

# Seibel & Katz CPAs

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## Accountant's Compilation Report

To the Board of Trustees  
The Cincinnati Scholarship Foundation  
Cincinnati, Ohio

Management is responsible for the accompanying financial statements of The Cincinnati Scholarship Foundation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. We 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. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to The Cincinnati Scholarship Foundation.

*Seibel & Katz CPAs*

SEIBEL & KATZ CPAS  
October 30, 2019

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statements

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fees

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forecasting

THE CINCINNATI SCHOLARSHIP FOUNDATION

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and cash equivalents	\$ 275,507	106,902
Accounts receivable:		
Contributions	93,101	66,952
Administration fees and other	0	0
Investment income receivable	3,076	3,466
Prepays and other assets	11,905	16,277
Investments	4,176,642	3,949,313
Furniture and equipment, at cost, less accumulated depreciation of \$44,843 and \$41,062	<u>10,171</u>	<u>13,952</u>
 TOTAL ASSETS	 <u>\$ 4,570,402</u>	 <u>4,156,862</u>
LIABILITIES		
Accounts payable	\$ 5,295	19,575
Accrued expenses and liabilities	4,913	3,229
Deferred Revenue	<u>0</u>	<u>129,000</u>
 TOTAL LIABILITIES	 10,208	 151,804
NET ASSETS		
Net assets without donor restrictions	723,683	756,013
Net assets with donor restrictions	<u>3,836,511</u>	<u>3,249,045</u>
 TOTAL NET ASSETS	 <u>4,560,194</u>	 <u>4,005,058</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 4,570,402</u>	 <u>4,156,862</u>

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THE CINCINNATI SCHOLARSHIP FOUNDATION

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2019

	Net Assets Without <u>Donor Restrictions</u>	Net Assets With <u>Donor Restrictions</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT:			
Contributions	\$ 29,243	2,083,670	2,112,913
Investment return	117,277	92,404	209,681
Administrative fees	203,278	0	203,278
Fundraising	0	0	0
Net assets released from restrictions:			
Restrictions satisfied by payments	<u>1,588,608</u>	<u>(1,588,608)</u>	<u>0</u>
TOTAL REVENUES AND OTHER SUPPORT	1,938,406	587,466	2,525,872
EXPENSES:			
Scholarship and award payments	1,588,608	0	1,588,608
Program and Supporting Services:			
Scholarship and award administration	316,185	0	316,185
Management and general	62,904	0	62,904
Fundraising	<u>3,039</u>	<u>0</u>	<u>3,039</u>
TOTAL EXPENSES	<u>1,970,736</u>	<u>0</u>	<u>1,970,736</u>
CHANGES IN NET ASSETS	(32,330)	587,466	555,136
NET ASSETS AT BEGINNING OF YEAR	<u>756,013</u>	<u>3,249,045</u>	<u>4,005,058</u>
NET ASSETS AT END OF YEAR	<u>\$ 723,683</u>	<u>3,836,511</u>	<u>4,560,194</u>

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THE CINCINNATI SCHOLARSHIP FOUNDATION

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2018

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT:			
Contributions	\$ 6,526	1,599,624	1,606,150
Investment return	99,498	104,343	203,841
Administrative fees	214,200	0	214,200
Fundraising	63,056	0	63,056
Net assets released from restrictions:			
Restrictions satisfied by payments	1,623,513	(1,623,513)	0
TOTAL REVENUES AND OTHER SUPPORT	2,006,793	80,454	2,087,247
EXPENSES:			
Scholarship and award payments	1,623,513	0	1,623,513
Program and Supporting Services:			
Scholarship and award administration	343,818	0	343,818
Management and general	72,691	0	72,691
Fundraising	69,699	0	69,699
TOTAL EXPENSES	2,109,721	0	2,109,721
CHANGES IN NET ASSETS	(102,928)	80,454	(22,474)
NET ASSETS AT BEGINNING OF YEAR	858,941	3,168,591	4,027,532
NET ASSETS AT END OF YEAR	\$ 756,013	3,249,045	4,005,058

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THE CINCINNATI SCHOLARSHIP FOUNDATION  
STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED JUNE 30, 2019 AND 2018

	2019		2019		2019		2018		2018			
	Scholarship and Award Administration	Management and General	Fund-raising	Total	Scholarship and Award Administration	Management and General	Fund-raising	Total	Scholarship and Award Administration	Management and General		
Compensation and related expenses:												
Compensation	\$ 184,149	32,884	2,192	219,225	178,205	31,822	2,121	212,148	178,205	31,822	2,121	212,148
Employee benefits	39,037	6,971	464	46,472	49,674	8,870	591	59,135	49,674	8,870	591	59,135
Payroll taxes	13,582	2,425	162	16,169	12,944	2,312	154	15,410	12,944	2,312	154	15,410
	<u>236,768</u>	<u>42,280</u>	<u>2,818</u>	<u>281,866</u>	<u>240,823</u>	<u>43,004</u>	<u>2,866</u>	<u>286,693</u>	<u>240,823</u>	<u>43,004</u>	<u>2,866</u>	<u>286,693</u>
Rent	13,839	2,442	0	16,281	12,891	2,275	0	15,166	12,891	2,275	0	15,166
Telephone	7,266	1,817	0	9,083	7,675	1,919	0	9,594	7,675	1,919	0	9,594
Office supplies and expense	1,572	278	0	1,850	2,389	421	0	2,810	2,389	421	0	2,810
Postage	3,752	441	221	4,414	3,560	419	209	4,188	3,560	419	209	4,188
Printing and publications	168	42	0	210	2,237	559	0	2,796	2,237	559	0	2,796
Depreciation	3,403	378	0	3,781	3,401	378	0	3,779	3,401	378	0	3,779
Marketing	3,131	3,130	0	6,261	13,560	13,560	0	27,120	13,560	13,560	0	27,120
Consulting	1,145	1,145	0	2,290	0	0	0	0	0	0	0	0
Fundraising	0	0	0	0	0	0	66,624	66,624	0	0	66,624	66,624
Legal and accounting fees	23,116	4,079	0	27,195	22,317	3,938	0	26,255	22,317	3,938	0	26,255
Computer maintenance	17,050	3,009	0	20,059	17,995	3,176	0	21,171	17,995	3,176	0	21,171
Insurance	223	334	0	557	212	318	0	530	212	318	0	530
Repairs and maintenance	1,115	197	0	1,312	1,301	230	0	1,531	1,301	230	0	1,531
Travel	353	88	0	441	563	141	0	704	563	141	0	704
Conferences	529	0	0	529	532	0	0	532	532	0	0	532
Bank Charges	1,628	2,442	0	4,070	1,202	1,803	0	3,005	1,202	1,803	0	3,005
Dues	0	520	0	520	0	510	0	510	0	510	0	510
Scholarships and awards	0	0	0	0	13,000	0	0	13,000	13,000	0	0	13,000
Miscellaneous	1,127	282	0	1,409	160	40	0	200	160	40	0	200
	<u>\$ 316,185</u>	<u>62,904</u>	<u>3,039</u>	<u>382,128</u>	<u>343,818</u>	<u>72,691</u>	<u>69,699</u>	<u>486,208</u>	<u>343,818</u>	<u>72,691</u>	<u>69,699</u>	<u>486,208</u>

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THE CINCINNATI SCHOLARSHIP FOUNDATION

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets	\$ 555,136	(22,474)
Adjustments to reconcile increase (decrease) in net assets to net cash used by operating activities:		
Depreciation and amortization	3,781	3,779
Net realized and unrealized (gains) or losses on investments	(94,452)	(84,021)
Contributions restricted for permanent endowment	(1,800)	(146,008)
Interest and dividends restricted for scholarships	(61,060)	(62,578)
Change in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(26,149)	4,388
Other assets	4,762	(5,059)
Increase (decrease) in:		
Accounts payable and accrued expenses	(12,596)	11,613
Deferred Revenue	(129,000)	129,000
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	238,622	(171,360)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	3,105,089	2,028,717
Purchase of investments	(3,237,966)	(2,004,869)
Purchase of fixed assets	0	0
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(132,877)	23,848
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from contributions restricted for permanent endowment	1,800	146,008
Interest and dividends restricted for scholarships	61,060	62,578
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	62,860	208,586
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	168,605	61,074
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>106,902</u>	<u>45,828</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 275,507</u>	<u>106,902</u>

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