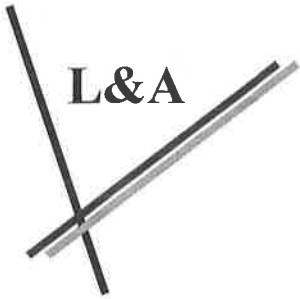


UNITED WAY OF BLAIR COUNTY, INC.
FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

UNITED WAY OF BLAIR COUNTY, INC.
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Link & Associates, P.C.

Certified Public Accountants

412 Union Street, Hollidaysburg, PA 16648

Independent Auditors' Report

To the Board of Trustees
United Way of Blair County, Inc.
208 Hollidaysburg Plaza
Hollidaysburg, PA 16648

We have audited the accompanying financial statements of United Way of Blair County, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and 2018, and the related statements of activities 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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. 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.

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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 United Way of Blair County, Inc. as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles and generally accepted in the United States of America.

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 functional expenses on page 6 and Schedules A through E 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 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.

Link & Associates, P.C.

Link & Associates, P.C.
Hollidaysburg, PA 16648
October 31, 2019

UNITED WAY OF BLAIR COUNTY, INC.
STATEMENT OF FINANCIAL POSITION
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

ASSETS

	<u>2019</u>	<u>2018</u>
ASSETS:		
Cash and Cash Equivalents	\$ 318,673	\$ 416,289
Pledge Receivables (Net)	337,386	246,587
Miscellaneous Receivables	38,506	12,601
Equipment	98,947	98,947
Less Accumulated Depreciation	<u>(98,947)</u>	<u>(93,524)</u>
 TOTAL ASSETS	 <u>\$ 694,565</u>	 <u>\$ 680,900</u>

LIABILITIES AND NET ASSETS

LIABILITIES:		
Accrued Expenses	\$ 26,075	\$ 14,006
Allocations Payable	300,000	305,000
Deferred Revenue	<u>12,623</u>	<u>7,696</u>
 Total Liabilities	 338,698	 326,702
 NET ASSETS WITHOUT DONOR RESTRICTIONS:		
Operating	216,089	220,535
Board Designated	<u>139,779</u>	<u>133,663</u>
 Total Without Donor Restrictions	 355,867	 354,198
 NET ASSETS WITH DONOR RESTRICTIONS:		
	<u>-</u>	<u>-</u>
 Total Net Assets	 <u>355,867</u>	 <u>354,198</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 694,565</u>	 <u>\$ 680,900</u>

See Accompanying Notes and Independent Auditor's Report

UNITED WAY OF BLAIR COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
PUBLIC SUPPORT AND REVENUES:		
Gross Campaign Results	\$ 508,921	\$ 426,480
Less donor Designations	(23,621)	(8,083)
Miscellaneous Receivables	<u>(16,000)</u>	<u>(16,000)</u>
Net Campaign Revenue	469,300	402,397
Grant Income	236,669	220,406
Investment Income	1,475	1,612
Miscellaneous	<u>116,354</u>	<u>93,629</u>
 TOTAL REVENUE	 823,798	 718,044
EXPENSES:		
Program Services:		
Gross Funds Awarded	323,621	313,084
Less Donor Designations	<u>(23,621)</u>	<u>(8,084)</u>
Net Funds Awarded	300,000	305,000
Other Program Services	472,212	367,172
Supporting Services	38,471	112,886
United Way of America Dues	7,246	7,286
United Way of PA Dues	<u>4,200</u>	<u>-</u>
 TOTAL EXPENSES	 822,129	 792,344
 Increase/(Decrease) in Net Assets	 1,669	 (74,300)
Without Donor Restrictions NET ASSETS, Beginning of Year	 <u>354,198</u>	 <u>428,498</u>
Without Donor Restrictions NET ASSETS, End of Year	 <u>\$ 355,867</u>	 <u>\$ 354,198</u>

See Accompanying Notes and Independent Auditor's Report

UNITED WAY OF BLAIR COUNTY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ 1,669	\$ (74,300)
Adjustments to Reconcile Change in Net Position to Net Cash Provided/(Used) by Operations:		
Depreciation	5,422	1,000
Decrease (Increase) in Pledge Receivables	(90,799)	16,085
Decrease (Increase) in Other Assets	(25,905)	39,309
Increase (Decrease) in Other Current Liabilities	16,997	6,320
Increase (Decrease) in Allocations Payable	<u>(5,000)</u>	<u>-</u>
Net Cash (Used) by Operating Activities	<u>(97,616)</u>	<u>(11,586)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Equipment	<u>-</u>	<u>-</u>
Net Cash (Used) by Investing Activities	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
New Borrowings	<u>-</u>	<u>-</u>
Debt Reduction	<u>-</u>	<u>-</u>
Net Cash Provided (Used) by Financing Activities	<u>-</u>	<u>-</u>
Net (Decrease) in Cash and Cash Equivalents	(97,616)	(11,586)
Cash, Beginning of Year	<u>416,289</u>	<u>427,875</u>
Cash, End of Year	<u>\$ 318,673</u>	<u>\$ 416,289</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest Expense	\$ <u>-</u>	\$ <u>-</u>
Income Taxes	\$ <u>-</u>	\$ <u>-</u>

See Accompanying Notes and Independent Auditor's Report

UNITED WAY OF BLAIR COUNTY, INC
STATEMENT OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2019 AND 2018

	PROGRAM SERVICES			SUPPORT SERVICES			Total 2019	Total 2018
	Allocation Services	All Other Programs	Program Total	Organizational Administration	Fundraising	Support Total		
EXPENSES								
Salaries	\$ 12,245	\$ 214,043	\$ 226,288	\$ 4,012	\$ 4,071	\$ 8,083	\$ 234,371	\$187,529
Payroll Taxes	934	13,619	14,553	3,058	312	3,370	17,923	14,339
Employee Benefits	2,003	37,847	39,850	6,200	641	6,841	46,691	38,384
Supplies	710	27,902	28,612	691	-	691	29,303	49,011
Telephone	724	3,212	3,936	761	2,026	2,787	6,723	6,768
Office	684	8,839	9,523	862	-	862	10,385	4,252
Occupancy	3,885	23,603	27,488	3,885	-	3,885	31,373	33,723
Insurance	686	5,331	6,017	686	-	686	6,703	5,063
Dues	247	3,255	3,502	247	30	277	3,779	4,020
Repairs & Maintenance	884	6,034	6,918	854	-	854	7,772	11,773
Advertising	151	15,140	15,291	151	-	151	15,442	16,170
Travel	4	7,688	7,692	3,024	73	3,097	10,789	8,665
Training	243	4,178	4,421	292	-	292	4,713	4,382
Consultants	2,220	51,845	54,065	2,167	-	2,167	56,232	70,833
Miscellaneous	171	22,529	22,700	362	-	362	23,062	24,146
Sub-Total	25,791	445,065	470,856	27,252	7,153	34,405	505,261	479,058
Depreciation	678	678	1,356	3,388	678	4,066	5,422	1,000
Total Expenses	\$ 26,469	\$ 445,743	\$ 472,212	\$ 30,640	\$ 7,831	\$ 38,471	\$ 510,683	\$480,058

See Accompanying Notes and Independent Auditor's Report

UNITED WAY OF BLAIR COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities

United Way of Blair County, Inc. collects pledges from the Blair County area and distributes these funds through community impact grants to Human Service Agencies. The Corporation was founded in 1934 and is governed by a volunteer Board of Directors.

Mission Statement

To improve lives by uniting people to care for one another.

Fund Accounting

An accrual basis of accounting is used in accounting for the monies of the various funds. Pledges are recorded when made and a pledge receivable is established for the portion of any pledge not received at the time of the pledge. A reserve is established for possible uncollectible pledges. This reserve is based on a percentage of the total pledges receivable for the applicable campaign based on past history, and a review of the receivables at year end. Annual campaigns have pledge receipts that begin in the year prior to the calendar year of distributions and continues into the year of distributions and thereafter. The pledges and receipts of each campaign are segregated. Community impact grants for a campaign are made on a fiscal year.

Income Tax Status

The Agency qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

The Organization has analyzed its tax positions taken for filings with the Internal Revenue. It believes that its tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on its financial condition results of operations, or cash flows. The organization's federal income tax returns for 2018, 2017, and 2016 are subject to examination by federal taxing authorities, generally for three years after they are filed.

Depreciation

Depreciation of equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

See Accompanying Independent Auditor's Report

UNITED WAY OF BLAIR COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018
(CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Net Assets Without Donor Restrictions

All contributions are considered to be net assets without donor restrictions unless specifically restricted by the donor.

Net Assets With Donor Restrictions

Contributions are recorded as net assets with donor restrictions when a donor restricts the purpose or timing of the contribution. When restrictions are satisfied, the Agency records the net assets as released from restriction.

New Accounting Standards

In 2018, the Agency adopted Financial Accounting Standards Board (FASB) Accounting Standards Update ("ASU") ASU 2016-2014, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Agency has adjusted the presentation of these financial statements accordingly. ASU No. 2016-14 has been applied retrospectively to all periods presented.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Agency considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Allocation of Costs

The Agency allocates its expenses based on time studies done by the employees.

Functional Allocation of Expenses

Costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Costs are allocated between program services, membership and development, fundraising, and management and general based on evaluations of the related activities. Management and general expenses include expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

UNITED WAY OF BLAIR COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018
(CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Revenue Recognition

Contributions, including unconditional promises to give, are recognized when received. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in the next year are recorded at their net realizable value.

Lease

The Agency has an operating lease for rental of office space. Rental expense for June 30, 2019 and 2018 was \$26,400 and \$32,850 respectively. The following is a schedule by years of future minimum rental payments.

<u>Year</u>	<u>Amount</u>
2020	\$ 26,400
2021	26,400
2022	26,400
2023	<u>26,400</u>
Total	<u>\$ 105,600</u>

NOTE 2 - PENSION PLAN:

The Agency has defined contribution pension plan covering all full-time employees that have reached twenty-one years of age and one year of service. The plan is a noncontributory plan. Pension expense for the years ending June 30, 2019 and 2018 were \$13,742 And \$10,366 respectively.

NOTE 3 - RESTRICTION ON ASSETS:

The three CDs have been board designated for use in future years in the amount of \$139,799.

NOTE 4 - CREDIT RISK:

The Agency maintains cash & cash equivalents at two financial institutions. Accounts at each institution are insured by Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2019, the Agency had no uninsured cash balances.

NOTE 5 - LINE OF CREDIT:

The Agency has a \$50,000 line of credit with M&T Bank. As of June 30, 2019, zero has been drawn down on the line of credit.

NOTE 6 - SUBSEQUENT EVENTS:

In preparing these financial statements, the Agency has evaluated events and transactions for potential recognition or disclosure through October 31, 2019, the date the financial statements were available to be issued.

See Accompanying Independent Auditor's Report

UNITED WAY OF BLAIR COUNTY, INC.
SCHEDULE A
GRANT DISTRIBUTIONS/ALLOCATIONS TO AGENCIES
JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
REGULAR ALLOCATIONS:		
28 th Street Church of the Brethren	\$ 2,000	\$ -
Altoona Area School District Foundation	5,000	-
Altoona Renaissance Team, Inc.	1,000	2,500
American Red Cross of PA Mountains Service Blair County	17,000	18,000
Big Brothers Big Sisters of Blair County	12,000	7,500
Blair County Chamber Foundation	4,000	4,000
Blair County Community Action	29,000	27,500
Blair Senior Services	9,000	9,000
Blair/Clearfield Association for the Blind	8,000	8,000
Boy Scouts of America	1,000	-
Catholic Charities, Inc.	15,000	15,000
Central Pennsylvania Community Foundation	2,000	2,000
Child Advocates of Blair County	-	500
Claysburg Area Public Library	-	2,000
CONTACT Altoona	17,000	18,000
Empowering Lives Foundation	-	5,000
Family Services Incorporated	87,000	85,000
Garver Memorial YMCA	4,000	5,000
Gloria Gates Memorial Foundation	29,000	30,000
Home Nursing Agency & Visiting Nurse Association	4,000	5,000
Joshua House	3,500	2,700
Laurel Highland Council - BSA	-	1,500
Lung Disease Foundation of Central PA	5,000	8,000
Mid Penn Legal Services	8,000	8,000
Morrison's Cove Memorial Park	-	800
Northern Blair County Recreation Center	500	-
Refuge Youth Network	-	5,000
The Blair Regional YMCA	5,000	-
The Door Student Services, Inc.	1,000	-
UPMC Altoona Partnership for a Healthy Community	16,000	25,000
We CARE Foundation	7,000	-
Young Life of Central Pennsylvania	8,000	10,000
 TOTAL REGULAR ALLOCATIONS	 \$ <u>300,000</u>	 \$ <u>305,000</u>

See Independent Auditor's Report

UNITED WAY OF BLAIR COUNTY, INC.
SCHEDULE B
PLEDGE RECEIVABLES
YEARS ENDED JUNE 30, 2019 AND 2018

2019 CAMPAIGN

Pledge Receivables	\$ 263,751
Less: Allowance for Uncollectables	<u>(16,000)</u>
	<u>247,751</u>

2018 CAMPAIGN

Pledge Receivables	66,805
Less: Allowance for Uncollectables	<u>(16,000)</u>
	<u>50,805</u>

2017 CAMPAIGN

Pledge Receivables	54,830
Less: Allowance for Uncollectables	<u>(16,000)</u>
	<u>38,830</u>

TOTAL PLEDGE RECEIVABLES (Net)	<u>\$ 337,386</u>
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See Independent Auditor's Report

UNITED WAY OF BLAIR COUNTY, INC.
SCHEDULE C
NEEDS ASSESSMENT GRANT
YEAR ENDED JUNE 30, 2019

INCOME

Grant Income \$ 56,576

DISBURSEMENTS

Miscellaneous 15,456
Consultants 41,123

TOTAL DISBURSEMENTS 56,576

DEFERRED REVENUE \$ -

See Independent Auditor's Report

UNITED WAY OF BLAIR COUNTY, INC.
SCHEDULE D
FAMILY RESOURCE GRANT
YEAR ENDED JUNE 30, 2019

	<u>2019</u>
INCOME:	
Grant Income	\$ 179,862
Other Income	<u>16,916</u>
TOTAL INCOME	196,778
DISBURSEMENTS:	
Salaries	102,374
Payroll Taxes	7,830
Employee Benefits	27,372
Supplies	17,749
Professional Fees	2,500
Office	222
Occupancy	14,733
Insurance	3,606
Repairs	2,666
Travel	4,799
Training	25
Consultants	3,729
Miscellaneous	4,343
Memberships	2,483
Advertising	<u>998</u>
TOTAL DISBURSEMENTS	<u>196,778</u>
NET INCOME	\$ <u> -</u>

See Independent Auditor's Report

UNITED WAY OF BLAIR COUNTY, INC.
 SCHEDULE E
 STATEMENT OF FUNCTIONAL EXPENSES
 YEAR ENDED JUNE 30, 2019

	<u>Needs Assessments</u>	<u>Community Building</u>	<u>Family Resource Center</u>	<u>Community Outreach</u>	<u>Management</u>	<u>Fundraising</u>	<u>Total</u>
EXPENSES							
Salaries	\$ -	\$ 1,245	\$ 102,374	\$ 122,669	\$ 4,012	\$ 4,071	\$234,371
Payroll Taxes	-	934	7,830	5,789	3,058	312	17,923
Employee Benefits	-	2,003	27,372	10,475	6,200	641	46,691
Supplies	-	710	17,749	10,153	691	-	29,303
Telephone	-	724	2,500	712	761	2,026	6,723
Office	-	684	222	8,617	862	-	10,385
Occupancy	-	3,885	14,733	8,870	3,885	-	31,373
Insurance	-	686	3,606	1,725	686	-	6,703
Dues	-	3,109	393	-	247	30	3,779
Repairs & Maintenance	-	884	2,666	3,368	854	-	7,772
Advertising	-	151	998	14,142	151	-	15,442
Travel	-	4	4,799	2,889	3,024	73	10,789
Training	-	242	25	4,154	292	-	4,713
Consultants	41,123	2,220	3,729	6,993	2,167	-	56,232
Miscellaneous	<u>15,456</u>	<u>171</u>	<u>5,692</u>	<u>1,381</u>	<u>362</u>	<u>-</u>	<u>23,062</u>
Sub-Total	56,579	17,652	194,688	201,937	27,252	7,153	505,261
Depreciation	<u>-</u>	<u>678</u>	<u>-</u>	<u>678</u>	<u>3,388</u>	<u>678</u>	<u>5,422</u>
TOTAL OPERATING EXPENSES	<u>\$ 56,579</u>	<u>\$ 18,330</u>	<u>\$ 194,688</u>	<u>\$ 202,615</u>	<u>\$ 30,640</u>	<u>\$ 7,831</u>	<u>\$510,683</u>

See Independent Auditor's Report
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Link & Associates, P.C.
Certified Public Accountants
412 Union Street, Hollidaysburg, PA 16648

COMMUNICATION WITH BOARD OF DIRECTORS

United Way of Blair County, Inc.
208 Hollidaysburg Plaza
Hollidaysburg, PA 16648

We have audited the financial statements of United Way of Blair County, Inc. for the year ended June 30, 2019 and have issued our report thereon dated October 31, 2019. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards.

As stated in our engagement letter dated September 10, 2019 our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance about whether the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting standards. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

In planning and performing our audit, we considered the United Way of Blair County, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

As part of obtaining reasonable assurance about whether the United Way of Blair County, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit.

Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the United Way of Blair County, Inc. are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended

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UNITED WAY OF BLAIR COUNTY, INC.
COMMUNICATION WITH BOARD OF DIRECTORS
(CONTINUED)

Significant Accounting Policies (Continued)

June 30, 2019. We noted no transactions entered into by the Organization during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting Estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was depreciation expense.

Management's estimate of depreciation expense is based on the straight-line method of depreciation over the estimated useful life of the asset. We evaluated the key factors and assumptions used to develop the depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Audit Adjustment

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the Organization's financial reporting (that is, cause future financial statements to be materially misstated). In our judgment, none of the adjustments we proposed, whether recorded or unrecorded by the Organization, either individually or in the aggregate, indicate matters that could have a significant effect on the Organization's financial reporting process.

There were no unrecorded adjustments.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

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Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Issues Discussed Prior to Retention of Independent Auditors

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with our clients each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.