

**CORA SERVICES, INC. AND
THE CORA SERVICES
FOUNDATION**

**Combined Financial Statements
June 30, 2019 and 2018**

Kreischer
Miller

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CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

June 30, 2019 and 2018

CONTENTS

INDEPENDENT AUDITORS' REPORT

FINANCIAL STATEMENTS

Combined Statements of Financial Position	1
Combined Statements of Activities and Changes in Net Assets	2-3
Combined Statements of Functional Expenses	4-7
Combined Statements of Cash Flows	8
Notes to Combined Financial Statements	9-19

SUPPLEMENTARY INFORMATION

Schedule of Expenditures of Federal Awards	20
Notes to Schedule of Expenditures of Federal Awards	21

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 <i>GOVERNMENT AUDITING STANDARDS</i>	22-23
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE	24-26
--	-------

Schedule of Findings and Questioned Costs	27-28
---	-------

SUPPLEMENTARY INFORMATION FOR THE CITY OF PHILADELPHIA

DEPARTMENT OF BEHAVIORAL HEALTH AND INTELLECTUAL DISABILITY SERVICES, OFFICE OF ADDICTION SERVICES

Schedule of Functional Expenditures by Program and Revenue by Funding Sources	29-30
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DEPARTMENT OF HUMAN SERVICES

Report of Revenue by Functional Program	31
Report of Functional Expenditures	32
Report of Excess Revenue	33

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SPECIFIED INDIRECT COST ALLOCATION REQUIREMENTS	34
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Independent Auditors' Report

The Board of Directors of
CORA Services, Inc. and The CORA Services Foundation
Philadelphia, Pennsylvania

Report on the Combined Financial Statements

We have audited the accompanying combined financial statements of CORA Services, Inc. and The CORA Services Foundation, which comprise the combined statements of financial position as of June 30, 2019 and 2018, and the related combined statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Combined Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these combined 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*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of CORA Services, Inc. and The CORA Services Foundation as of June 30, 2019 and 2018, and the combined changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Report on Supplementary Information

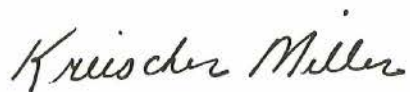
Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying schedule of expenditures of federal, state and city awards as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) is presented for purposes of additional analysis, and is not a required part of the financial statements. The accompanying supplementary information on pages 29 through 32 is presented for purposes of additional analysis as required by the *City of Philadelphia Subrecipient Audit Guide* and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Emphasis of Matter

As discussed in Note 4 to the notes to schedule of expenditures of federal, state and city awards, the June 30, 2019 schedule of expenditures of federal, state and city awards has been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2019 on our consideration of CORA Services, Inc. and The CORA Services Foundation's internal control over financial reporting and on our tests of their compliance with certain provisions of laws, regulations, contracts, and 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 CORA Services, Inc. and The CORA Services Foundation's internal control over financial reporting and compliance.

A handwritten signature in cursive script, reading "Kreisler Miller".

Horsham, Pennsylvania

November 26, 2019, except for the report on supplementary information, the schedule of expenditures of federal, state and city awards and Note 4 to the schedule of expenditure of federal, state and city awards.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Combined Statements of Financial Position Years Ended June 30, 2019 and 2018

	2019	2018
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 448,209	\$ 112,862
Grants and contracts receivable, net of allowance of \$47,495 and \$57,644 in 2019 and 2018, respectively	4,203,526	4,651,228
Prepaid expenses	91,511	108,358
Total current assets	4,743,246	4,872,448
Property and equipment, net	5,995,647	6,249,953
Note receivable, net	-	116,500
	<u>\$ 10,738,893</u>	<u>\$ 11,238,901</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Line of credit	\$ -	\$ 902,610
Current portion of long-term debt	189,675	182,437
Accounts payable and accrued expenses	806,340	797,874
Accrued wages and compensated absences	2,630,104	2,237,094
Deferred revenue	163,723	111,370
Total current liabilities	3,789,842	4,231,385
Long-term debt, net of current portion	813,318	1,002,982
Total liabilities	<u>4,603,160</u>	<u>5,234,367</u>
Net assets:		
Without donor restrictions	6,053,005	5,930,460
With donor restrictions	82,728	74,074
	<u>6,135,733</u>	<u>6,004,534</u>
	<u>\$ 10,738,893</u>	<u>\$ 11,238,901</u>

See accompanying notes to combined financial statements.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Combined Statements of Activities and Changes in Net Assets Years Ended June 30, 2019 and 2018

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:			
Grants and contracts	\$ 18,669,775	\$ -	\$ 18,669,775
Fees and services	1,350,074	-	1,350,074
Contributions and fundraising	326,555	50,000	376,555
Special events	175,428	-	175,428
Interest income	40,269	-	40,269
Rental income	95,774	-	95,774
Net assets released from restrictions	41,346	(41,346)	-
	20,699,221	8,654	20,707,875
Expenses:			
Program services:			
Auxiliary services to nonpublic schools	7,093,906	-	7,093,906
Counseling and prevention/intervention	2,871,355	-	2,871,355
Charter and other school services	4,026,995	-	4,026,995
Early childhood services	2,045,989	-	2,045,989
After school programs	1,165,953	-	1,165,953
	17,204,198	-	17,204,198
Supporting services:			
Management and general	2,317,920	-	2,317,920
Building maintenance and occupancy	802,417	-	802,417
Promotional and fundraising	252,141	-	252,141
	20,576,676	-	20,576,676
Change in net assets	122,545	8,654	131,199
Net assets at beginning of year	5,930,460	74,074	6,004,534
Net assets at end of year	\$ 6,053,005	\$ 82,728	\$ 6,135,733

See accompanying notes to combined financial statements.

2018		
Without Donor Restrictions	With Donor Restrictions	Total
\$ 16,481,419	\$ -	\$ 16,481,419
1,279,827	-	1,279,827
304,994	67,500	372,494
205,323	-	205,323
3,417	-	3,417
91,108	-	91,108
29,819	(29,819)	-
18,395,907	37,681	18,433,588
6,867,679	-	6,867,679
2,221,941	-	2,221,941
3,528,609	-	3,528,609
1,858,929	-	1,858,929
928,036	-	928,036
15,405,194	-	15,405,194
1,934,140	-	1,934,140
776,424	-	776,424
301,630	-	301,630
18,417,388	-	18,417,388
(21,481)	37,681	16,200
5,951,941	36,393	5,988,334
\$ 5,930,460	\$ 74,074	\$ 6,004,534

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Combined Statement of Functional Expenses Year Ended June 30, 2019

	Program Services				
	Auxiliary Services to Nonpublic Schools	Counseling and Prevention/ Intervention	Charter and Other School Services	Early Childhood Services	After School Programs
Salaries	\$ 5,208,567	\$ 1,909,428	\$ 2,936,461	\$ 1,473,384	\$ 785,715
Payroll taxes and fringe benefits	1,313,535	444,892	700,136	354,433	144,718
Total employee compensation	6,522,102	2,354,320	3,636,597	1,827,817	930,433
Consultants and professional fees	29,092	248,684	337,498	43,572	44,334
Occupancy	65,272	12,388	-	62,060	-
Supplies and other program related expenses	315,165	87,751	41,261	54,181	163,706
Equipment, rental, maintenance and repair	34,514	45,080	-	13,550	499
Equipment purchases	30,263	61,886	1,088	13,862	5,345
Automobile and travel	42,333	38,012	5,881	5,607	15,824
Insurance	-	-	-	-	-
Donations	1,000	-	-	-	-
Advertising	1,500	2,250	100	2,374	1,738
Telephone	45,727	20,984	4,570	16,050	4,074
Special events	-	-	-	-	-
Interest	-	-	-	-	-
Bad debt	-	-	-	-	-
	564,866	517,035	390,398	211,256	235,520
Depreciation	6,938	-	-	6,916	-
	571,804	517,035	390,398	218,172	235,520
Total expenses	\$ 7,093,906	\$ 2,871,355	\$ 4,026,995	\$ 2,045,989	\$ 1,165,953

See accompanying notes to combined financial statements.

Supporting Services			
Management and General	Building Maintenance and Occupancy	Promotional and Fundraising	Total
\$ 1,271,613	\$ 160,600	\$ 151,022	\$ 13,896,790
332,060	44,151	36,187	3,370,112
1,603,673	204,751	187,209	17,266,902
232,283	5,232	1,923	942,618
-	196,383	-	336,103
131,608	514	19,245	813,431
51,789	35,232	-	180,664
1,884	4,000	-	118,328
2,026	5,953	75	115,711
91,421	38,757	-	130,178
-	-	9,000	10,000
6,455	500	3,765	18,682
20,652	26,847	1,040	139,944
-	-	29,884	29,884
26,129	43,796	-	69,925
150,000	-	-	150,000
714,247	357,214	64,932	3,055,468
-	240,452	-	254,306
714,247	597,666	64,932	3,309,774
\$ 2,317,920	\$ 802,417	\$ 252,141	\$ 20,576,676

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Combined Statement of Functional Expenses Year Ended June 30, 2018

	Program Services				
	Auxiliary Services to Nonpublic Schools	Counseling and Prevention/ Intervention	Charter and Other School Services	Early Childhood Services	After School Programs
Salaries	\$ 4,954,581	\$ 1,690,788	\$ 2,611,209	\$ 1,333,603	\$ 632,762
Payroll taxes and fringe benefits	1,248,728	398,039	616,131	307,637	110,072
Total employee compensation	6,203,309	2,088,827	3,227,340	1,641,240	742,834
Consultants and professional fees	119,059	3,600	281,360	105,742	36,418
Occupancy	125,439	-	-	61,831	4,800
Supplies and other program related expenses	242,333	39,097	10,133	23,479	122,034
Equipment, rental, maintenance and repair	40,702	23,188	-	6,722	1,885
Equipment purchases	44,455	13,056	-	-	10,851
Automobile and travel	39,580	43,276	4,276	2,739	6,107
Insurance	-	-	-	-	-
Donations	-	-	-	-	-
Advertising	-	-	-	-	-
Telephone	44,476	10,897	5,500	10,346	3,107
Special events	-	-	-	-	-
Interest	-	-	-	-	-
	656,044	133,114	301,269	210,859	185,202
Depreciation	8,326	-	-	6,830	-
	664,370	133,114	301,269	217,689	185,202
Total expenses	\$ 6,867,679	\$ 2,221,941	\$ 3,528,609	\$ 1,858,929	\$ 928,036

See accompanying notes to combined financial statements.

Supporting Services			
Management and General	Building Maintenance and Occupancy	Promotional and Fundraising	Total
\$ 1,172,700	\$ 159,827	\$ 148,835	\$ 12,704,305
298,188	39,772	36,109	3,054,676
1,470,888	199,599	184,944	15,758,981
176,175	995	3,840	727,189
-	186,442	-	378,512
96,390	165	36,591	570,222
35,618	30,151	-	138,266
2,614	694	-	71,670
2,660	3,557	240	102,435
86,141	36,667	-	122,808
2,000	-	9,316	11,316
22,728	-	1,090	23,818
8,878	26,718	988	110,910
-	-	64,621	64,621
30,048	49,638	-	79,686
463,252	335,027	116,686	2,401,453
-	241,798	-	256,954
463,252	576,825	116,686	2,658,407
\$ 1,934,140	\$ 776,424	\$ 301,630	\$ 18,417,388

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Combined Statements of Cash Flows Years Ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Change in net assets	\$ 131,199	\$ 16,200
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	254,306	256,952
Bad debt expense	150,000	-
(Increase) decrease in assets:		
Grants and contracts receivable	447,702	(1,275,314)
Prepaid expenses	16,847	(87,320)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	8,466	144,429
Accrued wages and compensated absences	393,010	(53,075)
Deferred revenue	52,353	(28,049)
Net cash provided by (used in) operating activities	1,453,883	(1,026,177)
Cash flows from investing activity:		
Purchase of property and equipment	-	(33,581)
Cash flows from financing activities:		
Net borrowings (repayments) under line of credit	(902,610)	902,610
Advances on note receivable	(33,500)	(116,500)
Repayments of long-term debt	(182,426)	(175,399)
Net cash provided by (used in) financing activities	(1,118,536)	610,711
Net increase (decrease) in cash and cash equivalents	335,347	(449,047)
Cash and cash equivalents, beginning of year	112,862	561,909
Cash and cash equivalents, end of year	\$ 448,209	\$ 112,862
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	\$ 69,925	\$ 79,686

See accompanying notes to combined financial statements.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements

June 30, 2019 and 2018

(1) Organization

CORA Services, Inc. (CORA) is a not-for-profit human services agency which provides counseling and educational programs to children and their families in the Greater Philadelphia area primarily through contracts with various governmental agencies, school districts, and other not-for-profit organizations. CORA serves over 20,000 children each year in over 200 non-public, public, and charter school systems, as well as in multiple community locations.

CORA is affiliated with The CORA Services Foundation (the Foundation) through common management and Board of Directors' membership. The Foundation supports the stated purposes of CORA Services, Inc.

(2) Summary of Significant Accounting Policies

Principles of Combination

The combined financial statements include the accounts of CORA and the Foundation, which are affiliated organizations (collectively, the Organization). All significant intercompany transactions have been eliminated.

Basis of Accounting

The Organization prepares its combined financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for Not-for-Profit Organizations. The significant accounting and reporting policies used by the Organization are described subsequently to enhance the usefulness and understandability of the financial statements.

Net Assets

The Organization has two classes of net assets – net assets with donor restrictions and net assets without donor restrictions. Net assets and revenues, expenses, gains, and other changes are classified based on the existence or absence of donor-imposed restrictions.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Continued...

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements June 30, 2019 and 2018

(2) Summary of Significant Accounting Policies, Continued

Cash and Cash Equivalents

The Organization considers all highly liquid investments purchased with initial maturities of three months or less to be cash equivalents.

Grants and Contracts Receivable and Allowance for Doubtful Accounts

Grants and contracts receivable are periodically reviewed by management for collectability. Allowance for bad debts are calculated based on historical experience and management's evaluation of outstanding receivables. Accounts are written off when they are deemed uncollectible.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at estimated fair value at the date of the gift. Improvements to property and plant in excess of \$10,000, that materially improve the assets' useful lives, and purchases of equipment in excess of \$5,000 are capitalized and recognized in the combined statements of financial position. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, which range from three to forty years. When assets are disposed of, due to the end of their useful lives or unforeseen circumstances, the related cost and accumulated depreciation are removed from the accounts, and any gain or loss from such disposition is included in revenue.

Revenue Recognition

Revenue from exchange contracts with governmental and nongovernmental funding agencies is recognized in the period when services have been provided, or as costs are incurred based upon either units of service rendered or costs incurred, as appropriate to a specific contract.

Fees and services are recognized as revenue in the applicable period when the related services are rendered.

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation. Conditional promises to give are not included as revenue until the conditions on which they depend are substantially met. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restriction.

Continued...

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements June 30, 2019 and 2018

(2) Summary of Significant Accounting Policies, Continued

Revenue Recognition, Continued

Deferred revenue includes amounts received for summer programs to be conducted in the following fiscal year, as well as, advanced funding from certain grants and contracts. Expenses related to these programs have been recorded as prepaid expenses at year end.

Contributed Services

Individuals volunteer their time and perform a variety of tasks that assist the Organization with specific programs. An amount has not been recognized in the accompanying combined statements of activities for these volunteer efforts because they do not meet the recognition criteria under Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 958-605-15, *Revenue Recognition*.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying combined statements of activities and changes in net assets. Expenses directly attributable to a specific functional area are reported as direct costs to that function area, including salary and benefits and various other program-specific and agreed upon expenditures.

The financial statements also report certain indirect expenses that are related to all programs and services. Therefore, certain expenses require allocation on a reasonable basis that is consistently applied based on the Organization's documented methodology. Occupancy, depreciation and amortization are allocated on a square footage basis. Salaries and benefits, payroll taxes of administrative staff, professional services, office expenses, information technology, and insurance are allocated to all programs based on a rate (not to exceed 15%) determined annually by management during the budgeting process based on estimates of time and effort that is approved by the Board of Directors.

Concentration of Credit Risk

The Organization maintains cash balances at various financial institutions; these balances, at times, exceed federally insured limits. The Organization has not experienced any losses in such accounts and management does not believe it is exposed to any significant credit risk.

Continued...

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements June 30, 2019 and 2018

(2) Summary of Significant Accounting Policies, Continued

Income Taxes

CORA is a not-for-profit social services agency and the Foundation is a not-for-profit foundation. The Internal Revenue Service (IRS) has classified each organization as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require 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 Organization and has concluded that as of June 30, 2019 and 2018, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the combined financial statements.

CORA and the Foundation are annually required to file a Federal Form 990 with the IRS, and management has determined that neither entity is subject to unrelated business income tax and has not filed a Form 990T. With few exceptions, CORA and the Foundation are no longer subject to examination by the IRS or state and local taxing authorities for years before 2016.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs for the years ended June 30, 2019 and 2018 were \$18,682 and \$23,818, respectively.

Use of Estimates

The preparation of the combined financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Continued...

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements June 30, 2019 and 2018

(2) Summary of Significant Accounting Policies, Continued

Accounting Pronouncement Adopted

Financial Statement Presentation

In 2019, the Organization implemented the requirements of FASB Accounting Standards Update (ASU) 2016-14 - *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, and applied the changes to all periods presented. ASU 2016-14 requires certain changes to the presentation of financial statements of not-for-profit entities and additional new disclosures. These include qualitative and quantitative requirements in the following areas: net asset classes, investment return, expenses and liquidity. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions.

Recent Accounting Pronouncements

Revenue Recognition

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which updates the accounting guidance on revenue recognition. This standard is intended to provide a more robust framework for addressing revenue issues, improve comparability of revenue recognition practices, and improve disclosure requirements.

On June 21, 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This ASU provides guidance to not-for-profit entities as they adopt FASB ASU 2014-09, *Revenue from Contracts with Customers*, specifically as it relates to grants and contracts. The new guidance applies to all entities that receive or make contributions.

Both of the revenue recognition standards are effective for the Organization's fiscal year ending June 30, 2020. The Organization is currently evaluating the impact and implementing necessary steps for adoption of these standards for fiscal year ending June 30, 2020.

Continued...

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements June 30, 2019 and 2018

(2) Summary of Significant Accounting Policies, Continued

Recent Accounting Pronouncements, Continued

Leases

In February 2016, the FASB issued ASU 2016-02, *Leases, (Topic 842)*. ASU 2016-02 improves transparency and comparability among organizations by requiring recognition of lease assets and lease liabilities in the statement of financial position, except for leases with lease terms of 12 months or less. Lease assets represent the right to use the underlying asset for the lease term, and lease liabilities represent the liability to make lease payments. Organizations are also required to disclose key information about leasing arrangements. ASU 2016-02 is effective for financial statements issued for fiscal years beginning after December 15, 2020, with early adoption permitted. The Organization is currently evaluating the impact and implementing steps for recognition of leased assets and liabilities on the combined statement of financial position.

Subsequent Events

The Organization has performed an evaluation of subsequent events through November 26, 2019, which is the date the combined financial statements were available to be issued.

(3) Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following at June 30:

	2019	2018
Cash and cash equivalents	\$ 365,481	\$ 38,788
Grants and contract receivables	4,203,526	4,651,228
	<u>\$ 4,569,007</u>	<u>\$ 4,690,016</u>

Approximately 90% of the Organization's revenue consists of grants and contracts with federal, state and local government agencies, as well as other not-for-profit conduits of governmental funding in the Greater Philadelphia area. This revenue is designated for programs and services which are ongoing, major and central to the Organization's operations and is available to meet cash needs for these expenditures. Management regularly monitors liquidity required to meet its operating needs and all contractual commitments.

Continued...

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements June 30, 2019 and 2018

(3) Liquidity and Availability, Continued

The Organization manages its liquidity following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining cash-flow projections to provide reasonable assurance that long-term operating needs will be met.

The Organization has a liquidity policy to maintain current financial assets less current liabilities at a minimum of 30 days of operating expenses. To achieve this target, the Organization forecasts its future cash flows and projections and monitors its liquidity quarterly. In the event of a liquidity need due to timing of payments from funders, the Organization could draw from the available line of credit (Note 6).

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting revenue to cover general expenditures not covered by donor-restricted resources.

(4) Property and Equipment

Property and equipment consist of the following at June 30:

	2019	2018
Land	\$ 260,000	\$ 260,000
Building	8,590,214	8,590,214
Equipment	420,054	420,054
Building improvements	233,737	233,737
	<u>9,504,005</u>	<u>9,504,005</u>
Accumulated depreciation	<u>(3,508,358)</u>	<u>(3,254,052)</u>
	<u>\$ 5,995,647</u>	<u>\$ 6,249,953</u>

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements June 30, 2019 and 2018

(5) Note Receivable

In July 2017, CORA entered into an agreement with an alternative school in the Philadelphia area, whereby CORA will provide certain managerial services, as defined in the agreement. The agreement was set to expire on June 30, 2019, but the option for a renewal period of one year was exercised, extending the expiration date to June 30, 2020. Consideration to CORA, in return for providing these services, is contingent upon the school achieving certain revenue targets, as defined in the agreement. CORA, at its discretion, may advance funds to the school under a revolving note agreement up to \$150,000, which will bear interest at 5%, secured by substantially all of the assets of the school. At June 30, 2019, CORA has advanced \$150,000 to the school. Principal payments on the note are due in equal monthly installments of the outstanding loan balance, beginning in July 2019. All remaining outstanding principal and interest is due on June 30, 2020. During 2019, management evaluated the collectability of the note and recorded a charge to bad debt expense for \$150,000 due to the school's financial condition.

(6) Line of Credit

CORA has a demand line of credit with a maximum available balance of \$3,000,000. The line of credit bears interest at the bank's prevailing prime rate (5.50% at June 30, 2019). The line of credit matures on December 31, 2019 and is collateralized by substantially all of the assets of CORA. The credit agreement requires that CORA maintain certain financial covenants to be tested annually. As of June 30, 2019, CORA is in compliance with the financial covenants.

(7) Long-Term Debt

Long-term debt comprises the following at June 30:

	2019	2018
\$1,350,000 mortgage note payable, due in monthly payments of \$9,091, including interest at 4.41%; collateralized by a first mortgage on real estate and personal property; mortgage matures in October 2025. The interest rate will be adjusted January 2022 in accordance with the terms of the note. The note is subject to a declining prepayment fee ranging from 5% to 1% through the interest rate adjustment date.	\$ 572,744	\$ 654,617

Continued...

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements June 30, 2019 and 2018

(7) Long-Term Debt, Continued

	2019	2018
\$1,650,000 mortgage note payable, due in monthly payments of \$4,634; interest is calculated at a variable floating interest rate (3.575% at June 30, 2019), collateralized by a second mortgage on real estate and personal property; mortgage matures in October 2025.	319,911	365,337
\$700,000 mortgage note payable, due in monthly payments of \$5,004, including interest at 3.5%; collateralized by a third mortgage on real estate; mortgage matures in June 2021. The note is subject to a prepayment fee of 0.5% of the amount prepaid.	110,338	165,465
	1,002,993	1,185,419
Current portion	(189,675)	(182,437)
Long-term portion	\$ 813,318	\$ 1,002,982

Future annual principal payments on long-term-debt as of June 30, 2019 are as follows:

Year Ending June 30,	Amount
2020	\$ 189,675
2021	191,026
2022	143,503
2023	149,359
2024	155,459
Thereafter	173,971
	<u>\$ 1,002,993</u>

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements June 30, 2019 and 2018

(8) Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods at June 30:

	2019	2018
Program activities	\$ 15,730	\$ 18,608
Emergency assistance	8,489	8,489
Construction of LaSalle day care	2,692	2,692
Early years and intensive prevention	55,817	44,285
	<u>\$ 82,728</u>	<u>\$ 74,074</u>

(9) Contingencies

The Organization receives funding from various pass-through entities. Until the financial information required by these entities is accepted, costs incurred for program services are subject to review and possible disallowance. In management's opinion, such disallowed costs, if any, would not be material to the Organization's combined financial statements.

(10) Operating Leases

The Organization has entered into leases for facilities and equipment, expiring on various dates through 2022, which have been accounted for as operating leases. Scheduled future minimum rental commitments for facilities and equipment under leases with remaining noncancelable terms exceeding one year as of June 30, 2019 are as follows:

Year Ending June 30,	Amount
2020	\$ 92,947
2021	20,571
2022	6,257
	<u>\$ 119,775</u>

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements June 30, 2019 and 2018

(11) Concentrations

Revenues are derived primarily from contracts with state and local government agencies, as well as other not-for-profit conduits of governmental funding throughout the Philadelphia area. For the year ended June 30, 2019, unrestricted revenue from two contracts amounted to 59% of total revenue. As of June 30, 2019, amounts due from two agencies comprise 67% of the grants and contracts receivable.

(12) Retirement Plan

CORA's full-time employees are covered by a defined-contribution group annuity plan administered by NFP Retirement. Employer contributions are based upon a stated percentage of employees' eligible earnings, which ranges from 4% to 7.2% depending on the number of years of service of the employee. Employees may also make discretionary contributions. CORA's contributions to the plan were approximately \$613,000 and \$518,000 for the years ended June 30, 2019 and 2018, respectively.

SUPPLEMENTARY INFORMATION

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

**Schedule of Expenditures of Federal, State and City Awards
Year Ended June 30, 2019 - Restated**

Federal Grantor/Pass-Through Grantor/Program	Federal CFDA Services	Pass-Through Entity Identifying or Contract Number	Contract Period	Expenditures
Federal Awards				
U.S. Department of Education				
Pass-through:				
Bureau of Curriculum, Assessment and Instruction				
Twenty-First Century Community Learning Centers	84.287	4100078092	7/1/18-09/30/18	\$ 169,768
Twenty-First Century Community Learning Centers	84.287	4100078092	10/1/18-06/30/19	281,914
Total CFDA 84.287				<u>451,682</u>
U.S. Department of Human Services				
Pass-through:				
Public Health Management Corporation				
Temporary Assistance for Needy Families	93.558	N/A	07/01/18-06/30/19	440,967
City of Philadelphia Department of Human Services, Office of BH-MR Services				
Substance Abuse Prevention and Treatment Block Grants for Prevention and Treatment of Substance Abuse	93.959	17-20072	07/01/18-06/30/19	<u>1,178,458</u>
Total federal awards expended				<u>2,071,107</u>
State Awards				
Pennsylvania Department of Human Services				
Pass-through:				
City of Philadelphia Department of Human Services, Department of Behavioral Health and Intellectual Disability Services				
Substance Abuse Prevention and Treatment	N/A	17-20072	07/01/18-06/30/19	222,952
Drug and Alcohol Program	N/A	17-20072	07/01/18-06/30/19	191,101
ACT 148 - Truancy Prevention	N/A	19-20039	07/01/18-06/30/19	569,960
ACT 148 - Care of Delinquent Children	N/A	19-20044	07/01/18-06/30/19	640,820
ACT 148 - Childrent and Youth	N/A	MPXX19000122	07/01/18-06/30/19	<u>12,323</u>
Total state awards expended				<u>1,637,156</u>
City of Philadelphia Department of Human Services, Department of Behavioral Health and Intellectual Disability Services				
ACT 148 - Truancy Prevention	N/A	19-20039	07/01/18-06/30/19	143,260
ACT 148 - Care of Delinquent Children	N/A	19-20044	07/01/18-06/30/19	170,988
ACT 148 - Childrent and Youth	N/A	MPXX19000122	07/01/18-06/30/19	<u>3,081</u>
Total city funds expended				<u>317,329</u>
Total Federal, State and City Expenditures				<u>\$ 4,025,592</u>

N/A - Not available

See accompanying notes to the schedule of expenditures of federal awards.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Schedule of Expenditures of Federal, State and City Awards June 30, 2019

(1) General Information

The accompanying schedule of expenditures of federal, state and city awards (the Schedule) presents the activities in all the federal awards programs of the Agency. All federal awards received directly from federal agencies, as well as awards passed through other governmental agencies or nonprofit organizations, are included on the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

(2) Basis of Accounting

The accompanying Schedule is presented using the accrual basis of accounting, which is the same basis of accounting used for the financial statements.

(3) Relationship to Basic Financial Statements

Federal awards expenditures are included in the statement of functional expenses. For certain programs, the expenses reported in the financial statements may differ from the expenses reported in the Schedule due to program expenses exceeding grant or contract budget limitations, which are not included as federal awards.

(4) Restatement of the Schedule of Federal, State and City Awards

The Schedule was restated as a result of the identification of additional federal, state and city awards that passed through the City of Philadelphia that were previously omitted. As a result of obtaining this information, additional federal, state and city awards are reported in the Schedule as of June 30, 2019, resulting in the identification of an additional major program.

(5) De Minimis Indirect Cost Rate

The Agency has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

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*

The Board of Directors of
CORA Services, Inc. and The CORA Services Foundation
Philadelphia, Pennsylvania

We have audited, in accordance with the 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 combined financial statements of CORA Services, Inc. and The CORA Services Foundation, which comprise the combined statement of financial position as of June 30, 2019, and the related combined statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated November 26, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered CORA Services, Inc. and The CORA Services Foundation'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 combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of CORA Services, Inc. and The CORA Services Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of CORA Services, Inc. and The CORA Services Foundation'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 CORA Services, Inc. and The CORA Services Foundation's combined 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 CORA Services, Inc. and The CORA Services Foundation's combined financial statements are free from material misstatement, we performed tests of their 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 combined 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 CORA Services, Inc. and The CORA Services Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CORA Services, Inc. and The CORA Services Foundation's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Horsham, Pennsylvania
November 26, 2019

Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

The Board of Directors
CORA Services, Inc. and The CORA Services Foundation
Philadelphia, Pennsylvania

Report on Compliance for Each Major Federal Program

We have audited CORA Services, Inc. and The CORA Services Foundation's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of CORA Services, Inc. and The CORA Services Foundation's federal programs for the year ended June 30, 2019. CORA Services, Inc. and The CORA Services Foundation's major federal programs are 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 federal statutes, regulations, and the terms and conditions of federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of CORA Services, Inc. and The CORA Services Foundation's major federal programs 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; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 CORA Services, Inc. and The CORA Services Foundation'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 each major federal program. However, our audit does not provide a legal determination of CORA Services, Inc. and The CORA Services Foundation's compliance.

Opinion on Each Major Federal Program

In our opinion, CORA Services, Inc. and The CORA Services Foundation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of CORA Services, Inc. and The CORA Services Foundation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered CORA Services, Inc. and The CORA Services Foundation's internal control over compliance with types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 CORA Services, Inc. and The CORA Services Foundation'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.

Emphasis of Matter

As discussed in Note 4 to the notes to schedule of expenditures of federal, state and city awards, the June 30, 2019 schedule of expenditures of federal, state and city awards have been restated to correct a misstatement. Our opinion on each major federal program and our reports on compliance on each major federal program and internal control over compliance are not modified with respect to this matter.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Kreischer Miller

Horsham, Pennsylvania
March 13, 2020

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Schedule of Findings and Questioned Costs Year Ended June 30, 2019

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? ☐ Yes ☒ None Reported

Noncompliance material to financial statements noted ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? ☐ Yes ☒ None Reported

Type of auditors' report issued on compliance for major programs: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? ☐ Yes ☒ No

Identification of major programs:

CFDA Number(s)

84.287

93.959

Name of Federal Program or Cluster

Twenty-First Century Community Learning Centers

Block Grants for Prevention and Treatment of Substance Abuse

Continued...

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Schedule of Findings and Questioned Costs, Continued Year Ended June 30, 2019

I. SUMMARY OF AUDITORS' RESULTS, CONTINUED

Dollar threshold used to distinguish between
type A and type B programs

\$750,000

Auditee qualified as low-risk auditee?

☐ Yes

☒ No

II. FINANCIAL STATEMENT FINDINGS

None.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

IV. PRIOR AUDIT FINDINGS

None.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

City of Philadelphia Department of Behavioral Health and Intellectual Disability Services,
Office of Addiction Services
Contract Numbers: 17-20072 and 17-20714

Schedule of Functional Expenditures by Program and Revenue by Funding Sources
Year Ended June 30, 2019

	Recovery Case Management	SAP Assessment	Adolescent Case Management	Gambling Prevention	SAP Expansion
Expenditures by cost center:					
Total personnel services	\$ 127,641	\$ 131,342	\$ 175,458	\$ 176,960	\$ 254,073
Total operating expenses	12,411	22,303	40,266	23,017	42,593
Total expenditures by cost center	140,052	153,645	215,724	199,977	296,666
Funding sources:					
CBH revenues	90,531	-	-	-	-
City of Philadelphia, Office of Addiction Services	50,291	153,645	215,687	200,000	295,446
Office of Addiction Services/ Behavioral Health Special Initiative/ Philadelphia Mental Health Care Corporation	5,120	-	-	-	-
Contributions, fundraising and other	5,136	-	-	-	-
Total funding sources	151,078	153,645	215,687	200,000	295,446
Excess (deficiency) of expenditures over funding sources	\$ (11,026)	\$ -	\$ 37	\$ (23)	\$ 1,220

Teen Pregnancy and Parenting	Substance Use/Early Intervention	AOD Prevention	Teen Intervention Program	SAP Care/Case Management	Data Systems & TBWS	Total
\$ 73,084	\$ 136,228	\$ 3,753	\$ 13,651	\$ 88,025	\$ 17,000	\$ 1,197,215
8,917	51,046	19,064	26,530	36,988	204,000	487,135
82,001	187,274	22,817	40,181	125,013	221,000	1,684,350
-	-	-	-	-	-	90,531
82,000	187,330	22,857	39,999	124,256	221,000	1,592,511
-	-	-	-	-	-	5,120
100	-	-	-	-	-	5,236
82,100	187,330	22,857	39,999	124,256	221,000	1,693,398
\$ (99)	\$ (56)	\$ (40)	\$ 182	\$ 757	\$ -	\$ (9,048)

Report of Revenue by Functional Program City of Philadelphia Department of Human Services Year Ended June 30, 2019		Agency Name: CORA Services, Inc. Address: 8540 Verree Road Philadelphia, PA 19111		
		DHS	DHS	All
	Total all	Contract No.	Contract No.	Other
Sources of Revenue	Functions	19-20044	19-20039	Functions
71 State Government	\$ -	\$ -	\$ -	\$ -
72	-	-	-	-
73	-	-	-	-
74 Philadelphia DHS	1,540,432	836,639	703,793	-
75 Philadelphia DHS Community Block Grants	-	-	-	-
76 Philadelphia North City Congress	-	-	-	-
77 Philadelphia Activities Fund	-	-	-	-
78 Philadelphia Department of Recreation	-	-	-	-
79 Community Behavioral Health	90,531	-	-	90,531
80 Board of Education	8,420,795	-	-	8,420,795
81 Office of Addiction Services	1,592,511	-	-	1,592,511
82 MH/MR	-	-	-	-
83 Office of Vocational Rehab	25,251	-	-	25,251
84 Youth Activities	-	-	-	-
85 Public Health Management Corp	488,281	-	-	488,281
86 Real Alternatives	-	-	-	-
87 Investment Income	40,235	-	-	40,235
88	-	-	-	-
89 Rental Income	95,774	-	-	95,774
90 Endowment Fund	-	-	-	-
91 Foundation Income	-	-	-	-
92 United Way	808	-	-	808
93 Program Income	-	-	-	-
94 Client Fees	7,339,270	-	-	7,339,270
95 Other	1,073,987	-	101	1,073,886
96 Grand Total	\$ 20,707,875	\$ 836,639	\$ 703,894	\$ 19,167,342

Accounting Method Used Accrual

Report of Functional Expenditures		City of Philadelphia		
Year Ended June 30, 2019		Department of Human Services		
		Agency: CORA Services, Inc.		
		DHS	DHS	
		Contract No.	Contract No.	All Other
Objects of Expense	Total all Functions	15-20213-04	15-20412-04	Functions
Salaries and Wages				
1 Direct Service and Program Support	\$ 12,479,943	\$ 513,869	\$ 415,669	\$ 11,550,405
2 Management and General	975,160	44,607	37,156	893,397
3 Building Maintenance	464,603	14,015	11,674	438,914
4 Promotional and Fundraising	151,022	-	-	151,022
5 Admin. Cost Center	-	-	-	-
6 F.I.C.A.	1,032,820	41,953	34,406	956,461
7 Unemployment	96,201	3,714	3,337	89,150
8 Workers' Compensation	49,855	2,059	1,727	46,069
9 Employee Benefits	2,191,237	87,292	73,445	2,030,500
10 Other - Life Insurance	-	-	-	-
11 Total Social Services	17,440,841	707,509	577,414	16,155,918
30 Total Salaries and Wages	17,440,841	707,509	577,414	16,155,918
Operating Expense and Administrative				
31 Professional Fees and Contract Payments	790,530	10,173	8,329	772,028
32 Supplies	750,783	14,518	22,081	714,184
33 Telephone	139,942	6,480	5,494	127,968
34 Postage and Shipping	7,926	246	274	7,406
35 Local Transportation	67,878	5,913	9,996	51,969
36 Outside Printing	9,951	82	68	9,801
37 Conferences, Conventions, Meetings	52,805	205	632	51,968
38 Subscriptions, Publications	-	-	-	-
39 Membership Dues	-	-	-	-
40 Awards and Grants	10,000	-	-	10,000
41 Equipment, Furniture and Motor Vehicles Rental	132,328	2,087	6,637	123,604
42 Equipment, Furniture and Motor Vehicles Depreciation	23,517	-	-	23,517
43 Equipment, Furniture - Maintenance and Repair	187,338	21,823	15,885	149,630
44 Other - Advertising	18,682	202	168	18,312
45 Other - Bad Debt Expense	150,000	-	-	150,000
46 Total Social Services	2,341,680	61,729	69,564	2,210,387
49 Total Operating Expense and Administrative	2,341,680	61,729	69,564	2,210,387
Occupancy				
50 Indirect shared Facility Expense - Including Rent	45,411	55,970	50,191	(60,750)
51 Building and Building Equipment Insurance	157,334	9,971	6,565	140,798
52 Building and Grounds Maintenance and Repairs	192,965	-	-	192,965
53 Utilities	97,729	-	-	97,729
54 Amortization	-	-	-	-
55 Interest	69,926	-	-	69,926
56 Depreciation	230,790	-	-	230,790
57 Other	-	-	-	-
58 Total Social Services	794,155	65,941	56,756	671,458
62 Total Occupancy	794,155	65,941	56,756	671,458
Grand Total Expenses	20,576,676	835,179	703,734	19,037,763
76 Child Care and Social Services	20,576,676	835,179	703,734	19,037,763
81 Grand Total Expenses	20,576,676	835,179	703,734	19,037,763

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

City of Philadelphia Department of Human Services
Report of Excess Revenue

Agency name: CORA Services, Inc.
Address: 8540 Verree Road
Philadelphia, PA 19111

Year Ended June 30, 2019

		DHS	DHS
	Total DHS	Contract No.	Contract No.
	Services	15-20213-04	15-20412-04
Total DHS Revenue:	\$ 1,540,533	\$ 836,639	\$ 703,894
Deduct: Expenditures for Phila DHS Services:			
Salaries and Wages	1,284,923	707,509	577,414
Operating and Administration	131,293	61,729	69,564
Occupancy	122,697	65,941	56,756
Children's Direct Expense	-	-	-
Total DHS Expenditures:	\$ 1,538,913	\$ 835,179	\$ 703,734
Excess Revenue/(Expense)	1,620	1,460	160

Independent Accountants' Report on Compliance with Specified Indirect Cost Allocation Requirements

The Board of Directors of
CORA Services, Inc. and The CORA Services Foundation
Philadelphia, Pennsylvania

We have examined CORA Services, Inc. and The CORA Services Foundation's compliance with allocating indirect costs reflected in the City of Philadelphia, Department of Human Services Report of Functional Expenditures as required by the Commonwealth of Pennsylvania, Department of Human Services, Section 3170.60 of the Chapter 3170 Regulations; and the "Indirect Cost Allocations" Section of the *City of Philadelphia Subrecipient Audit Guide - Instructions For Completing The Report of Functional Expenditures* (Section 2000, Exhibit B) during the year ended June 30, 2019. Management is responsible for CORA Services, Inc. and The CORA Services Foundation's compliance with those requirements. Our responsibility is to express an opinion on CORA Services, Inc. and The CORA Services Foundation's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and accordingly, including examining, on a test basis, evidence about CORA Services, Inc. and The CORA Services Foundation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on CORA Services, Inc. and The CORA Services Foundation's compliance with specified requirements.

In our opinion, CORA Services, Inc. and The CORA Services Foundation complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2019.

This report is intended solely for the information and use of the Board of Directors, management and City of Philadelphia Department of Human Services and is not intended to be, and should not be, used by anyone other than these specified parties.



Horsham, Pennsylvania
November 26, 2019