

**Agency Name: Economic Development**

4/9/2018

	2015 Actual	2016 Actual	2017 Actual	2018 Approved Budget	2019 Budget Request
<b>Revenues:</b>					
Douglas County (Includes KUSBDC)	\$217,500	\$220,000	\$220,000	\$220,000	\$220,000
City of Lawrence (Includes KUSBDC)	\$220,000	\$220,000	\$220,000	\$220,000	\$220,000
Chamber Capital Campaign funds	\$179,628	\$202,581	\$200,000	\$250,000	\$250,000
EDC Management Contract	\$30,000	\$30,000	\$15,000	\$15,000	\$15,000
Beginning Balance	\$56,997	\$77,938	\$122,589	\$8,823	-\$14,235
<b>Total Revenues:</b>	<b>\$704,125</b>	<b>\$750,519</b>	<b>\$777,589</b>	<b>\$713,823</b>	<b>\$690,765</b>
<b>Expenditures:</b>					
Business Retention and Expansion	\$2,773	\$23,662	\$11,386	\$20,000	\$15,000
Business Recruitment/Development and Marketing	\$35,258	\$57,357	\$24,477	\$20,000	\$15,000
Entrepreneurship	\$2,356	\$0	\$0	\$6,500	\$4,000
BizFuel	\$0	\$0	\$0	\$0	\$0
Workforce Development (AKA Mktg and Bs Deve)	\$0	\$0	\$84,614	\$60,000	\$60,000
Workforce/Peaslee Support	\$0	\$0	\$50,000	\$0	\$0
Site and Infrastructure Capacity	\$0	\$0	\$1,250	\$2,500	\$2,000
KCADC	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
BTBC	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
KUSBDC	\$38,000	\$40,000	\$40,000	\$40,000	\$40,000
KDOC/Team Kansas	\$5,000	\$10,000	\$2,500	\$2,500	\$2,500
Kansas Research Nexus	\$2,125	\$1,004	\$475	\$8,000	\$1,000
Capital Campaign Reimbursement	\$33,300	\$33,400	\$0	\$0	\$0
Professional Development	\$8,370	\$3,861	\$7,873	\$5,000	\$5,000
Travel/Mileage	\$11,943	\$3,071	\$2,647	\$6,200	\$4,000
Investor Relations	\$1,815	\$2,740	\$6,219	\$2,000	\$3,000
Meals and Entertainment	\$6,237	\$2,742	\$2,367	\$4,000	\$2,200
Consulting/Studies/Training	\$1,000	\$0	\$0	\$2,000	\$0
Research and Publication	\$0	\$10,621	\$0	\$6,000	\$0
Salaries and Benefits	\$364,534	\$323,349	\$430,202	\$436,000	\$436,000
<b>Admin and Overhead</b>					
Dues & Subscriptions	\$4,080	\$5,196	\$1,750	\$1,800	\$1,800
Community Relations	\$1,260	\$1,456	\$1,435	\$2,200	\$1,800
Advertising	\$2,484	\$2,717	\$1,275	\$2,300	\$1,300
Commercial Insurance	\$4,124	\$3,860	\$3,196	\$3,600	\$3,400
Equipment Lease/Purchase/Maint	\$8,174	\$8,495	\$2,264	\$4,800	\$2,800
Miscellaneous	\$4,710	\$4,411	\$1,743	\$1,500	\$1,500
Office Supplies/Expense	\$6,164	\$6,795	\$6,827	\$9,580	\$7,000
Professional Fees	\$13,928	\$8,640	\$12,456	\$9,800	\$9,800
Rent/Building Maintenance	\$21,173	\$27,470	\$27,515	\$25,800	\$25,800
Communications	\$907	\$922	\$2,088	\$1,080	\$1,100
Technology Maintenance	\$4,807	\$6,426	\$4,732	\$5,100	\$4,800
Telephone	\$5,059	\$3,231	\$4,470	\$4,080	\$4,300
Utilities	\$6,606	\$6,504	\$5,005	\$5,718	\$5,000
<b>Total Expenditures:</b>	<b>\$626,187</b>	<b>\$627,930</b>	<b>\$768,766</b>	<b>\$728,058</b>	<b>\$690,100</b>
<b>Ending Fund Balance</b>	<b>\$77,938</b>	<b>\$122,589</b>	<b>\$8,823</b>	<b>-\$14,235</b>	<b>\$665</b>

**CHAMBER OF COMMERCE OF LAWRENCE, KANSAS**

**FINANCIAL STATEMENTS, SUPPLEMENTARY INFORMATION  
AND ACCOUNTANT'S COMPILATION REPORT**

**DECEMBER 31, 2017 & 2016**



MIZE HOUSER  
COMPANY P.A.

ACCOUNTANT'S COMPILATION REPORT

Chamber of Commerce of Lawrence, Kansas  
646 Vermont Street, Suite 200  
Lawrence, Kansas 66044

Management is responsible for the accompanying financial statements for the Chamber of Commerce of Lawrence, Kansas (a not-for-profit corporation), which comprise the statements of assets, liabilities, and fund balance as of December 31, 2017 and 2016, and the related statements of activities – budget comparison for the one month and twelve month periods then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures and statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the company's assets, liabilities, equity, revenue, and expenses. Accordingly, the financial statements are not designed for those who are not informed about those matters.

The supplementary and budget comparison information is presented for the purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the information and, accordingly, do not express an opinion or provide any assurance on such information.

We are not independent with respect to Chamber of Commerce of Lawrence, Kansas.

*Mize Houser & Company PA*

Mize Houser & Company P.A.  
Certified Public Accountants  
Lawrence, Kansas

January 9, 2018

**Lawrence Chamber of Commerce  
 DETAIL STATEMENT OF ACTIVITIES  
 COMPARISON TO BUDGET  
 FROM 1/01/17 TO 12/31/17**

**30 Economic Development**

	CURRENT PERIOD	YTD	YTD BUDGET	BUDGET VARIANCE	ANNUAL BUDGET
<b>REVENUE</b>					
Eco Dev Funding - City	16,666.65	200,000.00	200,000.00	.00	200,000.00
Eco Dev Funding - County	16,666.65	200,000.00	200,000.00	.00	200,000.00
Eco Dev Funding - Membership	16,666.65	200,000.00	200,000.00	.00	200,000.00
EDC Management Contract	1,250.00	15,000.00	15,000.00	.00	15,000.00
<b>TOTAL REVENUE</b>	<b>51,249.95</b>	<b>615,000.00</b>	<b>615,000.00</b>	<b>.00</b>	<b>615,000.00</b>
<b>PERSONNEL EXPENSE</b>					
Salaries	23,171.00	263,584.06	253,790.00	9,794.06	253,790.00
Payroll Taxes	1,587.60	18,969.26	21,600.00	(2,630.74)	21,600.00
Benefits	3,719.90	40,147.94	38,000.00	2,147.94	38,000.00
<b>TOTAL PERSONNEL EXPENSE</b>	<b>28,478.50</b>	<b>322,701.26</b>	<b>313,390.00</b>	<b>9,311.26</b>	<b>313,390.00</b>
<b>DIRECT PROGRAM EXPENSE</b>					
Professional Development	.00	4,553.66	5,000.00	(446.34)	5,000.00
Travel	.00	1,096.95	5,000.00	(3,903.05)	5,000.00
-Eco Dev Investor Relations	21.00	6,219.02	5,000.00	1,219.02	5,000.00
Eco Dev Retention & Expansion	6,273.99	11,185.77	20,000.00	(8,814.23)	20,000.00
Business Recruitment & Mktg	447.88	34,173.41	20,000.00	14,173.41	20,000.00
ED Entrepreneurship & Startups	.00	303.86	10,000.00	(9,696.14)	10,000.00
Workforce Development	.00	94,614.07	60,000.00	34,614.07	60,000.00
Site & Infrastructure	.00	1,250.00	8,000.00	(6,750.00)	8,000.00
Workforce/Peaslee Support	.00	50,000.00	50,000.00	.00	50,000.00
Kansas Research Nexus	200.00	475.00	10,000.00	(9,525.00)	10,000.00
KC Area Development Council	.00	10,000.00	10,000.00	.00	10,000.00
KDOC Team Kansas	.00	2,500.00	5,000.00	(2,500.00)	5,000.00
<b>TOTAL DIRECT PROGRAM EXPENSE</b>	<b>6,942.87</b>	<b>216,371.74</b>	<b>208,000.00</b>	<b>8,371.74</b>	<b>208,000.00</b>
<b>ADMINISTRATIVE</b>					
Dues, Subs & Memberships	.00	1,146.12	.00	1,146.12	.00
Community Relations	.00	375.00	.00	375.00	.00
Meals & Entertainment	.00	828.95	.00	828.95	.00
Telephone	108.00	1,296.00	1,200.00	96.00	1,200.00
<b>TOTAL ADMINISTRATIVE EXPENSE</b>	<b>108.00</b>	<b>3,646.07</b>	<b>1,200.00</b>	<b>2,446.07</b>	<b>1,200.00</b>
<b>TOTAL EXPENSES</b>	<b>35,529.37</b>	<b>542,719.07</b>	<b>522,590.00</b>	<b>20,129.07</b>	<b>522,590.00</b>
<b>OTHER INCOME/(EXPENSE)</b>					
Administrative Overhead Alloc	(14,999.58)	(186,047.40)	(195,170.64)	9,123.24	(195,170.64)
<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>(14,999.58)</b>	<b>(186,047.40)</b>	<b>(195,170.64)</b>	<b>9,123.24</b>	<b>(195,170.64)</b>
<b>NET REVENUE OVER/(UNDER) EXP</b>	<b>721.00</b>	<b>(113,766.47)</b>	<b>(102,760.64)</b>	<b>(11,005.83)</b>	<b>(102,760.64)</b>

**SEE ACCOUNTANT'S COMPILATION REPORT**

# Return of Organization Exempt From Income Tax

**2016**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

- ▶ Do not enter social security numbers on this form as it may be made public.
- ▶ Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

<b>A</b> For the <b>2016</b> calendar year, or tax year beginning , <b>2016</b> , and ending , <b>20</b>																																		
<b>B</b> Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2"><b>C</b> Name of organization <b>Chamber of Commerce of Lawrence Kansas</b></td> <td><b>D</b> Employer identification no. <b>48-0305580</b></td> </tr> <tr> <td colspan="2">Doing business as <b>The Chamber of Commerce</b></td> <td><b>E</b> Telephone number <b>(785) 865-4411</b></td> </tr> <tr> <td>Number and street (or P.O. box if mail is not delivered to street address)</td> <td>Room/suite</td> <td><b>G</b> Gross receipts \$ <b>1,329,113</b></td> </tr> <tr> <td><b>718 New Hampshire St</b></td> <td></td> <td></td> </tr> <tr> <td colspan="2">City or town, state or province, country, and ZIP or foreign postal code <b>Lawrence, KS 66044</b></td> <td></td> </tr> <tr> <td colspan="2"><b>F</b> Name and address of principal officer: <b>Jason Edmonds</b></td> <td><b>H(a)</b> Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> </tr> <tr> <td colspan="2"><b>Same as C above</b></td> <td><b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No</td> </tr> <tr> <td colspan="2"></td> <td style="text-align: center;">if "No," attach a list. (see instructions)</td> </tr> <tr> <td colspan="2"><b>I</b> Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c)( <b>6</b> ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527</td> <td><b>H(c)</b> Group exemption number ▶</td> </tr> <tr> <td colspan="2"><b>J</b> Website: ▶ <b>lawrencechamber.com</b></td> <td></td> </tr> <tr> <td colspan="2"><b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶</td> <td><b>L</b> Year of formation: <b>1922</b> <b>M</b> State of legal domicile: <b>KS</b></td> </tr> </table>	<b>C</b> Name of organization <b>Chamber of Commerce of Lawrence Kansas</b>		<b>D</b> Employer identification no. <b>48-0305580</b>	Doing business as <b>The Chamber of Commerce</b>		<b>E</b> Telephone number <b>(785) 865-4411</b>	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	<b>G</b> Gross receipts \$ <b>1,329,113</b>	<b>718 New Hampshire St</b>			City or town, state or province, country, and ZIP or foreign postal code <b>Lawrence, KS 66044</b>			<b>F</b> Name and address of principal officer: <b>Jason Edmonds</b>		<b>H(a)</b> Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Same as C above</b>		<b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No			if "No," attach a list. (see instructions)	<b>I</b> Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c)( <b>6</b> ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		<b>H(c)</b> Group exemption number ▶	<b>J</b> Website: ▶ <b>lawrencechamber.com</b>			<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		<b>L</b> Year of formation: <b>1922</b> <b>M</b> State of legal domicile: <b>KS</b>
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**Part I Summary**

<b>Activities &amp; Governance</b>	<p><b>1</b> Briefly describe the organization's mission or most significant activities: <b>To promote and foster business, commerce, and industry to the benefit of the city of Lawrence, KS.</b></p> <p><b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.</p>																													
	<p><b>3</b> Number of voting members of the governing body (Part VI, line 1a) . . . . .</p> <p><b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) . . . . .</p> <p><b>5</b> Total number of individuals employed in calendar year 2016 (Part V, line 2a) . . . . .</p> <p><b>6</b> Total number of volunteers (estimate if necessary) . . . . .</p> <p><b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12 . . . . .</p> <p><b>b</b> Net unrelated business taxable income from Form 990-T, line 34 . . . . .</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 10%;"></td><td style="width: 10%;"></td><td style="width: 10%;"></td></tr> <tr><td style="text-align: center;"><b>3</b></td><td style="text-align: center;"><b>27</b></td><td></td></tr> <tr><td style="text-align: center;"><b>4</b></td><td style="text-align: center;"><b>27</b></td><td></td></tr> <tr><td style="text-align: center;"><b>5</b></td><td style="text-align: center;"><b>13</b></td><td></td></tr> <tr><td style="text-align: center;"><b>6</b></td><td style="text-align: center;"><b>200</b></td><td></td></tr> <tr><td style="text-align: center;"><b>7a</b></td><td style="text-align: center;"><b>0</b></td><td></td></tr> <tr><td style="text-align: center;"><b>7b</b></td><td style="text-align: center;"><b>0</b></td><td></td></tr> </table>				<b>3</b>	<b>27</b>		<b>4</b>	<b>27</b>		<b>5</b>	<b>13</b>		<b>6</b>	<b>200</b>		<b>7a</b>	<b>0</b>		<b>7b</b>	<b>0</b>								
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	Prior Year	Current Year																												
<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3) . . . . .		0																												
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) . . . . .		0																												
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) . . . . .	765,829	775,314																												
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) . . . . .		0																												
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>0</b>																														
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) . . . . .	496,241	537,226																												
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) . . . . .	1,262,070	1,312,540																												
<b>19</b> Revenue less expenses. Subtract line 18 from line 12 . . . . .	56,053	16,573																												
<b>Net Assets or Fund Balances</b>		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 10%;"></th> <th style="width: 10%;">Beginning of Current Year</th> <th style="width: 10%;">End of Year</th> </tr> <tr> <td><b>20</b> Total assets (Part X, line 16) . . . . .</td> <td style="text-align: right;">463,764</td> <td style="text-align: right;">523,766</td> </tr> <tr> <td><b>21</b> Total liabilities (Part X, line 26) . . . . .</td> <td style="text-align: right;">38,080</td> <td style="text-align: right;">71,709</td> </tr> <tr> <td><b>22</b> Net assets or fund balances. Subtract line 21 from line 20 . . . . .</td> <td style="text-align: right;">425,684</td> <td style="text-align: right;">452,057</td> </tr> </table>		Beginning of Current Year	End of Year	<b>20</b> Total assets (Part X, line 16) . . . . .	463,764	523,766	<b>21</b> Total liabilities (Part X, line 26) . . . . .	38,080	71,709	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20 . . . . .	425,684	452,057																
	Beginning of Current Year	End of Year																												
<b>20</b> Total assets (Part X, line 16) . . . . .	463,764	523,766																												
<b>21</b> Total liabilities (Part X, line 26) . . . . .	38,080	71,709																												
<b>22</b> Net assets or fund balances. Subtract line 21 from line 20 . . . . .	425,684	452,057																												

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

<b>Sign Here</b>	<p><b>Jason Edmonds</b> Signature of officer</p> <p><b>Jason Edmonds, Board Chair</b> Type or print name and title</p>	Date
------------------	--	------

<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>Scott W Holloman</b>	Preparer's signature	Date <b>09-18-2017</b>	Check <input type="checkbox"/> if self-employed	PTIN <b>P00068717</b>
	Firm's name ▶ <b>Scott W Holloman CPA LLC</b>	Firm's EIN ▶		Phone no. <b>785-228-1985</b>	
	Firm's address ▶ <b>1027 SW Gage Blvd Topeka KS 66604</b>				

May the IRS discuss this return with the preparer shown above? (see instructions) . . . . .  Yes  No

**For Paperwork Reduction Act Notice, see the separate instructions.**

**Part III** Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:

To promote and foster business, commerce, and industry to the benefit of the city of Lawrence, KS.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No  
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No  
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 778,896 including grants of \$ ) (Revenue \$ )  
Promote and maintain the economic viability of Lawrence, Kansas and Douglas County, Kansas.

4b (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4c (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d Other program services (Describe in Schedule O.)  
(Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses ▶ 778,896

**Part IV Checklist of Required Schedules**

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A . . . . .		X
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? . . . . .	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .		X
4	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II . . . . .		
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III . . . . .	X	
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I . . . . .		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II . . . . .		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III . . . . .		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV . . . . .		X
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V . . . . .		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI . . . . .	X	
b	Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII . . . . .		X
c	Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII . . . . .		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX . . . . .		X
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X . . . . .		X
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X . . . . .		X
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII . . . . .		X
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional . . . . .	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E . . . . .		X
14a	Did the organization maintain an office, employees, or agents outside of the United States? . . . . .		X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV . . . . .		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV . . . . .		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV . . . . .		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions) . . . . .		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II . . . . .		X
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . .		X

Part IV Checklist of Required Schedules (continued)

Table with columns for question number, question text, Yes, and No. Rows include questions 20a through 38 regarding hospital facilities, financial statements, grants, compensation, tax-exempt bonds, excess benefit transactions, and related parties.



Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with columns for question numbers (1a-14b), Yes/No checkboxes, and numerical responses. Includes questions about Form 1096, Form W-2G, backup withholding, Form W-3, unrelated business gross income, foreign accounts, prohibited tax shelter transactions, and contributions.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members... 1b Enter the number of voting members included... 2 Did any officer, director, trustee, or key employee have a family relationship... 3 Did the organization delegate control over management duties... 4 Did the organization make any significant changes to its governing documents... 5 Did the organization become aware during the year of a significant diversion of the organization's assets... 6 Did the organization have members or stockholders... 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body... 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body... 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: 8a The governing body? 8b Each committee with authority to act on behalf of the governing body? 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates? 10b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990. 12a Did the organization have a written conflict of interest policy? If "No," go to line 13 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done 13 Did the organization have a written whistleblower policy? 14 Did the organization have a written document retention and destruction policy? 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? 15a The organization's CEO, Executive Director, or top management official 15b Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions). 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 16b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records: Bonnie Lowe (785)865-4411, 718 New Hampshire St, Lawrence, KS 66044

**CHAMBER OF COMMERCE OF LAWRENCE, KANSAS  
& LAWRENCE FOUNDATION**

**FINANCIAL STATEMENTS  
AND  
REPORT OF INDEPENDENT AUDITORS**

**December 31, 2016**

**CHAMBER OF COMMERCE OF LAWRENCE, KANSAS  
& LAWRENCE FOUNDATION**  
Lawrence, Kansas

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Combining Schedule of Activities by Department Compared to Budget	16

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**Scott W. Holloman, CPA, LLC**

Phone: (785) 228-1985

*Certified Public Accountant*

Fax: (785) 228-2055

Email: [scott@hollomancpa.com](mailto:scott@hollomancpa.com)

**REPORT OF INDEPENDENT AUDITORS**

Finance Committee  
Chamber of Commerce of Lawrence, Kansas  
Lawrence, Kansas

We have audited the accompanying combined statement of financial position of the Chamber of Commerce of Lawrence, Kansas and Lawrence Foundation (nonprofit organizations) as of December 31, 2016 and the related combined statement of activities and cash flows for the year 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 designing, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the combined financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain 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, 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 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 financial statements referred to above present fairly, in all material respects, the combined financial position of Chamber of Commerce of Lawrence, Kansas and Lawrence Foundation as of December 31, 2016, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matter**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Combining Schedule of Financial Position and Combining Schedule of Activities by Department Compared to Budget are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.



Scott W. Holloman, CPA, LLC

August 3, 2017

**CHAMBER OF COMMERCE OF LAWRENCE, KANSAS  
& LAWRENCE FOUNDATION  
COMBINED STATEMENT OF FINANCIAL POSITION  
December 31, 2016**

**ASSETS**

<b>CURRENT ASSETS</b>		
Cash and cash equivalents - unrestricted	\$	388,434
Cash and cash equivalents - restricted		9,099
Accounts receivable		67,566
Prepaid expenses		6,011
Employee advance		<u>401</u>
	<b>TOTAL CURRENT ASSETS</b>	<b>471,511</b>
Property and equipment, net		61,354
	<b>TOTAL ASSETS</b>	<u><u>\$ 532,865</u></u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Accounts payable	\$	49,619
Payroll liabilities		8,423
US Bank - credit card payable		3,292
Gift certificates payable		2,430
Accrued compensated absences		<u>7,945</u>
	<b>TOTAL CURRENT LIABILITIES</b>	<b>71,709</b>
<b>NET ASSETS</b>		
Unrestricted		435,390
Temporarily restricted		<u>25,766</u>
	<b>TOTAL NET ASSETS</b>	<u><u>461,156</u></u>
	<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 532,865</u></u>

The accompanying notes are an integral part of these financial statements

**CHAMBER OF COMMERCE OF LAWRENCE, KANSAS  
& LAWRENCE FOUNDATION**  
*COMBINED STATEMENT OF ACTIVITIES*  
For the year ended December 31, 2016

	UNRESTRICTED NET ASSETS	TEMPORARILY RESTRICTED NET ASSETS	TOTAL
<b>REVENUE</b>			
Membership retention, net	\$ 410,856	\$ -	\$ 410,856
New membership and fees	30,902	-	30,902
ED funding - public	400,000	-	400,000
ED funding - private	212,381	16,667	229,048
EDC management contract	30,000	-	30,000
Leadership Lawrence tuition	58,573	-	58,573
LL activities and events	7,084	-	7,084
LL sponsorship	25,031	-	25,031
Member activities and events	127,376	-	127,376
Interest income	428	-	428
Rental income	18,990	-	18,990
Other income	625	-	625
Assets released from restrictions	-	-	-
<b>TOTAL REVENUES</b>	<u>1,322,246</u>	<u>16,667</u>	<u>1,338,913</u>
<b>OPERATIONAL EXPENSES</b>			
Member activities and events	45,798	-	45,798
Member advocacy/communication	21,911	-	21,911
Economic development	151,526	-	151,526
Leadership Lawrence events	4,936	-	4,936
Postage and shipping	1,494	-	1,494
Professional development	10,940	-	10,940
Travel expenses	13,495	-	13,495
<b>TOTAL OPERATIONAL EXPENSES</b>	<u>250,100</u>	<u>-</u>	<u>250,100</u>
<b>PERSONNEL EXPENSES</b>			
Salaries	638,313	-	638,313
Employee benefits	88,348	-	88,348
New member commissions	470	-	470
Payroll taxes	48,183	-	48,183
<b>TOTAL PERSONNEL EXPENSES</b>	<u>775,314</u>	<u>-</u>	<u>775,314</u>

The accompanying notes are an integral part of these financial statements



**CHAMBER OF COMMERCE OF LAWRENCE, KANSAS  
& LAWRENCE FOUNDATION**  
*COMBINED STATEMENT OF ACTIVITIES*  
For the year ended December 31, 2016

	UNRESTRICTED NET ASSETS	TEMPORARILY RESTRICTED NET ASSETS	TOTAL
<b>ADMINISTRATIVE EXPENSES</b>			
Dues and subscriptions	\$ 9,044	\$ -	\$ 9,044
Community relations	3,377	-	3,377
Advertising	7,548	-	7,548
Commercial insurance	10,723	-	10,723
Equipment lease and maintenance	23,598	-	23,598
Moving expense	4,624	-	4,624
Office expense	40,229	-	40,229
Professional fees	24,001	-	24,001
Rent and building maintenance	86,105	-	86,105
Retreat expense	11	-	11
Technology maintenance	17,849	-	17,849
Telephone	10,438	-	10,438
Utilities	18,068	-	18,068
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<u>255,615</u>	<u>-</u>	<u>255,615</u>
<b>Total expenses</b>	<u>1,281,029</u>	<u>-</u>	<u>1,281,029</u>
<b>OTHER EXPENSES</b>			
Gain/loss on disposal of asset	18,354	-	18,354
Depreciation	13,155	-	13,155
<b>TOTAL OTHER EXPENSES</b>	<u>31,509</u>	<u>-</u>	<u>31,509</u>
<b>CHANGE IN NET ASSETS</b>	9,708	16,667	26,375
<b>NET ASSETS BEGINNING OF YEAR</b>	<u>425,682</u>	<u>9,099</u>	<u>434,781</u>
<b>NET ASSETS END OF YEAR</b>	<u>\$ 435,390</u>	<u>\$ 25,766</u>	<u>\$ 461,156</u>

The accompanying notes are an integral part of these financial statements

**CHAMBER OF COMMERCE OF LAWRENCE, KANSAS  
& LAWRENCE FOUNDATION**  
**COMBINED STATEMENT OF CASH FLOWS**  
For the year ended December 31, 2016

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>\$ 26,375</b>
Increase in net assets		
Adjustments to reconcile increase in net assets to net cash used by operating activities:		
Depreciation		13,155
(Increase) decrease in operating assets		
Accounts receivable		(8,723)
Prepaid expenses		4,074
Employee advances		(1,399)
Increase (decrease) in operating liabilities		
Accounts payable		41,886
Accrued liabilities		(8,258)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		<u>67,110</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		<u>(16,485)</u>
Purchase of property and equipment		
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		50,625
<b>BEGINNING CASH AND CASH EQUIVALENTS</b>		<u>346,908</u>
<b>ENDING CASH AND CASH EQUIVALENTS</b>		<u>\$ 397,533</u>
Cash and cash equivalents - unrestricted		\$ 388,434
Cash and cash equivalents - restricted		<u>9,099</u>
<b>ENDING CASH AND CASH EQUIVALENTS</b>		<u>\$ 397,533</u>

The accompanying notes are an integral part of these financial statements