

**Epilepsy Foundation of North/Central  
Illinois, Iowa and Nebraska, Inc.**

**Financial Statements and  
Supplementary Information**

Year Ended June 30, 2017

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

June 30, 2017

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## **Independent Auditor's Report**

Board of Directors  
Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.  
Rockford, Illinois

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, 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; 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 and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 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 Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc. as of June 30, 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.

## **Other Matters**

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2017, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

### ***Report on Summarized Comparative Information***

We have previously audited the Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.'s 2016 financial statements, and we expressed an unmodified opinion on those financial statements in our report dated October 10, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

October 10, 2017  
Rockford, Illinois



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## **Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

Board of Directors  
Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.  
Rockford, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 10, 2017.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control that we consider to be a significant deficiency as described below.

## **Segregation of Duties and Access Controls**

The size of the Organization's staff in charge of accounting and reporting functions performed by the same individuals indicates a lack of segregation of duties over; general ledger accounting, expense transactions record keeping, revenue and cash receipt and disbursement transaction record keeping and monthly financial statement preparation. The basic premise is that no one individual should have access to both physical assets and related accounting records or to all phases of a transaction. The Organization has a limited number of staff to allow for adequate segregation of duties.

Without adequate segregation of duties, the likelihood of unauthorized or false transactions will be prevented or detected in a timely fashion is significantly diminished which may result in misstated financial statements. It does not appear to be economically feasible to hire additional personnel to help segregate the accounting functions. However, the Board's close supervision and review of accounting information appears to be the most economical and appropriate manner to help prevent and detect errors and irregularities in the Organization's accounting and financial reporting.

## **Responses to Findings**

The Organization's management and Board's close supervision and review of accounting information is the most economical and appropriate manner to help prevent and detect errors and irregularities in the Organization's accounting and financial reporting. The Organization's response was not subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Wipfli LLP

October 10, 2017  
Rockford, Illinois

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

## Statement of Financial Position

June 30, 2017

(With summarized financial information for June 30, 2016)

<b>Assets</b>	2017	2016
Cash and cash equivalents	\$448,299	\$475,941
Grants receivable	93,686	79,535
Unconditional promises to give	50,000	100,000
Prepaid expenses	19,244	12,631
Investment securities	35,747	33,563
Equipment and fixtures, at cost, less accumulated depreciation	172,469	165,223
<b>Total assets</b>	<b>\$819,445</b>	<b>\$866,893</b>
<b><i>Liabilities and Net Assets</i></b>		
Liabilities:		
Accounts payable	\$118,698	\$76,620
Accrued expenses	55,519	37,646
Unearned revenue	59,214	120,124
<b>Total liabilities</b>	<b>233,431</b>	<b>234,390</b>
Net assets:		
Unrestricted	505,736	498,030
Temporarily restricted	80,278	134,473
<b>Total net assets</b>	<b>586,014</b>	<b>632,503</b>
<b>Total liabilities and net assets</b>	<b>\$819,445</b>	<b>\$866,893</b>

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

## Statement of Activities

For the Year Ended June 30, 2017

(With summarized financial information for the year ended June 30, 2016)

	Unrestricted	Temporarily Restricted	Total	
			2017	2016
Revenue and support:				
Government grants	\$1,283,910	\$0	\$1,283,910	\$616,020
Contributions	156,841	1,000	157,841	449,369
Fundraising events, net of direct costs of \$65,675 and \$75,648, respectively	155,117	0	155,117	141,044
Investment income	2,605	0	2,605	461
Other income			0	216
Net assets released from restrictions	55,195	(55,195)	0	0
<b>Total revenue and support</b>	<b>1,653,668</b>	<b>(54,195)</b>	<b>1,599,473</b>	<b>1,207,110</b>
Expenses:				
Program services	1,333,044	0	1,333,044	953,402
Management and general	223,161	0	223,161	163,651
Fundraising	89,757	0	89,757	61,030
<b>Total expenses</b>	<b>1,645,962</b>	<b>0</b>	<b>1,645,962</b>	<b>1,178,083</b>
Change in net assets	7,706	(54,195)	(46,489)	29,027
Net assets, beginning of year	498,030	134,473	632,503	603,476
<b>Net assets, end of year</b>	<b>\$505,736</b>	<b>\$80,278</b>	<b>\$586,014</b>	<b>\$632,503</b>

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

## Statement of Functional Expenses

For the Year Ended June 30, 2017

(With summarized financial information for the year ended June 30, 2016)

	2017			
	Program Services	Management and General	Fundraising	Total
Salaries, wages and related expenses	\$659,503	\$131,901	\$87,934	\$879,338
Consultants	318,403	18,287	0	336,690
Consumable supplies	16,956	5,294	0	22,250
Occupancy	79,807	6,339	0	86,146
Local transportation	34,297	0	0	34,297
Other	175,569	59,399	1,823	236,791
Depreciation	48,509	1,941	0	50,450
<b>Total expenses</b>	<b>\$1,333,044</b>	<b>\$223,161</b>	<b>\$89,757</b>	<b>\$1,645,962</b>

	2016			
	Program Services	Management and General	Fundraising	Total
Salaries, wages and related expenses	\$454,058	\$90,812	\$60,541	\$605,411
Consultants	248,144	17,734	0	265,878
Consumable supplies	24,330	7,397	0	31,727
Occupancy	57,586	6,339	0	63,925
Local transportation	30,244	0	0	30,244
Other	104,424	40,039	489	144,952
Depreciation	34,616	1,330	0	35,946
<b>Total expenses</b>	<b>\$953,402</b>	<b>\$163,651</b>	<b>\$61,030</b>	<b>\$1,178,083</b>

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

## Statement of Cash Flows

For the Year Ended June 30, 2017

(With summarized financial information for the year ended June 30, 2016)

	2017	2016
Cash flows from operating activities:		
Change in net assets	(\$46,489)	\$29,027
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	50,450	35,946
Unrealized gain on investments, net	(953)	(1,401)
Change in assets and liabilities:		
Grants receivable	(14,151)	39,373
Unconditional promises to give	50,000	(100,000)
Prepaid expenses	(6,613)	(7,936)
Accounts payable	42,078	53,609
Accrued expenses	17,873	10,411
Unearned revenue	(60,910)	(15,954)
Deferred compensation - liability	0	(346,688)
<b>Net cash provided by (used in) operating activities</b>	<b>31,285</b>	<b>(303,613)</b>
Cash flows from investing activities:		
Decrease in deferred compensation - asset	0	346,688
Purchases of investments	(1,231)	(1,526)
Sale of investments	0	2,803
Purchases of equipment and fixtures	(57,696)	(63,958)
<b>Net cash provided by (used in) investing activities</b>	<b>(58,927)</b>	<b>284,007</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(27,642)</b>	<b>(19,606)</b>
Cash and cash equivalents:		
Beginning	475,941	495,547
Ending	<b>\$448,299</b>	<b>\$475,941</b>

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

## Notes to Financial Statements

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### **Note 1 Significant Accounting Policies**

#### **Nature of activities**

Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc. (the "Organization") is a nonprofit corporation organized under the laws of the State of Illinois to educate and promote the welfare of individuals who have epilepsy in Northern/Central Illinois, Iowa and Nebraska.

#### **Significant accounting policies**

Net assets are presented as follows:

##### *Unrestricted net assets*

Unrestricted net assets are reflective of revenues and expenses associated with the principal programs and activities of the Organization and are not subject to donor imposed stipulations.

##### *Restricted net assets*

Temporarily restricted net assets are net assets subject to donor imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time.

Permanently restricted net assets are net assets subject to donor imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general specific purposes. The Organization currently has no permanently restricted net assets.

#### **Basis of accounting**

The Organization follows standards for accounting and financial reporting prescribed for voluntary health and welfare agencies. The financial statements are on the accrual basis of accounting in which revenue is recognized when earned and expenses are recognized when incurred in accordance with accounting principles generally accepted in the United States (GAAP).

#### **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 accounting principles generally accepted in the United States. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2016, from which the summarized information was derived.

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

## Notes to Financial Statements

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### **Note 1 Significant Accounting Policies (Continued)**

#### **Accounting estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The estimate of unconditional promises to give and fair value of investment securities are particularly subject to change in the near term.

#### **Cash and cash equivalents**

For purposes of reporting the statement of cash flows, the Organization includes all cash accounts which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with an original maturity of three months or less as cash and cash equivalents on the accompanying statements of financial position.

#### **Concentration of credit risk**

The Organization maintains its cash in bank deposits which, at times, may exceed federally insured limits. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents.

#### **Allowance for doubtful accounts**

The Organization uses the allowance method to record possible uncollectible accounts receivable. At the end of the fiscal year, no allowance was considered necessary by management.

#### **Contributions and unconditional promises to give**

Contributions are recognized when the donor makes an unconditional promise to give to the Organization. Donor restricted contributions are reported as increases in unrestricted net assets if the restriction is fulfilled in the year in which the contribution is recognized. All other donor restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. Temporarily restricted net assets are reclassified to unrestricted net assets when a restriction is met.

#### **Investment securities**

Investments are recorded at fair value. Realized and unrealized gains or losses on investments are recorded as unrestricted revenue in the period in which activity occurs.

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

## Notes to Financial Statements

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### Note 1 Significant Accounting Policies (Continued)

#### Equipment and fixtures

Equipment and fixtures purchased in excess of \$500 is capitalized at cost, or if donated, at fair market value at the date of donation less accumulated depreciation. Depreciation is computed by the straight line method over the estimated useful lives as follows:

Furniture and fixtures	5 – 7 years
Computer hardware and software	5 – 7 years
Office equipment	5 – 7 years
Medical equipment	5 years
Leasehold improvements	15 years

Maintenance and repairs of property and equipment are charged to operations as incurred. Major improvements which extend the useful life, increase capacity, or improve the efficiency of equipment are capitalized. Fully depreciation assets are retained in property and equipment and accumulated depreciation accounts until they are removed from service. Upon retirement, sale or other disposition of equipment and fixtures, the costs and accumulated depreciation are eliminated from the accounts, and any resulting gain or loss is included in operations.

#### Donated assets and services

The Organization will record in kind support for donated assets and services in the statement of activities at their estimated fair values at the date of receipt. Contributed professional services are recognized if the service (a) create or enhance a long lived asset or (b) require specialized skills that are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

#### Unearned revenue

Funding from government grants and non-government grants (contributions) are recognized as revenue as earned and any such funds not expended are recorded as unearned revenue. Certain, unexpended government grants and non-government grants (contributions) could be required, under the grant terms, to be returned to the funding entity.

#### Concentration of revenue

The Organization received approximately 37% and 29% of its revenue from the McHenry County Mental Health Board during the years ending June 30, 2017 and 2016, respectively. The Organization received approximately 30% and 4% of its revenue from the Illinois Department of Human Services during the years ending June 30, 2017 and 2016, respectively. A significant reduction in the level of this support, if this were to occur, may have a significant effect on the Organization's programs and activities.

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

## Notes to Financial Statements

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### Note 1 Significant Accounting Policies (Continued)

#### Functional allocation of expenses

The costs of providing the various programs and other activities are charged on a direct functional basis whenever practical. When direct charges cannot be accomplished the costs are allocated on the basis of periodic time and use of space studies.

#### Income taxes

The Organization qualifies for tax exempt status under Section 501(c)(3) of the Internal Revenue Code as a corporation not organized for profit, other than a private foundation. Therefore, no provision for income taxes has been made in these financial statements.

#### Subsequent events

The Organization has evaluated subsequent events through October 10, 2017, which is the date these financial statements were available to be issued.

### Note 2 Grants Receivable

Grants receivable consist of the following at June 30:

	2017	2016
Illinois Department of Human Services	\$10,213	\$6,189
Iowa Department of Public Health	12,148	9,979
McHenry County Mental Health Board	49,279	59,653
Other	22,046	3,714
	<u>\$93,686</u>	<u>\$79,535</u>

### Note 3 Unconditional Promises to Give

An unconditional promise to give from an anonymous donor consists of the following at June 30:

	2017	2016
Receivable in less than one year	\$50,000	\$50,000
Receivable in one year	0	50,000
	<u>\$50,000</u>	<u>\$100,000</u>

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

## Notes to Financial Statements

### Note 4 Investment Securities

2017	Cost	Unrealized Gain	Fair Value
Mutual funds	\$34,332	\$1,415	\$35,747
2016	Cost	Unrealized Gain	Fair Value
Mutual funds	\$33,101	\$462	\$33,563

### Note 5 Fair Value

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority level. Level 2 inputs consist of observable inputs other than quoted prices for identical assets (Level 1). Level 3 inputs are unobservable and have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 inputs are used for investments for which Level 1 inputs were not available. Level 3 inputs would only be used if Level 1 or Level 2 inputs were not available.

Following is as description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2017 and 2016.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

Unconditional promises to give: Fair value is estimated using the present value of expected cash flows.

The following tables set forth by level, within the fair value hierarchy, the Organization's investment assets at fair value as of June 30, 2017 and 2016. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement:

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

## Notes to Financial Statements

### Note 5 Fair Value (Continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30:

2017	Level 1	Level 2	Level 3	Total
Mutual funds	\$35,747	\$0	\$0	\$35,747
Unconditional promises to give	0	0	50,000	50,000
<b>Total investment assets at fair value</b>	<b>\$35,747</b>	<b>\$0</b>	<b>\$50,000</b>	<b>\$85,747</b>
2016	Level 1	Level 2	Level 3	Total
Mutual funds	\$33,563	\$0	\$0	\$33,563
Unconditional promises to give	0	0	100,000	100,000
<b>Total investment assets at fair value</b>	<b>\$33,563</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$133,439</b>

The following table sets forth a summary of changes in the fair value of the Organization's Level 3 assets for the years ended June 30:

	2017	2016
Balance, beginning of year	\$100,000	\$0
Contributions	0	150,000
Collections	(50,000)	(50,000)
<b>Balance, end of year</b>	<b>\$50,000</b>	<b>\$100,000</b>

### Note 6 Equipment and Fixtures

Equipment and fixtures consists of the following at June 30:

2017	Cost	Accumulated Depreciation	Net Value
Furniture and fixtures	\$18,511	\$10,742	\$7,769
Computer hardware and software	92,542	45,271	47,271
Office equipment	32,199	22,862	9,337
Medical equipment	158,155	56,980	101,175
Leasehold improvements	7,500	583	6,917
	<b>\$308,907</b>	<b>\$136,438</b>	<b>\$172,469</b>

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

## Notes to Financial Statements

### Note 6 Equipment and Fixtures (Continued)

2016	Cost	Accumulated Depreciation	Net Value
Furniture and fixtures	\$18,511	\$9,211	\$9,300
Computer hardware and software	67,035	31,044	35,991
Office equipment	32,198	19,711	12,487
Medical equipment	125,967	25,939	100,028
Leasehold improvements	7,500	83	7,417
	<u>\$251,211</u>	<u>\$85,988</u>	<u>\$165,223</u>

### Note 7 Temporarily Restricted Net Assets

Temporarily restricted net assets consists of the following at June 30:

	2017	2016
Unconditional promises to give	\$50,000	\$100,000
Donor imposed restrictions	30,278	34,473
	<u>\$80,278</u>	<u>\$134,473</u>

### Note 8 Unearned Revenue

Unearned revenue consists of the following at June 30:

	2017	2016
Illinois Children's Healthcare Foundation	\$50,066	\$112,774
Mud Volleyball fundraising event	9,148	7,350
	<u>\$59,214</u>	<u>\$120,124</u>

### Note 9 Lease Commitments

The Organization leases office space in Rockford, Illinois for five years commencing July 1, 2013. The lease requires monthly payments of \$2,800 for the first two and a half years and \$2,880 for the final two and a half years.

The Organization renewed the lease for office space in Des Moines, Iowa for 3 years commencing July 1, 2016. The lease requires monthly payments of \$484.

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

## Notes to Financial Statements

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### Note 9 Lease Commitments (Continued)

The Organization renewed the lease for office space in Crystal Lake, Illinois for 2 years commencing July 1, 2016. The lease requires monthly payments of \$3,445 in the first year and \$3,514 in the second year.

The Organization leased for office space in DeKalb, Illinois for two years commencing April 30, 2017. The lease requires monthly payments of \$925.

The Organization incurred \$86,146 and \$63,925 rent expense for the years ended June 30, 2017 and 2016, respectively.

Required lease payments as of June 30, 2017 are due as follows:

2018	\$93,641
2019	15,064
	<hr/>
	\$108,705

### Note 10 Retirement Plan

The Organization sponsors a Simple IRA plan covering substantially all employees. Generally, eligible employees are those who received at least \$5,000 in compensation in any two preceding calendar years and who are reasonably expected to continue to receive \$5,000 in compensation during the current calendar year. The Organization is able to make contributions at the discretion of the Organization's board of directors; however, the Organization is required to make a 100% matching contribution up to a limit of 3% of eligible compensation, but not less than 1% of eligible compensation. Additionally, the Organization may contribute less than a 3% match in no more than two out of every five years. The Organization's contributions totaled \$0 in 2017 and 2016.

## Supplementary Information

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## Independent Auditor's Report on Supplementary Information

Board of Directors  
Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.  
Rockford, Illinois

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information consisted of the schedule of state comparative statement of activities and schedule of state comparative statement of functional expenses appearing on pages 18 and 19 is presented for the purpose 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 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. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

October 10, 2017  
Rockford, Illinois

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

## Schedule of State Comparative Statement of Activities

For the Year Ended June 30, 2017

	Illinois	Iowa	Nebraska	Total
<b>Revenue and support:</b>				
Government grants	\$1,139,873	\$144,037	\$0	\$1,283,910
Contributions	135,209	21,165	1,467	157,841
Fund raising, net of direct costs	80,877	76,767	(2,527)	155,117
Investment income	2,605	0	0	2,605
<b>Total revenue and support</b>	<b>1,358,564</b>	<b>241,969</b>	<b>(1,060)</b>	<b>1,599,473</b>
<b>Expenses:</b>				
Program services	1,169,639	163,176	229	1,333,044
Management and general	188,719	34,433	9	223,161
Fundraising	74,964	14,793	0	89,757
<b>Total expenses</b>	<b>1,433,322</b>	<b>212,402</b>	<b>238</b>	<b>1,645,962</b>
Change in net assets	(74,758)	29,567	(1,298)	(46,489)
Net assets, beginning of year	489,767	168,856	(26,120)	632,503
Net assets, end of year	\$415,009	\$198,423	(\$27,418)	\$586,014
Unrestricted net assets	\$365,009	\$186,441	(\$45,714)	\$505,736
Temporarily restricted net assets	50,000	11,982	18,296	80,278
Net assets, end of year	\$415,009	\$198,423	(\$27,418)	\$586,014

# Epilepsy Foundation of North/Central Illinois, Iowa and Nebraska, Inc.

## Schedule of State Comparative Statement of Functional Expenses

For the Year Ended June 30, 2017

	Illinois			Total
	Program Services	Management and General	Fundraising	
Salaries, wages and related expenses	\$560,006	\$112,002	\$74,668	\$746,676
Consultants	317,403	14,162	0	331,565
Consumable supplies	13,692	4,171	0	17,863
Occupancy	74,991	5,804	0	80,795
Local transportation	25,440	0	0	25,440
Other	130,222	50,708	296	181,226
Depreciation	47,885	1,872	0	49,757
<b>Total expenses</b>	<b>\$1,169,639</b>	<b>\$188,719</b>	<b>\$74,964</b>	<b>\$1,433,322</b>

	Iowa			Total
	Program Services	Management and General	Fundraising	
Salaries, wages and related expenses	\$99,497	\$19,899	\$13,266	\$132,662
Consultants	1,000	4,125	0	5,125
Consumable supplies	3,058	1,114	0	4,172
Occupancy	4,816	535	0	5,351
Local transportation	8,857	0	0	8,857
Other	45,324	8,691	1,527	55,542
Depreciation	624	69	0	693
<b>Total expenses</b>	<b>\$163,176</b>	<b>\$34,433</b>	<b>\$14,793</b>	<b>\$212,402</b>

	Nebraska			Total
	Program Services	Management and General	Fundraising	
Salaries, wages and related expenses	\$0	\$0	\$0	\$0
Consultants	0	0	0	0
Consumable supplies	206	9		215
Occupancy	0	0	0	0
Local transportation	0	0	0	0
Other	23	0	0	23
Depreciation	0	0	0	0
<b>Total expenses</b>	<b>\$229</b>	<b>\$9</b>	<b>\$0</b>	<b>\$238</b>