

**MID AMERICA
ASSISTANCE COALITION**

FINANCIAL STATEMENTS

June 30, 2011 and 2010

IFFT & CO. PA

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Mid America Assistance Coalition

We have audited the accompanying statements of financial position of Mid America Assistance Coalition as of June 30, 2011 and 2010, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of Mid America Assistance Coalition's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mid America Assistance Coalition as of June 30, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements as a whole. The schedule of utility case management funds on page 14 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 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.

Ifft + Co. PA

November 1, 2011

MID AMERICA ASSISTANCE COALITION
STATEMENTS OF FINANCIAL POSITION
June 30, 2011 and 2010

	2011		2010	
	General	Utility and Case Management	General	Utility and Case Management
	Total	Total	Total	Total
ASSETS				
Cash	\$ 502,436	257,625	760,061	631,776
Government grants receivable	3,088	-	3,088	3,252
Promises receivable	25,604	-	25,604	32,305
Other receivables	8,566	-	8,566	19,484
Prepaid expenses and inventory	3,274	-	3,274	5,526
Property and equipment, net	207,110	-	207,110	129,244
TOTAL ASSETS	<u>\$ 750,078</u>	<u>257,625</u>	<u>1,007,703</u>	<u>821,587</u>
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable and accrued expenses	\$ 27,826	-	27,826	27,919
Unearned revenue	31,257	-	31,257	31,567
TOTAL LIABILITIES	<u>59,083</u>	<u>-</u>	<u>59,083</u>	<u>59,486</u>
NET ASSETS				
Unrestricted	665,391	-	665,391	543,472
Temporarily restricted	25,604	257,625	283,229	186,324
TOTAL NET ASSETS	<u>690,995</u>	<u>257,625</u>	<u>948,620</u>	<u>762,101</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 750,078</u>	<u>257,625</u>	<u>1,007,703</u>	<u>821,587</u>

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

MID AMERICA ASSISTANCE COALITION
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2011

	GENERAL			UTILITY AND CASE MANAGEMENT			TOTALS		
	Unrestricted	Temporarily Restricted		Unrestricted	Temporarily Restricted		Unrestricted	Temporarily Restricted	
		Total				Total			
Support and revenues	\$ 151,200	-	151,200	494,387	-	494,387	645,587	-	645,587
Corporate and foundation contributions and grants	4,298	-	4,298	85,825	257,625	343,450	90,123	257,625	347,748
Other contributions	52,407	25,604	78,011	-	-	-	52,407	25,604	78,011
United Way support	73,769	-	73,769	248,476	-	248,476	322,245	-	322,245
Grants from governments	485,208	-	485,208	-	-	-	485,208	-	485,208
Program income	452	-	452	-	-	-	452	-	452
Interest income	767,334	25,604	792,938	828,688	257,625	1,086,313	1,596,022	283,229	1,879,251
Net assets released from restrictions	32,305	(32,305)	-	186,324	(186,324)	-	218,629	(218,629)	-
	799,639	(6,701)	792,938	1,015,012	71,301	1,086,313	1,814,651	64,600	1,879,251
Expenses									
Program services									
Community resources	67,164	-	67,164	918,403	-	918,403	985,567	-	985,567
Information, referral and coordination	486,267	-	486,267	-	-	-	486,267	-	486,267
Community education and training	81,673	-	81,673	22,166	-	22,166	103,839	-	103,839
Community outreach	31,303	-	31,303	-	-	-	31,303	-	31,303
Total program services	666,407	-	666,407	940,569	-	940,569	1,606,976	-	1,606,976
Supporting services									
Management and general	69,735	-	69,735	-	-	-	69,735	-	69,735
Fundraising	16,021	-	16,021	-	-	-	16,021	-	16,021
Total supporting services	85,756	-	85,756	-	-	-	85,756	-	85,756
	752,163	-	752,163	940,569	-	940,569	1,692,732	-	1,692,732
INCREASE (DECREASE) IN NET ASSETS	47,476	(6,701)	40,775	74,443	71,301	145,744	121,919	64,600	186,519
NET ASSETS, BEGINNING OF YEAR	543,472	32,305	575,777	-	186,324	186,324	543,472	218,629	762,101
Grantor-approved cost reimbursements	74,443	-	74,443	(74,443)	-	(74,443)	-	-	-
NET ASSETS, END OF YEAR	\$ 665,391	25,604	690,995	-	257,625	257,625	665,391	283,229	948,620

The accompanying notes are an integral part of these statements.

MID AMERICA ASSISTANCE COALITION
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2011

	PROGRAM SERVICES					SUPPORTING SERVICES		
	Community Resources	Information, Referral and Coordination	Community Education and Training	Community Outreach	Total	Management and General	Fund-raising	Total
Salaries	\$ 43,914	236,156	58,655	13,006	351,731	37,087	13,006	50,093
Payroll taxes	3,980	20,454	5,022	1,325	30,781	2,970	1,029	3,999
Employee health benefits	4,936	15,540	5,655	163	26,294	3,708	162	3,870
Employee retirement benefits	908	3,303	1,696	392	6,299	1,090	392	1,482
Awards and grants	917,120	-	21,019	-	938,139	-	-	-
Standard intake forms	-	1,254	-	-	1,254	-	-	-
Audit	-	-	-	-	-	8,787	-	8,787
Professional services	-	34,845	-	-	34,845	-	-	-
Office supplies	385	1,627	533	140	2,685	965	47	1,012
Telephone	1,132	6,088	1,132	226	8,578	851	226	1,077
Postage	196	459	227	25	907	192	86	278
Rent	2,176	12,440	2,616	868	18,100	3,308	866	4,174
Software maintenance	3,692	101,211	1,761	-	106,664	-	-	-
Equipment rent and maintenance	244	7,569	1,174	195	9,182	2,112	128	2,240
Printing	-	50	-	-	50	-	-	-
Travel	8	20,721	1,560	3,823	26,112	305	24	329
Network fees	-	1,920	-	-	1,920	-	-	-
Education, training and conferences	-	25	691	40	756	-	-	-
Insurance and bonding	-	-	-	-	-	4,372	-	4,372
Dues and subscriptions	-	60	60	555	675	304	-	304
Financial expenses	2,430	-	-	-	2,430	2,799	-	2,799
Depreciation	4,446	22,492	1,932	55	28,925	190	55	245
Other	-	53	106	10,490	10,649	695	-	695
TOTAL EXPENSES	\$ 985,567	486,267	103,839	31,303	1,606,976	69,735	16,021	85,756
								1,692,732

The accompanying notes are an integral part of these statements.

MID AMERICA ASSISTANCE COALITION
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2010

	PROGRAM SERVICES					SUPPORTING SERVICES			Total
	Community Resources	Information, Referral and Coordination	Community Education and Training	Community Outreach	Total	Management and General	Fund-raising	Total	
Salaries	\$ 34,898	228,952	53,673	13,008	330,531	38,212	13,008	51,220	381,751
Payroll taxes	3,069	20,011	4,728	1,012	28,820	3,104	1,013	4,117	32,937
Employee health benefits	5,892	14,215	5,521	293	25,921	5,607	178	5,785	31,706
Employee retirement benefits	756	3,645	1,661	380	6,442	1,136	380	1,516	7,958
Awards and grants	1,526,284	-	18,086	-	1,544,370	-	-	-	1,544,370
Standard intake forms	-	959	-	-	959	-	-	-	959
Audit	-	-	-	-	-	8,653	-	8,653	8,653
Professional services	12,980	17,336	-	-	30,316	-	-	-	30,316
Office supplies	743	2,536	640	61	3,980	775	68	843	4,823
Telephone	1,110	4,398	1,109	268	6,885	741	224	965	7,850
Postage	292	642	344	34	1,312	289	137	426	1,738
Rent	2,120	12,060	2,544	848	17,572	3,212	842	4,054	21,626
Software maintenance	6,977	58,633	2,990	-	68,600	-	-	-	68,600
Equipment rent and maintenance	300	1,569	1,047	177	3,093	1,839	124	1,963	5,056
Printing	28	1,404	23	5	1,460	15	6	21	1,481
Travel	2	10,396	724	3,505	14,627	182	10	192	14,819
Network fees	-	1,927	-	-	1,927	-	-	-	1,927
Education, training and conferences	-	1,200	415	279	1,894	-	-	-	1,894
Insurance and bonding	-	-	-	-	-	4,661	-	4,661	4,661
Dues and subscriptions	-	60	85	295	440	300	95	395	835
Financial expenses	2,505	-	-	-	2,505	2,703	-	2,703	5,208
Depreciation	7,063	21,356	2,365	120	30,904	413	120	533	31,437
Other	-	164	31	6,208	6,403	821	-	821	7,224
TOTAL EXPENSES	\$ 1,605,019	401,463	95,986	26,493	2,128,961	72,663	16,205	88,868	2,217,829

The accompanying notes are an integral part of these statements.

MID AMERICA ASSISTANCE COALITION
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 186,519	(115,877)
Adjustment to reconcile change in net assets to net cash from operating activities:		
Depreciation	29,170	31,437
(Increase) decrease in:		
Government grants receivable	164	361
Promises receivable	6,701	(9,663)
Other receivables	10,918	(7,558)
Prepaid expenses and inventory	2,252	3,436
Increase (decrease) in:		
Accounts payable and accrued expenses	(93)	7,772
Unearned revenue	(310)	(23,315)
	<u>235,321</u>	<u>(113,407)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of equipment	<u>(107,036)</u>	<u>(114,368)</u>
NET INCREASE (DECREASE) IN CASH	128,285	(227,775)
CASH, BEGINNING OF YEAR	<u>631,776</u>	<u>859,551</u>
CASH, END OF YEAR	<u>\$ 760,061</u>	<u>631,776</u>

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

MID AMERICA ASSISTANCE COALITION
NOTES TO FINANCIAL STATEMENTS
June 30, 2011 and 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Mid America Assistance Coalition (MAAC) is a private not-for-profit organization which gathers and maintains client data for more than 200 Kansas City area social service organizations that provide direct emergency assistance and/or case management to low income and homeless persons and households. MAAC's mission is to strengthen the social service community through information systems, training, and advocacy.

MAAC has provided a central database for client information in partnership with other community agencies since its founding in 1985. The current internet based software database, MAACLink, is used to accumulate data, avoid duplication, and assure timely distribution of community resources in the most appropriate and effective manner. MAACLink is a qualified homeless management information system that meets HUD standards for data gathering and management reporting on homeless populations in the Kansas City metropolitan area. MAAC also provides customized versions of the MAACLink software system to other regional and national communities.

Fund Management

MAAC manages six funds designated for utility assistance to qualified clients and several other funds for special assistance needs and homeless case management assistance. MAACLink is used to distribute funds to partnering direct assistance agencies, manage use of funding resources, and report on outcomes.

The funds are as follows:

Dollar Aide - Customers of Kansas City Power & Light Company (KCPL) contribute to this fund by adding an extra amount to their utility bill payment or making a direct donation to a trust account at a local bank. Until May, 2009, KCPL matched the customer contributions by making credits available from corporate funds through a separate Dollar Aide Credits program. The credits were available through June, 2009 for application to the electric bills of eligible low income customers of KCPL. The credits program was administered by MAAC but the credits were not reflected in the financial statements as income or expenses. Beginning in May, 2009, KCPL began matching customer contributions by making a contribution to MAAC from the KCPL foundation.

Neighbors Helping Neighbors - This fund is supported by customers of Missouri Gas Energy (MGE). MGE provides matching credits from corporate funds for a separate Neighbors Helping Neighbors Credits program in the amount of 50% of customer contributions, with a maximum of \$70,000 per year. The credits are available to be applied to natural gas bills of eligible low income MGE customers. The credits program is administered by MAAC but the credits are not reflected in the financial statements as income or expenses.

MID AMERICA ASSISTANCE COALITION
NOTES TO FINANCIAL STATEMENTS
June 30, 2011 and 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Fund Management, Continued

Warmth & Light Fund - This fund receives direct donations plus 40% of the proceeds from the Project Warmth fundraising drive sponsored by KCTV-5 and the Kansas City Star.

Jackson County Energy Assistance Fund - This fund is supported by investment earnings from a trust fund established by the Jackson County Legislature and now housed and distributed by the Greater Kansas City Community Foundation (GKCCF).

Special Assistance Fund - A variety of client needs are met through several funding sources that are managed by MAAC, including an ID and Birth Certificate fund and the Kansas City Missouri Water Services Assistance Program. MAAC administers these funds in partnership with participating agencies and makes regular payments directly to branches of government, utility companies, landlords, and other third party vendors that supply needs for eligible clients.

KC Cares Fund –GKCCF contributed \$335,000 during 2011 and \$470,000 during 2010 in the form of two grants- the Kansas City Cares fund and the Small Needs of Individuals fund. GKCCF requested that MAAC manage the funds in coordination with designated agencies according to standards and procedures developed through consultation between GKCCF and MAAC.

Family to Family and Homeless Case Management - Individual donations and HUD grant funds provide support for homeless families who are participating in the case management program coordinated by Mid America Assistance Coalition.

Back to School - This annual program coordinates a drive for school needs for local area children. Clothing, school supplies, and cash contributions are received.

Recognition of Donor Restrictions

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

MID AMERICA ASSISTANCE COALITION
NOTES TO FINANCIAL STATEMENTS
June 30, 2011 and 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Property and Equipment

Furniture, equipment and computer software are recorded at cost, if acquired, or fair market value, if donated. Depreciation is computed on the straight-line method over the estimated useful life of the assets.

Income Taxes

No provision is included in these statements for income taxes as the Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue code.

The Organization recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant taxing authority.

The Organization is subject to income tax regulations in the U.S. federal jurisdiction and certain state jurisdictions. Tax regulations within each jurisdiction are subject to the interpretation of the related tax laws and regulations and require significant judgment to apply. With few exceptions, the Organization is no longer subject to income tax examinations by the applicable tax authorities for the years before 2008. If any were to be incurred, the Organization's policy is to record penalties and interest assessed by income taxing authorities as operating expenses.

Expense Allocation

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services using management's best estimate. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

MID AMERICA ASSISTANCE COALITION
NOTES TO FINANCIAL STATEMENTS
June 30, 2011 and 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Cash Flows

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with initial maturities of three months or less to be cash equivalents.

Subsequent Events

Subsequent events have been evaluated through November 1, 2011, which is the date the financial statements were available to be issued. There are none which require disclosure.

NOTE 2 - CASH

Cash consists of the following at June 30, 2011 and 2010:

	2011	2010
Interest bearing operating and savings accounts	\$ 502,436	445,452
Cash held in trust accounts	257,625	186,324
	\$ 760,061	631,776

Separate trust accounts are maintained for each of the utility assistance funds. Most of the funds in these accounts have been allocated to various agencies, but have not yet been spent by those agencies as of the end of each year.

NOTE 3 - PROMISES RECEIVABLE

Promises receivable at June 30, 2011 and 2010 are \$25,604 and \$32,305, and are due in less than one year.

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2011 and 2010:

	2011	2010
Office furniture and equipment	\$ 17,100	17,100
MAACLink computer equipment and software	257,412	713,924
	274,512	731,024
Accumulated depreciation	(67,402)	(601,780)
	\$ 207,110	129,244

MID AMERICA ASSISTANCE COALITION
NOTES TO FINANCIAL STATEMENTS
June 30, 2011 and 2010

NOTE 5 – TEMPORARILY RESTRICTED NET ASSETS

Net assets are temporarily restricted for the following at June 30, 2011 and 2010:

	2011	2010
Utilities and case management	\$ 257,625	186,324
United Way	25,604	32,305
	\$ 283,229	218,629

NOTE 6 - LEASE COMMITMENTS

The Organization has an operating lease for its office space which expires February 28, 2014. Rent expense under the operating lease for the years ended June 30, 2011 and 2010 is \$22,274 and \$21,626.

The Organization has an operating lease for certain office equipment. Rent expense under this lease for the years ended June 30, 2011 and 2010 is \$5,211 and \$5,056.

Future minimum lease payments under these operating leases are:

Years Ending June 30,		
2012	\$	28,154
2013		26,439
2014		18,874
Thereafter		234
	\$	73,701

NOTE 7 - RETIREMENT PLAN

The Organization contributes to a simple IRA retirement plan for its employees. All employees earning \$5,000 or more per year are eligible in the month following the date of hire. The Organization is required to match the first 3% of gross compensation contributed by each employee. This percentage may be reduced to as low as 1% for 2 out of 5 years. All contributions are fully vested. Retirement plan expense is \$7,783 and \$7,959 for the years ended June 30, 2011 and 2010.

MID AMERICA ASSISTANCE COALITION
NOTES TO FINANCIAL STATEMENTS
June 30, 2011 and 2010

NOTE 8 - CONCENTRATION OF CREDIT RISK

The Organization maintains its nontrust cash balances in two large financial institutions located in Kansas City. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2011 and 2010, uninsured balances are \$273,659 and \$266,813.

MID AMERICA ASSISTANCE COALITION
ADDITIONAL INFORMATION - UTILITY AND CASE MANAGEMENT FUNDS
For the Year Ended June 30, 2011 with
Comparative Totals for the Year Ended June 30, 2010

	2011											
	Utility Funds					Case Management Funds						
	Warmth and Light	Neighbors Helping Neighbors	Jackson County Energy Assistance	Dollar Aide	Special Assistance Fund	Total	Family to Family	Susan Watson Concern for Others Fund	Back to School	Total	Total	
SUPPORT AND REVENUES												
Corporate and foundation contributions and grants	\$ 39,700	-	-	95,332	359,355	494,387	-	-	-	-	494,387	618,952
Other contributions	801	130,971	-	191,548	8,000	331,320	360	-	11,770	12,130	343,450	399,417
Grants from governments	-	-	-	-	240,210	240,210	8,266	-	-	8,266	248,476	275,325
Other	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-	-	-	-	-
	40,501	130,971	-	286,880	607,565	1,065,917	8,626	-	11,770	20,396	1,086,313	1,293,694
	(45,510)	(98,398)	(191)	(253,713)	(520,590)	(918,402)	(12,519)	(1,148)	(8,500)	(22,167)	(940,569)	(1,546,900)
EXPENSES												
INCREASE (DECREASE) IN NET ASSETS	(5,009)	32,573	(191)	33,167	86,975	147,515	(3,893)	(1,148)	3,270	(1,771)	145,744	(253,206)
NET ASSETS, BEGINNING OF YEAR	1,699	63,582	191	(32,242)	30,800	64,030	21,134	1,148	100,012	122,294	186,324	482,987
Grantor-approved cost reimbursements	(8,030)	(13,129)	-	(28,784)	(24,500)	(74,443)	-	-	-	-	(74,443)	(43,457)
NET ASSETS, END OF YEAR	\$ (11,340)	83,026	-	(27,859)	93,275	137,102	17,241	-	103,282	120,523	257,625	186,324