

Southwestern Pennsylvania
Commission

Primary Government Only – Financial
Statements and Required Supplementary
and Supplementary Information

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



Southwestern
Pennsylvania
Commission

SOUTHWESTERN PENNSYLVANIA COMMISSION

YEAR ENDED JUNE 30, 2011

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SOUTHWESTERN PENNSYLVANIA COMMISSION (SPC)

PRIMARY GOVERNMENT ONLY

MANAGEMENT DISCUSSION and ANALYSIS (MD&A)

This Management Discussion and Analysis (MD&A) of the financial performance of the Southwestern Pennsylvania Commission (SPC) - Primary Government only is to provide a summary understanding and analysis of the basic financial statements for the fiscal year ending June 30, 2011. The following summary analysis should be used in conjunction with the included financial statements.

Mission Statement: The Southwestern Pennsylvania Commission is the cooperative forum for regional collaboration, planning, and public decision-making. The Commission develops plans and programs for public investments; fulfills federal and state requirements for transportation, economic development, and local government assistance programs; and operates with public involvement and trust.

Performance Goals and Results: **Transportation** - The SPC worked to advance the region's 2011-2014 Transportation Improvement Plan (TIP), which evaluates the region's projects in the context of federally mandated funding constraints, resulting in a prioritized list of highway and transit projects programmed for advancement over a four-year period. Individual project phases selected for the TIP are responsive to a range of empirical data, specialized studies, and technical analysis. Two hundred and ten transportation related projects totaling over \$1.4 billion investment in the region's transportation infrastructure are contained in the TIP. Through its Transit Operator's Committee, SPC advanced cooperative regional initiatives and provided technical assistance to the region's sponsors of public transit projects and services in 2010. SPC provided technical assistance for the advancement of transit oriented development (TOD) and Transit Revitalization Investment District (TRID) formation throughout the region. SPC provided technical assistance to ATWIC to help facilitate regional efforts to provide viable transportation options for limited income job-seekers; individuals with mobility limitations; and, older adults. SPC developed a Regional Operations Plan (ROP) in 2007 to identify, define, and prioritize operationally focused projects and initiatives throughout the region. The ROP was incorporated as part of the region's Long-Range Transportation Plan (LRTP) and is used along with tools like the CMP to advance transportation operations in the region and to guide investments in the Transportation Improvement Program. In 2010, SPC began a comprehensive update of the ROP. SPC staff continues to work with its planning partners to enhance regional traffic signal asset management capabilities. In 2010, SPC completed the mapping of all of the region's signals on a Google Map tool which is available on our website. In addition, SPC also established the framework for a web-based traffic signal asset management tool which contains the signal inventory data collected in the field to date. SPC will continue to update this database as part of an ongoing statewide effort. SPC's travel models were used to complete the air quality conformity assessment for the 2011-2014 Transportation Improvement Program. The conformity assessment demonstrated that the region's proposed TIP and Long Range Transportation Plan are consistent with federal clean air standards. In July, the Commissioners approved the conformity finding for the proposed TIP under the PM2.5 and 8-hour ozone air quality standards.

Planning and Development - SPC members promote regionally integrated, cooperative planning and development activities for communities throughout Southwestern Pennsylvania. SPC combines management of community assistance, financial assistance, export and government procurement assistance, and special enterprise development activities with delivery of other state and federal programs to enhance our region's competitiveness in national and global markets. In 2010, SPC's Economic Development Strategy Committee reviewed, scored and prioritized projects, and recommended those projects to the Commission for submission to the Appalachian Regional Commission for funding consideration. In 2010, SPC members selected the highest priority projects in the categories of Aviation, Broadband, Community Development, Economic Development, Highway/Bridge, Transit and Water/Sewer for inclusion in the FY 2011 Regional Priority Project Book. SPC's Business Finance Assistance staff works with entrepreneurs to aid their business expansion and development projects. SPC acts as a public partner to reduce risk for local lenders. Through the years, SPC has developed strong relationships with community-based economic development entities to create comprehensive loan packages for small businesses to obtain low-interest loans. SPC's Government Procurement Assistance program helps hundreds of companies in the region with their efforts to market to and contract with federal, state and local government agencies. We provide one-on-one counseling and training with an emphasis on small businesses with minority, female or service-disabled veteran owners to help facilitate their participation in the government marketplace. In 2010, SPC's Export Development program continued to meet the high demand for export assistance services from businesses in the region.

Overview:

- The Independent Auditor’s Report expresses an unqualified opinion of the accompanying financial statements.
- Total unrestricted net assets for the Fiscal Year ending June 30, 2011 equal \$454,790. No change from the previous year.
- Total primary government revenues recognized during the fiscal year are \$10,582,233 vs \$7,570,651 for the previous year.
- Total federal grant funds recognized for the year are \$6,969,974 vs \$5,271,292 for the previous year.
- Total state grant funds recognized for the year are \$2,390,701 vs \$1,219,880 for the previous year.

Basic Financial Statements – The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all the activities of the Commission and are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. The SPC accounts and financial position is presented in the Governmental Activities of the Southwestern Pennsylvania Commission. The following summary financial information serves as the basis for the analysis of SPC’s financial position.

- **Statement of Net Assets** – this statement summarizes the overall SPC capital structure as to whether company assets were financed by incurring debt or equity. Increases or decreases in net assets and/or liabilities can be a useful indicator as to whether the financial position of SPC is improving or deteriorating. This statement also reflects the overall financial strength of the SPC including its Governmental activities compared to the previous year. Total Assets increased \$1,999,680 compared to the previous year due mainly to increased program grant advances from various federal, state and local government agencies. In summary, SPC has sufficient assets to cover liabilities at year end without incurring debt.

SUMMARY

	<u>June 30, 2011</u>	<u>June 30, 2010</u>
ASSETS		
Total cash and cash equivalents	\$2,066,668	\$960,708
Accounts receivable	<u>2,137,569</u>	<u>1,243,849</u>
Total Assets	<u>\$4,204,237</u>	<u>\$2,204,557</u>
LIABILITIES		
Total Liabilities	<u>\$3,749,447</u>	<u>\$1,749,767</u>
Total Net Assets	<u>\$454,790</u>	<u>\$454,790</u>

- **Statement of Activities** – this statement demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Generally, this statement is a balanced statement for the Governmental Activities. That is, revenues match expenses. For the year ended, a total of \$10,869,122 in revenues and in-kind services were needed to support total governmental activities. Governmental Activities include the general expenses of the SPC, the Unified Planning Work Program (UPWP) Highway/transit planning, the Special projects, and the Economic Development Programs. \$9,360,675 of revenues were generated from operating grants and contributions with \$1,508,447 coming from general revenues and in-kind contributions.

SUMMARY	<u>Total Expenses</u>	<u>Program Revenues</u>		<u>Net (expense) revenues and changes in net assets</u>	
		<u>Charges for Services</u>	<u>Operating grants and contributions</u>	<u>Governmental activities</u>	<u>2010</u>
Total governmental activities	\$ 10,869,122	\$ -	\$ 9,360,675	\$ (1,508,447)	\$ (1,428,979)
Total primary government	<u>\$ 10,869,122</u>	<u>\$ -</u>	<u>\$ 9,360,675</u>	<u>(1,508,447)</u>	<u>(1,428,979)</u>
Total general revenues and transfers				<u>1,508,447</u>	<u>1,428,979</u>
Change in net assets				-	-
Net assets - beginning of year				<u>454,790</u>	<u>454,790</u>
Net assets - end of year				<u>\$ 454,790</u>	<u>\$ 454,790</u>

Balance Sheet – Governmental Funds - the Balance Sheet reports information about SPC’s Governmental Funds financial position as it relates to the General fund activities and the Grants activities which are restricted in nature. This report includes all assets, liabilities and unreserved fund balance as of June 30, 2011. Accounts receivable reflect program grant funds due relating to the various planning and economic development programs undertaken by SPC. Total assets and liabilities and fund balance for the governmental funds as of June 30, 2011 were \$4,670,930 vs \$2,711,542 for the previous year.

Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds reports information on the accrual basis of accounting which is most commonly found with a quasi-governmental entity. The overall financial health of SPC is a product of its ability to secure federal, state, and local financial assistance grants, along with other contributions to move planning projects forward. Total revenues and other financing uses for the reporting period were \$10,582,233 vs \$7,570,651 for the previous year. In summary, after review of the overall financial position of SPC, it is management’s opinion that there are sufficient fund balance reserves to cover unforeseen charges.

* * * * *

Contacting SPC’s Finance Director

If you have any questions about this report, please contact SPC’s Director of Finance, 425 Sixth Avenue #2500, Pittsburgh, PA 15219.

Independent Auditor's Report

Executive Committee and Commissioners
Southwestern Pennsylvania Commission

We have audited the accompanying financial statements of the governmental activities and each major fund of Southwestern Pennsylvania Commission (Commission) as of and for the year ended June 30, 2011, which collectively comprise the basic financial statements of the Commission's primary government as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year's summarized comparative information has been derived from the Commission's primary government 2010 financial statements and, in our report dated December 14, 2010, we expressed an unqualified opinion on those financial statements.

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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements referred to above include only the primary government of the Commission, which consists of two funds that comprise the Commission's legal entity. The financial statements do not include financial data for the Commission's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Commission's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the Commission, as of June 30, 2011, and the changes in its financial position and its cash flows, where applicable, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund for the primary government of the Commission as of June 30, 2011, and the respective changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i through iii be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for

consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements taken as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Pittsburgh, Pennsylvania
December 2, 2011

SOUTHWESTERN PENNSYLVANIA COMMISSION

STATEMENT OF NET ASSETS

JUNE 30, 2011

(With Comparative Totals at June 30, 2010)

Assets	2011 Governmental Activities	2010 Governmental Activities
Cash and cash equivalents	\$ 2,066,668	\$ 960,708
Accounts receivable	2,137,569	1,243,849
Total Assets	\$ 4,204,237	\$ 2,204,557
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ -	\$ 351,046
Due to component unit	1,825,060	-
Grant advances	1,516,033	1,006,385
Deferred revenue	408,354	392,336
Total Liabilities	3,749,447	1,749,767
Net Assets:		
Unrestricted	454,790	454,790
Total Liabilities and Net Assets	\$ 4,204,237	\$ 2,204,557

See accompanying notes to financial statements.

SOUTHWESTERN PENNSYLVANIA COMMISSION

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2011

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

Functions/Programs	Expenses	Program Revenues		Capital Grants and Contributions	Total Governmental Activities	2010 Totals
	Charges for Services	Operating Grants and Contributions				
Governmental Activities:						
General	\$ 29,985	\$ -	\$ -	\$ -	\$ (29,985)	\$ (41,064)
Highway/transit planning	8,799,425	-	7,949,628	-	(849,797)	(719,242)
Special projects	325,674	-	-	-	(325,674)	(401,794)
Economic development programs	1,714,038	-	1,411,047	-	(302,991)	(266,879)
Total governmental activities	\$ 10,869,122	\$ -	\$ 9,360,675	\$ -	(1,508,447)	(1,428,979)
General revenues:						
Commission member contributions					444,663	437,079
In-kind contributions					440,539	492,637
Contributions					305,308	140,630
Interest income and other					31,048	9,133
Transfers from component unit					286,889	349,500
Total general revenues and transfers					1,508,447	1,428,979
Change in Net Assets						
Net assets - beginning of year					454,790	454,790
Net assets - end of year					\$ 454,790	\$ 454,790

See accompanying notes to financial statements.

SOUTHWESTERN PENNSYLVANIA COMMISSION

BALANCE SHEET GOVERNMENTAL FUNDS

JUNE 30, 2011
(With Comparative Totals at June 30, 2010)

Assets	General	Grants	2011 Totals	2010 Totals
Cash and cash equivalents	\$ -	\$ 2,066,668	\$ 2,066,668	\$ 960,708
Due from Special Revenue Fund	466,693	-	466,693	506,985
Accounts receivable	1,286,710	850,859	2,137,569	1,243,849
Total Assets	\$ 1,753,403	\$ 2,917,527	\$ 4,670,930	\$ 2,711,542
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 351,046
Due to General Fund	-	466,693	466,693	506,985
Due to component unit	-	1,825,060	1,825,060	-
Grant advances	890,259	625,774	1,516,033	1,006,385
Deferred revenue	408,354	-	408,354	392,336
Total Liabilities	1,298,613	2,917,527	4,216,140	2,256,752
Fund Balance:				
Unassigned	454,790	-	454,790	454,790
Total Liabilities and Fund Balance	\$ 1,753,403	\$ 2,917,527	\$ 4,670,930	\$ 2,711,542

See accompanying notes to financial statements.

SOUTHWESTERN PENNSYLVANIA COMMISSION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS

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

	General	Grants	2011 Totals	2010 Totals
Revenues:				
Federal grants	\$ -	\$ 6,969,974	\$ 6,969,974	\$ 5,271,292
State grants	-	2,390,701	2,390,701	1,219,880
Commission member contributions	29,985	414,678	444,663	437,079
In-kind contributions	-	440,539	440,539	492,637
Contributions	-	305,308	305,308	140,630
Interest income and other	-	31,048	31,048	9,133
Total revenues	29,985	10,552,248	10,582,233	7,570,651
Other Financing Sources:				
Operating transfers in from component unit	-	286,889	286,889	349,500
Other Financing Uses:				
Operating transfers out to component unit:				
Salaries and employee benefits	-	3,368,495	3,368,495	3,164,203
Consultants	-	4,016,779	4,016,779	1,970,490
Printing and publications	-	25,880	25,880	19,251
Telephone	-	3,138	3,138	3,228
Postage	-	12,576	12,576	4,661
Supplies	-	70,167	70,167	54,823
In-kind services - match	-	440,539	440,539	492,637
Travel and meetings	22,306	59,759	82,065	174,142
Promotion, PR, and advertising	-	6,292	6,292	50
Communications	7,679	277,335	285,014	292,977
Equipment and computer services	-	45,650	45,650	35,333
Temporary personnel	-	43,593	43,593	16,529
Books, dues, and subscriptions	-	61,900	61,900	109,744
Legal/audit	-	42,269	42,269	81,118
Rent	-	1,140	1,140	1,141
Training and development	-	17,861	17,861	8,305
Meetings	-	89,374	89,374	-
Construction - pass-through contractors	-	752,855	752,855	-
Indirect costs	-	1,503,535	1,503,535	1,491,519
Total operating transfers out to component units	29,985	10,839,137	10,869,122	7,920,151
Total other financing sources (uses)	(29,985)	(10,552,248)	(10,582,233)	(7,570,651)
Net Change in Fund Balance	-	-	-	-
Fund Balance:				
Beginning of year	454,790	-	454,790	454,790
End of year	\$ 454,790	\$ -	\$ 454,790	\$ 454,790

See accompanying notes to financial statements.

SOUTHWESTERN PENNSYLVANIA COMMISSION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

1. ORGANIZATION

The Southwestern Pennsylvania Commission (Commission) is a voluntary organization comprising the ten Counties of Allegheny, Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Lawrence, Washington, and Westmoreland, as well as the City of Pittsburgh. It was created under the Regional Planning Law, May 29, 1956, P.L. 1845, as amended, Section 3 of the Intergovernmental Cooperation Act, Number 180, July 12, 1972. The general purpose to be accomplished through the establishment of the Commission is to foster cooperative planning and coordinated effort among local government jurisdictions in southwestern Pennsylvania and to serve as a forum for the discussion of their common problems and aspirations. In keeping with this general purpose, the Commission maintains active programs of transportation planning and programming, economic development planning, and technical assistance to local governments.

The Commission consists of sixty-one voting individuals called Commissioners, which represent the Members of the Commission, the Pennsylvania Department of Transportation, the Governor's Office, the Pennsylvania Department of Community and Economic Development, the Port Authority of Allegheny County, and the Transit Operators Committee. The Commission is managed by Officers elected by the Commissioners.

The Commission has retained the Southwestern Pennsylvania Corporation (SPCorp), a component unit, to conduct studies and render services and to perform its administrative functions. All administrative costs and the costs associated with studies or services provided by the Corporation on behalf of the Commission are allocated directly or by an indirect cost allocation plan. The Corporation is a tax-exempt corporation whose operations consist primarily of services provided to the Commission and the operation of the Regional Enterprise Tower through May 31, 2011.

The Commission maintains an ongoing program of assistance to local governments. It is intended to help local elected officials improve management techniques and fiscal practices that will result in more efficient municipal operations. These intentions are accomplished by producing practical reference manuals, conducting workshops, and furnishing services directly to community officials on a selective basis.

As the designated Metropolitan Planning Organization, the Commission develops a comprehensive transportation plan and a transportation improvement program for the Southwestern Pennsylvania area. The scope of the planning and programming process includes highways, bridges, transit, and airport system elements. Projects must originate in the plan and be consistent with the program to qualify for federal funding. The Commission receives the majority of its funding from the Pennsylvania Department of Transportation.

The Commission contributes to the ongoing economic development effort in the region by sponsoring transportation related economic impact studies, when warranted, and by providing

SOUTHWESTERN PENNSYLVANIA COMMISSION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

technical support services to existing economic development agencies so they can perform their roles more effectively.

The Commission is exempt from federal income tax as a governmental entity defined in Section 115(2) of the Code.

In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14, "*Financial Reporting Entity*," the Commission is defined as a primary government. Consistent with applicable guidance, the criteria used by the Commission to evaluate the possible inclusion of related entities within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given situation, the Commission reviews the applicability of the following criteria:

The Commission is financially accountable for:

1. Organizations that make up the legal entity.
2. Legally separate organizations if the Commission appoints a voting majority of the organizations' governing body and the Commission is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Commission.
 - a. Impose its Will - If the Commission can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.
 - b. Financial Benefit or Burden - Exists if the Commission (1) is entitled to the organization's resources, or (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization, or (3) is obligated in some manner for the debt of the organization.
3. Organizations that are fiscally dependent on the Commission. Fiscal dependency is established if the organization is unable to adopt its budget, levy taxes, or set rates or charges, or issue bonded debt without approval by the Commission.

The only entity that should be considered a component unit of the Commission is the SPCorp, whose relationship to the Commission is discussed above. These financial statements include the financial position and results of operation of the primary government only, the Commission. Separate financial statements can be obtained that include both the Commission and the SPCorp at the Commission's office at 425 Sixth Avenue – Suite 2500, Pittsburgh, PA 15219.

SOUTHWESTERN PENNSYLVANIA COMMISSION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all the activities of the Commission. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Commission has no business-type activities.

The statement of net assets presents the financial condition of the governmental activities of the primary government as of year-end.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Amounts paid on behalf of the Commission by the SPCorp are reflected on the statement of activities as expenses. The SPCorp initially pays for all expenses of the Commission and is subsequently reimbursed by the Commission. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

SOUTHWESTERN PENNSYLVANIA COMMISSION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

Grants and member contributions associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Commission reports the following major governmental funds:

The Commission General Fund accounts for all the financial resources of the Commission, except for those required to be accounted for in another fund.

The Commission Special Revenue Fund (Grants Fund) accounts for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided and 2) operating grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first, then unrestricted resources as they are needed.

In-Kind Contributions

In-kind contributions include services provided by various organizations which are recorded at estimated value and volunteer time for specific services, which is recorded at predetermined rates applied on an hourly basis. The services are recognized when the in-kind support is characterized as integral to operations. Contributed support is recognized in the financial statements in accordance with Appalachian Regional Commission regulations.

Use of Estimates in the Preparation of Financial Statements

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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fund Balance

In the fund financial statements, governmental funds report fund balance in categories based on the level of restriction placed upon the funds. These levels are as follows:

SOUTHWESTERN PENNSYLVANIA COMMISSION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

- Nonspendable – This category represents funds that are not in spendable form and includes such items as prepaid expenditures.
- Restricted – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending that are legally enforceable by outside parties.
- Committed – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending imposed by the board. Such commitment is made via a board resolution and must be made prior to the end of the fiscal year. Removal of this commitment requires a board resolution. The SPC currently does not have any committed funds.
- Assigned – This category represents intentions of the board to use the funds for specific purposes. Such assignment is made by the Finance Director, but approval is obtained from the board for all such assignments. The SPC currently does not have any assigned funds.
- Unassigned – This category represents all other funds not otherwise defined.

SPC's policy is to use funds in the order of the most restrictive to the least restrictive.

Budgets and Budgetary Accounting

The Commission does not have a legally adopted budget that would require a separate budgetary comparison schedule. Budgetary control for the Commission is maintained through enforcement of the related grant provisions.

3. CASH AND CASH EQUIVALENTS

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types including U.S. Treasury bills, other short-term U.S. and Pennsylvania government obligations, insured or collateralized time deposits, and certificates of deposit. The statutes allow pooling of governmental funds for investment purposes.

The deposit and investment policy of the Commission adheres to state statutes. Deposits are maintained in demand accounts. There were no deposit or investment transactions during the year that were in violation of either the state statutes or the policy of the Commission.

GASB Statement No. 40, "*Deposit and Investment Risk Disclosures*," requires disclosures related to the following deposit and investment risks: credit risk (including custodial credit risk and concentrations of credit risk), interest rate risk, and foreign currency risk. As of year-end, the Commission does not hold any investments, as such, the following is a description of the Commission's deposit risk:

SOUTHWESTERN PENNSYLVANIA COMMISSION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned to it. The Commission does not have a formal deposit policy for custodial credit risk. As of June 30, 2011, \$1,816,669 of the Commission's bank balance of \$2,066,668 was exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. These deposits have a carrying amount of \$2,066,668 as of June 30, 2011.

4. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

Pennsylvania Department of Transportation	\$ 1,546,028
SPC - Grant Program Advances	113,488
Federal Transit Administration	293,229
Other	184,824
	<u>\$ 2,137,569</u>

5. CONTINGENCY

The Commission receives significant financial assistance from federal and state governmental agencies in the form of grants. The disbursement of such funds generally requires compliance with contract requirements and is subject to audit. Any disallowed costs resulting from such audits could become a liability of the Commission. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time. Management expects such amounts, if any, to be immaterial.

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Commission maintains insurance through an independent insurance carrier for these types of business losses. Settled claims for these risks have not exceeded commercial insurance coverage for the past three years. There have been no significant changes in insurance coverage since the prior fiscal year. Management believes the insurance coverage is sufficient to cover the Commission against potential losses.

Supplementary Information

SOUTHWESTERN PENNSYLVANIA COMMISSION

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS

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

	General	Grants		2011	2010	
	Commission General Fund	Highway/ Transit Planning	Special Projects			Economic Development Programs
Revenues:						
Federal grants	\$ -	\$ 6,419,130	\$ -	\$ 550,844	\$ 6,969,974	\$ 5,271,292
State grants	-	1,530,498	-	860,203	2,390,701	1,219,880
SPC member contributions	29,985	353,305	-	61,373	444,663	437,079
In-kind contributions	-	293,242	-	147,297	440,539	492,637
Contributions	-	203,250	40,660	61,398	305,308	140,630
Interest income and other	-	-	-	31,048	31,048	9,133
Total revenues	29,985	8,799,425	40,660	1,712,163	10,582,233	7,570,651
Other Financing Sources:						
Operating transfers in from component unit	-	-	285,014	1,875	286,889	349,500
Other Financing Uses:						
Operating transfers out to component unit:						
Salaries and employee benefits	-	2,324,932	187,830	855,733	3,368,495	3,164,203
Consultants	-	3,906,004	30,000	80,775	4,016,779	1,970,490
Printing and publications	-	20,962	1,070	3,848	25,880	19,251
Telephone	-	2,304	-	834	3,138	3,228
Postage	-	6,587	-	5,989	12,576	4,661
Supplies	-	61,864	2,806	5,497	70,167	54,823
In-kind services - match	-	293,242	-	147,297	440,539	492,637
Travel and meetings	22,306	(2,983)	1,251	61,491	82,065	174,142
Promotion, PR, and advertising	-	6,292	-	-	6,292	50
Communications	7,679	203,539	-	73,796	285,014	292,977
Equipment and computer services	-	41,569	120	3,961	45,650	35,333
Temporary personnel	-	43,593	-	-	43,593	16,529
Books, dues, and subscriptions	-	14,381	9,737	37,782	61,900	109,744
Legal/audit	-	18,415	4,687	19,167	42,269	81,118
Rent	-	1,140	-	-	1,140	1,141
Training and development	-	6,932	35	10,894	17,861	8,305
Meetings	-	89,374	-	-	89,374	-
Construction - pass-through contractors	-	752,855	-	-	752,855	-
Indirect costs	-	1,008,423	88,138	406,974	1,503,535	1,491,519
Total operating transfers out to component units	29,985	8,799,425	325,674	1,714,038	10,869,122	7,920,151
Total other financing sources (uses)	(29,985)	(8,799,425)	(40,660)	(1,712,163)	(10,582,233)	(7,570,651)
Net Change in Fund Balance	-	-	-	-	-	-
Fund Balance:						
Beginning of year	454,790	-	-	-	454,790	454,790
End of year	\$ 454,790	\$ -	\$ -	\$ -	\$ 454,790	\$ 454,790

SOUTHWESTERN PENNSYLVANIA COMMISSION

UNIFIED PLANNING WORK PROGRAMS, 2010-2011 PROGRAM YEAR

DETAILS OF EXPENDITURES BY ACTIVITY CLASSIFICATION

YEAR ENDED JUNE 30, 2011

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

	Funding Source					Totals	2010
	FHWA	FTA	PennDot	Local	Other		
Data Systems and Modeling:							
Maintain data and graphic files	\$ 127,258	\$ -	\$ 15,907	\$ 15,907	\$ -	\$ 159,072	\$ 150,323
GIS maintenance and operation	307,065	-	38,383	38,383	-	383,831	379,757
Air quality planning	135,766	-	25,456	8,485	-	169,707	167,513
Land use models and regional forecasts	108,475	39,525	20,339	16,669	-	185,008	178,379
Transportation models	108,475	39,524	20,339	16,661	-	184,999	170,105
Total data systems and modeling	787,039	79,049	120,424	96,105	-	1,082,617	1,046,077
Transportation Plans and Programs:							
Long-range planning	139,829	50,950	26,218	21,477	-	238,474	215,926
TIP management	181,734	-	17,782	7,785	19,867	227,168	217,866
Congestion management	75,958	-	14,242	4,747	-	94,947	94,455
Financial planning	77,680	-	14,565	4,855	-	97,100	95,312
Project planning and evaluation	-	-	-	-	-	-	58,874
Asset Management - Pavement Investment Model	15,802	-	-	-	3,951	19,753	-
Environmental justice report	13,567	-	1,696	1,696	-	16,959	17,624
Total transportation plans and programs	504,570	50,950	74,503	40,560	23,818	694,401	700,057
Transportation Modes and System Operation/Management:							
Freight planning	43,916	-	8,234	2,745	-	54,895	60,662
Intermodal initiatives	49,468	-	9,275	3,092	-	61,835	68,036
Transportation operations/safety planning	71,030	-	13,318	4,439	-	88,787	106,896
Commute info program - UPWP	34,734	138,928	4,342	39,087	-	217,091	207,973
Transit technical planning assistance	-	218,667	-	54,667	-	273,334	248,530
Port Authority planning program	12,000	184,000	-	-	49,000	245,000	230,000
Access to Work interagency cooperative	-	147,056	-	17,696	19,068	183,820	157,763
Regional Traffic Signal Program	102,996	-	12,874	12,874	-	128,744	119,613
Road Safety Audits	-	-	-	-	-	-	41,245
West Busway TOD study	-	-	-	-	-	-	99,918
Total transportation modes and system operation/management	314,144	688,651	48,043	134,600	68,068	1,253,506	1,340,636
Projects to Assist PennDot:							
Highway performance monitoring - traffic count program	154,216	-	38,554	-	-	192,770	187,085
Highway performance monitoring - Lawrence County	20,000	-	-	-	5,000	25,000	25,000
Highway performance monitoring - inventory	62,960	-	15,740	-	-	78,700	74,621
Technical assistance to PennDot	148,102	-	24,752	4,035	8,238	185,127	162,373
Traffic forecasts/needs reports	-	-	67,321	-	-	67,321	82,348
Total projects to assist PennDot	385,278	-	146,367	4,035	13,238	548,918	531,427
Outreach and Coordination:							
Support for planning agencies	213,371	-	-	-	53,343	266,714	266,723
LTAP promotion and evaluation	31,696	-	-	7,924	-	39,620	38,357
PennDOT Planning Partners Meeting	18,171	-	-	4,543	-	22,714	-
Public participation program	101,160	36,858	12,645	21,860	-	172,523	171,077
Total outreach and coordination	364,398	36,858	12,645	34,327	53,343	501,571	476,157
Program Administration:							
UPWP administration	66,631	24,278	12,493	10,233	-	113,635	114,516
General support services	149,341	54,414	18,668	32,272	-	254,695	255,697
Total program administration	215,972	78,692	31,161	42,505	-	368,330	370,213
Regional Traffic Signal Program:							
Cranberry Twp/Adams Twp/Seven Fields SINC UP	83,357	-	-	-	20,839	104,196	15,531
Cranberry Twp/Marshall Twp SINC UP	36,117	-	-	-	9,029	45,146	1,726
Plumcreek Township SINC UP	-	-	-	-	-	-	3,637
Zelenople Borough SINC UP	17,633	-	-	-	4,408	22,041	12,743
Mt Leb/Bethel Pk/Up St Clair/Peters SINC UP	89,196	-	-	-	22,299	111,495	125,581
Turtle Creek COG SINC UP	236,655	-	-	-	59,165	295,820	58,611
Scott Twp SR 121/SR 3052 SINC UP	47,417	-	-	-	11,854	59,271	45,036
Scott Township SR 50 SINC UP	-	-	-	-	-	-	-
Collier Twp/Bridgeville Borough SINC UP	28,002	-	-	-	7,000	35,002	33,006
Harrison Township SINC UP	52,364	-	-	-	13,091	65,455	35,771
Aliquippa SINC UP	25,303	-	-	-	6,326	31,629	12,315
Findlay/Moon/N Fayette Twps SINC UP	12,176	-	-	-	3,044	15,220	18,250
City of Pittsburgh SR 837 SINC	29,111	-	-	-	7,278	36,389	487
City of Pgh Liberty Ave Bloomfield SINC	20,158	-	-	-	5,040	25,198	606
City of Pgh Liberty Ave Strip District SINC	15,104	-	-	-	3,776	18,880	1,836
City of Pittsburgh SR 885 SINC	14,556	-	-	-	3,639	18,195	97
ACTA/Robinson Twp SINC	17,476	-	-	-	4,369	21,845	6,724
SR 65 SINC	37,918	-	9,480	-	-	47,398	22,771
W Miffl/Pleasant Hills/S Park/Bethel Park SINC	-	-	-	-	-	-	-
City of Pittsburgh/Penn Hills SINC	-	-	-	-	-	-	-
SR 3069 (West Liberty Avenue) SINC	23,618	-	5,905	-	-	29,523	-
New Castle SINC	-	-	-	-	-	-	-
North Huntingdon Township/IRWIN SINC UP	162,736	-	-	-	40,684	203,420	55,639
Youngwood Borough SINC UP	13,810	-	-	-	3,453	17,263	12,100
Westmoreland County SINC UP	9,068	-	-	-	2,267	11,335	5,375
Waynesburg SINC	21,172	-	5,293	-	-	26,465	12,405
Canonsburg SINC	18,852	-	4,713	-	-	23,565	-
Total regional traffic signal program	1,011,799	-	25,391	-	227,561	1,264,751	480,247
Total UPWP programs	\$ 3,583,200	\$ 934,200	\$ 458,534	\$ 352,132	\$ 386,028	\$ 5,714,094	\$ 4,944,814

SOUTHWESTERN PENNSYLVANIA COMMISSION

PENNSYLVANIA TURNPIKE COMMISSION PROJECTS

CUMULATIVE REVENUES, EXPENDITURES, AND COMPUTATION OF PROJECT GRANTS ON CURRENT PROJECTS

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

	Turnpike			Southern Beltway		June 30, 2011		June 30, 2010	
	Contract No. 6105-86-019, 00-28-0019, 8130-28-019, 6114-89-125, and 89-014-G125 1986-2010	Contract No. 00-28-0019 and 89-014-G125 2010-11	Project Total	Contract No. 8130-29-019, 6114-89-125, 00-29-0019, and 89-014-G125 Total	Current Year Total	Cumulative Total	Total	Cumulative Total	
Revenues:									
State grants	\$ 1,327,848	\$ -	\$ 1,327,848	\$ 244,507	\$ -	\$ 1,572,355	\$ -	\$ 1,572,355	
Expenditures:									
Salaries and employee benefits	\$ 797,559	\$ -	\$ 797,559	\$ 129,634	\$ -	\$ 927,193	\$ -	\$ 927,193	
Consultants	65,724	-	65,724	54,054	-	119,778	-	119,778	
Printing and publications	5,617	-	5,617	2,746	-	8,363	-	8,363	
Telephone	5	-	5	-	-	5	-	5	
Postage	389	-	389	25	-	414	-	414	
Supplies	379	-	379	260	-	639	-	639	
Travel and meetings	8,471	-	8,471	1,351	-	9,822	-	9,822	
Equipment and computer services	103,459	-	103,459	-	-	103,459	-	103,459	
Temporary personnel	2,616	-	2,616	-	-	2,616	-	2,616	
Books, dues, and subscriptions	16	-	16	11	-	27	-	27	
Legal/audit	63	-	63	-	-	63	-	63	
Indirect costs	343,550	-	343,550	56,426	-	399,976	-	399,976	
Total expenditures	\$ 1,327,848	\$ -	\$ 1,327,848	\$ 244,507	\$ -	\$ 1,572,355	\$ -	\$ 1,572,355	
						100%	\$ 1,700,000	100%	\$ 1,700,000
						\$ -	\$ 1,572,355	\$ -	\$ 1,572,355
						-	(1,572,355)	-	(1,572,355)
						\$ -	\$ -	\$ -	\$ -

SOUTHWESTERN PENNSYLVANIA COMMISSION

SCHEDULE OF FEDERAL TRANSIT ADMINISTRATION GRANTS

YEAR ENDED JUNE 30, 2011

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

	FTA/CommuterInfo Programs (1201-2601-2604)			FTA/CommuterInfo Programs (2601-2606-2607)			FTA/CMAQ Planning Programs(2605)			FTA/JARC Programs(2650)			FTA/NFI Programs(2651)			Total	2010
	PA-90-X471-01-02 March 10, 2003 to June 30, 2010			01...04 July 1, 2008 to June 30, 2010			PA-95-X007-00 July 1, 2007 to June 30, 2011			PA-37-X037-00 July 1, 2009 to June 30, 2010			PA-57-X009-00 July 1, 2009 to June 30, 2011				
	PA-90-X471-01-02 March 10, 2003 to June 30, 2010	PA-90-X471-01-02 July 1, 2010 to June 30, 2011	Project Total	01...04 July 1, 2008 to June 30, 2010	01...05 July 1, 2010 to June 30, 2011	Project Total	PA-95-X007-00 July 1, 2007 to June 30, 2011	PA-95-X007-00 July 1, 2010 to June 30, 2011	Project Total	PA-37-X037-00 July 1, 2009 to June 30, 2010	PA-37-X037-00-01 July 1, 2010 to June 30, 2011	Project Total	PA-57-X009-00 July 1, 2009 to June 30, 2011	PA-57-X009-00-01 July 1, 2010 to June 30, 2011	Project Total		
Revenues:																	
Federal grants	\$ 2,678,440	\$ 91,328	\$ 2,769,768	\$ 117,000	\$ 355,596	472,596	\$ 454,422	\$ 199,505	\$ 653,927	\$ 27,673	\$ 1,018,564	\$ 1,046,237	\$ 15,874	\$ 236,737	\$ 252,611	\$ 1,901,730	\$ 639,804
State grants	100,000	-	100,000	-	50,000	50,000	-	-	-	-	925,038	925,038	-	96,926	96,926	1,071,964	50,000
SPC member contributions	-	-	-	1,340	-	1,340	-	-	-	-	-	-	-	-	-	-	1,340
Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other local match	43,874	1,173	45,047	-	-	-	9,000	-	9,000	-	-	-	-	-	-	1,173	9,133
In-kind contributions	539,749	21,659	561,408	29,250	38,899	68,149	115,660	49,907	165,567	-	-	-	-	-	-	110,465	98,931
Total revenues	3,362,063	114,160	3,476,223	147,590	444,495	592,085	579,082	249,412	828,494	27,673	1,943,602	1,971,275	15,874	333,663	349,537	3,085,332	799,208
Expenditures:																	
Salaries and employee benefits	269,747	30,793	300,540	1,076	18,059	19,135	120,842	52,183	173,025	18,521	32,510	51,031	10,567	30,348	40,915	163,893	90,969
Consultants	2,238,255	40,334	2,278,589	116,810	375,911	492,721	258,790	117,088	375,878	-	1,895,911	1,895,911	-	284,789	284,789	2,714,033	555,149
Printing and publications	24,204	-	24,204	-	-	-	7,603	5,650	13,253	-	-	-	-	-	-	5,650	1,206
Postage	38	-	38	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	44,841	-	44,841	-	-	-	-	-	-	-	-	-	-	-	-	-	1,925
In-kind services match	539,749	21,659	561,408	29,250	38,899	68,149	115,660	49,907	165,567	-	-	-	-	-	-	110,465	98,931
Travel and meetings	61,826	-	61,826	-	2,031	2,031	84	-	84	-	358	358	-	358	358	2,747	4,378
Equipment and computer services	29,908	-	29,908	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Books, dues, and subscriptions	2,000	-	2,000	-	-	-	-	-	-	190	190	190	190	-	190	-	380
Communications	8,888	6,067	14,955	-	-	-	-	-	-	-	-	-	-	-	-	6,067	50
Legal/audit	5,895	-	5,895	-	-	-	16,158	-	16,158	-	-	-	-	3,589	3,589	3,589	-
Education	3,816	-	3,816	-	1,200	1,200	-	-	-	-	-	-	-	-	-	1,200	1,100
Indirect costs	132,896	15,307	148,203	454	8,395	8,849	59,945	24,584	84,529	8,962	14,823	23,785	5,117	14,579	19,696	77,688	45,120
Total expenditures	3,362,063	114,160	3,476,223	147,590	444,495	592,085	579,082	249,412	828,494	27,673	1,943,602	1,971,275	15,874	333,663	349,537	3,085,332	799,208
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financing Source:																	
Operating transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SOUTHWESTERN PENNSYLVANIA COMMISSION

SCHEDULE OF OTHER PROGRAMS AND GRANTS

YEAR ENDED JUNE 30, 2011

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

	Heinz Endowment Unified GIS Program B2166	SPC Communications	Totals	2010
Revenues:				
Federal grants	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
SPC member contributions	-	-	-	-
Communications	-	-	-	-
Other local match	-	-	-	-
In-kind contributions	-	-	-	-
Contributions	40,660	-	40,660	108,818
Regional Enterprise Tower	-	-	-	-
Other	-	-	-	-
Total revenues	40,660	-	40,660	108,818
Expenditures:				
Salaries and employee benefits	28,271	159,559	187,830	235,576
Consultants	-	30,000	30,000	30,000
Printing and publications	-	1,070	1,070	1,265
Supplies	-	2,806	2,806	3,249
Travel and meetings	-	1,251	1,251	1,381
Equipment and computer services	-	120	120	-
Books, dues, and subscriptions	-	9,737	9,737	7,923
Legal/audit	-	4,687	4,687	11,724
Training and development	-	35	35	-
Indirect costs	12,389	75,749	88,138	110,676
Total expenditures	40,660	285,014	325,674	401,794
Excess (Deficiency) of Revenues Over Expenditures	-	(285,014)	(285,014)	(292,976)
Other Financing Source:				
Operating transfers in	-	285,014	285,014	292,976
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ -

SOUTHWESTERN PENNSYLVANIA COMMISSION

ECONOMIC DEVELOPMENT PROGRAMS

COMBINING STATEMENT OF REVENUES AND EXPENDITURES BY PROGRAM

YEAR ENDED JUNE 30, 2011

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

	Appalachian Regional Commission				Appalachian Regional Commission Enterprise Development Program 302(b)	U.S. Department of Defense				Page Subtotal	
	Planning and Administration 302 (a)					PA-11055- C18-302-10 July 1, 2010 to June 30, 2010	First Option	First Option	Second Option		
	PA-0708E- C18-302 Jan 1, 2010 to June 30, 2010	PA-0708E- C18-302 July 1, 2010 to Dec 31, 2010	Total	PA-0708E- C19-302 Jan 1, 2011 to June 30, 2011			SP4800-08-2-0835 October 1, 2009 to June 30, 2010	SP4800-08-2-0835 July 1, 2010 to August 31, 2010	Total		SP4800-08-2-0835 Sept 1, 2010 to June 30, 2011
Revenues:											
Federal grants	\$ 31,181	\$ 72,633	\$ 103,814	\$ 43,269	\$ 321,577	\$ 62,547	\$ 15,735	\$ 78,282	\$ 35,630	\$ 488,844	
State grants	-	-	-	-	-	-	-	-	-	-	
SPC member contributions	13,390	11,636	25,026	10,726	-	-	-	-	15,098	37,460	
In-kind contributions	41,657	37,157	78,814	47,786	-	-	-	-	-	84,943	
Contributions	-	-	-	-	-	-	-	-	-	-	
Interest income and other	-	-	-	-	-	-	-	-	-	-	
Total revenues	86,228	121,426	207,654	101,781	321,577	62,547	15,735	78,282	50,728	611,247	
Expenditures:											
Salaries and employee benefits	27,007	58,060	85,067	34,100	175,399	36,428	6,714	43,142	32,120	306,393	
Consultants	-	-	-	-	-	-	-	-	-	-	
Printing and publications	48	99	147	-	1,081	37	45	82	-	1,225	
Telephone	270	225	495	-	305	-	-	-	-	530	
Postage	10	-	10	-	594	14	16	30	-	610	
Supplies	-	-	-	-	894	-	-	-	-	894	
In-kind services - match	41,657	37,157	78,814	47,786	-	-	-	-	-	84,943	
Travel and meetings	2,538	2,113	4,651	1,787	9,023	2,324	155	2,479	1,855	14,933	
Communications	-	-	-	-	30,000	-	-	-	-	30,000	
Equipment and computer services	-	-	-	-	2,385	-	-	-	-	2,385	
Books, dues, and subscriptions	-	-	-	-	8,037	5,772	5,577	11,349	1,655	15,269	
Legal/audit	-	-	-	-	6,772	-	-	-	-	6,772	
Education	-	-	-	-	3,397	357	-	357	-	3,397	
Indirect costs	14,698	23,772	38,470	18,108	83,690	17,615	3,228	20,843	15,098	143,896	
Total expenditures	86,228	121,426	207,654	101,781	321,577	62,547	15,735	78,282	50,728	611,247	
Excess (Deficiency) Revenues Over Expenditures	-	-	-	-	-	-	-	-	-	-	
Other Financing Source:											
Operating transfer in	-	-	-	-	-	-	-	-	-	-	
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

(Continued)

SOUTHWESTERN PENNSYLVANIA COMMISSION

ECONOMIC DEVELOPMENT PROGRAMS

COMBINING STATEMENT OF REVENUES AND EXPENDITURES BY PROGRAM

YEAR ENDED JUNE 30, 2011

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

(Continued)

	PA DCED Regional Export Network C000045307 July 1, 2010 to June 30, 2011	PA DCED BREP C000014606 July 1, 2010 to Dec 31, 2010	PA DCED BOAF C000048898 July 1, 2010 to June 30, 2011	PA DCED KOZ C000045471 July 1, 2010 to June 30, 2011	SAP & DC ARC PA Energy Future Program 1070722-0026 July 1, 2010 to June 30, 2011	SAP & DC ARC Pa Energy Partnership PA15726-C3-2010 Oct 1, 2010 to June 30, 2011	Page Subtotal
Revenues:							
Federal grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	176,175	61,562	61,200	10,000	-	-	308,937
SPC member contributions	-	-	-	3	-	-	3
In-kind contributions	-	25,354	-	-	-	-	25,354
Contributions	-	-	-	-	23,627	37,771	61,398
Interest income and other	-	6,483	-	-	23,392	-	29,875
Total revenues	176,175	93,399	61,200	10,003	47,019	37,771	425,567
Expenditures:							
Salaries and employee benefits	89,377	9,696	40,832	6,904	29,639	20,486	196,934
Consultants	27,175	53,600	-	-	-	-	80,775
Printing and publications	5	67	-	-	9	530	611
Telephone	-	-	-	-	-	-	-
Postage	10	-	-	-	227	2,299	2,536
Supplies	341	-	30	-	275	772	1,418
In-kind services - match	-	25,354	-	-	-	-	25,354
Travel and meetings	9,600	-	683	-	1,819	4,050	16,152
Communications	5,370	-	-	-	-	-	5,370
Equipment and computer services	-	-	-	-	-	-	-
Books, dues, and subscriptions	-	-	-	-	-	-	-
Legal/audit	-	-	30	-	-	-	30
Education	900	-	-	-	750	115	1,765
Indirect costs	43,397	4,682	19,625	3,099	14,300	9,519	94,622
Total expenditures	176,175	93,399	61,200	10,003	47,019	37,771	425,567
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-	-	-	-
Other Financing Source:							
Operating transfer in	-	-	-	-	-	-	-
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

SOUTHWESTERN PENNSYLVANIA COMMISSION

ECONOMIC DEVELOPMENT PROGRAMS

COMBINING STATEMENT OF REVENUES AND EXPENDITURES BY PROGRAM

YEAR ENDED JUNE 30, 2011

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

(Continued)

Economic Development Administration	Enterprise Development Program 302(b) PA DCED Enterprise Development Program			Page Subtotal	Total	2010	
	01-83-08907 July 1, 2010 to June 30, 2011	C000046623 July 1, 2010 to Sept 30, 2010	C000050392 July 1, 2010 to June 30, 2011				Total
Revenues:							
Federal grants	\$ 62,000	\$ -	\$ -	\$ -	\$ 62,000	\$ 550,844	\$ 742,185
State grants	-	188,482	362,784	551,266	551,266	860,203	724,207
SPC member contributions	25,020	63	-	63	25,083	62,546	41,258
In-kind contributions	37,000	-	-	-	37,000	147,297	137,285
Contributions	-	-	-	-	-	61,398	31,812
Interest income and other	-	-	-	-	-	29,875	-
Total revenues	124,020	188,545	362,784	551,329	675,349	1,712,163	1,676,747
Expenditures:							
Salaries and employee benefits	50,478	106,012	195,916	301,928	352,406	855,733	862,887
Consultants	-	-	-	-	-	80,775	92,942
Printing and publications	-	390	1,622	2,012	2,012	3,848	3,090
Telephone	-	-	304	304	304	834	1,300
Postage	-	239	2,604	2,843	2,843	5,989	1,560
Supplies	-	930	2,255	3,185	3,185	5,497	1,224
In-kind services - match	37,000	-	-	-	37,000	147,297	137,285
Travel and meetings	11,552	3,546	15,308	18,854	30,406	61,491	56,536
Communications	-	8,426	30,000	38,426	38,426	73,796	64,849
Equipment and computer services	-	-	1,576	1,576	1,576	3,961	9,891
Books, dues, and subscriptions	-	9,331	13,182	22,513	22,513	37,782	48,284
Legal/audit	-	6,019	6,346	12,365	12,365	19,167	42,327
Education costs	-	2,996	2,736	5,732	5,732	10,894	3,345
Indirect costs	24,990	50,656	92,810	143,466	168,456	406,974	407,751
Total expenditures	124,020	188,545	364,659	553,204	677,224	1,714,038	1,733,271
Excess (Deficiency) Revenues Over Expenditures	-	-	(1,875)	(1,875)	(1,875)	(1,875)	(56,524)
Other Financing Source:							
Operating transfer in	-	-	1,875	1,875	1,875	1,875	56,524
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Concluded)