CENTER FOR THE VISUALLY IMPAIRED, INC. AND CENTER FOR THE VISUALLY IMPAIRED FOUNDATION, INC.

COMBINED FINANCIAL REPORT

JUNE 30, 2019

CENTER FOR THE VISUALLY IMPAIRED, INC.
AND CENTER FOR THE VISUALLY IMPAIRED FOUNDATION, INC.
COMBINED FINANCIAL REPORT
JUNE 30, 2019

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MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

To the Boards of Trustees
of Center for the Visually Impaired, Inc. and
Center for the Visually Impaired Foundation, Inc.

We have audited the accompanying combined financial statements of **Center for the Visually Impaired, Inc.** and **Center for the Visually Impaired Foundation, Inc.** (the "Organizations"), which comprise the combined statements of financial position as of June 30, 2019 and 2018, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined 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 combined 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 combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of Center for the Visually Impaired, Inc. and Center for the Visually Impaired Foundation, Inc., as of June 30, 2019 and 2018, 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 of America.

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Members of The American Institute of Certified Public Accountants

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplementary statements of functional expenses are presented for purposes of additional analysis and are not required parts of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 19, 2019

CENTER FOR THE VISUALLY IMPAIRED, INC.
AND CENTER FOR THE VISUALLY IMPAIRED FOUNDATION, INC.
COMBINED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2019

Assets	CVI, Inc.	CVI Foundation, Inc.	Combined 2019
Cash and cash equivalents	$ 95,411	$ 191,593	$ 287,004
Grants receivable	141,319	-	141,319
Other accounts receivable, net	23,667	-	23,667
Promises to give, net	-	40,500	40,500
Inventories of visual aids	65,098	-	65,098
Investments	-	3,662,958	3,662,958
Prepaid expenses	33,637	5,825	39,462
Property and equipment, net	5,675,970	-	5,675,970
Total assets	$ 6,035,102	$ 3,900,876	$ 9,935,978
Liabilities and Net Assets			
Liabilities:			
Accounts payable	$ 31,803	$ -	$ 31,803
Accrued employee benefits	62,433	-	62,433
Other accrued expenses	111,534	11,438	122,972
Total liabilities	205,770	11,438	217,208
Net assets:			
Without donor restrictions	5,829,332	80,561	5,909,893
With donor restrictions			
Purpose restrictions	-	1,229,388	1,229,388
Perpetual in nature	-	2,579,489	2,579,489
Total net assets	5,829,332	3,889,438	9,718,770
Total liabilities and net assets	$ 6,035,102	$ 3,900,876	$ 9,935,978

See Notes to Combined Financial Statements.

CENTER FOR THE VISUALLY IMPAIRED, INC.
AND CENTER FOR THE VISUALLY IMPAIRED FOUNDATION, INC.
COMBINED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2018

Assets	**CVI, Inc.**	**CVI Foundation, Inc.**	**Combined 2018**
Cash and cash equivalents	$ -	$ 399,379	$ 399,379
Grants receivable	274,191	-	274,191
Other accounts receivable, net	26,341	-	26,341
Promises to give, net	-	46,370	46,370
Inventories of visual aids	81,388	-	81,388
Investments	-	4,771,573	4,771,573
Prepaid expenses	38,525	3,250	41,775
Property and equipment, net	5,853,699	-	5,853,699
Due (to) from affiliate	(512,299)	512,299	-
Total assets	$ 5,761,845	$ 5,732,871	$ 11,494,716
Liabilities and Net Assets			
Liabilities:			
Checks in transit	$ 13,049	$ -	$ 13,049
Accounts payable	51,895	-	51,895
Accrued employee benefits	100,097	-	100,097
Other accrued expenses	58,671	11,020	69,691
Total liabilities	223,712	11,020	234,732
Net assets:			
Without donor restrictions	5,538,133	634,815	6,172,948
With donor restrictions			
Purpose restrictions	-	2,507,547	2,507,547
Perpetual in nature	-	2,579,489	2,579,489
Total net assets	5,538,133	5,721,851	11,259,984
Total liabilities and net assets	$ 5,761,845	$ 5,732,871	$ 11,494,716

See Notes to Combined Financial Statements.

CENTER FOR THE VISUALLY IMPAIRED, INC.
AND CENTER FOR THE VISUALLY IMPAIRED FOUNDATION, INC.
COMBINED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	CVI, Inc.	CVI Foundation, Inc.	Combined 2019
Changes in net assets without donor restrictions:			
Support and revenue:			
Public support:			
Received directly	$ -	$ 760,199	$ 760,199
Received from United Way	34,917	-	34,917
Total public support	34,917	760,199	795,116
Fees from government agencies for professional service contracts	1,038,465	-	1,038,465
Other revenue:			
Fees for professional services	35,922	-	35,922
Medical, net	68,969	-	68,969
Retail store (net of cost of goods sold of $134,113)	49,527	-	49,527
In-kind contributions	60,000	-	60,000
Investment income	1	9,465	9,466
Other income	25,060	-	25,060
Total other revenue	239,479	9,465	248,944
Total support and revenue	1,312,861	769,664	2,082,525
Net assets released from restrictions:			
Satisfaction of program restrictions	-	1,462,445	1,462,445
Transfer from CVI Foundation, Inc.	2,063,859	(2,063,859)	-
Total net assets released from restrictions	2,063,859	(601,414)	1,462,445
Total support, revenue, and net assets released from restrictions	3,376,720	168,250	3,544,970

CENTER FOR THE VISUALLY IMPAIRED, INC.
AND CENTER FOR THE VISUALLY IMPAIRED FOUNDATION, INC.
COMBINED STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019

	CVI, Inc.	CVI Foundation, Inc.	Combined 2019
Expenses:			
Program services	2,282,433	-	2,282,433
Supporting services:			
Management and general	803,088	61,775	864,863
Fundraising	-	660,729	660,729
Total supporting services	803,088	722,504	1,525,592
Total expenses	3,085,521	722,504	3,808,025
Increase (decrease) in net assets without donor restrictions	291,199	(554,254)	(263,055)
Changes in net assets with donor restrictions:			
Public support	-	98,261	98,261
Investment income	-	227,989	227,989
Realized gains on sale of investments	-	16,475	16,475
Unrealized losses on investments	-	(158,439)	(158,439)
Satisfaction of program restrictions	-	(1,462,445)	(1,462,445)
Decrease in net assets with donor restrictions	-	(1,278,159)	(1,278,159)
Increase (decrease) in total net assets	291,199	(1,832,413)	(1,541,214)
Total net assets at beginning of year	5,538,133	5,721,851	11,259,984
Total net assets at end of year	$ 5,829,332	$ 3,889,438	$ 9,718,770

See Notes to Combined Financial Statements.

CENTER FOR THE VISUALLY IMPAIRED, INC.
AND CENTER FOR THE VISUALLY IMPAIRED FOUNDATION, INC.
COMBINED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	CVI, Inc.	CVI Foundation, Inc.	Combined 2018
Changes in net assets without donor restrictions:			
Support and revenue:			
Public support:			
Received directly	$ -	$ 594,982	$ 594,982
Received from United Way	104,423	-	104,423
Total public support	104,423	594,982	699,405
Fees from government agencies for professional service contracts	1,567,007	-	1,567,007
Other revenue:			
Fees for professional services	43,935	-	43,935
Medical, net	83,763	-	83,763
Retail store (net of cost of goods sold of $166,613)	85,422	-	85,422
In-kind contributions	56,004	-	56,004
Investment income	1	10,367	10,368
Other income	54,436	-	54,436
Total other revenue	323,561	10,367	333,928
Total support and revenue	1,994,991	605,349	2,600,340
Net assets released from restrictions:			
Satisfaction of program restrictions	-	575,107	575,107
Transfer from CVI Foundation, Inc.	313,518	(313,518)	-
Total net assets released from restrictions	313,518	261,589	575,107
Total support, revenue, and net assets released from restrictions	2,308,509	866,938	3,175,447

CENTER FOR THE VISUALLY IMPAIRED, INC.
AND CENTER FOR THE VISUALLY IMPAIRED FOUNDATION, INC.
COMBINED STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

	CVI, Inc.	CVI Foundation, Inc.	Combined 2018
Expenses:			
Program services	2,698,399	-	2,698,399
Supporting services:			
Management and general	775,471	97,786	873,257
Fundraising	-	532,474	532,474
Total supporting services	775,471	630,260	1,405,731
Total expenses	3,473,870	630,260	4,104,130
Increase (decrease) in net assets without donor restrictions	(1,165,361)	236,678	(928,683)
Changes in net assets with donor restrictions:			
Public support	-	164,336	164,336
Investment income	-	204,207	204,207
Realized gains on sale of investments	-	106,461	106,461
Unrealized gains on investments	-	34,634	34,634
Satisfaction of program restrictions	-	(575,107)	(575,107)
Decrease in net assets with donor restrictions	-	(65,469)	(65,469)
Increase (decrease) in total net assets	(1,165,361)	171,209	(994,152)
Total net assets at beginning of year	6,703,494	5,550,642	12,254,136
Total net assets at end of year	$ 5,538,133	$ 5,721,851	$ 11,259,984

See Notes to Combined Financial Statements.

CENTER FOR THE VISUALLY IMPAIRED, INC.
AND CENTER FOR THE VISUALLY IMPAIRED FOUNDATION, INC.
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

	Program Services	Supporting Services: Management and General	Total CVI, Inc.	Supporting Services: Management and General	Supporting Services: Fund-Raising	Total CVI Foundation, Inc.	Combined 2019
Salaries and wages	$ 1,198,814	$ 451,712	$ 1,650,526	$ -	$ 403,919	$ 403,919	$ 2,054,445
Employee benefits	132,411	47,398	179,809	-	43,106	43,106	222,915
Payroll taxes	90,948	32,647	123,595	-	26,720	26,720	150,315
Total salaries and related expenses	1,422,173	531,757	1,953,930	-	473,745	473,745	2,427,675
Professional fees	180,501	101,179	281,680	61,775	-	61,775	343,455
Supplies and software	16,326	15,100	31,426	-	41,113	41,113	72,539
Telephone	29,423	6,992	36,415	-	7,703	7,703	44,118
Postage and shipping	4,123	1,019	5,142	-	4,569	4,569	9,711
Occupancy	169,571	49,032	218,603	-	19,130	19,130	237,733
Printing	690	305	995	-	1,781	1,781	2,776
Staff transportation and conferences	14,730	878	15,608	-	378	378	15,986
Client transportation	143,920	257	144,177	-	-	-	144,177
Internal meetings	10,776	7,898	18,674	-	409	409	19,083
Entertainment and meals	-	-	-	-	135	135	135
Dues and subscriptions	6,700	11,365	18,065	-	3,620	3,620	21,685
Client activities	37,505	179	37,684	-	89	89	37,773
Equipment maintenance	3,360	682	4,042	-	11,029	11,029	15,071
Noncapitalized equipment	12,847	3,953	16,800	-	3,554	3,554	20,354
Bad debt expense	21,345	-	21,345	-	7,500	7,500	28,845
Marketing	-	-	-	-	74,292	74,292	74,292
Other expense	40,483	14,422	54,905	-	11,682	11,682	66,587
Total expenses before depreciation	2,114,473	745,018	2,859,491	61,775	660,729	722,504	3,581,995
Depreciation	167,960	58,070	226,030	-	-	-	226,030
Total expenses	$ 2,282,433	$ 803,088	$ 3,085,521	$ 61,775	$ 660,729	$ 722,504	$ 3,808,025

See Notes to Combined Financial Statements.

CENTER FOR THE VISUALLY IMPAIRED, INC.
AND CENTER FOR THE VISUALLY IMPAIRED FOUNDATION, INC.
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018

		Supporting Services		Supporting Services			
	Program Services	Management and General	Total CVI, Inc.	Management and General	Fund-Raising	Total CVI Foundation, Inc.	Combined 2018
Salaries and wages	$ 1,509,204	$ 380,709	$ 1,889,913	$ -	$ 358,529	$ 358,529	$ 2,248,442
Client stipends	1,669	-	1,669	-	-	-	1,669
Employee benefits	227,633	30,697	258,330	-	42,882	42,882	301,212
Payroll taxes	124,714	30,479	155,193	-	28,871	28,871	184,064
Total salaries and related expenses	1,863,220	441,885	2,305,105	-	430,282	430,282	2,735,387
Professional fees	110,417	124,270	234,687	97,786	-	97,786	332,473
Supplies	33,882	4,428	38,310	-	490	490	38,800
Telephone	2,511	35,853	38,364	-	40	40	38,404
Postage and shipping	6,883	2,737	9,620	-	13,902	13,902	23,522
Occupancy	196,760	43,191	239,951	-	-	-	239,951
Printing	1,057	245	1,302	-	5,933	5,933	7,235
Staff transportation and conferences	20,996	2,761	23,757	-	29	29	23,786
Client transportation	84,256	245	84,501	-	-	-	84,501
Conferences	7,891	1,432	9,323	-	1,100	1,100	10,423
Internal meetings	449	5,642	6,091	-	931	931	7,022
Entertainment and meals	41	22	63	-	69	69	132
Dues and subscriptions	7,035	9,480	16,515	-	1,334	1,334	17,849
Client activities	12,536	38	12,574	-	-	-	12,574
Equipment maintenance	3,446	1,127	4,573	-	-	-	4,573
Noncapitalized equipment	576	1,968	2,544	-	-	-	2,544
Software and computer	12,535	8,095	20,630	-	9,166	9,166	29,796
Bad debt expense	107,383	-	107,383	-	302	302	107,685
Marketing	15	72	87	-	64,932	64,932	65,019
Settlement fees	-	25,000	25,000	-	-	-	25,000
Other expense	24,242	23,030	47,272	-	3,964	3,964	51,236
Total expenses before depreciation	2,496,131	731,521	3,227,652	97,786	532,474	630,260	3,857,912
Depreciation	202,268	43,950	246,218	-	-	-	246,218
Total expenses	$ 2,698,399	$ 775,471	$ 3,473,870	$ 97,786	$ 532,474	$ 630,260	$ 4,104,130

See Notes to Combined Financial Statements.

CENTER FOR THE VISUALLY IMPAIRED, INC.
AND CENTER FOR THE VISUALLY IMPAIRED FOUNDATION, INC.
COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	CVI, Inc.	CVI Foundation, Inc.	Combined 2019
Cash flows from operating activities:			
Increase (decrease) in total net assets	$ 291,199	$ (1,832,413)	$ (1,541,214)
Adjustments to reconcile increase (decrease) in total net assets to net cash provided by (used in) operating activities:			
Depreciation	226,030	-	226,030
Realized gain on sale of investments	-	(16,475)	(16,475)
Unrealized loss on investments	-	158,439	158,439
Changes in assets and liabilities:			
(Increase) decrease in:			
Grants receivable	132,872	-	132,872
Promises to give	-	5,870	5,870
Other accounts receivable	2,674	-	2,674
Inventories of visual aids	16,290	-	16,290
Prepaid expenses	4,888	(2,575)	2,313
Due to/from affiliate	(512,299)	512,299	-
Increase (decrease) in:			
Checks in transit	(13,049)	-	(13,049)
Accounts payable	(20,092)	-	(20,092)
Accrued expenses and other liabilities	15,199	418	15,617
Total adjustments	(147,487)	657,976	510,489
Net cash provided by (used in) operating activities	143,712	(1,174,437)	(1,030,725)
Cash flows from investing activities:			
Purchase of property and equipment	(48,301)	-	(48,301)
Purchase of investments and reinvested earnings	-	(227,989)	(227,989)
Proceeds from the sale of investments	-	1,194,640	1,194,640
Net cash provided by (used in) investing activities	(48,301)	966,651	918,350
Net increase (decrease) in cash and cash equivalents	95,411	(207,786)	(112,375)
Cash and cash equivalents at beginning of year	-	399,379	399,379
Cash and cash equivalents at end of year	$ 95,411	$ 191,593	$ 287,004

See Notes to Combined Financial Statements.

CENTER FOR THE VISUALLY IMPAIRED, INC.
AND CENTER FOR THE VISUALLY IMPAIRED FOUNDATION, INC.
COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

	CVI, Inc.	CVI Foundation, Inc.	Combined 2018
Cash flows from operating activities:			
Increase (decrease) in total net assets	$ (1,165,361)	$ 171,209	$ (994,152)
Adjustments to reconcile increase (decrease) in total net assets to net cash (used in) operating activities:			
Depreciation	246,218	-	246,218
Realized gain on sale of investments	-	(106,461)	(106,461)
Unrealized gain on investments	-	(34,634)	(34,634)
Changes in assets and liabilities:			
(Increase) decrease in:			
Grants receivable	(15,221)	-	(15,221)
Promises to give	-	18,791	18,791
Other accounts receivable	39,105	92	39,197
Inventories of visual aids	(2,011)	-	(2,011)
Prepaid expenses	(13,731)	(1,141)	(14,872)
Due to/from affiliate	347,775	(347,775)	-
Increase (decrease) in:			
Checks in transit	13,049	-	13,049
Accounts payable	12,539	-	12,539
Accrued expenses and other liabilities	23,827	2,409	26,236
Deferred income	-	(20,000)	(20,000)
Total adjustments	651,550	(488,719)	162,831
Net cash (used in) operating activities	(513,811)	(317,510)	(831,321)
Cash flows from investing activities:			
Purchase of property and equipment	(172,538)	-	(172,538)
Purchase of investments and reinvested earnings	-	(204,208)	(204,208)
Proceeds from the sale of investments	-	334,161	334,161
Net cash provided by (used in) investing activities	(172,538)	129,953	(42,585)
Net (decrease) in cash and cash equivalents	(686,349)	(187,557)	(873,906)
Cash and cash equivalents at beginning of year	686,349	586,936	1,273,285
Cash and cash equivalents at end of year	$ -	$ 399,379	$ 399,379

See Notes to Combined Financial Statements.

CENTER FOR THE VISUALLY IMPAIRED, INC.
AND CENTER FOR THE VISUALLY IMPAIRED FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 1. NATURE OF ORGANIZATIONS AND SIGNIFICANT ACCOUNTING POLICIES

The Organizations

The mission of the Center for the Visually Impaired, Inc. (CVI) is ***to empower people impacted by vision loss to live with independence and dignity***. Each year CVI offers a combination of vision rehabilitation, education and counseling to 5,000 individuals with severe vision loss and their family members. With a staff of 50 and more than 300 volunteers, CVI helps people who are blind or visually impaired to excel academically, graduate from high school and college, succeed in their careers, connect with their communities, and discover hope for the future. Throughout every stage of life and all degrees of vision loss, CVI offers individualized services through its program areas:

- The **BEGIN early childhood program** provides essential services to enhance development and potential for newborn and preschool-aged children with severe visual impairments. BEGIN helps parents learn about their children's visual conditions and become advocates to seek the best opportunities for them. BEGIN's year-round programming includes individual vision rehabilitation, classes, parent support groups and counseling, and family activities.

- **STARS (Social, Therapeutic, Academic and Recreational Services)** is an educational, recreational, and social skills program for students ages 5 to 21. This year-round program includes the After School Enrichment Program, summer enrichment day camps, a mentoring program and monthly activities on the weekend. Through these programs, STARS challenges the isolation and inactivity that many blind or visually impaired youth experience, helping them adjust to their vision loss and prepare for college and/or vocational success.

- The **Florence Maxwell Low Vision Clinic** enables individuals to make the best use of their remaining vision so that they can continue to lead productive, enjoyable and independent lives. A low vision optometrist assesses the vision of clients ages five and older and prescribes optical and non-optical devices to maximize their remaining vision. Occupational therapists offer counseling, training in the use of prescribed devices, and information and referral to help clients with low vision pursue their goals.

- **The New View Adult Rehabilitation Services Program** offers classes at the Center and services in the community to help adult clients achieve greater independence at home and at work. Classes include learning to travel independently and safely, independent living skills, braille, computer technology, communication skills and career services, including job readiness training and job placement.

- **VisAbility** is a nonprofit, accessible, street-level retail shop catering to the needs of people with vision loss. VisAbility provides immediate access to low vision aids, assistive technology and other adaptive devices that allow people with vision loss to maintain independent lifestyles. Products sold in VisAbility are also available for purchase on CVI's website www.cviga.org.

The combined financial statements include the accounts of CVI and its supporting affiliate Center for the Visually Impaired Foundation, Inc. (CVI Foundation, Inc.) (collectively, the "Organizations"). CVI Foundation, Inc. was formed in 1989 as a supporting organization for CVI in order to manage CVI's portfolio of investments and oversee fundraising policies and procedures. In addition, CVI Foundation, Inc. serves the role of receiving gifts on behalf of CVI and investing them until utilized for the purpose intended by the donor.

Since CVI Foundation, Inc. was funded initially with the transfer of CVI's endowment funds and since there is shared control and management of these entities, it is the policy of the Organizations to present combined financial statements.

NOTE 1. NATURE OF ORGANIZATIONS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Economic Dependence

During the years ended June 30, 2019 and 2018, CVI received approximately 83% and 79%, respectively, of its total support and revenue from government agencies. Although CVI relies on these contracts for support and revenues, the mix of funding sources and the number of contracts does reduce the risk of economic dependence on one contract.

Basis of Accounting

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

Basis of Presentation

The Organizations present their combined financial statements in accordance with *Financial Statements for Not-For-Profit Organizations* as promulgated by the Financial Accounting Standards Board (FASB). Under this guidance, the Organizations are required to report information regarding their financial position and activities according to two categories of net assets: net assets with donor restrictions and net assets without donor restrictions.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor or grantor restrictions. It is the policy of the Boards of Trustees of the Organizations to review their financial standing from time to time and to designate sums of net assets without donor restrictions for specific efforts.

Net Assets With Donor Restrictions – Net assets subject to donor or grantor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Principles of Combination

The combined financial statements include the accounts of CVI and CVI Foundation, Inc. All material related party balances and transactions have been eliminated in combination.

Donated Assets

Non-cash contributions of marketable securities or other assets are recorded at fair market value on the date of receipt.

Donated Property and Equipment

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organizations report expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 1. NATURE OF ORGANIZATIONS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Services

Donated services are recognized as contributions in accordance with *Financial Statements for Not-For-Profit Organization*s, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organizations. Volunteers provide a significant amount of services to the Organizations throughout the year that are not recognized as contributions since the recognition criteria under this standard were not met. The Organizations received recognizable contributed services with a fair market value of $60,000 and $56,004 during the years ended June 30, 2019 and 2018, respectively.

Promises to Give

Unconditional promises to give are recognized as support in the period in which the promise is made by the donor. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Receivables

Receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the receivable account. Changes in the valuation allowance have not been material to the combined financial statements.

Grants receivable consist of amounts due to the Organizations in connection with various contracts with state agencies in Georgia.

Other accounts receivables consist of accrued interest, contributions, and outside project billings due to the Organizations.

Investments

The Organizations carry their investments with readily determinable fair values at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying combined statements of activities. It is the policy of the Organizations' Boards of Trustees to invest in such a manner as to achieve a balanced approach.

Investment Income and Gains

CVI Foundation, Inc.'s Board of Trustees has approved and implemented an annual spending policy related to its invested funds. The spending policy stipulates that 4.00% of the three-year average market value of the investment portfolio, determined at December 31st of each year, shall be available to CVI during its next fiscal year. Investment income consisting of dividends and interest (as well as any principal that may be necessary to achieve the 4.00% allocation) are transferred to CVI in the subsequent year. Interest, dividends, realized and unrealized gains or losses in excess of the 4.00% allocation are recorded as increases or decreases in the appropriate net asset class.

Inventories

Inventories consist of low vision aids and appliances. All low vision aids and appliances are sold through the VisAbility hub. Inventories are carried at the lower of cost or market under the average cost method, which values inventory at the weighted average of all units available for sale during the period.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 1. NATURE OF ORGANIZATIONS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

The Organizations follow the practice of capitalizing all expenditures for property and equipment in excess of $5,000; the fair value of donated property and equipment is similarly capitalized. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. These lives are estimated at three years for computer equipment and software, five years for furniture and equipment, fifteen years for building improvements, and forty years for the building. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts and any gain or loss resulting from the disposition is reported in the statements of activities.

Functional Allocation of Expenses

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

Certain categories of expenses are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salary and related expenses, which are allocated on the basis of estimates of time and effort, and office expense and occupancy expense, which are allocated on the basis of estimates of facility usage.

Estimates

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

Income Tax Status

As provided under Internal Revenue Code Section 501(c)(3) for nonprofit organizations, CVI, Inc. and CVI Foundation, Inc. are exempt from federal income taxes related to their exempt function activities. They are, however, required to file Federal Form 990 - Return of Organization Exempt from Income Tax. This is an information return only. Accordingly, no provision for income taxes is made in the combined financial statements. Management evaluated the Organizations' tax positions and concluded that they have taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions on accounting for uncertainty in income taxes.

Accounting Pronouncements

In August 2016, FASB issued ASU No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). ASU 2016-14 (1) reduces the number of net asset classes presented from three to two, (2) requires the presentation of expenses by functional and natural classification in one location, and (3) requires quantitative and qualitative disclosures about liquidity and availability of financial assets. The Organizations adopted ASU 2016-14 in 2019, and the accompanying information from the 2018 combined financial statements has been adjusted to conform to the new presentation and disclosure requirements. This adjustment did not have an effect on total net assets or the change in net assets for 2018.

NOTE 1. NATURE OF ORGANIZATIONS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value of Financial Instruments

The Organizations adopted FASB's *Fair Value Measurement* and disclosure guidance, which provides a framework for measuring fair value under generally accepted accounting principles. This standard applies to all financial instruments that are being measured and reported on a fair value basis.

As defined in FASB's *Fair Value Measurement*, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Organizations use various methods including market, income and cost approaches. Based on these approaches, the Organizations often utilize certain assumptions that market participants would use in pricing the assets or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Organizations utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques the Organizations are required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 **–** Valuations for assets and liabilities traded in active markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 **–** Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services identical or similar assets or liabilities.

Level 3 – Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker-traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets and liabilities.

For the fiscal years ended June 30, 2019 and 2018, the application of valuation techniques applied to similar assets and liabilities has been consistent. The fair value of investment securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker-dealers.

If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of these instruments.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organizations believe their valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Organizations adopted the provisions of *Investments in Certain Entities that Calculate Net Asset Value Per Share (or its Equivalent)* to certain investments in funds that do not have readily determinable fair values. The guidance allows for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable fair value, using net asset value per share or its equivalent. Net asset value, in many instances, may not equal fair value that would be calculated under the standards.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 2. CASH AND CASH EQUIVALENTS

It is the Boards' intention that the invested cash held in the portfolios of the Organizations are a component of long-term investments. Therefore, the invested cash included in investment portfolios is not considered to be a cash equivalent.

The Organizations have balances in both deposit accounts at banks and investment money markets at brokerage firms. FDIC insures up to $250,000 per bank or savings institution. The Securities Investor Protection Corporation (SIPC) insures up to $500,000 (including $100,000 for claims for cash) per brokerage firm. Balances exceed insured amounts from time to time. Management does not feel that the Organizations are exposed to any significant credit risk on these accounts.

NOTE 3. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Financial assets:	
Cash and cash equivalents	**$ 287,004**
Receivables	**205,486**
Investments	**3,662,958**
Less:	
Cash and cash equivalents held for donor restrictions	**(105,919)**
Receivables held for donor restrictions	**(40,000)**
Investments held for donor restrictions	**(1,083,469)**
Investments held in perpetuity	**(2,579,489)**
Financial assets available for general expenditure	**$ 346,571**

The Organizations manage liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in order to meet liabilities and other obligations as they become due.

Endowment funds consist of donor restricted endowments. Income from donor-restricted endowments is restricted for specific purposes. Donor-restricted endowment funds are not available for general expenditure.

NOTE 4. INVESTMENTS

The following table sets forth by level, within the fair value hierarchy, the Organizations' investments at fair value as of June 30, 2019:

	Level 1	Level 2	Level 3	Total
Cash and money markets	**$ 52,942**	**$ -**	**$ -**	**$ 52,942**
Mutual funds:				
Large funds	**369,367**	**-**	**-**	**369,367**
Mid funds	**121,085**	**-**	**-**	**121,085**
Small funds	**55,971**	**-**	**-**	**55,971**
International	**202,879**	**-**	**-**	**202,879**
Fixed income	**301,697**	**-**	**-**	**301,697**
Investments measured at net asset value	**-**	**-**	**-**	**2,559,017**
Total investments at fair value	**$ 1,103,941**	**$ -**	**$ -**	**$ 3,662,958**

NOTE 4. INVESTMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the Organizations' investments at fair value as of June 30, 2018:

	Level 1	Level 2	Level 3	Total
Cash and money markets	$ 49,642	$ -	$ -	$ 49,642
Mutual funds:				
Large funds	424,452	-	-	424,452
Mid funds	101,900	-	-	101,900
Small funds	54,788	-	-	54,788
International	140,126	-	-	140,126
Fixed income	280,400	-	-	280,400
Investments measured at net asset value	-	-	-	3,720,265
Total investments at fair value	$ 1,051,308	$ -	$ -	$ 4,771,573

In accordance with the FASB's fair value measurements and disclosure guidance, the following information is provided for investments in alternative assets valued at net asset value as of June 30, 2019 and 2018, to enable users of financial statements to understand the nature and risk of the Organizations' investments by major category and whether the investments are probable of being sold at amounts different from net asset value per share or ownership interest in partners' capital:

> Investments measured at net asset value include The Multi-Asset Fund, invested primarily in equities and fixed income securities. There are no unfunded commitments as of June 30, 2019 and 2018. The fund has a daily redemption frequency.

Investment expenses incurred totaled $15,667 and $11,873 for the years ended June 30, 2019 and 2018, respectively. Total investment return reported in the statements of activities for the year ended June 30 are as follows:

2019	**CVI, Inc.**	**CVI Foundation, Inc.**	**Total**
Interest and dividends	**$ 1**	**$ 237,454**	**$ 237,455**
Net realized gain	**-**	**16,475**	**16,475**
Net unrealized loss	**-**	**(158,439)**	**(158,439)**
	$ 1	**$ 95,490**	**$ 95,491**
2018			
Interest and dividends	$ 1	$ 214,574	$ 214,575
Net realized gain	-	106,461	106,461
Net unrealized gain	-	34,634	34,634
	$ 1	$ 355,669	$ 355,670

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 5. PROPERTY AND EQUIPMENT, NET

Components of property and equipment consist of the following at June 30:

	2019	2018
Land	**$ 1,025,000**	$ 1,025,000
Building	**7,860,900**	7,860,900
Vehicles	**17,739**	17,739
Furniture and equipment	**932,632**	932,632
Construction in progress	**49,323**	-
	9,885,594	9,836,271
Less accumulated depreciation	**4,209,624**	3,982,572
Total property and equipment, net	**$ 5,675,970**	$ 5,853,699

Depreciation expense for the years ended June 30, 2019 and 2018 was $226,030 and $246,218, respectively.

NOTE 6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods:

	2019	2018
Subject to expenditure for specified purpose:		
Low vision program	**$ 19,739**	$ 19,606
Adult programming	**10,463**	2,250
STARS programming	**9,000**	-
Preschool construction	**9,500**	-
Various others	**2,233**	1,495
	50,935	23,351
Endowments:		
Accumulated investment earnings, subject to appropriation and expenditure:		
General programs	**928,586**	1,960,339
BEGIN - preschool children	**93,075**	196,893
Building maintenance	**48,071**	101,690
Community adult services	**101,272**	209,516
Internship	**7,449**	15,758
	1,178,453	2,484,196
Amounts to be maintained in perpetuity, subject to endowment spending policy and appropriation:		
General programs	**800,000**	800,000
BEGIN - preschool children	**165,000**	165,000
Building maintenance	**75,000**	75,000
Community adult services	**1,523,055**	1,523,055
Internship	**16,434**	16,434
	2,579,489	2,579,489
	$ 3,808,877	$ 5,087,036

NOTE 6. NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors as follows for the years ended June 30, 2019 and 2018:

	2019	2018
Satisfaction of purpose restrictions	**$ 273,778**	$ 379,956
Appropriated from endowment for expenditure	**1,000,000**	-
Spending-rate appropriations	**188,667**	195,151
	$ 1,462,445	$ 575,107

NOTE 7. ENDOWMENT

Interpretation of Relevant Law

In approving endowment, spending and related policies, as part of the prudent and diligent discharge of its duties, the Board of Trustees of the Organizations, as authorized by the UPMIFA, has relied upon the actions, reports, information, advice and counsel taken or provided by its duly constituted committees and the duly appointed officers of the Organizations' and in doing so has interpreted the law to require the preservation of the historic dollar value of donor-restricted endowment funds, absent explicit donor directions to the contrary.

As a result of this interpretation, for accounting and financial statement purposes, the Organizations classify as net assets with donor restrictions, perpetual in nature, the historic dollar value of assets held as donor-restricted endowment, including any subsequent gifts and any accumulations to donor-restricted endowments made in accordance with the direction of the applicable gift instruments.

The portion of the donor-restricted endowment fund that is not classified as net assets with donor restrictions, perpetual in nature, is classified for accounting and financial statement purposes in accordance with requirements of the Financial Accounting Standards Board and the law.

Funds with Deficiencies

From time to time, the fair value of the assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organizations to retain as a fund of perpetual duration. The Organizations' did not have any deficiencies of this nature as of June 30, 2019 or 2018.

Return Objectives and Risk Parameters

The Organizations have adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the historic dollar value of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organizations must hold in perpetuity as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of benchmark indexes of similar assets classes while assuming a moderate level of investment risk. The following are benchmark indexes: Lipper Blended Benchmark, the S&P 500 Index, Barclays Aggregate Bond Index, the Lipper Intermediate Investment Grade, and the 91-Day T Bill Rate.

NOTE 7. ENDOWMENT (Continued)

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organizations rely on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organizations target a diversified asset allocation to achieve their long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Related to Spending Policy

CVI Foundation, Inc.'s Board of Trustees has approved and implemented an annual spending policy related to their invested funds. The spending policy stipulates that 4.00% of the three-year average market value of the investment portfolio, determined at December 31st of each year, shall be available to the Organizations during their next fiscal year. Investment income consisting of dividends and interest (as well as any principal that may be necessary to achieve the 4.00% allocation) are transferred to CVI in the subsequent year. Interest, dividends, realized and unrealized gains or losses in excess of the 4.00% allocation are recorded as increases or decreases in the appropriate net asset class. The Organizations' Boards of Trustees review spending policies annually and approve distributions they deem to be prudent.

The Endowment Net Asset Composition by type of Fund at June 30, 2019 and 2018 is as follows:

	Endowment Net Asset Composition by Type of Fund as of June 30, 2019		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Donor-restricted endowment funds			
Amounts to be maintained in perpetuity	**$ -**	**$ 2,579,489**	**$ 2,579,489**
Accumulated investment earnings	**-**	**1,178,453**	**1,178,453**
Total funds	**$ -**	**$ 3,757,942**	**$ 3,757,942**

	Endowment Net Asset Composition by Type of Fund as of June 30, 2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds			
Amounts to be maintained in perpetuity	$ -	$ 2,579,489	$ 2,579,489
Accumulated investment earnings	-	2,484,196	2,484,196
Total funds	$ -	$ 5,063,685	$ 5,063,685

The Changes in Endowment Net Assets for the years ended June 30, 2019 and 2018 are:

	Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2019		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Endowment net assets, beginning of year	$ -	**$ 5,063,685**	**$ 5,063,685**
Net investment gains	-	**86,025**	**86,025**
Appropriation of accumulated earnings	-	**(1,203,101)**	**(1,203,101)**
Spending policy appropriations	-	**(188,667)**	**(188,667)**
Endowment net assets, end of year	**$** -	**$ 3,757,942**	**$ 3,757,942**

NOTE 7. ENDOWMENT (Continued)

	Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ -	$ 4,913,534	$ 4,913,534
Net investment gains	-	345,302	345,302
Spending policy appropriations	-	(195,151)	(195,151)
Endowment net assets, end of year	$ -	$ 5,063,685	$ 5,063,685

NOTE 8. UNITED WAY FUNDING

Revenues received from the United Way consist of funding for the Center for the Visually Impaired, Inc.'s operating budget and special allocations as requested by CVI from time to time to meet certain nonrecurring expenses. For the years ended June 30, 2019 and 2018, these revenues consist of funding for CVI's operating budget in the amount of $34,917 and $104,423, respectively.

NOTE 9. RETIREMENT PLAN

All eligible employees of the Organizations are included in a trusteed, noncontributory, defined contribution retirement plan. The plan stipulates that the Organizations fund an amount equal to 2% of each eligible employee's salary. The Organizations' policy is to fund all retirement costs as accrued. Under this plan, employees become eligible after two years of service and are fully vested. Retirement plan expense for the years ended June 30, 2019 and 2018 was $26,814 and $17,569, respectively.

NOTE 10. COMMITMENTS AND CONTINGENCIES

The Organizations may be party to legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the ultimate outcome of the claims and litigation, if any, will not have a material adverse effect on the Organizations' financial position.

NOTE 11. SUBSEQUENT EVENTS

The Organizations have evaluated subsequent events occurring through December 19, 2019, the date on which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

CENTER FOR THE VISUALLY IMPAIRED, INC.

SUPPLEMENTARY STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

	The New View				Children's Programs			Supporting Services	
	Independent Living Services	Community Based Services	Low Vision Clinic	VisAbility Hub	BEGIN	STARS	Total Program Services	Management and General	Total 2019
Salaries and wages	$ 393,376	$ 62,418	$ 173,053	$ 171,357	$ 203,315	$ 195,295	$ 1,198,814	$ 451,712	$ 1,650,526
Employee benefits	55,632	5,539	16,563	18,478	19,827	16,372	132,411	47,398	179,809
Payroll taxes	30,791	4,216	12,998	12,827	15,441	14,675	90,948	32,647	123,595
Total salaries and related expenses	479,799	72,173	202,614	202,662	238,583	226,342	1,422,173	531,757	1,953,930
Professional fees	35,177	2,497	110,577	12,313	11,523	8,414	180,501	101,179	281,680
Supplies and software	2,036	80	2,138	3,821	6,498	1,753	16,326	15,100	31,426
Telephone	10,808	1,266	3,541	5,547	4,630	3,631	29,423	6,992	36,415
Postage and shipping	476	49	566	2,391	385	256	4,123	1,019	5,142
Occupancy	60,314	6,175	18,709	31,881	26,645	25,847	169,571	49,032	218,603
Printing	252	26	78	133	110	91	690	305	995
Staff transportation and conferences	4,286	1,874	2,200	-	5,957	413	14,730	878	15,608
Client transportation	5,919	-	6	-	-	137,995	143,920	257	144,177
Internal meetings	1,088	523	3,036	44	2,365	3,720	10,776	7,898	18,674
Dues and subscriptions	6,700	-	-	-	-	-	6,700	11,365	18,065
Client activities	7,773	-	7,390	12,485	1,444	8,413	37,505	179	37,684
Equipment maintenance	1,449	112	341	581	480	397	3,360	682	4,042
Noncapitalized equipment	3,826	1,180	1,976	2,022	2,066	1,777	12,847	3,953	16,800
Bad debt expense	1,026	-	14,484	5,835	-	-	21,345	-	21,345
Other expense	12,606	1,894	5,323	8,140	6,294	6,226	40,483	14,422	54,905
Total expenses before depreciation	633,535	87,849	372,979	287,855	306,980	425,275	2,114,473	745,018	2,859,491
Depreciation	50,324	6,978	29,627	22,865	24,385	33,781	167,960	58,070	226,030
Total expenses	$ 683,859	$ 94,827	$ 402,606	$ 310,720	$ 331,365	$ 459,056	$ 2,282,433	$ 803,088	$ 3,085,521

See Independent Auditor's Report.

CENTER FOR THE VISUALLY IMPAIRED, INC.

SUPPLEMENTARY STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018

	The New View					Children's Programs			Supporting Services	
	Independent Living Services	Career Services	Community Based Services	Low Vision Clinic	VisAbility Hub	BEGIN	STARS	Total Program Services	Management and General	Total 2018
Salaries and wages	$ 365,659	$ 121,444	$ 124,625	$ 252,259	$ 180,402	$ 244,846	$ 219,969	$ 1,509,204	$ 380,709	$ 1,889,913
Client stipends	145	1,524	-	-	-	-	-	1,669	-	1,669
Employee benefits	65,566	16,294	18,542	37,281	37,660	21,294	30,996	227,633	30,697	258,330
Payroll taxes	30,829	10,127	10,110	20,128	14,765	20,722	18,033	124,714	30,479	155,193
Total salaries and related expenses	462,199	149,389	153,277	309,668	232,827	286,862	268,998	1,863,220	441,885	2,305,105
Professional fees	11,631	-	1,994	90,499	1,466	3,015	1,812	110,417	124,270	234,687
Supplies	21,371	12	-	1,680	1,848	4,309	4,662	33,882	4,428	38,310
Telephone	840	260	486	192	292	363	78	2,511	35,853	38,364
Postage and shipping	398	-	11	881	4,812	493	288	6,883	2,737	9,620
Occupancy	81,583	-	2,400	19,196	19,196	45,591	28,794	196,760	43,191	239,951
Printing	46	46	-	324	143	48	450	1,057	245	1,302
Staff transportation and conferences	1,829	-	6,985	6,924	269	4,712	277	20,996	2,761	23,757
Client transportation	7,337	-	14	110	109	265	76,421	84,256	245	84,501
Conferences	110	110	950	3,621	221	1,582	1,297	7,891	1,432	9,323
Internal meetings	41	-	-	-	158	154	96	449	5,642	6,091
Entertainment and meals	-	-	15	19	7	-	-	41	22	63
Dues and subscriptions	3,350	3,450	-	-	-	30	205	7,035	9,480	16,515
Client activities	3,665	-	-	4,561	-	2,356	1,954	12,536	38	12,574
Equipment maintenance	1,429	-	42	336	336	799	504	3,446	1,127	4,573
Noncapitalized equipment	-	576	-	-	-	-	-	576	1,968	2,544
Software and computer	10,333	-	-	1,023	1,088	77	14	12,535	8,095	20,630
Bad debt expense	19,375	2,658	(678)	74,638	13,275	(934)	(951)	107,383	-	107,383
Marketing	-	-	-	-	15	-	-	15	72	87
Settlement fees	-	-	-	-	-	-	-	-	25,000	25,000
Other expense	10,423	-	301	2,407	1,786	5,715	3,610	24,242	23,030	47,272
Total expenses before depreciation	635,960	156,501	165,797	516,079	277,848	355,437	388,509	2,496,131	731,521	3,227,652
Depreciation	50,542	48,345	-	19,777	26,469	35,160	21,975	202,268	43,950	246,218
Total expenses	$ 686,502	$ 204,846	$ 165,797	$ 535,856	$ 304,317	$ 390,597	$ 410,484	$ 2,698,399	$ 775,471	$ 3,473,870

See Independent Auditor's Report.