

**CONCERNED WOMEN FOR AMERICA  
LEGISLATIVE ACTION COMMITTEE  
Washington, D.C.**

**Financial Statements  
For years ended  
June 30, 2018 and 2017**

**(Including Independent Auditor's  
Report Thereon)**

Not-for-Profit Organization

**CONCERNED WOMEN FOR AMERICA  
LEGISLATIVE ACTION COMMITTEE**

**Board of Trustees**

Beverly LaHaye – Chairman

Linda Schauer

Tanya Ditty - Secretary

Lori Scheck

Ann Hettinger

Betty Jane Strong

Terri Johannessen

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**CONCERNED WOMEN FOR AMERICA  
LEGISLATIVE ACTION COMMITTEE**

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Forest, VA 24551  
(434) 525-1218<sup>-1-</sup>

**Report of Independent Auditor**

The Board of Trustees  
Concerned Women for America Legislative Action Committee  
Washington, D.C.

I have audited the accompanying financial statements of Concerned Women for America Legislative Action Committee (a nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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.

**Auditor's Responsibility**

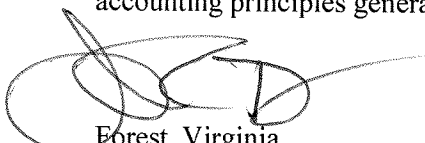
My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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, I 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 financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Concerned Women for America Legislative Action Committee as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Forest, Virginia  
September 4, 2018

**CONCERNED WOMEN FOR AMERICA  
LEGISLATIVE ACTION COMMITTEE  
Statements of Financial Position  
June 30, 2018 and 2017**

	<b>Assets</b>	
	<u>2018</u>	<u>2017</u>
<b>Current assets</b>		
Cash and cash equivalents	\$ 3,103	\$ 105,717
Prepaid expense	8,540	2,280
<b>Total current assets</b>	<u>11,643</u>	<u>107,997</u>
<b>Total assets</b>	<u>\$ 11,643</u>	<u>\$ 107,997</u>
	<b>Liabilities and net assets</b>	
<b>Current liabilities</b>		
Accounts payable	\$ 0	\$ 51,715
<b>Total current liabilities</b>	<u>0</u>	<u>51,715</u>
<b>Net assets</b>		
Unrestricted	11,643	56,282
<b>Total net assets</b>	<u>11,643</u>	<u>56,282</u>
<b>Total liabilities and net assets</b>	<u>\$ 11,643</u>	<u>\$ 107,997</u>

See Accompanying Notes.

**CONCERNED WOMEN FOR AMERICA  
LEGISLATIVE ACTION COMMITTEE  
Statements of Activities  
Years ended June 30, 2018 and 2017**

	<u>Unrestricted</u>	<u>2018 Temporarily Restricted</u>	<u>Total</u>
<b>Revenue and other support</b>			
Contributions			
Cash	\$ 1,571,138	\$ 0	\$ 1,571,138
Grants			
Cash	10,000	0	10,000
Interest income	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total revenue and support</b>	<u>1,581,138</u>	<u>0</u>	<u>1,581,138</u>
<b>Expenses</b>			
Program services			
Legislative Affairs	1,530,907	0	1,530,907
Supporting services			
General and administrative	42,693	0	42,693
Fundraising	<u>52,177</u>	<u>0</u>	<u>52,177</u>
<b>Total expenses</b>	<u>1,625,777</u>	<u>0</u>	<u>1,625,777</u>
<b>Change in net assets</b>	(44,639)	0	(44,639)
<b>Net assets at beginning of year</b>	<u>56,282</u>	<u>0</u>	<u>56,282</u>
<b>Net assets at end of year</b>	<u>\$ 11,643</u>	<u>\$ 0</u>	<u>\$ 11,643</u>

See Accompanying Notes.

**CONCERNED WOMEN FOR AMERICA  
LEGISLATIVE ACTION COMMITTEE**  
Statements of Activities  
Years ended June 30, 2017 and 2016

	<u>Unrestricted</u>	<u>2017 Temporarily Restricted</u>	<u>Total</u>
<b>Revenue and other support</b>			
Contributions			
Cash	\$ 248,438	\$ 0	\$ 248,438
Grants			
Cash	200,000	0	200,000
Interest income	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total revenue and support</b>	<u>448,438</u>	<u>0</u>	<u>448,438</u>
<b>Expenses</b>			
Program services			
Legislative Affairs	337,550	0	337,550
Supporting services			
General and administrative	37,572	0	37,572
Fundraising	<u>40,498</u>	<u>0</u>	<u>40,498</u>
<b>Total expenses</b>	<u>415,620</u>	<u>0</u>	<u>415,620</u>
<b>Change in net assets</b>	32,818	0	32,818
<b>Net assets at beginning of year</b>	<u>23,464</u>	<u>0</u>	<u>23,464</u>
<b>Net assets at end of year</b>	<u>\$ 56,282</u>	<u>\$ 0</u>	<u>\$ 56,282</u>

See Accompanying Notes.

**CONCERNED WOMEN FOR AMERICA  
LEGISLATIVE ACTION COMMITTEE  
Statements of Functional Expenses  
Years ended June 30, 2018 and 2017**

**2018**

	<u>Legislative Affairs</u>	<u>General &amp; Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Printing/Mailing	\$ 76,947	\$ 28	\$ 11,502	\$ 88,477
Postage/Freight	42,091	895	6,554	49,540
Salaries, payroll taxes & employee benefits	83,058	18,337	6,472	107,867
Data processing	45,008	0	6,725	51,733
Consultants	9,907	0	1,243	11,150
Telephone	863	185	185	1,233
Telemarketing fees	6,297	0	14,694	20,991
Travel & Lodging	3,666	0	0	3,666
Office expense	55,826	0	0	55,826
Dues/Subscriptions	8,729	0	0	8,729
Scholarships & grants	1,169,784	0	0	1,169,784
Bank charges	5,996	0	896	6,892
Accounting & legal	0	19,341	0	19,341
Taxes & licenses	413	89	88	590
Occupancy	17,818	3,818	3,818	25,454
Conferences/meetings	2,304	0	0	2,304
Special programs	2,200	0	0	2,200
<b>Total expenses</b>	<u>\$ 1,530,907</u>	<u>\$ 42,693</u>	<u>\$ 52,177</u>	<u>\$ 1,625,777</u>

See Accompanying Notes.



**CONCERNED WOMEN FOR AMERICA  
LEGISLATIVE ACTION COMMITTEE  
Statements of Functional Expenses  
Years ended June 30, 2018 and 2017**

**2017**

	<u>Legislative Affairs</u>	<u>General &amp; Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Printing/Mailing	\$ 25,634	\$ 47	\$ 2,540	\$ 28,221
Postage/Freight	15,425	584	1,840	17,849
Salaries, payroll taxes & employee benefits	121,498	11,571	11,571	144,640
Data processing	19,681	0	1,946	21,627
Consultants	7,268	0	200	7,468
Telephone	2,256	483	483	3,222
Telemarketing fees	14,728	0	18,001	32,729
Travel & Lodging	24,524	0	0	24,524
Office expense	54,138	0	0	54,138
Dues/Subscriptions	7,434	0	0	7,434
Scholarships & grants	0	0	0	0
Bank charges	2,277	0	225	2,502
Accounting & legal	0	20,825	0	20,825
Taxes & licenses	0	370	0	370
Occupancy	17,227	3,692	3,692	24,611
Conferences/meetings	25,395	0	0	25,395
Special programs	65	0	0	65
<b>Total expenses</b>	<u>\$ 337,550</u>	<u>\$ 37,572</u>	<u>\$ 40,498</u>	<u>\$ 415,620</u>

See Accompanying Notes.

**CONCERNED WOMEN FOR AMERICA  
LEGISLATIVE ACTION COMMITTEE  
Statements of Cash Flows  
Years ended June 30, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ (44,639)	\$ 32,818
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities		
(Increase) decrease in receivables	0	10,415
(Increase) decrease in prepaid expenses	(6,260)	(2,280)
Increase (decrease) in accounts payable	(51,715)	(48,932)
<b>Net cash provided by (used in) operating activities</b>	<u>(102,614)</u>	<u>(7,979)</u>
<b>Cash flows from investing activities</b>	<u>0</u>	<u>0</u>
<b>Cash flows from financing activities</b>	<u>0</u>	<u>0</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	(102,614)	(7,979)
<b>Cash and cash equivalents at beginning of year</b>	<u>105,717</u>	<u>113,696</u>
<b>Cash and cash equivalents at end of year</b>	\$ <u><u>3,103</u></u>	\$ <u><u>105,717</u></u>

See Accompanying Notes.

**CONCERNED WOMEN FOR AMERICA  
LEGISLATIVE ACTION COMMITTEE  
Notes to Financial Statements  
June 30, 2018 and 2017**

**Note 1 – Nature of organization and summary of significant accounting policies**

**Nature of organization**

Concerned Women for America Legislative Action Committee (CWALAC) was established as an incorporated not-for-profit organization in 1979. The primary purpose of the organization is to educate the general public on current legislative issues affecting the family.

**Basis of financial statement presentation**

The financial statements of the Organization have been prepared on the accrual basis of accounting which is in accordance with accounting principles generally accepted in the United States of America (GAAP) and, accordingly, reflect all significant receivables, payables, and other liabilities.

The financial statements present information regarding the financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

- 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 by actions of the Organization and/or the passage of time. When a donor stipulated time-restriction ends or a purpose restriction is accomplished, 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-Net assets subject to donor imposed stipulations requiring that they be maintained permanently by the Organization. The income from these assets is available for either general operations or specific programs as specified by the donor.

**Contributions**

Contributions are recognized when the donor makes a promise to give in writing to the Nonprofit that is in substance, unconditional. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. All donor-restricted support is reported as an increase in temporarily restricted net assets. When the stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets. Contributions to be received in future periods are discounted at an appropriate discount rate. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

**CONCERNED WOMEN FOR AMERICA  
LEGISLATIVE ACTION COMMITTEE  
Notes to Financial Statements  
June 30, 2018 and 2017**

**Note 1 – Nature of organization and summary of significant accounting policies (continued)**

**Donated Services and Support**

The Organization utilizes the services of many volunteers throughout the year. This contribution of services by the volunteers is not recognized in the financial statements unless the services received (a) create or enhance nonfinancial assets or (b) require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The donated services for the years ended June 30, 2018 and 2017, did not meet the requirements above, therefore no amounts were recognized in the accompanying financial statements.

**Promises to Give**

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**Income taxes**

The Organization is exempt from Federal income taxes under section 501(c)(4) of the Internal Revenue Code except to the extent of unrelated business income. There was \$0 and \$0 income tax due on unrelated business income for the years ended June 30, 2018 and 2017 respectively.

**Related party transactions**

In the regular course of its operations, the Organization receives contributions from individuals serving on its Board of Trustees. CWALAC is also affiliated with Concerned Women for America (CWA) by a common Board of Trustees and several officers. The two organizations share office space, equipment and personnel. CWA charged CWALAC \$162,828 and \$192,167 for its share of expenses for the years ended June 30, 2018 and 2017, respectively. The balance in accounts payable due to CWA was \$0 and \$50,582 for the years ended June 30, 2018 and 2017, respectively.

In addition to the shared expenses, CWALAC gave grants of \$1,169,784 and \$0 to CWA for the years ended June 30, 2018 and 2017, respectively.

**CONCERNED WOMEN FOR AMERICA  
LEGISLATIVE ACTION COMMITTEE  
Notes to Financial Statements  
June 30, 2018 and 2017**

**Note 1 - Nature of organization and summary of significant accounting policies (continued)**

**Functional expenses**

The costs of providing the Organization's programs and supporting services have been summarized on a functional basis in the accompanying statements of activities and functional expenses. The functional expenses of the Organization's program and supporting services include those costs directly attributable to its program as well as an allocation of supporting service expenditures, which, in the estimation of management, are indirectly attributable to its programs.

For the fiscal periods ended June 30, 2018 and 2017, CWALAC incurred joint costs of \$158,978 and \$78,760, respectively for informational materials and activities that included fund-raising appeals. Of those costs, \$32,749 and \$22,380 was allocated to fund-raising expense and \$125,306 and \$55,787 was allocated to program services and \$923 and \$593 was allocated to management and general for the years ended June 30, 2018 and 2017, respectively.

**Estimates**

The preparation of 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Note 2 – Income tax status**

CWALAC is exempt from income tax under Section 501(a) of the Internal Revenue Code and has been determined to be a charitable organization under Section 501(c)(4) of the Code, which disallows contributions, bequests, and legacies as deductions by the donor for income, estate, and gift tax purposes. An annual information return is filed with the Internal Revenue Service.

The Organization's federal income tax returns for 2015, 2016, and 2017 are subject to examination by the IRS, generally for three years after they were filed. Management has determined that the Organization does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures.

**Note 3 – Cash flow information**

Cash paid for interest and income taxes was as follows:

	<u>2018</u>	<u>2017</u>
Interest expense	\$ <u>0</u>	\$ <u>0</u>
Income taxes	\$ <u>0</u>	\$ <u>0</u>

**CONCERNED WOMEN FOR AMERICA  
LEGISLATIVE ACTION COMMITTEE  
Notes to Financial Statements  
June 30, 2018 and 2017**

**Note 4 - Subsequent Events**

Management has evaluated subsequent events through September 4, 2018, the date on which the financial statements were available to be issued.

There were no subsequent events requiring adjustments to the financial statements or disclosures as stated herein.