



**MONTGOMERY COUNTY INTERMEDIATE UNIT
EDUCATION FOUNDATION**

FINANCIAL STATEMENTS

JUNE 30, 2022

MONTGOMERY COUNTY INTERMEDIATE UNIT
EDUCATION FOUNDATION

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statement of Assets, Liabilities, and Net Assets – Cash Basis	4
Statement of Revenues, Expenses, and Changes in Net Assets – Cash Basis	5
NOTES TO FINANCIAL STATEMENTS	6



INDEPENDENT AUDITOR'S REPORT

December 23, 2022

To the Board of Directors
Montgomery County Intermediate Unit
Education Foundation
Norristown, Pennsylvania

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Montgomery County Intermediate Unit Education Foundation (the Foundation), which comprise the statement of assets, liabilities, and net assets – cash basis as of June 30, 2022, and the related statement of revenues, expenses, and changes in net assets – cash basis 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 statement of assets, liabilities, and net assets – cash basis of the Foundation, as of June 30, 2022, and the related statement of revenues, expenses, and changes in net assets – cash basis for the year then ended in accordance with the cash basis of accounting described in Note 2.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other

To the Board of Directors
Montgomery County Intermediate Unit
Education Foundation

than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

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 GAAS 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 GAAS, 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 the 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 the Foundation's, ability to continue as a going concern for a reasonable period of time.

To the Board of Directors
Montgomery County Intermediate Unit
Education Foundation

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.

Barbacane, Thornton & Company LLP
BARBACANE, THORNTON & COMPANY LLP

**MONTGOMERY COUNTY INTERMEDIATE UNIT EDUCATION FOUNDATION
STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS – CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

ASSETS	
Cash	<u><u>\$ 85,551</u></u>
LIABILITIES AND NET ASSETS	
Current liabilities	<u>-</u>
Total Current Liabilities	<u>-</u>
NET ASSETS	
Without donor restrictions:	
Designated for camperships	9,636
Designated for post-secondary scholarships	7,500
Undesignated	64,072
With donor restrictions	<u>4,343</u>
 Total Net Assets	 <u>85,551</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 85,551</u></u>

The accompanying notes are an integral part of these financial statements.

MONTGOMERY COUNTY INTERMEDIATE UNIT EDUCATION FOUNDATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS – CASH BASIS
JUNE 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Totals
REVENUE AND OTHER SUPPORT			
Contributions:			
United Way	\$ 898	\$ -	\$ 898
Corporate	2,304	-	2,304
CCRES, Inc.	-	4,500	4,500
Individuals	3,661	-	3,661
Special events:			
Golf Outing	29,535	-	29,535
Trivia Night	8,133	-	8,133
Interest earnings	14	-	14
Net assets released from restrictions	2,227	(2,227)	-
TOTAL REVENUE AND OTHER SUPPORT	46,772	2,273	49,045
EXPENSES			
Program services:			
Post-secondary scholarships	8,000	-	8,000
Summer and camerships	18,339	-	18,339
Management and general:			
Office	1,298	-	1,298
Professional fees	3,575	-	3,575
Website design	1,548	-	1,548
Fundraising:			
Golf Outing	21,895	-	21,895
Trivia Night	652	-	652
TOTAL EXPENSES	55,307	-	55,307
CHANGE IN NET ASSETS	(8,535)	2,273	(6,262)
NET ASSETS AT BEGINNING OF YEAR	91,813	2,070	91,813
NET ASSETS AT END OF YEAR	\$ 83,278	\$ 4,343	\$ 85,551

The accompanying notes are an integral part of these financial statements.

MONTGOMERY COUNTY INTERMEDIATE UNIT
EDUCATION FOUNDATION

NOTES TO FINANCIAL STATEMENTS

NOTE 1 THE ORGANIZATION

The Montgomery County Intermediate Unit Education Foundation, (the Foundation) is a broad-based, non-profit community organization whose exclusive educational and charitable purposes are to provide programs, projects, and services to benefit the children of Montgomery County. The Foundation provides camp and post-secondary scholarships for students with special needs, enriches classroom programs with technology support, and enables student programs beyond school district budget capabilities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Presentation

The accompanying financial statements have been prepared using the cash basis of accounting. Consequently, revenue is recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligations are incurred. While the accompanying financial statements present the cash balances and cash transactions of the Foundation on the cash basis of accounting, they are not intended to present financial position and results of operations in conformity with accounting principles generally accepted in the United States of America, which require the use of the accrual method of accounting.

Net Assets Without Donor Restrictions

Net assets without donor restrictions are net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These assets may be used at the discretion of the Foundation's management and the Board of Directors.

Net Assets With Donor Restrictions

Net assets with donor restrictions are net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. If a contribution restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the contribution as net assets without donor restrictions.

MONTGOMERY COUNTY INTERMEDIATE UNIT
EDUCATION FOUNDATION

NOTES TO FINANCIAL STATEMENTS

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Income Taxes

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. The Foundation has been classified as an organization that is not a private foundation under Sections 509(a)(1) and 170(b)(1)(a)(iv) of the Internal Revenue Code. The Foundation did not engage in any unrelated business activities during the fiscal year. Management believes more likely than not that its tax-exempt status and tax positions will be sustained if examined by authorities.

NOTE 3 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions represent contributions that are restricted for particular approved programs within the Pennsylvania Education Improvement Tax Credit Program and CCRES, Inc. CCRES, Inc. is an organization that provides educational and behavioral health services. As of June 30, 2022, there is \$4,343 of net assets with donor restrictions for CCRES, Inc. Net assets with donor restrictions from CCRES, Inc. are released as programs sponsored by CCRES, Inc. and are held by the Foundation. During the year, \$2,227 of net assets with donor restrictions were released from CCRES, Inc.

NOTE 4 LIQUIDITY

The Foundation's assets are all available within one year of the balance sheet date for general expenditures. The goal of the Foundation's liquidity management is to structure its financial assets to be available as its general expenditures and other obligations come due. The Foundation's financial assets available to meet cash needs for the general expenses within one year are \$81,208.

NOTE 5 SUBSEQUENT EVENTS

The Foundation has evaluated all subsequent events through December 23, 2022, the date the financial statements were available to be issued.