

COMMUNITY FOUNDATION OF UPPER ST. CLAIR
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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COMMUNITY FOUNDATION OF UPPER ST. CLAIR

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors
Community Foundation of Upper St. Clair

Management is responsible for the accompanying financial statements of Community Foundation of Upper St. Clair (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, 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 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.

Deverson, Tanack & Willison

DEVERSON, TANACK & WILLISON
CERTIFIED PUBLIC ACCOUNTANTS

Pittsburgh, Pennsylvania
September 21, 2022

**COMMUNITY FOUNDATION OF UPPER ST. CLAIR
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021**

ASSETS

CURRENT ASSETS	
Cash and cash equivalents	\$ 39,126
TOTAL CURRENT ASSETS	39,126
 OTHER ASSETS	
Inventory	9,825
Investments - Schwab	318,060
TOTAL OTHER ASSETS	327,885
TOTAL NET ASSETS	367,011

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Grants payable	\$ -
TOTAL CURRENT LIABILITIES	-
 NET ASSETS	
Without donor restrictions:	
Undesignated	358,934
Board designated for community grants	-
Total net assets without donor restrictions	358,934
With donor restrictions	8,077
TOTAL NET ASSETS	367,011
TOTAL LIABILITIES AND NET ASSETS	\$ 367,011

See Independent Accountants' Compilation Report and Accompanying Notes

**COMMUNITY FOUNDATION OF UPPER ST. CLAIR
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT			
Grants and contributions	\$ 19,382	\$ -	\$ 19,382
Sales of blankets	5,615	-	5,615
Interest and dividends	22,376	-	22,376
Unrealized and realized gains/(losses) on investments	10,386	-	10,386
Net assets released from restrictions:			
Payment of Scholarships	1,500	(1,500)	-
TOTAL REVENUES AND OTHER SUPPORT	59,259	(1,500)	57,759
EXPENSES			
Program expenses			
Health	5,238	-	5,238
Arts	946	-	946
STEM	1,716	-	1,716
Total Program Expenses	7,900	-	7,900
Supporting Services			
Management & general	16,639	-	16,639
Fundraising	5,132	-	5,132
Total Supporting Services Expenses	21,771	-	21,771
TOTAL EXPENSES	29,671	-	29,671
CHANGE IN NET ASSETS	29,588	(1,500)	28,088
NET ASSETS AT BEGINNING OF YEAR	329,346	9,577	338,923
NET ASSETS AT END OF YEAR	\$ 358,934	\$ 8,077	\$ 367,011

See Independent Accountants' Compilation Report and Accompanying Notes

COMMUNITY FOUNDATION OF UPPER ST. CLAIR
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021

	Program			Support		Total
	Health	Arts	STEM	Management & General	Fundraising	
Grants	1,871	\$ -	\$ 770	\$ -	\$ -	\$ 2,641
Scholarships	1,500	-	-	-	-	1,500
Blanket Expenses	-	-	-	-	3,248	3,248
Legal Fees	-	-	-	5,232	-	5,232
Accounting	-	-	-	3,107	-	3,107
Office Consultant	-	-	-	4,583	-	4,583
Office Rent	738	738	738	443	295	2,952
Advertising	598	48	48	-	47	741
Postage and Printing	-	-	-	-	1,231	1,231
Office Supplies	-	-	-	39	-	39
Insurance	-	-	-	970	-	970
Transaction Fees	-	-	-	560	-	560
Telephone	76	76	76	46	30	304
Website Expense	84	84	84	50	32	334
Investment Fees	-	-	-	1,524	-	1,524
Sales Taxes	-	-	-	-	249	249
Miscellaneous	371	-	-	85	-	456
Total Expenses	<u>\$ 5,238</u>	<u>\$ 946</u>	<u>\$ 1,716</u>	<u>\$ 16,639</u>	<u>\$ 5,132</u>	<u>\$ 29,671</u>

See Independent Accountants' Compilation Report and Accompanying Notes

**COMMUNITY FOUNDATION OF UPPER ST. CLAIR
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$	28,088
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized and realized gains on investments		(10,386)
Changes in assets and liabilities:		
Inventory		(9,825)
Grants payable		(3,000)
		(12,811)
NET CASH PROVIDED BY OPERATING ACTIVITIES		4,877

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of investments		(22,376)
Sale of investments		21,524
		(852)
NET CASH PROVIDED BY INVESTING ACTIVITIES		(852)
NET INCREASE IN CASH AND CASH EQUIVALENTS		4,025
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		35,101
		35,101
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$	39,126

See Independent Accountants' Compilation Report and Accompanying Notes

**COMMUNITY FOUNDATION OF UPPER ST. CLAIR
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Community Foundation of Upper St. Clair (the "Organization") is a non-profit, charitable organization. Its mission is to build a sense of community to enhance the quality of life for all people of Upper St. Clair, by addressing major areas that directly affect the lives of community residents, focusing on Arts, Health and STEM. The Arts program creates opportunities for all residents of the community to experience lifelong enrichment and enjoyment of visual and musical art forms, as well as theater and dance. The Health program focus encompasses activities that promote physical health, well-being and safety, as well as recreation, leisure, lifelong learning and community spirit. The goal of the STEM program is to encourage, implement and manage projects and programs that apply to Science, Technology, Engineering and Math in ways that improve the quality of life in the community, including applications in the areas of communication and information sharing.

Basis of Presentation

The Organization uses the accrual basis of accounting for financial reporting purposes. Financial statement presentation follows the recommendations of the American Institute of Certified Public Accountants in its industry guide *Not-for-profit Organizations*.

New Accounting Pronouncement

The Organization has adopted the provisions of the FASB issued ASU 2016-14, *Not-for-Profit Entities* (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The Organization has adjusted the presentation of its financial statements accordingly. The new standards change the following aspects of The Association's financial statements:

- The temporarily restricted net assets are now called net assets with donor restrictions.
- The unrestricted net asset class has been renamed net assets without donor restrictions.
- The financial statements include a new disclosure about liquidity and availability of resources (Note 5).

Contributions

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions. Grants and contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted contributions are reported as an increase in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Functional Expenses

The costs of providing the various programs of the Organization have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs benefited.

**COMMUNITY FOUNDATION OF UPPER ST. CLAIR
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The form 990-EZ, Return of Organization Exempt from Income Tax is subject to examination by the IRS, generally for three years after they have been filed.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes investments which mature in three months or less. Cash and cash equivalents in the amount of \$8,077 are limited in use to payment of scholarships to the Senior Class at Upper St. Clair High School.

Investments

Investments consist of investments in various mutual and money market funds and are carried at fair value. Unrealized gains and losses are included on the statement of activities in investment income.

Contributed Services

No amounts have been reflected in the financial statements for donated services. However, many individuals volunteer their time and perform a variety of tasks that assist Community Foundation of Upper St. Clair with its special programs, but these services do not meet the criteria for recognition as contributed services.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

Consideration of Subsequent Events

The Organization has evaluated subsequent events through September 21, 2022, which is the date the financial statements were issued, and has concluded that all events that would require recognition or disclosure are appropriately reflected in the financial statements.

NOTE 2: INVESTMENTS

Investments at December 31, 2021 are stated at market value as summarized below:

	Cost	Unrealized Gains	Unrealized Losses	Market Value
Money Market Fund	\$ 13,562	\$ -0-	\$ -0-	\$ 13,562
Mutual Funds				
Bond	61,676	-0-	(266)	61,410
Equity	<u>238,446</u>	<u>4,642</u>	<u>-0-</u>	<u>243,088</u>
Total Mutual Funds	<u>300,122</u>	<u>4,642</u>	<u>(266)</u>	<u>304,498</u>
Total Investments	<u>\$313,684</u>	<u>\$ 4,642</u>	<u>\$ (266)</u>	<u>\$318,060</u>

**COMMUNITY FOUNDATION OF UPPER ST. CLAIR
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

NOTE 2: INVESTMENTS (CONTINUED)

Investment return for 2021 is summarized as follows:

Interest Income	\$ 1
Dividend Income	22,375
Realized Gains	82,324
Unrealized Gains	<u>(71,938)</u>
Total Investment Income	<u>\$ 32,762</u>

NOTE 3: RESTRICTION ON NET ASSETS

The balance of funds restricted to use only for their designated purposes were as follows at December 31, 2021:

Net Assets With Donor Restrictions:

Scholarship Funds	
T. J. White Scholarship Fund	\$ 5,143
William Pope Scholarship Fund	1,000
John Small Scholarship Fund	250
Thomas Harshman Memorial	<u>1,684</u>
Total Net Assets with Donor Restrictions	<u>\$ 8,077</u>

NOTE 4: FAIR VALUE MEASUREMENT

The Organization has adopted FASB *Accounting Standards Codification* 820, *Fair Value Measurements and Disclosures*, for assets and liabilities at fair value on a recurring basis. ASC 820 defines fair values as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Inputs that are generally unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability.

The following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds: Valued at the closing price reported on the active markets on which the individual security is traded.

**COMMUNITY FOUNDATION OF UPPER ST. CLAIR
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

NOTE 4 FAIR VALUE MEASUREMENT (CONTINUED)

At December 31, 2021, the Organization only has assets that are considered level 1. The following table sets forth, by level within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2021.

	Level 1	Level 2	Level 3	Total
Money Market Fund	\$ 13,562	\$ -0-	\$ -0-	\$ 13,562
Mutual Funds				
Bond	61,410	-0-	-0-	61,410
Equity	<u>243,088</u>	<u>-0-</u>	<u>-0-</u>	<u>243,088</u>
Total Mutual Funds	<u>304,498</u>	<u>-0-</u>	<u>-0-</u>	<u>304,498</u>
Total Investments	<u>\$318,060</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$318,060</u>

NOTE 5: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed regulation within one year of the statement of financial position date.

Financial assets at year-end	\$ 357,186
Less those unavailable for general expenditures within one year, due to:	
Donor-restricted to fund scholarships	8,077
Board-restricted for community grants	<u>-0-</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 349,109</u>

NOTE 6: SUBSEQUENT EVENT – CORONAVIRUS PANDEMIC

In March 2020, the World Health Organization recognized the novel strain of the coronavirus, COVID-19, as a pandemic. As a result, there have been mandates from federal, state and local authorities resulting in an overall decline in economic activity. Temporary closures of business have been ordered and other businesses have temporarily closed voluntarily. Given the uncertainty regarding the spread of the coronavirus, the related financial impact to the Organization cannot be reasonably estimated at this time.