

**ELDERS IN ACTION**  
**FINANCIAL STATEMENTS**  
**Year Ended June 30, 2015**



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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Elders In Action  
Portland, Oregon

We have audited the accompanying financial statements of Elders In Action (a non-profit organization), which comprise the statement of financial position as of June 30, 2015, 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 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 Elders In Action as of June 30, 2015, 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.

**Other Matters**

***Report on Summarized Comparative Information***

We have previously audited the Elders In Action's June 30, 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 29, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

  
Portland, Oregon  
October 29, 2015

**ELDERS IN ACTION**

**STATEMENT OF FINANCIAL POSITION**

**June 30, 2015**

(With Comparative Totals as of June 30, 2014)

**ASSETS**

	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 290,599	\$ 225,198
Investments	37,443	37,345
Contracts receivable	75,123	60,454
Prepaid expenses	<u>10,028</u>	<u>13,286</u>
<b>Total assets</b>	<b><u>\$ 413,193</u></b>	<b><u>\$ 336,283</u></b>

**LIABILITIES AND NET ASSETS**

Accounts payable	\$ 2,478	\$ 2,576
Accrued payroll and related taxes	11,965	15,195
Accrued vacation	6,027	11,635
Deferred revenue	<u>15,000</u>	<u>-</u>
<b>Total liabilities</b>	<b><u>35,470</u></b>	<b><u>29,406</u></b>
Net assets		
Unrestricted		
Board designated	37,443	37,345
Available for operations	<u>332,530</u>	<u>261,532</u>
Total unrestricted	369,973	298,877
Temporarily restricted	<u>7,750</u>	<u>8,000</u>
<b>Total net assets</b>	<b><u>377,723</u></b>	<b><u>306,877</u></b>
<b>Total liabilities and net assets</b>	<b><u>\$ 413,193</u></b>	<b><u>\$ 336,283</u></b>

See notes to financial statements.

**ELDERS IN ACTION**

**STATEMENT OF ACTIVITIES**

**Year Ended June 30, 2015**

(With Comparative Totals for the Year Ended June 30, 2014)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	
			<u>2015</u>	<u>2014</u>
<b>Revenues and other support</b>				
Contracts - Multnomah County	\$ 216,291	\$ -	\$ 216,291	\$ 212,775
Contracts - City of Portland	155,415	-	155,415	144,167
Grant - Victims of Crime Act	25,188	-	25,188	20,000
Other grants	33,971	50,750	84,721	65,188
Contributions	37,985	-	37,985	43,038
Special events, net of direct costs of \$8,728 and \$16,386, respectively	40,951	-	40,951	26,949
Program fees	8,125	-	8,125	11,953
Interest income	792	-	792	1,019
Miscellaneous	342	-	342	1,788
In-kind	10,582	-	10,582	-
	<u>529,642</u>	<u>50,750</u>	<u>580,392</u>	<u>526,877</u>
Net assets released from restrictions	<u>51,000</u>	<u>(51,000)</u>	<u>-</u>	<u>-</u>
<b>Total revenues and other support</b>	<b><u>580,642</u></b>	<b><u>(250)</u></b>	<b><u>580,392</u></b>	<b><u>526,877</u></b>
<b>Expenses</b>				
Program services				
Personal advocacy	241,783	-	241,783	241,373
Commission	133,275	-	133,275	85,050
Age Friendly	69,734	-	69,734	105,474
Total Program Services	<u>444,792</u>	<u>-</u>	<u>444,792</u>	<u>431,897</u>
Supporting services				
Administration	31,324	-	31,324	45,961
Fund-raising	33,430	-	33,430	31,778
<b>Total expenses</b>	<b><u>509,546</u></b>	<b><u>-</u></b>	<b><u>509,546</u></b>	<b><u>509,636</u></b>
<b>Change in net assets</b>	<b><u>71,096</u></b>	<b><u>(250)</u></b>	<b><u>70,846</u></b>	<b><u>17,241</u></b>
Net assets, beginning of year	<u>298,877</u>	<u>8,000</u>	<u>306,877</u>	<u>289,636</u>
<b>Net assets, end of year</b>	<b><u>\$ 369,973</u></b>	<b><u>\$ 7,750</u></b>	<b><u>\$ 377,723</u></b>	<b><u>\$ 306,877</u></b>

See notes to financial statements.

**ELDERS IN ACTION**

**STATEMENT OF FUNCTIONAL EXPENSES**

**Year Ended June 30, 2015**

(With Comparative Totals for the Year Ended June 30, 2014)

	<b>PROGRAM SERVICES</b>				<b>SUPPORTING SERVICES</b>		<b>Total</b>	
	<b>Personal Advocacy</b>	<b>Commission</b>	<b>Age Friendly</b>	<b>Total</b>	<b>Adminis- tration</b>	<b>Fund- raising</b>	<b>2015</b>	<b>2014</b>
Salaries	\$ 145,277	\$ 76,837	\$ 36,916	\$ 259,030	\$ 20,656	\$ 9,973	\$ 289,659	\$ 310,858
Payroll taxes	15,244	8,220	3,869	27,333	2,014	1,090	30,437	32,452
Employee benefits	24,465	12,997	8,021	45,483	2,078	1,793	49,354	48,178
Professional services	9,938	6,829	3,658	20,425	1,075	13,373	34,873	29,569
Advertising and promotion	218	121	121	460	285	-	745	610
Licenses, taxes, fees	314	91	64	469	229	13	711	685
Office supplies	892	342	201	1,435	91	116	1,642	2,184
Dues and subscriptions	854	889	933	2,676	43	637	3,356	1,707
Printing	1,076	629	231	1,936	190	735	2,861	2,969
Postage	1,172	544	386	2,102	78	272	2,452	1,848
Telephone	4,768	2,480	1,762	9,010	365	346	9,721	9,288
Occupancy	19,223	10,000	7,105	36,328	1,427	2,593	40,348	36,894
Equipment rental	5,341	3,724	498	9,563	532	188	10,283	9,782
Insurance	1,364	710	504	2,578	1,901	99	4,578	5,364
Travel	2,993	2,138	173	5,304	103	47	5,454	5,128
Education and conference	294	418	124	836	13	12	861	805
Volunteer support	2,507	1,640	701	4,848	77	28	4,953	2,780
Bank fees	1,538	800	652	2,990	114	2,063	5,167	5,134
Other	778	339	287	1,404	53	52	1,509	3,401
In-kind personnel services	3,527	3,527	3,528	10,582	-	-	10,582	-
	<b>\$ 241,783</b>	<b>\$ 133,275</b>	<b>\$ 69,734</b>	<b>\$ 444,792</b>	<b>\$ 31,324</b>	<b>\$ 33,430</b>	<b>\$ 509,546</b>	<b>\$ 509,636</b>

See notes to financial statements.

**ELDERS IN ACTION**

**STATEMENT OF CASH FLOWS**

**Year Ended June 30, 2015**

(With Comparative Totals for the Year Ended June 30, 2014)

	<b>2015</b>	<b>2014</b>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 70,846	\$ 17,241
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Changes in assets and liabilities:		
Contracts receivable	(14,669)	249
Prepaid expenses	3,258	(347)
Accounts payable	(98)	1,734
Accrued payroll and related taxes	(3,230)	195
Accrued vacation	(5,608)	1,107
Deferred revenue	15,000	-
<b>Net cash provided by (used in) operating activities</b>	<b>65,499</b>	<b>20,179</b>
<b>Cash flows from investing activities:</b>		
Purchase of investments	(98)	(457)
<b>Net change in cash</b>	<b>65,401</b>	<b>19,722</b>
Cash and cash equivalents, beginning of year	225,198	205,476
<b>Cash and cash equivalents, end of year</b>	<b>\$ 290,599</b>	<b>\$ 225,198</b>

See notes to financial statements.

## ELDERS IN ACTION

### NOTES TO FINANCIAL STATEMENTS

June 30, 2015

#### NOTE A – DESCRIPTION OF ORGANIZATION

Elders in Action is an Oregon nonprofit consumer organization committed to advocating for the needs of older adults, developing new services and resources, and providing public education to improve quality of life for older adults primarily in the greater Portland, Oregon area. The Organization's primary source of funding is government contracts with Multnomah County and the City of Portland as well as small foundation grants, donations, and program fees.

The Organization works towards ensuring and promoting:

- Quality of life for older adults never depends on their age
- Personal one-on-one support and advocacy
- Educational programs and awareness about our aging population
- Meaningful civic and volunteer engagement

Our vision is to create a vibrant community that promotes opportunities for all older adults to be active and engaged to the extent possible, and contribute in meaningful ways to the health and vitality of our community.

Key program services of Elders in Action are:

- **Personal Advocacy/Speakers Bureau-** Trained volunteers offer personal one-on-one assistance to older adults who need help navigating systems, problem solving or linking to community resources. Volunteers can assist individuals living in Multnomah, Clackamas, and Washington counties in the areas of housing, healthcare, crime, and elder abuse. Volunteers also provide a variety of informational presentations on important topics affecting older adults on how to stay safe and get connected to services.
- **Elders in Action Commission** is a citizen advisory group of Multnomah County/City of Portland residents. The Commission advises Multnomah County Aging and Disability Services, Multnomah County, and the City of Portland on the concerns and needs of older adults in our community. With strong advocacy, this dynamic group has shaped the aging policy on all levels.
- **Age-Friendly Business Certification (formally known as Elder Friendly)-** Since 1993, the Age Friendly Business Certification program has been helping businesses better serve the older customer by using our nationally recognized standard of service. Every organization is evaluated by older adult volunteers who provided feedback to the business on how they can best serve the older customer. We certify a wide range of businesses from retail, healthcare, government, to non-profit service providers. The elder population represents a large and growing consumer group. Implications for business are clear: Improved access to older consumers and knowledge of their needs are important to be competitive in business today.



## ELDERS IN ACTION

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 2015

#### NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### **Basis of Presentation**

Net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

- Unrestricted net assets represent net assets not subject to donor-imposed stipulations.
- Temporarily restricted net assets represent net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time.
- Permanently restricted net assets represent net assets subject to donor-imposed stipulations that they be permanently maintained.

Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

##### **Cash and Cash Equivalents**

The Organization classifies as cash and cash equivalents all checking, savings, money market accounts, and all investments maturing within 90 days from the date of purchase.

##### **Contributions**

All contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as temporarily or permanently restricted support and increase the respective class of net assets. When a restriction expires, temporarily restricted net assets are reclassified as unrestricted.

##### **Investments**

Investments are carried at fair value. Net change in the fair value of investments, which consists of the realized gains or losses and the unrealized appreciation (decline) of those investments, is shown in the Statement of Activities. Interest income is accrued as earned. Investments consist of bank certificates of deposit.

Assets and liabilities recorded at fair value are measured under a three-level hierarchy. The classification of assets and liabilities within the hierarchy is based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources, while unobservable inputs reflect estimates about market data.

## ELDERS IN ACTION

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 2015

#### NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### Investments (Continued)

Valuation techniques used to measure fair value are prioritized into the following hierarchy:

**Level 1** – Quoted prices in active markets for identical assets. Assets in this level typically include publicly traded equities and mutual fund investments.

**Level 2** – Quoted prices for similar assets in active or inactive markets, or inputs derived from observable market data such as published interest rates and yield curves, over-the-counter derivatives, market modeling, or other valuation methodologies.

**Level 3** – Unobservable inputs that reflect management's assumptions and best estimates based on available data.

Realized and unrealized gains and losses from investments are reported in the Statement of Activities as they occur. There have been no changes in valuation techniques and related inputs.

At June 30, 2015, the Organization held a certificate of deposit valued at \$37,443. This is the only assets subject to fair value measurements, and is considered Level 2 investments.

##### Estimates

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

##### Furniture and Equipment

Furniture and equipment is recorded at cost when purchased or fair market value when donated. Depreciable assets over \$1,000 are capitalized. Depreciation is computed on the estimated useful lives of the assets from 5 to 10 years using the straight-line method. Maintenance and repairs are expensed when incurred. Betterments and renewals are capitalized.

##### Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and contracts receivable. The Organization places its cash with financial institutions insured by the Federal Deposit Insurance Corporation (FDIC). Amounts in excess of FDIC coverage are not insured.

The Organization's contracts receivable consist primarily of reimbursement requests to government agencies and are unsecured. Such receivables are generally due within 30 days. The Organization does not typically experience losses on these accounts.

**ELDERS IN ACTION**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2015**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accounts Receivable**

Receivables are recognized as services are performed and expenditures are made. The Organization does not assess finance charges on receivables.

The Organization uses the allowance method to account for uncollectible receivables. The allowance for doubtful accounts is estimated by management based on various factors, including past history and current economic conditions. The Organization considers accounts receivable to be fully collectible at June 30, 2015; thus no allowance for doubtful accounts has been established.

**Income Taxes**

The Organization has been approved as a tax-exempt organization under the Internal Revenue Code 501(c)(3) and applicable state laws. Accordingly, no provision for income taxes is included in the accompanying financial statements. The Organization does not believe it has unrelated trade or business income in excess of \$1,000.

The Organization's federal exempt organization information returns are subject to examination by the Internal Revenue Service, generally for three years after they are filed.

**Allocation of Functional Expenses**

The cost of providing the various programs and other activities has been summarized in the Statement of Activities. Certain costs, including salaries and administrative operating expenses, have been allocated among the programs and supporting services benefited.

**Prior Year Summarized Financial Information**

The financial statements include certain prior-year summarized comparative information in total but not by net asset class or natural expense classification by function. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2014, from which the summarized information was derived.

**NOTE C – IN-KIND CONTRIBUTIONS**

During the year ended June 30, 2015, a grant provided in kind personnel services valued at \$10,582 which benefited all programs.

In addition, volunteers provided many of the Organization's daily personnel needs for routine operations. No amounts have been recognized in the accompanying statements for these additional in kind services because they did not meet the criteria for recognition.

**ELDERS IN ACTION**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2015**

**NOTE C – IN-KIND CONTRIBUTIONS (CONTINUED)**

The Organization estimates that 140 volunteers, ages 22 to 88 contributed 11,652 hours over the course of the last year, valued at \$248,770 for the year ended June 30, 2015 on various projects ranging from:

- Telephone Information and Referral
- Service-Learning Projects
- General Outreach Assistance
- General Office Assistance and Reception
- Newsletter article writing and production
- Volunteer trainings
- Advocacy, advisory and community working groups
- Business community development and engagement

**NOTE D – BOARD DESIGNATED FUND**

The Board has designated the use of unrestricted net assets for the support of existing programs as well as special projects in the future. The amount of Board designated fund as of June 30, 2015 was \$37,443.

**NOTE E – RETIREMENT PLAN**

The Organization has established a Simple-IRA retirement plan available to all employees that provides for an employer matching contribution up to 3% of compensation. The retirement expense under the plan amounted to \$7,844 for the year ended June 30, 2015.

**NOTE F – LEASE COMMITMENT**

The Organization has a lease agreement for office space. Total rent expense for the year ended June 30, 2015 was \$40,348.

The following is a schedule of future minimum lease payments under operating leases as of June 30, 2015:

Year Ending June 30,	
2016	\$ 40,747
2017	<u>20,743</u>
	<u>\$ 61,490</u>

**ELDERS IN ACTION**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**June 30, 2015**

**NOTE G – ECONOMIC RELIANCE**

A substantial portion of the Organization's revenues and support is derived from contracts for services with the City of Portland and Multnomah County.

**NOTE H – TEMPORARILY RESTRICTED NET ASSETS**

Net assets temporarily restricted by donors for specific purposes at June 30, 2015 consist of \$7,750 from several funders for Civic Engagement.

**NOTE I – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through October 29, 2015, which is the date the financial statements were available to be issued.