CENTER FOR VISION LOSS, INC.
and
CENTER FOR VISION LOSS ENDOWMENT FOUNDATION
(Not-for-Profit Corporations)

Combined Financial Statements
and
Independent Auditor's Report

June 30, 2020

CAMPBELL, RAPPOLD & YURASITS LLP
Certified Public Accountants
1033 South Cedar Crest Boulevard Allentown, PA 18103

CENTER FOR VISION LOSS, INC. AND
CENTER FOR VISION LOSS ENDOWMENT FOUNDATION
(Not-for-Profit Corporations)

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CERTIFIED PUBLIC ACCOUNTANTS
CAMPBELL, RAPPOLD & YURASITS LLP

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Center for Vision Loss, Inc. and
Center for Vision Loss Endowment Foundation
Allentown, Pennsylvania

Report on the Combined Financial Statements

We have audited the accompanying combined financial statements of Center for Vision Loss, Inc. and Center for Vision Loss Endowment Foundation (not-for-profit corporations), which comprise the combined statement of financial position as of June 30, 2020, and the related combined statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined financial statements based on our audit. We conducted our audit 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 combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined financial statements.

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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 combined financial statements referred to above present fairly, in all material respects, the financial position of Center for Vision Loss, Inc. and Center for Vision Loss Endowment Foundation as of June 30, 2020, and the changes in their net assets and their 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

We have previously audited the Center for Vision Loss, Inc. and Center for Vision Loss Endowment Foundation's 2019 combined financial statements, and our report dated January 22, 2020, expressed an unmodified opinion on those audited combined financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

Campbell, Rappold & Yurasits LLP

January 21, 2021

CENTER FOR VISION LOSS, INC. AND
CENTER FOR VISION LOSS ENDOWMENT FOUNDATION
(Not-for-Profit Corporations)
COMBINED STATEMENT OF FINANCIAL POSITION
June 30, 2020
With Comparative Totals as of June 30, 2019

	Center for Vision Loss	Endowment Foundation	Total 2020	Total 2019
ASSETS:				
Cash and Cash Equivalents	$ 159,554	$ -	$ 159,554	$ 184,227
Grants and Accounts Receivable (Note 3)	11,048	-	11,048	21,225
Inventory	27,768	-	27,768	18,788
Prepaid Expense	18,935	2,706	21,641	16,000
Land, Building and Equipment (Note 4)	952,448	-	952,448	977,454
Beneficial Interest in Perpetual Trusts (Note 8)	622,381	-	622,381	618,988
Long-Term Investments (Note 5)	-	2,656,322	2,656,322	2,882,906
TOTAL ASSETS	$ 1,792,134	$ 2,659,028	$ 4,451,162	$ 4,719,588
LIABILITIES AND NET ASSETS:				
Accounts Payable	$ 19,463	$ -	$ 19,463	$ 26,716
Accrued Wages	24,725	-	24,725	26,090
Custodial Account	799	-	799	748
Deferred Revenue	3,303	-	3,303	11,414
TOTAL LIABILITIES	48,290	-	48,290	64,968
NET ASSETS:				
Without Donor Restrictions	1,093,607	2,466,019	3,559,626	3,820,880
With Donor Restrictions (Note 6)	650,237	193,009	843,246	833,740
TOTAL NET ASSETS	1,743,844	2,659,028	4,402,872	4,654,620
TOTAL LIABILITIES AND NET ASSETS	$ 1,792,134	$ 2,659,028	$ 4,451,162	$ 4,719,588

See independent auditor’s report and notes to financial statements.

CENTER FOR VISION LOSS, INC. AND
CENTER FOR VISION LOSS ENDOWMENT FOUNDATION
(Not-for-Profit Corporations)
COMBINED STATEMENT OF ACTIVITIES
Year Ended June 30, 2020
With Comparative Totals for the Year Ended June 30, 2019

	Without Donor Restrictions		With Donor Restrictions		2020	2019
	Center for Vision Loss	Endowment Foundation	Center for Vision Loss	Endowment Foundation	Total	Total
Revenues, Gains and Other Support						
Special Fund Raising Events	$ 79,250	$ -	$ -	$ -	$ 79,250	$ 78,252
Direct Cost of Events	11,111	-	-	-	11,111	17,202
Net Special Events Support	68,139	-	-	-	68,139	61,050
Resale - Merchandise and Aids	52,905	-	-	-	52,905	76,339
Cost of Goods Sold	40,995	-	-	-	40,995	62,896
	11,910	-	-	-	11,910	13,443
Governmental Support	344,899	-	-	-	344,899	188,077
Contributions	244,128	-	38,300	4,546	286,974	750,021
Program Fees	38,902	-	-	-	38,902	44,365
Interest and Dividends	193	72,241	-	-	72,434	61,725
Rental Income	18,516	-	-	-	18,516	21,329
Realized Gain on Sale of Investments	-	11,131	-	-	11,131	134,218
Unrealized Gain (Loss) on Investments	-	(95,721)	3,393	-	(92,328)	(50,606)
Total Revenues	726,687	(12,349)	41,693	4,546	760,577	1,223,622
Net Assets Released from Restrictions:						
Satisfaction of Program Restrictions	36,733	-	(36,733)	-	-	-
Total Revenues, Gains and Other Support	763,420	(12,349)	4,960	4,546	760,577	1,223,622
Expenses:						
Program Services:						
Rehabilitation and Social Services	587,004	-	-	-	587,004	608,117
Prevention and Education	98,732	-	-	-	98,732	113,727
Total Program Services	685,736	-	-	-	685,736	721,844
Supporting Services:						
Management and General	202,530	1,954	-	-	204,484	186,751
Fund Raising	122,105	-	-	-	122,105	139,360
Total Supporting Services	324,635	1,954	-	-	326,589	326,111
Total Expenses	1,010,371	1,954	-	-	1,012,325	1,047,955
Transfer to/from Foundation	215,000	(215,000)	-	-	-	-
Change in Net Assets	(31,951)	(229,303)	4,960	4,546	(251,748)	175,667
NET ASSETS AT BEGINNING OF YEAR	1,125,558	2,695,322	645,277	188,463	4,654,620	4,478,953
NET ASSETS AT END OF YEAR	$ 1,093,607	$ 2,466,019	$ 650,237	$ 193,009	$ 4,402,872	$ 4,654,620

See independent auditor’s report and notes to financial statements.

CENTER FOR VISION LOSS, INC. AND
CENTER FOR VISION LOSS ENDOWMENT FOUNDATION
(Not-for-Profit Corporations)
COMBINED STATEMENTS OF CASH FLOWS
Years Ended June 30, 2020 and 2019

Cash Flows from Operating Activities:	2020	2019
Change in Net Assets	$ (251,748)	$ 175,667
Adjustments to Reconcile Change in Net Assets		
to Net Cash (Used) Provided by Operating Activities:		
Depreciation	66,863	59,225
Change in Value of Split Interest Agreement	(3,393)	(39,999)
Unrealized Loss on Investments	95,721	90,605
Realized Gain on Sale of Investments	(11,131)	(134,218)
Changes in Assets and Liabilities:		
Increase (Decrease) in Grants and Accounts Receivable	10,177	(9,342)
Increase in Inventory	(8,980)	(1,177)
Increase in Prepaid Expense	(5,641)	(5,182)
Increase (Decrease) in Accounts Payable	(7,253)	5,023
Increase (Decrease) in Accrued Wages	(1,365)	2,453
Increase (Decrease) in Custodial Account	51	(359)
Increase (Decrease) in Deferred Revenue	(8,111)	1,387
Net Cash (Used) Provided by Operating Activities	(124,810)	144,083
Cash Flows from Investing Activities:		
Purchases of Equipment	(41,857)	(72,687)
Proceeds from Sales of Investments	399,045	1,884,542
Purchases of Investments	(257,051)	(2,088,757)
Net Cash (Used) Provided by Investing Activities	100,137	(276,902)
Net (Decrease) in Cash and Cash Equivalents	(24,673)	(132,819)
Cash and Cash Equivalents at the Beginning of Year	184,227	317,046
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 159,554	$ 184,227

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

CENTER FOR VISION LOSS, INC. AND
CENTER FOR VISION LOSS ENDOWMENT FOUNDATION
(Not-for-Profit Corporations)
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2020
With Comparative Totals for the Year Ended June 30, 2019

	Program Services		
	Rehabilitation and Social Services	Prevention and Education	Total
Salaries	$ 336,994	$ 66,061	$ 403,055
Payroll Taxes	30,004	5,882	35,886
Employee Benefits	24,125	4,729	28,854
Total Salaries and Related Expenses	391,123	76,672	467,795
Professional Fees	7,427	1,355	8,782
Supplies	19,815	3,615	23,430
Resale - Merchandise and Aids Cost of Goods Sold	40,995	-	40,995
Telephone/Internet/Website	15,568	2,840	18,408
Postage	1,187	218	1,405
Occupancy	43,032	3,841	46,873
Local Transportation	20,903	-	20,903
Dues, Conferences and Meetings	9,790	-	9,790
PAB Administrative Fee	21,914	-	21,914
Miscellaneous	380	-	380
Advertising/Marketing	-	-	-
Equipment Rental and Maintenance	18,534	3,381	21,915
Special Events	-	-	-
Rental Unit Expense	-	-	-
Total Expenses Before Depreciation	590,668	91,922	682,590
Depreciation	37,331	6,810	44,141
TOTAL EXPENSES BY FUNCTION	627,999	98,732	726,731
Less Expenses Included with Revenues on the Statement of Activities			
Resale- Merchandise and Aids Cost of of Goods Sold	(40,995)	-	(40,995)
Cost of Direct Benefits to Donors	-	-	-
Total Expenses Included in the Expense Section on the Statement of Activities	$ 587,004	$ 98,732	$ 685,736

See independent auditor’s report and notes to financial statements.

Supporting Services				
Management and General	Fund Raising	Total	2020 Totals	2019 Totals
$ 110,002	$ 68,610	$ 178,612	$ 581,667	$ 570,319
9,793	6,109	15,902	51,788	53,381
7,875	4,912	12,787	41,641	50,304
127,670	79,631	207,301	675,096	674,004
22,063	1,711	23,774	32,556	33,988
7,495	4,566	12,061	35,491	45,759
-	-	-	40,995	62,896
5,888	3,587	9,475	27,883	57,505
449	274	723	2,128	2,010
7,963	4,851	12,814	59,687	64,013
-	-	-	20,903	26,119
3,538	-	3,538	13,328	9,220
-	-	-	21,914	18,260
3,844	-	3,844	4,224	4,495
-	14,612	14,612	14,612	13,035
7,010	4,271	11,281	33,196	38,727
-	11,111	11,111	11,111	17,202
4,444	-	4,444	4,444	1,595
190,364	124,614	314,978	997,568	1,068,828
14,120	8,602	22,722	66,863	59,225
204,484	133,216	337,700	1,064,431	1,128,053
-	-	-	(40,995)	(62,896)
-	(11,111)	(11,111)	(11,111)	(17,202)
$ 204,484	$ 122,105	$ 326,589	$ 1,012,325	$ 1,047,955

1. Nature of Activities

The Center for Vision Loss, Inc. ("CVL") is a nonprofit corporation organized under the laws of the Commonwealth of Pennsylvania. The Center for Vision Loss, Inc. provides a comprehensive set of preventative, rehabilitative, support and social services enabling blind and visually impaired clients to achieve their personal goals and restore quality of life consistent with these goals. The Center for Vision Loss, Inc. believes that individuals challenged by severe vision loss should not have to choose between curtailing activities they once enjoyed and retaining their independence. This non-profit agency is a member of the Pennsylvania Association for the Blind and serves the residents of Lehigh, Northampton and Monroe Counties in eastern Pennsylvania, who are blind or visually impaired to lead well-adjusted, rewarding and productive lives. The programs and services available include Client Services, Low Vision Services and Community Outreach Programs.

The Center for Vision Loss Endowment Foundation (the "Foundation") is a nonprofit corporation organized under the laws of the Commonwealth of Pennsylvania and was created for the benefit of the Center for Vision Loss, Inc.

Principles of Combination

The combined financial statements include the accounts of the Center for Vision Loss, Inc. and Center for Vision Loss Endowment Foundation (the "Organizations"). The Foundation supports the operations and activities of CVL.

COVID-19 Impact on Operations and Financial Results

The Center for Vision Loss operated at a significantly diminished capacity from March 26-June 29, 2020, under orders by the Commonwealth of Pennsylvania because of the COVID-19 pandemic. During this period, the agency could not hold several client programs and could not perform free vision screenings at kindergarten registrations throughout Lehigh, Northampton, and Monroe counties. The cancellation of routine appointments at medical offices also decreased the number of rides taken from its client transport service. Delivery services for groceries and prescriptions were introduced and many classes and activities were modified for delivery by phone and/or videoconferencing. Staff members who could work from home did so. Effects of the pandemic on the agency's finances included decreases in some expense categories, including wages; decreased contributions due to global economic uncertainty; decreased revenue for services provided; and decreased revenue from the sale of devices and assistive technologies.

2. Summary of Significant Accounting Policies

Basis of Accounting

The Organizations' combined financial statements are presented in accordance with accounting principles generally accepted in the United States of America on an accrual basis.

2. Summary of Significant Accounting Policies (Continued)

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction.

Net Assets Without Donor Restrictions—Net assets that are not subject to, or are no longer subject to, donor-imposed stipulations.

Net Assets With Donor Restrictions—Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Basis of Presentation (Continued)

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Revenue is recorded when earned, revenue received in advance and not yet earned is recorded as deferred revenue. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

Use of Estimates

The preparation of combined 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 and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Donor Restrictions

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified as net assets without restrictions and reported in the combined statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reflected as unrestricted contributions in the accompanying combined financial statements.

2. Summary of Significant Accounting Policies (Continued)

Donor Restrictions (Continued)

Gifts of property and equipment (or other long-lived assets) are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support.

Cash and Cash Equivalents

For the purposes of the combined statement of cash flows, the Organizations consider all highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents exclude cash invested for long term purposes.

Prior Year Information

The combined financial statements include certain prior-year summarized comparative information in total but not by function or net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organizations' combined financial statements for the year ended June 30, 2019 from which the summarized information was derived.

Income Taxes

The Organizations are exempt from federal income tax under Internal Revenue Code 501(c)(3).

The accounting standard for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Organizations may recognize the tax benefits from an uncertain tax position only if it is more likely-than-not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organizations and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or liabilities recorded for fiscal year 2020.

The Organizations file their 990 with the United States Internal Revenue Service. The Organizations are generally no longer subject to examination by the Internal Revenue Service for years before 2018.

2. Summary of Significant Accounting Policies (Continued)

Inventory

Inventory is stated at the lower of cost or market, determined by the first-in, first-out method.

Deferred Revenue

Income from fundraising events is deferred and recognized in the period when the event is held.

Land, Building and Equipment

Land, building and equipment is stated at cost. Depreciation is computed by use of the straight-line method based on estimated useful lives. CVL typically capitalizes items costing or valued at $500 or more.

	Years
Buildings and Improvements	10 - 50
Equipment	5
Vehicles	5

Long-term Investments

Long-term investments are stated at fair market value.

Investment Income and Gains

Investment income and gains restricted by donors are reported as increases in net assets without restrictions if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Grants and Accounts Receivable

Grants and accounts receivable are presented at face value, net of the allowance for doubtful accounts. Management considers all accounts to be essentially collectible and, therefore, has not established a provision for uncollectible accounts. The Organizations' review the collection history of its customers and, generally, requires no collateral from its customers. The Organizations' policy is generally to write-off accounts receivable when they are deemed uncollectible.

Contributions

All contributions, legacies and bequests are considered to be available for unrestricted use unless specifically restricted by the donor.

2. Summary of Significant Accounting Policies (Continued)

Donated Materials and Services

Donated materials and equipment are reflected as contributions in the accompanying combined statements at their estimated values at date of receipt. No amounts have been reflected in the statements for donated services inasmuch as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time in the Organizations' program services and in their fund-raising campaigns.

Allocation of Expenses by Function

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Salaries, related benefits and taxes are allocated based on the percentage of time in which the employee worked in a particular department or supporting services. All other expenses are allocated directly to the program or supporting services or by an estimated percentage determined by management.

Accounting for Paycheck Protection Program (PPP)

The Organization may account for a Paycheck Protection Program (PPP) loan as a financial liability in accordance with FASB ASC Topic 470, *Debt*, or under other models, if certain conditions are met. If the Organization expects to meet the PPP's eligibility criteria and concludes that the PPP loan represents, in substance a grant that is expected to be forgiven, the Organization may account for the PPP loan in accordance with ASC Subtopic 958-605 as a conditional contribution. Management believes that, based on evaluation of the facts and circumstances specific to the Organization, eligibility criteria will be met and the Organization will qualify for full forgiveness. Therefore, the Organization elected the conditional contribution method. Under this method, once there is a reasonable assurance that the conditions for forgiveness will be met, the earnings impact of the government grant is recorded on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grant is intended to compensate. On April 16, 2020, the Organization received $124,000 under the Paycheck Protection Program. $124,000 of the PPP funding was recognized as revenue under governmental support on Combined Statement of Activities for the year ended June 30, 2020.

2. Summary of Significant Accounting Policies (Continued)

Adoption of New Accounting Standard

The Financial Accounting Standards Board (FASB) issued an Accounting Standard Update that affects the Organization, as noted below.

On July 1, 2019, the Organization adopted Accounting Standards Update 2018-08 Not for Profit Entities (Topic 958): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which established standards for characterizing grants and similar contracts with resource providers as either exchange transactions or conditional contributions. The adoption did not have an effect on net assets.

New Accounting Standards Not Yet Adopted

In May 2014, the FASB issued ASU 2014-09 (Topic 606): *Revenue from Contracts with Customers*. This new accounting guidance outlines a single comprehensive model for entities to use in accounting for revenue from contracts with customers. ASU 2014-09 is effective for the Organization in fiscal 2021. Management is assessing the impact this new standard will have on its financial statements.

3. Grants and Accounts Receivable

Grants and accounts receivable consist of the following:

	2020	2019
Bureau of Blindness and Visual Services	$ 2,082	$ 5,473
Miscellaneous Grants	5,576	13,895
Other	3,390	1,857
	$ 11,048	$ 21,225

4. Land, Building and Equipment

Land, building and equipment consist of the following:

	2020	2019
Land	$ 82,500	$ 82,500
Buildings and Improvements	1,321,315	1,314,015
Vehicles	180,599	175,602
Equipment	179,767	150,207
	1,764,181	1,722,324
Accumulated Depreciation	(811,733)	(744,870)
	$ 952,448	$ 977,454

Depreciation charged to expense was $66,863 for the year ended June 30, 2020 and $59,225 for the year ended June 30, 2019.

5. Long-Term Investments

Cost and market values of the investments are as follows:

	2020		2019	
	Cost	Market	Cost	Market
Foundation Endowment Funds				
Cash Held for Investment	$ 333,586	$ 333,586	$ 323,874	$ 323,874
Certificates of Deposit	-	-	206,100	209,385
Mutual Funds	2,351,875	2,322,736	2,070,132	2,138,749
Equity Securities	-	-	201,840	199,386
Fixed Income Securities	-	-	11,094	11,512
	$ 2,685,461	$ 2,656,322	$ 2,813,040	$ 2,882,906

Investment fees have been netted against interest income and amounted to $16,998 for the year ended June 30, 2020 and $15,251 for the year ended June 30, 2019.

	Endowment Foundation June 30, 2020	Endowment Foundation June 30, 2019
Income	$ 72,241	$ 61,578
Realized Gain	11,131	134,218
Unrealized Gain/ (Loss)	(95,721)	(90,605)
	$ (12,349)	$ 105,191

6. Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following at June 30:

	2020	2019
Kaleidoscope Program	$ 1,874	$ 9,543
Camp I Can	2,500	3,150
Vision Rehab Services	15,000	-
Client Help Fund	6,713	2,756
Heat Pump	-	5,000
Miscellanous	1,500	840
Assisted Devices Monroe	269	5,000
Perpetual Trusts	622,381	618,988
	650,237	645,277
Endowment Foundation- Investments Held in Perpetuity	193,009	188,463
	$ 843,246	$ 833,740

7. Net Assets Released from Restrictions

Net assets were released from restrictions during the year by incurring expenses satisfying the restricted purpose or by the expiration of time as follows:

	2020	2019
Capital Purchases	$ 5,000	$ 13,966
Camp I Can	3,150	3,412
Kaleidoscope Program	22,668	14,159
Grant Restricted for Next Fiscal Year	-	20,000
Miscellaneous	5,915	9,454
	36,733	60,991
Endowment Foundation-		
Market Value Adjustment/Restricted Income	-	20,526
	$ 36,733	$ 81,517

8. Beneficial Interest in Perpetual Trusts

CVL is the beneficiary of certain perpetual trusts held and administered by a third party. The present value of the estimated future cash flows (as measured by the fair value of the underlying investments) is recognized as assets and contribution revenues at the dates the trusts are established. Distributions from the trust are recorded as unrestricted investment income.

The increase or decrease in the asset measured by the fair value of the asset is recorded as a permanently restricted unrealized gain or loss in the Combined Statement of Activities and Change in Net Assets.

The Organization recorded its interest in a new perpetual trust during the year ended June 30, 2019. The value recorded in the financial statements during the fiscal year ending June 30, 2019 was $409,209.

For the years end June 30, 2020 and 2019 CVL recorded a gain in perpetual trust of $3,393 and $39,999, respectively due to the increase in fair value.

CVL also received distributions from the beneficial interest in perpetual trusts in the amount of $17,206 and $11,484 for the years ending June 30, 2020 and 2019, respectively, which is included in unrestricted contributions in the Combined Statement of Activities and Change in Net Assets.

The value of CVL's interest in the perpetual trusts at June 30, 2020 and 2019 was $622,381 and $618,988, respectively.

9. Leases

The Organization leases office space under a month-to-month lease and equipment under long-term lease agreements. The equipment leases are operating leases which expire in various years through 2026. Rental expense was $27,754 and $24,678 for the year ended June 30, 2020 and 2019, respectively.

Minimum lease payments under the operating leases are as follows:

June 30,		
2021	$	6,756
2022		6,722
2023		3,738
2024		1,344
2025 and Thereafter		1,680
	$	20,240

10. Advertising Expense

Advertising costs are expensed as incurred and were $14,612 and $13,035 for the year ended June 30, 2020 and 2019, respectively.

11. Endowment Funds

The Commonwealth of Pennsylvania has not adopted the Uniform Management of Institutional Funds Act (UMIFA) or the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Rather, the Pennsylvania uniform Principal and Income Act (Pennsylvania Act) governs the investment, use and management of the foundation’s endowment funds.

The Pennsylvania Act does not require the preservation of the fair value of a donor’s original gift as of the gift date of a donor-restricted endowment fund, absent explicit donor stipulations to the contrary. However, based on its interpretation of the Pennsylvania Act and relevant accounting literature, the foundation classifies as permanently restricted net assets for reporting purposes: (i) the original value of gifts donated to the permanent endowment; (ii) the original value of subsequent gifts to the permanent endowment; and (iii) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the foundation. The Pennsylvania Act allows a nonprofit to elect to appropriate for expenditure between 2% and 7% of the endowment fair value, determined at least annually and averaged over a period of three or more preceding years.

11. Endowment Funds (Continued)

In accordance with the Pennsylvania Act, the foundation has adopted endowment investment and spending policies which have been approved by the Board of Directors. The goal of the endowment investment policy is to provide a total return that preserves the long-term purchasing power of the endowment's assets, while providing an income stream to support the activities and mission of the foundation through sufficient spending. To satisfy the total return objectives, the foundation relies on a strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The foundation targets a diversified asset allocation that places emphasis on equities-based securities and fixed income investments within prudent risk parameters. The Board adopted endowment spending policy releases endowment funds for operating use based on any donor-restricted purpose. The endowment funds are co-mingled with unrestricted long-term investments. The Board has adopted a spending policy based on the operating budget, and is taken from the unrestricted investments. The endowment income is to be used to support services in Lehigh and Northampton Counties, with a portion specifically designated for services within the City of Bethlehem. All investment income is withdrawn and used for these purposes.

As of June 30, 2020, the Board of Directors had board designated endowment funds of $2,466,019 that are classified and reported as net assets without donor restrictions.

As of June 30, 2020, total endowment composition by net asset fund is:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor Restricted Endowment	$ -	$ 193,009	$ 193,009
Board Designated Endowment	2,466,019	-	2,466,019
	$ 2,466,019	$ 193,009	$ 2,659,028

Changes in endowment net assets for the year ended June 30, 2020 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance at June 30, 2019	$ 2,695,322	$ 188,463	$ 2,883,785
Gifts and Contributions	-	4,546	4,546
Investment Income	89,239	-	89,239
Net Appreciation (Depreciation)	(84,590)	-	(84,590)
Amounts Released for Operations	(233,952)	-	(233,952)
Balance at June 30, 2020	$ 2,466,019	$ 193,009	$ 2,659,028

11. Endowment Funds (Continued)

As of June 30, 2019, total endowment composition by net asset fund is:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor Restricted Endowment	$ -	$ 188,463	$ 188,463
Board Designated Endowment	2,695,322	-	2,695,322
	$ 2,695,322	$ 188,463	$ 2,883,785

Changes in endowment net assets for the year ended June 30, 2019 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance at June 30, 2018	$ 2,837,298	$ 206,989	$ 3,044,287
Gifts and Contributions	19,415	2,000	21,415
Investment Income	61,578	-	61,578
Net Appreciation (Depreciation)	64,139	(20,526)	43,613
Amounts Released for Operations	(287,108)	-	(287,108)
Balance at June 30, 2019	$ 2,695,322	$ 188,463	$ 2,883,785

12. Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (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) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organizations have the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 Inputs to the valuation methodology are unobservable.

12. Fair Value Measurements (Continued)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Investments classified within Level 3 whose fair value measurements consider several inputs may include Level 1 and/or Level 2 inputs as components of the overall fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Money market instruments, fixed income securities, government securities, exchange traded and closed end funds, stocks, and mutual funds: Valued at the net asset value ("NAV") of shares held by the Organization at year end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organizations believes their valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organizations' assets at fair value as of June 30, 2020 and 2019:

	Assets at Fair Value as of June 30, 2020			
	Level 1	Level 2	Level 3	Total
Money Market Funds	$ 333,587	$ -	$ -	$ 333,587
Mutual Funds	2,322,735	-	-	2,322,735
Beneficial Interest in Perpetual Trusts	-	-	622,381	622,381
	$ 2,656,322	$ -	$ 622,381	$ 3,278,703

12. Fair Value Measurements (Continued)

	Assets at Fair Value as of June 30, 2019			
	Level 1	Level 2	Level 3	Total
Money Market Funds	$ 323,874	$ -	$ -	$ 323,874
Certificates of Deposit	209,385	-	-	209,385
Mutual Funds	2,138,749	-	-	2,138,749
Fixed Income Securities	11,512	-	-	11,512
Equities	199,386	-	-	199,386
Beneficial Interest in Perpetual Trusts	-	-	618,988	618,988
	$ 2,882,906	$ -	$ 618,988	$ 3,501,894

There were no significant transfers between Level 1, 2 and 3 investments during the years ended June 30, 2020 and 2019. Transfers are recognized at the end of the reporting period.

The table below presents information about the changes in the beneficial interest in perpetual trusts, which are measured at fair value on a recurring basis.

Beneficial Interest in Perpetual Trusts (Level III):	
Balance at July 1, 2019	$ 618,988
Contribution	-
Change in Fair Value	3,393
Balance at June 30, 2020	$ 622,381

Beneficial Interest in Perpetual Trusts (Level III):	
Balance at July 1, 2018	$ 169,780
Contribution	409,209
Change in Fair Value	39,999
Balance at June 30, 2019	$ 618,988

13. Liquidity and Availability

The following tables reflect the Organizations' financial assets reduced by amounts not available for general expenditure within one year.

Financial assets are considered unavailable when not convertible to cash within one year or due to donors' restrictions.

	As of June 30, 2020		
	Center for Vision Loss	Endowment	Total
Cash and Cash Equivalents	$ 159,554	$ -	$ 159,554
Investments	-	2,656,322	2,656,322
Accounts Receivable	11,048	-	11,048
Less: Amounts with Donor Restrictions	(27,856)	(193,009)	(220,865)
	$ 142,746	2,463,313	$ 2,606,059

	As of June 30, 2019		
	Center for Vision Loss	Endowment	Total
Cash and Cash Equivalents	$ 184,227	$ -	$ 184,227
Investments	-	2,882,906	2,882,906
Accounts Receivable	21,225	-	21,225
Less: Amounts with Donor Restrictions	(26,289)	(188,463)	(214,752)
	$ 179,163	$ 2,694,443	$ 2,873,606

As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as general expenditures, liabilities and other obligations become due.

14. Department of Human Services Subcontract

	Year Ended June 30, 2020			
	Approved Budget	Total Program Costs	Actual DHS Funding	Center For Vision Loss Subsidy
Income:	$ 175,319	$ 577,519	$175,319	$ 402,200
Expenditures:				
Gross Salaries	120,000	293,971	120,000	$ 173,971
Employer Taxes and Fringe Benefits	20,400	83,445	20,400	63,045
Staff Total	140,400	377,416	140,400	237,016
Program Supplies	400	874	400	474
Accounting/Bookkeeping/Payroll Services	250	1,998	250	1,748
Administrative Overhead	6,000	14,699	6,000	8,699
Advertising Costs/ Staff Recruitment	250	1,254	250	1,004
Audit Fee	-	17,300	-	17,300
Certifications/Clearances	100	427	100	327
Consultations	5,000	9,213	5,000	4,213
Dues/Memberships/Subscriptions	100	3,733	100	3,633
Insurance Expenses	900	40,916	900	40,016
Office Supplies	500	5,917	500	5,417
Staff Travel	5,000	17,455	5,000	12,455
PAB Conference/Training Registration Fees	1,200	3,478	1,200	2,278
Postage/Shipping Costs	200	2,128	200	1,928
Printing/Reproduction	500	-	500	(500)
Vehicle/Travel Expenses	5,000	15,896	5,000	10,896
Other - Phones	800	7,857	800	7,057
Other - Utilities	800	8,540	800	7,740
Other - Occupancy	7,919	48,418	7,919	40,499
	175,319	577,519	175,319	402,200
Excess revenue over expenses	$ -	$ -	$ -	$ -

15. Subsequent Events

Management has evaluated subsequent events through January 21, 2021 the date on which the financial statements were available to be issued.

In March of 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the Organization, COVID-19 may impact various parts of its 2020-2021 operations and financial results. Management believes the Organization is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.