

start something



Big Brothers Big Sisters
Of Alaska

306 Main St., Suite 230
Ketchikan, AK 99901
Aubree Kline
T 907-247-3350

www.bbbsak.org

Ketchikan Gateway Borough
Finance Department
1900 First Ave., Suite 118
Ketchikan, AK 99901

RE: Community Development Grant Request for \$10,000

Thank you for your ongoing support to Big Brothers Big Sisters of Ketchikan.

Big Brothers Big Sisters is entering into its fourteenth year of service to the children of Ketchikan, and we are more aware than ever of the need to provide direct services to our youth. The majority of our Little Brothers and Little Sisters come from the most vulnerable populations: children living in poverty, lacking stable families, traumatized by neglect or abuse, having incarcerated parents, impacted by substance issues, or academically challenged. While all children benefit from positive adult interactions, these youth are especially in need of support.

We often hear past matches say that Big Brothers Big Sisters gave them opportunities that they might not have been able to experience if it were not for our monthly activities, community service projects, and most importantly their friendship that lasted a lifetime.

Our statistics show that a child matched in the BBBS program will have improved social skills, improved academic performance, and reduced levels of drug and alcohol use in their match lasts over 1 year. Our average match level is 2.5 years in Ketchikan and many are much longer.

Big Brothers Big Sisters is often the only opportunity a child has for direct, one-to-one interaction with a positive adult that is there just for them, an adult friend they do not have to share with other youth. If we take the time to empower our youth who are living with adversity, they have greater opportunities to become educated, productive adults. They will be capable of giving back to our community, saving us increased social services, medical costs, and legal expenses.

We hope you will continue to support Big Brothers Big Sisters by awarding us this grant so that we may continue to serve more of Ketchikan's at-risk children.

Best Regards,

A handwritten signature in black ink, appearing to read "Aubree Kline".

Aubree Kline
Community Director of BBBS of Ketchikan



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

COMMUNITY GRANT APPLICATION

GRANT APPLICATIONS MUST BE SUBMITTED TO THE KETCHIKAN GATEWAY BOROUGH FINANCE DEPARTMENT BY CLOSE OF BUSINESS DAY MARCH 11, 2016

• 1900 First Avenue, Suite 118, Ketchikan, Alaska 99901 • Email: brendas@kgbak.us • Phone: 907-228-6614 •

THE PROCESS

In order to provide funding to community based non-profit agencies, the Ketchikan Gateway Borough designed this form to gather information on applicants' programs, projects and/or operations.

The community grant program is subject to annual appropriation by the Ketchikan Gateway Borough Assembly. After the application deadline, the applications will be brought forward during a scheduled Borough Assembly meeting for final determination. Applicants will be notified once the meeting date has been set.



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

GRANT REQUEST

Amount requested: \$10,000

- \$88,813 from other sources: State of Alaska grant, City of Ketchikan and other BBBSAK sources.

Program/project title: Big Brothers Big Sisters Mentoring Program

ORGANIZATIONAL INFORMATION

Organization name: Big Brothers Big Sisters of Alaska – Ketchikan office

Address: P.O. Box 8033

City: Ketchikan

State: AK

Zip: 99901

Telephone: 907-247-3350

Fax:

E-mail: aubree.kline@bbbsak.org

Executive director: Taber Rehbaum, CEO Telephone: 907-460-0911

Name of contact person: Aubree Kline Title: Ketchikan Community Director

Telephone: 907-247-3350

Cell phone: 907-617-0378

Total organization budget for current year: BBBSAK statewide - \$2,383,138

Date of incorporation: 2002

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)?

- Economic Development Recreation
 Transportation Education
 Other - Positive Youth Development

Staff composition in numbers

Paid full-time: 1 (Community Director)

Paid part-time:

Volunteer: 30 (Bigs, Local Council and other)

Interns:

Other:

Total : 31

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

(For the following, use additional pages as needed)

See Attached

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

See Attached



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue Ketchikan, Alaska 99901

Are there other projects related to or dependent on this project? Is this project dependent on other activities or actions? If yes, describe projects, actions or activities specifying phases where appropriate. N/A

See Attached

Discuss project management and qualifications.

See Attached

Program Title: Big Brothers Big Sisters Mentoring Program

Organization: Big Brothers Big Sisters of Alaska, Ketchikan Program

Ketchikan Gateway Borough Request: **\$10,000** Total Program Cost: **\$ 92,813**

PURPOSE OF REQUEST:

Big Brothers Big Sisters (BBBS) helps children reach their potential through professionally supported one-to-one mentoring relationships between Ketchikan youth and caring volunteers who serve as their friends and mentors. Youth served in our programs are better able to succeed academically, increase their commitment to school, and view adults as allies. The risks for Alaska's children are great and include rates of drug and alcohol abuse, child abuse, divorce, and suicide that far exceed the national average. Mentoring provides the social supports to reduce these risks by helping children develop self confidence and resiliency, helping them avoid risky behaviors and making academic and life success more attainable.

A full-time Ketchikan Community Director recruits, screens, enrolls volunteers and children, and continues to monitor and support the matches after they are made. The Community Director works hard to achieve our mission: helping youth reach their full potential through professionally supported one-to-one mentoring.

In our Community Program, each volunteer commits to spending four hours per month with a child for at least one year. In our School Program, each volunteer spends one hour per week with a child at their school. These mentoring relationships are supported by monthly calls, a BBBS-sponsored monthly activity and ongoing outreach.

Independent research has proven this combination of volunteer dedication and professional support extremely effective in helping children grow into responsible adulthood.

- A 2009 Harris Interactive Study finds that children in Big Brothers Big Sisters grow up to be better educated and wealthier adults than their peers who were not enrolled as children. More than half of the alumni participants reported growing up in a single parent household that was financially lower than average. A copy of this current research is attached.
- A 2007 Public Private Ventures peer-reviewed study found that children served in our School Program for one school year showed improved academic performance, increased connection to school, and reduced truancy as compared to their unmatched peers.
- A 1995 peer-reviewed study found that children matched with a community-based Big Brother or Big Sister for a year or longer show reduced levels of drug and alcohol use, violence, increased self-confidence, and trust in others, as compared to their unmatched peers.
- This one-to-one relationship offers a child trust, relationship-building skills, and improved self-esteem. Ultimately, our services enable youth to reach their full potential and provide kids with a sense of excitement over what the future holds.

Placing a complete stranger into the life of a vulnerable child is a delicate task. We take great care to ensure that each mentoring relationship we create has a positive impact on the child. BBBS staff recruits, screens, trains, and provides supervision and support to our volunteer mentors. All volunteers must pass national criminal and sex offender screening and State of Alaska Court System background checks; Community Program volunteers must also pass DMV screening. Volunteer training is provided to meet the needs of Big Brothers and Big Sisters and to prepare them for optimal effectiveness in their role as friends and mentors to at-risk kids. Once a volunteer is ready to be matched, they are matched with children based on common interests. Parental and volunteer preferences are also taken into account. After the match, our Community Director coaches each match through monthly contacts.

With the support of Ketchikan Gateway Borough, Big Brothers Big Sisters goal will be to make 15 new matches in the School and Community Programs and continue to serve the existing matches. The continuing number of youth being referred by teachers, parents, counselors, and community members reinforces the need for Big Brothers Big Sisters to serve more at-risk youth in Ketchikan.

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

Our goals are to have our current matches continue to meet in 2016 and to make 15 new matches during the 12 month period covered by this grant. We will support current and new matches to help strengthen those relationships as well as monitor them for safety. We track our impact on these matches by administering our Youth Outcome Survey and Strength of Relationship Surveys. The SOR will be given to children and volunteers after three months and again at 12 months of being matched and will provide additional data on our impact on bonding with each youth. The Youth Outcome Survey will be done at enrollment and after a year of being matched and asks the youth how they feel about their relationships, education and risky behaviors. We are then able to compare their pre and post responses allowing us to measuring the impact of these relationships.

As indicated in the Compass II report, the ability to form meaningful relationships can have a positive impact on these negative behaviors. In fact, based on a national peer reviewed study completed in 1995, we know that youth matched with a Big Brother or Big Sister for a year or longer are 46% less likely to start using drugs; 27% less likely to start drinking; 37% more likely to avoid delinquency; 33% less likely to hit someone; and, 52% less likely to miss a day of school.¹

Are there other projects related to or dependent on this project? Describe projects, actions or activities specifying phases where appropriate. N/A

Discuss project management and qualifications:

The Ketchikan office is led by the Ketchikan Community Director who is a degreed individual. Ms. Aubree Kline is a lifelong resident of Ketchikan. All BBBS staff across the state are degreed professionals who come to us with a variety of professional experiences. Before staff is given responsibilities they must first complete a formulated training process, in which certain standards are set in place by Big Brothers Big Sisters of America. Initial training is conducted by our Training and Quality Assurance Manager,

¹ Tierney, Joseph, P. and Jean Baldwin Grossman, with Nancy L. Resch (1995). "Making a Difference: An Impact Study of Big Brothers Big Sisters," Philadelphia, PA, Public/Private Ventures.

to make sure that all staff are meeting the highest standards. Ongoing supervision is provided by our Juneau and Small Communities Director, Toren Ulrikson, who has been with Big Brothers Big Sisters for more than 9 years.

Taber Rehbaum is the CEO of Big Brothers Big Sisters of Alaska and has been overseeing Big Brothers Big Sisters programs for more than 20 years.

Big Brothers Big Sisters of Alaska maintains a statewide accounting office with oversight by Chief Financial Officer Andrea Robb who has more than 20 years experience in non-profit and governmental accounting. Each grant is tracked individually. Financials are audited annually. Audited Financial statement for FY 2014 (last fiscal year available) is attached.



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
 - List all contractors that are expected to be paid more than \$2,500 per year, and purpose for payment.
 - 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.
-

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? N/A
 - How will the project improve the economic environment?
-

BIG BROTHERS BIG SISTERS OF ALASKA

FINANCIAL STATEMENTS

For the Years Ended December 31, 2014 and 2013

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
Big Brothers Big Sisters of Alaska

We have audited the accompanying financial statements of Big Brothers Big Sisters of Alaska (BBBSAK) (a nonprofit organization), which comprise the statements of financial position as of December 31, 2014 and 2013, 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. 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 BBBSAK as of December 31, 2014 and 2013, 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.



June 1, 2015

BIG BROTHERS BIG SISTERS OF ALASKA
STATEMENTS OF FINANCIAL POSITION

December 31, 2014 and 2013

	2014	2013
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents (including board designation of \$103,810 and \$137,889 for 2014 and 2013, respectively)	\$ 140,092	\$ 213,049
Accounts receivable:		
Current portion of pledges receivable, net	77,807	82,580
Grants (net an allowance of \$255,813 and \$-0- for 2014 and 2013, respectively)	102,655	272,826
United Way	97,156	109,116
Other	949	3,530
Prepaid expenses	19,987	25,282
Total current assets	438,646	706,383
RESTRICTED - CASH AND CASH EQUIVALENTS	8,169	8,169
INVESTMENTS		
Restricted	1,000	66,250
Unrestricted (including board designation of \$60,049 and \$49,478 for 2014 and 2013, respectively)	60,202	62,034
Total investments	61,202	128,284
PLEDGES RECEIVABLE, LONG-TERM, net	41,862	48,045
OTHER ASSETS	5,056	5,056
Total assets	\$ 554,935	\$ 895,937
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 40,416	\$ 40,305
Payroll related liabilities	17,015	22,003
Accrued leave	29,139	42,419
Deferred revenue	14,840	72,790
Line of credit	97,386	59,958
Total current liabilities	198,796	237,475
NET ASSETS		
Unrestricted:		
Board designated for future use	163,859	187,367
Undesignated	63,442	253,001
Total unrestricted net assets	227,301	440,368
Temporarily restricted net assets	119,669	208,925
Permanently restricted net assets	9,169	9,169
Total net assets	356,139	658,462
Total liabilities and net assets	\$ 554,935	\$ 895,937

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

BIG BROTHERS BIG SISTERS OF ALASKA

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals
REVENUES, GAINS, AND OTHER SUPPORT				
Affiliate - For the Kids Foundation	\$ 251,092	\$ -	\$ -	\$ 251,092
Individual donors	75,703	140,649	-	216,352
Corporate donors	236,280	96,145	-	332,425
Special event contributions	4,601	175,753	-	180,354
United Way	228,515	-	-	228,515
In-kind contributions	74,821	-	-	74,821
Grants:				
Federal government	396,880	-	-	396,880
State of Alaska	378,981	-	-	378,981
Local governments	115,536	-	-	115,536
Gaming	71,953	-	-	71,953
Investment income, net	5,302	-	-	5,302
Other	250	-	-	250
Net assets released from restriction -				
Satisfaction of time restriction - pledges receivable	501,803	(501,803)	-	-
Total revenues, gains, and other support	<u>2,341,717</u>	<u>(89,256)</u>	<u>-</u>	<u>2,252,461</u>
EXPENSES - DIRECT				
Program services	1,674,351	-	-	1,674,351
Supporting services:				
Fundraising	416,162	-	-	416,162
General and administrative	133,637	-	-	133,637
EXPENSES - IN-KIND				
Program services	13,563	-	-	13,563
Supporting services -				
Fundraising	61,258	-	-	61,258
Total expenses	<u>2,298,971</u>	<u>-</u>	<u>-</u>	<u>2,298,971</u>
Change in net assets before extraordinary item	42,746	(89,256)	-	(46,510)
EXTRAORDINARY ITEM - BBBS grants receivable adjustment	<u>(255,813)</u>	<u>-</u>	<u>-</u>	<u>(255,813)</u>
Change in net assets	(213,067)	(89,256)	-	(302,323)
NET ASSETS, beginning of year	<u>440,368</u>	<u>208,925</u>	<u>9,169</u>	<u>658,462</u>
NET ASSETS, end of year	<u>\$ 227,301</u>	<u>\$ 119,669</u>	<u>\$ 9,169</u>	<u>\$ 356,139</u>

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

BIG BROTHERS BIG SISTERS OF ALASKA

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals
REVENUES, GAINS, AND OTHER SUPPORT				
Affiliate - For the Kids Foundation	\$ 250,000	\$ -	\$ -	\$ 250,000
Individual donors	125,683	161,167	-	286,850
Corporate donors	189,792	81,625	-	271,417
Special event contributions	8,789	138,548	-	147,337
United Way	253,316	-	-	253,316
In-kind contributions	104,059	-	-	104,059
Grants:				
Federal government	520,722	-	-	520,722
State of Alaska	272,021	-	-	272,021
Local governments	149,108	-	-	149,108
Gaming	77,309	-	-	77,309
Investment income, net	2,032	-	-	2,032
Other	115	-	-	115
Net assets released from restriction -				
Satisfaction of time restriction - pledges receivable	441,891	(441,891)	-	-
Total revenues, gains, and other support	<u>2,394,837</u>	<u>(60,551)</u>	<u>-</u>	<u>2,334,286</u>
EXPENSES - DIRECT				
Program services	1,686,995	-	-	1,686,995
Supporting services:				
Fundraising	400,051	-	-	400,051
General and administrative	122,366	-	-	122,366
EXPENSES - IN-KIND				
Program services	28,317	-	-	28,317
Supporting services -				
Fundraising	75,742	-	-	75,742
Total expenses	<u>2,313,471</u>	<u>-</u>	<u>-</u>	<u>2,313,471</u>
Change in net assets	81,366	(60,551)	-	20,815
NET ASSETS, beginning of year	<u>359,002</u>	<u>269,476</u>	<u>9,169</u>	<u>637,647</u>
NET ASSETS, end of year	<u>\$ 440,368</u>	<u>\$ 208,925</u>	<u>\$ 9,169</u>	<u>\$ 658,462</u>

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

BIG BROTHERS BIG SISTERS OF ALASKA
STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2014

	Program Services	Supporting Services		Total Expenses
		General and Administrative	Fundraising	
DIRECT EXPENSES				
Salaries, wages, benefits and taxes	\$ 1,184,489	\$ 102,141	\$ 267,951	\$ 1,554,581
Professional fees	179,868	22,306	-	202,174
Facilities	147,005	-	15,169	162,174
Special events expense	-	-	64,870	64,870
Gaming expenses	-	-	33,872	33,872
Agency activities and screening	31,142	-	205	31,347
Insurance	28,529	1,186	-	29,715
Travel	24,979	2,845	488	28,312
Dues and subscriptions	21,166	50	3,621	24,837
Uncollectable pledges	-	-	23,175	23,175
Office	16,893	207	4,996	22,096
Advertising	18,718	-	487	19,205
Equipment	13,977	-	693	14,670
Other expenses	7,585	4,902	635	13,122
Total direct expenses	<u>1,674,351</u>	<u>133,637</u>	<u>416,162</u>	<u>2,224,150</u>
IN-KIND EXPENSES				
Office and supplies	1,081	-	35,710	36,791
Advertising	7,445	-	25,048	32,493
Recruitment	125	-	-	125
Travel	2,502	-	250	2,752
Agency activities	2,410	-	-	2,410
Rent	-	-	250	250
Total in-kind expenses	<u>13,563</u>	<u>-</u>	<u>61,258</u>	<u>74,821</u>
Total expenses	<u>\$ 1,687,914</u>	<u>\$ 133,637</u>	<u>\$ 477,420</u>	<u>\$ 2,298,971</u>

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

BIG BROTHERS BIG SISTERS OF ALASKA
STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2013

	Program Services	Supporting Services		Total Expenses
		General and Administrative	Fundraising	
DIRECT EXPENSES				
Salaries, wages, benefits and taxes	\$ 1,216,652	\$ 102,139	\$ 221,244	\$ 1,540,035
Facilities	150,391	-	16,526	166,917
Professional fees	129,853	13,689	935	144,477
Special events expense	-	-	71,192	71,192
Travel	46,574	2,521	2,951	52,046
Uncollectable pledges	-	-	40,252	40,252
Gaming expenses	-	-	33,806	33,806
Dues and subscriptions	28,358	-	4,210	32,568
Insurance	28,985	-	-	28,985
Equipment	23,124	-	2,815	25,939
Office	20,619	173	5,035	25,827
Agency activities and screening	24,954	80	157	25,191
Advertising	13,691	-	2	13,693
Other expenses	3,794	3,764	926	8,484
Total direct expenses	<u>1,686,995</u>	<u>122,366</u>	<u>400,051</u>	<u>2,209,412</u>
IN-KIND EXPENSES				
Office and supplies	828	-	48,597	49,425
Advertising	6,183	-	27,145	33,328
Recruitment	10,700	-	-	10,700
Travel	5,140	-	-	5,140
Agency activities	5,016	-	-	5,016
Rent	450	-	-	450
Total in-kind expenses	<u>28,317</u>	<u>-</u>	<u>75,742</u>	<u>104,059</u>
Total expenses	<u>\$ 1,715,312</u>	<u>\$ 122,366</u>	<u>\$ 475,793</u>	<u>\$ 2,313,471</u>

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

BIG BROTHERS BIG SISTERS OF ALASKA
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets before extraordinary item	\$ (46,510)	\$ 20,815
Adjustments to reconcile change in net assets before extraordinary item to net cash used for operating activities:		
Donated stock	(5,738)	(3,030)
Unrealized (gain) loss on investments, net	(4,894)	88
Uncollectable pledges	23,175	40,252
(Increase) decrease in assets:		
Pledges receivable (current and long-term)	(12,219)	7,249
Grants receivable	(85,642)	(247,992)
United Way and other receivables	14,541	5,716
Prepaid expenses	5,295	(2,351)
Increase (decrease) in liabilities:		
Accounts payable	111	20,820
Payroll related liabilities	(4,988)	5,032
Accrued leave	(13,280)	(3,653)
Deferred revenue	(57,950)	(32,648)
Net cash used for operating activities	(188,099)	(189,702)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	-	(965)
Sale of investments	77,714	13,050
Net cash provided by investing activities	77,714	12,085
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from line of credit	37,428	60,000
Payments on line of credit	-	(42)
Net cash provided by financing activities	37,428	59,958
Decrease in cash	(72,957)	(117,659)
Cash and cash equivalents at beginning of year	221,218	338,877
Cash and cash equivalents at end of year	\$ 148,261	\$ 221,218
NON-CASH INVESTING ACTIVITY - Receipt of donated stock	\$ 5,738	\$ 3,030
SUPPLEMENTAL INFORMATION - Interest paid	\$ 4,102	\$ 775

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

BIG BROTHERS BIG SISTERS OF ALASKA

NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2014 and 2013

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

Big Brothers Big Sisters of Alaska (BBBSAK or the Organization) is a nonprofit community organization dedicated to providing mentoring relationships between children and adults that provide a direct, measurable and lasting impact on children's lives. BBBSAK is affiliated with Big Brothers Big Sisters of America and serves the State of Alaska. A board of directors governs BBBSAK's activities.

Basis of Accounting

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

Financial Statement 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, BBBSAK 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. Temporarily and permanently restricted net assets are described further in Note 8.

Income Taxes

BBBSAK is a nonprofit organization that is exempt from federal taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. BBBSAK is not classified as a private foundation. The Organization sells pull tabs to help fund its mentoring services, the revenue from which is subject to unrelated business income tax to the extent that revenues are not used for allowable expenditures as required under state gaming regulations. At December 31, 2014 and 2013, BBBSAK recorded tax expense of \$-0- and \$-0-, respectively, on this unrelated business activity.

BBBSAK follows the provisions of FASB ASC 740 *Income Taxes*, and management believes 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.

Cash and Cash Equivalents

For purposes of the statements of cash flows, BBBSAK considers the balances in its demand deposit and savings accounts, money market funds, prepaid credit cards and petty cash to be cash and cash equivalents. BBBSAK follows the requirements that gaming cash be maintained in a separate bank account.

BIG BROTHERS BIG SISTERS OF ALASKA

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Cash and Cash Equivalents and Investments

Restricted cash and cash equivalents and investments are restricted by donors for long-term purposes. Restricted cash and cash equivalents is comprised of Lanie's Fund. Restricted investments are certificates of deposit equal to the long-term portion of the temporarily restricted board member contribution and permanently restricted Fairbanks endowment. Restrictions are described further in Note 8.

Investments

BBBSAK carries investments in marketable securities at their fair values in the statements of financial position. The Organization's investments are comprised of available-for-sale securities, including stocks, and shares in a mutual fund that invests primarily in preferred stocks and equity securities. Donated investments are initially recorded at their fair market value on the date of donation. BBBSAK also has long-term certificates of deposit, valued at cost which approximates fair value. Unrealized gains and losses are included in the change in net assets.

Grants Receivable

Grants receivable are reported net of an allowance for bad debt expense, which is estimated by management based on expected collectability of grants receivable.

Pledges Receivable

Pledges receivable are stated at the pledged value, less a discount and an allowance for uncollectable pledges which is estimated by management based on expected collectability of pledges receivable (see Note 4).

Equipment

Equipment consists primarily of computers and other office equipment. Purchased equipment is carried at cost. Donated equipment is carried at the approximate fair value at the date of donation. Depreciation is calculated by the straight-line method over the useful lives of the assets. BBBSAK capitalizes all expenditures for equipment in excess of \$5,000. Costs for repairs and maintenance are charged to operating expense as incurred; major renewals and betterments are capitalized. All equipment was fully depreciated for the years ended December 31, 2014 and 2013.

Compensated Absences

All permanent employees accrue paid time-off (leave) from their date of hire. Employees are allowed to carry up to 180 hours of unused personal leave at any one time. An employee forfeits unused hours in excess of this amount. The cost of personal leave pay is recognized in the financial statements as it is accrued. Unused personal leave at termination is compensated in the form of a lump sum payment.

Contributions and Promises to Give

Contributions are recorded in the statements of activities when received. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

BBBSAK reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, such as when a stipulated time restriction ends or purpose is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restriction. Contributions that are received and for which donor restrictions expire in the same period are recorded as unrestricted support.

BIG BROTHERS BIG SISTERS OF ALASKA

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions and Promises to Give, continued

Unconditional promises to give (pledges) are recognized as revenue in the period in which the promises are made, and as assets, decreases in liabilities, or expenses depending upon the form of the benefits to be received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Revenue Recognition – Contracts and Grants

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

Contracts and grants that are unrestricted are recorded as revenue in the statements of activities when earned. Exchange transactions with a grantor or other outside party for a particular purpose are deemed to be earned and reported as revenue when BBBSAK has incurred expenditures in compliance with the specific restrictions. Such amounts received but not yet earned are reported as deferred revenue.

Donated Services and Materials

Donated services are recognized as contributions in accordance with FASB ASC 958-605-25-16, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people possessing those skills, and would otherwise be purchased by BBBSAK.

Contributed materials are recorded as a contribution at estimated fair value on the date of donation and are reported as an increase in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Assets, if any, donated with explicit restrictions regarding their use are reported as restricted contributions.

Functional Allocation of Expenses

The cost of providing BBBSAK's various programs and other activities has been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited. BBBSAK uses grant costing as its basis for allocating costs among program and administrative categories.

Advertising Costs

Advertising costs are expensed as incurred.

Fair Value Measurement

BBBSAK follows FASB ASC 820 *Fair Value Measurements*, which provides a framework for measuring fair value and requires that an entity determine fair value based on exit price from the principal market for the asset or liability being measured.

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. Actual results could differ from those estimates.

Subsequent Events

BBBSAK's management 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.

BIG BROTHERS BIG SISTERS OF ALASKA

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – INVESTMENTS

BBBSAK's investments are stated at fair value.

Cost and fair value of investments at December 31, 2014 are as follows:

	Amortized Cost	Unrealized Gain (Loss)	Fair Value
Open end mutual funds	\$ 35,073	\$ 2,993	\$ 38,066
Stocks	14,416	7,567	21,983
Certificates of deposit	<u>1,153</u>	-	<u>1,153</u>
Total	<u>\$ 50,642</u>	<u>\$ 10,560</u>	<u>\$ 61,202</u>

Cost and fair value of investments at December 31, 2013 are as follows:

	Amortized Cost	Unrealized Gain (Loss)	Fair Value
Open end mutual funds	\$ 33,969	\$ 1,479	\$ 35,448
Stocks	8,691	5,339	14,030
Certificates of deposit	<u>78,806</u>	-	<u>78,806</u>
Total	<u>\$ 121,466</u>	<u>\$ 6,818</u>	<u>\$ 128,284</u>

Investment income of \$5,302 and \$2,032, reported in the statements of activities for the years ended December 31, 2014 and 2013, respectively, consists of interest, dividends and realized and unrealized gains and losses earned on the above investments and cash accounts.

NOTE 3 – FAIR VALUE MEASUREMENT

FASB ASC 820 *Fair Value Measurements* defines fair value as the exchange price that would be received on the measurement date to sell an asset or the price paid to transfer a liability in the principal or most advantageous market available to the entity in an orderly transaction between market participants. FASB ASC 820 also establishes a three level fair value hierarchy that describes the inputs that are used to measure assets or liabilities. The three levels include Level 1 (quoted prices in active markets for identical assets), Level 2 (significant other observable inputs), and Level 3 (significant unobservable inputs). BBBSAK uses Level 1 inputs to measure the fair value of assets on a recurring basis.

Fair values of assets measured on a recurring basis at December 31, 2014 are as follows:

	Level 1	Total
Open end mutual funds	\$ 38,066	\$ 38,066
Stocks	<u>21,983</u>	<u>21,983</u>
Total investments measured at fair value	<u>\$ 60,049</u>	60,049
Certificates of deposit measured at cost which approximates fair value		<u>1,153</u>
Total		<u>\$ 61,202</u>

BIG BROTHERS BIG SISTERS OF ALASKA

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – FAIR VALUE MEASUREMENT (Continued)

Fair values of assets measured on a recurring basis at December 31, 2013 are as follows:

	<u>Level 1</u>	<u>Total</u>
Open end mutual funds	\$ 35,448	\$ 35,448
Stocks	<u>14,030</u>	<u>14,030</u>
Total investments measured at fair value	<u>\$ 49,478</u>	49,478
Certificates of deposit measured at cost which approximates fair value		<u>78,806</u>
Total		<u>\$ 128,284</u>

NOTE 4 – UNCONDITIONAL PROMISES TO GIVE RECEIVABLE

Unconditional promises to give (pledges receivable) at December 31 are as follows:

	<u>2014</u>	<u>2013</u>
Receivable in less than one year	\$ 101,714	\$ 116,129
Receivable in one to five years	<u>58,813</u>	<u>69,567</u>
Gross unconditional promises to give	160,527	185,696
Less discounts to net present value*	(7,758)	(7,758)
Less allowance for uncollectable pledges receivable	<u>(33,100)</u>	<u>(47,313)</u>
Net unconditional promises to give	<u>\$ 119,669</u>	<u>\$ 130,625</u>

Reconciliation to net pledges receivable reported on the statements of financial position at December 31:

	<u>2014</u>	<u>2013</u>
Receivable in less than one year	\$ 101,714	\$ 116,129
Less allowance for uncollectible pledges receivable	<u>(23,907)</u>	<u>(33,549)</u>
Net current portion of pledges receivable	<u>\$ 77,807</u>	<u>\$ 82,580</u>
	<u>2014</u>	<u>2013</u>
Receivable in one to five years	\$ 58,813	\$ 69,567
Less discount to net present value*	(7,758)	(7,758)
Less allowance for uncollectible pledges receivable	<u>(9,193)</u>	<u>(13,764)</u>
Net long-term portion of pledges receivable	<u>\$ 41,862</u>	<u>\$ 48,045</u>

*Long-term pledges receivable are discounted at 5%.

BIG BROTHERS BIG SISTERS OF ALASKA

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – EQUIPMENT

Fixed assets consist of the following at December 31:

	<u>2014</u>	<u>2013</u>
Equipment	\$ 125,231	\$ 125,231
Accumulated depreciation	<u>(125,231)</u>	<u>(125,231)</u>
	<u>\$ -</u>	<u>\$ -</u>

Fixed assets became fully depreciated in 2009. Depreciation expense was \$-0- and \$-0-, for the years ended December 31, 2014 and 2013, respectively.

NOTE 6 – LINE OF CREDIT

At December 31, 2014, BBBSAK had a revolving line of credit with a bank, which expires May 5, 2015. BBBSAK may borrow up to a total of \$100,000 under the credit agreement. Borrowings under the agreement bear interest at the greater of the prime rate set by the bank or 5% (5% at December 31, 2014), and BBBSAK maintains an account with a minimum \$100,000 compensating balance at the bank. Interest expense was \$4,102 and \$775 for the years ended December 31, 2014 and 2013, respectively. At December 31, 2014 and 2013, \$97,386 and \$59,958 was outstanding under this revolving line of credit, respectively.

NOTE 7 – RETIREMENT PLAN

BBBSAK offers a tax deferred retirement plan to all employees under a Thrift Plan, as allowed by the Internal Revenue Service code section 403(b). The Thrift Plan allows all employees to make contributions up to prescribed limits. Participants over 18 years of age who have completed one year of service for BBBSAK are eligible to receive employer contributions. Prior to August 1, 2011, BBBSAK contributed 3% of eligible participants' compensation to the plan. As of August 1, 2011, employer contributions to the plan are discretionary. For the years ended December 31, 2014 and 2013, contribution expense totaled \$-0- and \$-0-, respectively.

NOTE 8 – NET ASSETS

Board Designated

Net assets designated by the board for future uses consist of amounts held in money market and investment accounts in the amount of \$163,859 and \$187,367 for 2014 and 2013, respectively. Funds may not be moved out of these accounts without specific authority by the board of directors. The purpose for these funds has not yet been determined.

Temporarily Restricted

Net assets temporarily restricted are as follows at December 31:

	<u>2014</u>	<u>2013</u>
Pledges receivable	\$ 119,669	\$ 130,625
Board member contribution (see Note 10)	<u>-</u>	<u>78,300</u>
Total temporarily restricted net assets	<u>\$ 119,669</u>	<u>\$ 208,925</u>

BIG BROTHERS BIG SISTERS OF ALASKA

NOTES TO FINANCIAL STATEMENTS

NOTE 8 – NET ASSETS (Continued)

Permanently Restricted

Net assets permanently restricted by the donor are as follows at December 31:

	<u>2014</u>	<u>2013</u>
An endowment (Lanie’s Fund) established at BBBS-Anchorage	\$ 8,169	\$ 8,169
Donation for an endowment fund for BBBS-Fairbanks	<u>1,000</u>	<u>1,000</u>
Total permanently restricted net assets	<u>\$ 9,169</u>	<u>\$ 9,169</u>

NOTE 9 – IN-KIND EXPENSE

Contributions of goods are valued at market rates that are generally provided by the donor. In fiscal years 2014 and 2013 in-kind contributions of \$74,821 and \$104,059, respectively, were recognized as revenue and expense.

Many individuals volunteer their time and perform a variety of tasks that assist BBBSAK with specific assistance programs, campaign solicitations, and various committee assignments. The majority of BBBSAK’s volunteers serve as mentors, and in fiscal years 2014 and 2013 mentors donated approximately 73,980 and 81,760 hours of their time, respectively. These donated services are not recognized as contributions in the financial statements because the recognition criteria under FASB ASC 958-605-25-16 have not been met.

NOTE 10 – RELATED PARTY TRANSACTIONS

In 1998, individuals involved with Big Brothers Big Sisters of Anchorage, Inc. (BBBSA) created For the Kids Foundation, Inc. (the Foundation) to serve as a fundraising support organization to BBBSA. On August 1, 2007 the Alaskan Big Brothers Big Sisters entities merged and BBBSA is now part of BBBSAK. The Foundation’s enabling documents provide that it contribute its operating cash flow, net of expenses, capital and debt service outlays and a reasonable provision of reserves to BBBSA prior to the merger and to BBBSAK subsequent to the merger. The CEO of BBBSAK is the CEO of the Foundation, and the Foundation is governed by a board of directors independent of BBBSAK. The Foundation’s board of directors monitors contributions to BBBSAK.

For the years ended December 31, 2014 and 2013 BBBSAK received \$251,092 and \$250,000 from the Foundation, respectively. BBBSAK provides administrative support to the Foundation for a fee equal to BBBSAK’s cost. The amounts received from the Foundation consist of \$238,337 and \$235,472 in contributions, and \$12,755 and \$14,528 in administrative expenses, for the years ended December 31, 2014 and 2013, respectively.

A board member of BBBSAK pledged \$130,500 to BBBSAK during the year ended December 31, 2010. This contribution was received in fiscal year 2011, and was to be released from restriction over ten years. During fiscal year 2014, the board member released the time restriction on the pledge. As of December 31, 2014 and 2013, the amounts released from restriction were \$78,300 and \$13,050, respectively.

BIG BROTHERS BIG SISTERS OF ALASKA

NOTES TO FINANCIAL STATEMENTS

NOTE 11 – LEASES

Operating Leases

BBBSAK conducts its administrative operations from a leased facility. Lease payments for this facility were \$4,665 per month in fiscal year 2014. The Organization also has several month-to-month leases, or leases that renew annually, for the rental of office space at its various locations throughout Alaska. Lease expense for all of BBBSAK's locations totaled \$123,161 and \$127,354 for the years ended December 31, 2014 and 2013, respectively. The following is a schedule of future minimum lease payments under operating leases at December 31, 2014:

Year Ending December 31:	
2015	\$ 22,200
2016	17,250
2017	<u>6,500</u>
	<u>\$ 45,950</u>

In addition to its office leases, BBBSAK also has leases for its copiers.

NOTE 12 – CONCENTRATIONS

Depository Concentration

BBBSAK 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 United States Federal Deposit Insurance Corporation (FDIC). BBBSAK has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.

Government Grant Revenue

BBBSAK receives a substantial amount of its support from federal and state grants. If a significant reduction in the level of this support were to occur, it may have an adverse effect on BBBSAK's programs and activities.

For the Kids Foundation

In 2014 and 2013, BBBSAK received 11.5% and 11.2%, respectively, of its revenues and public support, excluding in-kind, from the Foundation. The Foundation's income is derived primarily from its pickup service in which it collects donated items and re-sells them to a retail thrift store operator. Under the terms of the Foundation's annual contract for resale of donated goods, the Foundation is precluded from selling to other buyers.

Promises to Give Receivable (Pledges)

Financial instruments that potentially subject BBBSAK to concentrations of credit risk consist principally of promises to give receivable. Concentration of credit risk with respect to promises to give receivable is limited due to the large number of contributors comprising BBBSAK's contributor base and their dispersion across different industries. As of December 31, 2014 and 2013, BBBSAK had net promises to give receivable of \$119,669 and \$130,625, respectively. If these amounts become uncollectible it would have a negative impact on BBBSAK's operations.

BIG BROTHERS BIG SISTERS OF ALASKA

NOTES TO FINANCIAL STATEMENTS

NOTE 12 – CONCENTRATIONS (Continued)

Market Value Risk

BBBSAK also invests funds in professionally managed mutual funds that contain various types of marketable securities as well as stock. Such investments are exposed to various risks, such as fluctuations in market value and credit risk. Thus, it is at least reasonably possible that changes in the near term could materially affect investment balances and the amounts reported in the financial statements.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Grant Revenue and Receivables

Amounts received or receivable under grant programs from the federal government or State of Alaska are subject to audit and adjustment. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although BBBSAK expects such amounts, if any, to be immaterial.

Fundraising Revenue

In 2014 BBBSAK received sponsorship revenue for its 2015 Bowl For Kids Sake fundraiser. The Organization does not expect to cancel the fundraiser; however, if this were to occur, BBBSAK may be required to return the sponsorship revenue.

Gaming Revenue

BBBSAK receives gaming revenue that must be used for specific purposes to not be considered taxable income. The Organization has used all of its gaming revenue for an allowable purpose, and the amount, if any, considered to be taxable is expected to be immaterial.

NOTE 14 – EXTRAORDINARY ITEM – BBBS GRANTS RECEIVABLE ADJUSTMENT

BBBSAK has grants receivable from Big Brothers Big Sisters of America (BBBS) for services performed to BBBS on its federal grants in fiscal years 2013 and 2014. BBBS has been audited by its federal awarding agency, and has not reimbursed BBBSAK for eligible grant expenses incurred for these years due to findings identified in BBBS' federal audit. Because of this, management believes it is unlikely that BBBSAK will collect all amounts owed it and has reserved \$255,831. Due to the unusual circumstance and infrequent nature of this item, management has deemed this an extraordinary item.

**Big Brothers Big Sisters of Alaska
STATEWIDE BUDGET**

**2016
Approved**

REVENUES:

BFKS	281,000
Other Events -	80,000
Gaming-Raffle	30,000
Gaming-Pulltabs	30,000
Grants/Contracts	1,162,638
Business/Corporate	145,500
FTKF	180,000
Individual Giving	85,500
Dream Big - Ind Giving	197,500
United Way	191,000
Miscellaneous	-
Total Revenue	2,383,138

EXPENSES

Payroll Expenses	1,525,782
Fundraising	77,000
Agency Activities	24,600
Screening	9,250
Professional Fees	
Audit, IT, Grant Writing	48,000
AKEBS	68,000
Swan - HR/Payroll Fees	47,850
Contractual: Subaward/Eval	205,000
Equipment Rental	14,714
Equipment Purchases	-
Insurance	27,500
Facilities	156,344
Office	19,950
Recruiting Expenses	27,519
Other Expenses	31,800
Interest Expense	6,000
Gaming Expenses	26,150
Travel (includes mileage reimb)	26,600
Total Non Payroll Expenses	816,277
Total Operating Expenses	2,342,059
Net Operating Income/Loss	41,079
Bad Debt Expense (EOY)	40,000
NET INCOME/(LOSS)	1,079

ATTACHMENTS:

FINANCES:

The Annual Salary of the Ketchikan Community Director is \$40,600.

Contractors expected to be paid more than \$2,500 per year:

Ketchikan School District – up to \$10,000 for hiring of Liaison to work with BBBSAK on our “Mentoring for Educational Success” project for which we received funding from the State of Alaska.

No funding is paid to organizations outside of the corporate boundaries of the Ketchikan Gateway Borough by the BBBS Ketchikan program.

**Program Budget: BBBS of Alaska -
Ketchikan Office**

2016 - 2017 Budget

	Local Cash	Ketchikan Borough	City of Ketchikan	Non- Local Grants	Total
REVENUES:					
BFKS	15,000				15,000
Dream Big - Ind Giving	15,000				15,000
Individual Giving	1,000				1,000
Corporate	4,500				4,500
Raffle	2,500				2,500
Grants		10,000	9,000	25,050	44,050
Statewide Agency Support	10,763				10,763
Total Revenue	48,763	10,000	9,000	25,050	92,813
EXPENSES					
Salary/Wages (1 FTE)	16,314	7,519	6,767	10,000	40,600
Fringe Benefits (taxes, health, w.c)	5,384	2,481	2,233	3,300	13,398
Total Personnel Costs	21,698	10,000	9,000	13,300	53,998
Facilities	10,200				10,200
Travel (staff mileage)	250			250	500
Agency Activities - includes screening	950			750	1,700
Recruiting Expenses	250			750	1,000
Office	1,200				1,200
Fundraising	4,000				4,000
Professional Fees	1,320			-	1,320
Subaward - School District		-		10,000	10,000
Other Expenses	400			-	400
Total Non Payroll Expenses	18,570	-	-	11,750	30,320
Administration - Statewide Support**	8,495				8,495
Total Expenses	48,763	10,000	9,000	25,050	92,813
Difference					-

PROGRAM BUDGET NARRATIVE

1. Personnel Services: \$54,530:

Salaries and Wages – The annual salary for 1 FTE Community Director is currently \$40,600. The Community Director recruits, interviews, enrolls and matches Bigs and Littles in the community as well as monitors and provides support to matches after they are made. The Community Director is also responsible for outreach efforts related to partnership development, community awareness, and fund development. \$7,519.00 is requested from the Ketchikan Gateway Borough to fund the time for this essential position with the remaining portion will be covered by a City and a State grants, and local fundraising efforts

Fringe Benefits – 33% \$13,398: Fringe benefits include 33% of gross salaries for payroll taxes, pension contributions, worker's compensation and health insurance premiums. \$2,481 is requested from the Ketchikan Gateway Borough. A City and a State grant as well as local fundraising will provide for the remaining portion.

2. Facilities Expense: \$10,200: This is the cost of rent (\$750 a month) as well as the cost of communications (telephone, cell phone and internet -avg \$100 a month). A state grant and local fundraising will provide for these costs.

3. Travel: \$500: Reimburse Community Director for mileage. The Community Director is reimbursed at the current federal rate for travel in personal vehicle for volunteer interviews and other activities. This is paid through local fundraising and a state grant.

4. Agency Activity Expense - \$1,700: Cost for monthly activities for program participants as well as screening costs of new volunteers; This is paid through local fundraising and a state grant.

5. Recruitment – \$1,000: Recruitment efforts for volunteers and children to include advertising and printed materials. This is paid through local fundraising and a state grant.

6. Office Supplies: \$1,200: Includes general office supplies, copying services and postage costs. This is paid through local fundraising and a state grant.

7. Fundraising: \$4,000: Costs of annual fundraising events (Bowl for Kids Sake and Dream Big). This is paid for through local fundraising efforts.

8. Professional Fees - \$1,320: Prorated portion of fees paid to Avitus Employer services for Payroll and Human resources services. Cost is \$110 per employee per month. This is paid for by local fundraising and a state grant.

9. Subaward - \$10,000: Amount budgeted for subaward contract with Ketchikan School District under the Mentoring for Educational Success grant from the State of Alaska. This is paid for by a state grant.

10. Other: \$400: Cost of local meals and meetings such as Chamber or Rotary as well as local advisory council meetings. Paid for by local fundraising.

11. Administration – Statewide Support: \$8,495 (estimated at 10% of local budget)

Includes but not limited to the following:

Administrative and program oversight by statewide staff positions.

General liability insurance, property insurance and directors' and officers' insurance.

Statewide agency's affiliation fees for Big Brothers Big Sisters of America.

Annual fees for Agency Information Management System

IT Support supplied by a contractor

Accounting/Audit – Statewide accounting department responsible for tracking all revenue and expenses and all financial reporting. In addition, annual financial auditing of the organization.

Estimated sources of revenue for this program:

Total Government Grants 44,050

Total Fundraisers 30,000

Corporate Donations 4,500

**Individual Donations
(includes United Way)** 1,000

Raffles 2,500

Statewide Agency Support 10,763

(Any expenses not covered by local sources are ultimately covered by the statewide agency).

Total Projected Revenue for this project: \$92,813

Other Agencies which funded our organization in the last fiscal year:

Specific to Ketchikan program:

City of Ketchikan Grant FY 2015 - \$ 8,800

State of Alaska Capital Grant - \$80,000 grant received in July 2014 for Mentoring for Educational Success project in Ketchikan over 3 years.

Statewide:

U.S. Department of Education - \$470,802

State of Alaska Capital Grant - \$250,000

State of Alaska Office of Children Services - \$100,000

Fairbanks North Star Borough - \$50,000

Mat-Su Borough - \$17,568

What is the annual Cost and Long term Operation and maintenance costs of the project? Annual cost of operating the BBBS Ketchikan office is the same as the project budget: \$92,813 though it may vary slightly from year to year.

How will the project improve the economic environment?

While Big Brothers Big Sisters main focus is education and positive youth development, the work of Big Brothers Big Sisters has a profound impact on local economic development. Without the support and guidance of a Big Brother or Big Sister, children and youth are at higher risk for substance abuse and delinquency which drains precious community resources.

In the Harris study referenced in the narrative, former Little Brothers and Sisters, when compared to a similar demographic not participating in the program, were found to not only complete high school at a higher rate, but were more likely to have completed a four year college degree. In an earlier Canadian study (Program Impact, Hamilton ONT) comparing the life conditions of former Little Brothers and Sisters to their peers thirteen years after their participation in the program, former "Littles" were found to have graduated from high school at a rate that was 20% higher than the Canadian national average and 78% of "Littles" who came from a social assistance background were found to no longer be reliant on that form of income. US Census data indicates that, on average, a person with a high school degree will earn 75% more in his or her lifetime than a non-graduate. That translates directly to additional resources for the community. Former Littles become better employees, better employers and business people, better community citizens, better consumers, and are more likely to give back to their communities.



Department of the Treasury
Internal Revenue Service

P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248206044
Feb. 06, 2013 LTR 4168C E0
80-0064172 000000 00
00028191
BODC: TE

BIG BROTHERS BIG SISTERS OF ALASKA
1057 W FIREWEED LN STE 202
ANCHORAGE AK 99503-1760



37311

Employer Identification Number: 80-0064172
Person to Contact: Ms. Smith
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Jan. 28, 2013, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in December 2003.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.

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Feb. 06, 2013 LTR 4168C E0
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BIG BROTHERS BIG SISTERS OF ALASKA
1057 W FIREWEED LN STE 202
ANCHORAGE AK 99503-1760

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

Sincerely yours,

Richard McKee

Richard McKee, Department Manager
Accounts Management Operations

February 20^h, 2016

Anna Buettner
PO Box 1276
Ward Cove, AK. 99928

To whom it may concern,

I am writing in support of Big Brothers Big Sisters Ketchikan and asking that you fund the grant proposal being submitted. Currently, I am a member of the Ketchikan Local Leadership Council and have also been a big sister in the past. Being a big sister was a very rewarding experience for both my little sister and myself. I was able to help with school assignments each week before her deadlines, giving her the opportunity to run things by an adult before they were turned in. English was not spoken in her home and even though her parents would have been available to help, they were unable to provide that extra school support.

These sorts of programs help many children in similar and different situations achieve a successful youth. The support you will give by funding this grant will keep mentors and children forming these lasting bonds giving them the opportunity to succeed in school, relationships and to become active happy community members.

I thank you in advance for your support of Big Brothers Big Sisters and to many other community programs in Ketchikan.

Sincerely,



Anna R. Buettner
Fishery Biologist-Port Sampling Supervisor
Alaska Dept. of Fish and Game

BBBS KETCHIKAN LEADERSHIP COUNCIL ROSTER

As of December 23, 2015

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