

VOLUNTEER CENTER OF LUBBOCK, INC.

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED DECEMBER 31, 2020
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2019**

AND

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS
LUBBOCK, TEXAS

VOLUNTEER CENTER OF LUBBOCK, INC.

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

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

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

We have audited the accompanying financial statements of the Volunteer Center of Lubbock, Inc. (the Center), which comprise the statement of financial position as of December 31, 2020, the related statements of activities, cash flows, and functional expenses 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.

Auditor's 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 the Volunteer Center of Lubbock, Inc. as of December 31, 2020, 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 Summarized Comparative Information

We have previously audited the Volunteer Center of Lubbock, Inc.'s 2019 financial statements, and our report dated February 18, 2020, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Accompanying Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Volunteer Center of Lubbock, Inc. taken as a whole. The accompanying Schedules of Comparison of Revenue and Expenses to Budget – Current Funds – Without Donor Restrictions and Reconciliation of Actual Revenue and Expenses for Current Funds – Without Donor Restrictions Per Exhibit B to Actual Revenue and Expenses for Budget Purposes 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.

Bolinger, Segars, Gilbert & Moss LLP

Certified Public Accountants

Lubbock, Texas

February 19, 2021

VOLUNTEER CENTER OF LUBBOCK, INC.

Exhibit A

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2019

	ASSETS			
	Without Donor Restrictions	With Donor Restrictions	December 31,	
			2020	2019
Current Assets				
Cash in Bank	\$ 216,295	\$ 184,667	\$ 400,962	\$ 344,478
Cash in Bank - Endowment		28,221	28,221	27,827
Certificates of Deposit	319,153		319,153	317,176
Accounts Receivable		60,000	60,000	154,594
Other Current Assets	1,451		1,451	18,751
Total Current Assets	<u>\$ 536,899</u>	<u>\$ 272,888</u>	<u>\$ 809,787</u>	<u>\$ 862,826</u>
Non-Current Assets				
Fixed Assets				
Furniture and Equipment	\$ 62,388	\$	\$ 62,388	\$ 61,803
Less: Accumulated Depreciation	55,306		55,306	49,375
Total Fixed Assets	<u>\$ 7,082</u>	<u>\$ 0</u>	<u>\$ 7,082</u>	<u>\$ 12,428</u>
Endowment Fund - Long-Term Investments	<u>\$</u>	<u>\$ 1,353,204</u>	<u>\$ 1,353,204</u>	<u>\$ 1,205,766</u>
Total Non-Current Assets	<u>\$ 7,082</u>	<u>\$ 1,353,204</u>	<u>\$ 1,360,286</u>	<u>\$ 1,218,194</u>
Total Assets	<u>\$ 543,981</u>	<u>\$ 1,626,092</u>	<u>\$ 2,170,073</u>	<u>\$ 2,081,020</u>
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts Payable and Other Accrued Liabilities	\$ 31,398	\$ 0	\$ 31,398	\$ 29,986
Total Current Liabilities	<u>\$ 31,398</u>	<u>\$ 0</u>	<u>\$ 31,398</u>	<u>\$ 29,986</u>
Deferred Revenue	<u>\$ 37,331</u>	<u>\$ 0</u>	<u>\$ 37,331</u>	<u>\$ 4,417</u>
Net Assets				
Without Donor Restrictions				
Undesignated	\$ 450,980	\$	\$ 450,980	\$ 449,175
Board Designated	17,190		17,190	17,190
Net Investment in Fixed Assets	7,082		7,082	12,428
With Donor Restrictions		1,626,092	1,626,092	1,567,824
Total Net Assets	<u>\$ 475,252</u>	<u>\$ 1,626,092</u>	<u>\$ 2,101,344</u>	<u>\$ 2,046,617</u>
Total Liabilities and Net Assets	<u>\$ 543,981</u>	<u>\$ 1,626,092</u>	<u>\$ 2,170,073</u>	<u>\$ 2,081,020</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, 2020
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>December 31,</u>	
			<u>2020</u>	<u>2019</u>
PUBLIC SUPPORT AND REVENUE				
Public Support				
Received Indirectly				
United Way of Lubbock	\$ 198,903	\$	\$ 198,903	\$ 202,120
Received Directly				
Fund Raising	36,564		36,564	44,685
Donations	83,138		83,138	80,950
	<u>\$ 318,605</u>	<u>\$ 0</u>	<u>\$ 318,605</u>	<u>\$ 327,755</u>
GRANTS				
CH Foundation	\$	\$ 79,200	\$ 79,200	\$ 219,150
Helen Jones Foundation		60,000	60,000	60,000
Talkington Foundation	20,000		20,000	
HYPE Program	2,750		2,750	14,000
	<u>\$ 22,750</u>	<u>\$ 139,200</u>	<u>\$ 161,950</u>	<u>\$ 293,150</u>
FEES AND OTHER REVENUE				
Activity - Seminars/Workshops	\$ 18,885	\$	\$ 18,885	\$ 22,990
Interest Earned	6,732		6,732	9,462
Endowment Income		186,683	186,683	256,369
Other	8,282		8,282	32,993
	<u>\$ 33,899</u>	<u>\$ 186,683</u>	<u>\$ 220,582</u>	<u>\$ 321,814</u>
Net Assets Released from Restrictions				
CH Foundation Grant	\$ 159,264	\$ (159,264)	\$	\$
Helen Jones Foundation	45,364	(45,364)		
HYPE Program	9,500	(9,500)		
Endowment Fund	53,487	(53,487)		
	<u>\$ 267,615</u>	<u>\$ (267,615)</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Support and Revenue	<u>\$ 642,869</u>	<u>\$ 58,268</u>	<u>\$ 701,137</u>	<u>\$ 942,719</u>
EXPENSES				
Program Services	\$ 613,106	\$	\$ 613,106	\$ 574,546
Management and General	29,132		29,132	33,594
Fund Raising	4,172		4,172	27,871
Total Expenses	<u>\$ 646,410</u>	<u>\$ 0</u>	<u>\$ 646,410</u>	<u>\$ 636,011</u>
CHANGE IN NET ASSETS	\$ (3,541)	\$ 58,268	\$ 54,727	\$ 306,708
NET ASSETS - BEGINNING OF YEAR	<u>478,793</u>	<u>1,567,824</u>	<u>2,046,617</u>	<u>1,739,909</u>
NET ASSETS - END OF YEAR	<u>\$ 475,252</u>	<u>\$ 1,626,092</u>	<u>\$ 2,101,344</u>	<u>\$ 2,046,617</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, 2020
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2019

	December 31,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 54,727	\$ 306,708
Adjustments to Reconcile Change in Net Assets to Net Cash		
From Operating Activities		
Depreciation	7,822	9,099
Changes in Operating Assets and Liabilities		
Accounts Receivable - Other	8,644	(8,644)
Accounts Receivable - Restricted	85,950	(1,000)
Net Investment Activity	(186,683)	(263,659)
Other Assets	17,300	3,633
Accounts Payable and Accrued Expenses	1,412	(9,883)
Deferred Revenue	32,914	(10,113)
	<u>\$ 22,086</u>	<u>\$ 26,141</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Equipment	\$ (2,476)	\$ (3,051)
Endowment Distributions	53,487	46,613
Proceeds from Sale of Investments	236,481	197,280
Purchases of Investments	(250,723)	(181,656)
	<u>\$ 36,769</u>	<u>\$ 59,186</u>
NET CHANGE IN CASH	\$ 58,855	\$ 85,327
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>689,481</u>	<u>604,154</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 748,336</u>	<u>\$ 689,481</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid During the Year for:		
Interest	\$ <u>0</u>	\$ <u>0</u>
Income Taxes	\$ <u>0</u>	\$ <u>0</u>

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, 2020
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2019

	Program Services	Management and General	Fund Raising	December 31,	
				2020	2019
Salaries and Benefits	\$ 338,446	\$ 16,378	\$ 1,951	\$ 356,775	\$ 329,867
Payroll Taxes	27,698	1,340	160	29,198	25,932
Total Salaries and Related Expense	\$ 366,144	\$ 17,718	\$ 2,111	\$ 385,973	\$ 355,799
Supplies	20,903	115	14	21,032	20,273
Volunteer Program Awards	47,569			47,569	60,200
Seminars/Workshops Expense	71,695			71,695	51,572
Telephone	4,240	125	15	4,380	3,983
Postage and Shipping	2,545	46	996	3,587	3,029
Occupancy	10,336	500	60	10,896	10,896
Equipment Repairs	392	19	2	413	485
Printing and Publications	11,770	161	19	11,950	10,770
Dues	3,313			3,313	2,920
Conferences and Travel	12,253	56		12,309	19,299
Insurance	2,030	98	12	2,140	2,036
Contract Services		9,611		9,611	9,511
Golf Tournament					16,129
United Way Division Expenses	3,934			3,934	4,700
Nonprofit Fellows	4,000			4,000	4,000
Marketing	4,933	239	28	5,200	6,302
Website Expenses	4,735	229	27	4,991	5,009
Agency Partner Support	750			750	720
HYPE Expenses	29,301			29,301	33,818
Other	4,550	106	888	5,544	5,461
Total Before Depreciation	\$ 605,393	\$ 29,023	\$ 4,172	\$ 638,588	\$ 626,912
Depreciation of Equipment	7,713	109		7,822	9,099
Total Expenses	\$ 613,106	\$ 29,132	\$ 4,172	\$ 646,410	\$ 636,011

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 33.33% per year. Office furniture and equipment cost at December 31, 2020, is \$62,388 and accumulated depreciation is \$55,306. Depreciation expense for the year is \$7,822. Donated fixed assets are valued at fair market value at the time they are received.

Financial Statement Presentation

The Center is required to classify net assets and revenues, expenses, and gains and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net assets with donor restrictions: Net assets subject to donor-(or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Net assets without donor restrictions: Net assets not subject to donor-imposed restrictions. Net assets without donor restrictions are currently available for operating purposes under the direction of the board, designated by the board for specific use, or invested in property and equipment.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, restricted net assets are reclassified to net assets without donor restrictions.

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

Functional Allocation of Expenses

The costs of providing programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation and various conferences, which are based on utilization, as well as salaries and related expenses, supplies, telephone, postage and shipping, occupancy, repairs, printing, insurance, marketing, website expenses, and other expenses which are allocated on estimates of time and effort.

Comparative Totals

The financial information for the year ended December 31, 2019, is presented for comparative purposes only and is not intended to be a complete financial statement presentation.

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

The Center has 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 its 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 2017.

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

Fair Value Investments

Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The standard requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. The standard also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels. These levels, defined by the valuation techniques are described below:

Level 1 – Inputs include quoted prices in active markets for identical assets.

Level 2 – Inputs include available indirect information, such as quoted prices for similar assets in active markets, or quoted prices for identical or similar assets in markets that are not active.

Level 3 – Inputs are subjective and generally based on the entity’s own assumptions on how knowledgeable parties would price assets and are developed using the best information available in the circumstances.

See Note 3 for a detail of Endowment Investments and their fair value.

2. Accounts Receivable

Accounts receivable consists of amounts due from the following organization:

Helen Jones Foundation	\$ <u>60,000</u>
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3. Investments

The Helen Devitt Jones Education Endowment consists of long-term investments in mutual funds. Values in these Investments and accumulated unrealized gains or losses are shown below:

	<u>Cost</u>	<u>Market</u>	<u>Unrealized Gain</u>	<u>Investment Level</u>
Helen Devitt Jones Education Endowment				
Mutual Funds	\$ <u>1,032,191</u>	\$ <u>1,353,204</u>	\$ <u>321,013</u>	1

See Note 1 regarding a discussion on fair value investments. For the year ended December 31, 2020, unrealized gains of \$143,531 were recorded on the statement of activities. Expenses related to management of the funds were \$7,858 for the year ended December 31, 2020.

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

4. Endowment Fund

The Center's endowment includes donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. Donor-restricted endowments are classified as net assets with donor restrictions.

Balance as of 1/1/2020	\$	1,233,593
Released from Restriction		(53,487)
Contributions		14,636
Investment Income		28,683
Realized Gains		22,327
Unrealized Gains		143,531
Investment Fees		(7,858)
Balance as of 12/31/2020	\$	<u>1,381,425</u>

Endowment funds are currently invested as follows as of December 31, 2020:

Cash in Bank - Endowment	\$	28,221
Long Term Investments		<u>1,353,204</u>
	\$	<u>1,381,425</u>

Interpretation of Relevant Law

The Center's management has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Center classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with UPMIFA, the Center considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) The duration and preservation of the fund, (2) The purposes of the organization and the donor-restricted endowment fund, (3) General economic conditions, (4) The possible effect of inflation and deflation, and (5) The expected total return from income and the appreciation of investments.

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

5. Endowment Investment Objectives and Distribution Policy

The Volunteer Center of Lubbock, Inc. Helen Devitt Jones Education Endowment was established in January 2013, with a grant, in trust, from the Helen Jones Foundation in the amount of \$600,000. An additional \$250,000 was granted in November 2013, an additional \$75,000 was granted in December 2016, an additional \$250,000 was granted in August 2017, and an additional \$11,000 was granted in December 2017. During the year ended December 31, 2020, unused grant proceeds from the Helen Jones Foundation of \$14,636 were approved to be transferred to the endowment. As of December 31, 2020, \$1,381,425 is invested in various restricted investments.

The objective is to preserve real purchasing power by seeking long-term returns that either match or exceed the distribution rate plus inflation. The Trust views the Center's endowment as permanent. The Trust therefore places greater significance on projections of long-term market performance than on short-term market reversals. The general policy diversifies investments within both equity and fixed-income securities to provide a balance that will enhance total return while avoiding undue risk concentration in any single asset class of investment category.

The current policy is to annually distribute five percent of the Helen Devitt Jones Education Endowment based on the trailing 36 month average of the endowment's investment portfolio balance, with the expectation that, over time, the total real return (return net of inflation) from investments will exceed the endowment's pay-out rate, thus allowing for real growth of endowment assets. The percentage of distribution is determined by the Board of Trustees and will be reviewed annually for appropriateness in the then-current economic conditions.

The distribution amount is \$57,310 based on the year ended December 31, 2020 value to be used for restricted purposes beginning on January 1, 2021. The Trust is governed by its own Board of Trustees comprised of seven members consisting of the Center's President and Treasurer, two members appointed by the Center, two at-large members, and one member of the Helen Jones Foundation Board of Directors.

6. Revenue from Contracts with Customers

In 2014, the FASB issued *Revenue from Contracts with Customers, Topic 606* (ASU No. 2014-09), which provides a new framework for the recognition of revenue. The Center implemented the guidance on a modified retrospective basis on January 1, 2019. Results for the reporting periods beginning after December 31, 2018 are presented in accordance with Topic 606, while prior period results have not been adjusted and continue to be reported in accordance with prior accounting guidance. The implementation did not have a material impact on the Center's financial statements, other than increased disclosures regarding revenues related to contracts with customers.

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

The Center receives revenue from partnerships with various community agencies. Partners receive benefits such as a free account on the Center's online volunteer community, Get Connected, promotion in the Center's Guide to Volunteering in Lubbock and eNewsletters, discounted fees on workshops and consultations, and opportunities to connect with the community at the Center's agency fairs and events. Partners pay an annual fee of \$150. Performance obligations related to the sale of memberships to agency partners are satisfied on a calendar year basis. The Center recognizes revenues that correspond to the price of membership delivered to the agency partner on an annual basis. All 2020 partnership agreements have been satisfied as of December 31, 2020.

The Center recognizes revenue from fundraising events at the time of the event. Revenue for any events or sponsorships that have not occurred prior to December 31, 2020 are included in deferred revenues below. All other performance obligations have been met as of December 31, 2020.

Deferred revenue in net assets without donor restrictions represents money received in the current period for fundraising events and sponsorships for the next fiscal year. Deferred revenues consisted of the following at December 31, 2020:

Deferred Golf Fees	\$	1,500
Deferred Sponsorships		<u>35,831</u>
	\$	<u><u>37,331</u></u>

7. Net Assets with Donor Restrictions

At December 31, 2020, net assets with donor restrictions consisted of the following:

	Balance 1/1/20	Proceeds/ Allocation Received	Released From Restrictions	Grant Proceeds Reallocated	Balance 12/31/20
Subject to expenditure for specified purpose:					
Helen Jones Foundation	\$ 60,000	\$ 60,000	\$ (45,364)	\$ (14,636)	\$ 60,000
CH Foundation - Youth	264,731	79,200	(159,264)		184,667
HYPE Income	9,500		(9,500)		
	<u>\$ 334,231</u>	<u>\$ 139,200</u>	<u>\$ (214,128)</u>	<u>\$ (14,636)</u>	<u>\$ 244,667</u>
Subject to the Center's spending policy and appropriation:					
Helen Jones Endowment Restricted in Perpetuity	\$ 1,233,593	\$ 186,683	\$ (53,487)	\$ 14,636	\$ 1,381,425
	<u>\$ 1,567,824</u>	<u>\$ 325,883</u>	<u>\$ (267,615)</u>	<u>\$ 0</u>	<u>\$ 1,626,092</u>

8. Net Assets without Donor Restrictions – Board Designated

During the year ended December 31, 2014, the Board designated \$17,190 to be spent on marketing funds in 2015. The amount has not been spent and remains designated.

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

9. Liquidity and Availability of Financial Assets

The following reflects the Center's financial assets as of December 31, 2020, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations.

Cash in Bank	\$	400,962
Cash in Bank - Endowment		28,221
Certificates of Deposit		319,153
Accounts Receivable		60,000
Other Current Assets		1,451
Fixed Assets		7,082
Endowment Fund - Long Term Investments		<u>1,353,204</u>
Total Financial Assets	\$	2,170,073
Less contractual or donor-imposed restrictions:		
Cash Restricted		(184,667)
Accounts Receivable		(60,000)
Other Current Assets		(1,451)
Endowment Fund Investments		(1,381,425)
Net Investment in Fixed Assets		(7,082)
Board-Designated Assets		<u>(17,190)</u>
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	\$	<u><u>518,258</u></u>

Volunteer Center of Lubbock, Inc. is supported by contributions and grants. Some funds have donor restriction requirements to be used in a particular manner or in a future period. Volunteer Center of Lubbock, Inc. must maintain sufficient resources to meet those responsibilities to its donors. Thus, some financial assets may not be available for general expenditure within one year. As part of the Volunteer Center of Lubbock, Inc.'s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Volunteer Center of Lubbock, Inc. invests cash in certificates of deposit and interest-bearing accounts with rates similar to certificates of deposit. Previously, the board designated a portion of operating surplus to the board designated fund, which was \$17,190 as of December 31, 2020.

VOLUNTEER CENTER OF LUBBOCK, INC.

NOTES TO FINANCIAL STATEMENTS

10. Leases

The Center is leasing photocopying equipment through an operating lease. The terms of the lease call for monthly payments of \$297 over 60 months. Lease expense for the year ended December 31, 2020, totaled \$6,178. The following represents future minimum lease payments:

2021	\$	3,563
2022		3,563
2023		3,563
2024		3,563
2025		2,672
	\$	<u>16,924</u>

11. Subsequent Events

The Center has evaluated subsequent events through February 19, 2021, the date which the financial statements were available to be issued.

ACCOMPANYING INFORMATION

VOLUNTEER CENTER OF LUBBOCK, INC.

Schedule I

**COMPARISON OF REVENUE AND EXPENSES TO BUDGET
CURRENT FUNDS - WITHOUT DONOR RESTRICTIONS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Actual</u>	<u>Budget</u>	Variance Favorable (Unfavorable)
SUPPORT AND REVENUE			
Public Contributions	\$ 83,138	\$ 81,800	\$ 1,338
Fundraising	36,564	37,150	(586)
United Way	198,903	197,635	1,268
Other Grants	236,878	255,952	(19,074)
Endowment Distribution	53,487	53,487	
Seminars/Workshops	18,885	15,500	3,385
Interest Earned	6,732	6,000	732
Other	8,282	7,900	382
Total Support and Revenue	<u>\$ 642,869</u>	<u>\$ 655,424</u>	<u>\$ (12,555)</u>
EXPENSES			
Salaries and Benefits	\$ 356,775	\$ 369,120	\$ 12,345
Payroll Taxes	29,198	29,504	306
Supplies	21,032	20,294	(738)
Volunteer Program Awards	47,569	53,850	6,281
Seminars/Workshops Expense	71,695	55,987	(15,708)
Telephone	4,380	4,650	270
Postage and Shipping	3,587	3,750	163
Occupancy	10,896	10,900	4
Equipment Repairs	413	500	87
Printing and Publications	11,950	12,224	274
Dues	3,313	3,350	37
Conferences and Travel	12,309	13,755	1,446
Insurance	2,140	2,500	360
Contract Services	9,611	9,250	(361)
United Way Division Expenses	3,934	4,700	766
Nonprofit Fellows	4,000	4,000	0
Marketing	5,200	5,200	0
Website Expenses	4,991	5,000	9
Agency Partner Support	750	750	0
HYPE Expenses	29,301	37,500	8,199
Other	5,544	8,640	3,096
Total Expenses	<u>\$ 638,588</u>	<u>\$ 655,424</u>	<u>\$ 16,836</u>
Total Support and Revenue Over Expenses	<u>\$ 4,281</u>	<u>\$ 0</u>	<u>\$ 4,281</u>

VOLUNTEER CENTER OF LUBBOCK, INC.

Schedule II

**RECONCILIATION OF ACTUAL REVENUE AND EXPENSES
FOR CURRENT FUNDS - WITHOUT DONOR RESTRICTIONS PER EXHIBIT B
TO ACTUAL REVENUE AND EXPENSES FOR BUDGET PURPOSES
FOR YEAR ENDED DECEMBER 31, 2020**

SUPPORT AND REVENUE

Total Support and Revenue - Exhibit B - Without Donor Restrictions \$ 642,869

Total Support and Revenue - Schedule I \$ 642,869

EXPENSES

Expenses - Exhibit B \$ 646,410

Less: Depreciation of Equipment 7,822

Total Expenses - Schedule I \$ 638,588