

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.**

**Financial Statements
as of and for the Years Ended
December 31, 2017 and 2016 and
Independent Auditors' Report**

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.
DECEMBER 31, 2017 AND 2016**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Big Brothers Big Sisters of Central Texas, Inc.

We have audited the accompanying financial statements of the Big Brothers Big Sisters of Central Texas, Inc. (a nonprofit organization) (the Agency), 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.

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 the Agency 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 supplemental schedule of functional expenses for the year ended December 31, 2017, is 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.

Other Matter

The financial statements and supplemental schedule of functional expenses of the Agency as of and for the year ended December 31, 2016, were audited by other auditors, whose report, dated May 17, 2017, expressed an unmodified opinion on those statements.

Atchley & Associates, LLP

Austin, Texas
May 29, 2018

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2017 AND 2016**

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 665,310	\$ 920,510
Accounts receivable	2,431	41,933
Capital campaign contributions receivable, net	456,440	372,853
Government grants and contracts receivable	105,117	112,857
Prepaid expense	9,598	-
Total Current Assets	1,238,896	1,448,153
 LONG-TERM CONTRIBUTIONS RECEIVABLE, NET	 -	 431,537
 LONG-TERM CAPITAL CAMPAIGN CONTRIBUTIONS RECEIVABLE, NET	 367,725	 1,041,942
 PROPERTY AND EQUIPMENT, net	 4,672,556	 4,752,149
TOTAL	\$ 6,279,177	\$ 7,673,781
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	\$ 8,424	\$ 379,656
Accrued liabilities	40,809	38,804
Current portion of capital lease obligation	21,112	20,085
Current portion of note payable	139,352	104,909
Current portion of deferred rental income	27,500	27,504
Total current liabilities	237,197	570,958
 CAPITAL LEASE OBLIGATION	 10,757	 32,020
 NOTE PAYABLE	 523,604	 1,352,805
 DEFERRED RENTAL INCOME	 767,708	 795,204
Total liabilities	1,539,266	2,750,987
 NET ASSETS:		
Unrestricted		
Undesignated	3,973,297	4,371,257
Board designated	472,515	-
Temporarily restricted	294,099	551,537
Total net assets	4,739,911	4,922,794
TOTAL	\$ 6,279,177	\$ 7,673,781

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

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2017**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND NET ASSETS RELEASED			
FROM RESTRICTIONS:			
Contributions and other grants	\$ 628,683	\$ 35,194	\$ 663,877
Special events	721,521	127,368	848,889
Government grants	583,151	-	583,151
Contributed goods and services	384,430	-	384,430
Other income	175,050	-	175,050
Net assets released from restrictions	420,000	(420,000)	-
Total revenues and net assets released from restrictions	2,912,835	(257,438)	2,655,397
EXPENSES			
Mentoring program	1,784,626	-	1,784,626
Fundraising	791,105	-	791,105
Management and general	262,549	-	262,549
Total expenses	2,838,280	-	2,838,280
CHANGE IN NET ASSETS	74,555	(257,438)	(182,883)
NET ASSETS, beginning of year	4,371,257	551,537	4,922,794
NET ASSETS, end of year	<u>\$ 4,445,812</u>	<u>\$ 294,099</u>	<u>\$ 4,739,911</u>

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

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2016**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND NET ASSETS RELEASED			
FROM RESTRICTIONS:			
Contributions and other grants	\$ 599,482	\$ 975,544	\$ 1,575,026
Special events	635,452	20,000	655,452
Government grants	543,475	-	543,475
Contributed goods and services	145,340	-	145,340
Other income	390,827	-	390,827
Net assets released from restrictions	<u>2,015,576</u>	<u>(2,015,576)</u>	<u>-</u>
Total revenues and net assets released from restrictions	4,330,152	(1,020,032)	3,310,120
EXPENSES			
Mentoring program	1,218,068	-	1,218,068
Fundraising	589,848	-	589,848
Management and general	181,824	-	181,824
Total expenses	<u>1,989,740</u>	<u>-</u>	<u>1,989,740</u>
CHANGE IN NET ASSETS	2,340,412	(1,020,032)	1,320,380
NET ASSETS, beginning of year	<u>2,030,845</u>	<u>1,571,569</u>	<u>3,602,414</u>
NET ASSETS, end of year	<u>\$ 4,371,257</u>	<u>\$ 551,537</u>	<u>\$ 4,922,794</u>

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

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2017 and 2016**

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (182,883)	\$ 1,320,380
Adjustments to reconcile change in net assets to net cash used in (provided by) operating activities:		
Change in allowance for uncollectible contributions receivable and discount on long term contributions receivable	(89,448)	99,950
Depreciation	163,382	30,074
Gain (loss) on sale of property and equipment	383	(368,174)
Contributions restricted for property and equipment acquisitions	-	(1,145,232)
Changes in assets and liabilities that provided (used) cash:		
Accounts and contributions receivable	1,151,117	(667,622)
Government grants and contracts receivable	7,740	(36,716)
Prepaid expenses	(9,598)	10,834
Accounts payable	(371,232)	(348,415)
Accrued liabilities	2,005	9,426
Deferred special events revenue	-	(40,000)
Deferred rental income	(27,500)	322,708
Net cash used in (provided by) operating activities	643,966	(812,787)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of property and equipment	-	472,500
Purchases of property and equipment	(84,172)	(2,468,690)
Net cash used in (provided by) investing activities	(84,172)	(1,996,190)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions received restricted for property and equipment acquisition	-	1,145,232
Payments on capital lease obligations	(20,236)	(9,728)
Borrowings (payments) under a note payable, net	(794,758)	1,457,714
Net cash used in (provided by) financing activities	(814,994)	2,593,218
NET CHANGE IN CASH AND CASH EQUIVALENTS	(255,200)	(215,759)
CASH AND CASH EQUIVALENTS, beginning of year	920,510	1,136,269
CASH AND CASH EQUIVALENTS, end of year	\$ 665,310	\$ 920,510
SUPPLEMENTAL CASH FLOW DISCLOSURE		
Cash paid for interest	\$ 75,066	\$ 2,341
SUPPLEMENTAL NON-CASH DISCLOSURES		
Additions to property & equipment funded by accounts payable	\$ -	\$ 364,868
Interest capitalized	\$ -	\$ 17,133
Equipment purchases financed through a capital lease	\$ -	\$ 61,833

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

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 and 2016**

1. ORGANIZATION

Big Brothers Big Sisters of Central Texas, Inc. (the Agency) is a nonprofit organization created in 1971, whose mission is to help children reach their potential through professionally supported one-to-one mentoring relationships with measurable impact.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as defined by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

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

Unrestricted - Net assets that are not subject to donor-imposed stipulations. Expenses are reported as decreases in unrestricted net assets. The Operating Reserve Fund is designated, unrestricted funds set aside by action of the Board of Directors in order to ensure the stability of the mission, programs, employment, and ongoing operations of the organization. Authority for use of Operating Reserves is delegated to the CEO in consultation with the Treasurer or Chair of the Finance Committee.

Temporarily Restricted - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Agency and/or the passage of time. When a 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 subject to donor-imposed stipulations that they be maintained permanently by the Agency. These net assets are not available for use in operations and limitations neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Agency. The Agency has not received any permanently restricted donations.

Use of Estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents - The Agency considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 and 2016**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Contributions and Capital Campaign Contributions Receivable - Promises to give are recorded at the amount the Agency expects to receive from donors. Promises to give are recorded at net realizable value if expected to be collected in one year and at net present value if expected to be collected in more than one year. The Agency recognizes allowances for estimated uncollectible amounts on donor receivables that are no longer estimated to be collectible. The Agency regularly adjusts any allowance for subsequent collection and final determination that a contribution receivable is no longer collectible.

Government Grants and Contracts Receivable - Government grants and contracts receivable balances include amounts due from cost reimbursement grant contracts. The Agency considers all grants receivable to be fully collectible. Accordingly, no allowance for doubtful accounts is required. Grants are subject to review and audit by the grantor agencies and have certain compliance requirements and, should audits by the grantor agencies disclose any areas of substantial noncompliance, the Agency may be required to refund any disallowed costs. Management believes that the Agency is in compliance with these grantor requirements.

Property and Equipment - The Agency capitalizes property and equipment at cost if purchased, and at fair market value on the date of receipt if donated. Repairs and maintenance costs are charged to expense as incurred. Depreciation expense is calculated using the straight-line method over the following estimated useful lives:

Building and	5-39 years
Furniture and fixtures	5-7 years
Computers and equipment	3-5 years

Impairment of Long-Lived Assets - Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the amount recorded may not be recoverable. An impairment loss is recognized by the amount in which the carrying amount of the asset exceeds fair value, if the carrying amount of the asset is not recoverable. Management believes there has been no impairment of such assets as of December 31, 2017 or 2016.

Deferred Special Events Revenue - Deferred special events revenue consists of amounts collected in advance for sponsorships for events scheduled in the subsequent year.

Deferred Rental Income - Deferred rental income represents amounts collected in advance for tenant rent and will be amortized over the term of the related lease, expiring in November 2046 (Note 9).

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 and 2016**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Contributions and Other Grants - Contributions received, including unconditional promises to give, are recorded at fair value as unrestricted, temporarily restricted, or permanently restricted support in the period received depending on the existence and nature of any donor restrictions. Conditional promises to give are recognized when the condition on which they depend is substantially met, and the promises become unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire within the fiscal year in which the contributions were received.

Government Grants - Revenue from grants received from federal and state governments is earned based on the Agency incurring allowable costs or providing services. Therefore, revenue is recognized as those costs are incurred or the services are provided.

Functional Expense Allocation - The costs of providing the program and supporting services have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated based on estimates made by management.

Income Taxes - The Agency is a nonprofit organization that is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code, except as it relates to any unrelated business income. The Agency did not incur any significant tax liabilities due to unrelated business income during the years ended December 31, 2017 or 2016. The tax returns for the years ending December 31, 2014, and after are open to examination by federal, local, and state authorities. There are currently no income tax audits for any tax periods in progress.

Recently Issued Accounting Pronouncements - In August 2016, the FASB issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which requires presentation on the face of the statement of financial position amounts for two classes of net assets at the end of the period, net assets with donor restrictions and net assets without donor restrictions, rather than the currently required three classes. The standard also requires the presentation on the face of the statement of activities the amount of the change in each of these two classes of net assets. The standard will no longer require the presentation or disclosure of the indirect method of reporting cash flows if an entity elects to use the direct method, however it will be required for an entity to provide enhanced disclosures about liquidity in the footnotes to the financial statements. The standard is effective for fiscal years beginning after December 15, 2017, and early adoption is permitted. The Agency is currently evaluating the impact the standard will have on its financial statements.

Subsequent Events - Subsequent events have been evaluated through the date of the Independent Auditors' Report, which is the date the financial statements were available to be issued.

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 and 2016**

3. CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Agency to credit risk consist of cash and cash equivalents and contributions receivable. The Agency places its cash and cash equivalents with a limited number of high quality financial institutions and may exceed the amount of insurance provided on such deposits. The Agency does not maintain collateral for its receivables. As of December 31, 2017 and 2016, two donors accounted for 53% and two donors accounted for 76% of total contributions receivable, respectively, including capital campaign contributions receivable.

4. CONTRIBUTIONS AND CAPITAL CAMPAIGN CONTRIBUTIONS RECEIVABLE

Contributions and capital campaign contributions receivable consisted of the following as of December 31:

	2017	2016
Due in less than one year	\$ 458,871	\$ 440,786
One to five years	440,845	1,612,478
	<u>899,716</u>	<u>2,053,264</u>
Discount to present value	(57,192)	(138,999)
Allowance for uncollectible pledges	(18,359)	(26,000)
Total	<u>\$ 824,165</u>	<u>\$ 1,888,265</u>

The present value of estimated future cash flows was calculated using a discount rate of 4.5% and 3.75% at December 31, 2017 and 2016, respectively.

5. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31:

	2017	2016
Buildings and improvements	\$ 4,129,297	\$ -
Furniture and fixtures	98,987	90,496
Computers and equipment	72,743	72,585
	<u>4,301,027</u>	<u>163,081</u>
Accumulated depreciation	(194,471)	(31,089)
	4,106,556	131,992
Land	566,000	566,000
Construction in-progress	-	4,054,157
Total property and equipment, net	<u>\$ 4,672,556</u>	<u>\$ 4,752,149</u>

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 and 2016**

6. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were restricted for the following purposes as of December 31:

	2017	2016
Long-term contribution receivable (time restricted), net of discount	\$ 166,731	\$ 431,537
Capital campaign operating reserve	-	100,000
Event in future period	127,368	20,000
Total	\$ 294,099	\$ 551,537

7. CONTRIBUTED GOODS AND SERVICES

The Agency received the following in-kind donations during the years ended December 31:

	2017	2016
Special events	\$ 358,918	\$ 89,147
Goods	5,908	41,760
Non-event media	14,604	10,169
Match activities	-	3,044
Services	5,000	1,220
Total in-kind donations	\$ 384,430	\$ 145,340

Contributed services are recognized by the Agency if the services received (a) create or enhance non-financial assets and (b) require specialized skill, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Volunteers donated approximately 58,000 and 56,000 hours for volunteer support activities to assist the Agency in performing program, fundraising, and administrative services during the years ended December 31, 2017 and 2016, respectively. However, these volunteer services do not meet the recognition criteria.

During the years ended December 31, 2017 and 2016, the Agency benefitted from donated auction items valued at \$79,568 and \$54,797, respectively.

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 and 2016**

8. CAPITAL LEASE OBLIGATION

During the year ended December 31, 2016, the Agency began leasing equipment under a non-cancelable capital lease agreement. Equipment financed under the capital lease obligation totaled \$30,916, net of accumulated depreciation of \$30,917, as of December 31, 2017. Equipment financed under the capital lease obligation totaled \$51,527, net of accumulated depreciation of \$10,306 as of December 31, 2016, and was included in property and equipment in the statement of financial position.

Future minimum lease payments consisted of the following as of December 31, 2017:

2018	\$	21,113
2019		11,621
Total minimum lease payments		<u>32,734</u>
Less: amount representing interest		<u>(865)</u>
		31,869
Less: current portion of capital lease obligation		<u>(21,112)</u>
Long term portion of capital lease obligation	\$	<u><u>10,757</u></u>

9. RENTAL INCOME

During the year ended December 31, 2015, the Agency entered into a lease agreement with an unrelated party (the Tenant) for the use of a portion of the Agency's facilities that were under construction at the time. In November 2016, both the Agency and the Tenant began utilizing the space, once construction was substantially complete. The Agency retains legal title to the asset throughout the term and upon termination of the lease. Rent payments under the lease are discounted from market rates. The inherent contribution, resulting from the below market rate rent, is being valued at its fair market value and is being recognized as contributed rent expense and rental income over the life of the lease. Rental income is included in other income in the statement of activities, and totaled \$165,315 and \$11,609 during the years ended December 31, 2017 and 2016, respectively.

During the year ended December 31, 2015, the Tenant paid the Agency \$500,000 of pre-rental payments under the Lease and the Agency included this amount in deferred rental income as of December 31, 2015. The Agency collected an additional \$325,000 during the year ended December 31, 2016, which completed payment of the Tenant's commitment for a term of thirty years. The Lease additionally includes terms which require the Tenant to pay its pro rata portion of operating expenses based on square feet of rentable space, which the Agency will collect in the period expenses are incurred.

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 and 2016**

10. LONG-TERM DEBT

The Agency has a revolving line of credit with a bank for an available amount of \$150,000 at a variable interest rate, collateralized by receivables and equipment. At December 31, 2017 and 2016, no amounts were outstanding under the revolving line of credit.

In June through December 2016, for the purpose of funding construction of the Agency's new building, the Agency borrowed \$1,457,714 under a promissory note, which bears interest at 4.25% per annum. In January 2017, the Agency borrowed an additional \$331,785 under the note. The note is collateralized by land and the building. The note requires the Agency to make monthly payments of principal and interest of \$15,352 beginning on January 28, 2017. All unpaid principal and interest is due on maturity on August 28, 2031. In 2017, the Agency made prepayments on the note and is currently scheduled to pay off the note in full before the maturity date of August 28, 2031.

Future maturities of the Note were as follows as of December 31, 2017:

2018	\$	139,352
2019		145,392
2020		151,692
2021		158,266
2022		68,254
Total	\$	662,956

11. RELATED PARTY TRANSACTIONS

The Agency received contributions totaling \$57,574 and \$69,515 from Board members of the Agency or organizations related to Board members during the years ended December 31, 2017 and 2016, respectively. The Agency received contributions totaling \$50,000 from the Foundation for Big Brothers Big Sisters of Central Texas, Inc. during each of the years ended December 31, 2017 and 2016. As of December 31, 2017 and 2016, pledges receivable included amounts due from Board members totaling \$47,050 and \$119,641, respectively.

12. RETIREMENT PLAN

Effective January 1, 2001, the Agency established a 401(k) Plan for the benefit of all employees. All employees are eligible to participate in the plan and make contributions. During the years ended December 31, 2017 and 2016, the Agency made no contributions.

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.
SUPPLEMENTAL SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2017**

	Supporting Services				Total
	Program Services	Fundraising	Management & General	Supporting Services	
	Mentoring Program	Fundraising	Management & General	Supporting Services	Total
Personnel Services	\$ 1,096,657	\$ 272,716	\$ 134,219	\$ 406,935	\$ 1,503,592
Fundraising Events	4,025	220,696	2,725	223,421	227,446
Professional and Contract Services	46,928	9,785	11,745	21,530	68,458
Communications and Printing	30,929	42,171	12,731	54,902	85,831
Insurance	55,500	2,903	464	3,367	58,867
Bad Debt	-	-	-	-	-
Occupancy	30,793	6,567	9,201	15,768	46,561
Membership Dues	19,270	3,909	1,721	5,630	24,900
Supplies and Refreshments	9,801	3,460	5,924	9,384	19,185
Travel	7,941	2,039	1,283	3,322	11,263
Contributed Rent	67,084	17,889	26,834	44,723	111,807
Equipment rental and Maintenance	6,716	1,204	5,459	6,663	13,379
Program Events and Activities	5,468	93	19	112	5,580
Volunteer and Client Recruitment	3,306	-	-	-	3,306
Interest Expense	58,551	11,260	5,255	16,515	75,066
Miscellaneous Expenses	2,645	30,202	4,307	34,509	37,154
Total Expenses before Depreciation	1,445,614	624,894	221,887	846,781	2,292,395
Depreciation	98,029	26,141	39,212	65,353	163,382
Total Expenses before Contributed Goods and Services	1,543,643	651,035	261,099	912,134	2,455,777
Contributed Goods and Services	240,983	140,070	1,450	141,520	382,503
Total Expenses	\$ 1,784,626	\$ 791,105	\$ 262,549	\$ 1,053,654	\$ 2,838,280

**BIG BROTHERS BIG SISTERS
OF CENTRAL TEXAS, INC.
SUPPLEMENTAL SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2016**

	Supporting Services				Total
	Program Services	Fundraising	Management & General	Supporting Services	
	Mentoring Program	Fundraising	Management & General	Supporting Services	Total
Personnel Services	\$ 1,008,424	\$ 197,947	\$ 119,116	\$ 317,063	\$ 1,325,487
Fundraising Events	2,523	179,214	-	179,214	181,737
Professional and Contract Services	33,873	31,303	14,895	46,198	80,071
Communications and Printing	22,374	26,228	5,742	31,970	54,344
Insurance	46,147	1,501	1,551	3,052	49,199
Bad Debt	-	24,417	4,000	28,417	28,417
Occupancy	19,506	3,464	3,744	7,208	26,714
Membership Dues	13,273	3,071	4,752	7,823	21,096
Supplies and Refreshments	7,484	3,136	5,744	8,880	16,364
Travel	7,786	1,075	589	1,664	9,450
Contributed Rent	-	-	9,317	9,317	9,317
Equipment rental and Maintenance	7,380	604	640	1,244	8,624
Program Events and Activities	6,779	-	-	-	6,779
Volunteer and Client Recruitment	2,804	-	-	-	2,804
Interest Expense	-	-	2,341	2,341	2,341
Miscellaneous Expenses	1,608	27,049	3,665	30,714	32,322
Total Expenses before Depreciation	1,179,961	499,009	176,096	675,105	1,855,066
Depreciation	28,560	785	729	1,514	30,074
Total Expenses before Contributed Goods and Services	1,208,521	499,794	176,825	676,619	1,885,140
Contributed Goods and Services	9,547	90,054	4,999	95,053	104,600
Total Expenses	\$ 1,218,068	\$ 589,848	\$ 181,824	\$ 771,672	\$ 1,989,740