

**BIG BROTHERS BIG SISTERS
OF THE BLACK HILLS, INC.**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT WITH
SUPPLEMENTARY INFORMATION**

DECEMBER 31, 2017

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.

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*Wahlenberg
Ritzman & Co., LLC*
certified public accountants

INDEPENDENT AUDITOR'S REPORT

The Board of Directors of
Big Brothers Big Sisters of the Black Hills, Inc.
Rapid City, South Dakota

We have audited the accompanying financial statements of the **Big Brothers Big Sisters of the Black Hills, Inc.** (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities 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.

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 from material misstatement.

Madison Office	112 South Egan Avenue	PO Box 505	Madison, SD 57042	605.256.9165
Yankton Office	207 Douglas Avenue	PO Box 1018	Yankton, SD 57078	605.665.4401
Sioux Falls Office	507 West 10 th Street	PO Box 876	Sioux Falls, SD 57101	605.336.0372

Toll Free: 1-800-456-0889

email: wrc@wrccpa.com

Member of: Private Companies Practice Section American Institute of CPAs, South Dakota Society of CPAs



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 Big Brothers Big Sisters of the Black Hills, Inc. as of December 31, 2017, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 17 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and related 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.

Report on Summarized Comparative Information

Other auditors audited the Big Brothers Big Sisters of the Black Hills, Inc.'s 2016 financial statements, and they expressed an unmodified audit opinion on those audited financial statements in their report dated June 14, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Wohlberg Ritzman + Co., LLC

Yankton, South Dakota
July 11, 2018

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2017
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2016

Assets	2017	2016
Current Assets		
Cash and cash equivalents	\$ 261,573	\$ 255,351
Restricted cash	8,084	8,076
Prepaid insurance	<u>12,625</u>	<u>3,049</u>
Total current assets	<u>282,282</u>	<u>266,476</u>
Property and Equipment		
Property and equipment	638,885	638,885
Less accumulated depreciation	<u>(278,770)</u>	<u>(249,309)</u>
Total property and equipment	<u>360,115</u>	<u>389,576</u>
Other Assets		
Beneficial interest in Black Hills Community Foundation		
Agency endowment fund	1,898	1,763
Operational fund	<u>137,872</u>	<u>-</u>
Total beneficial interest in Black Hills Community Foundation	139,770	1,763
Investment securities	<u>40,192</u>	<u>38,997</u>
Total other assets	<u>179,962</u>	<u>40,760</u>
Total assets	<u>\$ 822,359</u>	<u>\$ 696,812</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 5,818	\$ 3,087
Accrued vacation	<u>12,135</u>	<u>10,539</u>
Total current liabilities	<u>17,953</u>	<u>13,626</u>
Net Assets		
Temporarily restricted	66,317	52,599
Unrestricted:		
Black Hills Area Community Foundation	139,770	1,763
Undesignated	<u>598,319</u>	<u>628,824</u>
Total unrestricted	<u>738,089</u>	<u>630,587</u>
Total net assets	<u>804,406</u>	<u>683,186</u>
Total liabilities and net assets	<u>\$ 822,359</u>	<u>\$ 696,812</u>

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

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2017
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2016

	2017		2017 Total	2016 Total
	Unrestricted	Temporarily Restricted		
PUBLIC SUPPORT AND REVENUE				
Public Support				
Contributions	\$ 121,813	\$ -	\$ 121,813	\$ 206,864
Grant revenue	7,000	110,000	117,000	124,750
United Way allocations	72,450	-	72,450	73,150
Special events	218,305	-	218,305	137,242
In-kind advertising donation	-	-	-	26,972
Total Public Support	<u>419,568</u>	<u>110,000</u>	<u>529,568</u>	<u>568,978</u>
Revenues				
Contract services	60,000	-	60,000	40,000
Investment income	15,850	8	15,858	4,286
Miscellaneous	5,895	-	5,895	1,697
Total Revenues	<u>81,745</u>	<u>8</u>	<u>81,753</u>	<u>45,983</u>
 Total public support and revenues	 <u>501,313</u>	 <u>110,008</u>	 <u>611,321</u>	 <u>614,961</u>
EXPENSES				
Program service	373,574	-	373,574	336,398
Management & general	26,156	-	26,156	33,093
Fundraising	90,371	-	90,371	126,882
Total expenses	<u>490,101</u>	<u>-</u>	<u>490,101</u>	<u>496,373</u>
Reclassification of Net Assets				
Net assets released from restrictions	<u>96,290</u>	<u>(96,290)</u>	<u>-</u>	<u>-</u>
Increase in Net Assets	107,502	13,718	121,220	118,588
Net assets - beginning of year	<u>630,587</u>	<u>52,599</u>	<u>683,186</u>	<u>564,598</u>
Net assets - end of year	<u>\$ 738,089</u>	<u>\$ 66,317</u>	<u>\$ 804,406</u>	<u>\$ 683,186</u>

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

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.

STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2017
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2016

	<u>2017</u>	<u>2016</u>
Cash Flows From Operating Activities		
Change in net assets	\$ 121,220	\$ 118,588
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	-	27,704
Unrealized loss/(gain) on investments	146	(2,739)
Net investment gain on Black Hills Area Community Foundation funds	(14,747)	(91)
(Increase) decrease in:		
Prepaid insurance	(9,576)	311
Increase (decrease) in:		
Accounts payable	2,731	(15,861)
Accrued vacation	1,596	2,110
Net cash provided by operating activities	<u>101,370</u>	<u>130,022</u>
Cash Flows From Investing Activities		
Deposit on improvements	-	11,940
Purchase of equipment	-	(64,361)
Purchase of investments through reinvestment of investment income	(1,341)	(1,426)
Purchase of investments in Black Hills Area Community Foundation	(125,000)	-
Distributions from Black Hills Area Community Foundation	1,740	80
Net cash (used in) investing activities	<u>(124,601)</u>	<u>(53,767)</u>
Increase in Cash and Cash Equivalents	(23,231)	76,255
Cash and Cash Equivalents, beginning of year	<u>263,427</u>	<u>187,172</u>
Cash and Cash Equivalents, end of year	<u>\$ 240,196</u>	<u>\$ 263,427</u>

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

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2017

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Big Brothers Big Sisters of the Black Hills, Inc. (the Organization) is a not-for-profit corporation organized under the laws of South Dakota. The Organization provides quality volunteer and professional contract mentoring services in the Black Hills area, on a one-to-one basis for youth with limited parental support to assist them in achieving their highest potential as they become responsible adults. The Organization is supported primarily through grants, contributions and revenues from contract mentoring services.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. 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 December 31, 2016, from which the summarized information was derived.

Cash and Cash Equivalents

For financial statement reporting purposes, the Organization includes all cash accounts not subject to withdrawal restrictions or penalties, treasury bills, commercial paper and money market funds with a maturity of three months or less when purchased to be cash equivalents. Certificates of deposit, regardless of maturity, are not considered to be cash and cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Investments, continued

If a fair value is not readily determinable, investments are recorded at cost, net of the valuation allowance.

Fair Value Measurements

The Organization defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Organization requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. The Organization also adopted a fair value hierarchy, which prioritizes inputs into three broad levels:

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset either directly or indirectly. Level 2 Inputs include the following:

- Quoted prices for similar Assets or Liabilities in active markets;
- Quoted prices for similar Assets or Liabilities in markets that are not active;

- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

If the asset or liability has a specified (or contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs are unobservable inputs for the asset or liability.

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Property and Equipment

Purchased property and equipment in excess of \$1,000 are recorded at cost. Donated property and equipment is valued at estimated fair value on the date donated and are reported as unrestricted contributions when placed in service unless the donor has restricted the use for the asset to a specific purpose or time period. Contributions of cash or other assets that must be used to acquire property and equipment are reported as increases in temporarily restricted net assets until the assets are acquired and placed in service as instructed by the donor, unless the donor has also required that the acquired asset be used for a specific purpose or time period. If the donor requires property and equipment to be used for a specific purpose, restrictions on net assets are released as the asset is depreciated. If the donor requires property and equipment to be used for a specific time period, restrictions on net assets are released evenly over the period required.

Costs in excess of \$1,000 for renewals and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. Costs for maintenance and repairs are charged to expense currently. When depreciable properties are retired or sold, the cost and related accumulated depreciation are eliminated from the accounts and the resultant gain or loss is reflected in income.

Depreciation is provided for over the estimated useful lives of the individual assets using the straight-line method. The estimated useful lives used in the computation of depreciation are as follows:

	Years
Buildings and Improvements	5-30
Furniture and Equipment	5-7

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Unrestricted Net Assets* – Net assets available for use in general operations.

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2017

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Net Assets, continued

- *Temporarily Restricted Net Assets* – Net assets subject to donor restrictions that may or will be met by expenses or actions of the Organization and/or the passage of time, and certain income earned on permanently restricted net assets.

The Organization reports contributions as temporarily restricted support 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, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

- *Permanently Restricted Net Assets* – Net assets whose use is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by action of the Organization. The restrictions stipulate that resources be maintained permanently but permit the Organization to expend the income generated in accordance with the provisions of the agreements.

Contributions

The Organization's contributions are recognized as support when they are received or unconditionally pledged and are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence and nature of any donor restrictions. Contributions required to be reported as temporarily restricted or permanently restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions.

Donated Services and In-Kind Support

The Organization may receive services and equipment without payment or compensation. Contributions of non-cash goods and services, such as advertising, are recorded at the estimated fair value on the date of the contribution. Contributions of services that (1) create or enhance non-financial assets or those that require specialized skills, (2) are provided by individuals possessing those skills, and (3) would typically need to be purchased if not provided by donation are recorded at their fair value in the period received.

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Donated Services and In-Kind Support, continued

For the year ended December 31, 2017, no donated services were recognized as revenue. Board members and other volunteers have contributed a significant amount of time to the activities of the Organization without compensation. The financial statements do not reflect the value of those contributed services since they do not meet the criteria for recognition.

Compensated Absences

Vacation leave is accumulated by employees throughout the year. Employees are entitled to receive compensation for unused amounts upon termination.

Advertising Costs

Advertising costs are expensed as incurred.

Functional Allocation of Expenses

The costs of program services and supporting activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

Income Taxes

The Organization is organized as a nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi), and has been determined not to be a private foundation under Section 509(a)(1). The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent 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.

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

2. DEPOSIT CREDIT RISK

The Center maintains cash balances in several local financial institutions. The accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. At times throughout the year, the Organization's balances may exceed the FDIC limit. As of December 31, 2017, the Organization's bank balances exceeded the insurance by \$19,857.

3. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2017, consists of the following:

Buildings and improvements	\$ 531,482
Furniture and equipment	<u>107,403</u>
	638,885
Less accumulated depreciation	<u>(278,770)</u>
	<u><u>\$ 360,115</u></u>

4. INVESTMENTS

The cost and fair value of investment securities is as follows:

	<u>Amortized Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized (Losses)</u>	<u>Fair Value</u>
Fixed income mutual funds	\$ 26,618	\$ -	\$ (92)	\$ 26,526
Equity mutual funds	<u>9,390</u>	<u>4,276</u>	<u>-</u>	<u>13,666</u>
	<u><u>36,008</u></u>	<u><u>4,276</u></u>	<u><u>(92)</u></u>	<u><u>40,192</u></u>

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

4. INVESTMENTS, continued

The investment return consists of the following components:

Interest earned and dividends received	\$ 2,513
Unrealized (depreciation) in fair value of marketable securities	(146)
Realized gain on investment transactions	484
Black Hills Area Community Foundation investment return	<u>13,007</u>
	<u>\$ 15,858</u>

5. FAIR VALUE OF ASSETS AND LIABILITIES

The Organization measures investment securities at fair value on a recurring basis. The related fair values of these assets are determined as follows:

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Fixed income mutual funds	\$ 26,526	\$ -	\$ -
Equity mutual funds	13,666	-	-
Interest in Black Hills Area Community Foundation	<u>-</u>	<u>-</u>	<u>139,770</u>
	<u>\$ 40,192</u>	<u>\$ -</u>	<u>\$ 139,770</u>

The fair value of fixed income mutual funds and equity mutual funds are determined by reference to quoted market prices. The Organization used Net Asset Value (NAV) or its equivalent to estimate the fair value of the Interest in Black Hills Area Community Foundation which does not have a readily determinable fair value. Investments valued at NAV are classified within Level 2 if the Organization has the ability to redeem the investment at NAV per share, or its equivalent, at the measurement date or within the near term; otherwise, the investment is classified within Level 3. A reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended December 31, 2017 is presented in Note 6.

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

6. BENEFICIAL INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATION

Beneficial interest in assets are held in a Black Hills Area Community Foundation (BHACF) operational fund. This fund was established by the Organization in 2017 for the benefit of the Organization by a contribution of \$125,000. The fair value of the fund was \$137,872 at December 31, 2017.

Beneficial interest in assets are held in a Black Hills Area Community Foundation (BHACF) agency endowment fund. This fund was established by the Organization in 2010 for the benefit of the Organization by a contribution of \$1,500. The fair value of the fund was \$1,898 at December 31, 2017.

Variance power was granted to the BHACF to allow the right to modify any restriction or condition on the distribution of the funds for any specified charitable purposes or to specified organizations, if in the sole judgment of the governing body of BHACF, such restrictions or conditions become, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the Black Hills area. The fund is the exclusive property of the BHACF and the BHACF has full authority and discretion as to the investment and reinvestment of the assets. The BHACF values securities and other financial instruments on a fair value basis of accounting.

Distributions from the funds shall be in accordance with the spending policies established by the Board of BHACF and shall be paid and distributable at least annually, or more frequently, as the parties may from time to time agree.

In addition to the agency endowment and operational funds noted above, BHACF also holds additional investments for the Organization with a fair value of \$1,145,072 as of December 31, 2017. These funds are not recognized in the accompanying financial statements, in accordance with generally accepted accounting principles, as the related investments were initially donated, for the benefit of the Organization, directly to BHACF by the respective donors. These funds are also subject to the distribution policies as described above.

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

6. BENEFICIAL INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATION, continued

The BHACF agency endowment and operational funds are established to hold investments in a pooled investment fund to yield more favorable investment returns. The investment and spending policies, as well as the rate of return strategies, of these funds are determined by BHACF. Net assets associated with the agency endowment and operational funds are classified and reported as a separate category of unrestricted net assets as transfers to the funds are irrevocable. The net asset composition of the agency endowment and operational funds and changes in fund balance are as follows:

Beginning agency endowment net assets	\$ 1,763
Investment return	
Investment income and net appreciation	248
Appropriation of endowment assets for expenditure	<u>(113)</u>
Ending agency endowment net assets	<u>1,898</u>
Beginning operational fund net assets	-
Contribution received	125,000
Investment return	
Investment income and net appreciation	14,499
Appropriation of operational assets for expenditure	<u>(1,627)</u>
Ending operational fund net assets	<u>137,872</u>
Unrestricted net assets	<u>\$ 139,770</u>

7. TEMPORARILY RESTRICTED NET ASSETS

For the year ended December 31, 2017 temporarily restricted net assets included grants and contributions restricted to the cost of furnishing and maintaining the Organization's office building totaling \$8,084.

Temporarily restricted net assets also included \$58,233 in grant funds restricted for staff salaries and related costs for the Adopt-a-Class Program, by the John T. Vucurevich Foundation.

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

8. RETIREMENT PLAN

The Organization has established a SIMPLE IRA retirement plan (the "Plan") covering all employees of the Organization after one year of service. The Plan allows for discretionary employee contributions to the Plan up to the maximum amount allowed by the Internal Revenue Code.

The Organization will match each employee's contribution up to 3% of gross wages. For the year ended December 31, 2017, the Organization contributed \$5,320 to the Plan.

9. SUBSEQUENT EVENTS

Events occurring after December 31, 2017 were evaluated by management through July 11, 2018, the date which the financial statements were available to be issued, to ensure that any subsequent events that met the criteria for recognition and/or disclosure in these financial statements have been included. There are no significant subsequent events needing disclosure.

SUPPLEMENTARY INFORMATION

BIG BROTHERS BIG SISTERS OF THE BLACK HILLS, INC.

SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2017
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2016

	2017			2016 Total	
	Program Service	General and Administrative	Fundraising		Total
Salary and wages	\$ 253,892	\$ 12,502	\$ 40,559	\$ 306,953	\$ 302,682
Depreciation	29,460	-	-	29,460	27,704
Events and campaigns	1,516	-	26,945	28,461	17,851
Payroll taxes	19,990	984	3,193	24,167	-
Professional fees	7,125	6,230	999	14,354	13,659
Insurance	7,848	1,635	3,718	13,201	21,404
Organizational dues	11,809	-	-	11,809	10,575
Maintenance	6,641	-	4,734	11,375	29,804
Utilities	6,569	475	1,810	8,854	8,589
Marketing and recruitment	743	3,464	3,450	7,657	4,035
Supplies	5,227	-	1,935	7,162	2,963
Employee benefits	4,400	217	703	5,320	-
Staff development	2,544	102	1,941	4,587	6,026
Food	3,960	-	-	3,960	-
Conference expenses	3,935	-	-	3,935	175
Postage	2,687	-	-	2,687	3,355
Bank credit card charges	1,750	547	384	2,681	1,036
Travel	2,586	-	-	2,586	2,447
Recognition awards	617	-	-	617	679
Printing	275	-	-	275	367
Program activities	-	-	-	-	16,050
In-kind advertising expenses	-	-	-	-	26,972
Total expenses	\$ 373,574	\$ 26,156	\$ 90,371	\$ 490,101	\$ 134,477

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