



CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2014

with

Supplementary Financial Information

and

Independent Auditors' Report

VOLUNTEERS OF AMERICA OF OREGON, INC.

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Independent Auditors' Report

The Board of Directors
Volunteers of America of Oregon, Inc.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Volunteers of America of Oregon, Inc. (a non-profit organization), which comprise the consolidated statement of financial position as of June 30, 2014, and the related consolidated statements of activities, functional expenses, and cash flows for the year 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 of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of 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 the auditors' 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 consolidated financial position of Volunteers of America of Oregon, Inc. as of June 30, 2014, and the changes in its consolidated net assets and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary financial information on pages 24 through 31 are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited Volunteers of America of Oregon, Inc.'s 2013 consolidated financial statements, and our report dated October 28, 2013, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2014, on our consideration of Volunteers of America of Oregon, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Volunteers of America of Oregon, Inc.'s internal control over financial reporting and compliance.

Heaman, Stewart & Schmiel, P.C.

Lake Oswego, Oregon
October 27, 2014

VOLUNTEERS OF AMERICA OF OREGON, INC.

Consolidated Statement of Financial Position

June 30, 2014 <i>(With Comparative Amounts for 2013)</i>	2014	2013
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 582,812	\$ 534,413
Accounts receivable <i>(Note 3)</i>	2,268,484	2,432,471
Current portion of pledges receivable <i>(Note 4)</i>	20,133	25,743
Inventory	32,015	26,328
Prepaid expenses	372,877	234,540
Investments <i>(Notes 6 and 14)</i>	4,587,853	4,130,089
Total current assets	7,864,174	7,383,584
Pledges receivable - net of current portion <i>(Note 4)</i>	3,686	7,233
Investments <i>(Notes 6 and 14)</i>	1,395,167	1,332,428
Property and equipment - net <i>(Note 5)</i>	3,830,283	3,940,763
Total assets	\$ 13,093,310	\$ 12,664,008
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable <i>(Note 12)</i>	\$ 455,109	\$ 375,527
Accrued payroll and related liabilities	580,757	574,056
Deferred revenue <i>(Note 8)</i>	392,570	313,642
Capital lease obligations	-	5,064
Total current liabilities	1,428,436	1,268,289
Deferred rent <i>(Note 7)</i>	105,645	118,057
Total liabilities	1,534,081	1,386,346
Commitments, contingencies, and concentrations <i>(Notes 7 and 8)</i>		
Net assets:		
Unrestricted:		
Undesignated	7,160,069	7,216,395
Board designated	2,238,198	2,166,585
Total unrestricted	9,398,267	9,382,980
Temporarily restricted <i>(Notes 9 and 10)</i>	2,075,362	1,809,082
Permanently restricted <i>(Notes 9 and 10)</i>	85,600	85,600
Total net assets	11,559,229	11,277,662
Total liabilities and net assets	\$ 13,093,310	\$ 12,664,008

The accompanying notes are an integral part of the consolidated financial statements.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Consolidated Statement of Activities

Year Ended June 30, 2014 (With Comparative Totals for 2013)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	
				2014	2013
Revenue and other support from operations:					
Public support received directly:					
Contributions	\$ 1,982,932	\$ 227,093	\$ -	\$ 2,210,025	\$ 2,403,195
Special events - net	256,392	-	-	256,392	160,169
Public support received indirectly:					
United Way	38,761	-	-	38,761	5,377
Total public support	2,278,085	227,093	-	2,505,178	2,568,741
Contracts and grants from governmental agencies	12,993,652	-	-	12,993,652	11,842,407
Program service fees	1,705,863	-	-	1,705,863	1,808,717
Rental income	60,383	-	-	60,383	58,185
Catering sales and other income	570,014	-	-	570,014	583,654
Net assets released from restriction (Note 9)	32,582	(32,582)	-	-	-
Net revenue and other support from operations	17,640,579	194,511	-	17,835,090	16,861,704
Operating expenses:					
Program services:					
Encouraging positive development	2,984,871	-	-	2,984,871	2,939,787
Fostering independence	1,261,705	-	-	1,261,705	1,273,550
Promoting self-sufficiency	10,531,294	-	-	10,531,294	9,925,404
Total program services	14,777,870	-	-	14,777,870	14,138,741
Supporting services:					
Management and general	2,134,446	-	-	2,134,446	1,930,258
Fundraising	443,275	-	-	443,275	450,594
Total supporting services	2,577,721	-	-	2,577,721	2,380,852
Administrative fees paid to national organization (Note 12)	385,612	-	-	385,612	355,924
Total operating expenses	17,741,203	-	-	17,741,203	16,875,517
Increase (decrease) in net assets from operations (carried forward)	(100,624)	194,511	-	93,887	(13,813)

The accompanying notes are an integral part of the consolidated financial statements.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Consolidated Statement of Activities - Continued

Year Ended June 30, 2014 *(With Comparative Totals for 2013)*

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	
				2014	2013
Increase (decrease) in net assets from operations (brought forward)	\$ (100,624)	\$ 194,511	\$ -	\$ 93,887	\$ (13,813)
Gains and other revenue:					
Interest and dividend income	40,385	9	-	40,394	53,143
Gain on disposition of equipment	4,935	-	-	4,935	-
Realized and unrealized gain on investments	70,591	71,760	-	142,351	66,967
Net gains and other revenue	115,911	71,769	-	187,680	120,110
Increase in net assets	15,287	266,280	-	281,567	106,297
Net assets, beginning of year	9,382,980	1,809,082	85,600	11,277,662	11,171,365
Net assets, end of year	\$ 9,398,267	\$ 2,075,362	\$ 85,600	\$ 11,559,229	\$ 11,277,662

The accompanying notes are an integral part of the consolidated financial statements.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Consolidated Statement of Functional Expenses

Year Ended June 30, 2014 (With Comparative Totals for 2013)

	Program Services			Total
	Encouraging Positive Development	Fostering Independence	Promoting Self- Sufficiency	
Salaries	\$ 1,984,789	\$ 730,231	\$ 5,463,537	\$ 8,178,557
Pension expense	69,585	29,930	213,515	313,030
Employee benefits	296,414	92,134	723,310	1,111,858
Payroll taxes	158,794	69,758	519,466	748,018
Professional fees	36,797	24,462	242,645	303,904
Advertising	373	1,637	4,289	6,299
Accounting fees	-	-	-	-
Legal fees	-	-	1,983	1,983
Supplies	112,246	127,970	1,093,343	1,333,559
Telecommunications	37,221	16,380	120,598	174,199
Postage and handling	317	301	2,556	3,174
Interest expense	42	42	616	700
Occupancy	60,792	74,113	709,618	844,523
Insurance	24,491	9,646	73,801	107,938
Equipment maintenance and repair	6,204	4,881	75,384	86,469
Printing and publications	3,499	1,295	7,968	12,762
Travel	121,267	6,697	182,783	310,747
Conferences and meetings	15,165	4,728	50,349	70,242
Sub-recipient grants	-	-	89,732	89,732
Specific assistance to individuals	18,727	1,084	734,865	754,676
Miscellaneous	2,865	1,166	28,436	32,467
Depreciation and amortization	35,283	65,250	192,500	293,033
	2,984,871	1,261,705	10,531,294	14,777,870
Administrative fees paid to national organization (Note 12)	75,730	37,369	255,804	368,903
	3,060,601	1,299,074	10,787,098	15,146,773
Management and general allocated	406,608	172,827	1,336,638	1,916,073
	\$ 3,467,209	\$ 1,471,901	\$ 12,123,736	\$ 17,062,846

The accompanying notes are an integral part of the consolidated financial statements.

Supporting Services				
Management and General	Fundraising	Total	Total	
			2014	2013
\$ 1,228,791	\$ 282,128	\$ 1,510,919	\$ 9,689,476	\$ 9,077,532
83,871	9,166	93,037	406,067	358,816
114,917	32,973	147,890	1,259,748	1,081,464
74,830	11,269	86,099	834,117	876,177
139,355	19,948	159,303	463,207	470,195
9,025	8,352	17,377	23,676	20,635
50,150	-	50,150	50,150	51,297
4,053	-	4,053	6,036	17,137
(397)	20,624	20,227	1,353,786	1,418,021
18,290	3,165	21,455	195,654	187,506
5,633	15,694	21,327	24,501	23,092
-	-	-	700	3,641
34,970	1,778	36,748	881,271	852,744
32,282	1,513	33,795	141,733	131,138
151,307	175	151,482	237,951	220,799
2,180	24,084	26,264	39,026	35,367
45,933	2,240	48,173	358,920	308,235
11,520	1,490	13,010	83,252	82,991
-	-	-	89,732	43,538
-	-	-	754,676	803,689
60,938	8,212	69,150	101,617	110,962
66,798	464	67,262	360,295	344,617
2,134,446	443,275	2,577,721	17,355,591	16,519,593
8,550	8,159	16,709	385,612	355,924
2,142,996	451,434	2,594,430	17,741,203	16,875,517
(1,969,904)	53,831	(1,916,073)	-	-
\$ 173,092	\$ 505,265	\$ 678,357	\$ 17,741,203	\$ 16,875,517

VOLUNTEERS OF AMERICA OF OREGON, INC.

Consolidated Statement of Cash Flows

Year Ended June 30, 2014 <i>(With Comparative Totals for 2013)</i>	2014	2013
Cash flows from operating activities:		
Increase in net assets	\$ 281,567	\$ 106,297
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	360,295	344,617
Realized and unrealized gain on investments	(142,351)	(66,967)
Donated investments	-	(1,093)
Gain on disposition of equipment	(4,935)	-
(Increase) decrease in:		
Accounts receivable	163,987	(308,048)
Pledges receivable	9,157	18,157
Inventory	(5,687)	2,218
Prepaid expenses	(138,337)	7,580
Increase (decrease) in:		
Accounts payable	79,582	(36,403)
Accrued payroll and related liabilities	6,701	637
Deferred revenue	78,928	4,166
Deferred rent	(12,412)	50,768
Net cash provided by operating activities	676,495	121,929
Cash flows from investing activities:		
Proceeds from disposition of equipment	4,935	-
Purchases of property and equipment	(249,815)	(511,619)
Proceeds from sale of investments	2,100,000	980,000
Purchases of investments	(2,478,152)	(922,203)
Net cash used by investing activities	(623,032)	(453,822)
Cash flows from financing activities:		
Principal payments on capital lease obligations	(5,064)	(16,724)
Net cash used by financing activities	(5,064)	(16,724)
Net increase (decrease) in cash and cash equivalents	48,399	(348,617)
Cash and cash equivalents, beginning of year	534,413	883,030
Cash and cash equivalents, end of year	\$ 582,812	\$ 534,413
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	\$ 700	\$ 3,641

The accompanying notes are an integral part of the consolidated financial statements.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements

1. Nature of Activities

Volunteers of America of Oregon, Inc. (VOA) is a not-for-profit faith based human services corporation, incorporated in the State of Oregon. VOA provides social services within the State of Oregon under a charter from Volunteers of America, Inc., a national not-for-profit faith based organization, which provides human service programs and opportunities for individual and community involvement.

VOA is the sole member of Sacramento Street Housing, LLC (Housing) a limited liability company formed on November 20, 2012. Housing owns and operates real property as permanent rental housing to support low-income clients of VOA.

VOA has a number of programs that provide social services in impact areas including encouraging positive development, fostering independence, and promoting self-sufficiency.

Encouraging Positive Development - Within the impact area of encouraging positive development, VOA provides services to promote healthy development of children through various programs for children and youth. These include:

Court Care - A free, drop-in, supervised child care service at the Multnomah County Courthouse. The service is for children of families involved in court proceedings. The service eliminates disruptions during court proceedings and protects children from witnessing unpleasant situations.

Family Relief Nursery - A prevention and early intervention program designed to strengthen families at serious risk of abusing or neglecting their children or of permanently losing custody of their children. The Nursery offers a holistic, positive intervention with both children and parents. It provides therapeutic preschool and respite care services, intensive parent training, home visits and additional family support services.

Family Connection - Offers nurturing and developmentally appropriate child rearing methods to parents referred by the criminal justice system. The program is designed to improve the capabilities of parents to provide safe, nurturing, and developmentally appropriate environments for their children.

Alcohol and Drug Programs - Educates families and children about the dangers of substance abuse.

Adelante - In partnership with Portland Public Schools, this family engagement program offers an array of culturally-specific mentoring and wrap-around support services to Latino youth and their families. Services are structured to encourage families and students to make positive, healthy connections with the school district and staff members.

My Little Waiting Room - This program provides free, professional, and safe licensed drop-in childcare for families who are receiving services at Providence St. Vincent Hospital and at Providence Portland Medical Center.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements - Continued

1. Nature of Activities - Continued

Fostering Independence - Within the area of fostering independence, VOA provides the following services:

Marie Smith Center and Lambert House East - VOA provides a full continuum of adult day care (community based) for the elderly and disabled population and their caregivers at Marie Smith Center and Lambert House East. VOA is registered and certified under Oregon Administrative Rules with the Department of Human Services, Seniors and People with Disabilities Division. The adult day care centers provide supervised daytime therapeutic social and health services for older adults, especially those with dementia and individuals with disabilities. Family caregivers receive respite care, support, training, and critical daily care for their loved ones.

Whispering Pines Senior Village - This 62-unit subsidized senior apartment community in Estacada, Oregon, includes independent living units and community activities and amenities.

T&P Gambling Treatment Services - Gambling treatment services are provided at no cost to problem gamblers and their family members.

Promoting Self-Sufficiency - Within the impact area of promoting self-sufficiency, VOA provides the following services:

Thrift Store - Offers affordable clothing, household items, and other used goods to the public, and jobs to members of the community. Items sold are donated from Portland area households.

Catering for a Cause - A program that is working with women who are participating in VOA's Women's Residential Drug Treatment Center program. This program provides over 400 meals per day to internal and external clients. The women learn food preparation skills and the value of work, which assists them in rebuilding their lives.

Community Partners Reinvestment - A program that offers comprehensive transitional services and outpatient substance abuse treatment for young men ages 18 to 25 who are reintegrating into the community after a period of incarceration.

Drug Free Housing - Offers safe housing alternative to individuals in recovery.

Men's and Women's Residential Centers - Residential drug and alcohol treatment facilities for men and women referred by the criminal justice system.

Home Free - A comprehensive domestic violence intervention program with a 24-hour crisis line. Home Free assists women and children with temporary and permanent housing plus on-going support groups.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements - Continued

1. Nature of Activities - Continued Promoting Self-Sufficiency - Continued

Al Forthan Scholarship - Established to honor Mr. Al Forthan. The scholarships are awarded to Portland Public High School seniors based on essays from the applicant to explore how addiction has impacted our community, and to think about solutions to this complex problem.

Day Treatment Program - Incorporates both pre-release and post-release drug and alcohol treatment for adult male offenders. Designed to engage the client and develop a smooth transition in a 12-month outpatient program.

Portland Partners Reentry Initiative - Serves adults who have been incarcerated and are making the transition from prison to the community by providing life skills and support to reduce recidivism.

Treatment and Prevention Services (T&P) - A comprehensive outpatient services program providing substance abuse, gambling, mental health and wellness treatment for men and women. Treatment is customized to meet individual needs. Services are available in English and Spanish and include individual and group counseling, alcohol and drug assessment and treatment, mental health evaluation and treatment, aftercare services, problem gambling treatment, DUII counseling, and naturopathic health care.

Residential Support Program - A 12-bed clean and sober program for men who are struggling with substance abuse and homelessness, who have been identified by the Portland Police Bureau as high priority. The program is designed to link participants with addictions treatment, employment services, long-term housing support, and a variety of other recovery-oriented services.

Family Recovery Support (FRS) - A voluntary program that was created to meet the needs of parents with child welfare involvement who have completed chemical dependency treatment. FRS is staffed by a Family Therapist who works with individuals, couples, and children to support them in meeting the challenges of parenting and relationships in early recovery. FRS also offers the services of a Resource Specialist who is available to help families access various resources throughout the community, such as housing, employment support, clothing, and childcare. FRS also operates a drop-in center located at Volunteers of America Woman's Residential Center, where families can stop by for a free meal and attend a self-help meeting (such as Parents Anonymous or Narcotics Anonymous), and meet with staff. Free bus tickets and childcare are provided.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements - Continued

1. Nature of Activities - Continued

Promoting Self-Sufficiency - Continued

T&P Reentry Program - The Reentry Enhancement Coordination (REC) Team project is a partnership with the Oregon Department of Corrections, Multnomah County Department of Community Justice, and a network of community-based organizations. The collaboration provides outpatient addictions treatment, alcohol and drug free transitional housing, recovery peer mentors, and employment and job development services for adult men and women who are transitioning out of correctional institutions back into the community.

START Drug Court Treatment - This program provides comprehensive addictions and mental health treatment services and support for adult men and women referred through the START property offender court.

Low-Intensity Residential Treatment Program - This program provides low-intensity residential treatment services for adult men. Participants live in a substance-free, safe environment while receiving intensive outpatient addictions and mental health treatment services, recovery mentoring, and wrap-around support services.

Rockwood Clinic - This is a partnership with the Multnomah County Health Department to bring substance abuse and behavioral health services to the Rockwood Community. This program integrates an on-site addictions counselor into medical home teams at the Rockwood Community Health Center to support improvements in individual health outcomes and quality of care for patients with a substance disorder.

Community and Electronic Monitoring - This is a community monitoring program (CMP) that permits at-risk youth, who would otherwise be placed into detention, to remain in the community under the supervision of VOA's Youth Monitors. CMP is a central component of Multnomah County's Detention Reform Initiative. The program gives at-risk youth a greater opportunity to demonstrate accountability and responsibility than they would have had they been placed in detention. To ensure community safety, any activity that puts the public at risk may result in the removal of the youth from the program and their subsequent placement into detention under the authority of the Juvenile Department or the Juvenile Court.

2. Significant Accounting Policies

The accounting policies of VOA conform to accounting principles generally accepted in the United States of America as applicable to voluntary health and welfare organizations. The significant accounting policies followed by VOA are described below to enhance the usefulness of the consolidated financial statements to the reader.

Principles of Consolidation - The consolidated financial statements include the accounts of Volunteers of America of Oregon, Inc. and Sacramento Street Housing, LLC, a limited liability company that is wholly owned by Volunteers of America of Oregon, Inc. All significant inter-organization balances and transactions have been eliminated.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements - Continued

2. Significant Accounting Policies - Continued

Basis of Presentation - Net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of VOA and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that will be met either by actions of VOA and/or the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by VOA. Generally, the donors of these assets permit VOA to use all or part of the income earned on related investments for general or specific purposes.

Expenses are reported as decreases in unrestricted net assets. Gains and losses on assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restriction.

Use of Estimates - The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Among other things, estimates are used in the consolidated financial statements to calculate the allowance for uncollectible receivables, the valuation of donated inventory, the depreciable lives of property and equipment, and the functional allocation of expenses.

Cash and Cash Equivalents - VOA considers all highly liquid debt instruments purchased with a maturity of three months or less when purchased to be cash equivalents, unless held for reinvestment as part of the investment portfolio or otherwise restricted or designated.

Accounts Receivable - Accounts receivable are recognized as services are provided. Interest is not charged on past due accounts.

VOA uses the allowance method to account for uncollectible accounts. The allowance for doubtful accounts is estimated by management based on various factors, including history and current economic conditions.

Accounts receivable at June 30, 2014 and 2013, includes \$13,284 and \$278,221, respectively, that has been outstanding for over 90 days. VOA's management feels that all accounts receivable are fully collectible and an allowance for doubtful accounts is not necessary.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements - Continued

2. Significant Accounting Policies - Continued

Contribution Recognition - Contributions, which include unconditional promises to give, are recognized as revenues in the period received. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the future amounts expected to be collected. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

VOA reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the consolidated statement of activities as net assets released from restriction. Restricted contributions are reflected in the unrestricted net asset class when the restriction is satisfied in the same year the contribution is received. Public support from special events is presented net of direct costs of \$59,459 and \$98,587 for the years ended June 30, 2014 and 2013, respectively.

VOA reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. 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, VOA reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Donated services are recognized as contributions 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 VOA. Volunteer assistance received by VOA during 2014 and 2013, includes client mentoring, classroom training, and program support. The value of these services for the years ended June 30, 2014 and 2013, is estimated at \$751,000 and \$855,000, respectively. Volunteer assistance is not recognized as contribution revenue in the consolidated financial statements since the recognition criteria under accounting standards generally accepted in the United States of America have not been met. VOA tracks volunteer assistance provided and estimates the values of that assistance based on hourly rates for equivalent paid positions.

Investments and Investment Risk - Investments in fixed income and equity securities are carried at fair value. Investments in money market funds and certificates of deposit are carried at stated value (generally cost plus accumulated earnings). Realized and unrealized gains and losses are shown in the consolidated statement of activities. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with investment securities, it is at least reasonably possible changes in the investment securities' values will occur in the near term and such changes could materially affect account balances and the amounts reported in the consolidated statement of financial position.

Inventory - Inventory consists of donated vehicles, \$6,455 and \$5,100 at June 30, 2014 and 2013, respectively, and thrift store clothing, \$25,560 and \$21,228 at June 30, 2014 and 2013, respectively. Inventory is recorded at estimated fair market value at date of donation.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements - Continued

2. Significant Accounting Policies - Continued

Property and Equipment - Land, buildings and equipment purchased by VOA are recorded at cost. Donated property and equipment are recorded at estimated fair market value at date of donation. VOA follows the practice of capitalizing all property and equipment with cost in excess of \$2,000 at date of purchase or donation.

Depreciation and amortization are calculated using the straight-line method over the following estimated useful lives:

Furniture and equipment	3 - 10 years
Leasehold improvements	3 - 7 years
Buildings and improvements	3 - 33 years

Deferred Revenue - Deferred revenue consists of advance payments received on exchange transactions and conditional grants.

Income Taxes - VOA is exempt from Federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state provisions. Accordingly, no provision for income taxes has been made in the accompanying consolidated financial statements. VOA is not classified as a private foundation.

Sacramento Street Housing, LLC is a disregarded entity for Federal and state income tax purposes, and any income or loss is passed through to VOA.

Accounting principles generally accepted in the United States of America prescribe a recognition threshold and measurement process for accounting for uncertain tax positions and provide guidance on various related matters such as interest, penalties, and required disclosures. Management does not believe VOA has any uncertain tax positions. VOA files informational returns. Generally, these returns are subject to examination by income tax authorities for three years from the filing of a return. As such, the returns for the years ended June 30, 2011, 2012 and 2013, are currently subject to examination. There are currently no examinations in progress for any periods. VOA has not paid any interest or penalties related to its income tax positions. Interest or penalties assessed by taxing authorities, if any, would be included with management and general expenses.

Functional Allocation of Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Certain costs have been allocated among the program and supporting services benefited.

Advertising - Advertising costs are charged to expense as incurred.

Summarized Financial Information - The financial information for the year ended June 30, 2013, is presented for comparative purposes, and is not intended to be a complete financial statement presentation. Accordingly, such information should be read in conjunction with VOA's consolidated financial statements for the year ended June 30, 2013, from which the summarized information was derived.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements - Continued

3. Accounts Receivable

Accounts receivable consist of amounts due from the following:

	2014	2013
Oregon Department of Human Services	\$ 222,118	\$ 222,703
Multnomah County Department of Community Justice	1,114,966	1,065,658
Other	931,400	1,144,110
	<u>\$ 2,268,484</u>	<u>\$ 2,432,471</u>

4. Pledges Receivable

Pledges receivable consist of unconditional promises to give expected to be collected in:

	2014	2013
Less than one year	\$ 20,133	\$ 25,743
One year to five years	9,890	17,927
	<u>30,023</u>	<u>43,670</u>
Gross pledges receivable	30,023	43,670
Less reserve for uncollectible accounts	(5,150)	(8,970)
Less discount to present value (4 percent rate)	(1,054)	(1,724)
	<u>(6,204)</u>	<u>(10,694)</u>
Net pledges receivable	<u>\$ 23,819</u>	<u>\$ 32,976</u>

5. Property and Equipment

	2014	2013
Land and buildings	\$ 7,164,349	\$ 6,513,966
Leasehold improvements	49,001	49,001
Furniture and equipment	1,410,079	1,314,316
Construction in progress	-	524,878
	<u>8,623,429</u>	<u>8,402,161</u>
Less accumulated depreciation and amortization	(4,793,146)	(4,461,398)
Net property and equipment	<u>\$ 3,830,283</u>	<u>\$ 3,940,763</u>

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements - Continued

6. Investments

Investments include the following:

	2014	2013
Cash and money market funds	\$ 2,306,886	\$ 2,201,739
Certificates of deposit	2,037,490	1,716,242
Domestic equities and mutual funds	593,767	520,452
Domestic fixed income funds	492,950	494,119
International equities and mutual funds	207,677	197,896
International fixed income funds	157,219	137,722
Cash surrender value of insurance policies	73,360	70,077
Real estate funds	113,671	124,270
	5,983,020	5,462,517
Less amounts classified as current	(4,587,853)	(4,130,089)
Amounts classified as non-current	\$ 1,395,167	\$ 1,332,428

The following investments have been classified as non-current:

Estate contributions held in trust (<i>Note 9</i>)	\$ 1,309,567	\$ 1,246,828
Restricted by donors for permanent endowment	85,600	85,600
	\$ 1,395,167	\$ 1,332,428

7. Commitments

Operating Leases - VOA has entered into various non-cancelable operating lease agreements for office and residential space for human service programs that expire through June 2019.

In accordance with accounting principles generally accepted in the United States of America, VOA records rent expense for leases using the straight-line method over the lives of the leases. Accordingly, a liability for deferred rent has been established to reflect the difference between rental expense based on the straight-line method and actual amounts paid under the terms of the leases. At June 30, 2014 and 2013, this liability totaled \$105,645 and \$118,057, respectively.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements - Continued

7. Commitments - Continued

The following is a schedule of future minimum rental payments required:

Years Ending June 30,	Amount
2015	\$ 348,783
2016	273,660
2017	277,667
2018	108,532
2019	95,394
	<u>\$ 1,104,036</u>

Rent expense under the leases was \$351,434 and \$409,357 for the years ended June 30, 2014 and 2013, respectively.

Line of Credit - VOA has a \$1,000,000 line of credit agreement with US Bank. Interest is payable at the bank's prime rate plus 0.5 percent (3.75 percent at June 30, 2014). The line is not secured and is due on demand. There were no outstanding borrowings at June 30, 2014 or 2013. The line matures on March 31, 2015.

8. Contingencies and Concentrations

Certain amounts received or receivable under VOA's contracts with various state and county agencies are subject to audit and adjustment by the contracting agencies and by various agencies of the U.S. government. Any expenditures or claims disallowed as a result of such audits would become a liability of VOA's unrestricted net asset class. In the opinion of VOA's management, any adjustments that might result from such audits would not be material to VOA's overall consolidated financial statements as of June 30, 2014.

The majority of VOA's revenues associated with contracts and grants from governmental agencies are derived from various contracts with Multnomah County and the State of Oregon. A loss of contract or grant funding from either of these resource providers would have a negative impact on VOA's operations.

VOA is the recipient of certain conditional grants for the benefit of various programs. The grants are conditioned on receipt of matching grants and satisfactory progress in the programs. Total conditional grants received, but not expended as of June 30, 2014 and 2013, of \$392,570 and \$313,072, respectively, are included in deferred revenue.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements - Continued

9. Restricted Net Assets

Temporarily Restricted Net Assets - Temporarily restricted net assets include the following:

	2014	2013
Program support	\$ 747,715	\$ 507,147
Capital improvements at Lambert House East	-	26,379
Future periods	18,019	28,676
Unexpended endowment income	61	52
Estate contributions held in trust*	1,309,567	1,246,828
	<u>\$ 2,075,362</u>	<u>\$ 1,809,082</u>

*Per instructions from the donors, certain contributions received from estates during 2007 and 2009 will be held and invested by Wells Fargo Bank until 2017. The amounts held in trusts are included in investments (Note 6).

Permanently Restricted Net Assets - VOA has permanently restricted net assets of \$85,600 at both June 30, 2014 and 2013, where only the income from these investments is able to support operations of VOA.

Net Assets Released from Restriction - During the year ended June 30, 2014, net assets of \$32,582 were released from restriction due to specific actions of VOA and/or the passage of time.

10. Endowment Funds

VOA's endowment consists of three donor-restricted funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of VOA has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, VOA classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument, if any, at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by VOA in a manner consistent with the standard of prudence prescribed by UPMIFA.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements - Continued

10. Endowment Funds - Continued

Investment Strategy and Endowment Spending Policies

VOA's endowment funds are presently invested solely in cash and money market funds, and are earning a nominal rate of return. VOA has not adopted formal spending policies with respect to its endowment funds.

Endowment net asset composition by type of fund as of June 30, 2014, is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor restricted funds	<u>\$ -</u>	<u>\$ 61</u>	<u>\$ 85,600</u>	<u>\$ 85,661</u>

Changes in endowment net asset for the year ended of June 30, 2014, is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$ -	\$ 52	\$ 85,600	\$ 85,652
Interest income	<u>-</u>	<u>9</u>	<u>-</u>	<u>9</u>
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 61</u>	<u>\$ 85,600</u>	<u>\$ 85,661</u>

11. Retirement Plans

VOA participates with its National Organization and Local Offices in a non-contributory defined benefit pension and retirement plan, called The Volunteers of America National Pension Plan. The plan's employer identification number is 13-1692595 and the plan year end is December 31. This plan is a multi-employer plan and is not required to record the unfunded pension liability in its financials. The plan's disclosure information regarding the projected benefit obligation and unfunded status as they relate solely to the National Organization is not available, which is typical for multi-employer plans. Because this plan is a church plan and not subject to the Employment Retirement Security Act of 1974 (ERISA), the Organization is not required to file a Form 5500. This unfunded liability is collectively the liability of all participating employers. If there were any cash shortfalls in the plan, the plan would look towards the participating employers to help fund these amounts. As participating employers of this plan are affiliated with the Organization, it is not anticipated that any employer will choose to stop participating.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements - Continued

11. Retirement Plans - Continued

The financial health of the multi-employer pension plan is indicated by the zone status, as defined by the Pension Protection Act of 2006, which represents the funded status of the plan as certified by the plan's actuary. Plans in the red zone are less than 65% funded, the yellow zone are between 65% and 80% funded, and the green zone are at least 80% funded. Because the plan is not subject to ERISA, a funding improvement plan is not required; however, the Organization has voluntarily implemented a contribution assessment. The plan's zone status as of January 1, 2013, the date of the most recently available actuarial information was red.

VOA maintains a defined contribution retirement plan (the Plan) that covers substantially all employees. Employer contributions are determined annually by the Board of Directors, and vest immediately. Employer contributions to the Plan during the years ended June 30, 2014 and 2013, totaled \$406,065 and \$358,815, respectively.

12. Related-Party Transactions

VOA is affiliated with Volunteers of America, Inc. (the national organization), which provides supporting services to VOA for a fee. Administrative fees for the years ended June 30, 2014 and 2013 totaled \$385,612 and \$355,924, respectively. The balance currently due to the national organization at June 30, 2014 and 2013, of \$30,016 and \$26,544, respectively, is included in accounts payable.

13. Financial Instruments with Concentrations of Credit Risk

Financial instruments that potentially subject VOA to concentrations of credit risk consist primarily of cash and cash equivalents, accounts receivable, and investments. VOA's cash balances typically exceed the Federal Deposit Insurance Corporation (FDIC) insured limit. The majority of VOA's accounts receivable are due from government funding agencies, and management believes the associated risk with these receivables is low. Credit risk with respect to investments is managed via VOA's established investment policies.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements - Continued

14. Fair Value Measurements

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 and the valuation methodologies used for assets are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets VOA has the ability to access.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology that are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

VOLUNTEERS OF AMERICA OF OREGON, INC.

Notes to Consolidated Financial Statements - Continued

14. Fair Value Measurements - Continued

The following table sets forth by level, within the fair value hierarchy, VOA's assets measured at fair value on a recurring basis as of June 30, 2014:

	Level 1	Level 2	Level 3	Total
Money market mutual funds	\$ 1,983,323	\$ -	\$ -	\$ 1,983,323
Domestic equities and mutual funds	593,767	-	-	593,767
Domestic fixed income mutual funds	492,950	-	-	492,950
International equities and mutual funds	207,677	-	-	207,677
International fixed income mutual funds	157,219	-	-	157,219
Cash surrender value of insurance policies	-	-	73,360	73,360
Real estate funds	<u>113,671</u>	<u>-</u>	<u>-</u>	<u>113,671</u>
Total assets at fair value	<u>\$ 3,548,607</u>	<u>\$ -</u>	<u>\$ 73,360</u>	<u>\$ 3,621,967</u>

A summary of the fair value measurements using unobservable inputs (Level 3) for the year ended June 30, 2014, is as follows:

Balance, June 30, 2013	\$ 70,077
Unrealized gain related to increase in surrender value	<u>3,283</u>
Balance, June 30, 2014	<u>\$ 73,360</u>

The valuations of the Level 3 investments were provided by the applicable insurance companies. The valuations were reviewed by VOA's management. The valuations provided by the insurance companies are management's best estimate of the fair value of the assets.

15. Subsequent Events

Management has evaluated subsequent events through October 27, 2014, the date the consolidated financial statements were available for issue.



SUPPLEMENTARY FINANCIAL INFORMATION

VOLUNTEERS OF AMERICA OF OREGON, INC.

**Supplemental Schedule of Expenses by Program
Encouraging Positive Development**

Year Ended June 30, 2014 *(With Comparative Totals for 2013)*

	Court Care	Family Relief Nursery	Family Connection	Alcohol and Drug Programs
Salaries	\$ 70,786	\$ 466,277	\$ 350,238	\$ 820,534
Pension expense	3,553	8,172	13,346	35,260
Employee benefits	14,985	74,547	34,609	142,396
Payroll taxes	5,800	38,376	20,880	70,649
Professional fees	66	10,320	18,357	3,653
Advertising	13	125	25	-
Supplies	3,906	79,222	12,089	5,895
Telecommunications	1,294	9,971	7,656	16,014
Postage and handling	29	83	27	111
Interest expense	-	-	-	-
Occupancy	1,456	31,443	13,300	3,828
Insurance	619	11,274	2,535	8,928
Equipment maintenance and repair	-	5,781	64	132
Printing and publications	-	1,950	478	840
Travel	3,616	25,019	23,764	64,527
Conferences and meetings	1,001	2,657	2,144	7,130
Specific assistance to individuals	-	4,750	5,391	8,586
Miscellaneous	20	914	629	1,057
Depreciation and amortization	-	29,768	4,645	231
	<u>107,144</u>	<u>800,649</u>	<u>510,177</u>	<u>1,189,771</u>
Administrative fees paid to national organization	<u>2,929</u>	<u>18,539</u>	<u>13,240</u>	<u>32,584</u>
	<u>110,073</u>	<u>819,188</u>	<u>523,417</u>	<u>1,222,355</u>
Management and general allocated	<u>14,704</u>	<u>106,881</u>	<u>69,991</u>	<u>163,322</u>
	<u>\$ 124,777</u>	<u>\$ 926,069</u>	<u>\$ 593,408</u>	<u>\$ 1,385,677</u>

Adelante	My Little Waiting Room	Total	
		2014	2013
\$ 66,179	\$ 210,775	\$ 1,984,789	\$ 1,856,248
3,532	5,722	69,585	67,129
6,625	23,252	296,414	243,303
5,217	17,872	158,794	215,372
4,226	175	36,797	27,747
47	163	373	849
3,467	7,667	112,246	145,852
1,944	342	37,221	37,440
6	61	317	254
42	-	42	199
9,339	1,426	60,792	54,078
258	877	24,491	19,170
227	-	6,204	5,260
231	-	3,499	3,909
2,105	2,236	121,267	115,623
413	1,820	15,165	12,851
-	-	18,727	89,533
235	10	2,865	7,043
639	-	35,283	37,927
104,732	272,398	2,984,871	2,939,787
1,303	7,135	75,730	74,350
106,035	279,533	3,060,601	3,014,137
14,380	37,330	406,608	371,796
\$ 120,415	\$ 316,863	\$ 3,467,209	\$ 3,385,933

VOLUNTEERS OF AMERICA OF OREGON, INC.

**Supplemental Schedule of Expenses by Program
Fostering Independence**

Year Ended June 30, 2014 *(With Comparative Totals for 2013)*

	Marie Smith Center	Lambert House East	Whispering Pines Senior Village	T&P Gambling Treatment Services
Salaries	\$ 275,267	\$ 235,054	\$ 94,977	\$ 124,933
Pension expense	10,094	9,999	5,097	4,740
Employee benefits	46,153	27,615	6,896	11,470
Payroll taxes	21,841	20,628	8,792	18,497
Professional fees	11,455	8,963	-	4,044
Advertising	795	795	-	47
Supplies	73,171	52,544	-	2,255
Telecommunications	7,563	6,804	-	2,013
Postage and handling	175	92	-	34
Interest expense	-	-	-	42
Occupancy	30,629	34,145	-	9,339
Insurance	4,164	4,196	642	644
Equipment maintenance and repair	2,587	2,113	-	181
Printing and publications	634	503	-	158
Travel	1,108	1,558	-	4,031
Conferences and meetings	635	598	-	3,495
Specific assistance to individuals	-	1,052	-	32
Miscellaneous	651	408	-	107
Depreciation and amortization	19,613	44,998	-	639
	<u>506,535</u>	<u>452,065</u>	<u>116,404</u>	<u>186,701</u>
Administrative fees paid to national organization	<u>14,558</u>	<u>11,387</u>	<u>7,974</u>	<u>3,450</u>
	<u>521,093</u>	<u>463,452</u>	<u>124,378</u>	<u>190,151</u>
Management and general allocated	<u>69,482</u>	<u>61,737</u>	<u>15,983</u>	<u>25,625</u>
	<u>\$ 590,575</u>	<u>\$ 525,189</u>	<u>\$ 140,361</u>	<u>\$ 215,776</u>

		Total	
		2014	2013
\$	730,231	\$	750,163
	29,930		25,556
	92,134		83,142
	69,758		68,843
	24,462		45,255
	1,637		3,166
	127,970		132,502
	16,380		10,752
	301		365
	42		199
	74,113		71,210
	9,646		7,721
	4,881		6,310
	1,295		1,670
	6,697		5,201
	4,728		2,429
	1,084		239
	1,166		2,249
	65,250		56,578
	1,261,705		1,273,550
	37,369		36,528
	1,299,074		1,310,078
	172,827		163,929
\$	1,471,901	\$	1,474,007

VOLUNTEERS OF AMERICA OF OREGON, INC.

**Supplemental Schedule of Expenses by Program
Promoting Self-Sufficiency**

Year Ended June 30, 2014 *(With Comparative Totals for 2013)*

	Thrift Store	Catering for a Cause	Community Partners Reinvestment	Drug Free Housing	Men's Residential Center	Women's Residential Center
Salaries	\$ 292,645	\$ 221,005	\$ 458,588	\$ 43,212	\$ 939,910	\$ 677,053
Pension expense	14,656	10,026	19,177	2,377	41,338	25,844
Employee benefits	60,015	33,864	47,136	6,720	112,846	83,926
Payroll taxes	25,136	15,352	39,244	3,419	72,346	49,776
Professional fees	2,110	1,905	16,673	-	13,078	50,195
Advertising	2,656	75	33	-	-	175
Legal fees	1,840	-	-	-	143	-
Supplies	37,071	122,746	30,910	19,692	325,926	290,711
Telecommunications	13,464	913	11,340	276	11,785	14,140
Postage and handling	33	25	111	-	865	617
Interest expense	-	-	-	-	-	-
Occupancy	124,358	9,065	23,697	12	107,903	84,575
Insurance	10,995	10,335	3,221	1,507	17,865	11,352
Equipment maintenance and repair	17,392	12,235	400	21	24,929	12,392
Printing and publications	168	-	872	-	559	1,657
Travel	25,384	15,414	39,528	-	15,642	5,272
Conferences and meetings	1	550	6,426	-	20,105	5,835
Sub-recipient grants	-	-	53,454	-	-	-
Specific assistance to individuals	(51,879)	12,924	22,891	2,167	79,391	26,004
Miscellaneous	10,657	450	1,212	-	4,938	3,525
Depreciation and amortization	12,502	7,750	1,089	-	109,796	22,470
	<u>599,204</u>	<u>474,634</u>	<u>776,002</u>	<u>79,403</u>	<u>1,899,365</u>	<u>1,365,519</u>
Administrative fees paid to national organization	<u>13,210</u>	<u>12,817</u>	<u>19,544</u>	<u>1,774</u>	<u>49,900</u>	<u>35,705</u>
	<u>612,414</u>	<u>487,451</u>	<u>795,546</u>	<u>81,177</u>	<u>1,949,265</u>	<u>1,401,224</u>
Management and general allocated	<u>82,249</u>	<u>62,988</u>	<u>99,211</u>	<u>10,903</u>	<u>258,684</u>	<u>185,575</u>
	<u>\$ 694,663</u>	<u>\$ 550,439</u>	<u>\$ 894,757</u>	<u>\$ 92,080</u>	<u>\$ 2,207,949</u>	<u>\$ 1,586,799</u>

	Home Free	Al Forthan Scholarship	Day Treatment Program	Portland Partners Reentry Initiative	Treatment and Prevention Services	Residential Support Program	Family Recovery Support	T&P Reentry Program
\$	951,410	\$ -	\$ 231,359	\$ 403	\$ 504,958	\$ 245,559	\$ 104,288	\$ 129,349
	37,671	-	7,513	22	18,192	8,044	4,715	5,700
	143,287	-	26,824	49	65,335	36,467	13,862	17,024
	88,833	-	21,535	31	54,505	63,282	8,462	11,896
	58,365	-	20,183	14,823	34,529		10,100	6,212
	575	-	-	-	189	-	125	52
	-	-	-	-	-	-	-	-
	97,155	932	34,005	15	40,408	46,874	19,604	15,804
	21,918	-	5,032	-	10,795	5,008	8,009	2,004
	714	-	22	1	69	-	77	6
	-	-	-	-	420	-	-	70
	78,109	-	52,650	-	95,916	65,108	4,884	15,564
	4,568	-	1,016	2	2,666	3,597	1,884	656
	2,354	-	480	-	1,788	768	1,435	298
	1,986	-	317	-	974	290	313	187
	27,445	-	1,629	-	4,488	16,946	2,691	1,895
	918	3,316	3,510	3	4,727	417	50	1,737
	-	-	18,778	-	-	-	-	-
	518,433	61,000	7,821	-	9,688	5,915	29,886	644
	2,130	210	1,195	-	2,484	531	282	182
	1,391	-	2,146	-	6,389	3,351	20,733	1,065
	2,037,262	65,458	436,015	15,349	858,520	502,157	231,400	210,345
	37,860	-	10,315	401	25,119	12,711	2,879	5,234
	2,075,122	65,458	446,330	15,750	883,639	514,868	234,279	215,579
	197,766	612	57,208	2,107	117,573	68,888	31,745	28,881
\$	2,272,888	\$ 66,070	\$ 503,538	\$ 17,857	\$ 1,001,212	\$ 583,756	\$ 266,024	\$ 244,460

START Drug Court Treatment	Low-Intensity Residential Treatment Program	Rockwood Clinic	Community and Electronic Monitoring	Total	
				2014	2013
\$ 196,123	\$ 168,646	\$ 47,339	\$ 251,690	\$ 5,463,537	\$ 5,118,011
6,490	6,559	2,604	2,587	213,515	186,568
24,988	19,513	1,095	30,359	723,310	633,307
24,954	14,449	4,373	21,873	519,466	492,143
9,716	3,777	979	-	242,645	193,550
41	39	31	298	4,289	5,656
-	-	-	-	1,983	6,943
3,200	6,359	664	1,267	1,093,343	1,154,590
2,634	6,145	91	7,044	120,598	99,581
10	2	-	4	2,556	3,876
105	21	-	-	616	3,242
23,347	24,430	-	-	709,618	708,531
762	980	189	2,206	73,801	74,377
447	424	-	21	75,384	64,325
355	99	56	135	7,968	5,786
2,990	5,496	1,899	16,064	182,783	143,829
1,428	616	640	70	50,349	56,749
-	-	17,500	-	89,732	43,538
250	9,573	157	-	734,865	713,917
271	63	18	288	28,436	29,689
1,597	319	-	1,902	192,500	187,196
299,708	267,510	77,635	335,808	10,531,294	9,925,404
7,682	6,862	1,978	11,813	255,804	229,664
307,390	274,372	79,613	347,621	10,787,098	10,155,068
41,152	36,731	8,257	46,108	1,336,638	1,181,270
\$ 348,542	\$ 311,103	\$ 87,870	\$ 393,729	\$ 12,123,736	\$ 11,336,338

VOLUNTEERS OF AMERICA OF OREGON, INC.

Note to Supplemental Schedules of Expenses by Program

1. Expense Allocations

Expenses are allocated to the various programs as follows:

Type of Expense	Allocation Basis
Salaries	Position and responsibilities
General expenses	Vendor invoices
Occupancy	Space utilization
Administrative fees paid to national organization	Program revenues
Management and general	Direct expenses