rent expense was \$27,600 in 2016 and \$25,200 in 2015.

Northeast Indiana Positive Resource Connection, Inc.

Notes to Financial Statements (continued)

**7. Retirement Plan**

The Positive Resource Connection sponsors a tax deferred annuity plan under Section 403(b) of the IRC. All employees are eligible to participate in the plan. The plan provides for employer discretionary contributions to the plan; however, the Board of Directors has not authorized any contributions to the plan for 2016 and 2015.

**8. Related Party Transactions**

Certain members of the Board of Directors are employed by companies providing health care and other services to the Positive Resource Connection. The fees paid to these companies were based on customary and reasonable rates for such services.

**9. Subsequent Events**

Management has evaluated subsequent events through April 19, 2017, the date on which the financial statements were available to be issued.

## Other Financial Information

Northeast Indiana Positive Resource Connection, Inc.

Schedule of Government Funds Received

<b>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Pass- Through Entity Identifying Number</b>	<b>Year ended December 31,</b>	
			<b>2016</b>	<b>2015</b>
Indiana State Department of Health:				
Federal monies:				
United States Department of Health & Human Services, Public Health Service, Centers of Disease Control & Prevention:				
HIV Prevention Project	93.940	A70-0-112169	<b>\$ 45,019</b>	\$ 44,853
Non-federal monies:				
Care coordination	N/A	N/A	<b>327,042</b>	314,572
Special populations support	N/A	N/A	<b>45,128</b>	44,652
Other, including fees	N/A	N/A	<b>7,139</b>	9,805
			<b>424,328</b>	413,882
Indiana Housing & Community Development Authority:				
Federal Agency—Department of Housing and Urban Development:				
Housing Opportunities for Persons with AIDS	14.241	CC-015-003	<b>150,864</b>	111,006
			<b>\$ 575,192</b>	<b>\$ 524,888</b>

**Note to Schedule**

**1. Basis of Presentation**

This schedule includes the government awards activity of the Northeast Indiana Positive Resource Connection, Inc. and is presented on the accrual basis of accounting.

Northeast Indiana Positive Resource Connection, Inc.

Schedule of Contributions and Grants

	<b>Year ended December 31</b>	
	<b>2016</b>	<b>2015</b>
Temporarily restricted contributions and grants—cash basis:		
Broadway Cares/Equity Fights AIDS	\$ 5,000	\$ -
Charles W. Kuhne Foundation	15,000	-
Community Foundation of Greater Fort Wayne Inc.	35,000	35,000
English Bonter Mitchell Foundation	-	5,000
Foellinger Foundation	29,000	27,000
Gilead Sciences	-	30,860
Indiana AIDS Fund	74,500	105,000
K-21 Health Foundation	1,898	
Lincoln Financial Group Foundation	20,000	27,000
MAC AIDS Fund	10,000	15,000
MAXIMUS Foundation	2,000	1,700
Miscellaneous	9,548	3,319
Parkview Health System	42,000	10,000
PHP Foundation	6,000	-
Plymouth Congregational Church of Fort Wayne	2,000	1,500
The St. Joseph Community Health Foundation, Inc.	19,000	22,746
Waterfield Foundation	1,000	-
Wells Fargo	1,000	-
Total temporarily restricted contributions and grants—cash basis	<b>272,946</b>	284,125
Unrestricted contributions and grants—cash basis	<b>21,797</b>	32,216
Total contributions and grants—cash basis	<b>294,743</b>	316,341
Less pledges receivable at beginning of year	<b>(137,618)</b>	(109,150)
Plus pledges receivable at end of year	<b>133,270</b>	137,618
Total contributions and grants—accrual basis	<b>\$ 290,395</b>	<b>\$ 344,809</b>