

**RSVP OF ALLEN COUNTY, INC.
D/B/A VOLUNTEER CENTER**

FINANCIAL STATEMENTS

For the Year Ended December 31, 2020

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INDEPENDENT AUDITORS' REPORT

Board of Directors
RSVP of Allen County, Inc.
d/b/a Volunteer Center
Fort Wayne, Indiana

We have audited the accompanying financial statements of RSVP of Allen County, Inc. d/b/a Volunteer Center (a nonprofit organization) which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

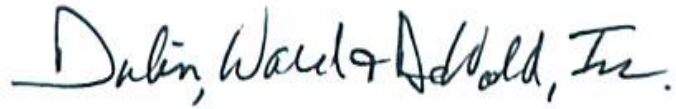
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 misstatements 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 RSVP of Allen County, Inc. d/b/a Volunteer Center as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Dalin, Ward & Adbold, Inc." The signature is written in a cursive, flowing style.

Fort Wayne, Indiana

April 22, 2021

RSVP OF ALLEN COUNTY, INC.
D/B/A VOLUNTEER CENTER
STATEMENT OF FINANCIAL POSITION
December 31, 2020

ASSETS

Cash and cash equivalents	\$ 190,170
Accounts receivable	5,032
Grants receivable	35,949
Prepaid expenses	1,395
Furniture and fixtures - net of accumulated depreciation of \$54,042	4,321
Total Assets	\$ 236,867

LIABILITIES AND NET ASSETS

Accrued payroll and withholdings	\$ 23,456
Accounts payable	11,137
Total Liabilities	34,593
Net assets:	
Without donor restrictions	163,190
With donor restrictions	39,084
Total Net Assets	202,274
Total Liabilities and Net Assets	\$ 236,867

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

RSVP OF ALLEN COUNTY, INC.
D/B/A VOLUNTEER CENTER
STATEMENT OF ACTIVITIES
Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
CHANGES IN NET ASSETS			
Support and Revenues:			
Government grants	\$ 259,063	\$ -	\$ 259,063
Contributions and grants	92,459	8,500	100,959
In-kind contributions	51,110	-	51,110
Program fees	43,434	-	43,434
Investment income	6	-	6
Net Assets Released From Restrictions	<u>27,749</u>	<u>(27,749)</u>	<u>-</u>
Total Support and Revenues	473,821	(19,249)	454,572
Expenses:			
Program services	382,149	-	382,149
General and administrative	61,950	-	61,950
Fundraising	7,923	-	7,923
Total Expenses	<u>452,022</u>	<u>-</u>	<u>452,022</u>
CHANGE IN NET ASSETS	21,799	(19,249)	2,550
NET ASSETS - January 1, 2020	<u>141,391</u>	<u>58,333</u>	<u>199,724</u>
NET ASSETS - December 31, 2020	<u>\$ 163,190</u>	<u>\$ 39,084</u>	<u>\$ 202,274</u>

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

RSVP OF ALLEN COUNTY, INC.
D/B/A VOLUNTEER CENTER
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2020

	Program	General and Administrative	Fundraising	Total
Salaries	\$ 210,769	\$ 30,996	\$ 6,199	\$ 247,964
Employee benefits	11,750	1,621	258	13,629
Payroll taxes	<u>16,368</u>	<u>2,407</u>	<u>481</u>	<u>19,256</u>
Total Salaries and Related Expenses	238,887	35,024	6,938	280,849
Advertising and marketing	35,793	490	98	36,381
Occupancy	30,619	3,902	-	34,521
Supplies	33,522	-	735	34,257
Professional fees	14,496	12,022	42	26,560
Technology	10,693	4,385	110	15,188
Volunteer expenses	9,573	1,027	-	10,600
Travel	2,468	274	-	2,742
Office	2,053	474	-	2,527
Insurance	1,414	960	-	2,374
Miscellaneous	320	1,332	-	1,652
Dues and subscriptions	-	872	-	872
Meals	626	235	-	861
Fees	<u>-</u>	<u>766</u>	<u>-</u>	<u>766</u>
Total Expenses Before Depreciation	380,464	61,763	7,923	450,150
Depreciation	<u>1,685</u>	<u>187</u>	<u>-</u>	<u>1,872</u>
Total Expenses	<u><u>\$ 382,149</u></u>	<u><u>\$ 61,950</u></u>	<u><u>\$ 7,923</u></u>	<u><u>\$ 452,022</u></u>

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

RSVP OF ALLEN COUNTY, INC.
D/B/A VOLUNTEER CENTER
STATEMENT OF CASH FLOWS
Year Ended December 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 2,550
Adjustments to reconcile change in net assets to cash flows from operating activities:	
Depreciation	1,872
Change in assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	3,637
Grants receivable	8,967
Prepaid expenses	(44)
Increase (decrease) in:	
Accrued payroll and withholdings	7,904
Accounts payable	<u>6,800</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	31,686
CASH AND CASH EQUIVALENTS - January 1, 2020	<u>158,484</u>
CASH AND CASH EQUIVALENTS - December 31, 2020	<u><u>\$ 190,170</u></u>

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

**RSVP OF ALLEN COUNTY, INC.
D/B/A VOLUNTEER CENTER
NOTES TO FINANCIAL STATEMENTS**

December 31, 2020

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

RSVP of Allen County, Inc. d/b/a Volunteer Center (RSVP) endeavors to serve its community by providing a corps of volunteers to fill important community roles, and to provide for its volunteers meaningful opportunities for community service relevant to their skills, abilities and interests. The activities of RSVP take place primarily in Allen County, Indiana with some services available in the recently expanded counties of Adams, Wells, Whitley and Huntington.

Income Taxes

RSVP is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a) of the Internal Revenue Code.

Recent Accounting Guidance

During 2020, RSVP adopted ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended as management believes the standard improves the usefulness and understandability of RSVP's financial reporting. Analysis of various provisions of this standard resulted in no significant changes in the way RSVP recognizes revenue, and therefore, no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosure of revenue have been enhanced in accordance with the standard.

RSVP has also adopted ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605)* as management believes the standard improves the usefulness and understandability of RSVP's financial reporting. There is no effect on net assets in connection with the implementation of ASU 2018-08.

RSVP adopted ASU 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*. The standard addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. RSVP has adjusted the presentation of these statements accordingly.

(continued)

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(continued)

Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Cash and Cash Equivalents

For purposes of the statement of cash flows, RSVP considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

Receivables

Grants receivable are due from government and other significant funding sources.

If considered necessary, RSVP provides an allowance for doubtful receivables which is based on management's estimate of losses that will be incurred in the collection of all receivables.

Fixed Assets

Fixed assets consisting of furniture and fixtures with a cost or donated value of \$1,000 or more and a useful life in excess of one year are capitalized. RSVP follows the policy of providing depreciation on the straight-line method for financial reporting purposes over the estimated useful lives of the related assets. It is not RSVP's policy to imply time restrictions expiring over the useful life of the donated assets. In the absence of donor-imposed restrictions on the use of the asset, gifts of long-lived assets are reported as unrestricted support.

Net Assets

Net assets without donor restrictions are available for use at the discretion of RSVP's management and the board of directors. From time to time the board designates a portion of these net assets for specific purposes, which makes them unavailable for use at management's discretion.

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed time and/or purpose restrictions. RSVP reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

(continued)

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(continued)

Revenue and Revenue Recognition

A portion of RSVP's revenue is derived from cost-reimbursable federal grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when RSVP has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. No advances have been received on the grants and no deferred revenue is recognized.

RSVP recognizes contributions and grants as public support when cash, other assets or an unconditional promise is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been met.

In-kind contributions of facilities, goods, and services are recognized as support and expense or fixed assets and are recorded at market value as of the date received. RSVP also receives substantial contributions of nonprofessional services. The fair market value of the donated nonprofessional services is not reflected in the financial statements because it does not meet the recognition criteria set forth in FASB ASC 958-605.

Program fees are recognized as revenue when the services are provided. All services are transferred at a point in time.

Functional Allocation of Expenses

The costs of providing RSVP's programs and supporting services have been summarized on a functional basis in the statements of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Salaries and related expenses, advertising and marketing, supplies, occupancy, professional fees, technology, volunteer expenses, travel, office, insurance, miscellaneous, and meals are allocated based on time and effort.

Subsequent Events

Management has evaluated subsequent events through April 22, 2021, the date which the financial statements were available for issue.

2. GRANTS RECEIVABLE

Grants receivable are due within one year.

3. NET ASSETS

Net assets with donor restrictions are restricted for the following as of December 31, 2020.

Specific purpose:

I CAN volunteer team	\$ 38,333
Organizational effectiveness	<u>751</u>
	<u>\$ 39,084</u>

Net assets were released from donor restrictions as follows for the year ended December 31, 2020.

Specific purpose:

I CAN volunteer team	\$ 20,000
Organizational effectiveness	<u>7,749</u>
	<u>\$ 27,749</u>

Net assets without donor restrictions of \$163,190 are undesignated at December 31, 2020.

4. IN-KIND CONTRIBUTIONS

RSVP recognizes contributions of certain services received at the fair value of those services.

During 2020, RSVP recognized contributions of revenue for facilities, goods and services at the fair value of those facilities, goods and services as follows:

Program:	
Advertising and marketing	\$ 32,460
Occupancy	13,500
Meals	300
General and administrative:	
Technology	3,350
Occupancy	<u>1,500</u>
Total in-kind	<u>\$ 51,110</u>

5. LEASE

RSVP leases office space under an operating lease expiring December 2022. Monthly lease payments are \$1,500 with an additional \$1,250 per month recorded as an in-kind contribution. Total rent expense charged to operations during the year was \$33,000.

Minimum future lease payments under noncancelable operating leases as of December 31, 2020 for each of the next five years and in the aggregate are:

2021	\$ 18,000
2022	18,000
2023 and thereafter	<u>-</u>
Total lease commitments	<u>\$ 36,000</u>

6. CONCENTRATIONS

RSVP receives a substantial amount of support from the Corporation for National Service. A significant reduction in the level of this support, if this were to occur, may have an effect on RSVP's operating results.

7. AVAILABILITY AND LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2020 comprise the following:

Cash and cash equivalents	\$ 190,170
Accounts receivable	5,032
Grants receivable	<u>35,949</u>
Total financial assets	231,151
Less amounts not available within one year, due to:	
Donor restricted for specific purpose	<u>(39,084)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 192,067</u>

In addition to financial assets available to meet general expenditures over the next twelve months, RSVP continues to receive monthly grant payments for services provided.

8. RISKS AND UNCERTAINTIES

On March 11, 2020, the COVID-19 virus had been declared a global pandemic. The extent of the impact of the COVID-19 outbreak on the financial performance of RSVP will depend on future developments, including the duration and severity of the outbreak and its impact on the overall economy. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.

RSVP OF ALLEN COUNTY, INC.
D/B/A VOLUNTEER CENTER
SCHEDULE OF GOVERNMENT FUNDS RECEIVED
Year Ended December 31, 2020

Federal Agency/ Pass-Through Agency/Program Title	Federal CFDA Number	Revenue Recognized
Corporation for National and Community Service: Retired and Senior Volunteer Program	94.002	\$ 238,244
U.S. Department of Housing and Urban Development: Passed through City of Fort Wayne: Community Development Block Grant	14.272	<u>20,819</u>
		<u>\$ 259,063</u>

See independent auditors' report.

