

ABCUSA MATTHEW 25 GRANT APPLICATION

A generous donor has given a sum of money through American Baptist Churches USA to be used for programs that address "housing, feeding, education and health with regard to the less fortunate." The donor's primary concern is to help ameliorate poverty. ABCUSA will distribute grants of up to \$5,000 semi-annually as long as the generosity of this donor continues. A panel will select recipients largely based on the degree to which the funds will be used to directly assist persons in poverty. Ministries must be in relationship with American Baptist Churches USA to be eligible to apply.

1. General Information:

Organization Name: BuildaBridge International

Affiliation with ABCUSA: Our co-founder, Dr. J. Nathan Corbitt, has consulted with International Ministries of American Baptist Churches since 1995 when he began training overseas missionaries. Our community partnership with Second Baptist Church of Germantown (Philadelphia, PA) to operate a summer program for vulnerable and transitional youth is now in its sixth year. This alliance with American Baptist has been critical in serving the needs of the children of Philadelphia. Through the One Great Hour of Sharing and Relief Fund, BuildaBridge has served with American Baptist Missionaries in Haiti as well as our community programs. BuildaBridge's alliance with the American Baptist is supported the Amity Foundation in Nanjing, China and is in its 6th year and relates to the East Asia Office of International Ministries.

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Phone: (215) 842-0428

Federal Tax ID# 23-3048553

Contact person: Dr. J. Nathan Corbitt Email: NCorbitt@buildabridge.org

2. Please submit with your application a copy of:

- Your mission statement **(Attached)**
- Your most recent annual report or audited financial statement **(Attached)**

3. How do you plan to use the requested funds? How will the funds specifically assist individuals battling poverty and its effects? (Please submit on separate sheet. Maximum of one page.) **(Attached)**

4. Total cost of the project: \$60,109 (\$57,109 in direct expenses plus \$3,000 administration expenses)

5. Amount being requested from the ABCUSA Matthew 25 Grant: \$4,000.00

6. Your other funding source(s):

Confirmed/On-hand:

- a. American Honda: \$10,000
- b. Wayne Presbyterian Church: \$400

Anticipated/Applied:

- c. Lincoln Financial: \$5,000
- d. Douty Foundation: \$2,000
- e. PA Department of Education Food Program: \$3,000

- f. American Baptist-OGHS- \$10,000
- g. Henrietta Tower Wurts: \$3,000
- h. SCOP: \$4,500
- i. Seybert Foundation: \$4,000
- j. Family Fees (sliding scale): \$3,000

I certify that all the information submitted with this application is true and correct, and that we will use any granted funds as described. We will supply a 1-page report on the use of the funds and a photo within six months of receipt of the grant.

(Signed) J. Smith Date 3/1/13

Printed Name/Title Jamaine Smith, Director of Community Programs

Please note:

- Incomplete applications will not be considered.
- Recipients agree to share their stories via the ABCUSA website.
- Application deadline is March 1 for grants distributed on April 15; Sept. 1 for grants distributed on Oct. 15
- Completed applications should be sent to:

Mission Resource Development
American Baptist Churches USA
P.O. Box 851
Valley Forge, PA 19482-0851

Or emailed to: Beth.Fogg@abc-usa.org





2. Mission

BuildaBridge is a non-profit arts education and intervention organization that engages creative people and the transformative power of Art-making to bring hope and healing to children and families living in contexts of crisis and poverty. We envision a world where all children are resilient, experience self-efficacy, and have a vision for their future. BuildaBridge dedicates its resources to building the capacity of creative adults and local communities to fulfill this vision.

(Copy of most recent audited financial statement attached)

3. Funding Plans.

BuildaBridge plans to use requested funds to:

- Provide 10 scholarships to cover fees for attendance for vulnerable children experiencing homelessness to attend our Artology Summer Program. Fee per child is \$400.00. Fees cover supplies (each Artology student receives a backpack stocked with a water bottle, magnifying glass, journal/sketch book, and drawing tools), field trip admission, Art and Science supplies for classroom instruction, and meals.

Artology is hands-on educational summer program utilizing Philadelphia's neighborhoods, parks, and museums as interactive classrooms in which to provide interactive and experiential learning through a challenging and comprehensive curriculum. *Artology* is an innovative synthesis of art and science, strategically designed to promote engagement and ingenuity while addressing the needs of Philadelphia's most vulnerable students. *Artology* helps bridge the widening educational gap that continues to persist along lines of class and race throughout our country and in our city and prepares disadvantaged urban students for bright futures in an emerging "green" economy.

In an in-depth, independent analysis of the current achievement gap, McKinsey and Company (2009) found that "On average, black and Latino students are roughly two to three years of learning behind white students of the same age... The poverty gap appears early and persists over the lifetime of a student." With purposeful intention towards addressing these disparities, *Artology's* main constituency is low-income African-American and Latino children who live in homeless shelters, transitional housing, or disadvantaged communities. In their research on the effects of summer vacation on achievement, Cooper et al. (1996) reveal that "low-income children, by the end of fifth grade, are 2.5 years behind their more affluent peers...primarily due to summer learning loss". Corroborating this research Berliner (2009) explains that "...as a function of family dynamics, income, parental education, and so forth, poor children do not grow in achievement during the summer as much as middle-class children. Convincing evidence exists that about 50% of the achievement gap between children of higher and lower income families at the start of high school is due to the cumulative lack of summer gains among low-SES (low-socioeconomic status) children... High quality programs with the ability to attract the students most in need are badly needed, summer learning that promotes school learning."

Artology directly addresses these educational needs, while simultaneously cultivating life skills, critical thinking capacity, character development, and appreciation for art and environmental



awareness. By teaching students to explore, inquire, and create, *Artology* promotes innovation and provides students with the tools necessary to begin carving out secure and successful places for themselves in the future.

Through curriculum designed by professional artists, science teachers, and medical students to meet Pennsylvania Department of Education standards, *Artology* students:

- ❑ Practice scientific inquiry such as observing, classifying, measuring, comparing and contrasting, recognizing patterns, formulating hypothesis, and experimenting. Lessons include: Microscope use, Germ/Bacteria Growth, 4 Spheres of Ecology, Food Chain – Prey/Predator, Habitat, and Plant/Animal Adaptation.
- ❑ Make art! They are guided by exemplary works of art while learning key elements and principles of art and media technique. Lessons include: Art/Design from Recycled Materials, Botanical Illustration, Art from Organic Materials, Haiku Poetry.
- ❑ Discover the importance of environmental responsibility by engaging in critical discussions, participating in neighborhood cleanup, and practicing "Reduce, Re-Use, Recycle". Lessons include Sustainable Housing and Design, Water Health Testing, Neighborhood Clean Up.

BUILDABRIDGE INTERNATIONAL
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2011 and 2010
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT

BUILDABRIDGE INTERNATIONAL

DECEMBER 31, 2011 and 2010

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Independent Auditor's Report

To: The Board of Directors
BuildaBridge International
Philadelphia, Pennsylvania

We have audited the accompanying statements of financial position of **BuildaBridge International**, as of December 31, 2011 and 2010 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of **BuildaBridge International's** management. Our responsibility is to express an opinion on these 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 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 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **BuildaBridge International** as of December 31, 2011 and 2010 and the changes in its net assets and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of functional expenses on page 5 is presented for purposes of additional analysis and is not a required part of the financial statements. Such 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 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.

Collingswood, NJ
June 19, 2012

BUILDABRIDGE INTERNATIONAL
STATEMENTS OF FINANCIAL POSITION
YEARS ENDED DECEMBER 31,

	<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
Assets			
Cash and cash equivalents		\$ 14,526	\$ 39,912
Accounts receivable, net		17,043	39,548
Property and equipment, net		<u>11,601</u>	<u>11,224</u>
Total assets		<u>\$ 43,170</u>	<u>\$ 90,684</u>
	<u>LIABILITIES AND NET ASSETS</u>		
Liabilities			
Accounts payable and accrued expenses		<u>\$ 4,594</u>	<u>\$ 6,022</u>
Total liabilities		<u>4,594</u>	<u>6,022</u>
Net assets			
Unrestricted		33,703	36,745
Temporarily restricted		<u>4,873</u>	<u>47,917</u>
Total net assets		<u>38,576</u>	<u>84,662</u>
Total net assets and liabilities		<u>\$ 43,170</u>	<u>\$ 90,684</u>

The accompanying notes are an integral part of these financial statements.

BUILDBRIDGE INTERNATIONAL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011 WITH COMPARATIVE
TOTALS FOR THE YEAR ENDED DECEMBER 31, 2010

	Unrestricted	Temporarily Restricted	2011 Totals	2010 Totals
<u>REVENUE AND SUPPORT</u>				
Contributions	\$ 55,176	\$ -	\$ 55,176	\$ 35,163
Grant income	10,798	79,922	90,720	172,042
Program income	81,015	-	81,015	121,030
Registration	12,733	-	12,733	14,021
Trip Income	25,156	-	25,156	35,494
In-kind contributions	101,804	-	101,804	47,365
Rental (room and board)	9,762	-	9,762	1,873
Miscellaneous	2,408	-	2,408	21
Temporarily restricted net assets released from restrictions	122,966	(122,966)	-	-
Total revenue and support	421,818	(43,044)	378,774	427,009
<u>EXPENSES</u>				
Program expenses	371,500	-	371,500	346,008
Supporting services				
General & administrative	27,549	-	27,549	32,228
Fund raising	25,811	-	25,811	30,792
Total expenses	424,860	-	424,860	409,028
Changes in net assets	(3,042)	(43,044)	(46,086)	17,981
Net assets - beginning of year	36,745	47,917	84,662	66,681
Net assets - end of year	<u>\$ 33,703</u>	<u>\$ 4,873</u>	<u>\$ 38,576</u>	<u>\$ 84,662</u>

The accompanying notes are an integral part of these financial statements.

BUILDBRIDGE INTERNATIONAL
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	<u>2011</u>	<u>2010</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Changes in net assets	\$ (46,086)	\$ 17,981
Adjustments to reconcile increase in net assets to net cash (used in) operating activities:		
Depreciation	5,259	4,351
(Increase) decrease In:		
Accounts receivable	22,505	(39,548)
Increase (Decrease) in:		
Accounts payable and accrued expenses	<u>(1,428)</u>	<u>3,294</u>
Net cash (used in) operating activities	<u>(19,750)</u>	<u>(13,922)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of property and equipment	<u>(5,636)</u>	<u>(4,123)</u>
Net cash (used in) investing activities	<u>(5,636)</u>	<u>(4,123)</u>
Net (decrease) in cash and cash equivalents	(25,386)	(18,045)
Cash and cash equivalents - beginning of year	<u>39,912</u>	<u>57,957</u>
Cash and cash equivalents - end of year	<u><u>\$ 14,526</u></u>	<u><u>\$ 39,912</u></u>

The accompanying notes are an integral part of these financial statements.

BUILDA BRIDGE INTERNATIONAL
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2011 WITH
COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2010

		Supporting Services			
	Program Services	Management & General	Fund Raising	2011 Totals	2010 Totals
Salaries and wages	\$ 38,736	\$ 9,114	\$ 9,114	\$ 56,964	\$ 85,046
Payroll taxes	3,314	780	780	4,874	21,986
Total salaries and wages	42,050	9,894	9,894	61,838	107,032
Bank service charges	-	1,522	-	1,522	299
Conferences and seminars	185	-	-	185	1,287
Dues and subscriptions	913	415	332	1,660	1,284
Equipment expense	1,418	645	516	2,579	5,611
Food and beverage	597	272	217	1,086	2,760
Fundraising expenses	-	-	3,011	3,011	1,825
Depreciation	2,892	1,315	1,052	5,259	4,351
Insurance	330	150	120	600	660
Miscellaneous	2,222	1,010	808	4,040	3,619
Printing and reproduction	1,416	644	515	2,575	3,942
Program expenses - off-site:					
Artists, teachers, etc	109,166	-	-	109,166	111,071
Art supplies	9,670	-	-	9,670	3,617
Food and beverage	14,097	-	-	14,097	14,423
Housing and hotel	14,298	-	-	14,298	1,619
Insurance	9,181	-	-	9,181	9,980
Program expenses	11,081	-	-	11,081	11,856
Photographic docs	32	-	-	32	1,580
Postage and delivery	444	202	162	808	1,132
Rent	5,519	-	-	5,519	14,460
Supplies	7,679	-	-	7,679	7,122
Telephone	4,827	-	-	4,827	4,451
Travel	16,047	-	-	16,047	13,898
Professional fees	7,193	3,270	2,616	13,078	11,126
Professional fees - in-kind	92,176	-	-	92,176	45,300
Rent	12,184	5,538	4,430	22,152	20,352
Utilities	624	284	227	1,134	2,279
Travel	5,258	2,390	1,912	9,560	2,092
Total expenses	<u>\$ 371,500</u>	<u>\$ 27,549</u>	<u>\$ 25,811</u>	<u>\$ 424,860</u>	<u>\$ 409,028</u>

The accompanying notes are an integral part of these financial statements.

BUILDABRIDGE INTERNATIONAL
NOTES TO THE FINANCIALS
DECEMBER 31, 2011 and 2010

1. PROGRAMS AND ACTIVITIES

BuildaBridge International (BI) is a nonprofit arts, education, social service and intervention organization dedicated to bringing hope and healing to vulnerable children, families and communities in the tough places of Philadelphia and the world through direct arts-integrated intervention and cross-cultural service. BI was founded on the core values of love, compassion, justice, reconciliation, and service to others. Through these values, BI seeks to motivate, enlist, train and connect those who have the desire to serve others through their artistic gifts with those in greatest need.

BI engages the arts to bridge barriers of race, class, and ethnicity and to impact a child's academic, social, artistic and character development. Recognizing that in many communities the arts are not thought of as a vehicle for service, but rather an enjoyment reserved for the elite, BI developed direct service programs that made the arts accessible to underserved populations, providing aesthetic nourishment, therapeutic intervention, holistic development as well as enjoyment.

Primarily a volunteer organization, BI serves the community through three distinct and unique programs: the Community Arts Program, the Overseas Program, and the Institute for the Arts and Transformation. BI receives grants and contributions to support its programs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described below.

Basis of Presentation

BI prepares its financial statements in accordance with Accounting Standards Codification (ASC) No. 958, "Not-for-Profit Entities." Under ASC No. 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions. In addition, the Organization is required to present a statement of cash flows.

Contributions and Grants

All contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted support that increases that net asset class. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

All of BI's expenses, including expenses relating to assets previously included among the temporarily restricted net assets class of accounts, are decreases in unrestricted net assets

BUILDABRIDGE INTERNATIONAL
NOTES TO THE FINANCIALS
DECEMBER 31, 2011 and 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Use of Estimates

The timely preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Accounts Receivable

BI considers its accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Property and Equipment

Property and equipment are recorded at cost and depreciated on a straight line method over the estimated useful lives of the assets. Expenditures for maintenance and repairs are charged against operations as incurred and major renewals and improvements are capitalized.

Contributed In-Kind Services and Materials

Donated services are recognized as contributions in accordance with ASC No. 958-605-25-16, "Not-For-Profit Entities - Revenue Recognition - Contributed Services", if the services: (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Income Taxes

BI is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code.

Effective January 1, 2009, management adopted the accounting standard, "Accounting for Uncertainty Income Taxes." This standard clarifies the accounting and reporting got uncertainties in income tax positions taken or expected to be taken in filings with taxing jurisdictions, using minimum recognition and measurement thresholds.

Management has reviewed tax positions taken in filings with federal and state jurisdictions and believes those positions would be sustained should the filings be examined by the relevant taxing authority. These filings are subject to examination generally for three years after they are filed.

Should settlement of an examination or other event result in a change in management's evaluation of a tax position taken or expected to be taken in filings that have not been closed by statute or examination, any interest and penalties related to the unrecognized tax benefit as a result of the uncertain tax position would be included in interest expense and administrative expenses, respectively.

BUILDABRIDGE INTERNATIONAL
NOTES TO THE FINANCIALS
DECEMBER 31, 2011 and 2010

3. CONCENTRATION OF CREDIT RISK

BI maintains its operating cash at a local bank. These balances are insured by the FDIC up to \$250,000.

4. RELATED PARTY TRANSACTIONS

BI leases office space from the officers and founders. Total rent expense for office facilities for the years ended December 31, 2011 and 2010 were \$22,152 and \$20,352, respectively, not including utilities which were paid separately. See note 8.

5. DONATED SERVICES

BI receives donated services through VISTA workers, interns and other volunteers. No amounts for donated services have been recognized in the accompanying statements of activities because the criteria for recognition of such volunteer effort have not been satisfied. A substantial number of volunteers have donated significant amounts of time in various capacities. However, the value of the services has not been recognized for reasons described above. Nonetheless, these services are critical to the successful completion of BuildaBridge's mission.

6. FUNCTIONAL EXPENSES

The cost of providing the various programs and other activities has been summarized in general categories based on specific identification in the schedule of functional expenses. Direct costs are allocated by specific identification and indirect expenses are allocated based upon salary expenditures

7. PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	<u>2011</u>	<u>2010</u>
Capital Improvements	\$ 5,557	\$ 5,557
Leasehold Improvements	5,655	5,655
Furniture, fixtures, and equipment	15,457	9,821
Pre-2008 assets	<u>5,638</u>	<u>5,638</u>
	32,307	26,671
Less: accumulated depreciation	<u>(20,706)</u>	<u>(15,447)</u>
Property and equipment, net	<u>\$11,601</u>	<u>\$11,224</u>

Depreciation expense for the years ended December 31, 2011 and 2010 were \$5,259 \$4,351, respectively.

BUILDABRIDGE INTERNATIONAL
NOTES TO THE FINANCIALS
DECEMBER 31, 2011 and 2010

8. LEASING ARRANGEMENTS

In February 2007, BI entered into a lease for office space for a period of six years with a four year renewal option ending January 31, 2017. Each year the lease is subject to a 3% increase. The future minimum lease payments are \$22,448 for 2012.

Rent expense was \$22,152 and \$20,352 for the years ended December 31, 2011, and 2010, respectively.

9. SUBSEQUENT EVENTS

In preparing these financial statements, management of BuildaBridge International has evaluated events and transactions for potential recognition or disclosure through June 19, 2012, the date the financial statements were available to be issued. BI had no significant or material subsequent events through June 19, 2012.