

**Pittsburgh Partnership For
Neighborhood Development, Inc.
Financial Statements and Additional
Information**

**Years Ended December 31, 2009 and 2008 with
Independent Auditor's Report**

PITTSBURGH PARTNERSHIP FOR NEIGHBORHOOD DEVELOPMENT, INC.

YEARS ENDED DECEMBER 31, 2009 AND 2008

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Independent Auditor's Report

Board of Directors
Pittsburgh Partnership for Neighborhood Development, Inc.

We have audited the accompanying statements of financial position of Pittsburgh Partnership for Neighborhood Development, Inc. (Partnership) as of December 31, 2009 and 2008 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 audits provide 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 the Partnership as of December 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying additional information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Maher Duessel

Pittsburgh, Pennsylvania
April 15, 2010

**PITTSBURGH PARTNERSHIP FOR
NEIGHBORHOOD DEVELOPMENT, INC.**

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2009 AND 2008

Assets	2009	2008
Current assets:		
Cash and cash equivalent investments	\$ 4,246,776	\$ 4,203,570
Program-related notes receivable - current portion, net of allowances of \$821,455 and \$821,455 in 2009 and 2008, respectively	-	5,464
Accounts receivable	8,150	100
Prepaid assets	14,606	5,201
Grants receivable	155,000	179,000
Total current assets	4,424,532	4,393,335
Program-related notes receivable, net of allowances of \$25,000 and \$25,000 in 2009 and 2008, respectively	25,000	25,000
Fixed assets, net of accumulated depreciation of \$105,352 and \$97,309 in 2009 and 2008, respectively	25,061	25,954
Total Assets	\$ 4,474,593	\$ 4,444,289
Liabilities and Net Assets		
Liabilities:		
Grants payable	\$ 706,306	\$ 826,050
Accounts payable and accrued expenses	141,310	125,400
Total Liabilities	847,616	951,450
Net Assets:		
Unrestricted	1,846,645	1,746,933
Unrestricted - designated for development loans and grants	885,348	173,211
Total unrestricted net assets	2,731,993	1,920,144
Temporarily restricted	894,984	1,572,695
Total Net Assets	3,626,977	3,492,839
Total Liabilities and Net Assets	\$ 4,474,593	\$ 4,444,289

See accompanying notes to financial statements.

PITTSBURGH PARTNERSHIP FOR NEIGHBORHOOD DEVELOPMENT, INC.

STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
Change in Unrestricted Net Assets:		
Revenues and other support:		
Gifts and grants	\$ 1,940,100	\$ 965,767
Interest, net of investment fees of \$8,089 and \$9,248 in 2009 and 2008, respectively	25,464	133,480
Other income	65,928	67,252
Total unrestricted revenues and other support	2,031,492	1,166,499
Net assets released from restrictions	1,137,711	1,330,665
Total revenues and other support	3,169,203	2,497,164
Expenses and losses:		
Community development activities:		
Grants approved, net of cancellations of \$2,000 and \$10,871 in 2009 and 2008, respectively	1,393,350	2,075,029
Program development and other program costs	638,394	692,674
Administrative expenses:		
Finance, governance, and administration	250,716	230,218
Fundraising	74,894	69,809
Total expenses and losses	2,357,354	3,067,730
Net Change in Unrestricted Net Assets	811,849	(570,566)
Change in Temporarily Restricted Net Assets:		
Gifts and grants	460,000	331,250
Net assets released from restrictions	(1,137,711)	(1,330,665)
Net Change in Temporarily Restricted Net Assets	(677,711)	(999,415)
Change in Net Assets	134,138	(1,569,981)
Net Assets:		
Beginning of year	3,492,839	5,062,820
End of year	\$ 3,626,977	\$ 3,492,839

See accompanying notes to financial statements.

**PITTSBURGH PARTNERSHIP FOR
NEIGHBORHOOD DEVELOPMENT, INC.**

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
Cash Flows From Operating Activities:		
Change in net assets	\$ 134,138	\$ (1,569,981)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	8,043	9,287
Pension liability	-	(39,054)
Change in:		
Accounts receivable	(8,050)	(100)
Grants receivable	24,000	331,000
Prepaid assets	(9,405)	404
Grants payable	(119,744)	391,116
Accounts payable	15,910	86,455
Total adjustments	(89,246)	779,108
Net cash provided by (used in) operating activities	44,892	(790,873)
Cash Flows From Investing Activities:		
Program-related notes receivable:		
Principal repaid	5,464	207,992
Purchases of fixed assets	(7,150)	(21,047)
Net cash provided by (used in) investing activities	(1,686)	186,945
Net Increase (Decrease) in Cash and Cash Equivalents	43,206	(603,928)
Cash and Cash Equivalents:		
Beginning of year	4,203,570	4,807,498
End of year	\$ 4,246,776	\$ 4,203,570

See accompanying notes to financial statements.

PITTSBURGH PARTNERSHIP FOR NEIGHBORHOOD DEVELOPMENT, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2009 AND 2008

1. ORGANIZATION AND PURPOSE

Pittsburgh Partnership for Neighborhood Development, Inc. (Partnership), a supporting organization of The Pittsburgh Foundation, was established in April 1988 to foster the economic development of households in distressed communities; further the renovation, development, and revitalization of local neighborhoods within the City of Pittsburgh; and to promote and further the interest and purposes of The Pittsburgh Foundation.

During fiscal year 2007, the Partnership signed a Memorandum of Agreement with the Local Initiatives Support Corporation (LISC), a New York based national community development intermediary, whereby the Partnership will have access to LISC's financial and programmatic resources for use in its community development revitalization efforts. The Partnership will continue to maintain its autonomy as a separate legal entity while working in concert with LISC to provide community development resources to Southwestern Pennsylvania. The initial term of the agreement is through December 31, 2009 and shall be automatically extended each year thereafter, unless one or both parties provides written notice to the other of its intention not to extend within 90 days prior to the end of the termination period, or December 31st of the applicable year.

Through the Partnership's relationship with LISC, an allocation of HUD Section 4 dollars was obtained for Southwestern Pennsylvania neighborhoods in 2009 in the amount of \$262,000. The Partnership's role was to work directly with eligible neighborhoods to construct a work program that fulfilled the requirements of the Section 4 program, submit an application on behalf of Southwestern Pennsylvania, and if awarded, contract with the approved neighborhood organizations, manage the contract and request disbursements to the neighborhood organizations once obligations were fulfilled. Since the HUD Section 4 funds did not flow through the Partnership, rather directly between LISC and the Pittsburgh community development corporations, and met no revenue recognition criteria for the Partnership, no financial effect of these transactions are reflected in the Partnership's financial statements. However, due to the Partnership's role in securing this funding, the \$262,000 of HUD Section 4 funding should be considered in terms of gauging the Partnership's overall programmatic impact on the community development corporations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The records of the Partnership are maintained on the accrual basis of accounting. Expenses are recorded when a liability is incurred and revenues are recognized as they are earned.

PITTSBURGH PARTNERSHIP FOR NEIGHBORHOOD DEVELOPMENT, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2009 AND 2008

Fund Accounting

A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific activity. The Partnership's internal records are organized into the following funds:

Operating Fund

In addition to the Partnership's own administrative operations, the Operating Fund provides grants and loans to support local community development programs and special technical assistance.

Development Fund

The Development Fund enables the Partnership to make flexible-term, low-interest loans and grants to non-profit organizations for real estate development projects. The fund money is leveraged by additional investments from private and public funders.

Donor-Restricted Fund

This fund is used to account for donor-restricted gifts.

Basis of Presentation

Net assets and revenues and gains are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Partnership and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Partnership and/or the passage of time.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor

PITTSBURGH PARTNERSHIP FOR NEIGHBORHOOD DEVELOPMENT, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2009 AND 2008

stipulation or by law. Expirations of temporary restrictions on 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.

Cash and Cash Equivalent Investments

Cash and cash equivalent investments include highly liquid investments with original maturities of three months or less. The fair value measurements at December 31, 2009 for these investments used Level 1 inputs, as defined by accounting principles generally accepted in the United States of America, as their fair value is based on a quoted price in an active market.

Gifts/Grants

Gifts and grants are received from various local foundations and corporations to support the purposes of the Partnership. Unconditional gifts are reported at fair value at the date notified. Conditional promises to give are reported at fair value at the date the conditions are met.

At December 31, 2009, \$155,000 of unconditional grants was due from various local foundations and organizations. All of these grants are expected to be paid to the Partnership during 2010. At December 31, 2008, \$179,000 of unconditional grants was due from various local foundations.

Grants Approved

The Partnership does approve grants with conditions; however, the probability is deemed remote that the grantees will not meet these conditions. Accordingly, grants are recorded when they are approved by the Board of Directors (Board). Grant cancellations and refunds of paid grants are recorded as they occur.

Furniture, Equipment, and Leasehold Improvements

Furniture, equipment, and leasehold improvements are recorded at cost over \$500 and depreciated or amortized over a three to ten year period using the straight-line method.

Income Taxes

The Partnership was determined to be exempt from federal income tax under the provision of Section 501(c)(3) of the Internal Revenue Code of 1986 (Code) and has been classified as an

PITTSBURGH PARTNERSHIP FOR NEIGHBORHOOD DEVELOPMENT, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2009 AND 2008

organization which is not a private foundation as defined in section 509(a)(3) of the Code. The Partnership meets the definition under the Code as a Type I supporting organization.

Use of Estimates

The preparation of the 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 financial statements. Estimates also affect the reported amounts of revenues and expenses. Actual results could differ from those estimates.

Subsequent Events

Subsequent events have been evaluated through the Independent Auditor's Report date, which is the date the financial statements were available to be issued.

3. PROGRAM-RELATED NOTES RECEIVABLE

Program-related notes receivable at December 31, 2009 and 2008 consist of unsecured and secured project loans to local civic and community organizations in the Pittsburgh area that were approved by the Real Estate Committee, a committee of the Board. Interest rates on these loans range from 0% to 3.00% at December 31, 2009 and 2008. Interest income is recognized as deemed collectible. Management's estimate of the allowance for uncollectible notes receivable is based upon past history with the borrowing organizations and the Partnership's expectations of future payments. The allowance estimates are reviewed and approved by the Real Estate Committee. Uncollectible notes are charged off against the established allowance when approved by the Real Estate Committee. Notes are considered past due based upon contractual terms.

On July 23, 2009, the Partnership entered into a loan agreement with the Northside Community Development Fund (Fund). Under the agreement, the Partnership will make loans to the Fund in an aggregate amount not to exceed \$250,000. Drawdowns taken on the loan through February 28, 2010 will be treated as a line of credit. After February 28, 2010, the loan will convert to a term loan and repayments will be due with interest. No drawdown of funds occurred until January 7, 2010. As such, no amounts related to this loan are recorded on the statement of financial position as of December 31, 2009.

PITTSBURGH PARTNERSHIP FOR NEIGHBORHOOD DEVELOPMENT, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2009 AND 2008

4. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at December 31, 2009 and 2008 are available for the following purposes:

	2009	2008
Small Cities Growth Fund	\$ 74,368	\$ 74,368
Business plan initiatives	48,116	68,593
Strategic Corridor development	-	100,000
Community information system	-	43,874
Affordable housing development	-	250,000
Hilltop Community Health Center work	-	3,360
Regional expansion	50,000	20,000
Youth-serving organizations	12,500	12,500
Rainmaker	45,000	-
Regional Learning Network	5,000	-
Capacity building services for Oak Hill	10,000	-
Pre-development investments	140,000	-
Best practice work	10,000	-
Restricted for subsequent years' operations	500,000	1,000,000
	<u>\$ 894,984</u>	<u>\$ 1,572,695</u>

Temporarily restricted net assets were released for the satisfaction of purpose restrictions in the amount of \$637,711 and \$830,665 during 2009 and 2008, respectively. Temporarily restricted net assets were released due to the lapsing of time in the amount of \$500,000 and \$500,000 during 2009 and 2008, respectively.

5. GIFTS AND GRANTS

As a supporting organization, the Partnership receives grants from The Pittsburgh Foundation. For 2009, The Pittsburgh Foundation approved grants of \$225,000 to provide operating support for the Partnership. In 2008, The Pittsburgh Foundation approved grants of \$250,000 that were restricted to supporting the development of affordable housing units in the City of Pittsburgh.

PITTSBURGH PARTNERSHIP FOR NEIGHBORHOOD DEVELOPMENT, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2009 AND 2008

The Partnership also receives significant gifts and grants from other foundations and corporations. Gifts and grants received from these other organizations are as follows:

	2009	2008
<u>Unrestricted:</u>		
Other foundations	\$ 1,460,100	\$ 421,000
Corporations	255,000	280,000
Governments	-	264,767
	\$ 1,715,100	\$ 965,767
<u>Temporarily Restricted:</u>		
Other foundations	\$ 150,000	\$ 26,250
Corporations	255,000	20,000
Other	55,000	35,000
	\$ 460,000	\$ 81,250

6. ADMINISTRATIVE EXPENSES

Administrative expenses, as reported in the statements of activities, consist of the following:

	2009	2008
Occupancy	\$ 17,790	\$ 17,658
Professional fees	51,142	51,023
Office expense	30,597	45,592
Other	4,755	3,820
Salaries and fringe benefits	192,143	178,198
Board development	29,183	3,736
	\$ 325,610	\$ 300,027

PITTSBURGH PARTNERSHIP FOR NEIGHBORHOOD DEVELOPMENT, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2009 AND 2008

7. LEASES AND EXPENSE SHARING AGREEMENT

Effective July 30, 2007, the Partnership renewed their lease agreement for office space that expires on December 31, 2010. The monthly rental expense was negotiated as \$4,524. Future minimum lease payments due in 2010 total \$54,288.

The Partnership has entered into agreements with LISC and another organization to share a portion of its office space, certain office expenses, and the use of office equipment. The terms of these agreements expire December 31, 2010. Under these agreements, the Partnership received \$19,200 and \$18,600 in annual lease rentals in 2009 and 2008, respectively.

8. RELATED PARTY

As discussed in Note 1, the Partnership is a supporting organization to The Pittsburgh Foundation. In addition to the grants given to the Partnership as noted in Note 5, The Pittsburgh Foundation provides other administrative support to the Partnership, including the processing of all payroll and benefits payments, at no cost to the Partnership.

9. PITTSBURGH EQUITY FUND L.P.

The Partnership is a co-general partner in the Pittsburgh Equity Fund L.P. (Equity Fund). In accordance with the Partnership agreement, profits, losses, cash flow (subject to certain priority allocations and distributions), and tax credits are allocated 99.99% to the limited partners and 0.01% to the general partners. The Equity Fund was formed as a limited partnership under the laws of the State of Delaware for the purpose of investing in various limited partnerships which have been organized to acquire, develop, own, and operate low-income residential rental properties.

No payments were received from the Equity Fund in fiscal years 2009 and 2008, nor does the Partnership assign a value to its interest as it is deemed immaterial.

10. RETIREMENT PLAN

Effective January 1, 2009, the Partnership began a 401(k) contribution program (401(k)) for its employees. Under the terms of the 401(k), the Partnership will make contributions equal to 5% of each employee's compensation, regardless of whether they participate in the plan.

PITTSBURGH PARTNERSHIP FOR NEIGHBORHOOD DEVELOPMENT, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2009 AND 2008

In addition, the Partnership will provide matching funds up to 3% of each employee's compensation. During 2009, the Partnership contributed \$42,262 to the plan on behalf of its employees.

Through December 31, 2008, the Partnership participated in a multi-employer defined benefit pension plan (plan) sponsored by The Pittsburgh Foundation. Full disclosures regarding the plan's funded status, net assets, and liabilities are disclosed in The Pittsburgh Foundation's audited financial statements, a copy of which may be obtained by writing to The Pittsburgh Foundation at One PPG Place, 30th Floor, Pittsburgh, PA 15222. Annually, The Pittsburgh Foundation allocated to the Partnership the future pension liability as calculated by an actuary relating to pension obligations incurred with respect to its employees. This non-cash, long-term liability was adjusted annually based on updated actuarial calculations. Pension cash contributions for the year ended December 31, 2008 were approximately \$57,000.

The assets accumulated under The Pittsburgh Foundation's plan will remain frozen in that plan until the employees are terminated from the Partnership. As such, the Partnership has no obligation towards the plan at year-end; thus, a pension liability is not reflected in the statements of financial position at December 31, 2009 or 2008. The exact details to finalize the Partnership's financial participation in the plan are still being developed.

Additional Information

**PITTSBURGH PARTNERSHIP FOR
NEIGHBORHOOD DEVELOPMENT, INC.**

COMBINING STATEMENT OF FINANCIAL POSITION BY FUND

DECEMBER 31, 2009

(With Comparative Totals at December 31, 2008)

Assets	Operating	Development	Donor- Restricted	2009	2008
Current assets:					
Cash and cash equivalent investments	\$ 2,081,588	\$ 1,110,204	\$ 1,054,984	\$ 4,246,776	\$ 4,203,570
Program-related notes receivable - current portion, net of allowances of \$821,455 and \$821,455 in 2009 and 2008, respectively	-	-	-	-	5,464
Accounts receivable	8,150	-	-	8,150	100
Prepaid assets	14,606	-	-	14,606	5,201
Due from/(to) other funds	10,000	(10,000)	-	-	-
Grants receivable	110,000	-	45,000	155,000	179,000
Total current assets	2,224,344	1,100,204	1,099,984	4,424,532	4,393,335
Program-related notes receivable, net of allowances of \$25,000 and \$25,000 in 2009 and 2008, respectively	-	25,000	-	25,000	25,000
Fixed assets, net of accumulated depreciation of \$105,352 and \$97,309 in 2009 and 2008, respectively	25,061	-	-	25,061	25,954
Total Assets	\$ 2,249,405	\$ 1,125,204	\$ 1,099,984	\$ 4,474,593	\$ 4,444,289
Liabilities and Net Assets					
Liabilities:					
Grants payable	\$ 266,450	\$ 239,856	\$ 200,000	\$ 706,306	\$ 826,050
Accounts payable and accrued expenses	136,310	-	5,000	141,310	125,400
Total Liabilities	402,760	239,856	205,000	847,616	951,450
Net Assets:					
Unrestricted	1,846,645	-	-	1,846,645	1,746,933
Unrestricted - designated for development loans and grants	-	885,348	-	885,348	173,211
Total unrestricted net assets	1,846,645	885,348	-	2,731,993	1,920,144
Temporarily restricted	-	-	894,984	894,984	1,572,695
Total Net Assets	1,846,645	885,348	894,984	3,626,977	3,492,839
Total Liabilities and Net Assets	\$ 2,249,405	\$ 1,125,204	\$ 1,099,984	\$ 4,474,593	\$ 4,444,289

**PITTSBURGH PARTNERSHIP FOR
NEIGHBORHOOD DEVELOPMENT, INC.**

COMBINING STATEMENT OF ACTIVITY BY FUND

YEAR ENDED DECEMBER 31, 2009
(With Comparative Totals for Year Ended December 31, 2008)

	Operating	Development	Donor- Restricted	Totals
	2009	2008	2009	2008
Change in Unrestricted Net Assets:				
Revenues and other support:				
Gifts and grants	\$ 1,215,100	\$ 725,000	\$ -	\$ 1,940,100
Interest, net of investment fees of \$8,089 and \$9,248 in 2009 and 2008, respectively	23,687	1,777	-	25,464
Other income	65,928	-	-	65,928
Total unrestricted revenues and other support	1,304,715	726,777	-	2,031,492
Net assets released from restrictions	774,836	100,000	262,875	1,137,711
Total revenues and other support	2,079,551	826,777	262,875	3,169,203
Expenses and losses:				
Community development activities:				
Grants approved, net of cancellations of \$2,000 and \$10,871 in 2009 and 2008, respectively	1,088,350	105,000	200,000	1,393,350
Program development and other program costs	575,519	-	62,875	638,394
Administrative expenses:				
Finance, governance, and administration	241,076	9,640	-	250,716
Fundraising	74,894	-	-	74,894
Total expenses and losses	1,979,839	114,640	262,875	2,357,354
Net Change in Unrestricted Net Assets	99,712	712,137	-	811,849
Change in Temporarily Restricted Net Assets:				
Gifts and grants	-	-	460,000	331,250
Net assets released from restrictions	-	-	(1,137,711)	(1,330,665)
Net Change in Temporarily Restricted Net Assets	-	-	(677,711)	(999,415)
Change in Net Assets	99,712	712,137	(677,711)	134,138
Net Assets:				
Beginning of year	1,746,933	173,211	1,572,695	3,492,839
End of year	\$ 1,846,645	\$ 885,348	\$ 894,984	\$ 3,626,977
				\$ 3,492,839

**PITTSBURGH PARTNERSHIP FOR
NEIGHBORHOOD DEVELOPMENT, INC.**

COMBINING STATEMENT OF CASH FLOWS BY FUND

YEAR ENDED DECEMBER 31, 2009
(With Comparative Totals for Year Ended December 31, 2008)

	Operating	Development	Donor- Restricted	2009	2008
Cash Flows From Operating Activities:					
Change in net assets	\$ 99,712	\$ 712,137	\$ (677,711)	\$ 134,138	\$ (1,569,981)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:					
Depreciation and amortization	8,043	-	-	8,043	9,287
Pension liability	-	-	-	-	(39,054)
Change in:					
Accounts receivable	(8,050)	-	-	(8,050)	(100)
Grants receivable	69,000	-	(45,000)	24,000	331,000
Prepaid assets	(9,405)	-	-	(9,405)	404
Due to/due from other funds	(10,000)	10,000	-	-	-
Grants payable	(219,600)	(100,144)	200,000	(119,744)	391,116
Accounts payable	10,910	-	5,000	15,910	86,455
Total adjustments	(159,102)	(90,144)	160,000	(89,246)	779,108
Net cash provided by (used in) operating activities	(59,390)	621,993	(517,711)	44,892	(790,873)
Cash Flows From Investing Activities:					
Program-related notes receivable:					
Principal repaid	-	5,464	-	5,464	207,992
Purchases of fixed assets	(7,150)	-	-	(7,150)	(21,047)
Net cash provided by (used in) investing activities	(7,150)	5,464	-	(1,686)	186,945
Net Increase (Decrease) in Cash and Cash Equivalents	(66,540)	627,457	(517,711)	43,206	(603,928)
Cash and Cash Equivalents:					
Beginning of year	2,148,128	482,747	1,572,695	4,203,570	4,807,498
End of year	\$ 2,081,588	\$ 1,110,204	\$ 1,054,984	\$ 4,246,776	\$ 4,203,570

**PITTSBURGH PARTNERSHIP FOR
NEIGHBORHOOD DEVELOPMENT, INC.**

SCHEDULES OF ADMINISTRATIVE EXPENSES

YEARS ENDED DECEMBER 31, 2009 AND 2008

	Operating Fund		Development Fund		Donor-Restricted Fund		Totals	
	2009	2008	2009	2008	2009	2008	2009	2008
Administrative Expenses:								
Occupancy	\$ 17,790	\$ 17,658	\$ -	\$ -	\$ -	\$ -	\$ 17,790	\$ 17,658
Professional fees	41,502	49,348	9,640	372	-	1,303	51,142	51,023
Office expense	30,597	45,592	-	-	-	-	30,597	45,592
Other	4,755	3,820	-	-	-	-	4,755	3,820
Salaries and fringe benefits	192,143	178,198	-	-	-	-	192,143	178,198
Board development	29,183	3,736	-	-	-	-	29,183	3,736
	<u>\$ 315,970</u>	<u>\$ 298,352</u>	<u>\$ 9,640</u>	<u>\$ 372</u>	<u>\$ -</u>	<u>\$ 1,303</u>	<u>\$ 325,610</u>	<u>\$ 300,027</u>

PITTSBURGH PARTNERSHIP FOR NEIGHBORHOOD DEVELOPMENT, INC.

SCHEDULE OF GRANTS APPROVED, PAID, AND PAYABLE

YEAR ENDED DECEMBER 31, 2009

	Payable at December 31, 2008	Approved (net of cancellations)	Paid	Payable at December 31, 2009
Operating and Donor-Restricted Funds:				
Bloomfield-Garfield Corporation	\$ 32,500	\$ 60,000	\$ 67,000	\$ 25,500
Bloomfield Development Corporation	-	32,100	27,100	5,000
Central Northside Neighborhood Council	10,000	30,000	34,000	6,000
East Liberty Development, Inc.	94,000	113,000	148,000	59,000
Fineview Citizens	-	1,500	-	1,500
First Tee	-	7,500	-	7,500
Friendship Development Associates	22,500	103,050	125,550	-
Hazelwood Initiative	11,250	45,000	45,000	11,250
Heritage Health Foundation	3,750	-	-	3,750
Hill House	22,500	-	22,500	-
Hilltop Alliance	-	50,000	40,000	10,000
Kingsley Association	-	5,000	-	5,000
Lawrenceville Corporation	69,500	103,000	172,500	-
Lawrenceville United	19,800	82,300	82,800	19,300
Manchester Citizens Council	14,000	-	14,000	-
McKees Rocks	10,000	-	7,600	2,400
Mt. Washington Community Development Corporation	-	5,000	-	5,000
Northside Community Development Fund	500	5,000	3,000	2,500
Northside Leadership Conference	55,250	100,000	144,750	10,500
Oakland Business Improvement District	7,500	1,300	8,800	-
Oakland Planning and Development Corporation, Inc.	63,000	200,100	215,600	47,500
Polish Hill Civic	-	2,000	1,750	250
Rosedale Block	5,000	-	-	5,000
South Side Local Development Company	32,500	75,000	81,500	26,000
South Side Slopes Neighborhood	-	2,500	2,500	-
Troy Hill Citizens	5,000	-	5,000	-
Uptown Partners	-	25,000	20,000	5,000
West Pittsburgh	7,500	30,000	30,000	7,500
Wilksburg Community Development Corporation	-	10,000	9,000	1,000
Total Operating and Donor-Restricted Funds	486,050	1,088,350	1,307,950	266,450
Development Fund:				
Building United	-	-	-	-
Community Action Partnership of Mercer	15,000	-	5,000	10,000
Community Action Southwest	20,000	-	-	20,000
East Liberty Development, Inc.	-	20,000	10,000	10,000
Fayette County Community Action Agency	30,000	-	6,500	23,500
Friendship Development Associates	-	50,000	50,000	-
Northside Leadership Conference	125,000	-	78,644	46,356
Oakland Planning and Development Corporation, Inc.	125,000	-	25,000	100,000
Uptown Partners	-	35,000	5,000	30,000
Westmoreland Community Action Agency	25,000	-	25,000	-
Total Development Fund	340,000	105,000	205,144	239,856
Restricted Fund:				
Pittsburgh Public Schools	-	200,000	-	200,000
	\$ 826,050	\$ 1,393,350	\$ 1,513,094	\$ 706,306

**PITTSBURGH PARTNERSHIP FOR
NEIGHBORHOOD DEVELOPMENT, INC.**

SCHEDULES OF PROGRAM-RELATED NOTES RECEIVABLE

DECEMBER 31, 2009 AND 2008

Development Fund:	Interest Rate	Date of Note	Due Date	Principal Balance Outstanding	
				2009	2008
Bloomfield-Garfield Corporation	0.00%	06/20/94	06/20/24	\$ 50,000	\$ 50,000
Hill Community Development Corporation	3.00%	12/30/93	12/30/98	17,108	17,108
Homewood-Brushton Revitalization and Development Corporation	3.00%	10/22/92	10/22/02	204,347	204,347
The Mattress Factory Limited	3.00%	07/19/91	08/19/09	-	5,464
North Side Civic Development Council, Inc.	1.00%	11/27/91	11/27/01	500,000	500,000
	1.00%	06/12/92	12/31/01	100,000	100,000
				600,000	600,000
				871,455	876,919
Less allowance for doubtful accounts				846,455	846,455
				<u>\$ 25,000</u>	<u>\$ 30,464</u>