

**United Cerebral Palsy of  
Pittsburgh, Inc. and Affiliates**

Financial Statements and  
Supplementary Information

Year Ended June 30, 2011 with  
Independent Auditor's Report

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# UNITED CEREBRAL PALSY OF PITTSBURGH, INC. AND AFFILIATES

## COMBINED STATEMENT OF FINANCIAL POSITION

JUNE 30, 2011

(With Comparative Totals at June 30, 2010)

	2011	2010
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 868,380	\$ 681,256
Accounts receivable:		
Government contracts	6,003,499	6,702,366
Grants and contracts - other	150,781	46,203
Employees and clients	38,213	7,966
Third party	140,763	138,553
Contributions receivable	1,035,718	48,886
Prepaid expenses	496,070	87,215
Total current assets	8,733,424	7,712,445
Investments	465,379	-
Property and equipment:		
Land	571,019	571,019
Land improvements	177,626	166,626
Buildings and improvements	6,088,388	5,961,211
Equipment	923,006	668,624
Vehicles	386,692	345,673
Construction in process	3,348,645	46,305
	11,495,376	7,759,458
Less: accumulated depreciation	(2,655,583)	(2,291,093)
Net property and equipment	8,839,793	5,468,365
<b>Total Assets</b>	\$ 18,038,596	\$ 13,180,810

(Continued)

See accompanying notes to combined financial statements.

# UNITED CEREBRAL PALSY OF PITTSBURGH, INC. AND AFFILIATES

## COMBINED STATEMENT OF FINANCIAL POSITION

JUNE 30, 2011

(With Comparative Totals at June 30, 2010)

(Continued)

	2011	2010
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Current liabilities:		
Current portion of long-term debt	\$ 260,625	\$ 146,580
Accounts payable	849,814	1,195,226
Line of credit	1,700,000	300,000
Accrued wages and related liabilities	1,367,686	1,355,750
Due to Office of Long-term Living	585,971	-
Other liabilities	28,605	23,718
Amounts held for others	71,188	79,589
	4,863,889	3,100,863
Total current liabilities		
Long-term liabilities:		
Interest rate swap	148,739	-
Long-term debt - less current portion	3,100,212	2,219,599
	8,112,840	5,320,462
Total Liabilities		
<b>Net Assets:</b>		
Unrestricted	9,772,038	7,790,210
Temporarily restricted	153,718	70,138
	9,925,756	7,860,348
Total Net Assets		
	\$ 18,038,596	\$ 13,180,810

(Concluded)

See accompanying notes to combined financial statements.

# UNITED CEREBRAL PALSY OF PITTSBURGH, INC. AND AFFILIATES

## COMBINED STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2011

(With Comparative Totals For Year Ended June 30, 2010)

	Unrestricted	Temporarily Restricted	Totals	
			2011	2010
<b>Support and Revenue:</b>				
Government grants	\$ 22,267,610	\$ -	\$ 22,267,610	\$ 29,171,001
United Way of Allegheny County	131,530	153,718	285,248	67,677
Government contracts - other	2,902,523	-	2,902,523	2,950,368
Grants - other	38,822	88,972	127,794	106,619
Contributions	1,361,442	-	1,361,442	41,419
Program fees	1,101,545	-	1,101,545	911,074
Realized gain (loss) on equipment	-	-	-	5,206
Investment income	66,162	-	66,162	972
Miscellaneous	89,292	-	89,292	30,537
Fundraising - special events	178,694	-	178,694	107,636
In-kind support	6,890	-	6,890	2,710
Net assets released from restrictions	159,110	(159,110)	-	-
<b>Total support and revenue</b>	<b>28,303,620</b>	<b>83,580</b>	<b>28,387,200</b>	<b>33,395,219</b>
<b>Expenses:</b>				
Program services:				
Community living services	21,939,650	-	21,939,650	28,597,315
Adult development services	1,136,998	-	1,136,998	1,018,900
Community consultation services	1,432,809	-	1,432,809	1,261,230
CLASS program	63,141	-	63,141	59,165
<b>Total program services</b>	<b>24,572,598</b>	<b>-</b>	<b>24,572,598</b>	<b>30,936,610</b>
Supporting services:				
Management and general	1,851,127	-	1,851,127	1,859,311
Fundraising	136,402	-	136,402	107,398
<b>Total supporting services</b>	<b>1,987,529</b>	<b>-</b>	<b>1,987,529</b>	<b>1,966,709</b>
<b>Total expenses</b>	<b>26,560,127</b>	<b>-</b>	<b>26,560,127</b>	<b>32,903,319</b>
<b>Non-operating changes:</b>				
Change in swap value	(148,739)	-	(148,739)	-
Excess of assets acquired over liabilities assumed in acquisition of MSSS (Note 16)	387,074	-	387,074	-
<b>Total non-operating changes</b>	<b>238,335</b>	<b>-</b>	<b>238,335</b>	<b>-</b>
<b>Change in Net Assets</b>	<b>1,981,828</b>	<b>83,580</b>	<b>2,065,408</b>	<b>491,900</b>
<b>Net Assets:</b>				
Beginning of year	7,790,210	70,138	7,860,348	7,368,448
End of year	\$ 9,772,038	\$ 153,718	\$ 9,925,756	\$ 7,860,348

See accompanying notes to combined financial statements.

# UNITED CEREBRAL PALSY OF PITTSBURGH, INC. AND AFFILIATES

## COMBINED STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2011

(With Comparative Totals For Year Ended June 30, 2010)

	2011	2010
<b>Cash Flows From Operating Activities:</b>		
Change in net assets	\$ 2,065,408	\$ 491,900
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	364,490	284,333
Amortization	-	-
Realized gain (loss) on equipment	-	5,206
Unrealized (gain) loss on investments	(50,146)	-
Change in:		
Accounts receivable - government	698,867	(5,890)
Accounts - other grants/contracts	(104,578)	(5,171)
Accounts receivable - third party	(2,210)	6,040
Accounts receivable - employee and clients	(30,247)	(2,356)
Contributions receivable	(986,832)	39,757
Prepaid expenses	(408,855)	11,119
Accounts payable	(345,412)	(218,316)
Due to Office of Long-term Living	585,971	-
Accrued wages and payroll taxes	11,936	127,475
Other liabilities	4,887	11,922
Accrued pension	-	4,144
Amounts held for others	(8,401)	29,487
Net cash provided by (used in) operating activities	1,794,878	779,650
<b>Cash Flows From Investing Activities:</b>		
Purchase of property and equipment	(3,735,918)	(2,361,055)
Change in interest rate swap	148,739	-
Investment received in acquisition of MSSS	(347,765)	-
Purchase of investments	(67,468)	-
Net cash provided by (used in) investing activities	(4,002,412)	(2,361,055)
<b>Cash Flows From Financing Activities:</b>		
Principal payments on long-term debt	(147,935)	(158,011)
Proceeds from long-term debt	1,142,593	1,917,114
Advances on line of credit	3,400,000	4,500,000
Payments on line of credit	(2,000,000)	(4,600,000)
Net cash provided by (used in) financing activities	2,394,658	1,659,103
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	187,124	77,698
<b>Cash and Cash Equivalents:</b>		
Beginning of year	681,256	603,558
End of year	\$ 868,380	\$ 681,256
<b>Supplemental Data:</b>		
Cash paid during the year for interest	\$ 85,566	\$ 53,076

See accompanying notes to combined financial statements.

**UNITED CEREBRAL PALSY OF  
PITTSBURGH, INC. AND AFFILIATES**

COMBINED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2011  
(With Comparative Totals For Year Ended June 30, 2010)

	Program Services					Supporting Services			Totals	
	Community Living Services	Adult Development Services	Community Consultation Services	CLASS Program	Total Program Services	Management and General	Fundraising	Total Supporting Services	2011	2010
Salaries and wages	\$ 16,231,018	\$ 719,720	\$ 663,282	\$ 31,853	\$ 17,645,873	\$ 557,541	\$ 53,450	\$ 610,991	\$ 18,256,864	\$ 17,252,283
Payroll taxes and benefits	3,985,117	262,896	231,129	15,604	4,494,746	276,133	14,184	290,317	4,785,063	4,210,616
Total personnel expenses	<u>20,216,135</u>	<u>982,616</u>	<u>894,411</u>	<u>47,457</u>	<u>22,140,619</u>	<u>833,674</u>	<u>67,634</u>	<u>901,308</u>	<u>23,041,927</u>	<u>21,462,899</u>
Occupancy	291,439	21,252	21,734	855	335,280	71,861	1,284	73,145	408,425	416,595
Supplies	32,406	10,086	22,811	118	65,421	24,114	8,868	32,982	98,403	99,154
Institutional supplies	126,581	4,651	286,533	-	417,765	-	-	-	417,765	387,762
Communications	97,730	4,410	12,514	-	114,654	43,455	-	43,455	158,109	144,979
Advertising and printing	25,319	3,157	12,728	-	41,204	20,020	3,239	23,259	64,463	73,225
Insurance	64,081	8,996	-	-	73,077	39,904	-	39,904	112,981	88,897
Staff travel	146,062	1,427	38,110	397	185,996	4,122	514	4,636	190,632	216,384
Transportation	28,462	-	85,205	-	113,667	-	-	-	113,667	60,221
Financial fees	10,815	2,135	-	-	12,950	52,075	-	52,075	65,025	50,221
Other professional fees	68,253	27,162	44,225	11,050	150,690	83,439	7,388	90,827	241,517	300,519
Donated materials	-	-	-	-	-	-	-	-	-	2,710
Special events	-	-	-	-	-	-	39,607	39,607	39,607	19,615
Attendant care - agency fees	27,118	-	-	-	27,118	-	-	-	27,118	8,273,260
Equipment purchases	135,946	15,705	3,302	-	154,953	240,444	-	240,444	395,397	466,568
Repairs and maintenance	128,179	28,882	5,181	2,390	164,632	25,511	3,835	29,346	193,978	96,647
Other expense	38,544	5,263	2,364	874	47,045	16,100	4,033	20,133	67,178	86,663
Bad debts	435,426	-	-	-	435,426	-	-	-	435,426	284,198
Other interest	53,114	6,030	-	-	59,144	26,422	-	26,422	85,566	53,076
Food service	14,040	15,226	3,691	-	32,957	5,496	-	5,496	38,453	35,393
Total expenses before depreciation	<u>21,939,650</u>	<u>1,136,998</u>	<u>1,432,809</u>	<u>63,141</u>	<u>24,572,598</u>	<u>1,486,637</u>	<u>136,402</u>	<u>1,623,039</u>	<u>26,195,637</u>	<u>32,618,986</u>
Depreciation	-	-	-	-	-	364,490	-	364,490	364,490	284,333
Total expenses	<u>\$ 21,939,650</u>	<u>\$ 1,136,998</u>	<u>\$ 1,432,809</u>	<u>\$ 63,141</u>	<u>\$ 24,572,598</u>	<u>\$ 1,851,127</u>	<u>\$ 136,402</u>	<u>\$ 1,987,529</u>	<u>\$ 26,560,127</u>	<u>\$ 32,903,319</u>

See accompanying notes to combined financial statements.