

# INTERNAL CONTROLS, AUDITS & IRS 990s: WHAT EVERY BOARD MEMBER NEEDS TO KNOW



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# BOARD DUTIES



1. **Ensure Legal & Ethical Integrity**
2. **Build a Competent Board**
3. **Determine Mission & Purpose; Ensure Effective Planning; Monitor & Strengthen Programs & Services**
4. **Protect Assets & Provide Financial Oversight**
5. **Ensure Adequate Financial Resources**
6. **Enhance the Organization's Public Standing**
7. **Select, Support & Evaluate the Chief Executive**

BoardSource, <https://boardsource.org/> Washington DC

# KEY INTERNAL FINANCIAL CONTROLS

What checks and balances will prevent unauthorized spending and fraud?

Evaluate checks and balances by testing whether procedures are followed.

| SPENDING LIMITS   | Met | Exception | Notes |
|---|-----|-----------|-------|
| Checks $\geq$ \$xx,000 have double signatures   |     |           |       |
| EFT/ACH transactions signed by authorized signers   |     |           |       |
| ACH transfer matches bank routing number and account number. Crosscheck originating documents to ensure accounts and amount debited match partner agency accounts |     |           |       |
| SEPARATION OF DUTIES  |     |           |       |
| Check Signer/EFT initiator cannot be Payee  |     |           |       |
| PROPER DOCUMENTATION  |     |           |       |
| Investigate unusual transactions  |     |           |       |
| Choose five invoices - trace & verify   |     |           |       |
| Available supporting documents attached   |     |           |       |
| Invoice/payment reasonable and accurate   |     |           |       |
| Goods/services have been received   |     |           |       |
| Approved and initialed/signed by authorized bank signer(s)  |     |           |       |
| Payment appropriate if no invoice/receipt exists  |     |           |       |
| Items posted to proper expense account  |     |           |       |
| Challenge alterations/white-out   |     |           |       |
| Reconciliation and recordkeeping consistent   |     |           |       |
| Bank accounts reconciled monthly, irrespective of absence of transactions   |     |           |       |
| Bank statements signed by opener  |     |           |       |
| Any checks outstanding > three months   |     |           |       |
| Voided checks kept on file  |     |           |       |
| Pre-numbered checks used in sequence and location known   |     |           |       |
| Account balances reconcile with financial reports   |     |           |       |
| PHYSICAL PROTECTION OF ASSETS   |     |           |       |
| Storage of checks and credit card information secure  |     |           |       |
| TAX FILING/FINANCIAL REPORTING  |     |           |       |
| Payroll tax filing timely: local, state & federal agencies  |     |           |       |



# AUDIT CHECKLIST



Consider: How engaged is the board? How is diligence demonstrated?

IRS view of “presumption of reasonableness” re: compensation policy

Minutes for all committees kept on file

## YEARLY ESSENTIAL

### FEDERAL REQUIREMENTS

|   | Met | Needs Work |
|---|-----|------------|
| Compliance with IRS requirements to maintain exempt status  |     |            |
| No private inurement  |     |            |
| No political lobbying/campaigning   |     |            |
| Provide disclosure of financial information upon request (IRS 990 & tax exemption letter)                         |     |            |
| Provide substantiation for charitable contributions with federal tax disclosure                                   |     |            |
| File IRS Form 990 by due date: 15 <sup>th</sup> day of fifth month after close of fiscal year; may file extension |     |            |
| Ø Expenses properly allocated between management & general, fundraising & program                                 |     |            |
| Ø Form 990 signed before filing (common filing error)   |     |            |
| Ø Persons employed as contractors meet federal requirements. Form W-9 filed                                       |     |            |
| 1099s issued as required  |     |            |
| Ø Compliance with USA PATRIOT Act of 2001   |     |            |
| Documentation kept on file  |     |            |
| Ø Compliance with payroll withholding tax laws  |     |            |
| Ø Written Policies for: Code of Ethics & Conflict of Interest Disclosures for board and personnel                 |     |            |
| Whistleblower Protection for personnel  |     |            |

### PENNSYLVANIA REQUIREMENTS

|  | Met | Needs Work |
|--|-----|------------|
| Compliance with Pennsylvania’s requirements for charitable organizations   |     |            |
| Ø Bureau of Charitable Organizations registration filed yearly by deadline   |     |            |
| Ø On every printed solicitation, written confirmation, receipt and reminder of contribution, the following statement must be conspicuously printed verbatim: “The official registration and financial information of <u>  NPO  </u> may be obtained from the PA Department of State by calling toll free, within PA, 1 (800) 732-0999. Registration does not imply endorsement.” |     |            |
| Ø Includes the following disclosures at point of solicitation:   |     |            |
| Legal name as registered and location  |     |            |
| Full, fair description of charitable purpose(s) & source of available written information  |     |            |

# AUDIT CHECKLIST, p.2



## OPERATIONS

|  | Met | Needs Work |
|--|-----|------------|
| Ø Follows accounting practices which conform to accepted standards, including use of accrual basis |     |            |
| Ø Annual operating budget including income and expenditure developed                               |     |            |
| Budget reviewed and approved by board  |     |            |
| Budget adjusted to changes during year   |     |            |
| Income & expenditures compared against budget at regular, frequent intervals                       |     |            |
| Ø Suitable insurance coverage to ensure appropriate levels and types in place                      |     |            |
| Coverage periodically reviewed   |     |            |
| Employees, board, volunteers handling funds bonded to help assure safeguarding of assets           |     |            |
| Ø Safeguards for computerized data and software  |     |            |
| Credit card account (donors) storage   |     |            |
| Where are backups?   |     |            |

## INCOME/EXPENDITURES

|   | Met | Needs Work |
|---|-----|------------|
| Ø Funds deposited promptly into organization's bank account |     |            |
| Ø Regular reconciliations against receivables               |     |            |
| Ø Written policy regarding write-off of receivables         |     |            |
| Ø Monies used for express purpose received                  |     |            |
| Ø Expenditures tracked in open and transparent manner       |     |            |
| Ø Monies deposited in bank in secure manner                 |     |            |

## AUDITOR

|  | Met | Needs Work |
|--|-----|------------|
| Ø Board responsible to solicit bids, interview auditors, and hire an auditor             |     |            |
| Ø Annual, independent audit of financial statements by certified public accountant       |     |            |
| Ø Conflict of interest between audit firm and organization: any non-audit services?      |     |            |
| Ø Audit-firm lead partners rotated when deemed necessary                                 |     |            |
| Ø Auditor meet with board without a member of management present                         |     |            |
| Ø Auditor submits management letter with recommendations to improve financial operations |     |            |
| Ø Board reviews and approves IRS 990, audit, and management letter                       |     |            |
| Ø Board & staff institute any necessary changes  |     |            |
| Ø Audit or annual report with financial statements available to anyone interested        |     |            |

# AUDIT CHECKLIST, p.3



**YEARLY RECOMMENDED, con't**

| <b>OPERATIONS</b>  | <b>Met</b> | <b>Needs Work</b> |
|--|------------|-------------------|
| Ø All donations acknowledged by written receipt  |            |                   |
| Ø Mail opened at earliest opportunity and donation receipt recorded immediately                    |            |                   |
| Ø Cash payments kept to a minimum or nonexistent   |            |                   |
| Ø Record keeping sufficient to show receipt and cost accurately                                    |            |                   |
| Ø Is there a register for all bank accounts?   |            |                   |
| Ø Bank accounts in the name of organization and not individuals                                    |            |                   |
| Ø Are credit cards held? What are limits and who is authorized to use them?                        |            |                   |
| Ø Donations for restricted funds properly recorded and held for intended purpose                   |            |                   |
| Ø Adequate system of internal control; monitored effectively?                                      |            |                   |
|  |            |                   |
| <b>RECORDS</b>   | <b>Met</b> | <b>Needs Work</b> |
| Ø Donor records kept as basis for donor acknowledgments for contributions                          |            |                   |
| Ø If goods or services provided, receipt informs donor of federal tax implication                  |            |                   |
|  |            |                   |
| <b>BUDGET</b>  | <b>Met</b> | <b>Needs Work</b> |
| Ø Cash flow forecasts prepared for year and updated at regular, frequent intervals                 |            |                   |
| Ø Document staff time to allocate management/general, fundraising & program expenses               |            |                   |
|  |            |                   |
| <b>POLICY</b>  | <b>Met</b> | <b>Needs Work</b> |
| Ø Written investment policy  |            |                   |
| Ø Written fiscal policy and procedures manual  |            |                   |
| Is policy followed?  |            |                   |
| Includes never signing blank checks  |            |                   |
| Authority levels to place orders over a certain amount   |            |                   |
| Ø Written document-retention policy  |            |                   |
| Includes electronic files and voicemail  |            |                   |
| Ø Established plan identifying actions in event of funding reduction/loss                          |            |                   |
| Ø Documented internal controls, ie: handling cash & deposits, approval of spending & disbursements |            |                   |
| Ø Reserve to cover at least three months of operating expenses policy agreement?                   |            |                   |

# AUDIT CHECKLIST, p.4



**YEARLY RECOMMENDED, con't**

## FIXED ASSETS

|  | Met | Needs Work |
|--|-----|------------|
| Ø Review of fixed assets schedule and depreciation                             |     |            |
| Ø Detailed records of property and equipment                                   |     |            |
| Includes date acquired, description, cost or FMV at date of acquisition        |     |            |
| Ø Physical inventory taken year-end  |     |            |
| Ø Has property/equipment been reconciled to insurance coverage?                |     |            |
| Ø Are capital needs are reviewed at least annually and priorities established? |     |            |

## EMPLOYEES/PERSONNEL

|  | Met | Needs Work |
|--|-----|------------|
| Ø Staff has current contracts, if applicable, and written job description          |     |            |
| Ø Staff policies/procedures, including grievance procedure, in place & up-to-date  |     |            |
| Ø Personnel files maintained; kept separately from wage records and secured        |     |            |
| W-4, performance appraisals, Immigration I-9 form                                  |     |            |
| Ø Staff paid by check or funds transfer  |     |            |
| Ø Wage/salary increases properly authorized and documented in employee file/folder |     |            |

## ADDITIONAL TO STRENGTHEN ORGANIZATIONAL ACTIVITIES

|   |  |  |
|---|--|--|
| Training for board and staff on relevant topics; all encouraged to participate                                  |  |  |
| Organizations with cash handling, petty cash account, or debt (mortgages or notes) require further audit checks |  |  |



# WHY IS THE IRS FORM 990 IMPORTANT TO THE BOARD?

1. **What** is an IRS 990?
2. What is the **Board's responsibility** for the 990?
3. What **information** is contained in the 990?
4. What **changes** can the nonprofit organization make as a result of the information contained in the 990?
5. **Where** is our nonprofit organization's 990?
6. **Who** uses the 990? For what?

The importance of GuideStar.org



1. How does **GuideStar** by Candid obtain our 990?  
Why does GuideStar **post** our 990 online?  
Can **anyone** see our 990 online at GuideStar?
2. How can we monitor, correct & improve our nonprofit's **GuideStar data** online?

<https://www.GuideStar.org/>



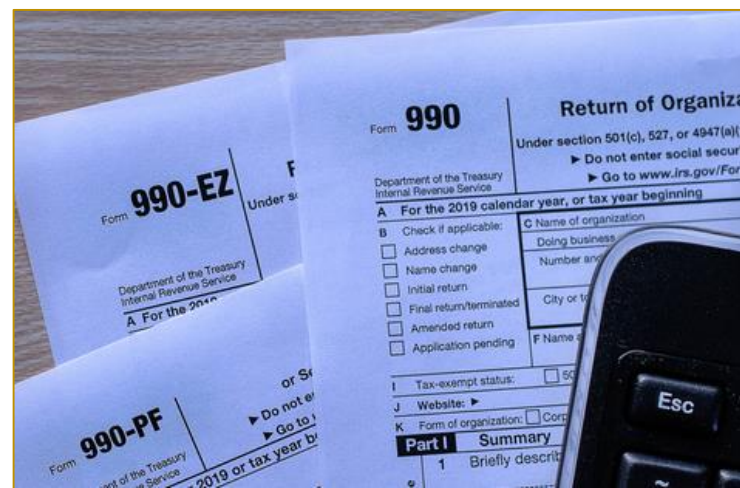
# How does it relate to the audit?

## IRS FORM 990 AREAS

### What is the IRS 990 used for?

### What is the Board's responsibility for 990 contents & filing?

- **Program Service Accomplishments**
  - Defines the mission of the nonprofit organization and its impact
- **Reporting on Key Managers and Compensation**
  - Allows for comparison of similar npo's salary and compensation levels
- **Governance Reporting and Policies**
  - Defines what policies are required, and how they should be documented.  
Answers the IRS definition of **good governance**
- **Disclosures – 990 Schedules**
  - Sch A – Describes how the npo is **tax exempt** and verifies **public support** % over time
  - Sch B - List of contributors (names blocked out) indicates diverse community support
  - Sch D - Detail of financial information, reconciling between the 990 and financial statements
  - Other schedules - Grants, non-cash contributions
- **Financial Information**
  - Overall: use historical information to identify trends & plan for future operations
  - Revenue Sources
  - Functional Expenses
  - Balance Sheet





# IRS Form 990: Nonprofit Primer

IRS Form 990 is designed to enhance transparency of an exempt organization's mission and activities, and promote compliance with applicable tax law requirements. The 990 helps board members affirm their fiduciary responsibilities, and provides donors with information. This checklist highlights certain sections and schedules of importance, intended for those who are not tax experts.

## Summary

**A snapshot of the nonprofit's mission & governance.**

**Key financial, compensation & operational information.**

- Is the brief description of the mission candid and clear?
- Does the current year summary of financial information compare favorably or unfavorably with the prior year?



## Part III—Statement of Program Service Accomplishments

**Provides the nonprofit an opportunity to increase awareness about itself by fully describing its program services and all related expenditures.**

- Does the information explain why the nonprofit exists? Who it serves? Activities it undertakes to accomplish its mission?
- Are program services described in sufficient detail to present a comprehensive portrayal of the nonprofit?

## •Part IV—Checklist of Required Schedules

**Asks questions to determine whether particular schedules must be completed. The schedules provide detailed info that enables the IRS to evaluate the likelihood of violations to the rules.**

- The nonprofit consider changes in its policies and procedures, especially if there is a Yes response to questions 25, 26 or 27.

## •Part V—Statements Regarding Other IRS Filings and Tax Compliance

**A checklist of other IRS compliance that might be required by the nonprofit, not necessarily related to the Form 990.**

- Have paid personnel been properly classified as employees rather than independent contractors, to avoid payroll tax problems?
- If the nonprofit received more than \$250 from a donor, was a receipt furnished to enable the donor to substantiate their charitable deduction?
- Is the nonprofit potentially subject to unrecorded penalties and interest (if line 3b, 5c, 6b, 7b, 7g or 7h is answered "No," or if line 5a, 5b, 8, 9a or 9b is answered "Yes")?



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## Part VI—Governance, Management and Disclosure

**Key governing body & management policies; and whether/how the nonprofit promotes transparency and accountability to its donors.**

- If the nonprofit does not have written policies indicated by lines 12a, 13, 14 and 16b, should the board consider adopting any of these?
- If line 15a or 15b is answered "No," should the board consider a change in the procedures for setting compensation to minimize the future risk of challenge by the IRS on excess benefits?
- If the nonprofit conducts activities in multiple states, is it properly registered in those states and satisfying their filing requirements?

## Part VII—Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees and Independent Contractors

**Transparency on compensation, to disclose the degree to which salaries and benefits are in line with comparable community standards.**

- Does the compensation of those listed in Part VII appear justifiable in view of the organization's activities, their responsibilities, and a review of comparable organizations? (Note: Revisit Part VI, lines 15a and 15b, especially if there is a "No" response.)

## Part VIII—Statement of Revenue

**Nonprofit's sources of support, including potentially taxable unrelated business income.**

- Does the revenue data indicate too much reliance on a source that could be jeopardized by a weak economy, declining stock market or other external factor (i.e., should alternative revenue sources be considered or emphasized)?
- Too much reliance on unrelated business income [as reported in column (C)] could risk a nonprofit's exempt status. Is column (C) insignificant as compared to totals in column (A)?

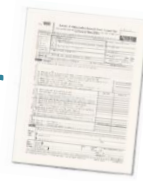
## Part IX—Statement of Functional Expenses

**Is an appropriate amount of expenditure being directed to activities that further the nonprofit's exempt purpose?**

- Are compensation and benefits (lines 5 through 9) an appropriate portion of the nonprofit's revenue?
- Are certain expenses justifiable (e.g., lines 11a -11g, 12, 17, 18 and 19)?
- Do column (C) management and general expenses and column (D) fundraising expenses totals appear reasonable relative to total program service expenses in column (B)?



# IRS Form 990: Nonprofit Primer



## Part X—Balance Sheet

### How financially stable is the nonprofit?

- Is an adequate (or excessive?) proportion of cash (line 1) being kept in non-interest bearing accounts?
- Are resources being diverted from program service activities to related party loans (lines 5 and 6)?
- Is oversight being exercised over related party loans to ensure adequate collateral, interest, timely repayment, etc.?
- Are notes and loans receivable (line 7) adequately collateralized and monitored for timely repayment?
- Does an increase, if any, in accounts payable or accrued expenses (line 17) during the year suggest potential cash flow problems?

## Part XII—Financial Statements and Reporting

### Explains the level of involvement by an independent accountant.

### Explains the reporting required for any audits required for nonprofits that receive federal grants under the Single Audit Act and OMB Circular A-133.

- If the nonprofit does not have an independent audit (line 2b), are its financial resources sufficiently large to make an independent audit prudent?
- If audited, do the auditors report to the group responsible for overseeing the financial reporting process (such as an audit or finance committee or a governing board)?

## Schedule A—Public Charity Status and Public Support

### Indicates a nonprofit's reason for public charity status (i.e., why it is not a private foundation) and to provide the IRS with detailed information about its sources of financial support.

- Does the data (Part II Section C or Part III Sections C and D) indicate that the organization is in danger of being tipped into private foundation status, rather than remaining a public charity?



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## Schedule C—Political Campaign and Lobbying Activities

### 501(c)(3) nonprofits are prohibited from participating in a political campaign & are subject to limitations on their lobbying activities. They can, however, advocate.

- If exempt under Section 501(c)(3), are policies followed to prevent participation in a political campaign that could jeopardize tax-exempt status?
- If the nonprofit is a Section 501(c)(3) entity that is eligible to make the lobbying expenditure election but has not, should it do so to minimize the likelihood that exempt status will be lost because of excessive lobbying (see Part II-A)?

## Schedule J—Compensation Information

### The compensation information required in Schedule J is much more detailed than that required in Form 990 Part VII. Review Schedule J to discern evidence of waste, extravagance and financial abuse.

- If any box on line 1a is checked, is the economic benefit warranted or should it be re-examined?
- Does the nonprofit require strict accountability for expense reimbursements to prevent abuse (lines 1b and 2)?
- Is the nonprofit setting compensation based on one or more methods indicated by the box descriptions for line 3? (Note: The more boxes, the better.)
- If any of the questions on lines 4 through 8 are answered "Yes," do the indicated transactions suggest that changes should be made in non-fixed compensation arrangements to avoid windfall payouts?

## Schedule L—Transactions with Interested Persons

### Financial arrangements between the nonprofit and disqualified persons or other interested persons.

- Did the organization consider all direct or indirect transactions or relationships that may require disclosure? (See Part IV questions 25 through 28.)
- Are business transactions with interested persons fully disclosed, including the amount, nature of the transaction, and relationship with the nonprofit, management and board?

## Schedule O—Supplemental Information

### Is the 990 review process fully described?

- Does the nonprofit describe how public documents (Forms 990, 990-T, if applicable, and 1023) are made available for public inspection (website, office, GuideStar, etc.)?





NPO IRS 990s are online.  
Look up your own npo at GuideStar & compare to others  
<https://www.GuideStar.org/> [info@chescofcf.org](mailto:info@chescofcf.org) Lincoln28\$

Candid at a glance

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## What people are saying

Candid profiles help the sector take a leap forward from data and information about charities to **powerful knowledge and insight to help us make informed decisions.**

—Victoria Vrana  
Senior Program Officer, The Bill & Melinda Gates Foundation


My experience being a board member at Village Enterprise, where **we have a Platinum Seal, is that it's made fundraising easier. The Platinum Seal helps us stand out** since there are so many nonprofits for donors to choose from.

—Jamie Austin  
Board Member, Village Enterprise Fund


**Our Candid profile probably saves us 40 hours a week.** We're constantly asked for our financials, details about our mission, and reviews. Sending people to our Nonprofit Profile frees us up to focus on our mission.

—Janet Wenholz  
Grant Writer, Operation Freedom Paws


## Update your Candid profile in three easy steps



Step 1  
Claim your profile  
[Request access](#) to your organization's profile



Step 2  
Get approved  
We verify your affiliation and approve your access



Step 3  
Tell your story  
Showcase your programs and your impact to fast-track your funding

View the [Candid profile best practices guide](#) for a simple step-by-step walkthrough.

## Financials

**WEST CHESTER AREA SENIOR CENTER**  
Fiscal year: Jul 01 - Jun 30



✓ Yes, financials were audited by an independent accountant 1

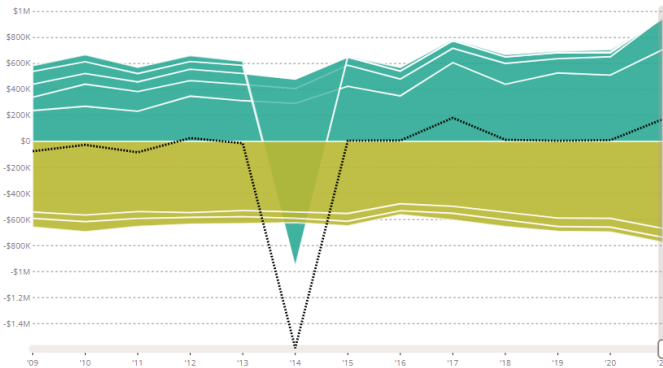
### Revenue vs. expenses: 2021 breakdown

SOURCE: IRS Form 990 1

**NET GAIN/LOSS: \$172,071 in 2021**

Total revenue: \$947,688  
Contributions: \$708,553  
Gov't grants: \$245,202  
Program services: \$2,750  
Investments: \$4,516  
Special events: -\$18,127  
Sales: \$0  
Other: \$4,794

Total expenses: \$775,617  
Program services: \$667,915  
Administration: \$68,493  
Fundraising: \$39,209



Note: When component data are not available, the graph displays the total Revenue and/or Expense values.



### Liquidity in 2021 1

SOURCE: IRS Form 990

**4.91**

Average of 13.04 over 10 years



### Months of cash in 2021 1

SOURCE: IRS Form 990

**8.9**

Average of 8.5 over 10 years



### Fringe rate in 2021 1

SOURCE: IRS Form 990

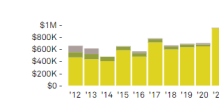
**25%**

Average of 27% over 10 years



### Funding sources 1

Source: IRS Form 990



### Assets & liabilities 1

Source: IRS Form 990





**WEST CHESTER AREA  
SENIOR CENTER**  
Financial trends analysis

Fiscal Year: Jul 01 - Jun 30  
SOURCE: IRS Form 990

This snapshot of WEST CHESTER AREA SENIOR CENTER's financial trends applies Nonprofit Finance Fund® analysis to data hosted by GuideStar. While it highlights the data that matter most, remember that context is key – numbers only tell part of any story.



Fiscal year: Jul 01 - Jun 30

[View full report](#) [Download data](#)

**Business model indicators**

**Profitability ①**

|  | 2017      | 2018      | 2019     | 2020     | 2021      |
|--|-----------|-----------|----------|----------|-----------|
| Unrestricted surplus (deficit) before depreciation | \$212,484 | -\$34,876 | \$39,428 | \$14,129 | \$195,463 |
| As % of expenses                                   | 35.7%     | -5.4%     | 5.8%     | 2.1%     | 26.0%     |
| Unrestricted surplus (deficit) after depreciation  | \$203,617 | -\$48,688 | \$29,541 | -\$6,516 | \$172,248 |
| As % of expenses                                   | 33.7%     | -7.4%     | 4.3%     | -0.9%    | 22.2%     |

**Revenue composition ①**

|   |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|
| Total revenue (unrestricted & restricted) | \$785,796 | \$668,804 | \$696,153 | \$706,235 | \$947,688 |
| Total revenue, % change over prior year   | 37.9%     | -14.9%    | 4.1%      | 1.4%      | 34.2%     |
| Program services revenue                  | 7.4%      | 7.5%      | 6.6%      | 4.1%      | 0.3%      |
| Membership dues                           | 2.4%      | 2.6%      | 2.7%      | 1.6%      | 0.1%      |
| Investment income                         | 0.1%      | 0.1%      | 0.1%      | 0.5%      | 0.1%      |
| Government grants                         | 14.0%     | 23.9%     | 15.8%     | 20.1%     | 25.9%     |
| All other grants and contributions        | 76.2%     | 65.9%     | 74.8%     | 73.1%     | 72.8%     |
| Other revenue                             | 0.0%      | 0.0%      | 0.1%      | 0.6%      | 0.9%      |

**Expense composition ①**

|  |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|
| Total expenses before depreciation       | \$594,584 | \$641,346 | \$680,806 | \$674,612 | \$752,402 |
| Total expenses, % change over prior year | 6.4%      | 7.9%      | 6.2%      | -0.9%     | 11.5%     |
| Personnel                                | 36.1%     | 39.4%     | 44.5%     | 43.2%     | 41.5%     |
| Professional fees                        | 16.5%     | 15.3%     | 10.6%     | 10.9%     | 5.8%      |
| Occupancy                                | 21.1%     | 19.4%     | 19.1%     | 21.0%     | 18.8%     |
| Interest                                 | 0.0%      | 0.0%      | 0.0%      | 0.0%      | 0.0%      |
| Pass-through                             | 0.0%      | 0.0%      | 0.0%      | 0.0%      | 0.0%      |
| All other expenses                       | 26.4%     | 26.0%     | 25.9%     | 24.9%     | 33.9%     |

**Full cost components (estimated) ①**

|                                     | 2017      | 2018      | 2019      | 2020      | 2021        |
|-------------------------------------|-----------|-----------|-----------|-----------|-------------|
| Total expenses (after depreciation) | \$603,451 | \$655,158 | \$690,693 | \$695,257 | \$775,617   |
| One month of savings                | \$49,549  | \$53,446  | \$56,734  | \$56,218  | \$62,700    |
| Debt principal payment              | \$0       | \$0       | \$0       | \$0       | \$66,657    |
| Fixed asset additions               | \$255,794 | \$0       | \$87,076  | \$0       | \$166,610   |
| Total full costs (estimated)        | \$908,794 | \$708,604 | \$834,503 | \$751,475 | \$1,071,584 |



## Peer Analysis 5 Senior Centers Chester County

Look up your own npo  
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### GuideStar Peer Analysis/Business Model Indicators

Cohort: **ChesCo Senior Centers**

No. of orgs

1,338

Date Created

9/12/2022

| Profitability                                      | Oxford     | Kennett   | West Chester | Phoenixville | Coatesville | Peer Median | Cohort Median |
|--|------------|-----------|--------------|--------------|-------------|-------------|---------------|
| Unrestricted surplus (deficit) before depreciation | (\$40,999) | \$154,961 | \$195,463    | \$315,958    | \$14,467    | \$154,961   | \$38,781      |
| As a % of expenses                                 | -6.2%      | 47.0%     | 26.0%        | 53.8%        | 4.0%        | 26.0%       | 7.7%          |
| Unrestricted surplus (deficit) after depreciation  | (\$76,945) | \$117,825 | \$172,248    | \$282,308    | (\$28,899)  | \$117,825   | \$19,823      |
| As a % of expenses                                 | -11.0%     | 32.1%     | 22.2%        | 45.5%        | -7.1%       | 22.2%       | 3.6%          |

| Revenue Composition                       | Oxford    | Kennett   | West Chester | Phoenixville | Coatesville | Peer Median | Cohort Median |
|---|-----------|-----------|--------------|--------------|-------------|-------------|---------------|
| Total revenue (unrestricted & restricted) | \$887,862 | \$460,645 | \$947,688    | \$859,299    | \$414,842   | \$714,067   | \$5,020,425   |
| Total revenue, % change over prior year   | 84.6%     | -21.3%    | 34.2%        | 30.9%        | 43.0%       | 34.3%       | 546.5%        |
| Program services revenue                  | 0.5%      | 5.1%      | 0.3%         | 5.3%         | 3.3%        | 2.9%        | 27.8%         |
| Membership dues                           | 0.0%      | 0.0%      | 0.1%         | 0.8%         | 0.9%        | 0.4%        | 1.3%          |
| Investment income                         | 0.7%      | 2.7%      | 0.1%         | 1.1%         | 0.1%        | 0.9%        | 2.7%          |
| Government grants                         | 10.2%     | 42.4%     | 25.9%        | 47.7%        | 41.3%       | 33.5%       | 31.2%         |
| All other grants and contributions        | 81.2%     | 46.8%     | 72.8%        | 45.1%        | 53.1%       | 59.8%       | 30.4%         |
| Other revenue                             | 7.4%      | 3.0%      | 0.9%         | 0.0%         | 1.3%        | 2.5%        | 5.2%          |

| Expense Composition                      | Oxford    | Kennett   | West Chester | Phoenixville | Coatesville | Peer Median | Cohort Median |
|--|-----------|-----------|--------------|--------------|-------------|-------------|---------------|
| Total expenses before depreciation       | \$665,281 | \$329,583 | \$752,402    | \$587,216    | \$362,154   | \$539,327   | \$4,584,567   |
| Total expenses, % change over prior year | 26.3%     | -32.6%    | 11.5%        | -4.6%        | -4.4%       | -0.8%       | 105.1%        |
| Personnel                                | 53.8%     | 46.5%     | 41.5%        | 46.3%        | 63.5%       | 50.3%       | 47.7%         |
| Professional Fees                        | 4.1%      | 15.7%     | 5.8%         | 1.9%         | 6.7%        | 6.8%        | 7.4%          |
| Occupancy                                | 3.4%      | 6.3%      | 18.8%        | 8.1%         | 11.9%       | 9.7%        | 8.6%          |
| Interest                                 | 0.1%      | 0.0%      | 0.0%         | 0.0%         | 0.0%        | 0.0%        | 0.9%          |
| Pass-Through                             | 0.0%      | 0.0%      | 0.0%         | 0.0%         | 0.0%        | 0.0%        | 4.0%          |
| All other expenses                       | 38.6%     | 31.5%     | 33.9%        | 44.4%        | 17.9%       | 33.3%       | 30.9%         |

| Capital Structure Indicators                 | Oxford | Kennett | West Chester | Phoenixville | Coatesville | Peer Median | Cohort Median |
|--|--------|---------|--------------|--------------|-------------|-------------|---------------|
| <b>Liquidity</b>                             |        |         |              |              |             |             |               |
| Months of cash                               | 4.0    | 11.2    | 8.9          | 3.4          | 7.2         | 7.2         | 4.3           |
| Months of cash and investments               | 8.4    | 31.3    | 8.9          | 7.3          | 7.2         | 8.4         | 6.2           |
| Months of est liquid unrestricted net assets | 8.4    | 14.3    | 5.9          | 2.8          | 4.8         | 5.9         | 5.1           |

| Balance Sheet Composition                 | Oxford             | Kennett            | West Chester     | Phoenixville     | Coatesville        | Peer Median        | Cohort Median    |
|---|--------------------|--------------------|------------------|------------------|--------------------|--------------------|------------------|
| Cash                                      | \$222,026          | \$307,833          | \$559,840        | \$166,986        | \$216,231          | \$222,026          | \$198,045        |
| Investments                               | \$244,643          | \$552,069          | \$0              | \$191,104        | \$0                | \$191,104          | \$0              |
| Receivables                               | \$221,802          | \$24,305           | \$19,500         | \$18,665         | \$2,667            | \$19,500           | \$12,555         |
| Gross land, buildings and equipment (LBE) | \$1,275,459        | \$1,794,640        | \$664,333        | \$1,276,328      | \$1,363,772        | \$1,276,328        | \$491,522        |
| Accumulated depreciation (% of LBE)       | 61.8%              | 60.1%              | 27.4%            | 60.2%            | 12.3%              | 60.1%              | 49.2%            |
| Liabilities (as % of assets)              | 7.3%               | 2.3%               | 10.7%            | 7.1%             | 2.2%               | 7.1%               | 7.2%             |
| Unrestricted net assets                   | \$873,683          | \$1,091,325        | \$855,500        | \$644,499        | \$1,341,219        | \$873,683          | \$401,850        |
| Temporarily restricted net assets         | N/A                | N/A                | N/A              | N/A              | N/A                | N/A                | \$0              |
| Permanently restricted net assets         | N/A                | N/A                | N/A              | N/A              | N/A                | N/A                | \$0              |
| Total restricted net assets               | \$241,125          | \$480,983          | \$99,715         | \$182,405        | \$42,670           | \$182,405          | \$0              |
| <b>Total net assets</b>                   | <b>\$1,114,808</b> | <b>\$1,572,308</b> | <b>\$955,215</b> | <b>\$826,904</b> | <b>\$1,383,889</b> | <b>\$1,114,808</b> | <b>\$623,372</b> |

Name  
Oxford Area Neighborhood Services Center Inc  
Kennett Area Senior Center  
WEST CHESTER AREA SENIOR CENTER  
SENIOR ADULT ACTIVITY CENTER OF THE PHOENIXVILLE AREA  
Brandywine Valley Active Aging  
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Location  
1 OXFORD, PA  
2 Kennett Square, PA  
3 West Chester, PA  
4 Phoenixville, PA  
5 COATESVILLE, PA

Recent FYE  
6/30/2020  
6/30/2021  
6/30/2021  
6/30/2020  
6/30/2020

Subject Area  
Human services, Basic and emergency aid, Food aid  
Senior services  
Human services, Special population support, Senior services  
Senior services  
Senior services