

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

AUDITED FINANCIAL STATEMENTS
AND
ADDITIONAL INFORMATION AS REQUIRED
BY PENNSYLVANIA DEPARTMENT OF
HEALTH CONTRACT NO. 4100094335
FOR THE YEAR ENDED JUNE 30, 2024
WITH COMPARATIVE TOTALS
FOR THE YEAR ENDED JUNE 30, 2023

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

JUNE 30, 2024

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors of Epilepsy Association of Western and Central PA

Opinion

I have audited the accompanying financial statements of Epilepsy Association of Western and Central PA (a nonprofit organization), which comprise the balance sheet as of June 30, 2024, 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 my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Epilepsy Association of Western and Central PA as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Epilepsy Association of Western and Central PA and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Epilepsy Association of Western and Central PA ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Epilepsy Association of Western and Central PA's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Epilepsy Association of Western and Central PA's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that I identified during the audit.

Report on Summarized Comparative Information

I have previously audited the Epilepsy Association of Western and Central PA's 2023 financial statements, and my report dated December 14, 2023, expressed an unmodified opinion on those audited financial statements. In my opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Required Reporting

In accordance with Government Auditing Standards, I have also issued my report dated December 9, 2024, on my consideration of Epilepsy Association of Western and Central PA's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Epilepsy Association of Western and Central PA's internal control over financial reporting and compliance.

My audit was performed for the purpose of forming an opinion on the basic financial statements of Epilepsy Association of Western and Central PA taken as a whole. The accompanying schedule of budgeted and actual costs - Pa. Department of Health Contract No. 4100094335 and other additional information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Certified Public Accountant

December 9, 2024
Sewickley, Pennsylvania

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

BALANCE SHEET

JUNE 30, 2024

WITH COMPARATIVE TOTALS FOR JUNE 30, 2023

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
<u>Current Assets</u>		
Cash and Cash Equivalents	\$ 381,591	\$ 287,159
Investments (Note 6)	4,159,379	3,930,559
Grants Receivable (Note 4)	132,632	147,029
Accounts Receivable - Other	14,915	15,057
Prepaid Expenses - Special Events	13,951	22,166
Prepaid Expenses - Other	42,809	34,468
<u>Total Current Assets</u>	<u>\$ 4,745,277</u>	<u>\$ 4,436,438</u>
Assets Restricted as Endowment	2,171,281	1,990,405
Land, Building and Equipment - At Cost		
<u>Less:</u> Accumulated Depreciation of		
\$275,699 and \$264,194 (Note 2)	32,987	35,824
Right-of-Use Lease Assets (Note 7)	<u>427,389</u>	<u>117,485</u>
<u>TOTAL ASSETS</u>	<u>\$ 7,376,934</u>	<u>\$ 6,580,152</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities</u>		
Accounts Payable and Accrued Expenses	\$ 161,748	\$ 82,213
Lease Liabilities (Note 7)	68,410	92,033
Deferred Special Event Revenue	17,286	99,434
<u>Total Current Liabilities</u>	<u>\$ 247,444</u>	<u>\$ 273,680</u>
Long-Term Lease Liabilities	358,979	25,452
<u>Total Liabilities</u>	<u>\$ 606,423</u>	<u>\$ 299,132</u>
<u>Net Assets</u>		
Without Donor Restrictions:		
Operating	3,942,190	3,687,863
Fixed Assets	32,987	35,824
<u>Total Without Donor Restrictions</u>	<u>\$ 3,975,177</u>	<u>\$ 3,723,687</u>
With Donor Restrictions:		
Purpose Restrictions	624,053	566,928
Perpetual in Nature	2,171,281	1,990,405
(Per Analysis in Supplemental Section)		
<u>Total With Donor Restrictions</u>	<u>\$ 2,795,334</u>	<u>\$ 2,557,333</u>
<u>Total Net Assets</u>	<u>\$ 6,770,511</u>	<u>\$ 6,281,020</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 7,376,934</u>	<u>\$ 6,580,152</u>

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

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTALS
	6/30/24	6/30/23	6/30/23
<u>PUBLIC SUPPORT, REVENUE AND RECLASSIFICATIONS</u>			
<u>Public Support</u>			
Contributions	\$ 159,104	\$ 21,500	\$ 180,604
Grants from Government Agencies	676,720	-	676,720
Special Event Revenue	724,422	-	724,422
Less: Direct Costs of Special Events	(258,655)	-	(258,655)
Net Revenue from Special Events	465,767	-	465,767
Total Public Support	\$ 1,301,591	\$ 21,500	\$ 1,323,091
<u>Revenue</u>			
Program and Activity Fees	2,685	-	2,685
Investment Income	93,903	76,121	170,024
Realized and Unrealized Gain (Loss) on Investments, Net of Fees	274,289	184,384	458,673
Total Revenue	\$ 370,877	\$ 260,505	\$ 631,382
Net Assets Released from Restrictions and Transfers	44,004	(44,004)	-
TOTAL PUBLIC SUPPORT AND REVENUE	\$ 1,716,472	\$ 238,001	\$ 1,954,473
<u>EXPENSES</u>			
<u>Program Services</u>			
Public Health Education	192,094	-	192,094
Professional Education and Training	154,549	-	154,549
Community Services	452,435	-	452,435
Patient Services	487,813	-	487,813
Total Program Services	\$ 1,286,891	\$ -	\$ 1,286,891
<u>Supporting Services</u>			
Management and General	52,379	-	52,379
Fundraising	125,712	-	125,712
Total Supporting Services	\$ 178,091	\$ -	\$ 178,091
TOTAL EXPENSES	\$ 1,464,982	\$ -	\$ 1,464,982
Change in Net Assets	\$ 251,490	\$ 238,001	\$ 489,491
NET ASSETS - BEGINNING OF YEAR	\$ 3,723,687	\$ 2,557,333	\$ 6,281,020
NET ASSETS - END OF YEAR	\$ 3,975,177	\$ 2,795,334	\$ 6,770,511

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

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	PROGRAM SERVICES				SUPPORTING SERVICES				
	Public Health Education	Professional Education & Training	Community Services	Patient Services	Sub-Total	Management and General	Fund-Raising	TOTAL	
								6/30/24	6/30/23
Salaries	\$ 74,541	\$ 60,565	\$ 130,448	\$ 121,130	\$ 386,684	\$ 23,294	\$ 55,906	\$ 465,884	\$ 389,151
Employee Benefits	28,275	22,974	49,482	45,947	146,678	8,836	21,207	176,721	136,882
Payroll Taxes, etc.	6,993	5,682	12,238	11,364	36,277	2,185	5,244	43,706	37,341
<u>TOTAL SALARIES AND RELATED EXPENSES</u>	<u>\$ 109,809</u>	<u>\$ 89,221</u>	<u>\$ 192,168</u>	<u>\$ 178,441</u>	<u>\$ 569,639</u>	<u>\$ 34,315</u>	<u>\$ 82,357</u>	<u>\$ 686,311</u>	<u>\$ 563,374</u>
Rent	14,253	11,581	24,943	23,161	73,938	4,454	10,690	89,082	91,512
Telephone	1,205	979	2,110	1,959	6,253	377	904	7,534	7,096
Postage and Shipping	1,281	1,041	2,242	2,082	6,646	400	960	8,006	10,195
Insurance	1,898	1,542	3,321	3,084	9,845	593	1,423	11,861	11,508
Travel and Conferences	6,020	4,892	10,536	9,783	31,231	1,881	4,515	37,627	23,340
Auditing Fees	2,340	1,901	4,095	3,803	12,139	731	1,755	14,625	14,300
Accounting Fees	626	508	1,095	1,017	3,246	196	469	3,911	2,201
Office Supplies and Expense	3,412	2,772	5,971	5,544	17,699	1,066	2,559	21,324	24,718
Computer Expenses	2,856	2,321	4,999	4,642	14,818	892	2,142	17,852	17,916
Printing	4,327	3,516	7,573	7,032	22,448	1,352	3,246	27,046	17,280
Dues and Subscriptions	1,273	1,034	2,227	2,068	6,602	398	954	7,954	8,118
Consultants	14,145	11,493	24,755	22,986	73,379	4,421	10,609	88,409	51,052
Promotion	1,424	1,157	2,491	2,313	7,385	445	1,068	8,898	2,867
Direct Program Costs (Camp Frog, Family Conference, Education Materials, etc.)	24,478	18,359	159,102	198,302	400,241	-	-	400,241	311,286
Drug Program/Patient Care	-	-	-	17,133	17,133	-	-	17,133	9,736
Miscellaneous	906	736	1,586	1,472	4,700	283	680	5,663	3,630
<u>TOTAL EXPENSES BEFORE DEPRECIATION</u>	<u>\$ 190,253</u>	<u>\$ 153,053</u>	<u>\$ 449,214</u>	<u>\$ 484,822</u>	<u>\$ 1,277,342</u>	<u>\$ 51,804</u>	<u>\$ 124,331</u>	<u>\$ 1,453,477</u>	<u>\$ 1,170,129</u>
Depreciation and Amortization	1,841	1,496	3,221	2,991	9,549	575	1,381	11,505	7,802
<u>TOTAL EXPENSES</u>	<u>\$ 192,094</u>	<u>\$ 154,549</u>	<u>\$ 452,435</u>	<u>\$ 487,813</u>	<u>\$ 1,286,891</u>	<u>\$ 52,379</u>	<u>\$ 125,712</u>	<u>\$ 1,464,982</u>	<u>\$ 1,177,931</u>

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

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	<u>TOTAL</u>	
	<u>2024</u>	<u>2023</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in Net Assets	\$ 489,491	\$ 364,511
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	11,505	7,802
Unrealized (Gains) Losses on Investments	(472,415)	(385,580)
<u>(Increase) Decrease in Operating Assets:</u>		
Accounts and Grants Receivable	14,539	(14,746)
Prepaid Expenses	(126)	(26,701)
<u>Increase (Decrease) in Operating Liabilities:</u>		
Accounts Payable and Accrued Expenses	79,535	(13,416)
Deferred Special Event Revenue	(82,148)	80,641
<u>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>	<u>\$ 40,381</u>	<u>\$ 12,511</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Fixed Asset Purchases	(8,668)	(31,041)
Investment Proceeds (Purchases)	243,595	34,564
Assets Restricted as Endowment	(180,876)	(148,958)
<u>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</u>	<u>\$ 54,051</u>	<u>\$ (145,435)</u>
Net Increase (Decrease) in Cash	\$ 94,432	\$ (132,924)
<u>CASH - BEGINNING OF YEAR</u>	<u>\$ 287,159</u>	<u>\$ 420,083</u>
<u>CASH - END OF YEAR</u>	<u>\$ 381,591</u>	<u>\$ 287,159</u>
<u>SUPPLEMENTAL DISCLOSURES</u>		
Non-Cash Financing Activities:		
Right-of-Use assets obtained from operating lease liabilities	<u>\$ 401,937</u>	<u>\$ 206,329</u>

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

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization Background

The Epilepsy Association of Western and Central PA, formerly Epilepsy Foundation of Western Pennsylvania, was established as a nonprofit corporation in 1972. The organization is funded through public contributions, governmental and other grants. The organization distributes educational materials and renders informational services to the general public to further an understanding of Epilepsy and the acceptance of persons with Epilepsy. The organization provides a wide array of supportive services to children, adults and families affected by Epilepsy to lessen the burden of living with seizures. These services are provided directly to patients and their families through programs delivered in local communities, online, in schools and in partnership with a wide variety of medical and social services partners.

Tax-Exempt Status

Epilepsy Association of Western and Central PA is recognized as a non-profit organization, under Section 501 (c)(3) of the Internal Revenue Code.

Management is responsible for evaluating its uncertain tax positions. Management believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Revenue and Expenses

Revenue and expenses are recorded on the accrual basis of accounting. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Cash and Cash Equivalents

Cash equivalents consist of highly liquid investments with an initial maturity of three months or less.

Equipment and Depreciation

Furniture and equipment are recorded at cost or fair market value at date of gift for donated assets. Depreciation is provided on the straight-line method over the estimated useful lives of the depreciable assets. It is the organization's policy to capitalize expenditures for furniture and equipment of \$1,000 or more.

Donated Services and Expenses

Contributions of tangible assets are recognized at fair value when received. Contributed services are recognized if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

A number of volunteers have donated significant amounts of their time in the organization's administrative operations and program services. In accordance with requirements of FASB ASC 958, no amounts have been reflected in the financial statements for those services.

Donations of office and special event supplies, special event gifts, prizes and printing were also received. Since the value of these items was not measured, no amounts have been reflected in these financial statements.

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Financial Statement Presentation and Contributions

The financial statements of the organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and its board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. Actual results could differ from those estimates.

Comparative Data

The financial statements include certain 2023 comparative information. With respect to the statement of activities, such prior year information is not presented by net asset class and, in the statement of functional expenses, 2023 expenses by object are presented in total rather than by functional category. Accordingly, such information should be read in conjunction with the Agency's financial statements for the year ended June 30, 2023 from which the summarized information was derived.

Functional Allocation of Expenses

The costs of providing the organization's various programs and supporting services have been summarized on a functional basis. Accordingly, costs not charged directly to program services have been allocated among the programs and supporting services benefited according to estimates made by management.

Investments

The Organization accounts for investments in accordance with FASB ASC 958. Under FASB ASC 958 investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values, with gains or losses included in the Statement of Activities. Fair value for publicly traded investments is described below.

FASB ASC 820 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), secondary priority to significant other observable inputs (Level 2 measurements), and the lowest priority to unobservable inputs (Level 3 measurements).

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Recently Adopted Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, "Leases," which requires entities to recognize lease assets and lease liabilities on the balance sheet and to disclose key information about leasing arrangements. For finance leases and operating leases, a lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use (ROU) asset representing its right to use the underlying asset for the lease term with each initially measured at the present value of the lease payments. The Organization adopted this standard on July 1, 2022 and the effects on the financial statements are detailed in Note 7 below.

In September 2020, the FASB issued ASU No. 2020-07 Not-for-Profit Entities (Topic 958), related to Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. This ASU requires new presentation and enhanced disclosure on contributed nonfinancial assets. The Organization adopted ASU 2020-07 on its financial statements in the prior year with no significant impact.

2. LAND, BUILDING AND EQUIPMENT

At June 30, 2024-2023, land, building and equipment which are stated at cost, or fair market value at date of gift for donated assets, consisted of the following:

	<u>6/30/2024</u>	<u>6/30/2023</u>
Furniture and Equipment	\$ 301,448	\$ 292,780
Improvements	7,238	7,238
	<u>\$ 308,686</u>	<u>\$ 300,018</u>
<u>Less: Accumulated Depreciation</u>	275,699	264,194
	<u>\$ 32,987</u>	<u>\$ 35,824</u>

3. RETIREMENT PLAN

Epilepsy Association of Western and Central PA has a defined contribution pension plan. Pension plan contributions are equal to 5% of gross salaries, for those employees with one (1) year or more of service.

Pension plan contributions were \$25,321 and \$19,164 for the years ended June 30, 2024 and 2023, respectively. These amounts are included under Fringe Benefits expense in the Statement of Functional Expenses.

4. GRANTS RECEIVABLE

The following were included in grants receivable as of June 30, 2024:

Pennsylvania Department of Health: Contract Number 4100094335	\$ 73,768
Department of Health and Human Services: Centers for Disease Control and Prevention	58,864
	<u>\$ 132,632</u>

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

NOTES TO FINANCIAL STATEMENTS

5. CONCENTRATION OF CREDIT RISK

Epilepsy Association of Western and Central PA maintains bank accounts at local banks. Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times cash at these institutions may exceed federally insured limits. The amount in excess of the FDIC limit at June 30, 2024 and 2023 were \$131,591 and \$37,159 respectively.

6. INVESTMENTS

Investments in equity securities with readily determinable fair values are carried at fair value. Fair value is based on Level 1 inputs as described in Note 1. Cost and fair value of investments at June 30, 2024 and 2023 were as follows:

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Various Mutual Funds	\$ 5,328,051	\$ 6,330,660	\$ 5,427,624	\$ 5,920,964
<u>Total</u>	<u>\$ 5,328,051</u>	<u>\$ 6,330,660</u>	<u>\$ 5,427,624</u>	<u>\$ 5,920,964</u>

Investment return is summarized as follows:

Interest and Dividends	\$ 170,024
Realized and Unrealized Gain (Loss) on Investments	458,673
	<u>\$ 628,697</u>

7. LEASES AND CHANGE IN ACCOUNTING PRINCIPLE

The organization adopted Topic 842 on July 1, 2022 (the effective date), using the comparatives under ASC 840 transition method, which applies Topic 842 at the beginning of the period in which it is adopted. The organization elected the package of transition expedients available for which allowed it to carry forward its historical assessments of (1) whether contracts are or contain leases, (2) lease classification and (3) initial direct costs. The organization also elected not to apply the recognition requirements to lease arrangements that have terms of twelve months or less. As a result of implementing ASU No. 2016-02, the organization recognized right of use (ROU) assets and lease liabilities for operating leases in its balance sheet as of July 1, 2022 which were calculated based on the present value of future lease payments over the lease terms. The organization has made an accounting policy election to use a risk-free rate to discount the future lease payments. The weighted-average lease term is 4.81 years and the weighted-average discount rate applied to calculate lease liabilities was 4.16%. The adoption did not have a material impact on the statement of activities or statement of cash flows.

The organization's operating leases are for its office space and office equipment. The approximate future maturities of lease liabilities of these operating leases are as follows:

<u>June 30,</u>	
2025	\$ 68,410
2026	77,420
2027	80,740
2028	84,203
2029	87,814
2030	28,802
<u>Total</u>	<u>\$ 427,389</u>

Operating lease costs totaled \$97,966 and \$103,500 for the years ended June 30, 2024 and 2023.

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

NOTES TO FINANCIAL STATEMENTS

8. AVAILABILITY AND LIQUIDITY

The organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. As of June 30, 2024, the following financial assets could readily be made available within one year of the balance sheet date to meet general expenditures:

	<u>2024</u>	<u>2023</u>
Cash and Cash Equivalents	\$ 381,591	\$ 287,159
Investments	4,159,379	3,930,559
Grants and Accounts Receivable	<u>147,547</u>	<u>162,086</u>
Total Financial Assets	4,688,517	4,379,804
Less: Amounts not available to be used within one year:		
Net Assets with Donor Restrictions	(624,053)	(566,928)
	<u><u>\$ 4,064,464</u></u>	<u><u>\$ 3,812,876</u></u>

9. ENDOWMENT DISCLOSURE

As described on the supplemental schedules, the organization received endowment contributions which are perpetual in nature. The investment income which is generated from these perpetually restricted net assets will be used to provide financial assistance to children who attend the Epilepsy Association of Western and Central PA Summer Camp Program, and also to families and individuals who are acquiring Seizure Response Dogs. As required by Generally Accepted Accounting Principles (GAAP), net assets associated with endowment funds including funds designated by the Board of Directors to function as endowments are classified and reported based on the existence or absence of donor-imposed restrictions. Furthermore, the organization has policies and guidelines for these endowment funds.

10. NET ASSETS WITH DONOR RESTRICTIONS

Included in the cash and investment balances at June 30, 2024 is \$624,053, which is restricted by donors for future use as detailed in the supplementary information.

11. SUBSEQUENT EVENTS

Subsequent events were evaluated through December 9, 2024, which is the date financial statements were available to be issued.

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

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INDEPENDENT AUDITOR'S REPORT ON THE SUPPLEMENTARY INFORMATION

The Board of Directors of
Epilepsy Association of Western and Central PA

I have audited the financial statements of Epilepsy Association of Western and Central PA as of and for the year ended June 30, 2024, and have issued my report thereon dated December 9, 2024, which contained an unmodified opinion on those financial statements. My audit was performed for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.


Certified Public Accountant

December 9, 2024
Sewickley, Pennsylvania

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

ANALYSIS OF NET ASSETS WITH DONOR RESTRICTIONS - PURPOSE RESTRICTIONS
FOR THE YEAR ENDED JUNE 30, 2024

	Principal Balance 7/1/23	Reduction of Principal 6/30/24	Addition to Principal 6/30/24	Principal Balance 6/30/24	Disposition of Principal 6/30/24	Original Source and/or Addition to Principal 6/30/24	Restriction to use of Principal 6/30/24	By Whom Restricted
Camp Frog	\$ 73,176	\$ 3,580	\$ 13,568	\$ 83,164	3,580 - Transfer to Net Assets Without Restrictions	13,568 - Transfer from Net Assets With Donor Restrictions - Perpetual	Camp Scholarships	Donor
Michael R. Zupancic Seizure Response Dog Endowment Fund	400,719	22,750	66,061	444,030	22,750 - Transfer to Net Assets Without Restrictions	66,061 - Transfer from Net Assets With Donor Restrictions - Perpetual	To Provide Financial Assistance to Families and Individuals acquiring a Seizure Response Dog	Donor
Emma's Gift	8,216	13,818	20,000	14,398	13,818 - Transfer to Net Assets Without Restrictions	20,000 - Pittsburgh Foundation	To Purchase In-Home Monitoring Devices for Epilepsy Patients	Donor
Zonne Fund	84,817	3,856	1,500	82,461	3,856 - Transfer to Net Assets Without Restrictions	1,500 - Various Contributions & Event Revenue	To Provide Assistance to Epilepsy Patients and Families	Donor
TOTAL	\$ 566,928	\$ 44,004	\$ 101,129	\$ 624,053				

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

ANALYSIS OF NET ASSETS WITH DONOR RESTRICTIONS - PERPETUAL IN NATURE
FOR THE YEAR ENDED JUNE 30, 2024

Principal Balance 7/1/23	Reduction of Principal 6/30/24	Addition to Principal 6/30/24	Principal Balance 6/30/24	Disposition of Principal 6/30/24	Original Source and/or Addition to Principal 6/30/24	Restriction to use of Principal 6/30/24	By Whom Restricted
\$ 249,686	\$ 13,568	\$ 36,170	\$ 272,288	13,568 - Transfer to Net Assets With Restrictions - Purpose Restrictions	10,060 - Investment Income 26,110 - Gain on Investments	To Provide Financial Assistance to all Children Who Attend EFWP Summer Camp Program	Donor
Steve "Froggy" Morris and G. Peter Rockwell Camp Endowment Fund							
\$ 1,740,719	\$ 66,061	\$ 224,335	\$ 1,898,993	66,061 - Transfer to Net Assets With Restrictions - Purpose Restrictions	66,061 - Investment Income 158,274 - Gain on Investments	To Provide Financial Assistance to Families and Individuals acquiring a Seizure Response Dog	Donor
Michael R. Zupancic Seizure Response Dog Endowment Fund							
<u>TOTAL</u>	<u>\$ 1,990,405</u>	<u>\$ 79,629</u>	<u>\$ 2,171,281</u>				

SUPPLEMENTAL INFORMATION
AS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
AND THE
PENNSYLVANIA DEPARTMENT OF HEALTH

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
Epilepsy Association of Western and Central PA

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Epilepsy Association of Western and Central PA which comprise the statement of financial positions as of June 30, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated December 9, 2024.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Epilepsy Association of Western and Central PA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Epilepsy Association of Western and Central PA's internal control. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Epilepsy Association of Western and Central PA's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable to any other purpose.


Certified Public Accountant

December 9, 2024
Sewickley, Pennsylvania

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA

PA. DEPARTMENT OF HEALTH CONTRACT NO. 4100094335

SCHEDULE OF BUDGETED AND ACTUAL COSTS
FOR THE YEAR ENDED JUNE 30, 2024

<u>Cost Category</u>	<u>Budgeted Costs</u>	<u>Actual Costs (1)</u>
Personnel Services		
Staff Personnel	\$ 209,470	\$ 209,470
Fringe Benefits	49,714	49,714
Consultants and Contract Services	15,840	15,620
Supplies	2,426	2,274
Travel	-	-
Other Costs	86,550	86,922
<u>Totals</u>	<u>\$ 364,000</u>	<u>\$ 364,000</u>

(1) Actual line item costs are permitted to be 20% over or under the total contract without having to request a budget revision.

See Accompanying Notes

EPILEPSY ASSOCIATION OF WESTERN AND CENTRAL PA
SUPPLEMENTAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

CURRENT YEAR: NONE

PRIOR YEAR: NONE