

**EXCELLENCE IN EDUCATION FOUNDATION FOR PGCPs, INC.**  
**Upper Marlboro, Maryland**

**FINANCIAL STATEMENTS**  
**June 30, 2015 and 2014**

## TABLE OF CONTENTS

	PAGE
<b>INDEPENDENT ACCOUNTANTS' REVIEW REPORT .....</b>	<b>1</b>
<b>FINANCIAL STATEMENTS.....</b>	<b>2</b>
Statements of Financial Position .....	3
Statements of Activities.....	4
Statements of Cash Flows.....	5
Notes to Financial Statements.....	6

## Independent Accountants' Review Report

Board of Directors  
Excellence in Education Foundation for PGCPs, Inc.  
Upper Marlboro, Maryland

We have reviewed the accompanying statements of financial position of the Excellence in Education Foundation for PGCPs, Inc. (the Foundation) as of June 30, 2015 and 2014, and the related statements of activities and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

*CliftonLarsonAllen LLP*

Baltimore, Maryland  
November 13, 2015

**FINANCIAL STATEMENTS**

**EXCELLENCE IN EDUCATION FOUNDATION FOR PGCPS, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 465,103	\$ 499,445
Accounts receivable	45,957	53,217
Prepaid expenses	1,376	1,333
<b>TOTAL ASSETS</b>	<b>\$ 512,436</b>	<b>\$ 553,995</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 16,000	\$ -
<b>NET ASSETS</b>		
Unrestricted	494,936	553,995
Temporarily restricted	1,500	-
Total net assets	496,436	553,995
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 512,436</b>	<b>\$ 553,995</b>

See independent accountants' review report and accompanying notes.

**EXCELLENCE IN EDUCATION FOUNDATION FOR PGCPS, INC.**  
**STATEMENTS OF ACTIVITIES**  
**Years Ended June 30, 2015 and 2014**

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>REVENUES, GAINS, AND PUBLIC SUPPORT</b>						
Contributions	\$ 28,799	\$ 1,500	\$ 30,299	\$ 67,426	\$ -	\$ 67,426
In-kind contributions	57,034	-	57,034	40,152	-	40,152
Special events	102,549	-	102,549	118,864	-	118,864
Other income	17,902	-	17,902	26,829	-	26,829
Interest income	991	-	991	616	-	616
Total revenues, gains, and public support	207,275	1,500	208,775	253,887	-	253,887
<b>EXPENSES</b>						
Awards and scholarships	165,500	-	165,500	162,500	-	162,500
Special events	27,036	-	27,036	30,636	-	30,636
Management and general	73,798	-	73,798	58,278	-	58,278
Total expenses	266,334	-	266,334	251,414	-	251,414
<b>CHANGES IN NET ASSETS</b>	(59,059)	1,500	(57,559)	2,473	-	2,473
<b>NET ASSETS, BEGINNING OF YEAR</b>	553,995	-	553,995	551,522	-	551,522
<b>NET ASSETS, END OF YEAR</b>	\$ 494,936	\$ 1,500	\$ 496,436	\$ 553,995	\$ -	\$ 553,995

See independent accountants' review report and accompanying notes.

**EXCELLENCE IN EDUCATION FOUNDATION FOR PGCPS, INC.**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended June 30, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (57,559)	\$ 2,473
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Effects of changes in operating assets and liabilities:		
Accounts receivable	7,260	(42,980)
Prepaid expenses	(43)	75
Accounts payable	16,000	(44,591)
Net cash used in operating activities	(34,342)	(85,023)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(34,342)	(85,023)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	499,445	584,468
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 465,103	\$ 499,445

See independent accountants' review report and accompanying notes.

**EXCELLENCE IN EDUCATION FOUNDATION FOR PGCPs, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015 and 2014**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Excellence in Education Foundation for PGCPs, Inc. (the Foundation) is a not-for-profit organization operated for the benefit of Prince George’s County Public Schools (the Schools). The Foundation was established on December 1, 2011 to provide scholarships to students, administer funds restricted for special school programs, and provide special awards to students attending the schools located in Prince George’s County, Maryland. The Foundation’s primary funding sources are donor contributions and fundraising events. The Foundation is a component unit of the Schools.

**Use of Estimates in Preparing Financial Statements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Accrual Basis**

The financial statements of the Foundation have been prepared on the accrual basis of accounting. Net assets and revenues, expenses, gains, and losses are classified on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

*Unrestricted Net Assets* – Net assets that are not subject to donor-imposed stipulations.

*Temporarily Restricted Net Assets* – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Foundation and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

*Permanently Restricted Net Assets* – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on any related investments for general or specific purposes. There were no permanently restricted net assets as of June 30, 2014 and 2015.

**Cash and Cash Equivalents**

Amounts in demand deposits or short-term investments with an original maturity date of three months or less when purchased are considered cash and cash equivalents.

**Accounts Receivable**

Amounts due from participants and sponsors of the annual golf tournament are considered accounts receivable.

This information is an integral part of the financial statements.



**EXCELLENCE IN EDUCATION FOUNDATION FOR PGCPS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015 and 2014**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Contributions**

Contributions are recognized as revenue in the period an unconditional promise to give is made. Contributions of assets other than cash are reported at their estimated fair value and, depending upon donor-imposed stipulations, reported as unrestricted, temporarily restricted or permanently restricted. Restricted contributions are recorded as temporarily restricted and subsequently reclassified to unrestricted net assets.

Permanently Restricted Contributions – Contributions subject to donor-imposed stipulations that must be maintained in perpetuity by the Foundation are included in permanently restricted net assets. Generally, the donors of these assets permit the Foundation to use all or part of the income earned and capital gains on related investments, if any, for general or specific purposes. There were no permanently restricted contributions made during the years ended June 30, 2014 and 2015.

Temporarily Restricted Contributions – Contributions subject to donor-imposed stipulations that may or will be met by actions of the Foundation and/or the passage of time are included in temporarily restricted net assets.

Unrestricted Contributions – Contributions not subject to donor-imposed stipulations, or whose restrictions have been satisfied, are recorded as unrestricted net assets.

**In-Kind Contributions**

In-kind contributions represent wages and benefits paid by the Schools on behalf of individuals performing services for the Foundation, as well as other expenses paid by the Schools for the Foundation. A corresponding amount is included in the management and general expenses of the Foundation. The estimated value for these services for the years ended June 30, 2014 and 2015 were \$40,152 and \$57,034, respectively.

**Income Tax**

The Foundation is exempt from taxation under the provisions of Section 501(c)(3) of the Internal Revenue Code. Accordingly, no income tax expense has been provided in the accompanying financial statements.

**Accounting for Uncertain Tax Positions**

The Foundation has adopted the guidance in Accounting for Uncertainty in Income Taxes (ASC 740-10), which prescribes a threshold of more-likely-than-not for recognition and de-recognition of tax positions taken or expected to be taken in a tax return. It also recognizes related guidance on measurement classification, interest and penalties, and disclosure. The Foundation does not believe that there are any unrecognized tax benefits or costs that should be recognized.

This information is an integral part of the financial statements.

**EXCELLENCE IN EDUCATION FOUNDATION FOR PGPCS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015 and 2014**

**NOTE 2 – RELATED PARTY TRANSACTIONS**

Contributions for the years ended June 30, 2015 and 2014, include \$30,299 and \$62,426, respectively, received from the Schools consisting of revenue from Google AdSense which is generated by the PGPCS website. When a person visits the website, Google pays PGPCS, who transfers the revenue to the Foundation.

**NOTE 3 – SUBSEQUENT EVENTS**

The Foundation has evaluated subsequent events through November 13, 2015, the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2015, but prior to November 13, 2015, that provided additional evidence about conditions that existed at June 30, 2015 have been recognized in the financial statements for the year ended June 30, 2015. Events or transactions that provided evidence about conditions that did not exist at June 30, 2015 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended June 30, 2015.