

**MACC Alliance of Connected Communities**  
Minneapolis, Minnesota

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Consolidated Financial Statements  
Auditor's Report  
For the Years Ended  
December 31, 2015 and 2014



CERTIFIED PUBLIC ACCOUNTANTS

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### Independent Auditor's Report

Board of Directors  
MACC Alliance of Connected Communities  
Minneapolis, Minnesota

We have audited the accompanying consolidated financial statements of MACC Alliance of Connected Communities, which are comprised of the consolidated statements of financial position as of December 31, 2015 and 2014, and the related consolidated statements of activities and changes in net assets, functional expense, 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of MACC Alliance of Connected Communities 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.

*Carpenter Evert and Associates, LPA.*  
Certified Public Accountants

Minneapolis, Minnesota  
May 24, 2016

**MACC ALLIANCE OF CONNECTED COMMUNITIES**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015		2014	
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted
<b>Support and Revenue:</b>				
Contributions	\$ 55,514	\$ 7,500	\$ 63,014	\$ -
Government Grants and Contracts	976,224	-	976,224	-
Service Fees	4,415,272	-	4,415,272	-
Membership Dues	173,626	-	173,626	-
Interest and Other Income	72,541	-	72,541	-
Net Assets Released from Restrictions:				
Satisfaction of Program Restrictions	-	-	67,310	(67,310)
Total Support and Revenue	<u>5,693,177</u>	<u>7,500</u>	<u>5,700,677</u>	<u>(67,310)</u>
			<u>4,946,711</u>	<u>4,879,401</u>
<b>Expense:</b>				
Program Services	5,394,948	-	4,676,939	-
Support Services:				
Management and General	293,836	-	211,729	-
Fundraising	-	-	21,286	-
Total Support Services	<u>293,836</u>	<u>-</u>	<u>233,015</u>	<u>-</u>
Total Expense	<u>5,688,784</u>	<u>-</u>	<u>4,909,954</u>	<u>4,909,954</u>
Change in Net Assets	4,393	7,500	36,757	(67,310)
Net Assets - Beginning of Year	<u>628,947</u>	<u>1,362</u>	<u>592,190</u>	<u>68,672</u>
Net Assets - End of Year	<u>\$ 633,340</u>	<u>\$ 8,862</u>	<u>\$ 628,947</u>	<u>\$ 1,362</u>
			<u>\$ 628,947</u>	<u>\$ 630,309</u>

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2015 WITH COMPARATIVE TOTALS FOR 2014

	2015				2014	
	Total Program Services	Management & General	Fund- raising	Total Support Services	Total All Services	Total All Services
Wages	\$ 2,275,293	\$ 171,259	\$ -	\$ 171,259	\$ 2,446,552	\$ 2,259,398
Employee Benefits	364,607	27,444	-	27,444	392,051	330,710
Payroll Taxes	162,763	12,252	-	12,252	175,015	172,138
Temporary Agency	86,450	6,507	-	6,507	92,957	16,466
Subtotal Personnel	2,889,113	217,462	-	217,462	3,106,575	2,778,712
Professional Fees	1,791,983	35,184	-	35,184	1,827,167	1,629,360
Office and Technology	393,803	5,703	-	5,703	399,506	177,449
Occupancy	135,241	4,839	-	4,839	140,080	130,641
Other Expense	67,587	28,672	-	28,672	96,259	45,687
Staff and Volunteer Training	32,744	1,239	-	1,239	33,983	38,120
Telecommunication	8,694	307	-	307	9,001	12,227
Transportation	7,113	189	-	189	7,302	7,483
National Dues	-	-	-	-	-	24,240
Program	-	-	-	-	-	2,748
Depreciation	68,670	241	-	241	68,911	63,287
Total Expense	\$ 5,394,948	\$ 293,836	\$ -	\$ 293,836	\$ 5,688,784	\$ 4,909,954

The accompanying Notes to Consolidated Financial Statements  
are an integral part of this statement.

MACALLIANCE OF CONNECTED COMMUNITIES  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C

	Support Services			
	Total Program Services	Management & General	Fund- raising	Total Support Services
Wages	\$ 2,134,387	\$ 115,187	\$ 9,824	\$ 125,011
Employee Benefits	314,109	16,601	-	16,601
Payroll Taxes	163,497	8,641	-	8,641
Temporary Agency	15,639	827	-	827
Subtotal Personnel	<u>2,627,632</u>	<u>141,256</u>	<u>9,824</u>	<u>151,080</u>
Professional Fees	1,571,075	47,115	11,170	58,285
Office and Technology	174,353	2,834	262	3,096
Occupancy	126,085	4,526	30	4,556
Other Expense	31,604	14,083	-	14,083
Staff and Volunteer Training	36,786	1,334	-	1,334
Telecommunication	11,913	314	-	-
Transportation	7,375	108	-	314
National Dues	24,240	-	-	108
Program	2,748	-	-	-
Depreciation	63,128	159	-	159
Total Expense	<u>\$ 4,676,939</u>	<u>\$ 211,729</u>	<u>\$ 21,286</u>	<u>\$ 233,015</u>
				<u>\$ 4,909,954</u>

The accompanying Notes to Consolidated Financial Statements are an integral part of this statement.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2015 AND 2014

<u>ASSETS</u>	<u>2015</u>	<u>2014</u>
Current Assets:		
Cash and Cash Equivalents	\$ 452,825	\$ 1,267,827
Accounts Receivable	818,424	268,783
Prepaid Expense	133,463	82,145
Total Current Assets	<u>1,404,712</u>	<u>1,618,755</u>
Long-term Assets:		
Property and Equipment - Net	140,273	169,484
Net Long-term Assets	<u>140,273</u>	<u>169,484</u>
 TOTAL ASSETS	 <u>\$ 1,544,985</u>	 <u>\$ 1,788,239</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts Payable	\$ 242,362	\$ 43,008
Accrued Expense	331,461	762,471
Notes Payable - Current	10,000	10,000
Deferred Revenue	14,572	31,044
Total Current Liabilities	<u>598,395</u>	<u>846,523</u>
Notes Payable - Long-term	48,814	55,833
Notes Payable to Founders	255,574	255,574
Total Liabilities	<u>902,783</u>	<u>1,157,930</u>
Net Assets:		
Unrestricted	633,340	628,947
Temporarily Restricted	8,862	1,362
Total Net Assets	<u>642,202</u>	<u>630,309</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 1,544,985</u>	 <u>\$ 1,788,239</u>

The accompanying Notes to Consolidated Financial Statements  
are an integral part of these statements.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
<u>Increase (Decrease) in Cash and Cash Equivalents</u>		
Cash Flows from Operating Activities:		
Change in Net Assets	\$ 11,893	\$ (30,553)
Total Adjustments	(780,176)	382,559
Net Cash Provided (Used) by Operating Activities	(768,283)	352,006
Cash Flows from Investing Activities:		
Purchase of Property and Equipment	(39,700)	(102,914)
Net Cash (Used) by Investing Activities	(39,700)	(102,914)
Cash Flows from Financing Activities:		
Proceeds from Notes Payable	-	70,000
Repayment of Notes Payable	(7,019)	(4,168)
Net Cash Provided (Used) by Financing Activities	(7,019)	65,832
Net Increase (Decrease) in Cash and Cash Equivalents	(815,002)	314,924
Cash - Beginning of Year	1,267,827	952,903
Cash - End of Year	\$ 452,825	\$ 1,267,827
 <u>Supplemental Disclosure of Cash Flow Information</u>		
Cash Paid For:		
Interest	\$ 2,622	\$ 1,216

The accompanying Notes to Consolidated Financial Statements  
are an integral part of these statements.



MACC ALLIANCE OF CONNECTED COMMUNITIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014

1. Summary of Significant Accounting Policies

Basis of Consolidation

The consolidated financial statements of MACC Alliance of Connected Communities (Alliance) include the accounts of MACC CommonWealth Services (MCW), and MACC Service Network, LLC. (MSN). Significant inter-company transactions have been eliminated. The Board of Directors of the Alliance controls the appointment of the MCW Board of Directors and the appointment of the MSN Board of Governors. MCW became the single member entity of the Alliance on January 1, 2011. MSN became the single member of the Alliance on February 22, 2012.

On January 1, 2015, MCW was merged into the Alliance and ceased to exist as a separate entity.

Organizational Purpose

The Alliance launched in 1999, is a partnership of community-based social service organizations, primarily neighborhood and community centers, with the primary goal of advocating collectively for changes in both policy and practice in order to affect long-term, systemic change in the lives of low-income individuals, families and communities in the Minneapolis/St. Paul Metropolitan area.

MCW was launched by the Alliance in 2007 to provide management services to Alliance non-profit member organizations. Service is provided in the areas of finance, human resources, information technology, medical billing, facilities, and client data management. MCW is managed by its Board of Directors, which is appointed by the Board of Directors of the Alliance.

MSN was launched by the Alliance in 2012 to provide operating flexibility for fund raising and program operation of and between Alliance members.

Fund Accounting

In order to observe the limitation and restrictions placed on resources available to the Alliance, MCW, and MSN, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure whereby resources are classified for accounting and reporting purposes into net asset groupings established according to their nature and restrictions. A description of the groupings is as follows:

Unrestricted Net Assets – Net assets which are neither permanently nor temporarily restricted by donor-imposed stipulations. These net assets include both board designated and undesignated amounts. Property and equipment is reported as unrestricted net assets.

Temporarily Restricted Net Assets – The part of net assets of Alliance, MCW, and MSN resulting from contributions and other inflows of assets whose use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions pursuant to those stipulations.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014

1. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Alliance, MCW, and MSN considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Accounts Receivable and Doubtful Accounts

The Alliance, MCW, and MSN extends credit to their customers on terms established for individual customers. Receivables are recorded at amounts billed and are generally due when billed. Amounts outstanding for more than 30 days are considered delinquent. Accounts receivable are generally uncollateralized and overdue balances may be charged interest at 1% per month. Alliance, MCW, and MSN review accounts receivable balances on a periodic basis and writes off delinquent receivables when they are considered uncollectible. Allowance for doubtful accounts was stated at \$0 at December 31, 2015 and 2014, respectively.

Equipment

All major expenditures for equipment in excess of \$2,500 are recorded at cost if purchased, or an estimated market value if donated. Depreciation is provided using the straight-line method, over the following estimated useful lives:

Computer Equipment	2-5 years
Furniture and Equipment	3-10 years

Contributions

Contributions are recorded when received and recognized as support in the period received. If donor-imposed restrictions accompany the contribution, the amount is recorded as temporarily or permanently restricted until the donor-imposed restrictions expire or are fulfilled. Temporarily restricted net assets are reclassified to unrestricted in the period donor-imposed restrictions expire or are fulfilled, and are reported in the Statements of Activities under the Support and Revenue Category – Net Assets Released from Restrictions, except when receipt and satisfaction occur in the same period, in which case the contribution is shown as unrestricted.

Contributions of long-lived assets are recorded as temporarily restricted when received and the restriction is satisfied as they are depreciated.

Promises-To-Give (Pledges Receivable)

Unconditional promises-to-give are recognized in the period the promises are made. Conditional promises-to-give are recognized when the conditions on which they depend are substantially met, that is, when the conditional promise becomes unconditional.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014

1. Summary of Significant Accounting Policies (continued)

Functional Allocation of Expense

Expenses are recorded in functional categories when incurred. In certain cases, allocations between categories must be made. When allocations are required, they are based on the best estimates of management. Fundraising expenses were minimal in 2015 and were included in the management & general category.

Income Tax

The Alliance and MCW have a tax-exempt status under Section 501(c)(3) of the Internal Revenue Code. MSN is a disregarded tax entity of the Alliance. The Alliance, MCW, and MSN have adopted *Accounting for Uncertainty in Income Taxes*, ASC 740-10. The policy of Alliance and MCW is to evaluate uncertain tax positions, at least annually, for the potential for income tax exposure from unrelated business income or from loss of nonprofit status. Alliance and MCW continue to operate consistent with their original exemption applications and each year takes the necessary actions to maintain their exempt status. Alliance and MCW have been classified as organizations that are not private foundations under the Internal Revenue Code and charitable contributions by donors are tax deductible. In compliance with its exempt status, Alliance and MCW annually file a Return of Organization Exempt From Income Tax (Form 990). The returns for the years ending December 31, 2012 and later remain subject to examination by the Internal Revenue Service.

Use of 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 the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain amounts in prior year comparative totals have been reclassified to conform with the presentation in the current year financial statements.

Subsequent Events

The Alliance, MCW, and MSN have evaluated the effect that subsequent events would have on the financial statements through May 24, 2016, which is the date financial statements were available to be issued.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014

2. Significant Concentrations of Credit Risk

The Alliance, and MSN provide services within the Twin Cities area. Contributions, service fees and accounts receivable are from local institutions and members.

Concentrations of Credit Risk Arising from Cash Deposits in Excess of Insured Limits

At December 31, 2015 and 2014, Alliance, MCW, and MSN had funds on deposit in a local financial institution in excess of federally insured limits.

3. Equipment

The Alliance's equipment was comprised of the following as of:

	December 31,	
	2015	2014
Computer Equipment	\$ 311,948	\$ 311,948
Leasehold Improvements	95,208	68,600
Furniture & Equipment	19,204	6,111
	426,360	386,659
Less Accumulated Depreciation	286,087	217,175
	\$ 140,273	\$ 169,484

Depreciation and amortization expense of \$68,911 and \$63,287 was recorded for the years ended December 31, 2015 and 2014, respectively.

4. Notes Payable

The breakdown of interest bearing notes payable is as follows:

	December 31,	
	2015	2014
Note payable to Wells Fargo, payable in monthly principal installments of \$833, excluding interest at 3.85%. The final payment is scheduled for July 1, 2021 when the all unpaid principal and interest is due. The note is secured by all receivables, savings, inventory, property, and equipment.	\$ 58,814	\$ 65,833
Less Portion Due within One (1) Year	10,000	10,000
Long-term Portion	\$ 48,814	\$ 55,833

MACC ALLIANCE OF CONNECTED COMMUNITIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014

4. Notes Payable (continued)

Principal payments required at December 31, 2015 are as follows:

<u>Due in the Year Ending December 31,</u>	
2016	\$ 10,000
2017	10,000
2018	10,000
2019	10,000
2020	10,000
2021 and future years	<u>8,814</u>
Total	<u>\$ 58,814</u>

Non-interest bearing notes payable to founders are as follows as of:

	<u>December 31,</u>	
	<u>2015</u>	<u>2014</u>
Pillsbury United Communities	\$ 147,753	\$ 147,753
The Family Partnership	84,405	84,405
Plymouth Christian Youth Center	17,225	17,225
Phyllis Wheatley Community Center	<u>6,191</u>	<u>6,191</u>
	<u>\$ 255,574</u>	<u>\$ 255,574</u>

The member notes are payable upon dissolution of MACC unless prepaid.

5. In-kind Contributions

The Alliance, MCW, and MSN record in-kind contributions at fair market value at date of donation. In-kind contributions include the following as of:

	<u>December 31,</u>	
	<u>2015</u>	<u>2014</u>
Interest	<u>\$ 12,816</u>	<u>\$ 12,816</u>

6. Leased Facilities

MACC leases office space from The Family Partnership on a month-to-month basis. Rent expense was \$114,948 and \$114,756 for the years ending December 31, 2015 and 2014, respectively.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014

7. Pension Plan

MACC initiated a 403(b) retirement plan January 1, 2009. The plan is funded by discretionary employer profit sharing and matching contributions, and employee contributions. Employer contributions of \$115,649 and \$106,721 were made in the years ended December 31, 2015 and 2014, respectively.

8. Temporarily Restricted Net Assets

Temporarily restricted net assets consisted of amounts from the following as of:

	December 31,	
	2015	2014
Future Operations	\$ 7,500	\$ -
Wagner Travel Expense	1,362	1,362
	\$ 8,862	\$ 1,362

9. Line-of-Credit

MACC maintains a \$150,000 line-of-credit with Wells Fargo Bank at a rate of Prime plus .45% which expired November 30, 2015. Principal is due on demand and is unsecured. Balance was \$-0- for both years ended December 31, 2015 and 2014.

10. Cash Flow Operating Adjustments

Adjustments to reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities were as follows as of:

	December 31,	
	2015	2014
Depreciation	\$ 68,911	\$ 63,287
Increases (Decreases) in Current Liabilities:		
Accounts Payable	199,354	41,920
Accrued Expense	(431,010)	335,151
Deferred Revenue	(16,472)	1,882
Decreases (Increases) in Current Assets:		
Accounts Receivable	(575,654)	(67,360)
Prepaid Expense	(51,318)	7,679
Total Adjustments	\$ (806,189)	\$ 382,559

**ADDITIONAL INFORMATION**



Carpenter Evert & Associates

Certified Public Accountants

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### Statement of Auditor's Responsibility

Board of Directors  
MACC Alliance of Connected Communities  
Minneapolis, Minnesota

We have audited the consolidated financial statements of MACC Alliance of Connected Communities as of and for the years ended December 31, 2015 and 2014, and our report thereon dated May 24, 2016, which expressed an unmodified opinion on those consolidated financial statements, appears on page 1.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedule of assets and liabilities as of December 31, 2015, and the consolidating schedule of revenue and expense for the year ended December 31, 2015, 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.

*Carpenter Evert and Associates, LTD.*  
Certified Public Accountants

Minneapolis, Minnesota  
May 24, 2016



MACC ALLIANCE OF CONNECTED COMMUNITIES  
CONSOLIDATING SCHEDULE OF REVENUE AND EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2015

	MACC Alliance of Connected Communities	MACC Services Network, LLC	2015 Total
<b>Support and Revenue:</b>			
Contributions	\$ 55,514	\$ 7,500	63,014
Government Grants and Contracts	58,546	917,678	976,224
Service Fees	4,415,272	-	4,415,272
Membership Dues	173,626	-	173,626
Interest and Other Income	62,456	10,085	72,541
<b>Total Support and Revenue</b>	<b>4,765,414</b>	<b>935,263</b>	<b>5,700,677</b>
<b>Expense:</b>			
Wages	2,423,766	22,786	2,446,552
Employee Benefits	388,586	3,465	392,051
Payroll Taxes	173,381	1,634	175,015
Temporary Agency	92,957	-	92,957
<b>Total Personnel Expense</b>	<b>3,078,690</b>	<b>27,885</b>	<b>3,106,575</b>
Professional Fees	934,647	892,520	1,827,167
Program Expense	-	-	-
Telecommunication	8,962	39	9,001
Office and Technology	398,436	1,070	399,506
Occupancy	139,238	842	140,080
Transportation	7,270	32	7,302
Staff and Volunteer Training	33,981	2	33,983
Other Expense	94,487	1,772	96,259
National Dues	-	-	-
Allocations	(5,069)	5,069	-
Depreciation	68,911	-	68,911
<b>Total Expense</b>	<b>4,759,553</b>	<b>929,231</b>	<b>5,688,784</b>
Change in Net Assets	5,861	6,032	11,893
Net Assets - Beginning of Year	578,332	52,977	630,309
Net Assets - End of Year	<b>\$ 584,193</b>	<b>\$ 59,009</b>	<b>642,202</b>

See Statement of Auditor's Responsibility.

MACC ALLIANCE OF CONNECTED COMMUNITIES  
CONSOLIDATING SCHEDULE OF ASSETS AND LIABILITIES  
DECEMBER 31, 2015

<u>ASSETS</u>	<u>MACC Alliance of Connected Communities</u>	<u>MACC Services Network, LLC</u>	<u>Eliminations</u>	<u>2015 Total</u>
Current Assets:				
Cash and Cash Equivalents	\$ 266,765	\$ 186,060	\$ -	\$ 452,825
Accounts Receivable	623,554	197,211	(2,341)	818,424
Due From Affiliate Organization	271,135	-	(271,135)	-
Prepaid Expense	133,463	-	-	133,463
Total Current Assets	<u>1,294,917</u>	<u>383,271</u>	<u>(273,476)</u>	<u>1,404,712</u>
Receivable from MCW	745	-	(745)	-
Investment in MACC Service Network	1,000	-	(1,000)	-
Property and Equipment - Net	<u>140,273</u>	<u>-</u>	<u>-</u>	<u>140,273</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 1,436,935</u></b>	<b><u>\$ 383,271</u></b>	<b><u>\$ (275,221)</u></b>	<b><u>\$ 1,544,985</u></b>
 <u>LIABILITIES AND NET ASSETS</u>				
Current Liabilities:				
Accounts Payable	\$ 242,362	\$ -	\$ -	\$ 242,362
Accrued Expense	280,675	53,127	(2,341)	331,461
Due to Affiliate Organization	-	271,135	(271,135)	-
Notes Payable - Current	10,000	-	-	10,000
Deferred Revenue	14,572	-	-	14,572
Total Current Liabilities	<u>547,609</u>	<u>324,262</u>	<u>(273,476)</u>	<u>598,395</u>
Notes Payable - Long-term	48,814	-	-	48,814
Notes Payable to Founders	256,319	-	(745)	255,574
Total Liabilities	<u>852,742</u>	<u>324,262</u>	<u>(274,221)</u>	<u>902,783</u>
Net Assets:				
Unrestricted	575,331	59,009	(1,000)	633,340
Temporarily Restricted	8,862	-	-	8,862
Total Net Assets	<u>584,193</u>	<u>59,009</u>	<u>(1,000)</u>	<u>642,202</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 1,436,935</u></b>	<b><u>\$ 383,271</u></b>	<b><u>\$ (275,221)</u></b>	<b><u>\$ 1,544,985</u></b>

See Statement of Auditor's Responsibility.