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
OVERVIEW: TODAY’S DISCUSSION AREAS

- What do major donors look for when considering a major gift to a nonprofit?
  - How do we define a “major” gift donor? How much money are we talking about?
  - What’s most important to major donors?
  - How do major donors discern the financial health of a nonprofit?
  - What’s important to donors when it comes to efficiency ratios, revenue & expense trends, & evidence of financial stability? How much is “too rich to give to” & “too poor to give to”?
    - How much in operating reserve should a nonprofit have? Too rich/too poor?
    - If a nonprofit has an endowment, do donors see that as ‘too rich’, so they won’t give?

- What should the Board pay attention to in a nonprofit’s annual audit & IRS 990 filing?
  - What should Boards focus on?
  - What do donors look for in our IRS990 filings, especially online at GuideStar by Candid?
  - How can we monitor, correct, and improve our nonprofit’s GuideStar by Candid data?
In 2021, Americans gave $484.85 BILLION to charity

Where did the generosity come from?*

<table>
<thead>
<tr>
<th>Source</th>
<th>Percentage</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Giving by Individuals</td>
<td>67%</td>
<td>$326.87 billion</td>
</tr>
<tr>
<td>Giving by Foundations</td>
<td>19%</td>
<td>$90.88 billion</td>
</tr>
<tr>
<td>Giving by Bequest</td>
<td>9%</td>
<td>$46.01 billion</td>
</tr>
<tr>
<td>Giving by Corporations</td>
<td>4%</td>
<td>$21.08 billion</td>
</tr>
</tbody>
</table>

Mega-gifts accounted for $15 billion of this, about 5% of all giving by individuals.

Where did the charitable dollars go?

<table>
<thead>
<tr>
<th>Destination</th>
<th>Percentage</th>
<th>Amount</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Religion</td>
<td>27%</td>
<td>$135.78 billion</td>
<td>increase over 2020</td>
</tr>
<tr>
<td>Education</td>
<td>14%</td>
<td>$70.79 billion</td>
<td>decrease from 2020</td>
</tr>
<tr>
<td>Human Services</td>
<td>13%</td>
<td>$65.33 billion</td>
<td>increase over 2020</td>
</tr>
<tr>
<td>Grant-Making Foundations</td>
<td>13%</td>
<td>$54.26 billion</td>
<td>increase over 2020</td>
</tr>
<tr>
<td>Public-Society Benefit</td>
<td>11%</td>
<td>$55.85 billion</td>
<td>increase over 2020</td>
</tr>
<tr>
<td>Health</td>
<td>8%</td>
<td>$40.58 billion</td>
<td>increase over 2020</td>
</tr>
<tr>
<td>International Affairs</td>
<td>5%</td>
<td>$27.44 billion</td>
<td>flat to 2020</td>
</tr>
<tr>
<td>Arts, Culture &amp; Humanities</td>
<td>5%</td>
<td>$23.50 billion</td>
<td>increase over 2020</td>
</tr>
<tr>
<td>Environment/Animals</td>
<td>3%</td>
<td>$16.32 billion</td>
<td>increase over 2020</td>
</tr>
<tr>
<td>Individuals</td>
<td>2%</td>
<td>$11.74 billion</td>
<td>decrease from 2020</td>
</tr>
</tbody>
</table>

* All figures on this infographic are reported in current dollars.

Source: Giving USA 2022

NEW WAYS OF GIVING ARE INCREASINGLY POPULAR: DONOR ADVISED FUNDS AND OTHER PLANNED GIVING TOOLS ARE KEY.

Arts, Culture & Humanities grew 27.5%, bolstered in part by the return to in-person activities.

Gross domestic product increased 10.1%, positively impacting corporate giving.

What do major donors look at when considering a gift?

@50% of major donors admit they really don't know how nonprofits use their money.

https://learn.guidestar.org/give-to-charity/money-for-good
**WHAT DO MAJOR DONORS LOOK AT WHEN CONSIDERING A GIFT?**

**Level 1: Basic Compliance**  
501 (c) (3) in good standing

**Level 2: Performance***  
- Constituents served  
- Organizational mission, vision, major programs  
- Performance track record, evaluation & outcomes  
- Relationships, partners & networks  
- Governance & executive leadership  
- External communications  
- Financial health

*Sources:  
- Site Visits  
- Media/PR/Communications  
- Community & Nonprofit Sector Feedback  
- Audit – IRS 990 - GuideStar
### 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
| Checks > $xx,000 have double signatures | Met | Exception | Notes |
| 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
<table>
<thead>
<tr>
<th>FEDERAL REQUIREMENTS</th>
<th>Met</th>
<th>Needs Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance with IRS requirements to maintain exempt status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No private inurement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No political lobbying/campaigning</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide disclosure of financial information upon request (IRS 990 &amp; tax exemption letter)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide substantiation for charitable contributions with federal tax disclosure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>File IRS Form 990 by due date: 15\textsuperscript{th} day of fifth month after close of fiscal year; may file extension</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Expenses properly allocated between management &amp; general, fundraising &amp; program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Form 990 signed before filing (common filing error)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Persons employed as contractors meet federal requirements. Form W-9 filed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1099s issued as required</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Compliance with USA PATRIOT Act of 2001</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Documentation kept on file</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Compliance with payroll withholding tax laws</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Written Policies for: Code of Ethics &amp; Conflict of Interest Disclosures for board and personnel</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Whistleblower Protection for personnel</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PENNSYLVANIA REQUIREMENTS</th>
<th>Met</th>
<th>Needs Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance with Pennsylvania's requirements for charitable organizations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Bureau of Charitable Organizations registration filed yearly by deadline</td>
<td></td>
<td></td>
</tr>
<tr>
<td>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 <em>NPO</em> may be obtained from the PA Department of State by calling toll free, within PA, 1 (800) 732-0999. Registration does not imply endorsement.”</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Includes the following disclosures at point of solicitation:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal name as registered and location</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full, fair description of charitable purpose(s) &amp; source of available written information</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Met</td>
<td>Needs Work</td>
</tr>
<tr>
<td>------------</td>
<td>-----</td>
<td>------------</td>
</tr>
<tr>
<td><strong>operations</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Follows accounting practices which conform to accepted standards, including use of accrual basis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Annual operating budget including income and expenditure developed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budget reviewed and approved by board</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budget adjusted to changes during year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income &amp; expenditures compared against budget at regular, frequent intervals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Suitable insurance coverage to ensure appropriate levels and types in place</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coverage periodically reviewed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees, board, volunteers handling funds bonded to help assure safeguarding of assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Safeguards for computerized data and software</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit card account (donors) storage</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Where are backups?</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>income/expenditures</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Funds deposited promptly into organization’s bank account</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Regular reconciliations against receivables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Written policy regarding write-off of receivables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Monies used for express purpose received</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Expenditures tracked in open and transparent manner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Monies deposited in bank in secure manner</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>auditor</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Board responsible to solicit bids, interview auditors, and hire an auditor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Annual, independent audit of financial statements by certified public accountant</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Conflict of interest between audit firm and organization: any non-audit services?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Audit-firm lead partners rotated when deemed necessary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Auditor meet with board without a member of management present</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Auditor submits management letter with recommendations to improve financial operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Board reviews and approves IRS 990, audit, and management letter</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Board &amp; staff institute any necessary changes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Audit or annual report with financial statements available to anyone interested</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Operations

**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?

## Records

**Ø** Donor records kept as basis for donor acknowledgments for contributions

**Ø** If goods or services provided, receipt informs donor of federal tax implication

## Budget

**Ø** Cash flow forecasts prepared for year and updated at regular, frequent intervals

**Ø** Document staff time to allocate management/general, fundraising & program expenses

## Policy

**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**

<table>
<thead>
<tr>
<th>FIXED ASSETS</th>
<th>Met</th>
<th>Needs Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ø Review of fixed assets schedule and depreciation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Detailed records of property and equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Includes date acquired, description, cost or FMV at date of acquisition</td>
</tr>
<tr>
<td>Ø Physical inventory taken year-end</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Has property/equipment been reconciled to insurance coverage?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ø Are capital needs reviewed at least annually and priorities established?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>ADDITIONAL TO STRENGTHEN ORGANIZATIONAL ACTIVITIES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Training for board and staff on relevant topics; all encouraged to participate</td>
<td></td>
</tr>
<tr>
<td>Organizations with cash handling, petty cash account, or debt (mortgages or notes) require further audit checks</td>
<td></td>
</tr>
</tbody>
</table>
Why Is an IRS 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?
7. What do **donors** look for in our 990, especially online?
8. How does **GuideStar** by Candid get our 990? Why does GuideStar **post** our 990 online? Can **anyone** see our 990 online at GuideStar?
• Program Service Accomplishments
  • Defines the mission of the nonprofit organization and its impact

• Reporting on Key Managers and Compensation
  • Allows for comparison of similar nonprofits’ 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 nonprofit organization 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

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?

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.)?...
Where Do Donors See & Use GuideStar Nonprofit Profile Info?

- Facebook
- JustGive
- Network for Good
- VolunteerMatch
- Salesforce.org
- All major U.S.-based donor-advised funds, such as Vanguard, Fidelity Charitable, etc.
  - 70,000+ private foundations
  - 800+ community foundations
Go online. Look up your own npo & compare to others
info@chesco(cf.org) Lincoln28$
Go online. Look up your own npo & compare to others
info@chescocf.org  Lincoln28$
### Profitability

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

### Revenue Composition

<table>
<thead>
<tr>
<th>Organization</th>
<th>Oxford</th>
<th>Kennett</th>
<th>West Chester</th>
<th>Phoenixville</th>
<th>Coatesville</th>
<th>Peer Median</th>
<th>Cohort Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue (unrestricted &amp; restricted)</td>
<td>$887,862</td>
<td>$460,645</td>
<td>$947,688</td>
<td>$859,299</td>
<td>$414,842</td>
<td>$714,067</td>
<td>$5,020,425</td>
</tr>
<tr>
<td>Total revenue, % change over prior year</td>
<td>84.6%</td>
<td>-21.3%</td>
<td>34.2%</td>
<td>30.9%</td>
<td>43.0%</td>
<td>34.3%</td>
<td>34.6%</td>
</tr>
<tr>
<td>Program services revenue</td>
<td>0.5%</td>
<td>5.1%</td>
<td>0.3%</td>
<td>5.3%</td>
<td>3.3%</td>
<td>2.9%</td>
<td>27.8%</td>
</tr>
<tr>
<td>Membership dues</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.1%</td>
<td>0.8%</td>
<td>0.9%</td>
<td>0.4%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Investment income</td>
<td>0.7%</td>
<td>2.7%</td>
<td>0.1%</td>
<td>1.1%</td>
<td>0.1%</td>
<td>0.9%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Government grants</td>
<td>10.2%</td>
<td>42.4%</td>
<td>25.9%</td>
<td>47.7%</td>
<td>41.3%</td>
<td>33.5%</td>
<td>31.2%</td>
</tr>
<tr>
<td>All other grants and contributions</td>
<td>81.2%</td>
<td>46.8%</td>
<td>72.8%</td>
<td>45.1%</td>
<td>53.1%</td>
<td>59.8%</td>
<td>30.4%</td>
</tr>
<tr>
<td>Other revenue</td>
<td>7.4%</td>
<td>3.0%</td>
<td>0.9%</td>
<td>0.0%</td>
<td>1.3%</td>
<td>2.5%</td>
<td>5.2%</td>
</tr>
</tbody>
</table>

### Expense Composition

<table>
<thead>
<tr>
<th>Organization</th>
<th>Oxford</th>
<th>Kennett</th>
<th>West Chester</th>
<th>Phoenixville</th>
<th>Coatesville</th>
<th>Peer Median</th>
<th>Cohort Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total expenses before depreciation</td>
<td>$665,281</td>
<td>$329,583</td>
<td>$752,402</td>
<td>$587,216</td>
<td>$362,154</td>
<td>$539,327</td>
<td>$4,584,567</td>
</tr>
<tr>
<td>Total expenses, % change over prior year</td>
<td>26.3%</td>
<td>-32.6%</td>
<td>11.5%</td>
<td>-4.6%</td>
<td>-4.4%</td>
<td>-0.8%</td>
<td>105.1%</td>
</tr>
<tr>
<td>Personnel</td>
<td>53.8%</td>
<td>46.5%</td>
<td>41.5%</td>
<td>46.3%</td>
<td>63.5%</td>
<td>50.3%</td>
<td>47.7%</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>4.1%</td>
<td>15.7%</td>
<td>5.8%</td>
<td>1.9%</td>
<td>6.7%</td>
<td>6.3%</td>
<td>7.4%</td>
</tr>
<tr>
<td>Occupancy</td>
<td>1.9%</td>
<td>3.4%</td>
<td>18.8%</td>
<td>8.1%</td>
<td>11.9%</td>
<td>8.8%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Interest</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Pass-Through</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>4.0%</td>
</tr>
<tr>
<td>All other expenses</td>
<td>38.6%</td>
<td>31.5%</td>
<td>33.9%</td>
<td>44.4%</td>
<td>17.9%</td>
<td>33.3%</td>
<td>30.9%</td>
</tr>
</tbody>
</table>

### Capital Structure Indicators

<table>
<thead>
<tr>
<th>Organization</th>
<th>Oxford</th>
<th>Kennett</th>
<th>West Chester</th>
<th>Phoenixville</th>
<th>Coatesville</th>
<th>Peer Median</th>
<th>Cohort Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liquidity</td>
<td>4.0</td>
<td>11.2</td>
<td>8.9</td>
<td>3.4</td>
<td>7.2</td>
<td>7.2</td>
<td>4.3</td>
</tr>
<tr>
<td>Months of cash</td>
<td>8.4</td>
<td>31.3</td>
<td>8.9</td>
<td>7.3</td>
<td>7.2</td>
<td>8.4</td>
<td>6.2</td>
</tr>
<tr>
<td>Months of cash and investments</td>
<td>8.4</td>
<td>14.3</td>
<td>5.9</td>
<td>2.8</td>
<td>4.8</td>
<td>5.9</td>
<td>5.1</td>
</tr>
</tbody>
</table>

### Balance Sheet Composition

<table>
<thead>
<tr>
<th>Organization</th>
<th>Oxford</th>
<th>Kennett</th>
<th>West Chester</th>
<th>Phoenixville</th>
<th>Coatesville</th>
<th>Peer Median</th>
<th>Cohort Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$222,026</td>
<td>$307,833</td>
<td>$559,840</td>
<td>$166,986</td>
<td>$216,231</td>
<td>$222,026</td>
<td>$198,045</td>
</tr>
<tr>
<td>Investments</td>
<td>$244,643</td>
<td>$552,069</td>
<td>$0</td>
<td>$191,104</td>
<td>$0</td>
<td>$191,104</td>
<td>$0</td>
</tr>
<tr>
<td>Receivables</td>
<td>$221,802</td>
<td>$24,305</td>
<td>$19,500</td>
<td>$18,665</td>
<td>$2,667</td>
<td>$15,450</td>
<td>$2,667</td>
</tr>
<tr>
<td>Gross land, buildings and equipment (LBE)</td>
<td>$1,275,459</td>
<td>$1,794,640</td>
<td>$664,333</td>
<td>$1,276,328</td>
<td>$1,363,772</td>
<td>$1,276,328</td>
<td>$491,522</td>
</tr>
<tr>
<td>Accumulated depreciation (% of LBE)</td>
<td>61.8%</td>
<td>60.1%</td>
<td>27.4%</td>
<td>60.2%</td>
<td>12.3%</td>
<td>60.1%</td>
<td>49.2%</td>
</tr>
<tr>
<td>Liabilities (as % of assets)</td>
<td>7.3%</td>
<td>2.3%</td>
<td>10.7%</td>
<td>7.1%</td>
<td>2.2%</td>
<td>7.1%</td>
<td>7.2%</td>
</tr>
<tr>
<td>Unrestricted net assets</td>
<td>$873,683</td>
<td>$1,091,325</td>
<td>$855,500</td>
<td>$644,499</td>
<td>$1,341,219</td>
<td>$873,683</td>
<td>$401,850</td>
</tr>
<tr>
<td>Temporarily restricted net assets</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Permanently restricted net assets</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Total restricted net assets</td>
<td>$241,125</td>
<td>$480,983</td>
<td>$99,715</td>
<td>$182,405</td>
<td>$42,670</td>
<td>$182,405</td>
<td>$42,670</td>
</tr>
<tr>
<td>Total net assets</td>
<td>$1,114,808</td>
<td>$1,572,308</td>
<td>$955,215</td>
<td>$826,904</td>
<td>$1,383,889</td>
<td>$1,114,808</td>
<td>$623,372</td>
</tr>
</tbody>
</table>

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WRAP-UP: KEY TAKE AWAYS

- What do major donors look for when considering a major gift to a nonprofit?

- What should the Board pay attention to in a nonprofit’s annual audit & IRS 990 filing?

TO DO:
Go online. Look up your own npo & compare to others
info@chescocf.org  Lincoln28$