



INDEPENDENT AUDITORS' REPORT

Board of Directors
Evanston Community Foundation, Inc.
Evanston, Illinois

We have audited the accompanying statements of financial position of EVANSTON COMMUNITY FOUNDATION, INC. (an Illinois Not-for-Profit Organization) as of December 31, 2008 and 2007, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of EVANSTON COMMUNITY FOUNDATION, INC. as of December 31, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Warady & Davis LLP

August 19, 2009

EVANSTON COMMUNITY FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION

As of December 31	2008	2007
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 2,565,198	\$ 581,692
Pledges Receivable	93,156	56,913
Contributions Receivable	18,657	—
Investment Income Receivable	24,506	24,538
Prepaid Expenses	7,207	4,658
Other Receivable	—	4,700
Total Current Assets	<u>2,708,724</u>	<u>672,501</u>
LONG TERM PLEDGES RECEIVABLE - net	57,514	43,851
INVESTMENTS, at fair market value	6,721,463	6,577,271
OFFICE FURNITURE AND EQUIPMENT, net	11,812	15,921
SECURITY DEPOSIT	3,331	3,331
	<u>\$ 9,502,844</u>	<u>\$ 7,312,875</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 18,986	\$ 21,230
Deferred Revenue	17,040	17,220
Accrued Expenses	14,951	—
Grants Payable	17,080	14,160
Charitable Gift Annuities Payable - current portion	2,000	2,000
Total Current Liabilities	<u>70,057</u>	<u>54,610</u>
FUNDS HELD AS AGENCY ENDOWMENTS	110,076	75,473
CHARITABLE GIFT ANNUITIES PAYABLE	<u>10,204</u>	<u>12,204</u>
Total Liabilities	<u>190,337</u>	<u>142,287</u>
NET ASSETS		
Unrestricted	3,251,992	3,274,605
Temporarily Restricted	6,031,323	3,866,791
Permanently Restricted	29,192	29,192
Total Net Assets	<u>9,312,507</u>	<u>7,170,588</u>
	<u>\$ 9,502,844</u>	<u>\$ 7,312,875</u>

STATEMENTS OF ACTIVITIES

For the Years Ended December 31

	2008				2007			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES								
Support Revenues								
Board-designated Endowment and Field of Interest Contributions	\$ 984,279	\$ 3,350,065	\$	\$ 4,334,344	\$ 54,025	\$ 531,711	\$	\$ 585,736
Operating Contributions	644,485	57,442		701,927	575,498	13,150		588,648
Other Fund Contributions	231,485	338,742		570,227	234,044	85,328		319,372
	<u>1,860,249</u>	<u>3,746,249</u>		<u>5,606,498</u>	<u>863,567</u>	<u>630,189</u>		<u>1,493,756</u>
Program Revenues, Tuition and Fees, plus Event Revenue, net	32,597			32,597	38,877			38,877
Investment Income								
Interest and Dividends	383,702			383,702	524,826			524,826
Realized Gains on Investments, net	16,606			16,606	144,098			144,098
Unrealized Losses on Investments, net	(2,263,565)			(2,263,565)	(87,000)			(87,000)
Funds Held as Agency Endowments - Income Allocation	22,630			22,630	(3,730)			(3,730)
Net Investment Income and Expense								
Allocations to Field of Interest and 'Other' Funds	1,007,476	(1,007,476)		—	(246,565)	246,565		—
	<u>(833,151)</u>	<u>(1,007,476)</u>		<u>(1,840,627)</u>	<u>331,629</u>	<u>246,565</u>		<u>578,194</u>
Net Assets Released from Restrictions	587,241	(587,241)		—	403,768	(403,768)		—
Reclassifications	(13,000)	13,000		—	(17,477)	17,477		—
Total Revenues	<u>1,633,936</u>	<u>2,164,532</u>		<u>3,798,468</u>	<u>1,620,364</u>	<u>490,463</u>		<u>2,110,827</u>
EXPENSES								
Program Services	1,368,146			1,368,146	1,102,223			1,102,223
Supporting Services								
Management and General	152,606			152,606	122,434			122,434
Fundraising	135,797			135,797	130,028			130,028
	<u>288,403</u>			<u>288,403</u>	<u>252,462</u>			<u>252,462</u>
Total Expenses	<u>1,656,549</u>			<u>1,656,549</u>	<u>1,354,684</u>			<u>1,354,685</u>
CHANGE IN NET ASSETS	(22,613)	2,164,532		2,141,919	265,679	490,463		756,142
Net Assets, Beginning	3,274,605	3,866,791	29,192	7,170,588	3,008,926	3,376,328	29,192	6,414,446
NET ASSETS, ENDING	\$ 3,251,992	\$ 6,031,323	\$ 29,192	\$ 9,312,507	\$ 3,274,605	\$ 3,866,791	\$ 29,192	\$ 7,170,588

EVANSTON COMMUNITY FOUNDATION, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2008

	Supporting Services				Total Expenses
	Program	Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 252,685	\$ 79,832	\$ 46,634	\$ 126,466	\$ 379,151
Payroll Taxes and Benefits	74,011	30,973	13,464	44,437	118,448
Staff and Board Expenses	8,793	3,398	3,111	6,509	15,302
Professional Fees and Consulting	61,737	7,707	1,343	9,050	70,787
Rent	32,526	9,602	9,169	18,771	51,297
Occupancy Expenses	510	149	144	293	803
Office Expenses and Supplies	6,619	8,193	3,381	11,574	18,193
Postage, Delivery & Fulfillment	5,004	1,302	14,213	15,515	20,519
Printing and Copying	12,175	4,078	12,123	16,201	28,376
Depreciation and Amortization	9,099	2,665	2,565	5,230	14,329
Dues and Subscriptions	4,842	1,143	2,622	3,765	8,607
Investment Expenses	6,257	—	—	—	6,257
Communications	15,626	2,078	19,174	21,252	36,878
Annual Report and Newsletters	39,223	—	7,175	7,175	46,398
Grants Awarded	691,841	—	—	—	691,841
Donor Advised Spending	136,570	—	—	—	136,570
Class and Meeting Expenses	10,628	1,486	679	2,165	12,793
TOTALS	\$ 1,368,146	\$ 152,606	\$ 135,797	\$ 288,403	\$ 1,656,549