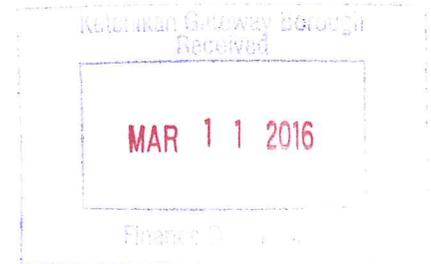


Borough Manager, Dan Bockhorst
Ketchikan Gateway Borough
1900 First Avenue, Suite 210
Ketchikan, Alaska 99901



March 10, 2016

Dear Mayor Landis, Members of the Borough Assembly, and Manger Bockhorst,

We would like to thank you for your past support of Southeast Alaska Independent Living (SAIL) in Ketchikan and to thank you for your consideration of our proposal for \$12,000 operational support for the Ketchikan office for FY17.

In the process of SAIL going about its business of serving our seniors and our friends and neighbors with disabilities, SAIL makes significant contributions to the Ketchikan Gateway Borough within the provinces of three of its primary powers: Economic Development, Transportation, and Recreation, and we'd like to take a moment to highlight SAIL's contributions in those three categories.

SAIL's Contributions to our Borough's Economy

- No matter how one might feel about our Nation's entitlement programs, one must concede that every dollar brought into our community from the outside circulates and contributes to our economic health. Sometime our neighbors who most need access to "the safety net" are also the most bewildered by the navigations required to access it. SAIL Independent Living Advocates work tirelessly with our most vulnerable citizens to help them navigate the hoops in their applications and appeals for SSI, SSDI, Medicaid, and Senior Benefits. Hundreds of thousands of dollars are spent in Ketchikan every year as a result of our efforts over the years.
- People with disabilities want to work when there is any way they can, and sometimes they need help realizing they can. SAIL works closely with the Department of Vocational Rehabilitation as we help our consumers access employment services. Our most gratifying successes are when the pride and new found independence of one of our consumers with a new job.
- It is our goal to secure three AMHT mini-grants per month, of a permitted total of up to \$7,500 per month and \$90,000 per year to spend in Ketchikan for housing, goods and services unfundable by any other means to help resolve crises of our most vulnerable clients. The money is spent on everything from rent support, clothing, furniture, transportation, bedbug remediation, hearing aids and other assistive technology, wheelchairs, dental work, bus, ferry, and rec center passes.

An Aging and Disability Resource Center and Partner Agency of United Way of Southeast Alaska

Information and Referral · Advocacy · Peer Support · Independent Living Skills Training
De-Institutionalization · Outdoor Recreation and Community Access (ORCA)

www.sailinc.org



2417 Tongass Ave. Ste. 221 Ketchikan, AK 99901, ph/tty: 1-907-225-4735 fx: 247-4735 ketchikan@sailinc.org

- SAIL is a champion of home modifications for aging in place, allowing our seniors to remain living safely at home as long as possible, In FY17 SAIL in partnership with RuralCap, will remodel six are homes with a valued expenditure of \$90,000. In small ways these modifications contribute to housing that allows seniors to remain spending money in Ketchikan.
- Much of the tourism in Ketchikan is centered on the cruise ship industry, yet up to 50% of their passengers remain on board during their hours in Ketchikan. Some of this phenomenon is attributable to accessibility issues in Ketchikan. SAILSail works regularly with local tour operators, consulting and providing trainings to help make them more accessible. Every small to midsized business is eligible for a \$10,500 tax credit a year to cover 50% of expenses for making their business more accessible. In FY17 we will work actively with businesses to help them save money on overall investment objectives by fusing them with accessibility objectives.
- SAIL's contributions to Borough Transportation promise to contribute to the Borough economy, as well.
- In FY17, SAIL has been preapproved to develop pre-employment training programs for Ketchikan's at risk, employment-age youth.

SAIL's Contributions to Borough Transportation

- SAIL was the founder of the Revilla Coordinated Transportation Coalition (RCTC) and oversaw the formation of the first five year plan; KGB has since assumed leadership of the Coalition, but SAIL remains an active partner with the Borough both in the development of the new plan and in pursuing its goals.
- An on demand 24/7 accessible taxi service is the first priority of the new Revilla Coordinated Transportation Coalition plan, endorsed by the Borough Assembly. SAIL has raised the funding for the first taxi, and the determination of DOT funding for the second cab will be made March 31, 2016. SAIL is working actively with the City developing incentives for local Taxi companies to provide this much needed service. An accessible taxi system stands to save the Borough and CSS much stretched paratransit dollars once the service is in place.
- The third priority of the RCTC plan is Airport access and accessibility, and SAIL is standing by as an active partner in developing creative solutions to the accessibility challenges of the airport ferry, now that the bridge option is off the table.
- SAIL maintains a 14 passenger lift-equipped bus with two wheelchair stations and provides door-to-door transportation to and from all activities of its Outdoor Recreation and Community Access program, ORCA. We also work with consumers to learn the public transportation system on their own, allowing them to access certain activities and areas of Ketchikan independently. This vehicle has served as a back-up vehicle for the Paratransit system. It is indispensable in providing those with disabilities access to recreation opportunities the rest of our

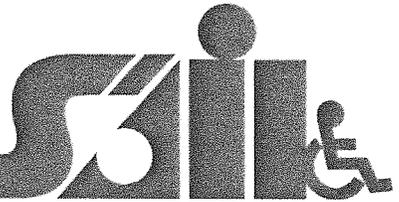
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Inspiring Personal Independence

SOUTHEAST ALASKA INDEPENDENT LIVING



2417 Tongass Ave. Ste. 221 Ketchikan, AK 99901, ph/tty: 1-907-225-4735 fx: 247-4735 ketchikan@sailinc.org

community enjoys and takes for granted: plays, performing arts events, museums, galleries, our forest, Ward Lake and other trails, our beaches, kayaking and fishing opportunities.

SAIL's Contributions to Borough Recreation

- Our community is situated in a wilderness recreational playground and we invest heavily in community recreational infrastructure as well, but many of our recreations are inaccessible to people with a full spectrum of disabilities, which has a number of public health consequences. Many of us think of accessibility in terms of wheel chairs, but it is so much more than that: psychological disabilities, developmental disabilities, traumatic and acquired brain injuries, learning disabilities, the simple fragilities of age all provide barriers of their own, along with the financial barriers that so often accompany those disabilities. Sometimes all we need provide is the sense of belonging. Our challenge of the week is how to help someone with PTSD, and with advanced renal failure, who is on dialysis, experience the joys of camping again. SAIL is committed to helping others overcome all these barriers and helping make Ketchikan recreations accessible to all.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Keith Smith', followed by a horizontal line extending to the right.

Keith Smith
Ketchikan Program Director
SAIL/Southeast Alaska Independent Living

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Information and Referral · Advocacy · Peer Support · Independent Living Skills Training
De-Institutionalization · Outdoor Recreation and Community Access (ORCA)

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KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

GRANT REQUEST

Amount requested: \$12,000

- Other Financial Commitments (total in-kind/cash match, other agency funds, etc.): \$181,700
- Other Funds Required (not yet committed/identified):

Program/project title:

ORGANIZATIONAL INFORMATION

Organization name: Southeast Alaska Independent Living

Address: 2417 Tongass Ave. Ste. 221

City: Ketchikan State: AK Zip: 99901

Telephone: 225-4735 Fax: 247-4735

E-mail: ksmith@sailinc.org

Executive director: Joan Okeefe Telephone: 907-586-4920

Name of contact person: Keith Smith Title: Ketchikan Program Director

Telephone: 225-4735 Cell phone: 617-0536

Total organization budget for current year: \$1,573,224.36

Date of incorporation: 1992

Is your organization tax exempt under section 501(c) (3) or other sections? If no explain: Yes



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

Which of the following Ketchikan Gateway Borough areawide powers does your project address (check one)?

- | | |
|--|--|
| <input checked="" type="checkbox"/> Economic Development | <input checked="" type="checkbox"/> Recreation |
| <input checked="" type="checkbox"/> Transportation | <input type="checkbox"/> Education |
| <input type="checkbox"/> Other (specify) | |

Staff composition in numbers

Paid full-time:2

Paid part-time:2

Volunteer:1

Interns:

Other:

3.5

Total

Detail the purpose(s) of your request with justification and explanation

(For the following, use additional pages as needed)

This grant seeks operational support for the Ketchikan office of Southeast Alaska Independent Living. While SAIL's Juneau office provides administrative and professional support to satellite offices in Ketchikan, Sitka and Haines, there is no substitute for an open, visible, and accessible office in Ketchikan, locally staffed by professionals that are attuned and committed to the Ketchikan community with a deep understanding of its challenges and resources. Although this request represents only 8% of the total SAIL Ketchikan annual budget, support by the Borough is a vital piece in demonstrating community buy-in, which is critical to leveraging outside dollars to fund our core programs here in Ketchikan.

SAILs programs fall into three essential service categories as Ketchikan's Independent Living Center, as its Aging and Disability Resource Center, and through its program for Outdoor Recreation and Community Access, or ORCA. SAIL is unique in that it does not charge individuals for its services, which makes it indispensable to those not easily fitting into the social service categories served by other organizations. In other words, if one qualifies for a Medicaid Waiver there is no end to payable services available to them, but to those falling outside of normally insured categories, there can be virtually nothing.



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

As an Independent Living Center we give people the tools they need to help themselves. SAIL brings innovative solutions and solution based advocacy to inspire personal independence for our friends, neighbors and family members who are aging or experiencing a disability. Borough funding will empower the Ketchikan Office to provide and assist access to assistive technology, aging in place home modifications, housing assistance, independent living skills training, employment services, financial counseling, and technical assistance accessing Medicaid, Medicare and Social Security benefits. It will empower us to raise outside funding to provide strategic mini-grants to consumers. We also manage a fund of last resort that provides small financial solutions to overwhelming situations. It can provide the single nut and bolt that prevents the sinking of the ship. As an Independent Living Center we host crucial support groups: Our Peer to Peer Support Group for those suffering depression, anxiety, PTSD, schizophrenia and related challenge, our Traumatic Brain Injury Support Group, our Low Vision support Group, and one for Physical disabilities as well.

As an Aging and Disability Resource Center we also help individuals and family members identify, locate, and access resources and services needed for maintaining or recovering independence. Disabilities, including temporary ones, come upon a family suddenly, and families are often bewildered by how to manage the new challenges: where to get personal care assistants, where to apply for support, how to get in and out of their house, where to find a contractor, where to get equipment to make their bathrooms accessible, how to find hospice care, where is there a counselor who accepts Medicaid, what Medicare will pay for and what it won't. How can they access accessible housing? We are as much a resource to other organizations as we are to individuals

Our program for Outdoor Recreation and Community Access provides quality adaptive and therapeutic recreation opportunities to people with disabilities in Ketchikan. Activities range from participation in community events such as the Monthly Grind, art openings, and theatre productions to independent living skills education such as safety in the kitchen and navigating the bus system, to kayaking, fishing camping, biking, berry picking, and much more. ORCA strives to eliminate barriers to recreation for people experiencing a disability and to create inclusive opportunities for all. Recreation is an essential part of a well-balanced, healthy life. It increases self-esteem, expands an individual's support network, heightens personal responsibility, increases awareness of community resources, and increases overall wellness. For some this may mean less dependence on family, friends, and other community supports. For others, it may mean being able to obtain or keep a job.



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

Statement of measurable goals and objectives of project(s) or program(s):

SAIL's consumers come to us as walk-ins, telephone inquiries, and as referrals from other local and regional agencies such as Peace Health, Community Connections, Hope, Ketchikan Gateway Borough School District, Ketchikan Indian Community, Alaska Department of Vocational Rehabilitation, Saxman Village, Love Inc., Hope. We are often seen as the referral of last resort, perhaps because we are known to be willing to take on the most difficult cases.

We moved our offices to the Plaza in October of 2015, and it has doubled our inquiries and Independent Living case load. Upon every intake the consumer sets independent living goals, from housing to accessing assistive technology, employment, disability benefits to healthcare, to assistance locating a long lost relative. We then work with the consumer to move through those goals. Steps in accomplishing these goals are meticulously recorded on our database, MICIL, which measures our success and keeps us accountable in delivering the services we promise.

That said, our services are diverse, and the chart below may assist in giving an entire picture of our activities.

Goal 1: Provide Independent Living Services to individuals with disabilities in Ketchikan. Objectives:

1.1 Provide independent living skills training to 30 individuals in Ketchikan (i.e., managing money, cooking, learning to use adaptive equipment or assistive technology).

1.2 Provide semi-monthly Peer Counseling groups for people who are blind or have low vision, for depression, bipolar and related challenges, and for survivors of traumatic brain injuries to at least 35 individuals.

1.3 Provide Independent Living Services to 70 eligible consumers.
--

1.4 Provide informed, professional information and referral services to 200 community members.

1.5 Collaborate with Rural Cap to provide \$90,000 in Aging in Place home modifications to six area homes.

1.6 Demonstrate and Loan out assistive technology items to a minimum of 30 individuals with disabilities from a well maintained library of commonly used items.
--

Goal 2: Provide disability awareness training and education to the community of Ketchikan. Advocate and garner resources to help the Ketchikan community improve its overall accessibility. Objectives:

2.1 Provide disability awareness, assistive technology, and ADA compliance trainings to 75 individuals in the community at businesses and organizations.



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

2.2 Provide disability awareness trainings to 250 students in the Ketchikan Gateway Borough School District, charter and private schools, and the Boys & Girls Club.

2.3 Raise funding, purchase and lease two accessible vehicles to an eligible provider for year round on-demand accessible taxi service.

Goal 3: Outdoor Recreation and Community Access (ORCA) will provide services to youth and adults with disabilities in Ketchikan to improve mobility, increase self-confidence, and develop appropriate social skills. Objectives:

3.1 Provide weekly recreation opportunities to a minimum of 12 unduplicated individuals with disabilities in Ketchikan, with three extended summer opportunities

3.2 Provide scholarships based on financial need for all ORCA activities

3.3 Provide transportation to access community events, reducing the transportation barrier, especially for those who live outside public transit boundaries or need rides outside public transit hours of operation.

3.4 Provide or assist access of volunteer opportunities for seniors and people with disabilities.



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

Discuss project management and qualifications.

SAIL Ketchikan is led by a dynamic team of individuals and supported by SAIL's Regional Team and Board of Directors. Many of whom experience disabilities and all of which come from a rich and diverse set of backgrounds.

Keith Smith, Program Director and Independent Living Advocate at the Ketchikan office: Keith has eighteen years of non-profit leadership experience in Ketchikan; he was the Program Director for United Way Southeast and coordinated the Compass II Survey, which resulted in the founding of the Wellness Coalition

Jack Finnegan, Ketchikan ORCA Coordinator and Independent Living Advocate: Jack has 6.5 years of experience working with Alzheimer patients and people with disabilities.

Gwen McDonald, Ketchikan Independent Living Specialist: Gwen has over 30 years of experience in Special Education, working with students with disabilities in Ketchikan schools.

SAIL contracts with **Brenda Loughman**, a certified orientation and mobility specialist who experiences low-vision herself, to coordinate the two low-vision and blindness support groups (at the SAIL office and Pioneer Home), and to teach orientation, mobility skills, and information to individuals who are blind and/or experience low vision.

Joan O'Keefe, Executive Director has been leading the SAIL team for more than 13 years. She has a MBA and years of experience in direct service for senior citizens and people with disabilities. Mrs. O'Keefe provides invaluable oversight.

Board of Directors – SAIL is pleased to have an active, engaged Board of Directors of whom **Suzi Williams** and **Mary Gregg** are both longtime Ketchikan residents. As a member of the Foraker Group, SAIL has adopted their recommendation of 100% board giving, and a tracking system endorsed by them and the Rasmuson Foundation. One hundred percent of the SAIL Board contributes financially.

As an agency, SAIL is committed to providing services that have a strong cross-cultural understanding. Each year SAIL has an all agency gathering and regularly dedicates training time to diversity. In addition to this, any local training that is available to SAIL staff on this topic, are regularly attended. SAIL's Project Manager and Executive Director have both attended multiple cross-cultural trainings, including Undoing Racism, Diversity Origins and other social justice trainings. In 2012, SAIL partnered with Central Council of the Tlingit and Haida Indian Tribes of Alaska to create a Cross Cultural Communication video featuring Father Michael Oleksa for the purpose of staff, board and community training and awareness.



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

Attachments: *(Please attach in order listed below)*

Cover letter

Cover letter

Finances

- Audited financial statement for the last fiscal year, if available, or form 990.
 - The current year operating budget - to include your project expenses and revenues.
 - Annual Salary for Executive Director – Joan O'Keefe-\$78,631
 - List all contractors that are expected to be paid more than \$2,500 per year, and purpose for payment. \$0
 - List any funding paid to organizations or entities outside the corporate boundaries of the Ketchikan Gateway Borough, including parent organizations, and the purpose for payments.
 - A proposed program budget (with narrative)
 - A list of other agencies that funded your organization in the last fiscal year, including amounts contributed.
 - What is the annual cost and long-term operation and maintenance costs of this project? Provide backup material. NA
-

Other Supporting Materials

- A verification of the organization's or fiscal agent's tax-exempt status under section (c) 3 of the IRS code.
- A current list of the governing board.
- Letters of support, Resolutions, and/or reviews (if applicable).



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

- What state and/or federal compliance requirements will this project satisfy or correct?
 - How will the project improve the economic environment? *See cover*
-

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

FINANCIAL STATEMENTS

For the Years Ended June 30, 2015 and 2014

TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

ELGEE REHFELD MERTZ, LLC

CERTIFIED PUBLIC ACCOUNTANTS

9309 Glacier Highway, Suite B-200 • Juneau, Alaska 99801
907.789.3178 • FAX 907.789.7128 • www.ermcpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Southeast Alaska Independent Living, Inc.

Report on the Financial Statements

We have audited the accompanying balance sheets of Southeast Alaska Independent Living, Inc. (a nonprofit organization) as of June 30, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Southeast Alaska Independent Living, Inc. as of June 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of state financial assistance and budget to actual schedules, as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* and State of Alaska Department of Health and Social Services, respectively, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of state financial assistance and budget to actual schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2016 on our consideration of Southeast Alaska Independent Living, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southeast Alaska Independent Living, Inc.'s internal control over financial reporting and compliance.



February 1, 2016

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

BALANCE SHEETS

June 30, 2015 and 2014

	2015	2014
ASSETS:		
CURRENT ASSETS:		
Cash and cash equivalents:		
Operating	\$ 488,552	\$ 479,776
Project Playground	35,192	35,192
Receivables:		
Accounts receivable	41,657	19,946
Grants receivable	225,761	238,526
Prepays and deposits	39,656	31,671
Total current assets	830,818	805,111
EQUIPMENT AND LEASEHOLD IMPROVEMENTS, net	278,581	285,788
Total assets	\$ 1,109,399	\$ 1,090,899
LIABILITIES AND NET ASSETS:		
CURRENT LIABILITIES:		
Accounts payable	\$ 50,970	\$ 37,710
Accrued payroll expenses	36,055	52,546
Payable to Project Playground	35,192	35,192
Deferred revenue	41,273	36,241
Accrued compensation payable	35,848	43,366
Total current liabilities	199,338	205,055
NET ASSETS:		
Unrestricted net assets:		
Undesignated	628,997	595,056
Invested in equipment and leasehold improvements	278,581	285,788
Total unrestricted net assets	907,578	880,844
Temporarily restricted net assets	2,483	5,000
Total net assets	910,061	885,844
Total liabilities and net assets	\$ 1,109,399	\$ 1,090,899

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

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

STATEMENTS OF ACTIVITIES

For the Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Changes in unrestricted net assets from operating activities:		
SUPPORT:		
Contributions	\$ 117,518	\$ 153,533
Less: costs of direct benefits to donors	<u>(6,656)</u>	<u>(6,656)</u>
Total support	<u>110,862</u>	<u>146,877</u>
REVENUES:		
Government grants and contracts	1,223,895	1,372,121
Service fees	212,561	131,598
Other income	<u>1,317</u>	<u>10,105</u>
Total revenues	<u>1,437,773</u>	<u>1,513,824</u>
NET ASSETS RELEASED FROM RESTRICTIONS -		
Satisfaction of program restrictions	<u>56,754</u>	<u>68,030</u>
Total support, revenues, and net assets released from restrictions	<u>1,605,389</u>	<u>1,728,731</u>
EXPENSES:		
Program services - independent living	1,287,110	1,225,125
Supporting services:		
Management and general	261,479	351,938
Fundraising	<u>31,467</u>	<u>43,774</u>
Total expenses	<u>1,580,056</u>	<u>1,620,837</u>
Increase in unrestricted net assets from operating activities	25,333	107,894
Changes in unrestricted net assets from non-operating activities:		
Interest income	1,401	1,146
Gain on sale of equipment	<u>-</u>	<u>2,000</u>
Increase in unrestricted net assets	<u>26,734</u>	<u>111,040</u>
Changes in temporarily restricted net assets:		
Support	54,237	65,530
Net assets released from restrictions	<u>(56,754)</u>	<u>(68,030)</u>
Decrease in temporarily restricted net assets	<u>(2,517)</u>	<u>(2,500)</u>
Change in net assets	24,217	108,540
NET ASSETS, beginning of year	<u>885,844</u>	<u>777,304</u>
NET ASSETS, end of year	<u>\$ 910,061</u>	<u>\$ 885,844</u>

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

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2015

	PROGRAM	SUPPORTING		TOTAL
	SERVICES	SERVICES		
	Independent	Management	Fundraising	
	Living	and		
		General		
Expenses:				
Personnel services	\$ 764,678	\$ 135,521	\$ 7,993	\$ 908,192
Contracts	205,514	31,421	229	237,164
Facility	92,784	40,111	1,462	134,357
Other expenses	69,080	40,710	20,924	130,714
Depreciation	57,968	5,184	-	63,152
Travel	36,176	3,799	-	39,975
Supplies	30,496	4,733	859	36,088
Equipment	30,414	-	-	30,414
Total expenses	<u>\$ 1,287,110</u>	<u>\$ 261,479</u>	<u>\$ 31,467</u>	<u>\$ 1,580,056</u>

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

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2014

	PROGRAM	SUPPORTING		TOTAL
	SERVICES	SERVICES		
	Independent	Management	Fundraising	EXPENSES
	Living	and		
		General		
Expenses:				
Personnel services	\$ 746,097	\$ 120,556	\$ 12,556	\$ 879,209
Contracts	280,591	36,608	480	317,679
Facility	2,593	128,661	1,906	133,160
Other expenses	51,791	48,400	26,297	126,488
Depreciation	40,077	11,513	1,650	53,240
Travel	50,537	327	-	50,864
Supplies	34,356	5,873	94	40,323
Equipment	19,083	-	791	19,874
Total expenses	<u>\$ 1,225,125</u>	<u>\$ 351,938</u>	<u>\$ 43,774</u>	<u>\$ 1,620,837</u>

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

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from grants and government contracts	\$ 1,241,692	\$ 1,351,110
Cash received from contributions	110,862	146,877
Cash received from service fees	190,850	134,632
Cash received from interest	1,401	1,146
Cash received from other sources	55,554	76,035
Cash paid to employees and suppliers	<u>(1,535,638)</u>	<u>(1,560,780)</u>
Net cash provided by operating activities	<u>64,721</u>	<u>149,020</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash received from sale of equipment	-	2,000
Cash paid for equipment	<u>(55,945)</u>	<u>(105,491)</u>
Net cash used for investing activities	<u>(55,945)</u>	<u>(103,491)</u>
Net increase in cash and cash equivalents	8,776	45,529
Cash and cash equivalents at beginning of year	<u>514,968</u>	<u>469,439</u>
Cash and cash equivalents at end of year	<u>\$ 523,744</u>	<u>\$ 514,968</u>

RECONCILIATION OF CHANGE IN
NET ASSETS TO NET CASH PROVIDED BY
OPERATING ACTIVITIES

Change in net assets	\$ 24,217	\$ 108,540
Reconciliation of change in net assets to net cash provided by operating activities:		
Depreciation	63,152	53,240
Gain on sale of equipment	-	(2,000)
(Increase) decrease in:		
Accounts receivable	(21,711)	3,034
Grants receivable	12,765	(11,734)
Employee receivables	-	400
Prepays and deposits	(7,985)	3,264
Increase (decrease) in:		
Accounts payable	13,260	(11,367)
Accrued payroll expenses	(16,491)	10,186
Deferred revenue	5,032	(9,277)
Accrued compensation payable	<u>(7,518)</u>	<u>4,734</u>
Net cash provided by operating activities	<u>\$ 64,721</u>	<u>\$ 149,020</u>

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

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2015 and 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Southeast Alaska Independent Living, Inc. (SAIL) is an advocacy-oriented organization that was incorporated in November 1992. SAIL is an Aging and Disability Resource Center whose mission is to “Inspire Personal Independence” by providing and promoting options for Southeast Alaskans to live as active, productive, and involved citizens in their community of choice. SAIL provides consumer directed independent living services to seniors and people with significant disabilities throughout Southeast Alaska, enabling increased options for active, involved, productive and integrated community living. SAIL is almost entirely funded by federal and State of Alaska grants to promote independent living.

SAIL is controlled by a Board of Directors who has hired an Executive Director to carry on the day-to-day activities of the Organization.

Basis of Accounting

The financial statements of SAIL have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) 958-205 *Presentation of Financial Statements* and 958-210-45-1 *Other Presentation Matters*. Under FASB ASC 958-210-45-1, SAIL is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Unrestricted net assets are net assets that are not subject to donor-imposed stipulations or restrictions. Temporarily restricted net assets represent resources whose use is limited by donor-imposed restrictions that will be met either by actions of the organization or by the passage of time. Permanently restricted net assets represent resources whose use is limited by donor-imposed restrictions that require the net assets to be maintained permanently. There were no permanently restricted net assets at June 30, 2015 or 2014. Temporarily restricted net assets are described in Note 5.

Revenue Recognition

Revenue consists of grants, contracts, contributions, and service fees. Contributions and grants that are unrestricted are recorded as revenue in the statements of activities when received.

SAIL follows the guidance of FASB ASC 958-605, *Revenue Recognition*, to determine whether its federal, state or other grant programs are contributions or exchange transactions for purposes of presentation in the accompanying financial statements.

Exchange transactions with a donor, grantor, or other outside party for particular purposes are deemed to be earned and reported as revenue when SAIL has incurred expenditures in compliance with the specific restrictions. Such amounts received but not yet earned are reported as deferred revenue.

Receivables

Accounts and grants receivable consist of reimbursements, and amounts due for grant expenditures, which were not received by SAIL at year-end. Management considers all receivables to be fully collectible at year-end. Accordingly, no allowance for doubtful accounts has been recorded.

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Management's Use of Estimates

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

Equipment and Leasehold Improvements

Equipment and leasehold improvements are recorded at cost or, in the case of donated property, at their estimated fair value at date of receipt. Depreciation is calculated by the straight-line method over the useful lives of the assets, estimated to be three to ten years. Expenditures for repairs and maintenance are charged to operating expense as incurred; major renewals and betterments are capitalized. The threshold for capitalization of purchased or donated items is \$5,000.

In-kind Support

Contributions of donated supplies and services are recorded when received. Donated supplies are recognized at the estimated fair value at the time of receipt. Contributions of services are recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Many individuals volunteer their time and perform a variety of tasks, including assisting with SAIL's Outdoor Recreation and Community Access and other program activities, as well as fundraising events. In fiscal years 2015 and 2014 volunteers donated approximately 1,055 and 2,165 hours to SAIL, respectively. In-kind support is not reflected in the 2015 and 2014 financial statements as the criteria for recognition of such items has not been satisfied.

Cash and Cash Equivalents

For the purpose of the statements of cash flows, SAIL considers all cash on-hand and in certificates of deposit, checking and savings accounts to be cash and cash equivalents. Cash associated with gaming activities is maintained in a separate bank account, as required.

Income Taxes

SAIL is organized under Section 501(c)(3) of the Internal Revenue Code as a nonprofit, tax-exempt organization. SAIL is not classified as a private foundation. The Organization follows the provisions of FASB ASC 740 *Income Taxes*, and management believes that it has appropriate support for any tax positions taken. The Organization's federal income tax returns (Form 990) are subject to possible examination by the Internal Revenue Service until the expiration of the related statute of limitations on those tax returns, which, in general, have a three-year statute of limitations.

Accrued Personal Leave

SAIL recognizes employee compensation for future absences as a liability when earned. Accrued leave is based upon an established monthly accrual at the employee's hourly rate of pay. The accrual is adjusted when an employee uses leave or requests a payment of cash in lieu of actual personal leave taken.

Reclassification

Certain balances from prior year have been reclassified to conform to current year presentation.

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Allocation of Expenses

Program and other activity costs have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Subsequent Events

SAIL has evaluated subsequent events through the date of the Independent Auditor's Report, which is commensurate with the date the financial statements were available to be issued.

NOTE 2 – EQUIPMENT AND LEASEHOLD IMPROVEMENTS

SAIL's equipment and leasehold improvements consist of the following at June 30:

	<u>2015</u>	<u>2014</u>
Equipment	\$ 567,944	\$ 511,999
Leasehold improvements	22,885	22,885
Less: accumulated depreciation and amortization	<u>(312,248)</u>	<u>(249,096)</u>
Equipment and leasehold improvements, net	<u>\$ 278,581</u>	<u>\$ 285,788</u>

Depreciation and amortization expense was \$63,152 and \$53,240 for fiscal years 2015 and 2014, respectively.

The federal or state government retains a reversionary interest in equipment funded by federal or state monies, respectively, for individual items greater than \$5,000. Sale, trade-in or other disposition of such equipment generally requires notification of the appropriate federal or state authorities.

NOTE 3 – OPERATING LEASES

SAIL leases office space in four Southeast Alaska communities in order to provide consumer services. These leases are non-cancellable operating leases. Rent expense on office operating leases for the years ended June 30, 2015 and 2014 was \$101,972 and \$100,253, respectively. Minimum future rent expense based on current leases is \$64,665 for fiscal years 2016 and 2017, and \$43,110 for fiscal year 2018.

NOTE 4 – ADVERTISING

SAIL expenses the costs of advertising the first time the advertising takes place. At June 30, 2015 and 2014 SAIL had \$8,017 and \$11,234 in advertising expenses, respectively, included in other expenses on the statements of functional expenses.

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – TEMPORARILY RESTRICTED NET ASSETS

The following support was temporarily restricted at June 30:

	<u>2015</u>	<u>2014</u>
Chilkat Valley Community Foundation	\$ 1,500	\$ -
Alaska USA FCU	732	-
White Elephant	251	-
Skaggs Foundation	<u>-</u>	<u>5,000</u>
Total temporarily restricted net assets	<u>\$ 2,483</u>	<u>\$ 5,000</u>

NOTE 6 – CONCENTRATIONS AND CONTINGENCIES

Grant Revenue and Receivables

SAIL receives a substantial amount of support from federal and State of Alaska grants. If a significant reduction in the level of this support were to occur, it would have a significant adverse effect on SAIL's programs and activities.

Expenditures made pursuant to grants may be subject to additional audits by government agencies or their representatives. Although subjected to state single audit requirements, certain amounts reflected in the financial statements have not been audited by the grantor agencies. Accordingly, adjustments of amounts received or receivable from grants could result if the grants are audited by such agencies.

Depository Concentration

SAIL has concentrated its credit risk for cash by maintaining deposits in financial institutions, which may at times exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC). At June 30, 2015, SAIL has cash of \$61,258 in excess of FDIC insurance. SAIL has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.

Taxi Lease Contingencies

SAIL leases ramp-equipped vehicles to taxi companies in Juneau and Ketchikan at no charge. While the taxi companies are required to provide maintenance and insurance on the vehicles, if one or more of the vehicles were in an accident it could result in a loss of SAIL's equipment.

NOTE 7 – RETIREMENT PLAN

SAIL has established a 403(b) Thrift Plan to provide retirement benefits to employees. SAIL's retirement plan covers employees who received at least \$5,000 in compensation during the preceding calendar year. The retirement plan allows for employee contributions up to the maximum amount allowed by the Internal Revenue Code. SAIL annually makes a matching contribution to each eligible employee's account, equal to the employee's salary reduction contributions, up to a limit of 3% of the employee's compensation for the calendar year. Employer contributions for the years ended June 30, 2015 and 2014 are \$15,402 and \$11,824, respectively.

STATE FINANCIAL ASSISTANCE

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

SCHEDULE OF STATE FINANCIAL ASSISTANCE

For the Year Ended June 30, 2015

State of Alaska Grantor / Pass-through Entity / Program Title	Grant Number	Award	Expenditures
Alaska Mental Health Trust Authority			
Employment: Pre-Employment Transition Services Juneau and Haines	6555	\$ 15,000	\$ 3,889
Housing: Assistive Technology to Promote Aging in Place	6226	50,000	12,282
Housing: Home Modifications for Aging in Place (HomeMAP) Phase 3	5547	50,000	35,206
Passed through the State of Alaska Department of Transportation and Public Facilities			
Alaska Community Transit Reimbursable Grant Project Agreement	AMHT-2013	43,551	43,551
Alaska Community Transit Reimbursable Grant Project Agreement	* AMHT-2014	85,272	85,272
Passed through Information Insights, Inc.			
Behavioral Health Mini-Grants	various	41,746	41,746
Total Alaska Mental Health Trust Authority		<u>285,569</u>	<u>221,946</u>
Department of Transportation and Public Facilities			
Alaska Community Transit Reimbursable Grant Project Agreement	2552-15-0200/0201	1,643	1,643
Alaska Community Transit Reimbursable Grant Project Agreement	2533-15-0200/0201	4,859	4,859
Total Department of Transportation and Public Facilities		<u>6,502</u>	<u>6,502</u>
Department of Commerce, Community, and Economic Development			
Accessible Vehicles, Matching Funds	15-DC-467	23,600	10,820
Department of Health and Social Services			
Aging and Disability Resource Centers and Medicare Counseling and Outreach	* 607-299-1504	192,544	192,544
Home Modifications and Upgrades to Retain Housing	65C-12-293	200,000	21,687
Community Initiative Matching Grants	605-230-1502	25,000	25,000
Mental Health Essential Program Equipment	C05-538-1504	18,651	10,814
Passed through Challenge Alaska			
Community Developmental Disabilities	607-303-1507	39,350	39,350
Total Department of Health and Social Services		<u>475,545</u>	<u>289,395</u>
Department of Labor and Workforce Development			
Older Blind	OB 15.06	5,794	5,794
Independent Living	* IC 15.04	84,371	84,371
Interpreter Referral	* GF 15.10	58,950	58,950
Total Department of Labor and Workforce Development		<u>149,115</u>	<u>149,115</u>
Total State Financial Assistance		<u>\$ 940,331</u>	<u>\$ 677,778</u>

* Denotes Major Program

The accompanying notes to schedule of state financial assistance are an integral part of this statement.

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

NOTES TO SCHEDULE OF STATE FINANCIAL ASSISTANCE

For the Year Ended June 30, 2015

General

The accompanying schedule of state financial assistance presents the activity of all state award programs of Southeast Alaska Independent Living, Inc. (SAIL).

Basis of Accounting

The accompanying schedule of state financial assistance is presented using the accrual basis of accounting, which is described in Note 1 to SAIL's financial statements.

Reconciliation of State Financial Assistance to Financial Statements

The following is a reconciliation of state grant revenues reported in the financial statements to state expenditures reported in the schedule of state financial assistance:

Total government grants and contracts as reported on the financial statements	\$ 1,223,895
Less: Federal grants	(375,334)
Less: Local grants and contracts	<u>(170,783)</u>
Total state grants reported on the schedule of state financial assistance	<u>\$ 677,778</u>

ELGEE REHFELD MERTZ, LLC

CERTIFIED PUBLIC ACCOUNTANTS

9309 Glacier Highway, Suite B-200 • Juneau, Alaska 99801
907.789.3178 • FAX 907.789.7128 • www.ermcpa.com

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Southeast Alaska Independent Living, Inc.

We have audited 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, the financial statements of Southeast Alaska Independent Living, Inc. (SAIL) (a nonprofit organization), which comprise the balance sheet as of June 30, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to financial statements and have issued our report thereon dated February 1, 2016.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether SAIL's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the

determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Handwritten signature in black ink, consisting of the letters 'ERM' in a cursive, stylized font.

February 1, 2016

ELGEE REHFELD MERTZ, LLC

CERTIFIED PUBLIC ACCOUNTANTS

9309 Glacier Highway, Suite B-200 • Juneau, Alaska 99801
907.789.3178 • FAX 907.789.7128 • www.ermcpa.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE *STATE OF ALASKA AUDIT GUIDE AND COMPLIANCE SUPPLEMENT FOR STATE SINGLE AUDITS*

To the Board of Directors of
Southeast Alaska Independent Living, Inc.

Report on Compliance for Each Major State Program

We have audited Southeast Alaska Independent Living, Inc.'s (SAIL's) compliance with the types of compliance requirements described in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* that could have a direct and material effect on each of SAIL's major state programs for the year ended June 30, 2015. SAIL's major state programs are identified in the accompanying schedule of state financial assistance.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of SAIL's major state programs based on our audit of the types of compliance requirements referred to above. 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 the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Those standards and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* 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 state program occurred. An audit includes examining, on a test basis, evidence about SAIL'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 on compliance for each major state program. However our audit does not provide a legal determination of SAIL's compliance.

Opinion on Each Major State Program

In our opinion, SAIL complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2015.

Report on Internal Control over Compliance

Management of SAIL is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered SAIL's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, 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 SAIL'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 state 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 state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Accordingly, this report is not suitable for any other purpose.



February 1, 2016

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2015

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes x No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes x None reported

Noncompliance material to financial statements? Yes x No

State Financial Assistance

Type of auditor's report issued on compliance for major programs: Unmodified

Internal control over major programs:

- Material weakness(es) identified? Yes x No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes x None reported

Dollar threshold used to distinguish a state major program: \$ 50,000

FINDINGS – FINANCIAL STATEMENT AUDIT

Southeast Alaska Independent Living, Inc. did not have any findings that relate to the financial statements.

FINDINGS AND QUESTIONED COSTS – STATE MAJOR AWARD PROGRAMS AUDIT

Southeast Alaska Independent Living, Inc. did not have any findings or questioned costs that relate to the state major award programs audit.

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

For the Year Ended June 30, 2015

FINDINGS – FINANCIAL STATEMENT AUDIT

No findings that relate to the financial statements for the year ended June 30, 2014.

FINDINGS AND QUESTIONED COSTS – STATE MAJOR AWARD PROGRAMS AUDIT

No findings or questioned costs that relate to the state major award programs audit for the year ended June 30, 2014.

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

STATE OF ALASKA DEPARTMENT OF HEALTH AND SOCIAL SERVICES
 SCHEDULE OF REVENUES AND EXPENSES BUDGET TO ACTUAL

Aging and Disability Resource Centers and Medicare Counseling and Outreach (607-299-1504)

For the Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues:			
State of Alaska	\$ 192,544	\$ 192,544	\$ -
Federal	31,514	31,514	-
Total revenues	<u>224,058</u>	<u>224,058</u>	<u>-</u>
Expenses:			
Personnel services	171,261	173,991	(2,730)
Travel	8,455	8,035	420
Facility	23,186	23,080	106
Supplies	3,265	2,626	639
Other	17,891	16,326	1,565
Total expenses	<u>224,058</u>	<u>224,058</u>	<u>-</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report.

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

STATE OF ALASKA DEPARTMENT OF HEALTH AND SOCIAL SERVICES
 SCHEDULE OF REVENUES AND EXPENSES BUDGET TO ACTUAL

Home Modifications and Upgrades to Retain Housing (65C-12-293)

For the Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	Variance favorable (unfavorable)
Revenues -			
State of Alaska	<u>\$ 200,000</u>	<u>\$ 21,687</u>	<u>\$ (178,313)</u>
Expenses:			
General construction	170,000	21,687	148,313
Administration	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Total expenses	<u>200,000</u>	<u>21,687</u>	<u>178,313</u>
Excess of revenues over expenses	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See Independent Auditor's Report.

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.
STATE OF ALASKA DEPARTMENT OF HEALTH AND SOCIAL SERVICES
SCHEDULE OF REVENUES AND EXPENSES BUDGET TO ACTUAL

Community Initiative Matching Grants (605-230-1502)

For the Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues -			
State of Alaska	\$ 25,000	\$ 25,000	\$ -
Expenses:			
Personnel services	8,346	9,305	(959)
Travel	3,846	3,874	(28)
Facility	1,050	1,127	(77)
Supplies	52	56	(4)
Other	11,706	10,638	1,068
Total expenses	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report.

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

STATE OF ALASKA DEPARTMENT OF HEALTH AND SOCIAL SERVICES
 SCHEDULE OF REVENUES AND EXPENSES BUDGET TO ACTUAL

Mental Health Essential Program Equipment (C05-538-1504)

For the Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	Variance favorable (unfavorable)
Revenues -			
State of Alaska	<u>\$ 18,651</u>	<u>\$ 10,814</u>	<u>\$ (7,837)</u>
Expenses -			
Equipment	<u>18,651</u>	<u>10,814</u>	<u>7,837</u>
Total expenses	<u>18,651</u>	<u>10,814</u>	<u>7,837</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report.

SOUTHEAST ALASKA INDEPENDENT LIVING, INC.

STATE OF ALASKA DEPARTMENT OF HEALTH AND SOCIAL SERVICES
 SCHEDULE OF REVENUES AND EXPENSES BUDGET TO ACTUAL

Community Developmental Disabilities (607-303-1507)

For the Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	Variance favorable (unfavorable)
Revenues -			
State of Alaska	\$ 39,350	\$ 39,350	\$ -
Expenses:			
Personnel services	30,277	29,985	292
Travel	2,000	1,473	527
Facility	3,776	3,734	42
Supplies	637	595	42
Contractual	1,162	954	208
Other	1,498	2,609	(1,111)
Total expenses	<u>39,350</u>	<u>39,350</u>	<u>-</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report.

SAIL, Inc.
FY 16 Current Operating Budget
 July 2015 through June 2016

4:44 PM
 03/07/2016
 Accrual Basis

Jul '15 - Jun 16

Ordinary Income/Expense

Income

Restricted Revenue

Total 4250 · Other Agency Grants	30,000.00
Total 4200 · Municipal Grants	141,680.00
Total 4000 · Federal Grants	365,569.00
Total 4100 · State Grants	715,499.36
Total 4350 · Public Support - Restricted	<u>25,900.00</u>
Total Restricted Revenue	1,278,648.36

Unrestricted Revenue

Total 4360 · Public Support - Unrestricted	0.00
Total 4370 · Donations - unrestricted	52,500.00
Total 4400 · Fundraising	49,500.00
Total 4700 · Fees for service	131,000.00

4900 · Interest Income	1,200.00
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Total Unrestricted Revenue	<u>307,200.00</u>
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Total Income	1,585,848.36
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Expense

Total 100 · Salaries & Wages	841,082.00
Total 200 · Travel Expense	51,002.00
Total 300 · Facility	131,501.00
Total 400 · Supplies Expense	125,340.00
Total 500 · Equipment Expense	112,811.36

Total 600 · Contracts	183,855.00
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Total 700 · Other Expense	<u>127,633.00</u>
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Total Expense	<u>1,573,224.36</u>
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Net Ordinary Income	<u>12,624.00</u>
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Net Income	<u><u>12,624.00</u></u>
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KTN Borough grant FY17.xls

Open with

	A	B	C	D	E	F	G
1	SOUTHEAST ALASKA INDEPENDENT LIVING, INC.						
2	Fiscal Year 2017 July 1, 2016 - June 30, 2017						
3	Ketchikan Program Budget						
4	EXPENDITURES				In-kind	TOTAL	
5			This	Other	Contribu-	FY 2016	
6		FTE	Request	Funds	tions	budget	
7	A. 100 Personnel Services						
8	Program Staff	2.50	\$ 6,464.00	\$ 88,651.00		\$ 95,115.00	
9	Volunteer support staff	1.00		\$ -	\$ 15,000.00	\$ 15,000.00	
10	Fringe Benefits/Payroll taxes		\$ 546.00	\$ 20,246.00		\$ 20,792.00	
11	TOTAL Personnel Services		\$ 7,010.00	\$ 108,897.00	\$ 15,000.00	\$ 130,907.00	
12							
13	B 200 Travel						
14	Staff travel			\$ 3,500.00		\$ 3,500.00	
15	Auto gas		\$ 500.00	\$ 1,000.00		\$ 1,500.00	
16	TOTAL Travel		\$ 500.00	\$ 4,500.00	\$ -	\$ 5,000.00	
17							
18	C. 300 Facility						
19	Office rental		\$ 1,305.00	\$ 17,895.00		\$ 19,200.00	
20	Postage		\$ 29.00	\$ 396.00		\$ 425.00	
21	Telephone		\$ 217.00	\$ 2,983.00		\$ 3,200.00	
22	TOTAL Facility		\$ 1,551.00	\$ 21,274.00	\$ -	\$ 22,825.00	
23							
24	D. 400 Supplies						
25	Office supplies		\$ 190.00	\$ 2,613.00		\$ 2,803.00	
26	Program supplies		\$ 506.00	\$ 4,089.00	\$ 2,500.00	\$ 7,095.00	
27	TOTAL Supplies		\$ 696.00	\$ 6,702.00	\$ 2,500.00	\$ 9,898.00	
28							
29	E. 500 Equipment						
30	Vehicle repair and maintenance			\$ 2,000.00		\$ 2,000.00	
31			\$ -	\$ 2,000.00	\$ -	\$ 2,000.00	
32							
33	F. 600 Other Operating Expense						
34	Consumer Services			\$ 500.00		\$ 500.00	
35	Stipends/Scholarships		\$ -	\$ -		\$ -	
36	Training/Education			\$ 200.00		\$ 200.00	
37	Fundraising expense			\$ 3,500.00	\$ 200.00	\$ 3,700.00	
38	TOTAL Other Expense		\$ -	\$ 4,200.00	\$ 200.00	\$ 4,400.00	

**SAIL Fiscal Year 2017
Ketchikan Gateway Borough
BUDGET NARRATIVE**

Personal Services: Total this request: **\$6464** as detailed below:

1A. Ketchikan staff 2.5 FTE; responsible for implementation and reporting of grant goals and objectives, peer support, advocacy, and public awareness in Ketchikan.

1B. Program and Administrative Support, 0.05 FTE; responsible for providing overall program management and direction for staff as related to this grant award; developing and maintaining cooperative agreements and collaboration with other agencies; seeking additional sources of funding through outreach and solicitation of corporations, service agencies, and community groups. \$0 this request

Fringe Total this request **\$546**. Designated for fringe benefits. FICA payroll taxes at 7.65%, State Unemployment tax at 1.4%, Workers Comp insurance at 6.16%, SIMPLE pension for eligible employees at 3%, health insurance for eligible employees at \$850 per month per employee.

Travel and Per Diem: Total Budgeted: **\$0**

Facility Total this request **\$1551**

Includes prorated office rental expense at The Plaza, telephone expense, and postage in accordance with SAIL's federally approved direct Cost Allocation Plan (CAP).

Supplies and Materials Total this request **\$696**

Includes funds for office supplies and program supplies.

Equipment Total this request **\$0**

Consumer Service Fund equipment – Fund of last resort used to provide equipment or leverage additional funding for consumers who cannot afford to purchase needed assistive devices or items for home modification, e.g., grab bars.

Indirect Costs Total this request **\$2,243**

The following expenses based on SAIL's federally approved Cost Allocation Plan (CAP): Agency liability insurance, Audit, Dues, fees and licenses, Printing and Copying, Tech and Accounting Support. Stipends and Scholarships for ORCA participants with financial need.

Total Request: \$12000

Other Funds: \$181,700

In-Kind Contributions: \$17700

Total Ketchikan Budget: \$211,400

SAIL, Inc.		
FY 16 Income Sources		
July 2015 through June 2016		
		Budget
Ordinary Income/Expense		
Income		
Restricted Revenue		
	AK USA KTN 73	1000
	CBJ Adult Block Grant 14	25000
	CBJ Disability Empowerment 44	50000
	CBJ Tourism	24000
	CBJ Youth	14700
	Chilkat Valley Comm Found 55	1500
	Comm Initiative	27000
	Dept of Education grant 02	365569
	DHSS Aging/Disability Res 17	192672
	DHSS Medicare	7383
	DOL ILiving 05 26% Federal	97580
	DOL OB 04 90% Federal	54525
	DOT voucher and vehicle 19	85272
	DOT New Vehicles	100000
	Haines Borough grant 60	3000
	Haines Assisted Living	75000
	HomeMaps Assistive Tech	37719
	Ketchikan Borough grant 46	9147
	Ketchikan City Grant CY	11000
	Mental Health Essential Program Equip	7837
	AMHTA Grant Funding	49400
	PETS	11111
	Sitka Charitable Trust	4400
	Sitka City Grant 23	4833
	United Human Services	5000
	White Elephant 71	3000
	Total Restricted Revenue	1,267,648.00
Unrestricted Revenue		
	Douglas Dornan Fund 35	5000
	DSUSA	2500
	First Bank	10000
	United Way Grant 39	3500
	HomeMAP fees for service	20000
	Skaggs	8000
	Individual Donations	37000
	Corporate Donations	5500
	Auction	32000
	Whale Watches	7500
	PETS	45000
	Fundraisers	10000
	Activity fees income	22000
	ORCA rec trip income	50000
	Equipment income	500
	DVR Vendor Services	10000
	Benefits Analysis	20000
	Taxi token sales	28000
	Contract Income	500
	Interest Income	1200
	Total Unrestricted Revenue	318,200.00
	Total Income	1,585,848.00

Internal Revenue Service

RECEIVED

Date: March 13, 2007

Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201

SOUTHEAST ALASKA INDEPENDENT
LIVING INC
SAIL
3225 HOSPITAL DR UNIT 300
JUNEAU AK 99801-7863 757

Person to Contact:
Cheryl Skaggs ID # 31-04010
Correspondence Specialist/Screeners
Toll Free Telephone Number:
877-829-5500
Federal Identification Number:
92-0144370

Dear Sir or Madam:

This is in response to your request of March 13, 2007, regarding your organization's tax-exempt status.

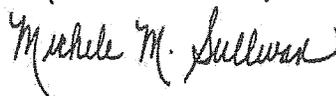
In February 1993 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

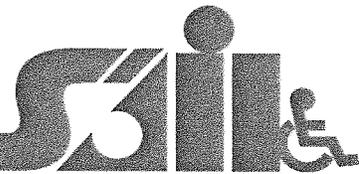
Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations 1



3225 Hospital Dr, Suite 300, Juneau, Alaska 99801, 1-800-478-SAIL, ph/tty: 907-586-4920, fx: 907-586-4980

Board Member	Position	Affiliations
<p>Kate Burkhart PO Box 240357 Douglas, AK 99824 Phone: 465-4667, hm. 586-5993 Email: jaymiekate@hotmail.com</p>	<p>Chair/ President</p>	<ul style="list-style-type: none"> ▪ Nome Receiving Home 2002 ▪ Clarksville Domestic Violence Shelter Board 2001 ▪ Volunteer, fundraiser: Alaska Legal Services, United Way of SE, Glory Hole, Juneau Arts and Humanities Council, KTOO/KRNN Public Radio
<p>Elizabeth Williams Spence PO Box 35586 Juneau, AK 99803 Phone: 790-8937 Email: ebiggitty@hotmail.com</p>	<p>Vice Chair/ Vice President</p>	<ul style="list-style-type: none"> ▪ SAIL Event Volunteer 2004-present ▪ Boys and Girls Club of Juneau/SE 01-06 ▪ Glacier Valley Rotary 2004-2006 ▪ United Way Leadership Council 2004-2006 ▪ SE Conference Health & Soc. Services 04-06 ▪ CCFR EMS Volunteer 2004-2005 ▪ Kids Voting, former Board member
<p>Suzanne Williams POB 6754 Ketchikan, AK 99901 Phone: 225-6754 Email: eaglewalk@kpunet.net</p>	<p>Secretary</p>	<ul style="list-style-type: none"> ▪ Opportunity House, Board of Directors ▪ Community Connections former Board Officer ▪ Ketchikan Youth Football League, past Treasurer ▪ Family member of persons with disabilities
<p>Mary Gregg 1225 S Pt Higgins Road Ketchikan, AK 99901 Phone: 247-8463 Email: southpointakhi@yahoo.com</p>	<p>Treasurer</p>	<ul style="list-style-type: none"> ▪ Disability Law Center, former Board member ▪ Tongass Federal Credit Union, former Chair ▪ Opportunity Inc., Board Member ▪ WISH former Board Member ▪ Community Connections, former board Member/President ▪ Family member of person with disability ▪ Bookkeeper, retired
<p>Jeff Irwin PO Box 258 Gustavus, AK 99826 Phone: 697-2389 Email: jirwinak@gmail.com</p>	<p>Member</p>	<ul style="list-style-type: none"> ▪ Aiding Women in Abuse and Rape Emergencies (AWARE) Board Member ▪ Volunteer – Gustavus Fire Department ▪ Councilman for Gustavus City Council ▪ Past Employee – SAIL
<p>Robert Purvis POB 1567 Sitka, AK 99835 Phone: 747-0574, cell 738-6574 Email: alaskalowvision@gmail.com</p>	<p>Member</p>	<ul style="list-style-type: none"> ▪ Sitka Fisheries Advisory Commission ▪ Foundation Fighting Blindness ▪ KTOO Board, former member ▪ National Conference Planning Committee - ASCD
<p>Cheryl M. Putnam 2000 Salmon Creek Lane Juneau, AK 99801 Phone: 586-4882, cell 723-9337 Email: juneaucp@gmail.com</p>	<p>Member</p>	<ul style="list-style-type: none"> ▪ National Alliance on Mental Illness, former Board Member and President ▪ Current City and Borough of Juneau ADA Committee, Member ▪ Wildflower Ct. Resident Council, member, former President and current Vice President
<p>Jason Burke PO Box 20026 Juneau, AK 99802 Phone: 586-8186 Email: jason_c_burke@yahoo.com</p>	<p>Member</p>	<ul style="list-style-type: none"> ▪ Rainforest Recovery Center Advisory Board member, Bartlett Regional Hospital ▪ Civil Air Patrol, 1st Lt.

No Term Limits, all Board seats are open-ended

Updated: August 14, 2015