



FINANCIAL STATEMENTS

**FOR THE YEARS ENDED
DECEMBER 31, 2013 AND 2012**

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

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CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

Board of Directors
Foundation for Community Partnerships, Inc.

We have audited the accompanying financial statements of Foundation for Community Partnerships, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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, we 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Foundation for Community Partnerships, Inc. as of December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Toal, Griffith & Associates, LLC

Annapolis, Maryland
March 17, 2014

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
 STATEMENTS OF FINANCIAL POSITION
 DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Current Assets:		
Cash:		
Cash - Unrestricted	\$ 157,288	\$ 83,819
Cash - Restricted for Community Foundation Fund	<u>719,867</u>	<u>772,440</u>
Total Cash	877,155	856,259
Certificates of Deposit	475,000	475,000
Investments	124,926	117,717
Promises to Give, Net of Allowance of \$690	<u>-</u>	<u>310</u>
Total Current Assets	<u>1,477,081</u>	<u>1,449,286</u>
Total Assets	<u>\$ 1,477,081</u>	<u>\$ 1,449,286</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts Payable	\$ 69,054	\$ -
Accrued Expenses	<u>3,500</u>	<u>3,162</u>
Total Current Liabilities	<u>72,554</u>	<u>3,162</u>
Total Liabilities	72,554	3,162
Net Assets:		
Unrestricted	84,734	80,967
Temporarily Restricted	<u>1,319,793</u>	<u>1,365,157</u>
Total Net Assets	<u>1,404,527</u>	<u>1,446,124</u>
Total Liabilities and Net Assets	<u>\$ 1,477,081</u>	<u>\$ 1,449,286</u>

See auditor's report and accompanying notes to financial statements.

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013			2012		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUE, GAINS, AND OTHER SUPPORT						
Contributions and Grants	\$ 19,473	\$ 1,077,270	\$ 1,096,743	\$ 14,738	\$ 1,052,611	\$ 1,067,349
Interest Income	3,121	-	3,121	2,411	-	2,411
Realized and Unrealized Gain (Loss)	(1,705)	8,365	6,660	37,357	(1,547)	35,810
In-kind Services	-	-	-	8,967	-	8,967
Program Service Fee Income Released	49,579	(49,579)	-	57,687	(57,687)	-
Fund Administrative Fee Income Released	37,536	(37,536)	-	57,919	(57,919)	-
Net Assets Released	1,043,884	(1,043,884)	-	1,575,948	(1,575,948)	-
Total Revenue, Gains, and Other Support	1,151,888	(45,364)	1,106,524	1,755,027	(640,490)	1,114,537
EXPENSES						
General and Administrative	45,812	-	45,812	40,286	-	40,286
Program	1,102,309	-	1,102,309	1,670,081	-	1,670,081
Total Expenses	1,148,121	-	1,148,121	1,710,367	-	1,710,367
Change in Net Assets	3,767	(45,364)	(41,597)	44,660	(640,490)	(595,830)
Net Assets, Beginning of Year	80,967	1,365,157	1,446,124	36,307	2,005,647	2,041,954
Net Assets, End of Year	\$ 84,734	\$ 1,319,793	\$ 1,404,527	\$ 80,967	\$ 1,365,157	\$ 1,446,124

See auditor's report and accompanying notes to financial statements.

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013

	General and <u>Administrative</u>	<u>Program</u>	<u>Total Expenses</u>
Advertising	\$ 260	\$ -	\$ 260
Contract Labor	2,238	-	2,238
Direct Service Payments	-	999,035	999,035
Dues and Subscriptions	1,025	-	1,025
Grants	-	44,522	44,522
Insurance	9,953	-	9,953
Legal and Professional Fees	7,900	-	7,900
Payroll and Accrued Salaries	12,733	54,282	67,015
Payroll Taxes and Licenses	1,049	4,470	5,519
Postage and Shipping	572	-	572
Printing	553	-	553
Rent	6,600	-	6,600
Software Expense	330	-	330
Supplies	963	-	963
Telephone and Fax	1,157	-	1,157
Travel and Entertainment	277	-	277
Website	202	-	202
	<u> </u>	<u> </u>	<u> </u>
Total Expenses	\$ <u>45,812</u>	\$ <u>1,102,309</u>	\$ <u>1,148,121</u>

See auditor's report and accompanying notes to financial statements.

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2012

	General and <u>Administrative</u>	<u>Program</u>	<u>Total Expenses</u>
Contract Labor	\$ 1,936	\$ -	\$ 1,936
Direct Service Payments	-	1,523,563	1,523,563
Dues and Subscriptions	1,125	-	1,125
Grants	-	89,835	89,835
Insurance	9,954	-	9,954
Legal and Professional Fees	6,200	8,967	15,167
Payroll and Accrued Salaries	10,329	44,034	54,363
Payroll Taxes and Licenses	864	3,682	4,546
Postage and Shipping	317	-	317
Printing	268	-	268
Rent	6,600	-	6,600
Software Expense	496	-	496
Supplies	472	-	472
Telephone and Fax	1,200	-	1,200
Travel and Entertainment	267	-	267
Website	258	-	258
	<u> </u>	<u> </u>	<u> </u>
Total Expenses	\$ <u>40,286</u>	\$ <u>1,670,081</u>	\$ <u>1,710,367</u>

See auditor's report and accompanying notes to financial statements.

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (41,597)	\$ (595,830)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Realized and Unrealized Gain	(6,660)	(35,810)
Change in Assets and Liabilities:		
Decrease in Promises to Give	310	5,500
Increase in Accounts Payable	69,054	-
Increase in Accrued Expenses	<u>338</u>	<u>313</u>
Net Cash Provided (Used) by Operating Activities	21,445	(625,827)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments and Certificates of Deposit	(350,549)	(617,585)
Sales of Investments and Certificates of Deposit	<u>350,000</u>	<u>1,551,506</u>
Net Cash Provided (Used) by Investing Activities	(549)	933,921
CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
NET INCREASE IN CASH	20,896	308,094
CASH, BEGINNING OF YEAR	<u>856,259</u>	<u>548,165</u>
CASH, END OF YEAR	<u>\$ 877,155</u>	<u>\$ 856,259</u>
Cash - Unrestricted	\$ 157,288	\$ 83,819
Cash - Restricted	<u>719,867</u>	<u>772,440</u>
Total Cash, End of Year	<u>\$ 877,155</u>	<u>\$ 856,259</u>
SUPPLEMENTAL CASH INFORMATION		
Interest Paid	<u>\$ -</u>	<u>\$ -</u>
Income Taxes Paid	<u>\$ -</u>	<u>\$ -</u>

See auditor's report and accompanying notes to financial statements.

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Foundation for Community Partnerships, Inc. is an entity whose purpose is exclusively for such charitable and educational purposes as are within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"), or the corresponding provisions of any subsequent federal tax laws. The purposes for which the Organization is formed are as follows:

- 1) To operate as a tax-exempt, not-for-profit publicly supported philanthropic institution for the benefit of the residents of the Chesapeake Bay region.
- 2) To maximize the acquisition and utilization of all public and private funding sources to accumulate funds in an endowment fund; and to manage said funds under community control for community health, education and welfare purposes.
- 3) To conduct only activities which are described as charitable or educational, as those terms are defined under Section 501(c)(3) of Internal Revenue Code 1986, as amended.

The Organization is supported primarily by grants and contributions.

Accreditation

On February 20, 2008, the Foundation for Community Partnerships, Inc. received notification that it met the nation's highest philanthropic standards for operational quality, integrity and accountability. The notice comes from the Council on Foundations, a national professional association based in Washington, D.C. Accreditation by the Council on Foundations means the Foundation has demonstrated a commitment to operational quality, integrity, and accountability. The National Standards for U.S. Community Foundations Program requires community foundations to document their policies for donor services, investments, grant making, and administration. With over 200 community foundations already confirmed in compliance nationwide, the program is designed to provide quality assurance to donors, as well as to their legal and financial advisors.

Managed Funds

The Community Foundation (Fund) includes the current property together with any property, which may later be added to the fund. Cash gifts may be added to the fund at any time by anyone. The Board of Directors of the Foundation for Community Partnerships, Inc. shall have complete discretion to accept or refuse any non-cash gift and shall have complete authority and discretion as to the investment and reinvestment of the assets of the Fund as part of the Foundation for Community Partnerships, Inc.'s investment portfolio.

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 1 - SUMMARY OF SIGNIFIGANT ACCOUNTING POLICIES (CONTINUED)

Managed Funds (Continued)

The Foundation for Community Partnerships, Inc. shall hold, manage, invest, and reinvest the assets of the Fund which may be co-mingled with the assets of other component funds provided, however, that the separate identity of the Fund shall be maintained and distributions from the Fund shall be clearly identified to the recipients. A separate account shall be established to report the Fund's earnings and distributions. The Foundation for Community Partnerships, Inc. shall report annually to the Internal Revenue Service regarding the Fund as a component fund within the Foundation for the Community Partnerships, Inc.

In the event of the dissolution of the Beneficiary, the Foundation for Community Partnerships, Inc. shall thereafter continue to hold the assets of the Fund in its general unrestricted endowment fund and shall distribute the net income and principal therefrom to such organizations as the Board of Directors of the Foundation for Community Partnerships, Inc. may select with primary consideration being given to such organizations as, in its discretion, it shall consider appropriate.

It is intended that the Fund continue as long as the need for it exists and as long as assets continue to be held in the Fund for its charitable purposes. If, for any reason, the fund is terminated or the Foundation for Community Partnerships, Inc. dissolves, or ceases to hold or administer the Fund or otherwise to function under this agreement, then the net assets of the Fund shall be distributed to such charitable organizations as the Board of Directors of the Foundation for Community Partnerships, Inc., most nearly reflect the purposes and objectives of the Beneficiary.

The Fund's assets shall be the property of the Foundation for the Community Partnerships, Inc. to be held by it in its corporate capacity and shall not be deemed a trust fund held by it in a trustee capacity. It is intended that the Fund shall be a component fund within the community foundation and that nothing in the donor agreement shall affect the status of the Foundation for Community Partnerships, Inc. as an organization described in Sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code. The donor agreement shall be interpreted in a manner consistent with the foregoing intention so as to conform to any applicable requirements of the Internal Revenue Code and its regulations.

It is understood and agreed that all assets held in the Fund shall be subject to the Articles of Incorporation and Bylaws of the Foundation for Community Partnerships, Inc., including the variance power contained therein permitting the governing board of the Foundation for Community Partnerships, Inc. to modify or remove any restriction or condition regarding the distribution of funds, if, in its sole judgment, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable purposes and needs served by the community foundation.

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 1 - SUMMARY OF SIGNIFIGANT ACCOUNTING POLICIES (CONTINUED)

Managed Funds (Continued)

The Fund shall share a fair portion of the total administrative costs of the Foundation for Community Partnerships, Inc. Such administrative costs shall be charged annually against income from the Fund and shall at all times be reasonable and in accordance with Foundation for the Community Partnerships, Inc. current fee schedule. If the donor prefers not to diminish the Fund by the payment therefrom of the administrative costs, they may instead be paid directly by the donor.

The fee structure is based upon a percentage of balances held and distributions made from the Fund.

Basis of Accounting

The financial statements of the Foundation for Community Partnerships, Inc. have been prepared using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded at the time liabilities are incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation

The Organization classifies resources for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions. Unconditional promises to give are recorded as receivables and revenues and the Organization distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions. A description of the three net asset categories follows.

- Permanently Restricted - the portion of the net assets resulting from contributions and other inflows of assets whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled and removed by actions of the Organization pursuant to those stipulations.
- Temporarily Restricted - the portion of the net assets resulting from contributions or other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 1 - SUMMARY OF SIGNIFIGANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

- Unrestricted - the portion of the net assets that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations.

Recognition of Donor Restrictions

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, temporarily restricted net assets are reclassified as unrestricted net assets.

Cash and Cash Equivalents

For reporting purposes, Foundation for Community Partnerships, Inc. considers all checking accounts and money market funds to be cash and cash equivalents.

Cash and Investments

Cash and investments are presented in the aggregate at the lower of cost or fair market value.

Investments

Investments are reported at market value. Donated securities are reported at fair market value as of the date of receipt. All realized and unrealized gains and losses arising from fluctuations in market values, sale or other disposition of assets are accounted for in the class of net assets that owned the assets.

The Organization receives contributions primarily from donors in the Mid-Atlantic Region.

Fair Value Measurements

The Foundation for Community Partnerships, Inc. has determined the fair value of certain assets and liabilities through application of generally accepted accounting principles.

Financial assets and liabilities valued using level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and liabilities valued using level 2 inputs are based primarily on quoted prices for similar assets or liabilities in active or inactive markets. For certain long-term debt, the fair value was based on present value techniques using inputs derived principally or corroborated from market data. Financial assets and liabilities using level 3 inputs were primarily valued using management's assumptions about the assumptions market

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 1 - SUMMARY OF SIGNIFIGANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

participants would utilize in pricing the asset or liability. Valuation techniques utilized to determine fair value are consistently applied. All assets have been valued using a market approach. The Organization recognizes transfers between levels in the fair value hierarchy at the end of the reporting period.

Promises to Give

Promises to give are recorded as revenue in the period in which the promise becomes unconditional. All promises to give are expected to be collected within one year. An allowance for doubtful pledges has been recorded based on management's estimate of the collectibility of the pledges based on historical collection experience.

Donated Services, Materials and Facilities

Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair market value when received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses or additions to property and equipment.

Donations of materials are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Foundation for Community Partnerships, Inc. reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Foundation for Community Partnerships, Inc. reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Direct Services

As part of its grant making function, the Foundation makes direct service payments to organizations or individuals who provide direct support to the component funds in order to fulfill their charitable missions.

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 1 - SUMMARY OF SIGNIFIGANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for Federal or state income taxes.

The Organization's informational return filings are subject to examination by the Internal Revenue Service, generally for three years after it is filed.

Subsequent Events

The Organization evaluated subsequent events through the date that the financial statements were available to be issued. The Organization is not aware of any significant events that occurred subsequent to the statement of financial position date but prior to March 17, 2014 that would have a material impact on the financial statements.

NOTE 2 - CONCENTRATIONS

The Organization maintains cash and cash equivalents at several financial institutions. The accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000 per financial institution. In addition, the banks have pledged collateral against certain deposit accounts. At December 31, 2013, the Organization's uninsured cash balances totaled approximately \$494,000. The Organization has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

NOTE 3 - CERTIFICATES OF DEPOSIT

The Organization has the following certificates of deposits as of December 31, 2013:

	<u>Maturity</u>	Interest <u>Rate</u>	<u>Balance</u>
Business First Bank	January 2014	0.5982%	\$ 19,138
EverBank	January 2014	0.2496%	225,000
The Park National Bank	January 2014	0.5982%	105,862
The Huntington National Bank	January 2016	0.4988%	<u>125,000</u>
 Total			 \$ <u>475,000</u>

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 3 - CERTIFICATES OF DEPOSIT (CONTINUED)

The Organization has the following certificates of deposits as of December 31, 2012:

	<u>Maturity</u>	<u>Interest Rate</u>	<u>Balance</u>
Sovereign Bank	January 2013	0.3992%	\$ 225,000
Business First Bank	January 2014	0.5982%	19,138
The Park National Bank	January 2014	0.5982%	105,862
EverBank	January 2013	2.1272%	250
BankFIRST	January 2013	2.1272%	<u>124,750</u>
Total			\$ <u>475,000</u>

NOTE 4 - INVESTMENTS

The following table presents the Organization's fair value hierarchy for the above assets and liabilities measured at fair value on a recurring basis as of December 31, 2013:

<u>2013</u>	<u>Quoted Market Prices in Active Markets (Level 1)</u>	<u>Other Observable Inputs (Level 2)</u>	<u>Unobservable Inputs (Level 3)</u>	<u>Total</u>
Mutual Funds:				
Domestic Index Funds	\$ 35,319	\$ ---	\$ ---	\$ 35,319
Latin American Index Funds	7,430	---	---	7,430
Asian Index Funds	<u>11,630</u>	<u>---</u>	<u>---</u>	<u>11,630</u>
Total Mutual Funds	54,379	---	---	54,379
Certificates of Deposit	---	475,000	---	475,000
Common Stock:				
Domestic Industrial Products	<u>1,028</u>	<u>---</u>	<u>---</u>	<u>1,028</u>
Total Common Stock	1,028	---	---	1,028
Cash	<u>69,519</u>	<u>---</u>	<u>---</u>	<u>69,519</u>
Total Investments	\$ <u>124,926</u>	\$ <u>475,000</u>	\$ <u>---</u>	\$ <u>599,926</u>

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 4 - INVESTMENTS (CONTINUED)

The following table presents the Organization's fair value hierarchy for the above assets and liabilities measured at fair value on a recurring basis as of December 31, 2012:

<u>2012</u>	Quoted Market Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	<u>Total</u>
Mutual Funds:				
Domestic Index Funds	\$ 20,223	\$ ---	\$ ---	\$ 20,223
Latin American Index Funds	9,856	---	---	9,856
Asian Index Funds	<u>18,286</u>	<u>---</u>	<u>---</u>	<u>18,286</u>
Total Mutual Funds	48,365	---	---	48,365
Certificates of Deposit	---	475,000	---	475,000
Common Stock:				
International Telecommunications	<u>1,018</u>	<u>---</u>	<u>---</u>	<u>1,018</u>
Total Common Stock	1,018	---	---	1,018
Cash	<u>68,334</u>	<u>---</u>	<u>---</u>	<u>68,334</u>
Total Investments	\$ <u>117,717</u>	\$ <u>475,000</u>	\$ <u>---</u>	\$ <u>592,717</u>

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes as of December 31:

	<u>2013</u>	<u>2012</u>
Adopt A Bear	\$ 8,097	\$ 18,037
Animal Welfare League	51,425	---
Bayshore Soccer Club	1,473	394
Bobbi Smith Cancer Foundation	83	84
Buck Family Fund	5,069	85,421
Bully Free Community	303	---
Cancer Comfort Angels	42,690	34,779
Caring and Sharing	20,962	21,765
Caroline Veterans Memorial	8,527	4,122
CASA of Queen Anne's and Kent Counties	310	115
CCF	7,147	3,245
Centreville High School Alumni Scholarship-Gen.	7,598	6,294
Character Counts	10,284	9,640
Chesapeake Public Television	4,531	4,611
Chesapeake Women's Network-QA	1,345	8,640
Chesterfield Cemetery	4,076	2,215
Child Advocacy Center	23,296	22,985
Corsica River Conservancy	25,648	25,996
CRF	---	193,460
CSAFE Community Fund	46	31
CWN Scholarship Fund-Talbot	214	230
Dancing for Dogs	5,216	---
Drug Free Caroline Coalition	1,763	2,289
Early Wars of Queen Anne's County	5,052	20,615
Cancer Comfort Angels Scholarship	52	650
Eastern Shore Police Canine	3,193	3,694
Eastern Shore Sister City International	317	323
Educare	2,242	2,839
Eric and Cara Thorn Memorial Endowment	71,813	---
Eric and Cara Thorn Memorial Scholarship	20,691	---
Families First	70	71
Fathers Across America	199	---

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS (CONTINUED)

	<u>2013</u>	<u>2012</u>
Florence S. Buck Scholarship	\$ 1,967	\$ 2,002
Friends of Historic Christ Church	6,050	4,078
Friends of Island Dog Park	1,274	587
Friends of the QAC Sports Complex	212	216
Galestown Millpond Association	2,362	2,404
Healthy Families	639	1,005
Island Bay Day	573	301
Island Football Network	3,545	4,688
Judy Center Partnership	1,784	4,086
Kent Island Arts and Entertainment District	2,057	1,955
Kent Island Educational Music	4,681	---
Kent Narrows Development	9,657	---
MAPPA	909	---
Matapeake Elementary School Mural Fund	122	124
National Capital Radio and TV Museum	4,693	---
Partnering for Youth	437,241	342,792
Paso A Paso	8,492	646
Price Community Club	13,427	11,605
QA Railroad Society	236	9,856
QAC Agricultural Land Preservation	10,875	11,068
QAC Community Partnerships	15,631	15,909
QAC Economic Development	6,888	11,116
QAC High School Alumni Association	15,102	11,340
QAC Parks and Recreation Charitable Gift	9,022	5,111
QAC Park and Recreation	4,484	4,564
T. Conrad Monts Memorial	186,191	199,700
Talbot Senior Center Campaign	2,058	2,094
Team Chesapeake	11,099	13,334
The Ransom Foundation	12,717	14,986
The Rose House	24,404	24,837
Tomcat Solutions	7,216	3,334
Traffic Safety-Courtesy on the Road	12,931	21,622
War of 1812 Commemoration	45	46
Youth Developmental Assets	1,148	1,598
Foundation Family Emergency Fund	2,049	2,049
Centreville High School Alumni Scholarship	12,720	12,059
Dr. Elizabeth Hagen Scholarship-Endowment	151,560	151,190
Time Restricted	---	<u>310</u>
Total Temporarily Restricted Net Assets	\$ <u>1,319,793</u>	\$ <u>1,365,157</u>

FOUNDATION FOR COMMUNITY PARTNERSHIPS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 6 - DONATED SERVICES AND FACILITIES

The value of donated services and facilities included as contributions in the financial statements and the corresponding expenses for the year ended December 31, 2012 are as follows:

<u>2012</u>	<u>Program Services</u>	<u>General and Administrative</u>	<u>Total</u>
Legal and Professional Fees	\$ <u>8,967</u>	\$ <u>---</u>	\$ <u>8,967</u>

There were no donated services which met the criteria for recognition under generally accepted accounting principles in 2013.

NOTE 7 - OPERATING LEASE

The Organization entered into a one year lease agreement on July 1, 2013 for office space with a business owned by a member of the Board of Directors. The lease is for a term of one year with an option to renew for an additional twelve months. Monthly payments are \$550. After December 31, 2013 the lease turns into month-to-month. There are no future minimum lease payments.