



AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2022

**DuPage County Historical Museum Foundation, Inc.**  
**Audit Report**  
**For the Year Ended December 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
DuPage County Historical Museum Foundation, Inc.  
Wheaton, Illinois

### Opinion

We have audited the accompanying financial statements of the **DuPage County Historical Museum Foundation, Inc. (Foundation)** which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the DuPage County Historical Museum Foundation, Inc. as of December 31, 2022, and the change in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Prior Period Financial Statements

The financial statements of DuPage County Historical Museum Foundation, Inc. as of and for the year ended December 31, 2021, were audited by other auditors whose report dated May 23, 2022, expressed an unmodified opinion on those statements.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

## **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Revenues and Support - Budget and Actual and Schedule of Expenses - Budget and Actual is presented for purposes of additional analysis and is 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 the 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.

*Selden Fox, Ltd.*

June 19, 2023

**DuPage County Historical Museum Foundation, Inc.**  
**Statement of Financial Position**  
**December 31,**

	2022	2021
<b>Assets</b>		
Cash	\$ 119,510	\$ 102,586
Accounts receivable, net of allowance	18,300	13,188
Prepaid expenses	125	1,600
	<b>\$ 137,935</b>	<b>\$ 117,374</b>
<b>Liabilities and Net Assets</b>		
Accounts payable	\$ 3,288	\$ 2,175
Other payables	267	20
Deferred revenue	7,000	5,000
	<b>10,555</b>	<b>7,195</b>
Net assets:		
With donor restrictions	2,500	2,500
Without donor restrictions	124,880	107,679
	<b>127,380</b>	<b>110,179</b>
	<b>\$ 137,935</b>	<b>\$ 117,374</b>

See independent auditor's report and accompanying notes.

**DuPage County Historical Museum Foundation, Inc.**  
**Statement of Activities**  
**For the Year Ended December 31, 2022**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Fund-raising events:			
Casino night	\$ 34,841	\$ -	\$ 34,841
Octoberfest	23,264	-	23,264
Other events	3,210	-	3,210
In-kind donations	3,652	-	3,652
<b>Total fund-raising events</b>	<b>64,967</b>	<b>-</b>	<b>64,967</b>
Fund-raising costs:			
Casino night	22,272	-	22,272
Octoberfest	16,843	-	16,843
Other events	1,624	-	1,624
<b>Total fund-raising event costs</b>	<b>40,739</b>	<b>-</b>	<b>40,739</b>
<b>Net fund-raising event revenue</b>	<b>24,228</b>	<b>-</b>	<b>24,228</b>
Memberships	2,217	-	2,217
Contributions	16,884	-	16,884
Annual appeal	5,642	-	5,642
Grants	1,000	2,500	3,500
Other revenue	46	-	46
Net assets released from restriction	2,500	(2,500)	-
<b>Total revenue and support</b>	<b>52,517</b>	<b>-</b>	<b>52,517</b>
Expenses:			
Management and general:			
Administrative	10,947	-	10,947
Bank and credit card fees	759	-	759
<b>Total management and general</b>	<b>11,706</b>	<b>-</b>	<b>11,706</b>
Development:			
Salary reimbursement	21,110	-	21,110
Contribution to Wheaton Park District	2,500	-	2,500
<b>Total development</b>	<b>23,610</b>	<b>-</b>	<b>23,610</b>
<b>Total expenses</b>	<b>35,316</b>	<b>-</b>	<b>35,316</b>
<b>Change in net assets</b>	<b>17,201</b>	<b>-</b>	<b>17,201</b>
Net assets:			
Beginning of the year	107,679	2,500	110,179
End of the year	\$ 124,880	\$ 2,500	\$ 127,380

See independent auditor's report and accompanying notes.

**DuPage County Historical Museum Foundation, Inc.**  
**Statement of Activities**  
**For the Year Ended December 31, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Fund-raising events:			
Octoberfest	\$ 20,383	\$ -	\$ 20,383
Other event revenue	1,004	-	1,004
<b>Total fund-raising events</b>	<b>21,387</b>	<b>-</b>	<b>21,387</b>
Fund-raising costs:			
Casino night	95	-	95
Octoberfest	11,602	-	11,602
Other events	527	-	527
<b>Total fund-raising event costs</b>	<b>12,224</b>	<b>-</b>	<b>12,224</b>
<b>Net fund-raising even revenue</b>	<b>9,163</b>	<b>-</b>	<b>9,163</b>
Memberships	1,999	-	1,999
Contributions	25,621	-	25,621
Annual appeal	9,543	-	9,543
Grants		2,500	2,500
Other revenue	146	-	146
<b>Total revenue and support</b>	<b>46,472</b>	<b>2,500</b>	<b>48,972</b>
Expenses:			
Management and general:			
Administrative	12,238	-	12,238
Bank and credit card fees	764	-	764
<b>Total management and general</b>	<b>13,002</b>	<b>-</b>	<b>13,002</b>
Development:			
Salary reimbursement	28,897	-	28,897
Contribution to Wheaton Park District	6,500	-	6,500
<b>Total development</b>	<b>35,397</b>	<b>-</b>	<b>35,397</b>
<b>Total expenses</b>	<b>48,399</b>	<b>-</b>	<b>48,399</b>
<b>Change in net assets</b>	<b>(1,927)</b>	<b>2,500</b>	<b>573</b>
Net assets:			
Beginning of the year	109,606	-	109,606
End of the year	\$ 107,679	\$ 2,500	\$ 110,179

See independent auditor's report and accompanying notes.

**DuPage County Historical Museum Foundation, Inc.**  
**Statement of Functional Expenses**  
**For the Year Ended December 31,**

	2022		
	Management and General	Development	Total
Administrative	\$ 10,947	\$ -	\$ 10,947
Bank and credit card fees	759	-	759
Contribution to the Wheaton Park District	-	2,500	2,500
Salary reimbursement	-	21,110	21,110
	\$ 11,706	\$ 23,610	35,316
Fund-raising event costs			40,739
Total expenses			\$ 76,055

	2021		
	Management and General	Development	Total
Administrative	\$ 12,238	\$ -	\$ 12,238
Bank and credit card fees	764	-	764
Contribution to the Wheaton Park District	-	6,500	6,500
Salary reimbursement	-	28,897	28,897
	\$ 13,002	\$ 35,397	48,399
Fund-raising event costs			12,224
Total expenses			\$ 60,623

See independent auditor's report and accompanying notes.



**DuPage County Historical Museum Foundation, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended December 31,**

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Change in net assets	\$ 17,201	\$ 573
Adjustments to reconcile change in net assets to net cash from operating activities:		
Accounts receivable	(5,112)	24,527
Prepays	1,475	(462)
Accounts payable	1,113	417
Other payables	247	(18,086)
Deferred revenue	2,000	5,000
	<u>16,924</u>	<u>11,969</u>
<b>Net increase in cash</b>	<b>16,924</b>	<b>11,969</b>
Cash, beginning of the year	<u>102,586</u>	<u>90,617</u>
<b>Cash, end of the year</b>	<b><u>\$ 119,510</u></b>	<b><u>\$ 102,586</u></b>

See independent auditor's report and accompanying notes.

**DuPage County Historical Museum Foundation, Inc.**  
**Notes to the Financial Statements**

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**1. Summary of Significant Accounting Policies**

**Organization** – The DuPage County Historical Museum Foundation, Inc. (the Foundation), incorporated under the Not-for-Profit Corporation Act of the State of Illinois, is engaged in fund-raising activities solely to benefit the DuPage County Historical Museum (the Museum). The Museum is an educational institution operated as a facility of the Wheaton Park District, owned by the County of DuPage by resolution of the Country Board pursuant to state statute. The Museum's principal purposes are to educate the general public through the collection, preservation, interpretation, and exhibition of materials which document the history of DuPage County and its relationship to Illinois and the nation, and to provide local history services for historical organizations and for scholarly endeavors. The Foundation's primary function is to raise funds to support the Museum's mission.

**Basis of Accounting** – The financial statements have been prepared on the accrual basis of accounting and are designed to focus on the Foundation as a whole, with balances and transactions presented according to the existence or absence of donor-imposed restrictions as follows:

**Net Assets Without Donor Restrictions** – Net assets which are available for fulfillment of the Foundation's mission, and which may be expended at the discretion of management and the Board of Directors.

**Net Assets With Donor Restrictions** – Net assets which are subject to donor-imposed restrictions. Some restrictions could be temporary in nature, such as those that will be met by the actions of the Foundation or the passage of time, while some restrictions could be perpetual in nature, in that a donor has stipulated the funds be maintained in perpetuity.

Revenues are reported as increases in net assets without donor restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Investment earnings, and gains and losses on investments and other assets or liabilities, are reported as increases or decreases in net assets without donor restrictions, unless their use is restricted by explicit donor stipulation or by law. Expiration of restrictions on net assets (i.e., the donor imposed stipulated purpose has been fulfilled or the stipulated time period has elapsed) are reported as reclassifications from net assets with donor restrictions to net assets without donor restrictions.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

**DuPage County Historical Museum Foundation, Inc.**  
**Notes to the Financial Statements (cont'd)**

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1. **Summary of Significant Accounting Policies (cont'd)**

**Contributions With Restrictions Met in the Same Year** – Contributions received with donor-imposed restrictions that are met in the same year received are reported as revenues in the net assets with donor restrictions class, and the reclassification to net assets without donor restrictions is made to reflect the expiration of such restriction.

**Use of Estimates** – The preparation of financial statements in accordance 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, liabilities, operations and the related disclosures at the date of the financial statements and during the reporting period. Actual results could differ from those estimates.

**Receivables** – In the statement of financial position, receivables are stated at the amount billed. The Foundation does not charge late fees on amounts past due. An allowance for uncollectible accounts has not been established since management believes all accounts are substantially collectible. Management's periodic evaluation of the collectability of receivables is based on past experience, known and inherent risks in the receivables, adverse situations that may affect the Foundation's ability to be repaid, and current economic conditions. Receivables deemed uncollectible are charged to expense.

**Prepays** – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepaids are valued at cost, which approximates market, using the first-in/first-out (FIFO) method.

**In-Kind Contributions** – The Foundation receives in-kind contributions and donated services from various donors. In accordance with generally accepted accounting principles, contribution of services are required to be recognized if the services received (a) create or enhance non-financial 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. In-kind contributions are recorded at fair value. The Foundation recognizes the estimated fair value of these in-kind donations and donated services as an expense or asset if appropriate in its financial statements, and similarly records a corresponding donation by a like amount. The Foundation recognized in-kind contribution revenue and related expenses for equipment, supplies and other services for fundraising events, valued at their replacement cost, totaling \$3,652 for the year ended December 31, 2022 (none for the year ended December 31, 2021).

**Donated Services** – There were also a substantial number of volunteers who donated a significant amount of their time towards the activities of the organization for the years ended December 31, 2022 and 2021, the value of which has not been recognized in the financial statements as they do not meet the criteria for recognition.

**DuPage County Historical Museum Foundation, Inc.**  
**Notes to the Financial Statements (cont'd)**

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1. **Summary of Significant Accounting Policies** (cont'd)

**New Accounting Pronouncement** – The Foundation adopted ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets* during 2022, which related to presentation and disclosure related to nonfinancial contributions as disclosed in Note 1 to the financial statements.

**Functional Allocation of Expenses** – The costs of program and supporting services have been summarized on a functional basis in the statement of activities but are detailed by their natural classification in the statement of functional expenses. In determining the functional allocation of expenses, direct expenses are charged to the program or supporting service benefited. Functional expenses which are not directly attributable to one function are allocated between program, management and general, and fund-raising services based on the number of employees involved, the amount of time spent, the percentage of their salary associated with the time and on estimated made by the Foundation's management.

**Income Taxes** – The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, except to the extent of any unrelated business income in excess of a \$1,000 specific deduction. The Foundation has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Foundation has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. There was no unrelated business income for the year ended December 31, 2022. The Foundation's tax returns for the years ended December 31, 2019, 2020 and 2021, remain subject to examination.

**Subsequent Events** – Subsequent events have been evaluated through June 19, 2023, which is the date the financial statements were available to be issued.

**Budgetary Information** – The budget is prepared on the same basis and uses the same accounting principles as are used to prepare the financial statements. The budget is authorized by the Board of Directors, which is reviewed monthly against actual revenue and expenses by the Board. The Board discussed with staff the provisions for generating revenue, assuring long-term solvency, and maintaining services. Their recommendations are presented to the Board of Directors for discussion and decision making. No budget amendments were made during the year. The Foundation's actual expenses were under budget by \$19,882 for the year ended December 31, 2022.

**DuPage County Historical Museum Foundation, Inc.**  
**Notes to the Financial Statements (cont'd)**

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**2. Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date at December 31, are comprised of the following:

	<b>2022</b>	2021
Cash	<b>\$ 119,510</b>	\$ 102,586
Accounts receivable	<b>18,300</b>	13,188
Total financial assets	<b>137,810</b>	115,774
Less amount with donor restrictions	<b>(2,500)</b>	(2,500)
	<b>\$ 135,310</b>	\$ 113,274

Based on the accompanying statement of activities, on average, these financial assets would be sufficient to meet approximately 22 months of expenses at December 31, 2022.

**3. Net Assets**

Net assets with donor restrictions consist of net assets restricted for the following purposes at December 31:

	<b>2022</b>	2021
Stories of DuPage	<b>\$ -</b>	\$ 2,500
Roaring Elgin Exhibit	<b>2,500</b>	-
	<b>\$ 2,500</b>	\$ 2,500

The source of net assets released from donor restrictions by incurring expense satisfying the restriction, or by the occurrence of events specified by the donor, was as follows for the years ended December 31:

	<b>2022</b>	2021
Stories of DuPage	<b>\$ 2,500</b>	\$ -

**DuPage County Historical Museum Foundation, Inc.**  
**Notes to the Financial Statements (cont'd)**

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**4. DuPage Foundation Account**

The DuPage Foundation Account (DF), formerly the DuPage Community Foundation, established a designated account, the Agency Fund, on behalf of the Foundation in September 2007. The purpose of this account is to strengthen the future of the Foundation and enhance its purpose. The account is considered a designated fund of DF and not an asset of the Foundation.

Donations made to DF and designated by the DF's Board of Directors for future use by the Foundation are deposited into the Agency Fund. The Board of Directors of the Foundation can designate the use of monies in the Agency Fund and can withdraw funds beginning approximately one year after the Agency Fund's balance meets or exceeds \$25,000. The Agency Fund had a balance of \$37,159 at December 31, 2022 (\$42,130 at December 31, 2021). The Foundation received \$1,600 from the Agency Fund during 2022 and \$1,500 during 2021.

Upon achieving the required balance of \$25,000, annual disbursements must meet the following requirements, which were all met upon 2021 disbursement:

- Income must support distribution
- Maximum distribution of 5% of fund balance
- Minimum distribution of \$500

The Foundation maintains an investment pool for all its funds which consists primarily of marketable equity securities, mutual funds, United States government and agency securities and corporate debt securities. No specific securities are designated for a specific fund. Realized gains/losses, unrealized gains/losses, and dividend and interest income net of fees are divided monthly on a prorated basis across all funds of the Foundation.

**DuPage County Historical Museum Foundation, Inc.**  
**Schedule of Revenues - Budget and Actual**  
**For the Year Ended December 31, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
Revenue and support:			
Fund-raising event revenues:			
Casino night	\$ 33,000	\$ 34,841	\$ 1,841
Octoberfest	28,500	23,264	(5,236)
Other event revenue	3,350	3,210	(140)
In-kind donations	-	3,652	3,652
Total fund-raising events revenues	<u>64,850</u>	<u>64,967</u>	<u>117</u>
Fund-raising event costs:			
Casino night	21,348	22,272	(924)
Octoberfest	16,950	16,843	107
Other event revenue	848	1,624	(776)
Total fund-raising events costs	<u>39,146</u>	<u>40,739</u>	<u>(1,593)</u>
Net fund-raising event revenue	25,704	24,228	(1,476)
Memberships	1,500	2,217	717
Contributions	15,000	16,884	1,884
Annual appeal	11,000	5,642	(5,358)
Grants	2,500	3,500	1,000
Other revenue	50	46	(4)
Total revenue and support	<u>\$ 55,754</u>	<u>\$ 52,517</u>	<u>\$ (3,237)</u>

See independent auditor's report.

**DuPage County Historical Museum Foundation, Inc.**  
**Schedule of Expenses - Budget and Actual**  
**For the Year Ended December 31, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
Expenses:			
Management and general:			
Administrative	\$ 10,870	\$ 10,947	\$ (77)
Bank and credit card fees	800	759	41
Memberships	500	-	500
Total management and general	<u>12,170</u>	<u>11,706</u>	<u>464</u>
Development:			
Salary reimbursement	35,278	21,110	14,168
Contribution to the Wheaton Park District	<u>7,750</u>	<u>2,500</u>	<u>5,250</u>
Total management and general	<u>43,028</u>	<u>23,610</u>	<u>19,418</u>
Total expenses	<u>\$ 55,198</u>	<u>\$ 35,316</u>	<u>\$ 19,882</u>

See independent auditor's report.