# PEOPLE IN NEED, INC. OF
# DELAWARE COUNTY OHIO
# FINANCIAL STATEMENTS
# FOR THE YEAR ENDED
# JUNE 30, 2018

**PEOPLE IN NEED, INC. OF DELAWARE COUNTY OHIO**

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OTTINGER & ASSOCIATES

# INDEPENDENT AUDITORS' REPORT

To the Board of Directors
People In Need, Inc. of Delaware County Ohio
Delaware, Ohio

We have audited the accompanying financial statements of People In Need, Inc. of Delaware County Ohio (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and changes in net assets, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 People In Need, Inc. of Delaware County Ohio as of June 30, 2018, 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.

Ottinger & Associates, LLC
Ottinger & Associates, LLC
Galena, Ohio
September 10, 2018

BUSINESS AND ACCOUNTING SERVICES

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# PEOPLE IN NEED, INC. OF DELAWARE COUNTY OHIO
# STATEMENT OF FINANCIAL POSITION
# JUNE 30, 2018

## ASSETS

| | Unrestricted | Temporarily Restricted | Total |
|---|---|---|---|
| **CURRENT ASSETS:** | | | |
| Cash and Cash Equivalents | $ 92,127 | $ 225,805 | $ 317,932 |
| Grants Receivable (net of allowance of $-0-) | 1,342 | | 1,342 |
| Prepaid Expenses | 4,626 | | 4,626 |
| **TOTAL CURRENT ASSETS** | **98,095** | **225,805** | **323,900** |
| **PROPERTY AND EQUIPMENT:** | | | |
| Land | 140,000 | | 140,000 |
| Building and Improvements | 460,211 | | 460,211 |
| Equipment | 131,116 | | 131,116 |
| IT &Telecommunications | 27,619 | | 27,619 |
| Vehicles | 46,341 | | 46,341 |
| Less: Accumulated Depreciation | (231,480) | | (231,480) |
| **NET PROPERTY AND EQUIPMENT** | **573,807** | **0** | **573,807** |
| **OTHER ASSETS:** | | | |
| PIN Endowment Fund | | 218,260 | 218,260 |
| **TOTAL OTHER ASSETS** | **0** | **218,260** | **218,260** |
| **TOTAL ASSETS** | **$ 671,902** | **$ 444,065** | **$ 1,115,967** |

## LIABILITIES AND NET ASSETS

| | Unrestricted | Temporarily Restricted | Total |
|---|---|---|---|
| **CURRENT LIABILITIES:** | | | |
| Accounts Payable | $ 1,488 | | $ 1,488 |
| Accrued Expenses | 12,225 | | 12,225 |
| **TOTAL CURRENT LIABILITIES** | **13,713** | **0** | **13,713** |
| **NET ASSETS:** | | | |
| Net Assets | 658,189 | 444,065 | 1,102,254 |
| **TOTAL NET ASSETS** | **658,189** | **444,065** | **1,102,254** |
| **TOTAL LIABILITIES & NET ASSETS** | **$ 671,902** | **$ 444,065** | **$ 1,115,967** |

See Independent Auditors' Report and Accompanying Notes to the Financial Statements.

# PEOPLE IN NEED, INC. OF DELAWARE COUNTY OHIO
# STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
# FOR THE YEAR ENDED JUNE 30, 2018

| CHANGES IN NET ASSETS: INCREASES IN NET ASSETS: | Unrestricted | Temporarily Restricted | Total |
|---|---|---|---|
| **REVENUE:** | | | |
| **Public Support:** | | | |
| Monetary contributions to programs | | | |
| Emergency Assistance | $ 203,858 | $ 10,660 | $ 214,518 |
| Food Pantry | 100,867 | 80,661 | 181,528 |
| Holiday Clearing House | 95,030 | | 95,030 |
| Other | | 39,866 | 39,866 |
| Goods contributed to programs | | | |
| Food Pantry | 440,373 | | 440,373 |
| Holiday Clearing House | 160,926 | | 160,926 |
| Emergency Assistance | 6,468 | | 6,468 |
| **Total Public Support** | 1,007,522 | 131,187 | 1,138,709 |
| **Other Revenue:** | | | |
| Other Grants | 41,811 | | 41,811 |
| Investment income | 7,078 | | 7,078 |
| **Total Other Revenue** | 48,889 | - | 48,889 |
| Transfer of revenues for which restrictions have been met | 31,614 | (31,614) | - |
| **TOTAL INCREASES IN NET ASSETS** | 1,088,025 | 99,573 | 1,187,598 |
| **DECREASES IN NET ASSETS:** | | | |
| **Expenses:** | | | |
| **Program Expenses:** | | | |
| Emergency Assistance | 208,959 | | 208,959 |
| Food Pantry | 583,957 | | 583,957 |
| Holiday Clearing House | 211,948 | | 211,948 |
| **Total Program Expenses** | 1,004,864 | | 1,004,864 |
| **Management, General and Fundraising Expenses:** | | | |
| Management and General | 71,335 | | 71,335 |
| Fundraising | 54,286 | | 54,286 |
| **Total Management, General and Fundraising Expenses** | 125,621 | | 125,621 |
| **TOTAL DECREASES IN NET ASSETS** | 1,130,485 | | 1,130,485 |
| **OTHER INCREASES/(DECREASES) IN NET ASSETS** | | | |
| Unrealized Gain/(Loss) on Investments | 11,410 | | 11,410 |
| **NET INCREASE/(DECREASE) IN NET ASSETS** | (31,050) | 99,573 | 68,523 |
| **NET ASSETS AT BEGINNING OF YEAR** | 689,239 | 344,492 | 1,033,731 |
| **NET ASSETS AT END OF YEAR** | $ 658,189 | $ 444,065 | $ 1,102,254 |

See Independent Auditors' Report and Accompanying Notes to the Financial Statements.

# PEOPLE IN NEED, INC. OF DELAWARE COUNTY OHIO
## STATEMENT OF FUNCTIONAL EXPENSES
## FOR THE YEAR ENDED JUNE 30, 2018

| | Management & General | Fundraising | Emergency Assistance | Food Pantry | Holiday Clearing House | Total Expenses |
|---|---|---|---|---|---|---|
| Contributed goods | | | $ 6,468 | $ 440,373 | $ 160,926 | $ 607,767 |
| Payroll | 40,770 | 35,150 | 62,615 | 42,206 | 17,346 | 198,087 |
| Specific Assistance to Individuals | | | 109,669 | 44,170 | 16,599 | 170,438 |
| Depreciation | 1,718 | 1,481 | 1,600 | 23,994 | 3,199 | 31,992 |
| Employee Benefits | 6,345 | 5,470 | 9,552 | 6,439 | 2,646 | 30,452 |
| Occupancy costs | 1,042 | 899 | 970 | 14,555 | 1,941 | 19,407 |
| Payroll taxes | 3,354 | 2,892 | 5,151 | 3,472 | 1,427 | 16,296 |
| Printing and Publications | 356 | 2,715 | 5,992 | 648 | 2,680 | 12,391 |
| Miscellaneous | 2,880 | 4,903 | 1,646 | 2,234 | 365 | 12,028 |
| Professional fees | 7,581 | | | | | 7,581 |
| Postage and shipping | 105 | | 3,221 | 196 | 3,000 | 6,522 |
| Equipment rental & maintenance | 258 | 223 | 240 | 3,606 | 481 | 4,808 |
| Membership dues | 4,776 | | | | | 4,776 |
| Supplies | 1,363 | 33 | 251 | 776 | 288 | 2,711 |
| Travel - Staff & Volunteers | 285 | 246 | 255 | 776 | 563 | 2,125 |
| Telephone | 502 | | 859 | 331 | 315 | 2,007 |
| Conferences, Convention | - | 274 | 470 | 181 | 172 | 1,097 |
| Total Functional Expenses | $ 71,335 | $ 54,286 | $ 208,959 | $ 583,957 | $ 211,948 | $ 1,130,485 |

See Independent Auditors' Report and Accompanying Notes to the Financial Statements.

## PEOPLE IN NEED, INC. OF DELAWARE COUNTY OHIO
## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED JUNE 30, 2018

| | Unrestricted | Temporarily Restricted | Total |
|---|---|---|---|
| **Cash Flows From Operating Activities:** | | | |
| **Net Increase/(Decrease) in Total Net Assets** | **$ (31,050)** | **$ 99,573** | **$ 68,523** |
| **Adjustments to Reconcile Net Increase/(Decrease) in Total Net Assets to Net Cash Provided By/(Used In) Operating Activities:** | | | |
| Depreciation Expense | 31,992 | | 31,992 |
| Unrealized (Gains)/Losses | | (11,410) | (11,410) |
| **Changes in Operating Assets and Liabilities:** | | | |
| (Increase) / decrease in grants receivable | 274 | | 274 |
| (Increase) / decrease in prepaid expenses | (223) | | (223) |
| Increase / (decrease) in accounts payable | (2,150) | | (2,150) |
| Increase / (decrease) in accrued expenses | 5,666 | | 5,666 |
| **Net Cash Provided By/(Used In) Operating Activities** | **4,509** | **88,163** | **92,672** |
| **Cash Flows From/(Used In) Investing Activities:** | | | |
| Purchase of Property and Equipment | (7,498) | | (7,498) |
| Purchases, net of proceeds from sales of Investments | | (27,390) | (27,390) |
| **Net Cash Provided by/(Used In) Investing Activities** | (7,498) | (27,390) | (34,888) |
| **Cash Flows From/(Used In) Financing Activities:** | 0 | 0 | 0 |
| **Net Cash Provided By/(Used In) Financing Activities** | 0 | 0 | 0 |
| **Net Increase/(Decrease) in Cash and Cash Equivalents** | (2,989) | 60,773 | 57,784 |
| **Cash and Cash Equivalents - Beginning of Year** | 95,116 | 165,032 | 260,148 |
| **Cash and Cash Equivalents - End of Year** | **$ 92,127** | **$ 225,805** | **$ 317,932** |

**Supplemental Information:**

| | |
|---|---|
| Income Taxes Paid | - 0 - |
| Interest Paid | - 0 - |

See Independent Auditors' Report and Accompanying Notes to the Financial Statements.

# PEOPLE IN NEED, INC. OF DELAWARE COUNTY OHIO
# NOTES TO FINANCIAL STATEMENTS
# FOR THE YEAR ENDED JUNE 30, 2018

## Note 1 - Organization

People in Need, Inc. of Delaware County Ohio (the Organization) was organized in 1981 and incorporated as an Ohio nonprofit corporation. The Organization is located in Delaware, Ohio and exists to help Delaware County residents with immediate emergency needs possibly created by job loss, break-up of family, illness, death, or other unexpected family emergencies.

The Organization receives funding primarily through United Way, local community organizations, corporations and individuals.

The Organization's primary programs are as follows:

**Emergency Assistance** - Housing vouchers are provided to those individuals and families who are unable to maintain their present location. Limited assistance is available for unusual and unexpected utility bills and other miscellaneous expenses for those who are experiencing hard times. Assistance for certain medical needs is provided on a limited basis. Dental treatment is available to adults and school-age children through financial allocations.

**Food Pantry** – Needy families and individuals are provided with emergency food orders and nutritional guidance.

**Holiday Clearing House** – New toys and new clothes are distributed to needy children, food baskets to their families and senior/disabled shut-ins for the holidays. Remaining donations of food and monies are Board-allocated to the direct services of the Food Pantry and Emergency Assistance Programs.

## Note 2 - Summary of Significant Accounting Policies

### Basis of Accounting

Assets, liabilities, net assets, revenue and expenses are recorded under the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

In order to observe restrictions which donors may place on grants and other gifts, as well as designations made by the Board of Directors, all assets, liabilities and activities are accounted for in the following net asset classifications:

Unrestricted Net Assets – not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes or locations by action of management, under the guidance of the Board of Directors.

Temporarily Restricted Net Assets – subject to donor-imposed stipulations that may be fulfilled by actions of the Organization to meet the stipulations or become unrestricted at the date specified by the donor. As of June 30, 2018, the Organization had temporarily restricted net assets of $444,065 related to Emergency Assistance and the People In Need, Inc. of Delaware County Ohio Endowment Fund.

Permanently Restricted Net Assets – subject to donor-imposed stipulations that they be retained and invested permanently by the Organization. The donors require the Organization to use all or part of the investment return on these net assets for specified or unspecified purposes. As of June 30, 2018, the Organization had no permanently restricted net assets.

**Note 2 - Summary of Significant Accounting Policies – (Continued)**

Fair Value Measurements

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described below:

Level 1—Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2—Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or by other means.

Level 3—Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Valuation techniques used in fair value measurements need to maximize the use of observable inputs and minimize the use of unobservable inputs. A valuation method may produce a fair value measurement that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions could result in different fair value measurements at the reporting date. There have been no changes in the methodologies used during the year ended June 30, 2018.

Use of Estimates

Preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Flows

For purposes of the statement of cash flows, the Organization considers all cash in checking accounts, money market accounts, certificates of deposit and petty cash to be cash equivalents (original maturities of three months or less). As of June 30, 2018, the total cash and cash equivalents were $317,932.

Revenues

The Organization's primary sources of operating revenues are grants received from the United Way and monetary contributions received from individuals, corporations and community organizations. In addition, the Organization receives contributions of goods from local retailers, individuals and community organizations. Grants from United Way are program specific and are considered restricted for the specific programs when received. Other contributions are generally unrestricted revenues and are recognized when received.

**Note 2 - Summary of Significant Accounting Policies – (Continued)**

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been allocated on a functional basis among the various programs and support services. Where possible, expenses are identified with specific programs or support services and recorded accordingly.

Property and Equipment

Property and equipment are stated at cost if purchased or the fair value at the time of contribution and depreciated over the estimated useful lives of the assets using the straight-line method. The lives of the assets range from five to forty years. Expenditures over $100 are considered for capitalization, lesser amounts are expensed.

Federal Income Taxes

All of the Organization's revenue is exempt from Federal income taxes pursuant to section 501 (c) (3) of the Internal Revenue Code. In addition, the Organization has been determined by Internal Revenue Service to not be a private foundation within the meaning of Section 509(a) of the Code. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization paid no taxes for the year ended June 30, 2018. The Organization is subject to income tax examination for years after June 30, 2015 related to the federal form 990, *Return of Organization Exempt from Income Tax*, which is filed on an annual basis.

**Note 3 – Cash and Cash Equivalents**

Cash and cash equivalents include $225,805 restricted to the Emergency Assistance program. The remaining cash and cash equivalents of $92,127 are unrestricted.

**Note 4 – Contributed Goods**

The Organization received non-monetary goods valued at $607,767 from individuals, local community organizations, and corporations. These contributions have been recorded as contributed goods and expenses within the relevant programs, respectively.

**Note 5 – Contributed Services**

Contributed services are recorded when they meet the criteria of (1) creating or enhancing non-financial assets or (2) required specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The Organization relies on volunteers for the operation of its programs. While the number of volunteers is significant, no value has been assigned to these services. The number of volunteers by program is presented below:

| Program | Number of Volunteers | Average Hours Contributed | Total Hours Contributed |
|---|---|---|---|
| Board of Directors | 10 | 20 | 200 |
| Produce Market | 270 | 3 | 810 |
| Food Pantry | 14 | 548 | 7,682 |
| Holiday Clearing House | 1,189 | 3 | 3,714 |
| Special Events | 39 | 4 | 170 |
| | 1,522 | | 12,576 |

# PEOPLE IN NEED, INC. OF DELAWARE COUNTY OHIO
# NOTES TO FINANCIAL STATEMENTS
# FOR THE YEAR ENDED JUNE 30, 2018

**Note 6 - Retirement Plan**

The Organization has adopted a SIMPLE IRA plan under which all eligible employees with over one year of service are eligible to participate. Contributions to the plan are discretionary and are determined by the Board of Directors. The Board of Directors can designate up to 2.0% of each employee's gross wages. Contributions for 2018 were 2.0% of each participant's eligible compensation, which amounted to $5,350.

**Note 7- Concentration of Credit Risk**

The Organization maintains their bank accounts at three financial institutions. As of June 30, 2018, the Organization did not exceed the Federal Deposit Insurance Corporation insured limit of $250,000 per depositor with these financial institutions.

**Note 8 –Net Asset Restrictions**

As of June 30, 2018, the Organization had temporarily restricted net assets available for the following purposes:

| | |
|---|---|
| Emergency Assistance | $225,805 |
| People In Need, Inc. of Delaware County Ohio Endowment Fund | 218,260 |
| **Total Temporarily Restricted Net Assets** | $444,065 |

During the fiscal year, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the donors. As of June 30, 2018, the releases from restrictions were as follows:

| | |
|---|---|
| Emergency Services | 31,614 |
| **Net Releases of Net Assets** | $ 31,614 |

**Note 9 - Fair Values of Financial Instruments**

The following methods and assumptions were used to estimate the fair value of each class of financial instruments appearing on the statement of financial position for which it is practicable to estimate that value:

a. **Cash and cash equivalents**

Cash and cash equivalents consist principally of investments in short-term (three months or less), interest bearing instruments and are carried at cost plus accrued interest, which approximates fair value.

b. **Accounts receivable**

The fair value of accounts receivable, after allowances for uncollectible accounts, was determined by historical collection rates and analysis of individual accounts.

c. **Investments**

The fair value of investments which consists principally of debt and equity securities was based principally upon quoted market prices.

**Note 10- Subsequent Events**

The Organization has not experienced any subsequent event that would provide evidence about the conditions that existed as of the year ended June 30, 2018 or arose subsequent to the date of these financial statements. Also, there were no changes regarding tax status and no material business combinations as of the year ended June 30, 2018 or subsequent to the date of the financial statements.

## Note 11 – Endowments

The Organization has sole authority for the receipt, management and investment of all endowment funds. The endowment consists of funds established for a variety of purposes, to provide long term financial stability, facilitate capital improvements and/or provide funding for the its programs. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors as endowments. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

### Interpretation of Relevant Law

The responsibility for investment of all funds is solely the responsibility of the Board of Directors of the People in Need, Inc. of Delaware County Ohio. The interpretation by the Board of Directors of relevant law is stated as follows:

The Uniform Management of Institutional Funds Acts (UMIFA/ SMIFA) as enacted by the State of Ohio, effective June 1, 2009, applies to all funds unless the donor has specifically directed otherwise. The Board of Directors of the Organization interprets UMIFA/SMIFA as requiring the preservation of the "historic dollar value" of the original gift as of the gift date for donor-restricted endowment funds in the absence of explicit donor stipulations to the contrary. As a result of such interpretation, the Organization classifies as permanently restricted net assets the original value of donor-restricted endowment funds, the original value of subsequent gifts to donor-restricted endowment funds, the value of accumulations and amounts the board adds at its discretion to the endowment fund made in accordance with the applicable gift instrument at the time the relevant accumulation was added to the fund.

The remaining portion of the donor-restricted endowment fund not classified in permanently restricted net assets is classified either as unrestricted or temporarily restricted net assets, depending on the intent of each endowment fund until those amounts are appropriated for expenditure by the Organization in a manner consistent with the uses, benefits, purposes and duration for which the endowment is established and the standard of prudence prescribed by UMIFA/SMIFA. In accordance with UPMIFA/SPMIFA the Board of Directors considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund.
- The purpose of the organization and the donor-restricted endowment fund.
- General economic conditions.
- The possible effects of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Other resources of the organization.
- The investment policies of the organization.

The Board of Directors considers the effect of inflation and deflation on the original gift value from the effective date of UPMIFA/SPMIFA, June 1, 2009, or the gift date, whichever is later. Endowment funds are appropriated as of the date of disbursement from the invested asset.

### Spending Policy

The responsibility for investment of all funds is solely the responsibility of the Board of Directors of the Organization. The spending policy and how the investment objectives relate to the spending policy, which is applicable to the endowments herewith presented, are stated as follows:

**Note 11 – Endowments (Continued)**

The Organization has a policy of appropriating for potential distribution each year four percent of its endowment fund's average fair value over the twelve quarters proceeding the quarter in which the distribution is planned. In establishing this policy, the Organization considered the long-term expected net return on its endowment. As of June 30, 2018, the Organization can distribute $6,363 less a 0.5% fee for doing so. Accordingly, over the long term, the Organization expects its endowment assets to grow at a pace at least equal to inflation. This is consistent with the organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Return Objectives and Risk Parameters
The responsibility for investment of all funds in the Organization is solely the responsibility of the Board of Directors of the organization. The return objectives and risk parameters applicable to the endowments herewith presented are as follows:

The Organization has adopted investment policies for endowment assets that can provide if it is needed a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of appropriate benchmarks without putting the assets at imprudent risk.

Strategies Employed for Achieving Objectives
The responsibility for investment of all funds in the Organization is solely the responsibility of the Board of Directors of the organization. The strategies employed for achieving objectives applicable to the endowments herewith presented are as follows:

To satisfy its long-term objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diverse asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Funds with Deficiencies
From time to time the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UMIFA/SMIFA requires the Organization to retain as a fund of perpetual duration. However, the Organization's endowments have not fallen below that donor level. Currently, endowment funds are invested with Delaware County Foundation on a pooled investment basis.

The following tables present the necessary information for endowments credited to People in Need, Inc. of Delaware County Ohio:

| | |
|---|---|
| **Balance June 30, 2017** | **$ 179,460** |
| Contributions | 22,866 |
| Investment Return: | |
| Interest/Dividends | 6,418 |
| Unrealized Gains/(Losses) | 11,410 |
| Investment fees | ( 1,894) |
| **Balance June 30, 2018** | **$ 218,260** |