

**MONTGOMERY COUNTY INTERMEDIATE UNIT
EDUCATION FOUNDATION**

FINANCIAL STATEMENTS

Year Ended June 30, 2018



Certified Public Accountants and Business Consultants

**MONTGOMERY COUNTY INTERMEDIATE UNIT
EDUCATION FOUNDATION**

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YEAR ENDED JUNE 30, 2018

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Independent Accountants' Review Report

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

We have reviewed the accompanying statement of assets and net assets--cash basis of the Montgomery County Intermediate Unit Education Foundation (a nonprofit organization) as of June 30, 2018, and the related statement of revenue and other support, expenses and other changes in net assets--cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Foundation management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting; this includes determining that the cash basis of accounting the Foundation uses is an acceptable basis for the preparation of 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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the cash basis of accounting.

Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.



Oaks, Pennsylvania
August 31, 2018

**MONTGOMERY COUNTY INTERMEDIATE UNIT
EDUCATION FOUNDATION**
STATEMENT OF ASSETS AND NET ASSETS--CASH BASIS
JUNE 30, 2018

ASSETS		
Cash		\$ <u>105,503</u>
NET ASSETS		
Unrestricted		
Designated for camperships	\$	910
Designated for post-secondary scholarships		3,000
Undesignated		93,219
Temporarily restricted		<u>8,374</u>
TOTAL NET ASSETS	\$	<u>105,503</u>

See accompanying notes and independent accountants' review report.

**MONTGOMERY COUNTY INTERMEDIATE UNIT
EDUCATION FOUNDATION**

**STATEMENT OF REVENUE AND OTHER SUPPORT, EXPENSES
AND OTHER CHANGES IN NET ASSETS--CASH BASIS
YEAR ENDED JUNE 30, 2018**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>
REVENUE AND OTHER SUPPORT			
Contributions			
United Way	\$ 3,819	\$ -	\$ 3,819
Individuals	3,010	-	3,010
Corporate	201	-	201
Pennsylvania Educational Improvement Tax Credit Program	-	4,500	4,500
CCRES, Inc.	-	9,789	9,789
Special events			
Golf Classic	25,635	-	25,635
Fall event	17,761	-	17,761
Interest received	167	-	167
Net assets released from restrictions	5,915	(5,915)	-
TOTAL REVENUE AND OTHER SUPPORT	<u>56,508</u>	<u>8,374</u>	<u>64,882</u>
EXPENSES			
Program services			
Education, training and technology programs	161	-	161
Post-secondary scholarships	18,500	-	18,500
Summer camperships	22,189	-	22,189
Management and general	3,495	-	3,495
Fund-raising			
Golf Classic	13,697	-	13,697
Fall event	6,387	-	6,387
TOTAL EXPENSES	<u>64,429</u>	<u>-</u>	<u>64,429</u>
CHANGE IN NET ASSETS	(7,921)	8,374	453
NET ASSETS AT BEGINNING OF YEAR	<u>105,050</u>	<u>-</u>	<u>105,050</u>
NET ASSETS AT END OF YEAR	<u>\$ 97,129</u>	<u>\$ 8,374</u>	<u>\$ 105,503</u>

See accompanying notes and independent accountants' review report.

**MONTGOMERY COUNTY INTERMEDIATE UNIT
EDUCATION FOUNDATION**
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE A - NATURE OF ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activity

The Montgomery County Intermediate Unit Education Foundation (the "Foundation") is a nonprofit organization which secures resources from individuals, corporations, community organizations and foundations to be distributed to support programs, projects and services for the benefit of children in Montgomery County, Pennsylvania. The Foundation's efforts are expected to lead to the overall improvement of the quality of education and enhance community support.

Basis of Accounting

The accompanying financial statements are prepared on the basis of cash receipts and disbursements. 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 generally accepted accounting principles, which require the use of the accrual method of accounting.

The Foundation's net assets and revenues and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

- ***Unrestricted Net Assets*** - Net assets that are not subject to donor-imposed stipulations.
- ***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.

If a contribution restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the contribution as unrestricted.

Income Taxes

The Foundation is exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code.

The information returns of the Foundation are subject to examination by the Internal Revenue Service and state taxing authorities for a period of three years from the date the tax returns are filed.

**MONTGOMERY COUNTY INTERMEDIATE UNIT
EDUCATION FOUNDATION**
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE A - NATURE OF ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Date of Management's Review

Management has evaluated subsequent events through August 31, 2018, the date which the financial statements were available to be issued.

NOTE B - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets represent contributions that are restricted for particular approved programs within the Pennsylvania Educational Improvement Tax Credit Program and CCRES, Inc. As of June 30, 2018 there is \$8,374 of temporarily restricted net assets. This is comprised of \$4,500 of Pennsylvania Educational Improvement Tax Credit Program contributions and \$3,874 of CCRES, Inc. contributions. During the year \$5,915 of temporarily restricted net assets were released from CCRES, Inc.

NOTE C - RELATED-PARTY TRANSACTIONS

The Foundation reimbursed expenses of \$161 to the Montgomery County Intermediate Unit for approved education programs and materials under the Pennsylvania Educational Improvement Tax Credit Program and CCRES, Inc. Grant and \$900 for postage and printing expenses.