

**NEIGHBORIMPACT**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION**

**For the Year Ended June 30, 2012  
(With Comparative Totals for the Year Ended June 30, 2011)**

NEIGHBORIMPACT  
CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION  
For the Year Ended June 30, 2012  
(With Comparative Totals for the Year Ended June 30, 2011)

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
NeighborImpact  
Redmond, Oregon

We have audited the accompanying consolidated statement of financial position of NeighborImpact (a nonprofit organization) as of June 30, 2012, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization's June 30, 2011 financial statements and, in our report dated November 30, 2011, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated 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 audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of NeighborImpact as of June 30, 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2012 on our consideration of NeighborImpact's internal control over financial reporting and 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* and should be considered in assessing the results of our audit.

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Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the consolidated financial statements. The accompanying consolidating schedule of financial position and consolidating schedule of revenue and expenses are presented for the purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

*Jones & Roth, P.C.*

Jones & Roth, P.C.  
Bend, Oregon  
December 3, 2012

## CONSOLIDATED FINANCIAL STATEMENTS

NEIGHBORIMPACT  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
June 30, 2012  
(With Comparative Totals for June 30, 2011)

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 1,758,607	\$ 1,768,731
Short-term investments	700,000	1,249,086
Accounts receivable	22	9,005
Grants receivable	594,872	1,081,629
Prepaid expenses and other current assets	27,011	4,567
Food inventory	<u>160,741</u>	<u>119,479</u>
Total current assets	<u>3,241,253</u>	<u>4,232,497</u>
<b>Other assets</b>		
Long-term investments	1,300,000	408,404
Restricted notes receivable	402,982	414,871
Other notes receivable, net of deferred portion	<u>468,335</u>	<u>936,606</u>
Total other assets	<u>2,171,317</u>	<u>1,759,881</u>
<b>Property and equipment</b> , net of accumulated depreciation	<u>4,521,102</u>	<u>4,748,687</u>
<b>Intangible assets</b> , net of accumulated amortization	<u>28,771</u>	<u>30,233</u>
<b>Total assets</b>	<u>\$ 9,962,443</u>	<u>\$ 10,771,298</u>

	<u>2012</u>	<u>2011</u>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 194,340	\$ 219,640
Accrued expenses	190,069	253,700
Deferred grant revenue	-	359,495
Escrow liability	7,077	200,178
Security deposits	39,793	34,308
Current portion of long-term debt	<u>41,324</u>	<u>39,809</u>
Total current liabilities	472,603	1,107,130
<b>Long-term debt</b> , net of current portion	<u>1,464,361</u>	<u>1,508,792</u>
Total liabilities	<u>1,936,964</u>	<u>2,615,922</u>
<b>Net assets</b>		
Unrestricted	3,169,638	4,257,331
Temporarily restricted	4,144,054	3,171,708
Permanently restricted	<u>711,787</u>	<u>726,337</u>
Total net assets	<u>8,025,479</u>	<u>8,155,376</u>
<b>Total liabilities and net assets</b>	<u>\$ 9,962,443</u>	<u>\$ 10,771,298</u>

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

NEIGHBORIMPACT  
CONSOLIDATED STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2012  
(With Comparative Totals for June 30, 2011)

	Unrestricted Funds	Temporarily Restricted Funds	Permanently Restricted Funds
<b>Support, revenue, gains (losses) and other reclassifications</b>			
Federal grants	\$ -	\$ 7,754,002	\$ -
State and local grants	-	4,118,188	-
Contributions	188,769	3,144,314	-
Program revenue	-	579,157	-
Rental income	454,867	-	-
Interest income	16,267	28,386	-
Other revenue	17,773	9,634	-
Loss on investment	(111,484)	-	-
Forgiveness of debt	(444,167)	-	-
Net assets released from program restrictions	<u>14,675,885</u>	<u>(14,661,335)</u>	<u>(14,550)</u>
 Total support, revenue, gains (losses), and other reclassifications	 <u>14,797,910</u>	 <u>972,346</u>	 <u>(14,550)</u>
<b>Expenses</b>			
Program services:			
Health and welfare	14,296,400	-	-
Support services:			
Management and general	1,413,359	-	-
Community relations	61,114	-	-
Fundraising	<u>114,730</u>	<u>-</u>	<u>-</u>
 Total expenses	 <u>15,885,603</u>	 <u>-</u>	 <u>-</u>
 <b>Change in net assets</b>	 <u>(1,087,693)</u>	 <u>972,346</u>	 <u>(14,550)</u>
 Net assets, beginning of year	 <u>4,257,331</u>	 <u>3,171,708</u>	 <u>726,337</u>
 Net assets, end of year	 <u>\$ 3,169,638</u>	 <u>\$ 4,144,054</u>	 <u>\$ 711,787</u>



Totals	
2012	2011
\$ 7,754,002	\$ 7,685,964
4,118,188	5,152,702
3,333,083	2,866,783
579,157	279,237
454,867	18,346
44,653	36,645
27,407	51,412
(111,484)	-
(444,167)	-
-	-
<u>15,755,706</u>	<u>16,091,089</u>
14,296,400	13,397,501
1,413,359	917,577
61,114	58,345
114,730	72,011
<u>15,885,603</u>	<u>14,445,434</u>
(129,897)	1,645,655
<u>8,155,376</u>	<u>6,509,721</u>
<u>\$ 8,025,479</u>	<u>\$ 8,155,376</u>

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

NEIGHBORIMPACT  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
For the Year Ended June 30, 2012  
(With Comparative Totals for June 30, 2011)

	Support Services			Program Services
	Management and General	Community Relations	Fundraising	Health and Welfare
Salaries and wages	\$ 595,108	\$ 20,893	\$ 75,978	\$ 3,586,744
Payroll taxes and benefits	147,037	4,584	17,767	1,351,185
Printing	2,302	2,463	3,388	14,574
Office expenses	49,734	30,088	11,780	171,948
Interest	56,258	-	-	-
Insurance	31,238	-	-	31,569
Professional fees	39,450	-	-	20,541
Contract services	18,861	-	3,779	124,244
Repairs and maintenance	127,937	-	-	58,210
Client assistance	-	-	-	8,406,833
Transportation and lodging	2,330	1,408	82	177,388
Rent	-	290	590	100,067
Janitorial	6,944	-	-	5,518
Utilities and telephone	96,526	439	948	93,449
Training and recruitment	4,304	949	-	51,447
Dues and fees	4,529	-	418	4,400
Other	45,577	-	-	-
Total expenses before depreciation	1,228,135	61,114	114,730	14,198,117
Depreciation	185,224	-	-	98,283
Total expenses	<u>\$ 1,413,359</u>	<u>\$ 61,114</u>	<u>\$ 114,730</u>	<u>\$ 14,296,400</u>

Totals	
2012	2011
\$ 4,278,723	\$ 3,857,105
1,520,573	1,685,663
22,727	24,593
263,550	209,361
56,258	4,711
62,807	57,211
59,991	35,188
146,884	147,653
186,147	54,426
8,406,833	7,851,833
181,208	109,626
100,947	101,825
12,462	14,352
191,362	107,366
56,700	40,942
9,347	16,897
45,577	16,843
15,602,096	14,335,595
283,507	109,839
<u>\$ 15,885,603</u>	<u>\$ 14,445,434</u>

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

NEIGHBORIMPACT  
CONSOLIDATED STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 2012  
(With Comparative Totals for June 30, 2011)

	<u>2012</u>	<u>2011</u>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ (129,897)	\$ 1,645,655
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Donated land and building	-	(957,286)
Depreciation expense	283,507	109,839
Increase in food inventory	(41,262)	(27,281)
Forgiveness of debt	444,167	-
Loss on release of investment	111,484	-
(Increase) decrease in:		
Accounts receivable	8,983	(9,005)
Grants receivable	486,757	(274,354)
Prepaid expenses	(22,444)	(110)
Increase (decrease) in:		
Accounts payable	(25,300)	39,419
Accrued expenses	(63,631)	25,941
Deferred grant revenue	(359,495)	272,405
Escrow liability	(193,101)	196,751
Security deposits	5,485	34,308
Net cash provided by operating activities	<u>505,253</u>	<u>1,056,282</u>
<b>Cash flows from investing activities</b>		
Net purchases of investments	(453,994)	(110,750)
Collections of notes receivable	35,993	4,555
Issuance of notes receivable	-	(362,961)
Purchase of property and equipment	(54,460)	(109,540)
Net cash used by investing activities	<u>(472,461)</u>	<u>(578,696)</u>
<b>Cash flows from financing activities</b>		
Principal payments on notes payable	(42,916)	(2,518)
<b>Net change in cash and cash equivalents</b>	<u>(10,124)</u>	<u>475,068</u>
Cash and cash equivalents, beginning of year	<u>1,768,731</u>	<u>1,293,663</u>
Cash and cash equivalents, end of year	<u>\$ 1,758,607</u>	<u>\$ 1,768,731</u>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid for interest	<u>\$ 56,258</u>	<u>\$ 4,711</u>

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

NEIGHBORIMPACT  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**1. Summary of Significant Accounting Policies**

**Organization**

From 1985 to date, NeighborImpact has been recognized by the Oregon Housing and Community Services Department (OHCS) as a community action agency to serve Crook, Deschutes, and Jefferson Counties. It is organized as a 501(c)(3) charitable corporation. A 15-member volunteer Board is responsible for setting policy and direction for NeighborImpact. Its service area encompasses all of Crook, Deschutes, and Jefferson Counties in a region known as Central Oregon. NeighborImpact maintains over 17 offices and classroom sites in the communities of La Pine, Bend, Redmond, Sisters, Prineville, and Madras.

NeighborImpact is dedicated to empowering individuals and families to succeed and become engaged citizens in the community. NeighborImpact's mission is delivered through the services provided by its three largest department areas: Emergency Services and Food, Early Care and Education, and Housing Center. NeighborImpact takes a team approach in providing comprehensive services that build on the strengths of the customer in order to increase assets in the following areas:

- Personal (job skills and education/school readiness)
- Financial (earnings, income, savings)
- Social (formal and informal support networks)
- Family (family functioning and stability)

NeighborImpact believes that assets help people through times of need and to realize their hopes and dreams for the future. NeighborImpact's strategy in building assets is accomplished through communication, collaboration, and coordination of services across program areas and in partnership with customers and community.

NeighborImpact provides the following services to assist low and moderate income residents of Central Oregon:

**Emergency Services and Food Programs**

- **Emergency Services** - provides emergency rental assistance, energy shut-off prevention as well as information and referral to individuals and families.
- **Energy Services** - helps eligible families and individuals pay a portion of their heating costs during the winter months, participate in energy education, and/or receive energy case management.
- **Family Shelter** - provides short-term shelter to homeless families with children. The program is located in Bend and can provide housing for up to five families at a time for up to three months.
- **Food Bank** - collects and distributes food to network of 40 local agencies in Crook, Deschutes, and Jefferson Counties. These groups are independent non-profits and/or churches that include Emergency Food Box Sites, Congregate Meal Sites, Brown Bag Programs, Shelters, Child Care Providers, and senior programs.
- **Rent Services** - provides rent assistance, information, and referral and case management to eligible individuals and families through a variety of rent programs. Services are based on need, eligibility, and available funding.
- **Transitional Housing** - helps homeless families with their immediate housing crisis and longer term self-sufficiency through rental subsidies, case management support, and training assistance.

NEIGHBORIMPACT  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**1. Summary of Significant Accounting Policies, continued**

**Organization, continued**

**Early Care and Education Programs**

- **Child Care Resources** - serves parents, providers, and employers with information and referral services.
- **Head Start Program** - promoting school readiness and self-sufficiency through early childhood education, parent involvement, family support, health services, social services, and nutritious meals for primarily low-income families, children with disabilities, or other special needs.

**Housing Center Programs**

- **Home Ownership** - offers a variety of programs including foreclosure prevention classes and counseling, first time homeownership classes and counseling, down payment assistance loans, reverse mortgage counseling, financial literacy classes and counseling, home owner rehabilitation loans, and a matched saving program (IDA).
- **Home Rehabilitation** - provides low interest home repair loans to clients that are below 80 percent of the area median.
- **Weatherization** - Weatherization is a year-round program that makes improvements to homes to reduce energy loss for clients at or below 60 percent of the state area median income. Some improvements may include insulation, heating systems, and air sealing. There is a home evaluation process to determine what items will be considered. A client may rent or own their home.

**Consolidation Policy**

The accompanying consolidated financial statements include the accounts of NeighborImpact, Community Action Foundation of Central Oregon (CAFCO), and Healy Heights Partner, LLC (HHP) (collectively referred to hereafter as the Organization).

NeighborImpact has control over appointments to the Board of CAFCO so consolidation is required under generally accepted accounting principles. Once appointed, NeighborImpact does not have the ability to remove Board members of CAFCO and does not control the activity of CAFCO. Inter-organization transactions and balances have been eliminated in consolidation.

Effective June 15, 2011, NeighborImpact, through its wholly owned subsidiary HHP, became the 99 percent owner and limited partner of Deschutes Family Housing Limited Partnership (DFHLP). CAFCO is the 1 percent owner and general partner of DFHLP. As a result, consolidation is required under generally accepted accounting principles. Inter-organization transactions and balances have been eliminated in consolidation. DFHLP is an Oregon limited partnership formed November 15, 1993, to construct, own, and operate a 70-unit affordable housing project, in conformity with the provisions of Section 42 of the Internal Revenue Code (IRC). The partnership will terminate not later than December 31, 2034.

**Basis of Accounting**

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

**NEIGHBORIMPACT  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies, continued**

**Income Taxes**

NeighborImpact and CAFCO are not-for-profit corporations which have been granted tax-exempt status under IRC Section 501(c)(3). In addition, they have been determined by the Internal Revenue Service (IRS) not to be private foundations within the meaning of Section 509(a) of the code. DFHLP is not a taxpaying entity for federal or state tax purposes as the partners report partnership income on their respective tax returns. Accordingly, these consolidated statements do not reflect a provision for income taxes. The tax returns for NeighborImpact, CAFCO, and DFHLP are subject to examination by the IRS generally for three years after they were filed.

**Support and Revenue**

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with grantor or donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions. Contributions of donated noncash assets are recorded at their fair value in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, and would typically need to be purchased if not provided by the donation, are recorded at their fair value in the period received.

**Estimates**

The preparation of consolidated 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.

**Cash and Cash Equivalents**

Cash equivalents are stated at cost which approximates market value. For purposes of the consolidated statement of cash flows, the Organization considers all cash investments with maturities of three months or less to be cash equivalents.

**Grants Receivable**

Management believes that grants receivable will be fully collectible. Therefore, no allowance was recorded.

**Functional Allocation of Expenses**

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs have been allocated among programs and supporting services benefited.

NEIGHBORIMPACT  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**1. Summary of Significant Accounting Policies, continued**

**Inventory**

Inventory consists primarily of food and food supplies used in the Organization's client service programs and is stated at the lower of cost, determined by the first-in, first-out method, or market. Amounts held at year end are considered to be temporarily restricted in accordance with grantor requirements.

**Compensated Absences**

Compensated absences are recorded as a liability and an expense when earned rather than when paid. When vacation is taken, amounts disbursed for vacation pay are charged against the liability. Compensated absences are valued at current pay rates.

**Allocation of Supporting Service Expenditures**

The Organization allocates indirect expenses of administrative overhead and other allocable costs to supporting service departments based on various direct costs and other information. The Organization's management reviews and updates these allocations on an annual basis.

**Property and Equipment**

Property and equipment acquired by the Organization are considered to be owned by the Organization. However, government funding sources may maintain an interest in the property purchased with grant funding as well as the right to determine the use of any proceeds from the sale of such assets. The land, building, and improvements at the Organization's main location in Redmond Oregon, with a total cost of \$1,113,678, and related accumulated depreciation of \$406,745, as of June 30, 2012, is subject to a land use lease with the city of Redmond whereby upon termination of the lease, title of the property would transfer to the city of Redmond. The lease, after two extension options, expires May 2049. Management deems the likelihood of the lease terminating prior to such date to be remote.

Paving, landscaping, and furnishings and equipment owned by DFHLP are depreciated using the declining balance method over estimated useful lives of the assets. All other fixed assets are depreciated using the straight-line method over estimated useful lives of the assets. The Organization capitalizes all property and equipment with a purchase price of greater than \$5,000 and a useful life of greater than one year.

**Prior Year Summarized Information**

The consolidated financial statements and notes to consolidated financial statements contain certain prior year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2011, from which the summarized information was derived.



NEIGHBORIMPACT  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**1. Summary of Significant Accounting Policies, continued**

**Net Assets**

Net assets of the Organization consist of the following:

*Unrestricted* – These net assets are available for the general obligations of the Organization.

*Temporarily restricted net assets* – These net assets are restricted by grantors or donors for specific program purposes.

*Permanently restricted net assets* – These net assets are restricted indefinitely by grantors or donors. Income earned on permanently restricted funds is, if not specifically required to be added to permanently restricted net assets, transferred to temporarily restricted or unrestricted classification.

**2. Cash and Cash Equivalents**

At June 30, cash and cash equivalents consisted of the following:

	<u>2012</u>	<u>2011</u>
Checking and savings accounts	<u>\$ 1,758,607</u>	<u>\$ 1,768,731</u>

**3. Investments**

Investments consist primarily of certificates of deposits and treasury bills with original maturity dates greater than 90 days, stated at fair value, in the amount of \$2,000,000 and \$1,549,086 as of June 30, 2012 and 2011, respectively. Principal amounts range from \$50,000 to \$200,000 with maturity dates that range from August 2012 through June 2015. Interest earned on these investments for the years ended June 30, 2012 and 2011, was \$11,598 and \$8,650, respectively.

**4. Notes Receivable**

At June 30, notes receivable consisted of the following:

	<u>2012</u>	<u>2011</u>
Housing Assistance Loans, principal due subject to certain restrictions, various interest rates, secured by real estate, various maturities.	\$ 2,966,268	\$ 3,070,682
Neighborhood Reinvestment Corporation Loans, various interest rates, secured by real estate.	402,982	414,871
Madras Family Housing Limited Partnership, bearing no interest, due on demand, unsecured.	-	9,800

NEIGHBORIMPACT  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**4. Notes Receivable, continued**

	<u>2012</u>	<u>2011</u>
Madras Family Housing Limited Partnership, principal due subject to certain restrictions, interest at 3.66%, secured by real estate, due September 2030.	180,944	195,494
Madras Family Housing Limited Partnership, principal due subject to certain restrictions, interest at 3.00%, secured by real estate. Note was forgiven and fully written-off during the year ended June 30, 2012.	-	444,167
	3,550,194	4,135,014
Deferred portion	<u>(2,678,877)</u>	<u>(2,783,537)</u>
Notes receivable, net of deferred portion	<u>\$ 871,317</u>	<u>\$ 1,351,477</u>

The Organization considers all notes receivable to be long-term since collection is contingent on future events and repayments in the near term cannot be reasonably estimated. Management estimates the net value of certain long-term notes receivable based on historical experience. The policy of the Organization is to include 100 percent of the face value of new housing assistance loans in the deferred portion above as payments are not received until the property is sold or otherwise transferred.

**5. Property and Equipment**

As of June 30, the following is a summary of property and equipment:

	<u>2012</u>	<u>2011</u>
Land	\$ 1,034,032	\$ 1,014,325
Buildings	6,283,603	6,248,849
Furniture and equipment	416,070	428,902
Roads and landscaping	215,793	215,793
Vehicles	<u>619,652</u>	<u>619,652</u>
	8,569,150	8,527,521
Accumulated depreciation	<u>(4,048,048)</u>	<u>(3,778,834)</u>
Property and equipment, net of accumulated depreciation	<u>\$ 4,521,102</u>	<u>\$ 4,748,687</u>

NEIGHBORIMPACT  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**6. Long-term Debt**

At June 30, long-term debt consisted of the following:

	<u>2012</u>	<u>2011</u>
Payable to Home Federal Bank from NeighborImpact, monthly payments of \$550, including interest at the Federal Home Loan Bank 3-year rate plus 2.75%, which was 6.75% as of June 30, 2012 and 2011. Secured by real estate, due 2023.	\$ 47,283	\$ 50,036
Payable to Chase from DFHLP, monthly payments of \$7,417, including interest at 3.51%. Secured by real estate, due 2021.	<u>1,458,402</u>	<u>1,498,565</u>
	1,505,685	1,548,601
Current portion	<u>(41,324)</u>	<u>(39,809)</u>
Long-term debt, net of current portion	<u>\$ 1,464,361</u>	<u>\$ 1,508,792</u>

Maturities of long-term debt are as follows:

<u>Year Ending June 30,</u>	
2013	\$ 41,324
2014	42,899
2015	44,537
2016	46,241
2017	48,013
Thereafter	<u>1,282,671</u>
Total	<u>\$ 1,505,685</u>

**7. Concentrations of Credit Risk**

Financial instruments that potentially subject the Organization to a concentration of credit risk consist principally of cash and cash equivalents and notes receivable. The Organization maintains the majority of its cash balances at Federal Deposit Insurance Corporation (FDIC) insured institutions and invests in U.S. Government securities. At June 30, 2012 and 2011, \$-0- in deposits exceeded FDIC insurance of \$250,000. The Organization actively monitors this risk and has entered into an overnight repurchase agreement with their financial institution. The overnight repurchase obligations of the financial institution are secured by collateral that includes government securities.

The Organization provides down payment and housing rehabilitation loans primarily to low and moderate income individuals. Notes receivable totaling \$3,550,194 are secured by property purchased or improved. These notes are a concentration of credit risk. Additionally, the Organization receives approximately 93 percent of its funding from grants, contracts, and contributions. Management does not anticipate a reduction in funding.

NEIGHBORIMPACT  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**8. Related Party Transactions**

NeighborImpact leases its Redmond administrative facilities from CAFCO. CAFCO is a supporting non-profit corporation formed exclusively to support the charitable purposes of NeighborImpact. Located in Redmond, Oregon, it is the general partner of the DFHLP, an Oregon limited partnership formed to own and operate the Bill Healy Family Center (Healy Heights Apartments) and the Madras Family Housing Limited Partnership, an Oregon limited partnership formed to own and operate the Madras Family Housing Center. NeighborImpact provides significant accounting and operations support to these partnerships. CAFCO's interest in Madras Family Housing Limited Partnership was disposed during the year ended June 30, 2012.

NeighborImpact is the single member of HHP which is the 99 percent owner and limited partner of DFHLP. As a result of the consolidation of DFHLP (see Note 1), inter-organization notes receivable from DFHLP to NeighborImpact have been eliminated in the consolidated financial statements as of June 30, 2011.

**9. Permanently Restricted Funds**

NeighborWorks America provided capital grants during prior years for making loans and for capital projects. This amount is permanently restricted although proceeds on capital projects, or interest earned, over the corpus may be transferred to unrestricted net assets for furthering the Organization's mission. For the years ended June 30, 2012 and 2011, NeighborWorks allowed NeighborImpact to release funds totaling \$14,550 and \$15,282, respectively, from restrictions. Should the Organization become defunct, all remaining grant funds, interest earnings, capital project proceeds, and loan and capital project portfolios representing the use of these funds will revert to NeighborWorks America. The Organization invested the capital grant in U.S. Treasury bills in order to comply with grantor requirements. As of June 30, 2012 and 2011, the Organization held 22 loans totaling \$402,982 and \$414,871, respectively, in connection with this program. There were no loans as of June 30, 2012 or 2011 that were considered to be delinquent.

**10. Operating Lease Commitment**

During the year ended June 30, 2012, the Organization entered into space lease agreements in Bend and Redmond. The leases expire September 30, 2014.

As of June 30, 2012, the Organization's aggregate annual lease commitments excluding operating costs under non-cancelable leases with terms of one year or more are payable as follows:

<u>Year Ending June 30,</u>	
2013	\$ 65,125
2014	71,205
2015	<u>17,961</u>
Total	<u>\$ 154,291</u>

NEIGHBORIMPACT  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**11. Retirement Plan**

The Organization maintains a Simplified Employee Pension (SEP) plan for eligible employees. During the years ended June 30, 2012 and 2011, employer pension expense totaled \$165,757 and \$153,250, respectively.

**12. Contingency**

The Organization receives grants from various federal, state, and local agencies that are subject to review and audit by these agencies. Such audits could result in a request for reimbursement by these agencies for expenditures disallowed under the terms and conditions of the appropriate Organization. In the opinion of the Organization's management, such disallowances are not anticipated and, if any, would not be significant.

**13. Fair Value Measurement**

Generally accepted accounting principles define fair value, establish a framework for measuring fair value, and establish a fair value hierarchy that prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Organization has the ability to access.

Level 2 inputs are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. The unobservable inputs should be developed based on the best information available in the circumstances and may include the Organization's own data.

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2012 and 2011:

Assets at Fair Value as of June 30, 2012			
Level 1	Level 2	Level 3	Total
Investments in certificates of deposit	\$ 2,000,000	\$ -	\$ 2,000,000

NEIGHBORIMPACT  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**13. Fair Value Measurement, continued**

	Assets at Fair Value as of June 30, 2011			
	Level 1	Level 2	Level 3	Total
Investments in certificates of deposit	\$ 1,349,086	\$ -	\$ -	\$ 1,349,086
Investments in United States Treasury Bill	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Total assets at fair value	<u>\$ 1,549,086</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,549,086</u>

**14. Subsequent Events**

Management evaluates events and transactions that occur after the consolidated statement of financial position date as potential subsequent events. Management has performed this evaluation through the date of the independent auditor's report.

SINGLE AUDIT SECTION

**NEIGHBORIMPACT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended June 30, 2012

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
<b>U.S. Department of Energy</b>		
Passed through Oregon Housing and Community Services:		
DOE WX	81.042	\$ 97,847
ARRA DOE WX	ARRA 81.042	1,701,757
DOE FP OR EE ARP	81.127	4,577
BPA Weatherization	81.XXX	<u>55,098</u>
Total U.S. Department of Energy		<u>1,859,279</u>
<b>U.S. Department of Treasury</b>		
Passed through Neighborworks America:		
Neighborhood Reinvestment Program - expendable	21.000	125,593
Passed through Oregon Housing and Community Services:		
National Foreclosure Mitigation Counseling	21.000	6,470
E-Home/OHOP	21.000	<u>14,422</u>
Total U.S. Department of Treasury		<u>146,485</u>
<b>U.S. Department of Health and Human Services</b>		
Head Start	93.600	1,338,359
Passed through Oregon Housing and Community Services:		
Housing Stabilization Program (TANF)	93.558	29,809
Low-income Energy Assistance (LIEAP)	93.568	2,159,555
Community Service Block Grant	93.569	268,361
Passed through Western Oregon University:		
Partnership for Inclusive Childcare in Education	93.575	4,000
Passed through Child Care Resources and Referral Network:		
Child Care Development Block Grant	93.575	<u>202,958</u>
Total U.S. Department of Health and Human Services		<u>4,003,042</u>
<b>U.S. Department of Agriculture</b>		
Passed through Oregon Department of Education:		
Child and Adult Care Food Program	10.558	213,829
Passed through Oregon Food Bank:		
Temporary Emergency Food Assistance Program Administrative Costs	10.568	27,428
Temporary Emergency Food Assistance Program Food Commodities	10.569	<u>243,095</u>
Total U.S. Department of Agriculture		<u>484,352</u>



<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
<b>U.S. Department of Homeland Security</b>		
Passed through Deschutes United Way:		
Emergency Food and Shelter Program	97.024	<u>23,977</u>
<b>U.S. Department of Housing and Urban Development</b>		
Supportive Housing Program	14.235	299,258
Housing Counseling	14.169	23,953
Passed through NeighborWorks America:		
Housing Counseling Assistance Program	14.169	29,861
Passed through Oregon Housing and Community Services:		
Emergency Shelter Grant Program	14.231	91,537
Home TBA	14.239	224,557
ARRA Homeless Prevention Program	ARRA 14.257	184,369
Passed through the City of Madras Regional Housing Center:		
Community Development Block Grant	14.228	28,566
Passed through the City of Madras:		
Community Development Block Grant	14.228	11,950
Passed through the City of Bend:		
Community Development Block Grant	14.228	<u>12,878</u>
Total U.S. Department of Housing and Urban Development		<u>906,929</u>
Total federal expenditures		<u>\$ 7,424,064</u>

Note: The above schedule was prepared under the accrual basis of accounting.  
The value of federal loan funds was \$2,966,267 as of June 30, 2012.

NEIGHBORIMPACT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of NeighborImpact and is presented on the accrual basis accounting. The information in the schedule is presented in accordance with the requirements of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the consolidated financial statements.

**2. Insurance Coverage**

NeighborImpact maintains insurance coverage as recommended by its insurance agent of record, which is commensurate with its risks and comparable to other agencies.

**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**

To the Board of Directors  
NeighborImpact  
Redmond, Oregon

We have audited the consolidated financial statements of NeighborImpact (a nonprofit organization) as of and for the year ended June 30, 2012, and have issued our report thereon dated December 3, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

Management of NeighborImpact is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered NeighborImpact's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of NeighborImpact's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the NeighborImpact's internal control over financial reporting.

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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of NeighborImpact's consolidated financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we considered to be material weaknesses, as defined above.

**The Right People Beside You.**

CPAs & Business Advisors  
Retirement Plan Services  
Financial Advisors

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## Compliance and Other Matters

As part of obtaining reasonable assurance about whether NeighborImpact's consolidated financial statements are free of 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 consolidated 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*.

This report is intended solely for the information and use of the Board of Directors, management, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Jones & Roth, P.C.".

Jones & Roth, P.C.  
Bend, Oregon  
December 3, 2012

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133**

To the Board of Directors  
NeighborImpact  
Redmond, Oregon

**Compliance**

We have audited NeighborImpact's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of NeighborImpact's major federal programs for the year ended June 30, 2012. NeighborImpact's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of NeighborImpact's management. Our responsibility is to express an opinion on NeighborImpact's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about NeighborImpact's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of NeighborImpact's compliance with those requirements.

In our opinion, NeighborImpact complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

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## Internal Control Over Compliance

Management of NeighborImpact is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered NeighborImpact's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of NeighborImpact's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Directors, management, others within the Organization, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Jones & Roth, P.C.  
Bend, Oregon  
December 3, 2012

NEIGHBORIMPACT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2012

**Summary of Auditor's Results**

The auditor's report expresses an unqualified opinion on the consolidated financial statements of the Organization for the year ended June 30, 2012.

No material weaknesses or significant deficiencies in internal control were disclosed during the audit of the consolidated financial statements of the Organization for the year ended June 30, 2012.

No instances of noncompliance material to the consolidated financial statements of the Organization, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

No material weaknesses or significant deficiencies were disclosed during the audit of the internal control over major federal award programs.

The auditor's report on compliance for the major federal award programs for the Organization expresses an unqualified opinion on all major federal programs.

There are no audit findings relative to the major federal award programs of the Organization that should be reported in this schedule.

The programs tested as major programs include:

Head Start	93.600
Low Income Energy Assistance Program	93.568
Weatherization	ARRA 81.042/ 81.042

The threshold for distinguishing between Type A and B programs was \$300,000.

The Organization qualified as a low-risk auditee.

**Findings – Consolidated Financial Statement Audit**

None.

**Findings and Questioned Costs – Major Federal Award Programs Audit**

None.

**Prior Year Findings and Questioned Costs – Major Federal Award Programs Audit**

None.

SUPPLEMENTAL INFORMATION



**NEIGHBORIMPACT**  
**CONSOLIDATING SCHEDULE OF FINANCIAL POSITION**  
For the Year Ended June 30, 2012  
(With Comparative Totals for June 30, 2011)

	2012			
	NeighborImpact	Community Action Foundation of Central Oregon	Healy Heights Partner, LLC	Total
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 1,279,096	\$ 171,370	\$ 308,141	\$ 1,758,607
Short-term investments	700,000	-	-	700,000
Accounts receivable	-	-	22	22
Grants receivable	594,872	-	-	594,872
Prepaid expenses and other current assets	27,011	-	-	27,011
Food inventory	160,741	-	-	160,741
Total current assets	2,761,720	171,370	308,163	3,241,253
<b>Other assets</b>				
Long-term investments	1,300,000	-	-	1,300,000
Restricted notes receivable	402,982	-	-	402,982
Other notes receivable, net of deferred portion	468,335	-	-	468,335
Total other assets	2,171,317	-	-	2,171,317
<b>Property and equipment, net of accumulated depreciation</b>	1,829,926	316,787	2,374,389	4,521,102
<b>Intangible assets, net of accumulated amortization</b>	-	-	28,771	28,771
<b>Total assets</b>	<u>\$ 6,762,963</u>	<u>\$ 488,157</u>	<u>\$ 2,711,323</u>	<u>\$ 9,962,443</u>
<b>Liabilities and Net Assets</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 184,340	\$ -	\$ 10,000	\$ 194,340
Accrued expenses	189,968	-	101	190,069
Deferred grant revenue	-	-	-	-
Escrow liability	7,077	-	-	7,077
Security deposits	-	-	39,793	39,793
Current portion of long-term debt	2,985	-	38,339	41,324
Total current liabilities	384,370	-	88,233	472,603
<b>Long-term debt, net of current portion</b>	44,298	-	1,420,063	1,464,361
Total liabilities	428,668	-	1,508,296	1,936,964
<b>Net assets</b>				
Unrestricted	1,495,673	470,938	1,203,027	3,169,638
Temporarily restricted	4,126,835	17,219	-	4,144,054
Permanently restricted	711,787	-	-	711,787
Total net assets	6,334,295	488,157	1,203,027	8,025,479
<b>Total liabilities and net assets</b>	<u>\$ 6,762,963</u>	<u>\$ 488,157</u>	<u>\$ 2,711,323</u>	<u>\$ 9,962,443</u>

2011

NeighborImpact	Community Action Foundation of Central Oregon	Healy Heights Partner, LLC	Total
\$ 1,286,689	\$ 214,102	\$ 267,940	\$ 1,768,731
1,249,086	-	-	1,249,086
-	9,005	-	9,005
1,081,629	-	-	1,081,629
4,567	-	-	4,567
119,479	-	-	119,479
<u>3,741,450</u>	<u>223,107</u>	<u>267,940</u>	<u>4,232,497</u>
300,000	108,404	-	408,404
414,871	-	-	414,871
926,806	9,800	-	936,606
<u>1,641,677</u>	<u>118,204</u>	<u>-</u>	<u>1,759,881</u>
<u>1,934,245</u>	<u>273,379</u>	<u>2,541,063</u>	<u>4,748,687</u>
-	-	30,233	30,233
<u>\$ 7,317,372</u>	<u>\$ 614,690</u>	<u>\$ 2,839,236</u>	<u>\$ 10,771,298</u>
\$ 207,730	\$ 4,502	\$ 7,408	\$ 219,640
253,700	-	-	253,700
359,495	-	-	359,495
200,178	-	-	200,178
-	-	34,308	34,308
2,791	-	37,018	39,809
<u>1,023,894</u>	<u>4,502</u>	<u>78,734</u>	<u>1,107,130</u>
47,245	-	1,461,547	1,508,792
<u>1,071,139</u>	<u>4,502</u>	<u>1,540,281</u>	<u>2,615,922</u>
2,439,471	518,905	1,298,955	4,257,331
3,080,425	91,283	-	3,171,708
726,337	-	-	726,337
<u>6,246,233</u>	<u>610,188</u>	<u>1,298,955</u>	<u>8,155,376</u>
<u>\$ 7,317,372</u>	<u>\$ 614,690</u>	<u>\$ 2,839,236</u>	<u>\$ 10,771,298</u>

**NEIGHBORIMPACT**  
**CONSOLIDATING SCHEDULE OF REVENUE AND EXPENSES**  
For the Year Ended June 30, 2012  
(With Comparative Totals for June 30, 2011)

	Management and General	Community Relations	Fundraising	Early Care and Education	Emergency Services
<b>Support, revenue, and gains (losses)</b>					
Federal grants	\$ -	\$ 1,056	\$ -	\$ 1,786,505	\$ 2,873,449
State and local grants	-	-	-	2,698,410	1,000,125
Contributions	-	28,124	504,246	58,467	4,673
Program revenue	-	-	17,789	9,299	-
Rental income	-	-	-	-	-
Interest income	3,922	-	756	219	111
Other revenue	4,482	-	-	7,511	1,373
Loss on investment	-	-	-	-	-
Forgiveness of debt	(444,167)	-	-	-	-
<b>Total support, revenue, and gains (losses)</b>	<b>(435,763)</b>	<b>29,180</b>	<b>522,791</b>	<b>4,560,411</b>	<b>3,879,731</b>
<b>Expenses</b>					
Personnel services:					
Salaries and wages	540,693	20,893	75,978	2,441,454	512,946
Payroll taxes and benefits	147,037	4,584	17,767	979,540	137,837
<b>Total personnel services</b>	<b>687,730</b>	<b>25,477</b>	<b>93,745</b>	<b>3,420,994</b>	<b>650,783</b>
Materials and services:					
Printing	2,302	2,463	3,388	7,811	1,476
Office expense	49,234	30,088	11,780	104,430	39,298
Interest	-	-	-	-	-
Insurance	19,236	-	-	24,547	1,623
Professional fees	19,300	-	-	1,800	3,113
Contract services	18,861	-	3,779	49,690	25,436
Repairs and maintenance	6,272	-	-	44,674	5,971
Client assistance	-	-	-	292,392	2,941,016
Transportation and lodging	2,330	1,408	82	125,958	19,664
Rent	-	290	590	50,066	21,294
Janitorial	6,944	-	-	-	2,170
Utilities and telephone	23,991	439	948	50,523	24,714
Training and recruitment	4,304	949	-	27,759	4,959
Dues and other fees	4,529	-	418	615	575
Administration	(817,151)	7,779	16,682	404,895	203,369
<b>Total materials and services</b>	<b>(659,848)</b>	<b>43,416</b>	<b>37,667</b>	<b>1,185,160</b>	<b>3,294,678</b>
<b>Total expenses</b>	<b>27,882</b>	<b>68,893</b>	<b>131,412</b>	<b>4,606,154</b>	<b>3,945,461</b>
<b>Change in net assets, before transfer and depreciation</b>	<b>(463,645)</b>	<b>(39,713)</b>	<b>391,379</b>	<b>(45,743)</b>	<b>(65,730)</b>
Transfer (to) from other funds	79,372	45,864	(398,853)	81,386	52,715
Depreciation and amortization	(6,035)	-	-	(59,164)	(16,282)
<b>Change in net assets</b>	<b>(390,308)</b>	<b>6,151</b>	<b>(7,474)</b>	<b>(23,521)</b>	<b>(29,297)</b>
Net assets, beginning of year	815,010	(6,151)	318,814	540,235	1,313,145
Net assets, end of year	\$ 424,702	\$ -	\$ 311,340	\$ 516,714	\$ 1,283,848

Food Bank Services	Home Ownership Center	Neighborhood Reinvestment Fund Capital	Total Neighbor- Impact	Community Action		Total	
				Foundation of Central Oregon	Healy Heights Partner, LLC	2012	2011
\$ 260,295	\$ 2,832,697	\$ -	\$ 7,754,002	\$ -	\$ -	\$ 7,754,002	\$ 7,685,964
24,811	394,842	-	4,118,188	-	-	4,118,188	5,152,702
2,737,573	-	-	3,333,083	-	-	3,333,083	2,866,783
132,315	419,754	-	579,157	-	-	579,157	279,237
-	-	-	-	-	454,867	454,867	18,346
466	26,834	-	32,308	962	11,383	44,653	36,645
750	-	-	14,116	-	13,291	27,407	51,412
-	-	-	-	(111,484)	-	(111,484)	-
-	-	-	(444,167)	-	-	(444,167)	-
3,156,210	3,674,127	-	15,386,687	(110,522)	479,541	15,755,706	16,091,089
143,155	489,189	-	4,224,308	-	54,415	4,278,723	3,857,105
71,346	162,462	-	1,520,573	-	-	1,520,573	1,685,663
214,501	651,651	-	5,744,881	-	54,415	5,799,296	5,542,768
141	5,146	-	22,727	-	-	22,727	24,593
5,874	22,346	-	263,050	500	-	263,550	209,361
-	-	-	-	-	56,258	56,258	4,711
2,929	2,470	-	50,805	-	12,002	62,807	57,211
1,200	14,428	-	39,841	3,592	16,558	59,991	35,188
3,320	45,798	-	146,884	-	-	146,884	147,653
6,925	640	-	64,482	-	121,665	186,147	54,426
3,057,332	2,116,093	-	8,406,833	-	-	8,406,833	7,851,833
14,339	17,427	-	181,208	-	-	181,208	109,626
-	28,707	-	100,947	-	-	100,947	101,825
574	2,774	-	12,462	-	-	12,462	14,352
3,677	14,535	-	118,827	-	72,535	191,362	107,366
525	18,204	-	56,700	-	-	56,700	40,942
-	3,210	-	9,347	-	-	9,347	16,897
27,728	156,698	-	-	-	45,577	45,577	16,843
3,124,564	2,448,476	-	9,474,113	4,092	324,595	9,802,800	8,792,827
3,339,065	3,100,127	-	15,218,994	4,092	379,010	15,602,096	14,335,595
(182,855)	574,000	-	167,693	(114,614)	100,531	153,610	1,755,494
168,826	9,927	(14,550)	24,687	3,636	(28,323)	-	-
(22,129)	(708)	-	(104,318)	(11,053)	(168,136)	(283,507)	(109,839)
(36,158)	583,219	(14,550)	88,062	(122,031)	(95,928)	(129,897)	1,645,655
315,381	2,223,462	726,337	6,246,233	610,188	1,298,955	8,155,376	6,509,721
\$ 279,223	\$ 2,806,681	\$ 711,787	\$ 6,334,295	\$ 488,157	\$ 1,203,027	\$ 8,025,479	\$ 8,155,376