

Oxford Educational Foundation

Financial Statements

June 30, 2023 and 2022

Oxford Educational Foundation
June 30, 2023 and 2022

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Independent Accountant's Compilation Report

To the Board of Directors of
Oxford Educational Foundation
Oxford, PA

Management is responsible for the accompanying financial statements of Oxford Educational Foundation (a Pennsylvania nonprofit organization), which comprise the statement of financial position as of June 30, 2023, 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. I 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. I did not audit or review the financial statements, nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. I do not express an opinion, a conclusion, nor provide any assurance on the June 30, 2023 financial statements.

The accompanying June 30, 2022 financial statements of Oxford Educational Foundation were previously reviewed by me, and I stated that I was not aware of any material modifications that should be made to those financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America in my report dated December 2, 2022, but I have not performed any procedures in connection with that review engagement since that date.

Julian Sur, CPA
Berwyn, Pennsylvania



September 7, 2023

Oxford Educational Foundation
Statements of Financial Position
June 30, 2023 and 2022
(See Independent Accountant's Compilation Report)

	<u>Compiled 2023</u>	<u>Reviewed 2022</u>
<u>Assets</u>		
Assets:		
Cash & cash equivalents	\$ 99,000	\$ 111,557
Investments	525,720	496,543
Total current assets	<u>624,720</u>	<u>608,100</u>
Beneficial interest in CCCF Fund	466,268	399,755
Total assets	<u>\$ 1,090,988</u>	<u>\$ 1,007,855</u>
<u>Liabilities and Net Assets</u>		
Liabilities:		
Accounts payable & accruals	\$ 2,500	\$ 3,500
Total current liabilities	<u>2,500</u>	<u>3,500</u>
Net assets without donor restrictions	161,965	215,304
Net assets with donor restrictions	926,523	789,051
Total net assets	<u>1,088,488</u>	<u>1,004,355</u>
Total liabilities and net assets	<u>\$ 1,090,988</u>	<u>\$ 1,007,855</u>

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

Oxford Educational Foundation
Statements of Activities
Years ended June 30, 2023 and 2022
(See Independent Accountant's Compilation Report)

	Compiled 2023			Reviewed 2022		
	With Donor Restrictions	Without Donor Restrictions	Total	With Donor Restrictions	Without Donor Restrictions	Total
Public Support and Revenues						
Public Support:						
Individual support	\$ 41,446	\$ 79,925	\$ 121,371	\$ 20,032	\$ 226,647	\$ 246,679
Foundations	17,495	16,428	33,923	100,000	15,220	115,220
Corporations	27,500	5,077	32,577	27,500	4,222	31,722
Release from restrictions	(20,118)	20,118	-	(32,389)	32,389	-
Total Public Support	66,323	121,548	187,871	115,143	278,478	393,621
Event income	-	4,296	4,296	-	3,910	3,910
Membership dues	-	240	240	-	305	305
Total Earned Revenues	-	4,536	4,536	-	4,215	4,215
Net investment income (loss)	71,149	7,972	79,121	(126,015)	(17,812)	(143,827)
Total support and revenue	137,472	134,056	271,528	(10,872)	264,881	254,009
Expenses						
Program	-	172,381	172,381	-	146,562	146,562
Administrative	-	13,403	13,403	-	14,807	14,807
Fundraising	-	1,611	1,611	-	1,487	1,487
Total expenses	-	187,395	187,395	-	162,856	162,856
Change in net assets	137,472	(53,339)	84,133	(10,872)	102,025	91,153
Beginning net assets	789,051	215,304	1,004,355	799,923	113,279	913,202
Ending net assets	\$ 926,523	\$ 161,965	\$ 1,088,488	\$ 789,051	\$ 215,304	\$ 1,004,355

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

Oxford Educational Foundation
Statements of Functional Expenses
Years ended June 30, 2023 and 2022
(See Independent Accountant's Compilation Report)

	Compiled 2023				Reviewed 2022			
	Program	General	Fundraising	Total	Program	General	Fundraising	Total
Grants	\$ 126,925	\$ -	\$ -	\$ 126,925	\$ 104,265	\$ -	\$ -	\$ 104,265
Payroll-officer	17,813	4,567	457	22,837	17,378	4,456	446	22,280
Payroll-staff	13,050	-	-	13,050	12,475	-	-	12,475
Printing and promotional	6,752	2,411	482	9,645	5,507	1,967	393	7,867
Accounting	-	3,000	-	3,000	-	5,500	-	5,500
Payroll taxes	2,501	641	64	3,206	2,702	426	43	3,171
Insurance	1,845	1,076	154	3,075	1,731	1,010	144	2,885
Office	2,704	966	193	3,863	1,261	450	90	1,801
Postage	537	224	134	895	1,003	418	251	1,672
Communications	254	255	127	636	240	240	120	600
Outside services	-	263	-	263	-	340	-	340
	<u>\$ 172,381</u>	<u>\$ 13,403</u>	<u>\$ 1,611</u>	<u>\$ 187,395</u>	<u>\$ 146,562</u>	<u>\$ 14,807</u>	<u>\$ 1,487</u>	<u>\$ 162,856</u>

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

Oxford Educational Foundation
Statements of Cash Flows
Years ended June 30, 2023 and 2022
(See Independent Accountant's Compilation Report)

	<u>Compiled 2023</u>	<u>Reviewed 2022</u>
Operating activities:		
Change in net assets	\$ 84,133	\$ 91,153
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Investment (gains) losses	(78,105)	144,197
Changes in assets and liabilities:		
Accounts payable & accruals	(1,000)	2,200
Net cash provided by operating activities	<u>5,028</u>	<u>237,550</u>
Investing activities:		
Net transfers to CCCF	(27,585)	(50,397)
Net transfers from (to) investments	10,000	(206,590)
Net cash used in investing activities	<u>(17,585)</u>	<u>(256,987)</u>
Financing activities:		
Net cash provided by financing activities	<u>-</u>	<u>-</u>
Net change in cash	<u>(12,557)</u>	<u>(19,437)</u>
Cash, beginning of year	111,557	130,994
Cash, end of year	<u>\$ 99,000</u>	<u>\$ 111,557</u>

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

Oxford Educational Foundation
Notes to Financial Statements
Years ended June 30, 2023 and 2022
(See Independent Accountant's Review Report)

1. Description of activities and summary of significant accounting policies:

Nature of activities:

The Oxford Educational Foundation (The "Foundation") is a not-for-profit corporation organized under the laws of the Commonwealth of Pennsylvania. The Foundation was established to enhance the quality of education in the Oxford Area School District by providing mentoring and tutoring for students, volunteers in the schools, professional grants to teachers to enhance their work in the classroom, and grants to school principals for projects to serve all the students in a building.

Revenues are generated principally from contributions, grants, investment income, and membership dues. For the years ended June 30, 2023 and 2022, the Foundation received 22% and 63.5%, respectively, of its total contributions from a single donor.

Basis of accounting:

The financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial statement presentation:

The Foundation reports information regarding its financial position and activities according to two classes of net assets:

Without donor restrictions: Net assets that are not subject to donor-imposed restrictions

With donor restrictions: Included in this category are net assets with donor-imposed stipulations that may or will be met by actions of the Foundation or the passage of time. Additionally, the beneficial interest in Community Foundation Funds is included in this category. The Foundation does not own these assets and only has a right to its percentage of the annual distributable net income from this interest.

Promises to give:

Contributions received are recorded as net assets without donor restrictions or with donor restrictions, depending on the absence or existence and/or nature of any donor restrictions. Unconditional promises to give are recognized as revenues in the period the pledge is made. Donor restricted contributions are recorded as unrestricted support when the restrictions are met in the same reporting period. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), the net assets are reclassified to net assets without donor restriction and reported in the Statement of Activities as net assets released from restrictions.

Tax status:

The Foundation is organized as a not-for-profit corporation in the Commonwealth of Pennsylvania and is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Foundation is registered with the Pennsylvania Bureau of Charitable Organizations.

As of June 30, 2023 and 2022, the Foundation had no uncertain tax positions that qualify for recognition or disclosure in the financial statements. The Foundation is no longer subject to tax exams by taxing authorities for years before June 30, 2020.

Use of 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. Actual results could differ from those estimates.

Reclassifications:

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the current year financial statements.

Oxford Educational Foundation
Notes to Financial Statements
Years ended June 30, 2023 and 2022
(See Independent Accountant's Review Report)

Functional allocation of expenses:

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

Cash and cash equivalents:

Cash and cash equivalents consist of cash, checking and savings accounts, and certificates of deposit. The Foundation considers all highly liquid assets available for current use to be cash equivalents unless they are held as part of the investment portfolio.

2. Beneficial interest in Chester County Community Foundation Funds (CCCF):

During the year ended June 30, 2018, the Foundation established a fund with the CCCF, a not-for-profit organization which collects and distributes funds to assist a wide range of community needs, including education, health and human services, the arts and sciences, community revitalization, recreation, housing, issues affecting women and girls and the environment. All assets of the fund are held as general assets of CCCF. CCCF maintains variance power and legal ownership of the fund. Investment returns and losses are allocated to the fund in accordance with CCCF's investment allocation policies.

In establishing the fund, the agreement between the Foundation and CCCF states transfers to CCCF are irrevocable and that the Foundation can withdraw 5% of the value of the investment annually in support of the Foundation's mission. The Foundation did not request such a distribution in 2023 or 2022. The Foundation has irrevocably transferred \$381,046 to CCCF since inception and \$27,585 and \$50,397 in the years ended June 30, 2023 and 2022, respectively.

The value of the fund as of June 30, 2023 and 2022 was \$466,268 and \$399,755, respectively.

3. Investments and beneficial interest in CCCF fund:

Investments are comprised of money market funds and stock and bond mutual funds reported at fair value based upon publicly available quoted market prices.

The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include:

- a) quoted prices for similar assets or liabilities in active markets.
- b) quoted prices for identical or similar assets or liabilities in inactive markets.
- c) inputs other than quoted prices that are observable for the asset or liability.
- d) inputs that are derived principally from or corroborated by observable market data by corroboration or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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Valuation methodologies used for assets reported at fair value as of June 30, 2022 and 2021 are as follows:

Mutual funds – valued at the net asset value of shares held by the Foundation at year end.

Money market funds and certificates of deposit (CD's) – valued at cost due to the short-term maturity and the security of the FDIC coverage.

The following tables set forth by level, within the fair value hierarchy, the Plan's investments and beneficial interest in CCCF fund at fair value as of June 30, 2023 and 2022:

June 30, 2023	Fair Value	Level 1	Level 2	Level 3
Investments	\$ 525,720	\$ 525,720	\$ -	\$ -
CCCF fund	466,268	-	-	466,268
Total investments at fair value	\$ 991,988	\$ 525,720	\$ -	\$ 466,268

June 30, 2022	Fair Value	Level 1	Level 2	Level 3
Investments	\$ 496,543	\$ 496,543	\$ -	\$ -
CCCF fund	399,755	-	-	399,755
Total investments at fair value	\$ 783,508	\$ 496,543	\$ -	\$ 399,755

4. Investment Income

Investment income is comprised of the following categories for the years ended June 30, 2023 and 2022 were:

	<u>2023</u>	<u>2022</u>
Interest & dividends	\$ 27,516	\$ 15,880
Net appreciation / (depreciation)	61,868	(150,002)
Investment advisory fees	(10,263)	(9708)
Net gains / (losses)	\$ 79,121	\$ (143,827)

5. Liquidity and availability of resources:

As of June 30, 2023 and 2022, financial assets available for general expenditure, that is, without donor or other restrictions limiting their use past one year of the statement of financial position date, comprise the following:

	<u>2023</u>	<u>2022</u>
Cash	\$ 99,000	\$ 111,557
Investments	624,720	496,543
Total financial assets	624,720	608,100
Less: Financial assets not available for general operations within one year:		
Restricted by donor for specific purposes	(460,257)	(389,469)
Total financial assets available for general expenditure	\$ 164,463	\$ 218,631

Oxford Educational Foundation
Notes to Financial Statements
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(See Independent Accountant's Review Report)

The Foundation manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long term obligations will be discharged. The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

6. Net assets with donor restrictions:

Net assets with donor restrictions as of June 30, 2023 and 2022 are primarily comprised of contributions received that are restricted by the donors for the Leaving a Legacy for Learning (LLL) campaign. Net investment income from LLL will be used to provide volunteer, mentor, and tutor services once a \$1,000,000 goal has been met. The Foundation intends to maintain a minimum balance of \$1,000,000 once the initial goal is met. The Foundation has reached \$875,916 of the goal through June 30, 2023.

	2023	2022
Investments restricted for LLL	\$ 400,354	\$ 358,135
Beneficial interest in CCCF Fund restricted for LLL	466,268	399,755
Cash restricted for LLL	9,294	16,541
Cash restricted for other purposes	50,607	14,620
Net assets with donor restrictions	\$ 926,523	\$ 789,051

7. Concentration of risk:

The Foundation maintains cash balances under \$250,000 in banks, which are insured by the Federal Deposit Insurance Corporation. At June 30, 2023 and 2022, the Foundation has no uninsured cash balances.

8. Donated services and materials:

The Foundation receives donated services from a variety of unpaid volunteers. Amounts for these donated services have not been recognized in the accompanying Statements of Activities because the criteria for recognition of such volunteer effort have not been satisfied.

9. Subsequent events:

The Board of the Foundation has evaluated subsequent events through September 7, 2023, the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.