

# THE LIGHTHOUSE FOUNDATION

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**FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
DECEMBER 31, 2014 AND 2013  
&  
INDEPENDENT AUDITORS' REPORT**



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**McCALL SCANLON & TICE, LLC**  
*CERTIFIED PUBLIC ACCOUNTANTS*

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
The Lighthouse Foundation:

We have audited the accompanying financial statements of The Lighthouse Foundation (the "Foundation"), which comprise the statements of financial position as of December 31, 2014 and 2013, 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 financial position of The Lighthouse Foundation as of December 31, 2014 and 2013, 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.

*McCall Scaron & Tice, LLC*

Pittsburgh, Pennsylvania  
September 14, 2015

**THE LIGHTHOUSE FOUNDATION**

STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2014 AND 2013

<u>ASSETS</u>		
	2014	2013
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 174,701	\$ 187,980
Insurance claim receivable	222,242	-
Grants receivable	101,197	96,776
Vehicle inventory	35,453	106,401
Prepaid insurance	5,448	-
Total current assets	539,041	391,157
PROPERTY AND EQUIPMENT, net	1,073,043	1,200,131
TOTAL ASSETS	\$ 1,612,084	\$ 1,591,288
<u>LIABILITIES AND NET ASSETS</u>		
<b>CURRENT LIABILITIES:</b>		
Current portion of notes payable	\$ 10,547	\$ -
Line of credit	-	106,603
Accounts payable	11,216	9,452
Accrued expenses	2,516	57
Security deposit payable	-	1,100
Total current liabilities	24,279	117,212
NONCURRENT LIABILITIES, Notes payable	87,922	-
Total liabilities	112,201	117,212
<b>NET ASSETS:</b>		
Unrestricted	1,350,657	1,314,739
Temporarily restricted	149,226	129,337
Permanently restricted	-	30,000
Total net assets	1,499,883	1,474,076
TOTAL LIABILITIES AND NET ASSETS	\$ 1,612,084	\$ 1,591,288

See Notes To Financial Statements

**THE LIGHTHOUSE FOUNDATION**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>SUPPORT AND REVENUES:</b>				
Contributions:				
Churches and institutions	\$ 260,820	\$ -	\$ -	\$ 260,820
Food bank	28,473	-	-	28,473
Vehicles	41,229	-	-	41,229
Others	205,455	-	-	205,455
Book and gift shop	1,924	-	-	1,924
Government grants - transitional housing	-	181,378	-	181,378
Private grants	5,000	51,000	-	56,000
Program income	25,004	-	-	25,004
Miscellaneous revenue	91,444	-	-	91,444
Net assets released from restrictions	242,489	(242,489)	-	-
Total support and revenues	901,838	(10,111)	-	891,727
<b>EXPENSES:</b>				
Program services:				
General program	109,007	-	-	109,007
Food bank	148,301	-	-	148,301
Low income car ownership	152,835	-	-	152,835
Transitional housing	361,947	-	-	361,947
General and administrative	138,518	-	-	138,518
Fundraising	25,252	-	-	25,252
Total expenses	935,860	-	-	935,860
<b>OTHER INCOME AND (EXPENSE),</b>				
Gain from insurance claim	69,940	-	-	69,940
Total other income and (expense)	69,940	-	-	69,940
<b>INCREASE (DECREASE) IN NET ASSETS</b>	35,918	(10,111)	-	25,807
<b>NET ASSETS, BEGINNING OF YEAR</b>	1,314,739	129,337	30,000	1,474,076
<b>TRANSFERS</b>	-	30,000	(30,000)	-
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 1,350,657</u>	<u>\$ 149,226</u>	<u>\$ -</u>	<u>\$ 1,499,883</u>

See Notes To Financial Statements

**THE LIGHTHOUSE FOUNDATION**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>SUPPORT AND REVENUES:</b>				
Contributions:				
Churches and institutions	\$ 289,157	\$ -	\$ -	\$ 289,157
Food bank	42,257	-	-	42,257
Vehicles	96,829	-	-	96,829
Capital campaign	215	-	-	215
Others	157,608	-	-	157,608
Book and gift shop	5,647	-	-	5,647
Wheels of work	27,026	-	-	27,026
Gala income	23,822	-	-	23,822
Government grants - transitional housing	-	132,862	-	132,862
Private grants	151	112,504	-	112,655
Program income	8,796	-	-	8,796
Investment income	29	-	-	29
Miscellaneous revenue	88,741	-	-	88,741
Net assets released from restrictions	262,523	(262,523)	-	-
Total support and revenues	1,002,801	(17,157)	-	985,644
<b>EXPENSES:</b>				
Program services:				
General program	301,874	-	-	301,874
Book and gift shop	8,891	-	-	8,891
Food bank	95,480	-	-	95,480
Wheels of work	121,644	-	-	121,644
Transitional housing	207,114	-	-	207,114
General and administrative	101,719	-	-	101,719
Fundraising	45,374	-	-	45,374
Total expenses	882,096	-	-	882,096
<b>OTHER INCOME AND (EXPENSE),</b>				
Allowance for obsolete inventory	(33,768)	-	-	(33,768)
Total other income and (expense)	(33,768)	-	-	(33,768)
<b>INCREASE (DECREASE) IN NET ASSETS</b>	86,937	(17,157)	-	69,780
<b>NET ASSETS, BEGINNING OF YEAR</b>	1,227,802	146,494	30,000	1,404,296
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 1,314,739</u>	<u>\$ 129,337</u>	<u>\$ 30,000</u>	<u>\$ 1,474,076</u>

See Notes To Financial Statements

**THE LIGHTHOUSE FOUNDATION**

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2014

	Program Services				General and Administrative	Fundraising	Total
	General Program	Food Bank	LICO	Transitional Housing			
Salaries	\$ 31,714	\$ 30,067	\$ 2,871	\$ 124,910	\$ 60,725	\$ 18,576	\$ 268,863
Payroll taxes	3,014	2,803	273	11,827	6,724	1,733	26,374
Employee benefits	1,527	1,312	177	12,733	2,733	354	18,836
Contracted labor	-	-	37,000	1,922	414	-	39,336
Housing allowance	5,376	683	-	5,013	5,783	-	16,855
Vehicle expense	3,014	27,593	6,628	16,514	4,128	-	57,877
Fundraising expenses	-	-	-	-	-	1,291	1,291
Direct program costs	3,649	4,384	92,424	11,838	-	-	112,295
Utilities	2,815	16,890	(353)	75,161	8,446	-	102,959
Accounting	-	-	-	-	22,766	-	22,766
Equipment and rental	21,879	-	-	-	-	-	21,879
Repairs and maintenance	3,278	7,663	-	33,075	1,832	-	45,848
Advertising	2,886	1,443	10,038	1,443	-	1,303	17,113
Supplies	6,287	3,143	296	826	1,049	-	11,601
Printing and publishing	4,884	4,884	-	2,442	-	1,995	14,205
Insurance	4,740	8,125	3,385	19,122	9,870	-	45,242
Professional fees	-	-	-	-	5,601	-	5,601
Training	244	-	-	-	524	-	768
Miscellaneous	3,552	3,372	96	790	2,940	-	10,750
Food programs	1,005	27,693	-	-	-	-	28,698
Book shop purchases	398	-	-	-	-	-	398
Interest	-	143	-	5,074	-	-	5,217
Depreciation and amortization	8,745	8,103	-	39,257	4,983	-	61,088
<b>Total expenses</b>	<b>\$ 109,007</b>	<b>\$ 148,301</b>	<b>\$ 152,835</b>	<b>\$ 361,947</b>	<b>\$ 138,518</b>	<b>\$ 25,252</b>	<b>\$ 935,860</b>

See Notes To Financial Statements



**THE LIGHTHOUSE FOUNDATION**

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Program Services					General and Administrative	Fundraising	Total
	General Program	Book and Gift Shop	Food Bank	Wheels of Work	Transitional Housing			
Salaries	\$ 85,014	\$ -	\$ 12,018	\$ 65,719	\$ 88,204	\$ 53,976	\$ -	\$ 304,931
Payroll taxes	7,579	-	2,756	8,268	7,924	4,823	3,101	34,451
Employee benefits	3,583	-	1,303	3,908	3,746	2,280	1,466	16,286
Contracted labor	500	-	-	-	-	-	-	500
Housing allowance	6,399	-	4,394	6,018	5,014	2,005	3,009	26,839
Vehicle expense	30,241	-	4,100	(8,461)	8,714	8,201	-	42,795
Direct program costs	51,733	-	23,476	-	6,808	-	-	82,017
Utilities	40,846	-	15,103	12,703	32,096	-	-	100,748
Accounting	-	-	-	-	-	11,030	-	11,030
Equipment and rental	19,931	-	-	8,000	-	-	-	27,931
Repairs and maintenance	12,658	-	-	2,723	7,530	-	-	22,911
Advertising	1,210	-	-	-	-	342	-	1,552
Supplies	6,831	223	9,501	-	-	-	7,753	24,308
Printing and publishing	-	-	8,967	-	-	-	-	8,967
Insurance	12,972	1,297	6,486	14,918	16,215	9,729	3,243	64,860
Professional fees	-	-	-	-	-	-	11,025	11,025
Training	3,835	-	-	-	-	-	-	3,835
Miscellaneous	6,126	-	1,553	4,679	476	-	2,890	15,724
Food programs	-	-	2,567	-	-	-	-	2,567
Book shop purchases	-	4,289	-	-	-	-	-	4,289
Interest	435	87	261	174	435	348	-	1,740
Gala expense	-	-	-	-	-	-	12,887	12,887
Depreciation and amortization	11,981	2,995	2,995	2,995	29,952	8,985	-	59,903
<b>Total expenses</b>	<b>\$ 301,874</b>	<b>\$ 8,891</b>	<b>\$ 95,480</b>	<b>\$ 121,644</b>	<b>\$ 207,114</b>	<b>\$ 101,719</b>	<b>\$ 45,374</b>	<b>\$ 882,096</b>

See Notes To Financial Statements

**THE LIGHTHOUSE FOUNDATION**

STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Increase in net assets	\$ 25,807	\$ 69,780
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	61,088	59,903
Donation of vehicles	(5,850)	
Loss on sale of property and equipment	-	-
Gain from insurance claim	(69,940)	
Bad debt expense	-	-
Allowance for obsolete inventory	-	33,768
(Increase) decrease in:		
Accounts receivable	-	300
Grants receivable	(4,421)	36,218
Vehicle inventory	70,948	(67,786)
Prepaid insurance	(5,448)	-
Increase (decrease) in:		
Accounts payable	1,764	(4,773)
Accrued expenses	2,459	57
Security deposits payable	(1,100)	1,100
	75,307	128,567
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property and equipment	(58,452)	(181,935)
	(58,452)	(181,935)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Principal payments on notes payable	(30,134)	(40,066)
Net activity on line of credit	-	106,603
	(30,134)	66,537
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(13,279)	13,169
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	187,980	174,811
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 174,701	\$ 187,980
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION,</b>		
Interest paid	\$ 5,217	\$ 1,740
<b>NON-CASH TRANSACTIONS FROM INVESTING AND FINANCING</b>		
<b>ACTIVITIES:</b>		
Grant funding paid directly to contractor for building improvements	\$ -	\$ 48,000
Assets acquired with note payable	\$ 22,000	\$ -
Insurance claim receivable for casualty loss	\$ 222,242	\$ -
Refinancing of line of credit with proceeds from note payable	\$ 106,603	\$ -

See Notes To Financial Statements

**THE LIGHTHOUSE FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

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**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**NATURE OF OPERATIONS**

The Lighthouse Foundation (the “Foundation”) is a not-for-profit corporation established in December 1986. The Foundation provides programs to serve needy persons unable to transport themselves, home maintenance and other home-related service arrangements, fellowship programs for senior citizens, an operations base for the local food bank, unemployment counseling, a summer program for meals and recreation activities for needy children, a vehicle restoration program for needy persons, and other programs designed to meet temporary, emergency, or other needs of persons in the community.

The Foundation’s primary funding sources consist of local churches and other religious organizations and individuals, substantially all of whom are situated in or near Southwestern Pennsylvania. Additional revenues are received from program service charges.

During 2014, the Foundation changed the name of the vehicle restoration program from Wheels of Work (“WOW”) to Low Income Car Ownership (“LICO”). During 2013, the Foundation changed the way the Wheels of Work (“WOW”) program was operated by outsourcing consulting services to a third party. The Foundation accepts vehicles donated by individuals and engages local automotive shops to perform repairs to the car in order to sell it to needy individuals. If repairs cannot be made in order to sell the vehicle, the Foundation scraps the vehicle.

**BASIS OF ACCOUNTING**

The financial statements of the Foundation have been prepared on the accrual basis of accounting and, accordingly, report all significant receivables, payables, and other liabilities as prescribed by accounting principles generally accepted in the United States of America (“GAAP”).

**COMPARATIVE DATA**

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year’s presentation.

## **FINANCIAL STATEMENT PRESENTATION**

Accounting Standards require the Foundation to report the information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets. The following is a description of the three net asset categories:

### **UNRESTRICTED NET ASSETS**

Net assets not subject to donor-imposed stipulations are classified as unrestricted. Net assets not subject to donor-imposed stipulations designated by the board of directors that require a board of director approval to be expended are also classified as unrestricted. Contributions received with donor-imposed restrictions that are met in the same year in which contributions are received are classified as unrestricted contributions.

### **TEMPORARILY RESTRICTED NET ASSETS**

Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or the passage of time.

### **PERMANENTLY RESTRICTED NET ASSETS**

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

### **CASH AND CASH EQUIVALENTS**

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

### **ACCOUNTS RECEIVABLE**

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The Foundation did not have accounts receivable as of December 31, 2014 and 2013. Accordingly, no allowance for doubtful accounts is considered necessary.

## **INVENTORIES**

The Foundation accepts contributions of vehicle items for resale. These contributed vehicles are recorded at their Kelly Blue Book private party value at the date of receipt and are classified as vehicle inventory in the statements of financial position.

## **PROPERTY AND EQUIPMENT**

It is the Foundation's policy to capitalize property and equipment expenditures over \$1,000. Purchased property and equipment is recorded at cost. Donated property and equipment is recorded at the estimated fair value on the date of transfer. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets, which are generally 40 years for buildings and improvements to real property, 15 years for equipment, and 5 years for office equipment and software.

## **SUPPORT AND REVENUE**

Support from corporate foundations and private grants are recorded when the award is made and any related conditions are known. Such support is recorded as unrestricted or temporarily restricted depending upon the existence of conditions placed upon the use of the award by the donor. Program service fees are recorded when earned.

## **USE OF 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 amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## **INCOME TAXES**

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation's policy is to recognize interest related to unrecognized tax benefits in interest expense and penalties in operating expenses.

In general, the Foundation's tax positions for open tax years remain subject to examination by the tax authorities in the jurisdictions in which the Foundation operates.

## **SUBSEQUENT EVENTS**

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through September 14, 2015, the date the financial statements were available to be issued.

## 2. INSURANCE CLAIM RECEIVABLE

During 2014, the Foundation sustained a casualty loss due to fire at the 401 Ridge Avenue apartments. The Foundation filed a claim with the insurance carrier in the amount \$222,242, which was received during the first quarter of 2015. The net book value of the related assets was \$152,302, resulting in a gain of \$69,940 which is recorded as other income on the statement of activities for the year ended December 31, 2014.

## 3. GRANTS RECEIVABLE

Grants receivable consisted of the following as of December 31, 2014 and 2013:

Grant Description	12/31/13 Balance	Grants Awarded During 2014	Grants Received During 2014	12/31/14 Balance
HUD Operations	\$ 90,476	\$ 101,587	\$ 101,587	\$ 90,476
Butler County - Community Service Block Grant	-	10,254	3,753	6,501
Butler County - Homeless Assistance Program	6,300	11,300	13,380	4,220
Butler County - Human Service Block Grant	-	<u>58,237</u>	<u>58,237</u>	-
Total government grants	96,776	181,378	176,957	101,197
Private grants	-	<u>56,000</u>	<u>56,000</u>	-
Total	<u>\$ 96,776</u>	<u>\$ 237,378</u>	<u>\$ 232,957</u>	<u>\$ 101,197</u>

**THE LIGHTHOUSE FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

Grant Description	12/31/12 Balance	Grants Awarded During 2013	Grants Received During 2013	12/31/13 Balance
HUD Operations	\$ 102,761	\$ 96,762	\$ 109,047	\$ 90,476
Butler County - Emergency Shelter Grant	66,933	-	66,933	-
Butler County - Community Service Block Grant	5,000	5,000	10,000	-
Butler County - Homeless Assistance Program	6,300	6,300	6,300	6,300
Butler County - Safe Harbor Residential Manager	-	24,800	24,800	-
Total government grants	180,994	132,862	217,080	96,776
Private grants	-	112,504	112,504	-
Total	<u>\$ 180,994</u>	<u>\$ 245,366</u>	<u>\$ 329,584</u>	<u>\$ 96,776</u>

**4. PROPERTY AND EQUIPMENT, NET**

A summary of property and equipment at December 31, 2014 and 2013 is as follows:

	2014	2013
Building and improvements	\$ 1,476,690	\$ 1,630,283
Equipment	49,092	45,193
Software	9,870	9,870
Furniture and fixtures	37,230	41,230
Vehicles	70,345	23,940
Land	43,196	43,196
Total	1,686,423	1,793,712
Less accumulated depreciation	<u>613,380</u>	<u>593,581</u>
Property and equipment, net	<u>\$ 1,073,043</u>	<u>\$ 1,200,131</u>

Depreciation expense was \$61,088 and \$59,903 for the years ended December 31, 2014 and 2013, respectively.

## 5. NOTES PAYABLE

The Foundation has the following note payable at December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Note payable to First National Bank of Pennsylvania, payable in 180 monthly installments. The first 60 installments will be at \$845 with an annual interest rate of 4.97%. The remaining 120 installments will be at \$845 with an annual interest rate based on The Federal Home Loan Bank of Pittsburgh Five Year Rate, plus a margin of 3.00%. All principal and accrued interest are due in January 2029. The note is secured by a first lien on the property at 819-821 East Brady Street, Butler, Pennsylvania.	\$ 76,816	\$ -
Note payable to First National Bank of Pennsylvania, payable in monthly installments of \$406 with the balance due and payable in November 2019, at an annual interest rate of 3.99%. The note is secured by the vehicle purchased.	<u>21,653</u>	<u>-</u>
Total notes payable	98,469	-
Less current portion	<u>10,547</u>	<u>-</u>
Long-term portion	<u>\$ 87,922</u>	<u>\$ -</u>

## 6. LINE OF CREDIT

The Foundation opened a secured line of credit in December 2013 with First National Bank for \$218,000 (reduced to \$100,000 in January 2014). Interest is charged at the prime rate (3.25% at December 31, 2014) plus 0.5%. The Foundation did not have any borrowings on this line of credit as of December 31, 2014. Borrowings on this line of credit were \$106,603 as of December 31, 2013.



**THE LIGHTHOUSE FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

**7. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets activity consisted of the following as of December 31, 2014 and 2013:

Grant Description	12/31/13 Balance	Grants Awarded During 2014	Net Assets Released During 2014	12/31/14 Balance
HUD Operations	\$ 90,476	\$ 101,587	\$ 106,074	\$ 85,989
Butler County -				
Community Service Block Grant	5,000	10,254	15,254	-
Butler County -				
Homeless Assistance Program	6,300	11,300	17,600	-
Butler County -				
Human Service Block Grant	24,800	58,237	49,800	33,237
Private grants	2,761	51,000	53,761	-
Subtotal	129,337	232,378	242,489	119,226
Transfer from permanently restricted	-	30,000	-	30,000
Total	\$129,337	\$262,378	\$ 242,489	\$ 149,226
Grant Description	12/31/12 Balance	Grants Awarded During 2013	Net Assets Released During 2013	12/31/13 Balance
HUD Operations	\$102,761	\$ 96,762	\$ 109,047	\$ 90,476
Butler County -				
Emergency Shelter Grant	18,933	-	18,933	-
Butler County -				
Community Service Block Grant	5,000	5,000	5,000	5,000
Butler County -				
Homeless Assistance Program	6,300	6,300	6,300	6,300
Butler County -				
Human Service Block Grant	-	24,800	-	24,800
Private grants	13,500	112,504	123,243	2,761
Total	\$146,494	\$245,366	\$ 262,523	\$ 129,337

## **8. DONATED SERVICES**

A substantial number of volunteers have donated significant amounts of their time to the Foundation's program services. The value of this contributed time is not reflected in the accompanying financial statements since the volunteers' time does not meet the criteria for recognition under Accounting Standards.

## **9. FUNCTIONAL ALLOCATIONS OF EXPENSES**

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

## **10. CONCENTRATION OF CREDIT RISK**

The Foundation maintains its cash balances in one financial institution located in Pittsburgh, Pennsylvania. The balances are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At December 31, 2014 and 2013, the Foundation did not have any uninsured cash balances that exceeded the FDIC limit.

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