

EISNERAMPER

THE URBAN LEAGUE OF PHILADELPHIA

FINANCIAL STATEMENTS

**WITH REPORTING REQUIREMENTS FOR
*UNIFORM GUIDANCE***

**JUNE 30, 2018 AND 2017
(with supplementary information)**



THE URBAN LEAGUE OF PHILADELPHIA

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The Urban League of Philadelphia

Report on the Financial Statements

We have audited the accompanying financial statements of The Urban League of Philadelphia, which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities and changes in net assets (deficiency), functional expenses, and cash flows for each of the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the City of Philadelphia *Subrecipient Audit Guide (the "Guide")*. Those standards and the Guide require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the financial position of The Urban League of Philadelphia as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for each of the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards shown on pages 18 and 19 is presented for purposes of additional analysis, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“*Uniform Guidance*”), and is not a required part of the financial statements. The accompanying City of Philadelphia, Division of Housing and Community Development (“DHCD”) and Department of Commerce schedules of source and status of funds, schedules of program expenditures, schedules of program income and reconciliation schedules shown on pages 28 to 39 are presented for purposes of additional analysis as required by the City of Philadelphia *Subrecipient Audit Guide* and are also not a required part of the financial statements. The above-described 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. Such information has been subjected to the auditing procedures applied in the audits 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 above-described information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2018 on our consideration of The Urban League of Philadelphia’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Urban League of Philadelphia’s internal control over financial reporting and compliance.



EISNERAMPER LLP
Philadelphia, Pennsylvania
December 12, 2018

THE URBAN LEAGUE OF PHILADELPHIA

Statements of Financial Position

	June 30	
	<u>2018</u>	<u>2017</u>
ASSETS		
Current assets:		
Cash (including CCIS cash of \$3,890,176 in 2018 and \$3,998,001 in 2017)	\$ 4,304,781	\$ 4,054,790
Certificates of deposit	210,000	-
Contributions receivable, net of allowance for doubtful accounts of \$3,178 in 2018 and \$34,367 in 2017	53,063	112,455
Grants and fees receivable	267,368	410,343
Prepaid expense and other assets	18,367	86,295
Total current assets	4,853,579	4,663,883
Security deposits	30,038	30,038
Property and equipment , net of accumulated depreciation of \$- in 2018 and \$139,025 in 2017	-	707
	<u>\$ 4,883,617</u>	<u>\$ 4,694,628</u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 243,248	\$ 583,357
Current portion of note payable	-	95,846
Accrued expenses	227,247	227,167
Due to others	3,692,688	3,570,891
Deferred revenue and other liabilities	61,657	187,492
Total current liabilities	4,224,840	4,664,753
Commitments		
NET ASSETS		
Unrestricted	605,174	(117,785)
Temporarily restricted	53,603	147,660
Total net assets	658,777	29,875
	<u>\$ 4,883,617</u>	<u>\$ 4,694,628</u>

THE URBAN LEAGUE OF PHILADELPHIA

Statements of Activities and Changes in Net Assets (Deficiency)

	Year Ended June 30					
	2018			2017		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Public support and revenue:						
Grants and fees	\$ 45,745,770	\$ -	\$ 45,745,770	\$ 45,267,021	\$ -	\$ 45,267,021
Contributions	754,611	53,603	808,214	524,247	59,000	583,247
Special events	555,385	-	555,385	659,386	-	659,386
Interest income	8	-	8	477	-	477
Other revenue	9,691	-	9,691	13,309	-	13,309
Membership dues	69,070	-	69,070	11,137	-	11,137
	<u>47,134,535</u>	<u>53,603</u>	<u>47,188,138</u>	<u>46,475,577</u>	<u>59,000</u>	<u>46,534,577</u>
Net assets released from restrictions	<u>147,660</u>	<u>(147,660)</u>	<u>-</u>	<u>84,000</u>	<u>(84,000)</u>	<u>-</u>
	<u>47,282,195</u>	<u>(94,057)</u>	<u>47,188,138</u>	<u>46,559,577</u>	<u>(25,000)</u>	<u>46,534,577</u>
Expenses:						
Program services:						
Advocacy and policy	427,069	-	427,069	525,350	-	525,350
Business and talent diversity	706,718	-	706,718	730,685	-	730,685
Community and economic development	44,729,460	-	44,729,460	44,309,953	-	44,309,953
Support services	695,989	-	695,989	752,022	-	752,022
	<u>46,559,236</u>	<u>-</u>	<u>46,559,236</u>	<u>46,318,010</u>	<u>-</u>	<u>46,318,010</u>
Change in net assets	<u>722,959</u>	<u>(94,057)</u>	<u>628,902</u>	<u>241,567</u>	<u>(25,000)</u>	<u>216,567</u>
Net assets (deficiency) at beginning of year	<u>(117,785)</u>	<u>147,660</u>	<u>29,875</u>	<u>(359,352)</u>	<u>172,660</u>	<u>(186,692)</u>
Net assets (deficiency) at end of year	<u>\$ 605,174</u>	<u>\$ 53,603</u>	<u>\$ 658,777</u>	<u>\$ (117,785)</u>	<u>\$ 147,660</u>	<u>\$ 29,875</u>

See notes to financial statements

THE URBAN LEAGUE OF PHILADELPHIA

Statement of Functional Expenses Year Ended June 30, 2018

	Program Services				Support Services			Total Expenses
	Advocacy and Policy	Business and Talent Diversity	Community and Economic Development	Total Program Services	Fund Development	Management Services	Total Support Services	
Salaries	\$ 82,742	\$ 239,042	\$ 2,040,713	\$ 2,362,497	\$ 5,408	\$ 457,352	\$ 462,760	\$ 2,825,257
Benefits and taxes	34,669	76,863	824,131	935,663	709	59,245	59,954	995,617
Professional services	180,133	167,355	162,661	510,149	20,330	231,686	252,016	762,165
Childcare providers	-	-	40,777,488	40,777,488	-	-	-	40,777,488
Meals, travel and meetings	14,462	2,317	5,095	21,874	(109)	17,360	17,251	39,125
Special events	29,877	2,885	411	33,173	70,936	(2,500)	68,436	101,609
Office expense	11,575	14,402	103,884	129,861	3,488	5,700	9,188	139,049
Expendable equipment	424	34	57,240	57,698	13,877	53,617	67,494	125,192
Dues and memberships	1,554	500	-	2,054	-	19,813	19,813	21,867
Advertising	250	357	133	740	-	-	-	740
Occupancy	2,824	32,373	346,996	382,193	-	115,996	115,996	498,189
Utilities	1,710	4,961	40,918	47,589	4,071	23,735	27,806	75,395
Insurance	-	-	12,147	12,147	-	8,474	8,474	20,621
Bank and payroll fees	340	1,223	6,441	8,004	2,014	16,479	18,493	26,497
Interest expense	-	-	-	-	-	4,773	4,773	4,773
Scholarships	3,500	-	-	3,500	-	-	-	3,500
Other expenses	33,322	76,533	18,296	128,151	223	13,778	14,001	142,152
Indirect administrative costs	29,687	87,873	332,906	450,466	-	(450,466)	(450,466)	-
Total functional expenses	\$ 427,069	\$ 706,718	\$ 44,729,460	\$ 45,863,247	\$ 120,947	\$ 575,042	\$ 695,989	\$ 46,559,236

See notes to financial statements

THE URBAN LEAGUE OF PHILADELPHIA

**Statement of Functional Expenses
Year Ended June 30, 2017**

	Program Services				Support Services			Total Expenses
	Advocacy and Policy	Business and Talent Diversity	Community and Economic Development	Total Program Services	Fund Development	Management Services	Total Support Services	
Salaries	\$ 71,996	\$ 164,980	\$ 1,970,544	\$ 2,207,520	\$ 4,251	\$ 252,756	\$ 257,007	\$ 2,464,527
Benefits and taxes	51,814	64,377	753,238	869,429	769	57,128	57,897	927,326
Professional services	185,958	325,040	141,659	652,657	216,605	202,698	419,303	1,071,960
Childcare providers	-	-	40,343,592	40,343,592	-	-	-	40,343,592
Meals, travel and meetings	10,236	6,553	3,296	20,085	56,674	15,461	72,135	92,220
Special events	34,777	500	800	36,077	103,339	12,000	115,339	151,416
Office expense	26,319	56,070	158,186	240,575	34,471	-	34,471	275,046
Expendable equipment	95	-	58,108	58,203	14,202	1,789	15,991	74,194
Occupancy	4,094	22,696	335,017	361,807	-	114,774	114,774	476,581
Utilities	3,078	6,512	53,667	63,257	25	24,479	24,504	87,761
Insurance	-	-	25,037	25,037	-	19,675	19,675	44,712
Interest expense	-	-	-	-	-	13,783	13,783	13,783
Scholarships	90,200	-	-	90,200	-	-	-	90,200
Other expenses	(12,875)	17,697	139,517	144,339	17,416	40,675	58,091	202,430
Indirect administrative costs	59,658	66,260	327,292	453,210	-	(453,210)	(453,210)	-
Total expenses before depreciation	525,350	730,685	44,309,953	45,565,988	447,752	302,008	749,760	46,315,748
Depreciation	-	-	-	-	-	2,262	2,262	2,262
Total functional expenses	<u>\$ 525,350</u>	<u>\$ 730,685</u>	<u>\$ 44,309,953</u>	<u>\$ 45,565,988</u>	<u>\$ 447,752</u>	<u>\$ 304,270</u>	<u>\$ 752,022</u>	<u>\$ 46,318,010</u>

See notes to financial statements

THE URBAN LEAGUE OF PHILADELPHIA

Statements of Cash Flows

	Year Ended June 30	
	2018	2017
Cash flows from operating activities:		
Change in net assets	\$ 628,902	\$ 216,567
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Loss on disposal of equipment	707	-
Depreciation	-	2,262
Bad debt expense	486	94,349
Change in assets and liabilities:		
Contributions receivable	58,906	(49,534)
Grants and fees receivable	142,975	139,191
Prepaid expense and other assets	67,928	(63,851)
Accounts payable	(340,109)	(168,525)
Accrued expenses	80	(24,899)
Due to others	121,797	(197,931)
Deferred revenue and other liabilities	(125,835)	(81,565)
Net cash provided by (used in) operating activities	<u>555,837</u>	<u>(133,936)</u>
Cash flows from investing activities:		
Purchase of certificates of deposit	(210,000)	-
Acquisition of property and equipment	-	(772)
Net cash used in investing activities	<u>(210,000)</u>	<u>(772)</u>
Cash flows from financing activities:		
Principal payments on note payable	(95,846)	(191,656)
Net increase (decrease) in cash	249,991	(326,364)
Cash at beginning of year	4,054,790	4,381,154
Cash at end of year	<u>\$ 4,304,781</u>	<u>\$ 4,054,790</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	<u>\$ 4,773</u>	<u>\$ 13,783</u>

THE URBAN LEAGUE OF PHILADELPHIA

Notes to Financial Statements June 30, 2018 and 2017

NOTE A - ORGANIZATION AND DESCRIPTION OF PROGRAMS

[1] Organization:

The Urban League of Philadelphia (the “League”) is a nonpartisan, nonprofit community service organization using the tools and methods of social work, economics, law, and other disciplines to secure equal opportunity in all sectors of society for African Americans and other people of color.

[2] Description of programs:

Advocacy and Policy

The State of Black Philadelphia is a publication created by The Urban League of Philadelphia. It is a comprehensive look at the persistent disparities that exist between black and white Philadelphians in the five areas of economics, health, education, civic engagement, and social justice.

The Urban League Guild (the “Guild”) provides a host of volunteers for special engagements and helps to support the League through annual fundraisers. Among many community service projects, those that provide assistance to abused children are the Guild’s primary focus.

The Network of Extraordinary Talent (“NExT”) is a network of young professionals who provide leadership development, economic empowerment, and community volunteer opportunities for other young professionals. The organization trains, develops, and educates young professionals to take leadership roles within the civil rights movement and society at large. Members of NExT are defining, developing, implementing and leading the next generation’s civil rights agenda.

Business and Talent Diversity

Through its employment services, the League empowers African Americans and others to connect with self-sustaining employment opportunities either via training opportunities, links to employers, or other employment services.

The Urban Leadership Forum is Philadelphia’s first leadership development program for people of color. It is designed to identify and train minority leaders and establish a forum for promoting effective leadership in all sectors of society. Participants must successfully manage a community service project team process, a key component of the Urban Leadership Forum design.

Community and Economic Development

The Child Care Information Services (“CCIS”) program is operated in accordance with a contract with the Commonwealth of Pennsylvania, Department of Public Welfare (“DPW”), to administer the subsidized childcare program for the northwest area of Philadelphia County. The League is responsible for determining eligibility for families seeking subsidized childcare funding, managing a waiting list for subsidized childcare funding, and managing the payment system to participating childcare providers. The League is reimbursed by DPW for amounts paid to childcare providers.

Housing counseling is provided to individuals who seek assistance for prepurchase counseling, fair housing rights information, lending practices, money management, credit repair, budgeting, real estate selection, and relief from foreclosures and predatory lending. The League also assists renters with tenant rights. Escrow counseling is available for clients living in substandard housing with licensing and inspection violations. Recognized as one of the City of Philadelphia’s 30 endorsed housing agencies, the League conducts advocacy on behalf of low-income families and make referrals to all government programs.

The financial literacy program focuses on educating individuals on how to manage their finances responsibly. This program is tailored to both youth and adults.

THE URBAN LEAGUE OF PHILADELPHIA

Notes to Financial Statements June 30, 2018 and 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Basis of presentation:

The accompanying financial statements of the League have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

[2] Classification of net assets:

- ***Unrestricted***

Unrestricted net assets are used to account for funds which have not been restricted by donors and over which the Board of Directors has discretionary control.

The Board has designated \$119,000 of its unrestricted net assets for each of the years ended June 30, 2018 and 2017 as an operating reserve account to enhance the overall long-term security for the League to fund its programs.

- ***Temporarily Restricted***

Temporarily restricted net assets are used to account for funds which have been donor-restricted for specific periods or purposes. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities and changes in net assets (deficiency) as net assets released from restrictions. Contributions whose restrictions are met in the same period as the contributions are received are classified as unrestricted net assets.

- ***Permanently Restricted***

Permanently restricted net assets are subject to donor-imposed restrictions that they be maintained permanently by the League. Generally, the donors of these assets permit the League to use all or part of the income earned on related investments for general or specific purposes.

As of June 30, 2018 and 2017, the League did not have any permanently restricted net assets.

[3] Use of estimates:

The preparation of financial statements in accordance with U.S. GAAP 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 and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

[4] Revenue recognition:

Grant and fee revenue is generally recognized as expenditures are made for the particular contract or government grant. Grant revenue from private sources is recognized when received. Fee-for-service revenue is recognized when services are provided.

[5] Contributions:

Contributions are recognized when the donor makes a promise to the League that is unconditional. Contributions of assets other than cash are recorded at their estimated fair values at the date of donation.

THE URBAN LEAGUE OF PHILADELPHIA

Notes to Financial Statements June 30, 2018 and 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[6] Allowance for doubtful accounts:

The League evaluates its receivables for contributions and grants and fees on a periodic basis to determine collectability. Bad debts are provided for on the allowance method based on historical experience and management's evaluation of outstanding receivables. Accounts are written off when they are deemed uncollectable. As of June 30, 2018 and 2017, the League had an allowance for doubtful accounts of \$3,178 and \$34,367, respectively, related to contributions receivable. As of both June 30, 2018 and 2017, the League had an allowance for doubtful accounts of \$-0- related to grants and fees receivable.

[7] Property and equipment:

Purchased property and equipment over \$1,000 are capitalized at cost and depreciated using the straight-line method over their estimated useful lives of three to seven years. Donated property and equipment are capitalized at fair value on the date of donation and depreciated using the straight-line method over their estimated useful lives. Repair and maintenance costs are charged to current operations. At the time property and equipment are retired or disposed of, the cost and related accumulated depreciation are removed from the accounts, and any gain or loss on disposition is credited or charged to change in net assets.

[8] Certificates of deposit:

Certificates of deposit as of June 30, 2018 include a single certificate with a maturity date of August 10, 2018 and an interest rate of 0.05%.

[9] Deferred revenue:

Deferred revenue consists of advances received for special events that have not yet taken place, unexpired membership dues and certain refundable advances.

[10] Federal tax status:

The Internal Revenue Service has classified the League as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("Code"); as an organization, contributions to which are deductible under Section 170(c) of the Code; and as an organization that is not a private foundation as defined in Section 509(a) of the Code. Therefore, no provision for income taxes has been included in these financial statements.

U.S. GAAP requires management to evaluate tax positions taken and recognize a tax liability, if the organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by a government authority. Management has analyzed the tax positions taken by the League and has concluded that as of June 30, 2018 and 2017 there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

The League recognizes accrued interest and penalties associated with uncertain tax positions, if any. There were no income tax related interest and penalties recorded for either of the years ended June 30, 2018 or 2017.

THE URBAN LEAGUE OF PHILADELPHIA

Notes to Financial Statements June 30, 2018 and 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[11] Allocation of administrative support and support services:

The League's management's policy is to allocate the indirect expenses of administrative support to certain programs based on revenues, headcount, or space utilization, depending on the nature of the expense.

Support services include the administrative costs of supporting the League's programs, as well as fundraising costs.

[12] New accounting pronouncements:

In February 2016, Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases (Topic 842)*. The ASU's core principle is to increase transparency and comparability among organizations by recognizing lease assets and liabilities on the statement of financial position and disclosing key information. ASU 2016-02 will be effective for fiscal years beginning after December 15, 2019, with early adoption permitted. Management is currently evaluating the effect that this new guidance will have on its financial statements and related disclosures.

In August 2016, FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 amends the presentation and disclosures to help not-for-profit organizations provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. ASU 2016-14 includes qualitative and quantitative requirements in the following areas: a) net asset classes, b) investment return, c) expenses, d) liquidity and availability of resources, and e) presentation of operating cash flows. The new standard will be effective for fiscal years beginning after December 15, 2017, which will be the year beginning on July 1, 2018 for the League. The adoption of ASU 2016-14 will require reclassification of net asset classes and additional disclosures related to liquidity and availability of resources.

In June 2018, FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 clarifies and improves guidance concerning, 1) evaluating whether a transaction should be accounted for as an exchange transaction or as a contribution, and 2) determining whether a contribution received is conditional. ASU 2018-08 is effective for annual periods beginning after December 15, 2018 for entities that are resource recipients and for annual periods beginning after December 15, 2019 for entities that are resource providers, with early adoption permitted. ASU 2018-08 should be applied on a modified prospective basis. Management is currently evaluating the effect that the new standard will have on its financial statements and related disclosures.

[13] Reclassification:

Certain amounts in the 2017 financial statements have been reclassified to conform to the current year presentation.

THE URBAN LEAGUE OF PHILADELPHIA

Notes to Financial Statements June 30, 2018 and 2017

NOTE C - CONTRIBUTIONS RECEIVABLE

Contributions receivable are expected to be received in less than one year. Contributions receivable as of June 30, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
Corporate support	\$ 25,500	\$ -
United Way allocation	-	59,000
United Way Donor Option, net of allowance for doubtful accounts of \$3,178 in 2018 and \$34,367 in 2017	<u>27,563</u>	<u>53,455</u>
	<u>\$ 53,063</u>	<u>\$ 112,455</u>

NOTE D - GRANTS AND FEES RECEIVABLE

Grants and fees receivable as of June 30, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
Pennsylvania Department of Public Welfare	\$ 68,897	\$ 123,991
School District of Philadelphia	55,000	26,250
U.S. Small Business Administration	-	315
Division of Housing and Community Development, City of Philadelphia	15,985	32,100
Homeowners' Emergency Mortgage Assistance Program ("HEMAP"), Pennsylvania Housing Finance Agency ("PHFA") and Emergency Homeowners' Loan Program ("EHLP")	-	4,470
Office of Neighborhood Economic Development	-	16,749
National Urban League/ULEC	9,506	-
National Urban League/Urban Tech Jobs Program	48,437	89,565
National Urban League/Wells Fargo Foreclosure	-	20,696
Grants from corporations	1,400	96,207
Pennsylvania Women Work/ Urban Tech	30,250	-
The City of Philadelphia / BTAP	<u>37,893</u>	<u>-</u>
	<u>\$ 267,368</u>	<u>\$ 410,343</u>

THE URBAN LEAGUE OF PHILADELPHIA

Notes to Financial Statements June 30, 2018 and 2017

NOTE E - PROPERTY AND EQUIPMENT

Property and equipment as of June 30, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
Furniture, fixtures and equipment	\$ 72,242	\$ 105,814
Software	<u>26,749</u>	<u>33,918</u>
	98,991	139,732
Less accumulated depreciation	<u>98,991</u>	<u>139,025</u>
	<u>\$ -</u>	<u>\$ 707</u>

Depreciation for the years ended June 30, 2018 and 2017 was \$-0- and \$2,262, respectively.

NOTE F - DUE TO OTHERS

Due to others as of June 30, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
Due to:		
Pennsylvania Department of Public Welfare, prior years	\$ 41,981	\$ 41,981
Various daycare providers	<u>3,650,707</u>	<u>3,528,910</u>
	<u>\$ 3,692,688</u>	<u>\$ 3,570,891</u>

NOTE G - DEFERRED REVENUE AND OTHER LIABILITIES

Deferred revenue and other liabilities as of June 30, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
Grants	\$ 3,500	\$ 5,250
Scholarships	52,037	121,175
Memberships and other	<u>6,120</u>	<u>61,067</u>
	<u>\$ 61,657</u>	<u>\$ 187,492</u>

THE URBAN LEAGUE OF PHILADELPHIA

Notes to Financial Statements June 30, 2018 and 2017

NOTE H - DEBT

The League had a note payable with United Bank in the amount of \$300,000 with interest at 6.25%. The note payable was paid off in January 2018.

The interest expense incurred on the note payable for the years ended June 30, 2018 and 2017 was \$4,773 and \$13,783, respectively.

NOTE I - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of the following as of June 30, 2018 and 2017:

	June 30, 2018			Ending Balance
	Beginning Balance	Additions	Releases	
Scholarship funds	\$ 8,660	\$ -	\$ (8,660)	\$ -
Program-restricted grants	139,000	-	(139,000)	-
Time-restricted contributions	-	53,063	-	53,063
	<u>\$ 147,660</u>	<u>\$ 53,063</u>	<u>\$ (147,660)</u>	<u>\$ 53,063</u>
	June 30, 2017			
	Beginning Balance	Additions	Releases	Ending Balance
Scholarship funds	\$ 33,660	\$ -	\$ (25,000)	\$ 8,660
Program-restricted grants	139,000	59,000	(59,000)	139,000
	<u>\$ 172,660</u>	<u>\$ 59,000</u>	<u>\$ (84,000)</u>	<u>\$ 147,660</u>

NOTE J - TAX DEFERRED ANNUITY PLAN

In accordance with Internal Revenue Code Section 403(b), the League sponsors an employer contributory tax deferred annuity plan that covers substantially all employees who have completed 1,000 hours of service. The plan provides for employer discretionary contributions, which are determined on an annual basis. For the years ended June 30, 2018 and 2017, the annual contribution was \$18,094 and \$26,660, respectively, based on 2% of the employees' annual salaries.

NOTE K - LEASE COMMITMENTS - OPERATING LEASES

The League currently leases office space in Philadelphia under two operating leases, which expire in July 2019 and May 2021; rent is payable in monthly installments of \$16,986 and \$20,447, respectively. The League also leases office equipment with monthly lease payments ranging from \$700 to \$957; the equipment leases run through October 2023.

THE URBAN LEAGUE OF PHILADELPHIA

Notes to Financial Statements June 30, 2018 and 2017

NOTE K - LEASE COMMITMENTS - OPERATING LEASES (CONTINUED)

Approximate minimum future rental payments under noncancelable operating leases having remaining terms in excess of one year as of June 30, 2018 are as follows:

<u>Year Ending June 30</u>	
2019	\$ 490,343
2020	264,945
2021	230,588
2022	22,002
2023	22,002
Thereafter	<u>7,334</u>
	<u><u>\$ 1,037,214</u></u>

Office rent and equipment leasing expense for the years ended June 30, 2018 and 2017 was \$484,851 and \$431,228, respectively.

NOTE L - GRANTS AND FEES

Grants and fees during the years ended June 30, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
Pennsylvania Department of Public Welfare	\$ 44,107,020	\$ 43,736,549
Grants from corporations/foundations	221,829	297,279
National Urban League/NeighborWorks	39,792	-
National Urban League/U.S. Department of Housing and Urban Development	-	18,406
National Urban League/Urban Tech Jobs Program	308,394	136,322
National Urban League/Wells Fargo Foreclosure	-	41,392
National Urban League/Entrepreneurship and Business Development	98,983	25,000
Office of Neighborhood Economic Development	52,254	50,000
Division of Housing and Community Development, City of Philadelphia	111,596	167,666
Homeowners' Emergency Mortgage Assistance Program and Pennsylvania Housing Finance Agency	17,820	-
Leadership tuition	207,303	163,100
School District of Philadelphia	303,780	443,527
Career Services fee income	125,837	100,000
Other	151,162	87,780
	<u>\$ 45,745,770</u>	<u>\$ 45,267,021</u>

THE URBAN LEAGUE OF PHILADELPHIA

Notes to Financial Statements June 30, 2018 and 2017

NOTE M - CONTRIBUTIONS

Contributions during the years ended June 30, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
United Way Allocation	\$ -	\$ 59,000
United Way Donor Option	25,335	48,097
Scholarships	36,317	74,115
Corporate support	581,363	285,269
Foundations	-	10,000
Other	165,199	106,766
	<u>\$ 808,214</u>	<u>\$ 583,247</u>

NOTE N - SPECIAL EVENTS

Special events revenue for the years ended June 30, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
Gala	\$ 391,367	\$ 430,310
Urban League Night at the Fights	8,300	59,460
Whitney M. Young Luncheon	89,675	118,865
Guild events	32,626	37,157
NExT Philadelphia events	4,932	13,594
Unity Golf Classic	4,000	-
Fund development	24,485	-
	<u>\$ 555,385</u>	<u>\$ 659,386</u>

NOTE O - CONCENTRATIONS OF CREDIT RISK

As of June 30, 2018 and 2017, the League maintained cash accounts with a bank that exceeded the limit of insurability under the Federal Deposit Insurance Corporation. The League has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk on its cash balances.

For each of the years ended June 30, 2018 and 2017, approximately 96% of the League's grants and fees revenue was provided by one grantor, the Pennsylvania Department of Public Welfare. There could be a significant impact on the League and its ability to continue its operations should funding from this grantor diminish.

THE URBAN LEAGUE OF PHILADELPHIA

Notes to Financial Statements June 30, 2018 and 2017

NOTE P - CONTRIBUTED SERVICES

Contribution of services is recognized by the League as both revenue and expense in the accompanying statements of activities and changes in net assets (deficiency), if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not donated. For the years ended June 30, 2018 and 2017, the League recognized \$39,241 and \$26,765, respectively, of in-kind contributions. In-kind contributions include legal fees, which are included in the management services component of support services on the statements of activities and changes in net assets (deficiency).

NOTE Q - SUBSEQUENT EVENTS

The League has evaluated subsequent events through December 12, 2018, which is the date the financial statements were available to be issued.

In July 2017, the League was notified that its CCIS contract would not be renewed for fiscal year 2019 by DPW. In July 2018, the League was notified by DPW that a one-year extension on the CCIS contract was being granted in the amount of \$45,558,470. As a result, the League's revenues and related expenses of approximately 94% of the contract revenue will be significantly reduced in fiscal year 2020. The League is actively identifying other revenue resources to offset the administrative revenues that would be lost from this contract. All other revenues received under the contract were fully offset by related expenses; the loss of such revenues is not expected to have a material impact on the League's financial position or results of operations.

**SUPPLEMENTARY INFORMATION FOR U.S. OFFICE OF
MANAGEMENT AND BUDGET UNIFORM GUIDANCE**

THE URBAN LEAGUE OF PHILADELPHIA

**Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2018**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Grant Period</u>	<u>Expenditures</u>
FEDERAL AWARDS				
U.S. Department of Health and Human Services:				
Commonwealth of Pennsylvania, Department of Public Welfare:				
Child Care and Development Fund Cluster:				
Child Care and Development Block Grant	93.575	DC17-379292	07/01/17 - 06/30/18	\$ 15,691,151
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	DC17-379292	07/01/17 - 06/30/18	<u>2,855,333</u>
Total under Child Care and Development Fund Cluster				18,546,484
Temporary Assistance for Needy Families	93.558	DC17-379292	07/01/17 - 06/30/18	3,620,554
Social Services Block Grant	93.667	DC17-379292	07/01/17 - 06/30/18	<u>1,250,591</u>
Total U.S. Department of Health and Human Services				<u>23,417,629</u>
U.S. Department of Agriculture, Food and Nutrition Service:				
Commonwealth of Pennsylvania, Department of Public Welfare:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	DC16-379292	07/01/17 - 06/30/18	<u>127,769</u>
U.S. Department of Housing and Urban Development:				
Philadelphia Workforce Development Corporation:				
City of Philadelphia, Division of Housing and Community Development:				
Community Development Block Grant	14.218	17-20196	08/01/16 - 07/31/17	36,472
Community Development Block Grant	14.218	18-20206	08/01/17 - 07/31/18	181,932
City of Philadelphia, Department of Commerce:				
Community Development Block Grant	14.218	17-20060	07/01/17 - 06/30/18	<u>50,000</u>
Total CFDA 14.218				268,404
National Urban League:				
Housing Counseling Assistance Program	14.169	N/A	09/30/16 - 03/31/18	<u>36,751</u>
Total U.S. Department of Housing and Urban Development				<u>305,155</u>

(continued)

THE URBAN LEAGUE OF PHILADELPHIA

**Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2018**

(continued)

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Grant Period</u>	<u>Expenditures</u>
FEDERAL AWARDS (continued)				
U.S. Department of Education:				
The School District of Philadelphia:				
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334A	739B/F15	09/24/16 - 09/24/17	28,780
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334A	739C/F15	09/25/17 - 09/24/18	<u>247,500</u>
Total U.S. Department of Education				<u>276,280</u>
U.S. Department of Labor, Employment and Training Administration:				
National Urban League:				
H-1B Job Training Grants	17.268	N/A	07/01/17 - 06/30/18	<u>353,422</u>
TOTAL FEDERAL AWARDS				<u>24,480,255</u>
STATE AWARDS				
Commonwealth of Pennsylvania, Department of Public Welfare	N/A	DC16-379292	07/01/17 - 06/30/18	20,561,622
Pennsylvania Housing Finance Agency	N/A	N/A	07/01/17 - 06/30/18	<u>17,820</u>
TOTAL STATE AWARDS				<u>20,579,442</u>
TOTAL FEDERAL AND STATE AWARDS				<u><u>\$ 45,059,697</u></u>

THE URBAN LEAGUE OF PHILADELPHIA

Notes to Schedule of Expenditures of Federal and State Awards June 30, 2018

NOTE A - GENERAL INFORMATION

The accompanying schedule of expenditures of federal and state awards presents the activities in all federal and state award programs of The Urban League of Philadelphia. All awards passed through governmental agencies or nonprofit organizations are presented on the schedule of expenditures of federal and state awards. The information in this schedule is presented in accordance with Title 2 U.S. Code of Federal Regulations (“CFR”) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the schedule presents only a selected portion of the operations of The Urban League of Philadelphia, it is not intended to and does not present the financial position, change in net assets or cash flows of The Urban League of Philadelphia.

NOTE B - BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal and state awards is presented using the accrual basis of accounting. The amounts reported in this schedule may differ from certain financial reports submitted to federal and state funding agencies because those reports are submitted on either a cash or modified cash basis of accounting.

NOTE C - INDIRECT COST RATE

The Urban League of Philadelphia has elected not to use the 10-percent de minimus indirect cost rate as allowed under Uniform Guidance.

NOTE D - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal and state award expenditures are reported on the statements of activities and changes in net assets (deficiency) as expense. The revenue reported in the basic financial statements differs from the expenditures reported in the schedule of expenditures of federal and state awards due to revenue from other nongovernment-funded programs. The reconciliation of revenues reported in the basic 2018 financial statements to the expenditures reported in the schedule of expenditures of federal and state awards is as follows:

Expenditures per schedule of expenditures of federal and state awards	\$ 45,059,697
Grants from nongovernment-funded entities	339,995
Fees charged for The Urban League of Philadelphia programs	<u>346,078</u>
Grants and fees revenue per 2018 financial statements	<u><u>\$ 45,745,770</u></u>

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
The Urban League of Philadelphia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Urban League of Philadelphia (the "League"), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 12, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the League's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Urban League of Philadelphia's internal control. Accordingly, we do not express an opinion on the effectiveness of The Urban League of Philadelphia's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of The Urban League of Philadelphia's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Urban League of Philadelphia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of The Urban League of Philadelphia's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Urban League of Philadelphia's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

The image shows a handwritten signature in black ink that reads "EisnerAmper LLP". The signature is written in a cursive, flowing style.

EISNERAMPER LLP
Philadelphia, Pennsylvania
December 12, 2018

A large, faint, light-colored watermark of the text "EISNERAMPER LLP" is centered on the page. The watermark is in a sans-serif font and is semi-transparent.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE AND THE CITY OF PHILADELPHIA *SUBRECIPIENT AUDIT GUIDE*

To the Board of Directors of
The Urban League of Philadelphia

Report on Compliance for the Major Federal Program

We have audited The Urban League of Philadelphia's compliance with the types of compliance requirements described in U.S. Office of Management and Budget *Compliance Supplement* and the City of Philadelphia *Subrecipient Audit Guide* that could have a direct and material effect on The Urban League of Philadelphia's major federal program for the year ended June 30, 2018. The Urban League of Philadelphia's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of federal statutes, regulations, and terms and conditions applicable to its federal program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for The Urban League of Philadelphia's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and the City of Philadelphia *Subrecipient Audit Guide* (the "Guide"). Those standards, Uniform Guidance and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about The Urban League of Philadelphia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination on The Urban League of Philadelphia's compliance.

Opinion on Compliance for the Major Federal Program

In our opinion, The Urban League of Philadelphia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2018.



Report on Internal Control Over Compliance

Management of The Urban League of Philadelphia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to on the previous page. In planning and performing our audit of compliance, we considered The Urban League of Philadelphia's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance and the City of Philadelphia *Subrecipient Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of The Urban League of Philadelphia's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance and the City of Philadelphia *Subrecipient Audit Guide*. Accordingly, this report is not suitable for any other purpose.



EISNERAMPER LLP
Philadelphia, Pennsylvania
December 12, 2018

SUPPLEMENTARY INFORMATION

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
The Urban League of Philadelphia

We have performed the procedures enumerated below, which were agreed to by the Commonwealth of Pennsylvania, Department of Public Welfare ("DPW") and The Urban League of Philadelphia (the "League") solely to assist you with respect to the financial schedules and exhibits required by the DPW Single Audit Supplement for the year ended June 30, 2018. The League's management is responsible for the financial schedules and exhibits. The sufficiency of the procedures is solely the responsibility of DPW and the League. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested, or for any other purpose.

The procedures and associated findings are as follows:

- a) We have compared the amounts and classifications of the information in the supplemental financial schedule listed below, which summarizes amounts reported to DPW for the fiscal year ended June 30, 2018, to audited books and records of the League. We also compared the example schedules to the League schedule and determined that it is presented, at a minimum, at the level of detail and in the format required by the DPW Single Audit Supplement pertaining to this period.

<u>Program Name</u>	<u>Page</u>	<u>Reference Schedule/Exhibit</u>
Child Care Information Services ("CCIS")	315	CCIS Recap Worksheet for FY 2017 - 2018

- b) We have inquired of management regarding adjustments to reported revenues or expenditures, which were not reflected on the reports submitted to DPW for the period in question.
- c) The processes detailed in paragraphs a) and b) above did not disclose material adjustments or findings which have not been reflected on the corresponding schedule.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. We were not engaged to, and did not, conduct an audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the financial schedules and exhibits. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We were engaged to perform an audit in accordance with the *OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“*OMB Uniform Guidance*”), by The Urban League of Philadelphia as of and for the year ended June 30, 2018, and have issued our reports thereon dated December 12, 2018. The information in the financial schedules and exhibits required by the DPW Single Audit Supplement was included within the scope or was a by-product of that audit. Further, our opinion on the fair presentation of the supplementary information dated December 12, 2018, was expressed in relation to the basic financial statements of The Urban League of Philadelphia taken as a whole.

The purpose of this report on applying the agreed-upon procedures is solely to describe the procedures performed on the financial schedules and exhibits required by the DPW Single Audit Supplement and the associated findings, and not to provide an opinion or conclusion. Accordingly, this report is not suitable for any other purpose.

EisnerAmper LLP

EISNERAMPER LLP
Philadelphia, Pennsylvania
December 12, 2018

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CCIS RECAP WORKSHEET FOR FY 2017-2018

CONTRACTOR: **URBAN LEAGUE OF PHILADELPHIA**
 FEDERAL ID NUMBER: **23-1429810**
 CONTRACT NUMBER: **DC17-379292**

COUNTY(IES): **Philadelphia - NW**
 PREPARED BY: **SHIRLEY P THOMAS**
 PHONE NUMBER: **215-842-4820**


	LOW INCOME		FORMER TANF		LI & FT TOTAL
	ADMIN/FSS	SERVICE	ADMIN/FSS	SERVICE	
REVENUE					
DPW Funds	\$1,421,470.52	\$19,159,832.02	\$1,183,112.39	\$15,682,514.53	\$37,446,929.46
Interest					\$0.00
Audit Adjustments					\$0.00
Other (eg. Penalties)					\$0.00
Parent/Provider Overpayment		\$5,722.80			\$5,722.80
					\$0.00
					\$0.00
					\$0.00
					\$0.00
TOTAL REVENUE	\$1,421,470.52	\$19,165,554.82	\$1,183,112.39	\$15,682,514.53	\$37,452,652.26
EXPENDITURES					
Final Report Totals	\$1,477,459.69	\$19,081,400.03	\$1,250,591.06	\$15,691,150.95	\$37,500,601.73
Carry Forward Amount					\$0.00
Unrecorded Disbursement		\$2,804.75			\$2,804.75
Prior Year Adjustment		(\$42.14)			(\$42.14)
					\$0.00
					\$0.00
					\$0.00
TOTAL EXPENDITURES	\$1,477,459.69	\$19,084,162.64	\$1,250,591.06	\$15,691,150.95	\$37,503,364.34
SUBTOTAL-LFT	(\$55,989.17)	\$81,392.18	(\$67,478.67)	(\$8,635.42)	(\$50,712.08)

SUMMARY FY 2017-18

REVENUE	
Service	\$40,867,368.73
FSS	\$3,170,754.91
SUBTOTAL	\$44,038,123.64
EXPENDITURES	
Service	\$40,812,796.30
FSS	\$3,294,222.75
SUBTOTAL	\$44,107,021.05
TOTAL DUE DPW	(\$68,897.41)

* If TOTAL DUE DHS is positive, issue check to Department of Human Services in the amount listed. Include the check with the Recap Packet - to be received by OCDEL no later than 5:00 pm, Friday, September 14, 2018.

		TANF TRAINING	TANF WORKING	TANF STATE MOE	FOOD STAMPS	GENERAL ASSISTANTS 2	TANF TOTAL
		REVENUE					
TANF/FS/GA SERVICE	DPW Funds	\$3,279,102.41	\$1,355,481.10	\$1,250,944.67	\$129,289.55	\$4,481.65	\$6,019,299.38
	Interest						\$0.00
							\$0.00
							\$0.00
							\$0.00
							\$0.00
							\$0.00
TOTAL SERVICE		\$3,279,102.41	\$1,355,481.10	\$1,250,944.67	\$129,289.55	\$4,481.65	\$6,019,299.38
TANF/FS FSS							
DPW Funds		\$325,169.80	\$137,259.49	\$102,235.32	\$1,507.39		\$566,172.00
Audit Adjustments							\$0.00
Other (eg. Penalties)							\$0.00
TOTAL FSS		\$325,169.80	\$137,259.49	\$102,235.32	\$1,507.39	\$0.00	\$566,172.00
TOTAL REVENUE		\$3,604,272.21	\$1,492,740.59	\$1,353,179.99	\$130,796.94	\$4,481.65	\$6,585,471.38
EXPENDITURES							
TANF/FS/GA SERVICE	Final Report Totals	\$3,295,384.30	\$1,375,099.85	\$1,237,106.44	\$126,262.07	\$3,632.05	\$6,037,484.71
	Carry Forward Amount						\$0.00
							\$0.00
							\$0.00
							\$0.00
							\$0.00
							\$0.00
TOTAL SERVICE		\$3,295,384.30	\$1,375,099.85	\$1,237,106.44	\$126,262.07	\$3,632.05	\$6,037,484.71
TANF/FS FSS							
Final Report Totals		\$325,169.80	\$137,259.49	\$102,235.32	\$1,507.39		\$566,172.00
Carry Forward Amount							\$0.00
TOTAL FSS		\$325,169.80	\$137,259.49	\$102,235.32	\$1,507.39	\$0.00	\$566,172.00
TOTAL EXPENDITURES		\$3,620,554.10	\$1,512,359.34	\$1,339,341.76	\$127,769.46	\$3,632.05	\$6,603,656.71
SUBTOTAL-TANF/FS/GA/WS2		(\$16,281.89)	(\$19,618.75)	\$13,838.23	\$3,027.48	\$849.60	(\$18,185.33)

CERTIFICATION: SIGNATURE 
 NAME Shirley P Thomas
 (please print)

DATE 9/5/18
 TITLE Director

COMMENTS: Unrecorded Service Expenditures: Reconciled Provider Payment Disbursements Not Recorded in CCW

**CITY OF PHILADELPHIA, DIVISION OF HOUSING AND
COMMUNITY DEVELOPMENT (DHCD)
STATEMENTS AND SCHEDULES**

THE URBAN LEAGUE OF PHILADELPHIA

City of Philadelphia, Division of Housing and Community Development

Contract Number 17-20196

Schedule of Source and Status of Funds

July 1, 2017 to June 30, 2018

	<u>CDBG *</u> <u>Funds</u>	<u>Program</u> <u>Income</u>	<u>Other</u> <u>City</u> <u>Funds</u>	<u>NonCity</u> <u>Funds</u>	<u>Total</u>
Total contract (Final Authorized Budget)	\$ 186,500	\$ -	\$ -	\$ -	\$ 186,500
Less:					
Funds drawn down, prior fiscal years	150,028	-	-	-	150,028
Funds drawn down, current fiscal year	<u>36,472</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,472</u>
Total funds drawn down	<u>186,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>186,500</u>
Funds still available for draw down	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total funds drawn down	\$ 186,500	\$ -	\$ -	\$ -	\$ 186,500
Add:					
Program income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds received	<u>186,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>186,500</u>
Less:					
Program income expended	-	-	-	-	-
Funds applied, prior years	150,028	-	-	-	150,028
Funds applied, current year	<u>36,472</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,472</u>
Total funds applied (actual expenses)	<u>186,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>186,500</u>
Total funds due to funding source	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total funds available for disposition	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

* Community Development Block Grant

THE URBAN LEAGUE OF PHILADELPHIA

City of Philadelphia, Division of Housing and Community Development
 Contract Number 17-20196
 Schedule of Program Expenditures
 Year Ended June 30, 2018

	Program Budget				Accrued Expenditures Prior to July 1, 2017				Accrued Expenditures July 1, 2017 to June 30, 2018				Accrued Expenditures Cumulative to June 30, 2018			
	CDBG * Funds	Other City Funds	NonCity Funds	Total	CDBG * Funds	Other City Funds	NonCity Funds	Total	CDBG * Funds	Other City Funds	NonCity Funds	Total	CDBG * Funds	Other City Funds	NonCity Funds	Total
Contract categories:																
Direct personnel	\$ 173,217	\$ -	\$ -	\$ 173,217	\$ 140,847	\$ -	\$ -	\$ 140,847	\$ 32,370	\$ -	\$ -	\$ 32,370	\$ 173,217	\$ -	\$ -	\$ 173,217
Fringe benefits	13,283	-	-	13,283	9,181	-	-	9,181	4,102	-	-	4,102	13,283	-	-	13,283
Travel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract total	<u>\$ 186,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,500</u>	<u>\$ 150,028</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150,028</u>	<u>\$ 36,472</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,472</u>	<u>\$ 186,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,500</u>

* Community Development Block Grant

THE URBAN LEAGUE OF PHILADELPHIA

**City of Philadelphia, Division of Housing and Community Development
Contract Number 17-20196
Schedule of Program Income
July 1, 2017 to June 30, 2018**

	<u>Sales Proceeds</u>	<u>Other (Specify)</u>	<u>Total</u>
Program income (cumulative to June 30, 2018)	\$ -	\$ -	\$ -
Less program income expended in prior years	<u>-</u>	<u>-</u>	<u>-</u>
Beginning balance, July 1, 2017	<u>-</u>	<u>-</u>	<u>-</u>
Add program income received in current fiscal year	-	-	-
Less program income expended in current fiscal year	<u>-</u>	<u>-</u>	<u>-</u>
Ending balance, June 30, 2018	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

THE URBAN LEAGUE OF PHILADELPHIA

**City of Philadelphia, Division of Housing and Community Development
Contract Number 17-20196
Reconciliation Schedule
July 1, 2017 to June 30, 2018**

	<u>Amount Per Books and Records</u>	<u>Amount Per Subrecipient Invoices</u>	<u>Differences</u>
Contract amount	<u>\$ 186,500</u>	<u>\$ 186,500</u>	<u>\$ -</u>
Program costs:			
Current year	\$ 36,472	\$ 36,472	\$ -
Cumulative	<u>186,500</u>	<u>186,500</u>	<u>-</u>
Funds drawn down:			
Current year	36,472	36,472	-
Cumulative	<u>186,500</u>	<u>186,500</u>	<u>-</u>
Balance on advances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

THE URBAN LEAGUE OF PHILADELPHIA

**City of Philadelphia, Division of Housing and Community Development
 Contract Number 18-20206
 Schedule of Source and Status of Funds
 July 1, 2017 to June 30, 2018**

	<u>CDBG *</u> <u>Funds</u>	<u>Program</u> <u>Income</u>	<u>Other</u> <u>City</u> <u>Funds</u>	<u>NonCity</u> <u>Funds</u>	<u>Total</u>
Total contract (Final Authorized Budget)	<u>\$ 186,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,500</u>
Less:					
Funds drawn down, prior fiscal years	-	-	-	-	-
Funds drawn down, current fiscal year	<u>181,932</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,932</u>
Total funds drawn down	<u>181,932</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,932</u>
Funds still available for draw down	<u>\$ 4,568</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,568</u>
Total funds drawn down	<u>\$ 181,932</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 181,932</u>
Add:					
Program income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds received	<u>181,932</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,932</u>
Less:					
Program income expended	-	-	-	-	-
Funds applied, prior years	-	-	-	-	-
Funds applied, current year	<u>181,932</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,932</u>
Total funds applied (actual expenses)	<u>181,932</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,932</u>
Total funds due to funding source	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total funds available for disposition	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

* Community Development Block Grant

THE URBAN LEAGUE OF PHILADELPHIA

City of Philadelphia, Division of Housing and Community Development
 Contract Number 18-20206
 Schedule of Program Expenditures
 Year Ended June 30, 2018

	Program Budget				Accrued Expenditures Prior to July 1, 2017				Accrued Expenditures July 1, 2017 to June 30, 2018				Accrued Expenditures Cumulative to June 30, 2018			
	CDBG * Funds	Other City Funds	NonCity Funds	Total	CDBG * Funds	Other City Funds	NonCity Funds	Total	CDBG * Funds	Other City Funds	NonCity Funds	Total	CDBG * Funds	Other City Funds	NonCity Funds	Total
Contract categories:																
Direct personnel	\$ 173,200	\$ -	\$ -	\$ 173,200	\$ -	\$ -	\$ -	\$ -	\$ 168,952	\$ -	\$ -	\$ 168,952	\$ 168,952	\$ -	\$ -	\$ 168,952
Fringe benefits	13,300	-	-	13,300	-	-	-	-	12,980	-	-	12,980	12,980	-	-	12,980
Travel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract total	<u>\$ 186,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 181,932</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 181,932</u>	<u>\$ 181,932</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 181,932</u>

* Community Development Block Grant

THE URBAN LEAGUE OF PHILADELPHIA

**City of Philadelphia, Division of Housing and Community Development
Contract Number 18-20206
Schedule of Program Income
July 1, 2017 to June 30, 2018**

	<u>Sales Proceeds</u>	<u>Other (Specify)</u>	<u>Total</u>
Program income (cumulative to June 30, 2018)	\$ -	\$ -	\$ -
Less program income expended in prior years	<u>-</u>	<u>-</u>	<u>-</u>
Beginning balance, July 1, 2017	<u>-</u>	<u>-</u>	<u>-</u>
Add program income received in current fiscal year	-	-	-
Less program income expended in current fiscal year	<u>-</u>	<u>-</u>	<u>-</u>
Ending balance, June 30, 2018	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

THE URBAN LEAGUE OF PHILADELPHIA

**City of Philadelphia, Division of Housing and Community Development
Contract Number 18-20206
Reconciliation Schedule
July 1, 2017 to June 30, 2018**

	<u>Amount Per Books and Records</u>	<u>Amount Per Subrecipient Invoices</u>	<u>Differences</u>
Contract amount	<u>\$ 186,500</u>	<u>\$ 186,500</u>	<u>\$ -</u>
Program costs:			
Current year	\$ 181,932	\$ 181,932	\$ -
Cumulative	<u>181,932</u>	<u>181,932</u>	<u>-</u>
Funds drawn down:			
Current year	181,932	181,932	-
Cumulative	<u>181,932</u>	<u>181,932</u>	<u>-</u>
Balance on advances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF PHILADELPHIA,
DEPARTMENT OF COMMERCE
STATEMENTS AND SCHEDULES**

THE URBAN LEAGUE OF PHILADELPHIA

City of Philadelphia, Department of Commerce
 Contract Number 17-20060
 Schedule of Source and Status of Funds
 July 1, 2017 to June 30, 2018

	<u>CDBG *</u> <u>Funds</u>	<u>Project</u> <u>Funds</u>	<u>Total</u>
Total contract (Final Authorized Budget)	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 50,000</u>
Less:			
Funds drawn down, prior fiscal years	-	-	-
Funds drawn down, current fiscal year	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total funds drawn down	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Funds still available for draw down	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total funds drawn down	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 50,000</u>
Add:			
Program income	<u>-</u>	<u>-</u>	<u>-</u>
Total funds received	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Less:			
Program income expended	-	-	-
Funds applied, prior years	-	-	-
Funds applied, current year	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total funds applied (actual expenses)	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total funds due to funding source	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total funds available for disposition	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

* Community Development Block Grant

THE URBAN LEAGUE OF PHILADELPHIA

City of Philadelphia, Department of Commerce
 Contract Number 17-20060
 Schedule of Program Expenditures
 Year Ended June 30, 2018

	<u>Project Budget</u>			<u>Accrued Expenditures</u>		
	<u>CDBG *</u> <u>Funds</u>	<u>Project</u> <u>Funds</u>	<u>Total</u>	<u>CDBG *</u> <u>Funds</u>	<u>Project</u> <u>Funds</u>	<u>Total</u>
Contract categories:						
Direct personnel	\$ 46,500	\$ -	\$ 46,500	\$ 46,500	\$ -	\$ 46,500
Fringe benefits	3,500	-	3,500	3,500	-	3,500
Travel	-	-	-	-	-	-
Occupancy	-	-	-	-	-	-
Other	-	-	-	-	-	-
Contract total	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 50,000</u>

* Community Development Block Grant

THE URBAN LEAGUE OF PHILADELPHIA

City of Philadelphia, Department of Commerce
Contract Number 17-20060
Reconciliation Schedule
July 1, 2017 to June 30, 2018

	<u>Amount According to Books and Records</u>	<u>Amount According to Invoices</u>	<u>Differences</u>
Contract amount	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ -</u>
Program costs	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Funds drawn down	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Balance on advances	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>