

FOREST PRESERVE FOUNDATION, INC.

**Financial Statements
as of December 31, 2015 and 2014
Together with Auditor's Report**



CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Forest Preserve Foundation, Inc.
Chicago, Illinois

We have audited the accompanying financial statements of Forest Preserve Foundation, Inc. which comprise the statement of financial position as of December 31, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years 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 Forest Preserve Foundation, Inc. as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years 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 Forest Preserve Foundation, Inc.'s 2014 financial statements, and our report dated March 24, 2015, 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, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Kopczyk & Scott CPAs
KOPCZYK & SCOTT CPAs

Chicago, Illinois
February 22, 2016

FOREST PRESERVE FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2015 AND 2014

ASSETS	<u>2015</u>	<u>2014</u>
Cash - Unrestricted	\$ 126,314	\$ 268,830
Cash - Restricted	25,850	1,008
Accounts Receivable	3,250	0
Grants Receivable	4,000	0
Prepaid Expenses	1,094	2,214
Equipment	651	651
Accumulated Depreciation	<u><450></u>	<u><234></u>
TOTAL ASSETS	<u>\$ 160,709</u>	<u>\$ 272,469</u>
 LIABILITIES AND NET ASSETS		
Accounts Payable	\$ 0	\$ 2,500
Accrued Expenses	16,015	15,339
Grants Payable	<u>25,000</u>	<u>84,500</u>
TOTAL LIABILITIES	<u>\$ 41,015</u>	<u>\$ 102,339</u>
 NET ASSETS		
Unrestricted	\$ 89,844	\$ 169,122
Temporarily Restricted	<u>29,850</u>	<u>1,008</u>
TOTAL NET ASSETS	<u>\$ 119,694</u>	<u>\$ 170,130</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 160,709</u>	<u>\$ 272,469</u>

The accompanying notes are an integral part of these statements.

FOREST PRESERVE FOUNDATION, INC.

STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2015 AND 2014

CHANGES IN UNRESTRICTED NET ASSETS	<u>2015</u>	<u>2014</u>
REVENUES		
Public Support:		
Corporations	\$ 54,216	\$ 57,828
Foundations	39,144	5,100
Government	150,000	3,000
Individuals	52,549	38,343
Fundraising Events (Net of Expenses of \$48,755 and \$43,709)	128,652	110,956
Interest Income	18	0
In-Kind Donations	24,400	24,400
Net Assets Released From Restrictions	<u>1,008</u>	<u>0</u>
TOTAL REVENUES	\$ <u>449,987</u>	\$ <u>239,627</u>
EXPENSES		
Program Services	\$ 342,159	\$ 202,757
Management and General	130,445	77,921
Fundraising	<u>56,661</u>	<u>56,295</u>
TOTAL EXPENSES	\$ <u>529,265</u>	\$ <u>336,973</u>
CHANGE IN UNRESTRICTED NET ASSETS	\$ <u><79,278></u>	\$ <u><97,346></u>
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS		
Contributions	\$ 29,850	\$ 1,008
Net Assets Released From Restrictions	<u><1,008></u>	<u>0</u>
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	\$ <u>28,842</u>	\$ <u>1,008</u>
TOTAL CHANGE IN NET ASSETS	\$ <u><50,436></u>	\$ <u><96,338></u>
NET ASSETS AT BEGINNING OF YEAR	<u>170,130</u>	<u>266,468</u>
NET ASSETS AT END OF YEAR	\$ <u><u>119,694</u></u>	\$ <u><u>170,130</u></u>

The accompanying notes are an integral part of these statements.

FOREST PRESERVE FOUNDATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2015

With Comparative Totals for the Year Ended December 31, 2014

	2015			2014	
	Program Services	Management and General	Fundraising	Total	
Advertising	\$ 0	\$ 0	\$ 3,500	\$ 3,500	\$ 0
Depreciation	0	216	0	216	216
Grants Paid Out	250,629	0	0	250,629	133,350
Insurance	1,333	3,024	836	5,193	2,709
Miscellaneous	75	2,175	325	2,575	1,095
Occupancy- In-Kind	9,285	9,285	5,830	24,400	24,400
Office Supplies	119	2,043	868	3,030	2,965
Payroll Taxes	5,184	5,184	3,255	13,623	11,000
Pension	2,178	2,167	1,918	6,263	939
Printing	0	1,230	0	1,230	2,265
Professional Fees:					
Accounting Fees	1,617	6,285	1,015	8,917	10,395
Consulting Fees	8,747	34,655	0	43,402	13,621
Salaries	61,826	61,838	38,813	162,477	131,213
Travel / Meals	646	1,409	301	2,356	1,236
Utilities	520	934	0	1,454	1,569
TOTAL EXPENSES	<u>\$ 342,159</u>	<u>\$ 130,445</u>	<u>\$ 56,661</u>	<u>\$ 529,265</u>	<u>\$ 336,973</u>

The accompanying notes are an integral part of these statements.

FOREST PRESERVE FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ <50,436>	\$ <96,338>
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	216	216
Accounts Receivable	<3,250>	0
Grants Receivable	<4,000>	61,000
Prepaid Expenses	1,120	<2,214>
Accounts Payable	<2,500>	<625>
Accrued Expenses	676	8,462
Grants Payable	<u><59,500></u>	<u>84,500</u>
Net Cash Provided <Used> by Operating Activities	<u>\$ <117,674></u>	<u>\$ 55,001</u>
Net Increase <Decrease> in Cash	\$ <117,674>	\$ 55,001
Cash Balance – Beginning of Year	<u>269,838</u>	<u>214,837</u>
Cash Balance – End of Year	<u>\$ 152,164</u>	<u>\$ 269,838</u>

The accompanying notes are an integral part of these statements.

FOREST PRESERVE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. NATURE OF ACTIVITIES

The mission of The Forest Preserve Foundation, Inc. is to support the protection and restoration of native habitats within the Forest Preserve District of Cook County and to connect all residents of Cook County with this great natural resource. As a 501(c)(3) nonprofit organization, The Foundation raises funds to enable the Forest Preserve District to develop and implement programs and initiatives that are beyond the capacity of tax dollars. The Foundation was founded in November 2006.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles for not-for-profit foundations.

Functional Allocation of Expenses

The costs of providing the various programs and other 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.

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.

Subsequent Events

The financial statement was available to be issued on February 22, 2016 with subsequent events being evaluated through this date.

FOREST PRESERVE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status

Forest Preserve Foundation, Inc. is a not-for-profit foundation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi). There was no unrelated business income nor unrecognized tax benefits for the years ended December 31, 2015 and 2014. Each of the Foundation's prior three years remains subject to examination by the Internal Revenue Service.

Cash Equivalents

Cash equivalents consist of short-term, highly liquid investments which are readily available for current use. Bank accounts are insured by the FDIC up to \$250,000. At December 31, 2015 and 2014, the Foundation had bank accounts whose cash balances exceeded the FDIC insured limit of \$0 and \$19,838, respectively.

Fixed Assets

The Foundation follows the practice of capitalizing, at cost, all expenditures for fixed assets in excess of \$1,000. Donated property and equipment is recorded at fair market value at the date of donation. Provisions for depreciation and amortization are made over the estimated useful lives of the assets on a straight line basis.

Comparative Totals for Prior Year

The functional expenses include certain prior-year summarized comparative information in total but not by functional allocation. 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 Forest Preserve Foundation, Inc.'s financial statements for the year ended, December 31, 2014, from which the summarized information was derived.

NOTE 3. NET ASSETS RELEASED FROM RESTRICTIONS

Net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. Restricted contributions whose restrictions are met in the same accounting period as that in which they are received are reported as unrestricted support.

NOTE 4. PERMANENTLY RESTRICTED NET ASSETS

There were no permanently restricted net assets or activity for 2015 or 2014.

FOREST PRESERVE FOUNDATION INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. OPERATING LEASE COMMITMENTS

The Forest Preserve District of Cook County will provide free use of office space and furniture and equipment for the period of January 1, 2015 through December 31, 2019. The value of this in-kind donation for calendar years 2015 and 2014 was \$24,400 and \$24,400, respectively.

NOTE 6. IN-KIND DONATIONS

Revenue and corresponding expenses are recognized for in-kind donations, consisting of occupancy and fundraising events. Valuations are provided by the donors based upon their standard rates. Total in-kind donations for the years ended December 31, 2015 and 2014 were \$39,942 and \$39,374.

Various individuals volunteer their time in connection with various foundation activities. No amounts have been reflected in the financial statements for these services.

NOTE 7. GRANTS RECEIVABLE

Grants receivable are all due within one year and deemed to be fully collectible.

NOTE 8. PENSION PLAN

The Foundation established a 403(B) tax sheltered annuity plan during 2015. Employees working 60% or more are eligible. The Foundation matches up to 5% of employee contributions. A total of \$6,263 and \$939 was contributed in 2015 and 2014.

NOTE 9. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets available for specific purposes or time periods:

	<u>2015</u>	<u>2014</u>
Programs	<u>\$ 29,850</u>	<u>\$ 1,008</u>