

**VOLUNTEER CENTER OF LUBBOCK, INC.**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

**AND**

**REPORT OF CERTIFIED PUBLIC ACCOUNTANTS**

**VOLUNTEER CENTER OF LUBBOCK, INC.**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

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**BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.**

**CERTIFIED PUBLIC ACCOUNTANTS**

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**LUBBOCK, TEXAS 79423-1954**

**INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying statement of financial position of the Volunteer Center of Lubbock, Inc. (the Center), as of December 31, 2011, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the 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. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also 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.

In our opinion, the statements referred to above present fairly, in all material respects, the financial position of the Volunteer Center of Lubbock, Inc., as of December 31, 2011, and the changes in net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

*Bolinger, Segars, Gilbert & Moss LLP*

Certified Public Accountants

February 13, 2012

**VOLUNTEER CENTER OF LUBBOCK, INC.**

**Exhibit A**

**STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2011  
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2010**

**ASSETS**

	December 31,	
	<u>2011</u>	<u>2010</u>
Current Assets		
Cash in Bank	\$ 171,681	\$ 145,729
Certificate of Deposit	133,282	132,534
Accounts Receivable - Temporarily Restricted	191,544	190,542
Other Current Assets	15,743	1,993
Total Current Assets	<u>\$ 512,250</u>	<u>\$ 470,798</u>
Fixed Assets		
Furniture and Equipment	\$ 41,835	\$ 44,704
Less: Accumulated Depreciation	<u>29,470</u>	<u>32,586</u>
Total Fixed Assets	<u>\$ 12,365</u>	<u>\$ 12,118</u>
Total Assets	<u><u>\$ 524,615</u></u>	<u><u>\$ 482,916</u></u>

**LIABILITIES AND NET ASSETS**

Current Liabilities		
Accounts Payable and Other Accrued Liabilities	\$ <u>18,066</u>	\$ <u>21,743</u>
Total Current Liabilities	<u>\$ 18,066</u>	<u>\$ 21,743</u>
Deferred Revenue	<u>\$ 5,310</u>	<u>\$ 10,380</u>
Net Assets		
Unrestricted		
Undesignated	\$ 163,210	\$ 142,770
Net Investment in Equipment	12,365	12,118
Temporarily Restricted	<u>325,664</u>	<u>295,905</u>
Total Net Assets	<u>\$ 501,239</u>	<u>\$ 450,793</u>
Total Liabilities and Net Assets	<u><u>\$ 524,615</u></u>	<u><u>\$ 482,916</u></u>

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

## VOLUNTEER CENTER OF LUBBOCK, INC.

Exhibit B

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>December 31,</u>	
			<u>2011</u>	<u>2010</u>
<b>PUBLIC SUPPORT AND REVENUE</b>				
Public Support				
Received Indirectly				
United Way of Lubbock	\$ 136,260	\$ 22,774	\$ 159,034	\$ 159,770
Received Directly				
Fund Raising	57,300		57,300	48,950
Donations	28,065		28,065	25,645
In-Kind Donation	1,250	13,750	15,000	
	<u>\$ 222,875</u>	<u>\$ 36,524</u>	<u>\$ 259,399</u>	<u>\$ 234,365</u>
<b>GRANTS</b>				
CH Foundation	\$ 66,250	\$ 78,770	\$ 145,020	\$ 142,020
Helen Jones Foundation		90,000	90,000	90,000
Other	12,575	10,925	23,500	
	<u>\$ 78,825</u>	<u>\$ 179,695</u>	<u>\$ 258,520</u>	<u>\$ 232,020</u>
<b>FEES AND OTHER REVENUE</b>				
Activity - Seminars/Workshops	\$ 12,195	\$ 5,000	\$ 17,195	\$ 14,297
Activity - Criminal Background Checks	790		790	2,649
Interest Earned	3,375		3,375	4,704
Other	12,037		12,037	12,932
	<u>\$ 28,397</u>	<u>\$ 5,000</u>	<u>\$ 33,397</u>	<u>\$ 34,582</u>
<b>Net Assets Released from Restrictions</b>				
Prior Year United Way Allocation	\$ 22,772	\$ (22,772)	\$	\$
CH Foundation Grant	77,818	(77,818)		
Helen Jones Foundation	90,900	(90,900)		
	<u>\$ 191,490</u>	<u>\$ (191,490)</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Total Support and Revenue</b>	<u>\$ 521,587</u>	<u>\$ 29,729</u>	<u>\$ 551,316</u>	<u>\$ 500,967</u>
<b>EXPENSES</b>				
Program Services	\$ 445,431	\$	\$ 445,431	\$ 421,456
Management and General	21,179		21,179	21,578
Fund Raising	34,260		34,260	43,847
<b>Total Expenses</b>	<u>\$ 500,870</u>	<u>\$ 0</u>	<u>\$ 500,870</u>	<u>\$ 486,881</u>
<b>CHANGE IN NET ASSETS</b>	\$ 20,717	\$ 29,729	\$ 50,446	\$ 14,086
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>154,888</u>	<u>295,905</u>	<u>450,793</u>	<u>436,707</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 175,605</u>	<u>\$ 325,634</u>	<u>\$ 501,239</u>	<u>\$ 450,793</u>

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

## VOLUNTEER CENTER OF LUBBOCK, INC.

Exhibit C

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2010**

	December 31,	
	2011	2010
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 50,446	\$ 14,086
Adjustments to Reconcile Change in Net Assets to Net Cash Provided By Operating Activities		
Depreciation	6,459	6,603
Changes in Operating Assets and Liabilities		
Accounts Receivable - Restricted	(1,002)	(2,550)
Accounts Receivable - Other		331
Other Current Assets	(13,750)	
Accounts Payable and Accrued Expenses	(3,677)	44
Deferred Revenue	(5,070)	2,184
Net Cash Provided by Operating Activities	\$ 33,406	\$ 20,698
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Equipment	\$ (6,706)	\$ (6,545)
Net Cash Used in Investing Activities	\$ (6,706)	\$ (6,545)
<b>NET INCREASE IN CASH</b>	\$ 26,700	\$ 14,153
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	278,263	264,110
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 304,963	\$ 278,263
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash Paid During the Year for:		
Interest	\$ 0	\$ 0
Income Taxes	\$ 0	\$ 0

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

**VOLUNTEER CENTER OF LUBBOCK, INC.**

**Exhibit D**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2011  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>December 31,</u>	
				<u>2011</u>	<u>2010</u>
Salaries and Benefits	\$ 249,357	\$ 11,602	\$ 14,613	\$ 275,572	\$ 272,264
Payroll Taxes	<u>20,576</u>	<u>311</u>	<u>1,146</u>	<u>22,033</u>	<u>20,962</u>
Total Salaries and Related Expense	\$ 269,933	\$ 11,913	\$ 15,759	\$ 297,605	\$ 293,226
Supplies	12,391	21	102	12,514	12,591
Volunteer Program Awards	59,914			59,914	57,849
Seminars/Workshops Expense	7,096			7,096	7,448
Telephone	3,635	28	102	3,765	4,224
Postage and Shipping	3,099	21	1,078	4,198	4,908
Occupancy	10,176	154	567	10,897	10,896
Equipment Repairs	426	6	23	455	
Printing and Publications	11,011	47	171	11,229	11,859
Dues	1,692			1,692	2,368
Conferences and Travel	12,970	73		13,043	14,301
Insurance	2,926		163	3,133	3,136
Contract Services		8,546		8,546	6,853
Golf Tournament			15,445	15,445	13,966
Helen Jones Leadership	22,700			22,700	24,860
Other	<u>21,099</u>	<u>230</u>	<u>850</u>	<u>22,179</u>	<u>11,793</u>
Total Before Depreciation	\$ 439,068	\$ 21,083	\$ 34,260	\$ 494,411	\$ 480,278
Depreciation of Equipment	<u>6,363</u>	<u>96</u>		<u>6,459</u>	<u>6,603</u>
Total Expenses	\$ <u>445,431</u>	\$ <u>21,179</u>	\$ <u>34,260</u>	\$ <u>500,870</u>	\$ <u>486,881</u>

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

**VOLUNTEER CENTER OF LUBBOCK, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies**

**Nature of Activities**

The Volunteer Center of Lubbock, Inc. (the Center) was chartered in March of 1990 for the purpose of identifying and developing resources to meet community needs by linking volunteers with people or groups in need of volunteers and providing management assistance services to other nonprofit organizations. The Center is funded by United Way of Lubbock, Inc., grant income, and fees from workshops.

**Income Taxes**

The Center is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

**Basis of Accounting**

The financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**Fixed Assets and Depreciation**

Expenditures for equipment in excess of \$500 are capitalized. Depreciation is recorded on a straight-line basis at rates of 10% to 20% per year. Office furniture and equipment cost at December 31, 2011, is \$41,835 and accumulated depreciation is \$29,470. Depreciation expense for the year is \$6,459. Donated fixed assets are valued at fair market value at the time they are received.

**Financial Statement Presentation**

The Center 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.

Unrestricted net assets represent revenues and expenses no longer restricted by donors for which the Board of Directors has discretionary control to carry out operations of the Center in accordance with its by-laws.

Temporarily restricted net assets represent resources currently available for use or receivable from donors, but expendable only for those purposes specified by the donors.

**Contributions**

Contributions received are recorded as temporarily restricted support until any restrictions imposed by donors are met.

**Functional Allocation of Expenses**

The costs of providing programs and activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Comparative Totals**

The financial information for the year ended December 31, 2010, is presented for comparative purposes only and is not intended to be a complete financial statement presentation.

**VOLUNTEER CENTER OF LUBBOCK, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**Reclassifications**

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

**Estimates**

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

**Statement of Cash Flows**

For purposes of the statement of cash flows, the Center considers cash in bank and certificates of deposit to be cash equivalents.

**Contributed Services**

Contributed services shall be recognized if the service received (a) creates or enhances nonfinancial assets or (b) requires specialized skills and would typically need to be purchased if not provided by donation. Many volunteers provide services related to the Center's programs and fund raising campaigns throughout the year. These services are not recognized as contributions in the financial statements, because the recognition criteria was not met.

**Uncertain Tax Positions**

On January 1, 2009, the Center adopted the "uncertain tax positions" provisions of accounting principles generally accepted in the United States of America. The primary tax position of the Center is its' filing status as a tax exempt entity. The Center determined that it is more likely than not that their tax positions will be sustained upon examination by the Internal Revenue Service (IRS), or other State taxing authorities. The Center is no longer subject to examinations by federal taxing authorities for years before 2008.

**2. Accounts Receivable – Temporarily Restricted**

Accounts receivable – restricted consists of amounts due from the following organizations:

United Way of Lubbock	\$	22,774
CH Foundation		78,770
Helen Jones Foundation		<u>90,000</u>
	\$	<u><u>191,544</u></u>

**VOLUNTEER CENTER OF LUBBOCK, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**3. Temporarily Restricted Net Assets**

Temporarily restricted net assets represent resources currently available for use or receivable from donors, but expendable only for grantor-specified purposes or based on time restrictions. At December 31, 2011, temporarily restricted net assets consisted of the following:

	<u>Balance 1/1/11</u>	<u>Proceeds/ Allocation Received</u>	<u>Released From Restrictions</u>	<u>Balance 12/31/11</u>
United Way of Lubbock				
2011 Allocation	\$ 22,772	\$	\$ (22,772)	\$ 0
2012 Allocation		22,774		22,774
Helen Jones Foundation	92,503	90,000	(90,900)	91,603
CH Foundation - Youth	180,630	78,770	(77,818)	181,582
Lubbock Area Foundation		1,925		1,925
South Plains Foundation		9,000		9,000
AT&T		5,000		5,000
In-Kind Donation		13,750		13,750
	<u>\$ 295,905</u>	<u>\$ 221,219</u>	<u>\$ (191,490)</u>	<u>\$ 325,634</u>

**4. Leases**

The Center is leasing photocopying equipment through an operating lease. The terms of the lease call for monthly payments of \$447 over 60 months. Lease expense for the year ended December 31, 2011, totaled \$5,364. The following represents future minimum lease payment:

2012	\$ 3,129
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**5. In-Kind Donations**

During the year ended December 31, 2011, the Center received a donation of 10 licenses for a data management software system at an estimated value of \$15,000 annually. This donation is reflected as revenue on the statement of activities and as other current assets on the statement of financial position.

**6. Subsequent Events**

The Center has evaluated subsequent events through February 13, 2012, the date which the financial statements were available to be issued.

**ACCOMPANYING INFORMATION**

**BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.**

**CERTIFIED PUBLIC ACCOUNTANTS**

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**LUBBOCK, TEXAS 79423-1954**

**INDEPENDENT AUDITORS' REPORT  
ON ACCOMPANYING INFORMATION**

Our report on our audits of the financial statements of Volunteer Center of Lubbock, Inc., for the years 2011 and 2010 appears on page 1. That audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The comparison of revenue and expenses to budget and the reconciliation of actual revenue and expenses, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subject to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, is fairly stated in all material respect in relation to the financial statements taken as a whole.

*Bolinger, Segars, Gilbert & Moss L.L.P.*

Certified Public Accountants

February 13, 2012

VOLUNTEER CENTER OF LUBBOCK, INC.

Schedule I

COMPARISON OF REVENUE AND EXPENSES TO BUDGET  
CURRENT FUNDS - UNRESTRICTED  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Favorable (Unfavorable)
<b>REVENUE</b>			
Public Contributions	\$ 28,065	\$ 24,500	\$ 3,565
Fundraising	57,300	55,300	2,000
United Way	159,032	158,627	405
Other Grants	247,543	247,733	(190)
Seminars/Workshops	12,195	11,000	1,195
Criminal Background Checks	790		790
Interest Earned	3,375	3,500	(125)
Other	13,287	13,800	(513)
Total Support and Revenue	<u>\$ 521,587</u>	<u>\$ 514,460</u>	<u>\$ 7,127</u>
<b>EXPENSES</b>			
Salaries and Benefits	\$ 275,573	\$ 284,854	\$ 9,281
Payroll Taxes	22,032	22,830	798
Supplies	12,513	12,530	17
Volunteer Program Awards	59,914	59,100	(814)
Seminars/Workshops Expense	7,096	7,000	(96)
Telephone	3,765	3,800	35
Postage and Shipping	4,198	4,200	2
Occupancy	10,896	10,896	0
Equipment Repairs	456	500	44
Printing/Publications	11,229	11,500	271
Dues/Memberships	1,692	2,000	308
Conferences and Travel	13,043	13,500	457
Insurance	3,133	3,500	367
Contract Services	8,546	10,350	1,804
Golf Tournament	15,445	15,500	55
Helen Jones Leadership	22,700	23,900	1,200
Other	22,180	28,500	6,320
	<u>\$ 494,411</u>	<u>\$ 514,460</u>	<u>\$ 20,049</u>
Total Support and Revenue Over Expenses	<u>\$ 27,176</u>	<u>\$ 0</u>	<u>\$ 27,176</u>

VOLUNTEER CENTER OF LUBBOCK, INC.

Schedule II

RECONCILIATION OF ACTUAL REVENUE AND EXPENSES  
FOR CURRENT FUNDS - UNRESTRICTED PER EXHIBIT B  
TO ACTUAL REVENUE AND EXPENSES FOR BUDGET PURPOSES  
FOR YEAR ENDED DECEMBER 31, 2011

REVENUE

Total Support and Revenue - Exhibit B - Unrestricted	\$ 521,587
Total Revenue - Schedule I	<u>\$ 521,587</u>

EXPENSES

Expenses - Exhibit B	\$ 500,870
Less:	
Depreciation of Equipment	<u>6,459</u>
Total Expenses - Schedule I	<u>\$ 494,411</u>