

FOREST PRESERVE FOUNDATION, INC.

**Financial Statements
as of December 31, 2016 and 2015
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, 2016 and 2015, 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, 2016 and 2015, 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 2015 financial statements and our report, dated February 22, 2016, 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, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.


KOPCZYK, OSHER, & SCOTT

Chicago, Illinois
May 11, 2017

FOREST PRESERVE FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2016 AND 2015

ASSETS	<u>2016</u>	<u>2015</u>
Cash - Unrestricted	\$ 83,177	\$ 126,314
Cash - Restricted	3,000	25,850
Accounts Receivable	875	3,250
Grants Receivable	0	4,000
Prepaid Expenses	3,163	1,094
Equipment	651	651
Accumulated Depreciation	<u><651></u>	<u><450></u>
TOTAL ASSETS	<u>\$ 90,215</u>	<u>\$ 160,709</u>
 LIABILITIES AND NET ASSETS		
Accounts Payable	\$ 2,772	\$ 0
Accrued Expenses	18,396	16,015
Grants Payable	<u>4,980</u>	<u>25,000</u>
TOTAL LIABILITIES	<u>\$ 26,148</u>	<u>\$ 41,015</u>
 NET ASSETS		
Unrestricted	\$ 61,067	\$ 89,844
Temporarily Restricted	<u>3,000</u>	<u>29,850</u>
TOTAL NET ASSETS	<u>\$ 64,067</u>	<u>\$ 119,694</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 90,215</u>	<u>\$ 160,709</u>

The accompanying notes are an integral part of these statements.

FOREST PRESERVE FOUNDATION, INC.

STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2016 AND 2015

CHANGES IN UNRESTRICTED NET ASSETS	<u>2016</u>	<u>2015</u>
REVENUES		
Public Support:		
Corporations	\$ 74,826	\$ 54,216
Foundations	5,900	39,144
Government	150,000	150,000
Individuals	37,400	52,549
Fundraising Events (Net of Expenses of \$53,102 and \$48,755)	139,881	128,652
Interest Income	12	18
In-Kind Donations	45,400	24,400
Net Assets Released From Restrictions	<u>29,850</u>	<u>1,008</u>
TOTAL REVENUES	<u>\$ 483,269</u>	<u>\$ 449,987</u>
EXPENSES		
Program Services	\$ 353,832	\$ 342,159
Management and General	101,242	130,445
Fundraising	<u>56,972</u>	<u>56,661</u>
TOTAL EXPENSES	<u>\$ 512,046</u>	<u>\$ 529,265</u>
CHANGE IN UNRESTRICTED NET ASSETS	<u>\$ <28,777></u>	<u>\$ <79,278></u>
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS		
Contributions	\$ 3,000	\$ 29,850
Net Assets Released From Restrictions	<u><29,850></u>	<u><1,008></u>
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	<u>\$ <26,850></u>	<u>\$ 28,842</u>
TOTAL CHANGE IN NET ASSETS	<u>\$ <55,627></u>	<u>\$ <50,436></u>
NET ASSETS AT BEGINNING OF YEAR	<u>119,694</u>	<u>170,130</u>
NET ASSETS AT END OF YEAR	<u>\$ 64,067</u>	<u>\$ 119,694</u>

The accompanying notes are an integral part of these statements.

FOREST PRESERVE FOUNDATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2016

With Comparative Totals for the Year Ended December 31, 2015

	2016				2015
	Program Services	Management and General	Fundraising	Total	
Advertising	\$ 45	\$ 272	\$ 3,528	\$ 3,845	\$ 3,500
Depreciation	0	201	0	201	216
Grants Paid Out	244,038	0	0	244,038	250,629
Insurance	1,805	2,130	903	4,838	5,193
Miscellaneous	668	934	1,419	3,021	2,575
Occupancy - In-Kind	12,200	6,100	6,100	24,400	24,400
Office Supplies	255	998	784	2,037	3,030
Payroll Taxes	5,902	3,248	2,842	11,992	13,623
Pension	2,857	1,429	1,428	5,714	6,263
Printing	369	1,247	405	2,021	1,230
Professional Fees:					
Accounting Fees	2,763	7,107	1,381	11,251	8,917
Consulting Fees	4,514	34,878	0	39,392	43,402
Salaries	76,727	42,246	36,947	155,920	162,477
Travel / Meals	784	0	783	1,567	2,356
Utilities	905	452	452	1,809	1,454
TOTAL EXPENSES	\$ 353,832	\$ 101,242	\$ 56,972	\$ 512,046	\$ 529,265

The accompanying notes are an integral part of these statements.

FOREST PRESERVE FOUNDATION, INC.

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ <55,627>	\$ <50,436>
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	201	216
Accounts Receivable	2,375	<3,250>
Grants Receivable	4,000	<4,000>
Prepaid Expenses	<2,069>	1,120
Accounts Payable	2,772	<2,500>
Accrued Expenses	2,381	676
Grants Payable	<u><20,020></u>	<u><59,500></u>
Net Cash Provided <Used> by Operating Activities	<u>\$ <65,987></u>	<u>\$ <117,674></u>
Net Increase <Decrease> in Cash	\$ <65,987>	\$ <117,674>
Cash Balance – Beginning of Year	<u>152,164</u>	<u>269,838</u>
Cash Balance – End of Year	<u>\$ 86,177</u>	<u>\$ 152,164</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 May 11, 2017 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, 2016 and 2015. 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, 2016 and 2015, 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, 2015, 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 2016 or 2015.

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, 2016 through December 31, 2019. The value of this in-kind donation for calendar years 2016 and 2015 was \$24,400 and \$24,400.

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, 2016 and 2015 were \$65,942 and \$39,942.

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 2016. Employees working 60% or more are eligible. The Foundation matches up to 5% of employee contributions. A total of \$5,714 and \$6,263 was contributed in 2016 and 2015, respectively.

NOTE 9. TEMPORARILY RESTRICTED NET ASSETS

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

	<u>2016</u>	<u>2015</u>
Programs	<u>\$ 3,000</u>	<u>\$ 29,850</u>