

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA

AUDITED FINANCIAL STATEMENTS
AND
ADDITIONAL INFORMATION AS REQUIRED
BY PENNSYLVANIA DEPARTMENT OF
HEALTH CONTRACT NO. 4100068173
FOR THE YEAR ENDED JUNE 30, 2015
WITH COMPARATIVE TOTALS
FOR THE YEAR ENDED JUNE 30, 2014

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA

JUNE 30, 2015

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors of Epilepsy Foundation of Western Pennsylvania

I have audited the accompanying financial statements of Epilepsy Foundation of Western Pennsylvania, (a nonprofit organization) which comprise the balance sheet as of June 30, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Epilepsy Foundation of Western Pennsylvania as of June 30, 2015, 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.

Report on Summarized Comparative Information

I have previously audited the Epilepsy Foundation of Western Pennsylvania's 2014 financial statements, and my report dated October 21, 2014, 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, 2014 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 November 24, 2015, on my consideration of Epilepsy Foundation of Western Pennsylvania'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 Foundation of Western Pennsylvania'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 Foundation of Western Pennsylvania taken as a whole. The accompanying schedule of budgeted and actual costs - Pa. Department of Health Contract No. 4100068173 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 our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.


Certified Public Accountant

November 24, 2015
Sewickley, Pennsylvania

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA

BALANCE SHEET

JUNE 30, 2015

WITH COMPARATIVE TOTALS FOR JUNE 30, 2014

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
<u>Current Assets</u>		
Cash and Cash Equivalents	\$ 456,238	\$ 760,416
Investments (Note 5)	3,134,004	2,498,366
Grants Receivable (Note 4)	114,888	106,323
Accounts Receivable - Other	825	12,805
Prepaid Expenses - Special Events	31,707	34,117
Prepaid Expenses - Other	<u>36,540</u>	<u>29,484</u>
<u>Total Current Assets</u>	<u>\$ 3,774,202</u>	<u>\$ 3,441,511</u>
Assets Restricted as Endowment	1,235,323	808,467
Land, Building and Equipment - At Cost		
<u>Less: Accumulated Depreciation of</u> \$217,925 and \$210,363 (Note 2)	<u>19,917</u>	<u>16,472</u>
<u>TOTAL ASSETS</u>	<u>\$ 5,029,442</u>	<u>\$ 4,266,450</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities</u>		
Accounts Payable and Accrued Expenses	\$ 67,295	\$ 59,632
Deferred Special Event Revenue	114,762	58,285
<u>Total Current Liabilities</u>	<u>\$ 182,057</u>	<u>\$ 117,917</u>
<u>Net Assets</u>		
Unrestricted:		
Operating	3,439,016	3,233,113
Fixed Assets	19,917	16,472
<u>Total Unrestricted</u>	<u>\$ 3,458,933</u>	<u>\$ 3,249,585</u>
Temporarily Restricted	153,129	90,481
Permanently Restricted (Per Analysis in Supplemental Section)	<u>1,235,323</u>	<u>808,467</u>
<u>Total Net Assets</u>	<u>\$ 4,847,385</u>	<u>\$ 4,148,533</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 5,029,442</u>	<u>\$ 4,266,450</u>

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

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2015

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2014

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTALS</u>
	<u>6/30/15</u>	<u>6/30/15</u>	<u>6/30/15</u>	<u>6/30/14</u>
<u>PUBLIC SUPPORT, REVENUE AND RECLASSIFICATIONS</u>				
<u>Public Support</u>				
Contributions	\$ 244,709	\$ 83,044	\$ 505,086	\$ 795,703
Grants from Government Agencies	743,845	-	-	708,219
Special Event Revenue	771,129	-	-	742,567
<u>Less: Direct Costs of Special Events</u>	<u>(248,742)</u>	<u>-</u>	<u>-</u>	<u>(238,470)</u>
Net Revenue from Special Events	522,387	-	-	504,097
<u>Total Public Support</u>	<u>\$ 1,510,941</u>	<u>\$ 83,044</u>	<u>\$ 505,086</u>	<u>\$ 2,099,071</u>
<u>Revenue</u>				
Membership Fees	-	-	-	208
Program and Activity Fees	12,141	-	-	1,380
Investment Income	125,695	-	51,380	69,718
Realized and Unrealized Gain on Investments	(21,287)	-	(83,113)	344,098
<u>Total Revenue</u>	<u>\$ 116,549</u>	<u>\$ -</u>	<u>\$ (31,733)</u>	<u>\$ 415,404</u>
Net Assets Released from Restrictions and Transfers	66,893	(20,396)	(46,497)	-
<u>TOTAL PUBLIC SUPPORT AND REVENUE</u>	<u>\$ 1,694,383</u>	<u>\$ 62,648</u>	<u>\$ 426,856</u>	<u>\$ 2,183,887</u>
<u>EXPENSES</u>				
<u>Program Services</u>				
Public Health Education	234,006	-	-	229,284
Professional Education and Training	291,585	-	-	258,553
Community Services	307,211	-	-	298,195
Patient Services	467,935	-	-	490,868
<u>Total Program Services</u>	<u>\$ 1,300,737</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,276,900</u>
<u>Supporting Services</u>				
Management and General	52,656	-	-	76,844
Fundraising	131,642	-	-	102,458
<u>Total Supporting Services</u>	<u>\$ 184,298</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179,302</u>
<u>TOTAL EXPENSES</u>	<u>\$ 1,485,035</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,456,202</u>
<u>Change in Net Assets</u>	<u>\$ 209,348</u>	<u>\$ 62,648</u>	<u>\$ 426,856</u>	<u>\$ 967,221</u>
<u>NET ASSETS - BEGINNING OF YEAR</u>	<u>\$ 3,249,585</u>	<u>\$ 90,481</u>	<u>\$ 808,467</u>	<u>\$ 3,181,312</u>
<u>NET ASSETS - END OF YEAR</u>	<u>\$ 3,458,933</u>	<u>\$ 153,129</u>	<u>\$ 1,235,323</u>	<u>\$ 4,148,533</u>

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

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2015
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2014

	PROGRAM SERVICES				SUPPORTING SERVICES			TOTAL	
	Public Health Education	Professional Education & Training	Community Services	Patient Services	Sub-Total	Management and General	Fund-Raising		6/30/15
Salaries	\$ 93,363	\$ 116,704	\$ 122,539	\$ 169,220	\$ 501,826	\$ 23,341	\$ 58,351	\$ 583,518	\$ 617,028
Employee Benefits	26,995	33,744	35,431	48,929	145,099	6,749	16,871	168,719	170,261
Payroll Taxes, etc.	8,254	10,317	10,833	14,960	44,364	2,063	5,159	51,586	58,946
TOTAL SALARIES AND RELATED EXPENSES	\$ 128,612	\$ 160,765	\$ 168,803	\$ 233,109	\$ 691,289	\$ 32,153	\$ 80,381	\$ 803,823	\$ 846,235
Rent	12,221	15,277	16,041	22,151	65,690	3,055	7,639	76,384	71,180
Telephone	1,889	2,362	2,480	3,424	10,155	472	1,181	11,808	11,729
Postage and Shipping	4,799	5,999	6,299	8,699	25,796	1,200	3,000	29,996	24,345
Insurance	2,717	3,397	3,566	4,925	14,605	679	1,699	16,983	14,358
Travel and Conferences	8,079	10,099	10,604	14,644	43,426	2,020	5,049	50,495	66,277
Auditing Fees	1,960	2,450	2,572	3,553	10,535	490	1,225	12,250	11,400
Accounting Fees	570	712	748	1,033	3,063	142	357	3,562	3,574
Office Supplies and Expense	4,696	5,870	6,164	8,512	25,242	1,174	2,935	29,351	24,144
Computer Expenses	1,637	2,046	2,148	2,966	8,797	409	1,023	10,229	10,925
Printing	3,743	4,678	4,912	6,784	20,117	936	2,339	23,392	10,686
Dues and Subscriptions	446	557	585	808	2,396	111	278	2,785	2,287
Consultants	34,100	42,624	44,756	61,805	183,285	8,525	21,312	213,122	158,555
Promotion	2,783	3,479	3,653	5,045	14,960	696	1,739	17,395	13,090
Direct Program Costs (Camp Frog, Family Conference, Education Materials, etc.)	23,378	28,300	30,761	72,283	154,722	-	-	154,722	162,828
Drug Program/Patient Care	-	-	-	13,887	13,887	-	-	13,887	12,648
Miscellaneous	1,166	1,458	1,531	2,114	6,269	292	728	7,289	5,148
TOTAL EXPENSES BEFORE DEPRECIATION	\$ 232,796	\$ 290,073	\$ 305,623	\$ 465,742	\$ 1,294,234	\$ 52,354	\$ 130,885	\$ 1,477,473	\$ 1,449,409
Depreciation and Amortization	1,210	1,512	1,588	2,193	6,503	302	757	7,562	6,793
TOTAL EXPENSES	\$ 234,006	\$ 291,585	\$ 307,211	\$ 467,935	\$ 1,300,737	\$ 52,656	\$ 131,642	\$ 1,485,035	\$ 1,456,202

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

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2014

	<u>2015</u>	<u>TOTAL</u>	<u>2014</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Change in Net Assets	\$ 698,852		\$ 967,221
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:			
Depreciation and Amortization	7,562		6,793
Unrealized (Gains) Losses on Investments	76,016		(336,124)
<u>(Increase) Decrease in Operating Assets:</u>			
Accounts and Grants Receivable	3,415		67,999
Prepaid Expenses	(4,646)		5,692
<u>Increase (Decrease) in Operating Liabilities:</u>			
Accounts Payable and Accrued Expenses	7,663		(16,108)
Deferred Special Event Revenue	56,477		(51,083)
<u>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>	<u>\$ 845,339</u>		<u>\$ 644,390</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Fixed Asset Purchases	(11,007)		(7,138)
Investment Proceeds (Purchases)	(711,654)		(21,765)
Assets Restricted as Endowment	(426,856)		(455,530)
<u>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</u>	<u>\$ (1,149,517)</u>		<u>\$ (484,433)</u>
Net Increase (Decrease) in Cash	\$ (304,178)		\$ 159,957
<u>CASH - BEGINNING OF YEAR</u>	<u>\$ 760,416</u>		<u>\$ 600,459</u>
<u>CASH - END OF YEAR</u>	<u>\$ 456,238</u>		<u>\$ 760,416</u>

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

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Agency Background

The Western Pennsylvania Chapter (EFPW) was established as a nonprofit corporation in 1972. The Chapter is funded through public contributions, governmental and other grants and membership dues. The chapter distributes educational materials and renders informational services to the general public to further an understanding of Epilepsy and the acceptance of persons with Epilepsy. EFPW is affiliated with the Epilepsy Foundation of America in the accomplishment of these objectives.

Tax-Exempt Status

Epilepsy Foundation of Western Pennsylvania 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 EFPW's policy to capitalize expenditures for furniture and equipment of \$500 or more.

Donated Services and Expenses

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.

Additionally, the majority of EFPW's furniture and equipment was used prior to being donated. No value has been assigned to these assets. 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.

Financial Statement Presentation and Contributions

The financial statements are presented in accordance with FASB ASC 958, which requires the Organization to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Financial Statement Presentation and Contributions (continued)

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction fully expires in the reporting period in which the support is recognized.

All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

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 2014 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, 2014 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, 2014 from which the summarized information was derived.

Functional Allocation of Expenses

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

Investments

Epilepsy Foundation of Western Pennsylvania 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 FOUNDATION OF WESTERN PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

2. LAND, BUILDING AND EQUIPMENT

At June 30, 2015-2014, 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>6/30/2015</u>	<u>6/30/2014</u>
Furniture and Equipment	\$ 230,604	\$ 219,597
Improvements	7,238	7,238
	<u>\$ 237,842</u>	<u>\$ 226,835</u>
<u>Less: Accumulated Depreciation</u>	<u>217,925</u>	<u>210,363</u>
	<u>\$ 19,917</u>	<u>\$ 16,472</u>

3. RETIREMENT PLAN

Epilepsy Foundation of Western Pennsylvania 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 \$31,198 for the year ended June 30, 2015. This amount is 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, 2015:

Pennsylvania Department of Health: Contract Number 4100068173	\$ 79,281
U.S. Department of Health and Human Services HRSA Grant Number H98MC26261	35,607
	<u>\$ 114,888</u>

5. 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, 2015 and 2014 were as follows:

	<u>2015</u>		<u>2014</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Various Mutual Funds	\$ 4,035,136	\$ 4,369,327	\$ 2,905,243	\$ 3,306,833
<u>Total</u>	<u>\$ 4,035,136</u>	<u>\$ 4,369,327</u>	<u>\$ 2,905,243</u>	<u>\$ 3,306,833</u>

Investment return is summarized as follows:

Interest and Dividends	\$ 177,075
Realized and Unrealized Gain (Loss) on Investments	<u>(104,400)</u>
	<u>\$ 72,675</u>

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

6. CONCENTRATION OF CREDIT RISK

Epilepsy Foundation of Western Pennsylvania maintains bank accounts at local banks. Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash at one of these institutions exceeded federally insured limits. The amount in excess of the FDIC limit at June 30, 2015 and 2014 were \$136,588 and \$440,790, respectively.

7. OPERATING LEASES

The Agency is committed to operating leases of its office space and office equipment. The approximate future minimum lease payments of these operating leases are as follows:

<u>June 30,</u>		
2016	\$	63,931
2017		27,768
2018		23,302
2019		12,954
2020		3,156
<u>Total</u>	<u>\$</u>	<u>131,111</u>

Rent expense consisted of \$85,853 and \$78,955 for the years ended June 30, 2015 and 2014.

8. RESTRICTED ASSETS

Included in the cash and investment balances at June 30, 2015 is \$153,129, which is restricted by donors for future use as detailed in the supplementary information.

9. PERMANENTLY RESTRICTED NET ASSETS

As described on the supplemental schedules, the organization received endowment contributions which are permanently restricted. The investment income which is generated from these permanently restricted net assets will be used to provide financial assistance to children who attend the Epilepsy Foundation of Western Pennsylvania 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. SUBSEQUENT EVENTS

Subsequent events were evaluated through November 24, 2015, which is the date financial statements were available to be issued.

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA

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INDEPENDENT AUDITOR'S REPORT ON THE SUPPLEMENTARY INFORMATION

The Board of Directors of
Epilepsy Foundation of Western Pennsylvania

I have audited the financial statements of Epilepsy Foundation of Western Pennsylvania as of and for the year ended June 30, 2015, and have issued my report thereon dated November 24, 2015, 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

November 24, 2015
Sewickley, Pennsylvania

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA
ANALYSIS OF TEMPORARILY RESTRICTED NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2015

	Principal Balance 7/1/14	Reduction of Principal 6/30/15	Addition to Principal 6/30/15	Principal Balance 6/30/15	Disposition of Principal 6/30/15	Original Source and/or Addition to Principal 6/30/15	Restriction to use of Principal 6/30/15	By Whom Restricted
Camp Frog 2015	\$ 23,450	\$ 14,515	\$ 15,970	\$ 24,905	14,515- To Unrestricted Net Assets	3,055 - Camp Fees 12,915 - Transfer from Permanently Restricted Net Assets	Camp Scholarships	Donor
Epilepsy Patient Education Programs	19,400	19,400	23,840	23,840	19,400- To Unrestricted Net Assets	7,840 - Lundbeck, LLC 7,000 - Epilepsy Foundation (National Office) 9,000 - Rohr Family Fund for Charitable Giving	To Support Epilepsy Education Programs	Donor
Michael R. Zupancic Seizure Response Dog Endowment Fund	8,667	27,000	71,082	52,749	27,000- To Unrestricted Net Assets	37,500 - Zupancic Family 33,582 - Transfer from Permanently Restricted Net Assets	To Provide Financial Assistance to Families and Individuals acquiring a Seizure Response Dog	Donor
Paige Holland Memorial Fund	14,810	3,800	-	11,010	3,800 - To Unrestricted Net Assets	-	To Award Camp and Secondary Education Scholarships to Epilepsy Patients	Donor

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA

ANALYSIS OF TEMPORARILY RESTRICTED NET ASSETS

(Continued)

FOR THE YEAR ENDED JUNE 30, 2015

	<u>Principal Balance 7/1/14</u>	<u>Reduction of Principal 6/30/15</u>	<u>Addition to Principal 6/30/15</u>	<u>Principal Balance 6/30/15</u>	<u>Disposition of Principal 6/30/15</u>	<u>Original Source and/or Addition to Principal 6/30/15</u>	<u>Restriction to use of Principal 6/30/15</u>	<u>By Whom Restricted</u>
Zonne Fund	24,154	2,178	18,649	40,625	2,178- To Unrestricted Net Assets	10,000 - Estate of Edward D. Baars 8,649 - Various Contributions	To Provide Assistance to Epilepsy Patients and Families	Donor
<u>TOTAL</u>	<u>\$ 90,481</u>	<u>\$ 66,893</u>	<u>\$ 129,541</u>	<u>\$ 153,129</u>				

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA
ANALYSIS OF PERMANENTLY RESTRICTED NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2015

	Principal Balance 7/1/14	Reduction of Principal 6/30/15	Addition to Principal 6/30/15	Principal Balance 6/30/15	Disposition of Principal 6/30/15	Original Source and/or Addition to Principal 6/30/15	Restriction to use of Principal 6/30/15	By Whom Restricted
Steve "Froggy" Morris and G. Peter Rockwell Camp Endowment Fund	\$ 268,917	\$ 41,214	\$ 17,798	\$ 245,501	12,915 - Transfer to Temporarily Restricted Net Assets 28,299 - Loss on Investments	17,798 - Investment Income	To Provide Financial Assistance to all Children Who Attend EFWP Summer Camp Program	Donor
Michael R. Zupancic Seizure Response Dog Endowment Fund	\$ 539,550	\$ 8,667	\$ 448,217	\$ 989,822	33,582 - Transfer to Temporarily Restricted Net Assets 54,814 - Loss on Investments	505,000 - Zupancic Family 86 - Various Contributions 33,582 - Investment Income	To Provide Financial Assistance to Families and Individuals acquiring a Seizure Response Dog	Donor
TOTAL	<u>\$ 808,467</u>	<u>\$ 49,881</u>	<u>\$ 466,015</u>	<u>\$ 1,235,323</u>				

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

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 Foundation of Western Pennsylvania

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 Foundation of Western Pennsylvania which comprise the statement of financial positions as of June 30, 2015, 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 November 24, 2015.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Epilepsy Foundation of Western Pennsylvania'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 Foundation of Western Pennsylvania'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 Foundation of Western Pennsylvania'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

November 24, 2015
Sewickley, Pennsylvania

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA

PA. DEPARTMENT OF HEALTH CONTRACT NO. 4100068173

SCHEDULE OF BUDGETED AND ACTUAL COSTS
FOR THE YEAR ENDED JUNE 30, 2015

<u>Cost Category</u>	<u>Budgeted Costs</u>	<u>Actual Costs (1)</u>
Personnel Services		
Staff Personnel	\$ 208,907	\$ 208,907
Fringe Benefits	52,227	52,227
Consultants and Contract Services	7,150	7,150
Supplies	2,166	2,166
Travel	12,000	12,000
Other Costs	61,300	61,300
<u>Totals</u>	<u>\$ 343,750</u>	<u>\$ 343,750</u>

(1) Actual costs are allowed to be 10% over or under a budgeted cost category without having to request a budget revision.

See Accompanying Notes

EPILEPSY FOUNDATION OF WESTERN PENNSYLVANIA
SUPPLEMENTAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

CURRENT YEAR: NONE

PRIOR YEAR: NONE