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Accounting | Consulting

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ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors
Southwest Alabama Workforce Development Council Region 9, Inc.
Mobile, Alabama

Management is responsible for the accompanying financial statements of Southwest Alabama Workforce Development Council Region 9, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets—modified cash basis as of July 31, 2017, and the related statements of support, revenues and expenses—modified cash basis for the one month and for the ten months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all disclosures required in financial statements prepared in accordance with accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position and changes in net assets. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Supplementary Information

The supplementary information contained in Schedules I, II, III, IV, V and VI is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement; however, we have not audited or reviewed the supplementary

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information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such supplementary information.

We are not independent with respect to Southwest Alabama Workforce Development Council Region 9, Inc.

Crow Shields Bailey, PC

Mobile, Alabama

August 16, 2017

SOUTHWEST ALABAMA WORKFORCE DEV COUNCIL REGION 9, INC
STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS
(SEE ACCOUNTANTS' COMPILATION REPORT)

Assets

	July 31, 2017
Current assets	
Compass - operating	\$ 454,207.35
Compass - money market	112,388.07
Total current assets	566,595.42
Property and equipment	
Equipment	2,562.94
Accumulated depreciation	(2,333.46)
Total property and equipment, net	229.48
	\$ 566,824.90

Liabilities and Net Assets

	July 31, 2017
Current liabilities	
AL withholding payable	\$ 520.12
Total current liabilities	520.12
Net Assets	
Unrestricted net assets	420,177.22
Net income	146,127.56
Total net assets	566,304.78
	\$ 566,824.90

SOUTHWEST ALABAMA WORKFORCE DEV COUNCIL REGION 9, INC
STATEMENT OF SUPPORT, REVENUES AND EXPENSES - MODIFIED CASH BASIS
(SEE ACCOUNTANTS' COMPILATION REPORT)

	One month ended July 31, 2017	%	Ten months ended July 31, 2017	%
Support and revenues				
Contributions - unrestricted	\$ 23,957.10	45.30 %	\$ 141,416.98	28.30 %
Contributions - restricted	28,917.20	54.68 %	358,189.87	71.67 %
Interest income	<u>9.24</u>	<u>0.02 %</u>	<u>145.95</u>	<u>0.03 %</u>
Total support and revenues	<u>52,883.54</u>	<u>100.00 %</u>	<u>499,752.80</u>	<u>100.00 %</u>
Expenses				
Accounting fees	967.00	1.83 %	16,975.00	3.40 %
Advertising and marketing	0.00	0.00 %	500.00	0.10 %
Depreciation	30.05	0.06 %	300.50	0.06 %
Dues and subscriptions	234.85	0.44 %	2,942.00	0.59 %
Employee benefits	2,001.74	3.79 %	22,510.92	4.50 %
Insurance	0.00	0.00 %	4,206.00	0.84 %
Meetings	0.00	0.00 %	7,215.94	1.44 %
Other expense	589.89	1.12 %	63,703.66	12.75 %
Payroll tax	972.17	1.84 %	16,383.51	3.28 %
Postage and shipping	0.00	0.00 %	106.60	0.02 %
Rent	500.00	0.95 %	7,000.00	1.40 %
Salaries and wages	12,708.32	24.03 %	183,354.44	36.69 %
Supplies	585.03	1.11 %	13,791.70	2.76 %
Telephone	473.36	0.90 %	5,787.13	1.16 %
Travel	<u>65.78</u>	<u>0.12 %</u>	<u>8,847.84</u>	<u>1.77 %</u>
Total expenses	<u>19,128.19</u>	<u>36.17 %</u>	<u>353,625.24</u>	<u>70.76 %</u>
Change in net assets	<u>\$ 33,755.35</u>	<u>63.83 %</u>	<u>\$ 146,127.56</u>	<u>29.24 %</u>

SOUTHWEST ALABAMA WORKFORCE DEV COUNCIL REGION 9, INC
SCHEDULE I - SUPPORT, REVENUES AND EXPENSES COMPARED TO BUDGET - MODIFIED CASH BASIS
(SEE ACCOUNTANTS' COMPILATION REPORT)

	One month ended July 31, 2017 <u>Actual</u>	One month ended July 31, 2017 <u>Budget</u>	Variance	Ten months ended July 31, 2017 <u>Actual</u>	Ten months ended July 31, 2017 <u>Budget</u>	Variance
Support and revenues						
Contributions - unrestricted	\$ 23,957.10	\$ 4,000.00	\$ 19,957.10	\$ 141,416.98	\$ 224,463.00	\$ (83,046.02)
Contributions - restricted	28,917.20	22,987.00	5,930.20	358,189.87	394,078.64	(35,888.77)
Interest income	<u>9.24</u>	<u>12.00</u>	<u>(2.76)</u>	<u>145.95</u>	<u>120.00</u>	<u>25.95</u>
Total support and revenues	<u>52,883.54</u>	<u>26,999.00</u>	<u>25,884.54</u>	<u>499,752.80</u>	<u>618,661.64</u>	<u>(118,908.84)</u>
Expenses						
Accounting fees	967.00	1,000.00	(33.00)	16,975.00	18,000.00	(1,025.00)
Advertising and marketing	0.00	100.00	(100.00)	500.00	3,500.00	(3,000.00)
Depreciation	30.05	45.00	(14.95)	300.50	450.00	(149.50)
Dues and subscriptions	234.85	1,500.00	(1,265.15)	2,942.00	4,500.00	(1,558.00)
Employee benefits	2,001.74	4,291.67	(2,289.93)	22,510.92	42,916.70	(20,405.78)
Insurance	0.00	0.00	0.00	4,206.00	4,010.00	196.00
Meetings	0.00	250.00	(250.00)	7,215.94	3,250.00	3,965.94
Other expense	589.89	4,000.00	(3,410.11)	63,703.66	75,000.00	(11,296.34)
Payroll tax	972.17	1,641.56	(669.39)	16,383.51	17,615.60	(1,232.09)
Postage and shipping	0.00	20.00	(20.00)	106.60	200.00	(93.40)
Rent	500.00	1,000.00	(500.00)	7,000.00	12,000.00	(5,000.00)
Salaries and wages	12,708.32	21,458.33	(8,750.01)	183,354.44	214,583.30	(31,228.86)
Supplies	585.03	200.00	385.03	13,791.70	3,200.00	10,591.70
Telephone	473.36	800.00	(326.64)	5,787.13	8,000.00	(2,212.87)
Travel	<u>65.78</u>	<u>750.00</u>	<u>(684.22)</u>	<u>8,847.84</u>	<u>9,000.00</u>	<u>(152.16)</u>
Total expenses	<u>19,128.19</u>	<u>37,056.56</u>	<u>(17,928.37)</u>	<u>353,625.24</u>	<u>416,225.60</u>	<u>(62,600.36)</u>
Change in net assests	<u>\$ 33,755.35</u>	<u>\$ (10,057.56)</u>	<u>\$ 43,812.91</u>	<u>\$ 146,127.56</u>	<u>\$ 202,436.04</u>	<u>\$ (56,308.48)</u>

SOUTHWEST ALABAMA WORKFORCE DEV COUNCIL REGION 9, INC
SCHEDULE II - SUPPORT, REVENUES AND EXPENSES COMPARED TO BUDGET - MODIFIED CASH BASIS
(SEE ACCOUNTANTS' COMPILATION REPORT)

	General One month ended July 31, 2017 <u>Actual</u>	General One month ended July 31, 2017 <u>Budget</u>	Variance	General Ten months ended July 31, 2017 <u>Actual</u>	General Ten months ended July 31, 2017 <u>Budget</u>	Variance
Support and revenues						
Contributions - unrestricted	\$ 23,957.10	\$ 4,000.00	\$ 19,957.10	\$ 141,416.98	\$ 224,463.00	\$ (83,046.02)
Contributions - restricted	18,231.00	0.00	18,231.00	18,231.00	0.00	18,231.00
Interest income	9.24	12.00	(2.76)	145.95	120.00	25.95
Total support and revenues	<u>42,197.34</u>	<u>4,012.00</u>	<u>38,185.34</u>	<u>159,793.93</u>	<u>224,583.00</u>	<u>(64,789.07)</u>
Expenses						
Accounting fees	967.00	1,000.00	(33.00)	16,975.00	18,000.00	(1,025.00)
Advertising and marketing	0.00	100.00	(100.00)	300.00	3,500.00	(3,200.00)
Depreciation	30.05	45.00	(14.95)	300.50	450.00	(149.50)
Dues and subscriptions	234.85	1,500.00	(1,265.15)	2,942.00	4,500.00	(1,558.00)
Employee benefits	1,316.29	3,635.42	(2,319.13)	16,392.31	36,354.20	(19,961.89)
Insurance	0.00	0.00	0.00	4,206.00	4,010.00	196.00
Meetings	0.00	250.00	(250.00)	7,157.23	3,250.00	3,907.23
Other expense	589.89	0.00	589.89	12,551.88	18,000.00	(5,448.12)
Payroll tax	0.00	1,306.87	(1,306.87)	10,316.35	14,268.70	(3,952.35)
Postage and shipping	0.00	20.00	(20.00)	106.60	200.00	(93.40)
Rent	500.00	1,000.00	(500.00)	5,000.00	10,000.00	(5,000.00)
Salaries and wages	0.00	4,096.33	(4,096.33)	19,943.10	40,963.30	(21,020.20)
Supplies	585.03	200.00	385.03	3,023.16	3,200.00	(176.84)
Telephone	473.36	800.00	(326.64)	5,787.13	8,000.00	(2,212.87)
Travel	65.78	750.00	(684.22)	8,837.58	9,000.00	(162.42)
Total expenses	<u>4,762.25</u>	<u>14,703.62</u>	<u>(9,941.37)</u>	<u>113,838.84</u>	<u>173,696.20</u>	<u>(59,857.36)</u>
Change in net assets	<u>\$ 37,435.09</u>	<u>\$ (10,691.62)</u>	<u>\$ 48,126.71</u>	<u>\$ 45,955.09</u>	<u>\$ 50,886.80</u>	<u>\$ (4,931.71)</u>

SOUTHWEST ALABAMA WORKFORCE DEV COUNCIL REGION 9, INC
SCHEDULE III - SUPPORT, REVENUES AND EXPENSES COMPARED TO BUDGET - MODIFIED CASH BASIS
(SEE ACCOUNTANTS' COMPILATION REPORT)

	WOO One month ended July 31, 2017 <u>Actual</u>	WOO One month ended July 31, 2017 <u>Budget</u>	Variance	WOO Ten months ended July 31, 2017 <u>Actual</u>	WOO Ten months ended July 31, 2017 <u>Budget</u>	Variance
Support and revenues						
Contributions - restricted	\$ 0.00	\$ 10,000.00	\$ (10,000.00)	\$ 81,253.50	\$ 140,000.00	\$ (58,746.50)
Total support and revenues	<u>0.00</u>	<u>10,000.00</u>	<u>(10,000.00)</u>	<u>81,253.50</u>	<u>140,000.00</u>	<u>(58,746.50)</u>
Expenses						
Advertising and marketing	0.00	0.00	0.00	200.00	0.00	200.00
Meetings	0.00	0.00	0.00	58.71	0.00	58.71
Other expense	0.00	4,000.00	(4,000.00)	6,151.78	12,000.00	(5,848.22)
Rent	0.00	0.00	0.00	2,000.00	2,000.00	0.00
Supplies	0.00	0.00	0.00	10,768.54	0.00	10,768.54
Travel	0.00	0.00	0.00	10.26	0.00	10.26
Total expenses	<u>0.00</u>	<u>4,000.00</u>	<u>(4,000.00)</u>	<u>19,189.29</u>	<u>14,000.00</u>	<u>5,189.29</u>
Change in net assets	<u>\$ 0.00</u>	<u>\$ 6,000.00</u>	<u>\$ (6,000.00)</u>	<u>\$ 62,064.21</u>	<u>\$ 126,000.00</u>	<u>\$ (63,935.79)</u>

SOUTHWEST ALABAMA WORKFORCE DEV COUNCIL REGION 9, INC
SCHEDULE IV - SUPPORT, REVENUES AND EXPENSES COMPARED TO BUDGET - MODIFIED CASH BASIS
(SEE ACCOUNTANTS' COMPILATION REPORT)

	DRA One month ended July 31, 2017 <u>Actual</u>	DRA One month ended July 31, 2017 <u>Budget</u>	Variance	DRA Ten months ended July 31, 2017 <u>Actual</u>	DRA Ten months ended July 31, 2017 <u>Budget</u>	Variance
Support and revenues						
Contributions - restricted	\$ 0.00	\$ 0.00	\$ 0.00	\$ 105,000.00	\$ 105,000.00	\$ 0.00
Total support and revenues	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>105,000.00</u>	<u>105,000.00</u>	<u>0.00</u>
Expenses						
Other expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>45,000.00</u>	<u>45,000.00</u>	<u>0.00</u>
Total expenses	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>45,000.00</u>	<u>45,000.00</u>	<u>0.00</u>
Change in net assets	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 60,000.00</u>	<u>\$ 60,000.00</u>	<u>\$ 0.00</u>

SOUTHWEST ALABAMA WORKFORCE DEV COUNCIL REGION 9, INC
SCHEDULE V - SUPPORT, REVENUES AND EXPENSES COMPARED TO BUDGET - MODIFIED CASH BASIS
(SEE ACCOUNTANTS' COMPILATION REPORT)

	AIDT MTC One month ended July 31, 2017 <u>Actual</u>	AIDT MTC One month ended July 31, 2017 <u>Budget</u>	Variance	AIDT MTC Ten months ended July 31, 2017 <u>Actual</u>	AIDT MTC Ten months ended July 31, 2017 <u>Budget</u>	Variance
Support and revenues						
Contributions - restricted	\$ 10,686.20	\$ 0.00	\$ 10,686.20	\$ 49,809.37	\$ 32,195.64	\$ 17,613.73
Total support and revenues	<u>10,686.20</u>	<u>0.00</u>	<u>10,686.20</u>	<u>49,809.37</u>	<u>32,195.64</u>	<u>17,613.73</u>
Expenses						
Employee benefits	685.45	656.25	29.20	6,118.61	6,562.50	(443.89)
Payroll tax	334.68	334.69	(0.01)	3,890.87	3,346.90	543.97
Salaries and wages	<u>4,375.00</u>	<u>4,375.00</u>	<u>0.00</u>	<u>43,750.00</u>	<u>43,750.00</u>	<u>0.00</u>
Total expenses	<u>5,395.13</u>	<u>5,365.94</u>	<u>29.19</u>	<u>53,759.48</u>	<u>53,659.40</u>	<u>100.08</u>
Change in net assets	<u>\$ 5,291.07</u>	<u>\$ (5,365.94)</u>	<u>\$ 10,657.01</u>	<u>\$ (3,950.11)</u>	<u>\$ (21,463.76)</u>	<u>\$ 17,513.65</u>

SOUTHWEST ALABAMA WORKFORCE DEV COUNCIL REGION 9, INC
SCHEDULE VI - SUPPORT, REVENUES AND EXPENSES COMPARED TO BUDGET - MODIFIED CASH BASIS
(SEE ACCOUNTANTS' COMPILATION REPORT)

	AIDT RWC One month ended July 31, 2017 <u>Actual</u>	AIDT RWC One month ended July 31, 2017 <u>Budget</u>	Variance	AIDT RWC Ten months ended July 31, 2017 <u>Actual</u>	AIDT RWC Ten Months Ended July 31, 2017 <u>Budget</u>	Variance
Support and revenues						
Contributions - restricted	\$ 0.00	\$ 12,987.00	\$(12,987.00)	\$ 103,896.00	\$ 116,883.00	\$ (12,987.00)
Total support and revenues	<u>0.00</u>	<u>12,987.00</u>	<u>(12,987.00)</u>	<u>103,896.00</u>	<u>116,883.00</u>	<u>(12,987.00)</u>
Expenses						
Payroll tax	637.49	0.00	637.49	2,176.29	0.00	2,176.29
Salaries and wages	<u>8,333.32</u>	<u>12,987.00</u>	<u>(4,653.68)</u>	<u>119,661.34</u>	<u>129,870.00</u>	<u>(10,208.66)</u>
Total expenses	<u>8,970.81</u>	<u>12,987.00</u>	<u>(4,016.19)</u>	<u>121,837.63</u>	<u>129,870.00</u>	<u>(8,032.37)</u>
Change in net assets	<u>\$ (8,970.81)</u>	<u>\$ 0.00</u>	<u>\$ (8,970.81)</u>	<u>\$ (17,941.63)</u>	<u>\$ (12,987.00)</u>	<u>\$ (4,954.63)</u>