

**Financial Information & Service Center, Inc.
d/b/a Consumer Credit Counseling Service
of Northeastern Wisconsin**

Menasha, Wisconsin

Consolidated Financial Statements

Years Ended December 31, 2016 and 2015

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Consolidated Financial Statements
Years Ended December 31, 2016 and 2015

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Independent Auditor's Report

Board of Directors
Financial Information & Service Center, Inc.
d/b/a Consumer Credit Counseling Service of
Northeastern Wisconsin
Menasha, Wisconsin

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin (FISC) and Subsidiary which comprise the consolidated statements of financial position as of December 31, 2016 and 2015, and the related consolidated statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States; 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of FISC and Subsidiary at December 31, 2016 and 2015, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

April 26, 2017
Madison, Wisconsin

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Consolidated Statements of Financial Position
December 31, 2016 and 2015

<i>Assets</i>	2016	2015
Current assets:		
Cash	\$ 41,844	\$ 43,613
Due from Goodwill Industries	15,895	34,235
Restricted cash	708,646	670,051
Accounts receivable	192,371	192,466
Total current assets	958,756	940,365
Property and equipment - Net	45,687	55,279
TOTAL ASSETS	\$ 1,004,443	\$ 995,644
<i>Liabilities and Net Assets</i>		
Current liabilities:		
Funds managed for others	\$ 706,430	\$ 667,835
Total current liabilities	706,430	667,835
Net assets:		
Unrestricted	96,004	62,722
Temporarily restricted	202,009	265,087
Total net assets	298,013	327,809
TOTAL LIABILITIES AND NET ASSETS	\$ 1,004,443	\$ 995,644

See accompanying notes to consolidated financial statements.

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Consolidated Statement of Activities

Year Ended December 31, 2016

	Unrestricted	Temporarily Restricted	Total
Support and revenue:			
Contributions	\$ 569,158	\$ 199,268	\$ 768,426
Fair share fees	82,285	0	82,285
Counseling fees	116,795	0	116,795
Payment Partner fees	186,155	0	186,155
Miscellaneous income	8,493	0	8,493
Net assets released from restrictions	262,346	(262,346)	0
Total support and revenue	1,225,232	(63,078)	1,162,154
Expenses:			
Program expenses:			
Financial Information & Service Center, Inc.	760,240	0	760,240
Consumer Credit Counseling Service of Northeastern Wisconsin	123,785	0	123,785
Money Management Education Associates	153,633	0	153,633
Total program expenses	1,037,658	0	1,037,658
Management and general	154,292	0	154,292
Total expenses	1,191,950	0	1,191,950
Change in net assets	33,282	(63,078)	(29,796)
Net assets at beginning	62,722	265,087	327,809
Net assets at end	\$ 96,004	\$ 202,009	\$ 298,013

See accompanying notes to consolidated financial statements.

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Consolidated Statement of Activities
Year Ended December 31, 2015

	Unrestricted	Temporarily Restricted	Total
Support and revenue:			
Contributions	\$ 560,494	\$ 262,346	\$ 822,840
Fair share fees	114,196	0	114,196
Counseling fees	119,205	0	119,205
Payment Partner fees	176,325	0	176,325
Miscellaneous income	7,732	0	7,732
Net assets released from restrictions	251,846	(251,846)	0
Total support and revenue	1,229,798	10,500	1,240,298
Expenses:			
Program expenses:			
Financial Information & Service Center, Inc.	756,224	0	756,224
Consumer Credit Counseling Service of Northeastern Wisconsin	122,873	0	122,873
Money Management Education Associates	149,278	0	149,278
Total program expenses	1,028,375	0	1,028,375
Management and general	163,309	0	163,309
Total expenses	1,191,684	0	1,191,684
Change in net assets	38,114	10,500	48,614
Net assets at beginning	24,608	254,587	279,195
Net assets at end	\$ 62,722	\$ 265,087	\$ 327,809

See accompanying notes to consolidated financial statements.

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Consolidated Statements of Cash Flows Years Ended December 31, 2016 and 2015

	2016	2015
Increase (decrease) in cash:		
Cash flows from operating activities:		
Change in net assets	\$ (29,796)	\$ 48,614
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	20,191	23,405
Changes in operating assets and liabilities:		
Accounts receivable	95	118
Restricted cash	(38,595)	(210,730)
Funds managed for others	38,595	210,730
Change in due to / due from Goodwill Industries	18,340	(42,740)
Accounts payable	0	(1,266)
Total adjustments	38,626	(20,483)
Net cash provided by operating activities	8,830	28,131
Cash flow used in investing activities:		
Purchase of property and equipment	(10,599)	(7,568)
Change in cash	(1,769)	20,563
Cash at beginning	43,613	23,050
Cash at end	\$ 41,844	\$ 43,613

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Consolidated Statement of Functional Expenses

Year Ended December 31, 2016

	Program Expenses				Total
	Financial Information & Service Center, Inc.	Consumer Credit Counseling Service of Northeastern Wisconsin	Money Management Education Associates	Management and General	
Salaries and wages	\$ 500,438	\$ 82,487	\$ 86,168	\$ 102,332	\$ 771,425
Payroll taxes and benefits	134,066	21,176	22,872	27,241	205,355
Professional fees	24,825	4,483	0	4,836	34,144
Other dues & memberships	12,488	2,391	0	2,433	17,312
Supplies	7,823	117	3,844	1,524	13,308
Telephone	4,715	549	742	918	6,924
Postage and shipping	1,063	1,379	11,361	207	14,010
Insurance	1,483	0	0	289	1,772
Equipment	2,057	845	314	401	3,617
Printing and publications	3,796	732	540	739	5,807
Travel	8,207	625	857	1,599	11,288
Occupancy	30,462	4,966	6,159	6,159	47,746
Conferences, conventions & meetings	3,609	0	50	703	4,362
Bank fees	89	3,304	18,426	17	21,836
Taxes & licenses	8	0	64	2	74
Advertising	7,744	78	0	1,509	9,331
Depreciation	15,404	344	1,442	3,001	20,191
Miscellaneous	1,963	309	794	382	3,448
Total functional expenses	\$ 760,240	\$ 123,785	\$ 153,633	\$ 154,292	\$ 1,191,950

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Consolidated Statement of Functional Expenses

Year Ended December 31, 2015

	Program Expenses				Total
	Financial Information & Service Center, Inc.	Consumer Credit Counseling Service of Northeastern Wisconsin	Money Management Education Associates	Management and General	
Salaries and wages	\$ 466,440	\$ 78,407	\$ 76,780	\$ 101,315	\$ 722,942
Payroll taxes and benefits	149,279	25,121	24,284	32,382	231,066
Professional fees	35,244	3,316	2,134	7,380	48,074
Other dues & memberships	11,383	2,877	0	2,384	16,644
Supplies	6,694	393	4,749	1,402	13,238
Telephone	4,976	691	777	1,042	7,486
Postage and shipping	1,294	1,515	12,133	271	15,213
Insurance	114	0	0	24	138
Equipment	2,072	629	852	434	3,987
Printing and publications	3,518	0	0	737	4,255
Travel	7,690	836	1,120	1,610	11,256
Occupancy	29,779	4,830	5,862	6,425	46,896
Conferences, conventions & meetings	3,858	100	400	808	5,166
Bank fees	987	3,417	17,169	207	21,780
Taxes & licenses	214	0	64	45	323
Advertising	9,048	78	0	1,895	11,021
Depreciation	17,958	289	1,398	3,760	23,405
Miscellaneous	5,676	374	1,556	1,188	8,794
Total functional expenses	\$ 756,224	\$ 122,873	\$ 149,278	\$ 163,309	\$ 1,191,684

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Notes to Consolidated Financial Statements

Note 1 Summary of Significant Accounting Policies

Organization Activity

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin is a nonprofit Wisconsin corporation organized for the purpose of assisting and educating people in the management of personal finances through the following programs:

- Financial Information & Service Center, Inc.—To counsel and educate individuals, primarily those with negative net worth, about finances, including money management, debt, credit, and withholding taxes.
- Consumer Credit Counseling Service of Northeastern Wisconsin—To assist individuals in their debt management with consumer creditors.

Money Management Education Associates (MMEA) is a nonprofit Wisconsin corporation organized to equip people to take responsibility for their financial well-being through financial education, planning, and personal management services through the following programs:

- Money Management Education Associates—To provide money management information, basic investment education, and successful planning for the future to people primarily with positive net worth.
- Payment Partner—To assist individuals who are not capable of managing their finances, beneficiaries of social security, supplemental income, veterans' benefits, pension, and wages.

Principles of Consolidation

FISC and MMEA (collectively referred to as the "Organization") have common board members and management and are, therefore, consolidated. All significant intercompany accounts and transactions have been eliminated in preparing the consolidated financial statements.

The Organization is related to Goodwill Industries of North Central Wisconsin, Inc. ("Goodwill Industries"), a nonprofit Wisconsin corporation through common board members and management. A separate consolidated audit report has been issued for Goodwill Industries, Goodwill Development Corp (an entity related to Goodwill Industries), FISC, and MMEA. FISC is a subsidiary of Goodwill as described in Note 4.

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Notes to Consolidated Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Basis of Presentation

The consolidated financial statements have been presented in accordance with a financial accounting standard that requires the Organization to report information regarding its financial position and activities according to three classes of net assets:

- *Unrestricted net assets* are the net assets of the Organization that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations.
- *Temporarily restricted net assets* are those whose use by the Organization has been limited by donors to a specific time period or purpose. When a restriction is met or expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.
- *Permanently restricted net assets* are those restricted by donors to be maintained by the Organization in perpetuity. The Organization does not currently have any permanently restricted net assets.

Revenue Recognition

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and nature of any donor restrictions.

Contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are classified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions. If the restriction is met on a contribution in the year the contribution is received, the contribution is reported as unrestricted revenue.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Program Fees

Program fees include fair share fees, counseling fees, and payment partner fees, and are earned for providing education, debt counseling, and money management services regarding personal finances. These fees are collected from clients and consumer creditors and recorded as revenue when earned.

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Notes to Consolidated Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Property, Equipment, and Depreciation

Property and equipment are carried at cost. Depreciation is computed using the straight-line method for financial reporting purposes based on the estimated useful lives of the assets. Estimated useful lives are 15 to 40 years for the building and range from 3 to 10 years for equipment.

Contributed Services

No amounts have been reflected in the consolidated financial statements for donated services since no objective basis is available to measure the value of such services.

Functional Allocation of Expenses

Expenses are charged to each program based on direct expenditures incurred. Support service expenses are allocated to program services systematically based on the program benefited. The Organization considers all of the programs and services offered to be functionally related.

Use of Estimates in Preparation of Financial Statements

The preparation of the accompanying consolidated financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that directly affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from these estimates.

Advertising

Advertising costs are expensed as incurred.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management has determined no allowance is necessary based on its assessment of the current status of individual accounts.

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Notes to Consolidated Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Tax Status

FISC and MMEA are nonprofit organizations as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. FISC and MMEA are also exempt from state income taxes on related income.

Subsequent Events

Subsequent events have been evaluated through April 26, 2017, which is the date the consolidated financial statements were available to be issued.

Note 2 Restricted Cash and Funds Managed for Others

Restricted cash consists of \$2,216 and \$2,216 of donor restricted cash and \$706,430 and \$667,835 of Payment Partner restricted cash as of December 31, 2016 and 2015, respectively.

MMEA operates Payment Partner, a representative service and bill pay service. Amounts are paid on behalf of the individuals under these programs, and the residual balance of funds is retained by MMEA. These funds are held on behalf of the individuals and are reflected as restricted cash and funds managed for others on the consolidated statement of financial position. The balance of restricted cash related to the Payment Partner program and funds managed for others totaled \$706,430 and \$667,835 at December 31, 2016 and 2015, respectively.

Note 3 Property and Equipment

Property and equipment consisted of the following at December 31:

	2016	2015
Building improvements	\$ 5,574	\$ 5,574
Equipment	162,786	158,022
Furniture	9,415	9,415
Total property and equipment	177,775	173,011
Less - Accumulated depreciation	132,088	117,732
Property and equipment - Net	\$ 45,687	\$ 55,279

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Notes to Consolidated Financial Statements

Note 4 Related-Party Transactions

FISC is a subsidiary of Goodwill Industries; however, FISC continues to maintain its own corporate identity. FISC, MMEA, and Goodwill Industries share common board members. All employees for the organizations are employed by Goodwill Industries. The salaries and wages and other direct expenses pertaining to these organizations are allocated to the Organization based on actual costs. Significant purchases of assets and proceeds from the sale of assets are also allocated to the Organization. At December 31, 2016 and 2015, the Organization had a receivable from Goodwill Industries of \$15,895 and \$34,235, respectively.

Goodwill Industries also provides office space and utilities as an in-kind contribution to FISC. The amount of contributed occupancy costs as of December 31, 2016 and 2015, was \$47,746 and \$46,896, respectively, and is recorded in contributions on the consolidated statements of activities and occupancy expense on the consolidated statements of functional expenses.

Goodwill Industries approved a mission contribution to FISC to support the operation of the programs. The mission contributions provided for the years ended December 31, 2016 and 2015 were approximately \$311,000 and \$330,000, respectively.

Note 5 Retirement Plan

All employees who provide services for the Organization can participate in Goodwill Industries' pension plan, subject to eligibility requirements. Goodwill Industries has a defined contribution pension plan covering substantially all employees who work at least 1,000 hours during the plan year. The Organization changed their contribution to the plan in 2016. The plan now provides for a discretionary matching contribution by the Organization equal to 100% of the employee's total contribution with the maximum contribution being equal to 6% of the employee's total compensation. In 2015, the plan provided for a matching contribution by the Organization equal to 50% of the employee's total contribution with the maximum contribution being equal to 3% of the employee's total compensation as well as a safe harbor contribution equal to 3% of the employee's total compensation. Pension expense paid to Goodwill Industries totaled \$13,978 and \$31,860 for the years ended December 31, 2016 and 2015, respectively.

Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin

Notes to Consolidated Financial Statements

Note 6 Temporarily Restricted Net Assets

Temporarily restricted net assets were available for the following purposes at December 31:

	2016	2015
Future periods	\$ 199,268	\$ 262,346
Other	2,741	2,741
Totals	\$ 202,009	\$ 265,087

Note 7 Trust Fund

FISC maintains a separate client trust account included in cash on the consolidated statements of financial position entitled CCCS Trust Fund with a balance of \$23,000 at December 31, 2016 and 2015.