

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

Menasha, Wisconsin

**Consolidated Financial Statements**

Years Ended December 31, 2008 and 2007

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

## Consolidated Financial Statements

Years Ended December 31, 2008 and 2007

---

### Table of Contents

Independent Auditor's Report.....	1
Financial Statements	
Consolidated Statements of Financial Position .....	2
Consolidated Statements of Activities.....	3
Consolidated Statements of Cash Flows.....	5
Consolidated Statements of Functional Expenses.....	6
Notes to Consolidated Financial Statements.....	8



## Independent Auditor's Report

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

We have audited the accompanying consolidated statements of financial position of Financial Information & Service Center, Inc. d/b/a Consumer Credit Counseling Service of Northeastern Wisconsin (FISC) as of December 31, 2008 and 2007, and the related consolidated statements of activities, cash flows, and functional expenses 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 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 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of FISC at December 31, 2008 and 2007, and the results of its operations and changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

*Wipfli LLP*

Wipfli LLP

April 13, 2009  
Madison, Wisconsin

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

## Consolidated Statements of Financial Position

December 31, 2008 and 2007

<i>Assets</i>	2008	2007
Current assets:		
Cash	\$ 20,947	\$ 13,100
Restricted cash, Payment Partner program	96,478	0
Accounts receivable	289,759	191,053
Prepaid expenses	0	333
Total current assets	407,184	204,486
Property and equipment - Net	300,654	313,839
<b>TOTAL ASSETS</b>	<b>\$ 707,838</b>	<b>\$ 518,325</b>
<i>Liabilities and Net Assets</i>		
Current liabilities:		
Accounts payable	\$ 1,516	\$ 2,655
Funds managed for others	96,478	0
Due to Goodwill Industries	142,286	53,861
Total current liabilities	240,280	56,516
Net assets:		
Unrestricted	177,799	233,956
Temporarily restricted	289,759	227,853
Total net assets	467,558	461,809
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 707,838</b>	<b>\$ 518,325</b>

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

## Consolidated Statement of Activities

Year Ended December 31, 2008

	Unrestricted	Temporarily Restricted	Total
Support and revenue:			
Contributions	\$ 241,553	\$ 288,356	\$ 529,909
Fair share fees	106,995	0	106,995
Counseling fees	195,289	0	195,289
Payment Partner fees	25,299	0	25,299
Net assets released from restrictions	226,450	(226,450)	0
<b>Total support and revenue</b>	<b>795,586</b>	<b>61,906</b>	<b>857,492</b>
Expenses:			
Program expenses:			
Financial Information & Service Center, Inc.	526,312	0	526,312
Consumer Credit Counseling Service of Northeastern Wisconsin	117,565	0	117,565
Money Management Education Associates	74,895	0	74,895
Management and general	132,971	0	132,971
<b>Total expenses</b>	<b>851,743</b>	<b>0</b>	<b>851,743</b>
Change in net assets	(56,157)	61,906	5,749
Net assets at beginning	233,956	227,853	461,809
<b>Net assets at end</b>	<b>\$ 177,799</b>	<b>\$ 289,759</b>	<b>\$ 467,558</b>

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

## Consolidated Statement of Activities

Year Ended December 31, 2007

	Unrestricted	Temporarily Restricted	Total
Support and revenue:			
Contributions	\$ 208,669	\$ 227,066	\$ 435,735
Fair share fees	100,145	0	100,145
Counseling fees	195,778	0	195,778
Net assets released from restrictions	225,551	(225,551)	0
<b>Total support and revenue</b>	<b>730,143</b>	<b>1,515</b>	<b>731,658</b>
Expenses:			
Program expenses:			
Financial Information & Service Center, Inc.	492,193	0	492,193
Consumer Credit Counseling Service of Northeastern Wisconsin	131,185	0	131,185
Money Management Education Associates	1,002	0	1,002
Management and general	150,016	0	150,016
<b>Total expenses</b>	<b>774,396</b>	<b>0</b>	<b>774,396</b>
Change in net assets	(44,253)	1,515	(42,738)
Net assets at beginning	278,209	226,338	504,547
<b>Net assets at end</b>	<b>\$ 233,956</b>	<b>\$ 227,853</b>	<b>\$ 461,809</b>

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

## Consolidated Statements of Cash Flows

Years Ended December 31, 2008 and 2007

	2008	2007
Increase (decrease) in cash:		
Cash flows from operating activities:		
Change in net assets	\$ 5,749	\$ (42,738)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	20,991	19,747
Loss on disposal of property and equipment	2,445	0
Changes in operating assets and liabilities:		
Accounts receivable	(98,706)	35,285
Prepaid expenses	333	5,299
Restricted cash, Payment Partner program	96,478	0
Funds managed for others	(96,478)	0
Due to Goodwill Industries	88,425	(13,429)
Accounts payable	(1,139)	(1,612)
Total adjustments	12,349	45,290
Net cash provided by operating activities	18,098	2,552
Net cash used in investing activities - Purchase of equipment	(10,251)	(6,486)
Net increase (decrease) in cash	7,847	(3,934)
Cash at beginning	13,100	17,034
Cash at end	\$ 20,947	\$ 13,100

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

## Consolidated Statement of Functional Expenses

Year Ended December 31, 2008

	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	\$ 322,570	\$ 69,461	\$ 48,172	\$ 77,618	\$ 517,821
Payroll taxes and benefits	93,048	21,042	13,372	22,121	149,583
Professional fees	19,623	1,089	3,150	5,891	29,753
Dues and subscriptions	724	8,354	0	218	9,296
Supplies	20,854	2,553	1,831	6,261	31,499
Telephone	6,131	817	599	1,841	9,388
Postage	2,447	2,745	1,375	734	7,301
Insurance	3,968	1,687	254	1,191	7,100
Utilities	2,400	1,042	10	721	4,173
Equipment	10,894	791	630	3,271	15,586
Printing and publications	2,126	0	0	638	2,764
Travel	8,667	298	629	2,602	12,196
Conferences and training	737	0	0	221	958
Bank fees	1,241	5,834	3,951	372	11,398
Taxes and permits	5,095	1,852	33	1,529	8,509
Advertising	7,256	0	0	2,179	9,435
Depreciation	16,144	0	0	4,847	20,991
Miscellaneous	2,387	0	889	716	3,992
<b>Total functional expenses</b>	<b>\$ 526,312</b>	<b>\$ 117,565</b>	<b>\$ 74,895</b>	<b>\$ 132,971</b>	<b>\$ 851,743</b>

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

## Consolidated Statement of Functional Expenses

Year Ended December 31, 2007

	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	\$ 316,332	\$ 86,163	\$ 0	\$ 89,960	\$ 492,455
Payroll taxes and benefits	82,471	22,559	0	28,006	133,036
Professional fees	69	5,984	0	24	6,077
Dues and subscriptions	1,039	7,428	0	353	8,820
Supplies	17,626	1,116	0	5,985	24,727
Telephone	4,898	0	0	1,663	6,561
Postage	2,328	2,501	0	790	5,619
Insurance	4,104	1,468	1,002	1,734	8,308
Utilities	2,063	1,459	0	700	4,222
Equipment	13,291	1,117	0	4,513	18,921
Printing and publications	2,335	0	0	793	3,128
Travel	8,779	313	0	2,981	12,073
Conferences and training	2,751	0	0	934	3,685
Bank fees	3,459	0	0	1,174	4,633
Taxes and permits	1,109	200	0	376	1,685
Advertising	11,040	0	0	3,749	14,789
Depreciation	14,638	0	0	5,109	19,747
Miscellaneous	3,861	877	0	1,172	5,910
<b>Total functional expenses</b>	<b>\$ 492,193</b>	<b>\$ 131,185</b>	<b>\$ 1,002</b>	<b>\$ 150,016</b>	<b>\$ 774,396</b>

# 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.

# 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)

#### **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 audit report has been issued for this entity.

#### **Basis of Presentation**

The consolidated financial statements have been presented in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required 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.

# 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 on the straight-line method for financial reporting purposes based on the estimated useful lives of the assets. Estimated useful lives are 30 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.

#### **Reclassifications**

The 2007 revenue has been reclassified on the consolidated statement of activities to conform with the 2008 presentation. There was no effect on net assets or the change in net assets.

# 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)

#### **Use of Estimates in Preparation of Financial Statements**

The preparation of the accompanying consolidated financial statements in conformity 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.

#### **Tax Status**

FISC and MMEA are nonprofit organizations as described in Section 501(c)(3) of the Internal Revenue 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.

### **Note 2**      **Restricted Cash and Funds Managed for Others**

In 2008, MMEA began operating 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 and funds managed for others at December 31, 2008, was \$96,478. There was no balance in these accounts at December 31, 2007.

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

## Notes to Consolidated Financial Statements

---

### Note 3 Property and Equipment

Property and equipment consisted of the following at December 31:

	2008	2007
Land	\$ 30,000	\$ 30,000
Building	358,095	359,733
Equipment	45,501	36,026
Total property and equipment	433,596	425,759
Less - Accumulated depreciation	132,942	111,920
Property and equipment - Net	\$ 300,654	\$ 313,839

### 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. At December 31, 2008 and 2007, the Organization had a payable to Goodwill Industries of \$142,286 and \$53,861, respectively. Office space and administrative support are also provided by Goodwill Industries at no charge to the Organization. In 2008, Goodwill Industries transferred \$44,272 to MMEA. The contribution consisted of net assets of the program's operations from 2007. Goodwill Industries considers this activity to be a better match to the mission of MMEA.

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

## Notes to Consolidated Financial Statements

---

### Note 5 Retirement Plan

Goodwill Industries has a defined contribution pension plan covering substantially all employees who work at least 1,000 hours during the plan year. The plan provides for a matching contribution by Goodwill Industries equal to 50% of the employee's total contribution with the maximum contribution being equal to 3% of the employee's total compensation. In addition, Goodwill Industries makes a safe harbor contribution of 3%. Pension expense paid to Goodwill Industries totaled \$21,112 and \$21,229 for the years ended December 31, 2008 and 2007, respectively.

### Note 6 Temporarily Restricted Net Assets

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

	2008	2007
Future periods	\$ 288,940	\$ 208,940
CPR software	0	18,400
Other	819	513
Totals	\$ 289,759	\$ 227,853

### Note 7 Trust Fund

FISC maintains a separate client trust account entitled CCCS Trust Fund with a balance of \$13,000 at December 31, 2008 and 2007.

