

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

Combined Financial Statements

June 30, 2021 and 2020

**Kreischer
Miller**

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CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

June 30, 2021 and 2020

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Independent Auditors' Report

The Board of Directors
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, 2021 and 2020, 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, 2021 and 2020, 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.

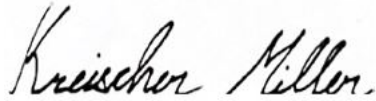
Other Matter

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 30 through 34 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2022 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 that reads "Kreischer Miller".

Horsham, Pennsylvania
January 31, 2022

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Combined Statements of Financial Position Years Ended June 30, 2021 and 2020

	2021	2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,921,335	\$ 1,884,935
Grants and contracts receivable, net of allowance of \$36,025 and \$45,513 in 2021 and 2020, respectively	6,578,593	4,815,392
Prepaid expenses	17,881	211,591
Total current assets	9,517,809	6,911,918
Property and equipment, net	5,710,288	5,741,777
	<u>\$ 15,228,097</u>	<u>\$ 12,653,695</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Current portion of long-term debt	\$ 143,986	\$ 961,208
Accounts payable and accrued expenses	2,837,220	315,397
Accrued wages and compensated absences	2,982,322	2,759,976
Deferred revenue	8,858	2,390
Total current liabilities	5,972,386	4,038,971
Long-term debt, net of current portion	490,079	1,822,997
Total liabilities	6,462,465	5,861,968
Net assets:		
Without donor restrictions	8,506,154	6,401,408
With donor restrictions	259,478	390,319
	<u>8,765,632</u>	<u>6,791,727</u>
	<u>\$ 15,228,097</u>	<u>\$ 12,653,695</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, 2021 and 2020**

	2021		Total
	Without Donor Restrictions	With Donor Restrictions	
Revenue:			
Grants and contracts	\$ 23,022,448	\$ -	\$ 23,022,448
Fees and services	1,525,682	-	1,525,682
Contributions and fundraising	639,714	60,000	699,714
Interest income	-	-	-
Rental income	16,499	-	16,499
Net assets released from restrictions	190,841	(190,841)	-
	<u>25,395,184</u>	<u>(130,841)</u>	<u>25,264,343</u>
Expenses:			
Program services:			
Auxiliary services to nonpublic schools	6,958,425	-	6,958,425
Counseling and prevention/intervention	4,442,943	-	4,442,943
Charter and other school services	4,552,932	-	4,552,932
Early childhood services	3,088,205	-	3,088,205
After school programs	2,935,670	-	2,935,670
	<u>21,978,175</u>	<u>-</u>	<u>21,978,175</u>
Supporting services:			
Management and general	3,078,154	-	3,078,154
Promotional and fundraising	325,440	-	325,440
	<u>25,381,769</u>	<u>-</u>	<u>25,381,769</u>
Change in net assets from operations	13,415	(130,841)	(117,426)
Excess of consideration paid over net assets acquired (Note 13)	116,331	-	116,331
Paycheck Protection Program loan forgiveness	1,975,000	-	1,975,000
Change in net assets	2,104,746	(130,841)	1,973,905
Net assets at beginning of year	6,401,408	390,319	6,791,727
Net assets at end of year	<u>\$ 8,506,154</u>	<u>\$ 259,478</u>	<u>\$ 8,765,632</u>

See accompanying notes to combined financial statements.

2020		
Without Donor Restrictions	With Donor Restrictions	Total
\$ 20,442,642	\$ -	\$ 20,442,642
1,188,764	-	1,188,764
223,203	395,000	618,203
40,072	-	40,072
95,459	-	95,459
87,409	(87,409)	-
22,077,549	307,591	22,385,140
6,951,410	-	6,951,410
3,157,959	-	3,157,959
4,463,397	-	4,463,397
2,865,688	-	2,865,688
1,672,433	-	1,672,433
19,110,887	-	19,110,887
2,359,144	-	2,359,144
259,115	-	259,115
21,729,146	-	21,729,146
348,403	307,591	655,994
-	-	-
-	-	-
348,403	307,591	655,994
6,053,005	82,728	6,135,733
\$ 6,401,408	\$ 390,319	\$ 6,791,727

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Combined Statement of Functional Expenses
Year Ended June 30, 2021

	Program Services				
	Auxiliary Services to Nonpublic Schools	Counseling and Prevention/ Intervention	Charter and Other School Services	Early Childhood Services	After School Programs
Salaries	\$ 5,089,025	\$ 2,791,221	\$ 3,597,595	\$ 2,143,120	\$ 1,859,113
Payroll taxes and fringe benefits	1,083,626	566,357	738,478	345,128	486,187
Total employee compensation	6,172,651	3,357,578	4,336,073	2,488,248	2,345,300
Consultants and professional fees	39,818	225,042	67,226	-	198,158
Occupancy	230,697	268,404	82,734	408,865	95,435
Supplies and other program related expenses	255,450	71,117	34,137	110,941	177,814
Equipment, rental, maintenance and repair	171,008	476,071	22,316	51,363	87,229
Automobile and travel	31,661	18,757	3,532	2,166	15,862
Insurance	-	-	-	-	-
Donations	-	-	-	-	-
Advertising	-	589	-	5,509	-
Telephone	49,705	21,032	6,914	14,198	15,872
Interest	-	-	-	-	-
Bad debt expense	-	-	-	-	-
	778,339	1,081,012	216,859	593,042	590,370
Depreciation	7,435	4,353	-	6,915	-
	785,774	1,085,365	216,859	599,957	590,370
Total expenses	\$ 6,958,425	\$ 4,442,943	\$ 4,552,932	\$ 3,088,205	\$ 2,935,670

See accompanying notes to combined financial statements.

Supporting Services			
	Building		
Management and General	Maintenance and Occupancy	Promotional and Fundraising	Total
\$ 1,847,118	\$ 180,742	\$ 143,882	\$ 17,651,816
399,933	38,001	19,952	3,677,662
2,247,051	218,743	163,834	21,329,478
309,357	(16,210)	38,250	861,641
60,883	(683,089)	1,200	465,129
52,958	244	33,648	736,309
164,725	123,584	72,061	1,168,357
148	19,519	-	91,645
110,340	46,365	-	156,705
-	-	9,500	9,500
32,998	-	5,679	44,775
72,390	5,154	1,268	186,533
15,336	38,510	-	53,846
9,375	-	-	9,375
828,510	(465,923)	161,606	3,783,815
2,593	247,180	-	268,476
831,103	(218,743)	161,606	4,052,291
\$ 3,078,154	\$ -	\$ 325,440	\$ 25,381,769

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Combined Statement of Functional Expenses
Year Ended June 30, 2020

	Program Services				
	Auxiliary Services to Nonpublic Schools	Counseling and Prevention/ Intervention	Charter and Other School Services	Early Childhood Services	After School Programs
Salaries	\$ 5,084,725	\$ 2,175,503	\$ 3,435,637	\$ 1,679,391	\$ 1,091,072
Payroll taxes and fringe benefits	1,248,074	525,588	702,667	391,670	195,803
Total employee compensation	6,332,799	2,701,091	4,138,304	2,071,061	1,286,875
Consultants and professional fees	38,544	8,682	160,750	10,432	31,202
Occupancy	283,391	219,341	106,080	305,428	38,244
Supplies and other program related expenses	119,131	72,001	19,190	58,899	108,297
Equipment, rental, maintenance and repair	88,276	82,757	22,230	376,638	140,316
Automobile and travel	37,542	45,548	4,179	7,453	58,813
Insurance	10,737	4,270	7,556	7,346	2,691
Donations	1,500	-	-	144	-
Advertising	-	100	50	6,357	14
Telephone	39,490	24,143	5,058	15,009	5,981
Interest	-	26	-	6	-
Bad debt	-	-	-	-	-
Depreciation	618,611	456,868	325,093	787,712	385,558
	-	-	-	6,915	-
	618,611	456,868	325,093	794,627	385,558
Total expenses	\$ 6,951,410	\$ 3,157,959	\$ 4,463,397	\$ 2,865,688	\$ 1,672,433

See accompanying notes to combined financial statements.

Supporting Services			
	Building		
Management and General	Maintenance and Occupancy	Promotional and Fundraising	Total
\$ 1,437,099	\$ 166,719	\$ 129,470	\$ 15,199,616
338,671	46,902	28,681	3,478,056
1,775,770	213,621	158,151	18,677,672
181,692	5,650	1,400	438,352
49,120	(733,584)	-	268,020
39,671	622	11,107	428,918
148,716	160,706	76,017	1,095,656
4,898	11,217	8	169,658
88,202	46,903	-	167,705
-	-	8,000	9,644
9,760	-	3,408	19,689
48,603	11,281	1,024	150,589
21,886	36,631	-	58,549
(9,174)	-	-	(9,174)
583,374	(460,574)	100,964	2,797,606
-	246,953	-	253,868
583,374	(213,621)	100,964	3,051,474
\$ 2,359,144	\$ -	\$ 259,115	\$ 21,729,146

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

**Combined Statements of Cash Flows
Years Ended June 30, 2021 and 2020**

	2021	2020
Cash flows from operating activities:		
Change in net assets	\$ 1,973,905	\$ 655,994
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	268,476	253,868
Bad debt expense	9,375	201
Excess of consideration paid over net assets acquired (Note 13)	(116,331)	-
PPP loan forgiveness (Note 7)	(1,975,000)	-
(Increase) decrease in assets:		
Grants and contracts receivable	(1,645,021)	(621,442)
Prepaid expenses	193,714	(120,078)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	2,506,906	(490,943)
Accrued wages and compensated absences	222,346	129,872
Deferred revenue	(2,390)	(161,333)
Net cash provided by (used in) operating activities	<u>1,435,980</u>	<u>(353,861)</u>
Cash flows from investing activities:		
(Advances) repayments on note receivable	(9,375)	9,375
Cash acquired from acquisition (Note 13)	17,179	-
Purchase of property and equipment	(232,244)	-
Net cash provided by (used in) investing activities	<u>(224,440)</u>	<u>9,375</u>
Cash flows from financing activities:		
Repayments of long-term debt	(175,140)	(193,788)
Borrowings from PPP loan (Note 7)	-	1,975,000
Net cash provided by (used in) financing activities	<u>(175,140)</u>	<u>1,781,212</u>
Net increase in cash and cash equivalents	1,036,400	1,436,726
Cash and cash equivalents, beginning of year	1,884,935	448,209
Cash and cash equivalents, end of year	<u>\$ 2,921,335</u>	<u>\$ 1,884,935</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	<u>\$ 53,846</u>	<u>\$ 58,549</u>

See accompanying notes to combined financial statements.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements

June 30, 2021 and 2020

(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.

Recent Accounting Pronouncement - Leases

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (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, as amended by ASU 2020-05, is effective for financial statements issued for fiscal years beginning after December 15, 2021, with early adoption permitted. The Organization is currently evaluating the impact of adoption on its financial statements.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements

June 30, 2021 and 2020

(2) Summary of Significant Accounting Policies, Continued

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.

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. An allowance for bad debts is 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 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.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements

June 30, 2021 and 2020

(2) Summary of Significant Accounting Policies, Continued

Revenue Recognition

Revenues are recognized when control of the promised goods or services is transferred to the customer in an amount that reflects the consideration the Organization expects to be entitled to receive in exchange for those goods or services. The Organization applies the five-step revenue model under FASB *Accounting Standards Codification* (ASC) 606, *Revenue from Contracts from Customers* to determine when exchange revenue is earned and recognized. The Organization follows FASB ASC 958, *Not-for-Profit Entities*, for nonreciprocal transactions that are outside of the scope of FASB ASC 606.

Revenue from 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.

Substantially all of the Organization's exchange revenues are recognized over time as the services are rendered. The Organization determines the transaction price for each contract based on the consideration expected to be received for the services being provided under the contract. The Organization's contracts do not include variable consideration. The Organization does not have any significant financing components as payment is generally received shortly after the revenue is recognized.

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.

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.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements

June 30, 2021 and 2020

(2) Summary of Significant Accounting Policies, Continued

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 FASB 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 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% of direct costs) determined annually by management during the budgeting process based on estimates of time and effort and 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.

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.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements

June 30, 2021 and 2020

(2) Summary of Significant Accounting Policies, Continued

Income Taxes, Continued

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, 2021 and 2020, 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. CORA and the Foundation's tax returns are subject to examination by the relevant tax authorities until the expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs for the years ended June 30, 2021 and 2020 were \$44,775 and \$19,689, 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.

Subsequent Events

The Organization has performed an evaluation of subsequent events through January 31, 2022, which is the date the combined financial statements were available to be issued.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements

June 30, 2021 and 2020

(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:

	2021	2020
Cash and cash equivalents	\$ 2,647,266	\$ 1,480,025
Grants and contract receivables	6,578,593	4,815,392
	<u>\$ 9,225,859</u>	<u>\$ 6,295,417</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.

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.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements June 30, 2021 and 2020

(4) Property and Equipment

Property and equipment consist of the following at June 30:

	2021	2020
Land	\$ 260,000	\$ 260,000
Building	8,590,214	8,590,214
Equipment	657,041	420,054
Building improvements	233,737	233,737
	<u>9,740,992</u>	<u>9,504,005</u>
Accumulated depreciation	(4,030,704)	(3,762,228)
	<u>\$ 5,710,288</u>	<u>\$ 5,741,777</u>

(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 renewal options were exercised in successive years, extending the expiration date to December 31, 2021. 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. Principal payments on the note are due in equal monthly installments of the outstanding loan balance, beginning in January 2020. All remaining outstanding principal and interest is due on December 31, 2023. An additional \$9,375 was advanced in accordance with this agreement during the year ended June 30, 2021. At June 30, 2021 and 2020, the outstanding balance on the note is \$150,000 and \$140,625, respectively. Due to the school's financial condition and the uncertainty of collection, management has recorded a reserve against the entire outstanding balance on the note as of June 30, 2021 and 2020.

(6) Line of Credit

CORA has a demand line of credit with a maximum available balance of \$4,000,000. The line of credit bears interest at the bank's prevailing prime rate (3.25% at June 30, 2021). The line of credit matures on March 31, 2023 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, 2021, CORA is in compliance with the financial covenants.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements June 30, 2021 and 2020

(7) Long-Term Debt

Long-term debt comprises the following at June 30:

	<u>2021</u>	<u>2020</u>
\$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.	\$ 406,420	\$ 487,925
\$1,650,000 mortgage note payable, due in monthly payments of \$4,634; interest is calculated at a variable floating interest rate (2.11% at June 30, 2021), collateralized by a second mortgage on real estate and personal property; mortgage matures in October 2025.	227,645	272,939
\$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 matured in June 2021. The note is subject to a prepayment fee of 0.5% of the amount prepaid.	-	48,341
Term loan pursuant to the Paycheck Protection Program, described below.	-	1,975,000
	<u>634,065</u>	<u>2,784,205</u>
Current portion	(143,986)	(961,208)
Long-term portion	<u>\$ 490,079</u>	<u>\$ 1,822,997</u>

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements

June 30, 2021 and 2020

(7) Long-Term Debt, Continued

In May 2020, the Organization received a loan in the amount of \$1,975,000 from its primary lender pursuant to the Paycheck Protection Program (PPP) administered by the United States Small Business Administration (SBA) and authorized by the Keeping American Workers Employed and Paid Act, which is part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), enacted on May 27, 2020. The PPP was established to provide economic stimulus and funding to businesses affected by the COVID-19 pandemic. The PPP note was forgivable subject to the Organization meeting specific requirements related to the use of the funds and good-faith certification requirements related to eligibility for the loan. In order to receive the forgiveness of the loan, the Organization submitted a loan forgiveness application which was approved by the SBA.

In March 2021, the Organization received forgiveness of its entire PPP loan and is not responsible for repayment of the entire loan or any interest thereon. Accordingly, the Organization recorded the forgiveness in other income on the accompanying combined statement of activities for the year ended June 30, 2021.

Future annual principal payments on long-term debt as of June 30, 2021 are as follows:

Year Ending	
June 30,	Amount
2022	\$ 143,986
2023	149,352
2024	154,874
2025	167,321
2026	18,532
	<u>\$ 634,065</u>

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements June 30, 2021 and 2020

(8) Net Assets With Donor Restrictions

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

	July 1, 2020	Contributions	Released from Restrictions	June 30, 2021
Program activities	\$ 13,672	\$ -	\$ -	\$ 13,672
Emergency client assistance	8,489	-	-	8,489
Leasehold improvements of LaSalle early years center	2,692	-	-	2,692
Early years programs	54,935	60,000	(22,280)	92,655
Autism Spectrum Disorder early years center	310,531	-	(168,561)	141,970
	<u>\$ 390,319</u>	<u>\$ 60,000</u>	<u>\$ (190,841)</u>	<u>\$ 259,478</u>

	July 1, 2019	Contributions	Released from Restrictions	June 30, 2020
Program activities	\$ 15,730	\$ -	\$ (2,058)	\$ 13,672
Emergency client assistance	8,489	-	-	8,489
Leasehold improvements of LaSalle early years center	2,692	-	-	2,692
Early years programs	55,817	50,000	(50,882)	54,935
Autism Spectrum Disorder early years center	-	345,000	(34,469)	310,531
	<u>\$ 82,728</u>	<u>\$ 395,000</u>	<u>\$ (87,409)</u>	<u>\$ 390,319</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.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements

June 30, 2021 and 2020

(10) Operating Leases

The Organization has entered into leases for facilities and equipment, expiring on various dates through 2029, 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, 2021 are as follows:

Year Ending	Amount
June 30,	
2022	\$ 289,164
2023	234,104
2024	233,849
2025	238,495
2026	243,276
Thereafter	867,873
	<u>\$ 2,106,761</u>

(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, 2021, unrestricted revenue from three contracts amounted to 69% of total revenue. As of June 30, 2021, amounts due from two agencies comprise 61% of the grants and contracts receivable.

(12) Retirement Plan

CORA's 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 \$778,000 and \$526,000 for the years ended June 30, 2021 and 2020, respectively.

(13) Acquisition

On June 25, 2020, CORA entered into an Asset Transfer Agreement with Good Shepherd Corporation d/b/a Good Shepherd Mediation Program (GSMP), whereby GSMP transferred substantially all of its assets to CORA, in order for CORA to continue the programs of GSMP in furtherance of both entities' missions. No consideration was paid by CORA in conjunction with the agreement. The effective date of the transfer of assets was June 30, 2021, after obtaining certain governmental approvals.

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Notes to Combined Financial Statements

June 30, 2021 and 2020

(13) Acquisition, Continued

During fiscal year 2021 prior to the effective date, CORA agreed to provide certain management services to the entity effective July 1, 2020. The services CORA provided included executive and program management, fiscal management, human resources, development, marketing and communications, and information technology, as described in the agreement. In consideration of the services provided by CORA under this agreement, CORA received a monthly management fee not exceeding \$12,163.

The following table summarizes the fair values of the acquired assets and liabilities assumed at the acquisition date:

Financial assets	\$ 135,359
Property and equipment	4,747
Financial liabilities	<u>(23,775)</u>
	<u>\$ 116,331</u>

Excluded from the transaction is an investment account held by GSMP, which will be used to cover certain acquisition-related costs, as well as any final expenses of GSMP. Any amounts remaining in this account may be transferred to CORA at the discretion of GSMP, however, since the amount cannot be reasonably estimated, no amount of contingent consideration has been recorded as of June 30, 2021.

The Organization has recorded a gain of \$116,331, representing the excess of consideration paid over the net assets acquired. The gain is included in the combined statement of activities for the year ended June 30, 2021.

(14) COVID-19

The ongoing COVID-19 pandemic has caused an economic downturn on a global scale, disrupted global supply chains and labor markets, and created significant uncertainty, volatility, and disruption across economies and financial markets. As the pandemic continues to evolve, it could have a material effect on the Organization's activities, results of operations, financial condition and cash flows.

Organizational Leadership has taken aggressive actions to mitigate the effect of COVID-19 on services provided to the Philadelphia community by adapting to the changing environment to continue to provide uninterrupted and much needed services to Children and Families of Philadelphia.

SUPPLEMENTARY INFORMATION

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Schedule of Expenditures of Federal, State and City Awards
 Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program	Assistance Listing	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	7/1/20-09/30/20	\$ 255,276
Twenty-First Century Community Learning Centers	84.287	4100078092	10/1/20-06/30/21	160,874
				<u>416,150</u>
Twenty-First Century Community Learning Centers	84.287	4100078092A	7/1/20-06/30/21	413,784
Total 84.287				<u>829,934</u>
U.S. Department of Human Services				
Pass-through:				
Public Health Management Corporation				
Temporary Assistance for Needy Families	93.558	860002014	7/1/20-06/30/21	886,263
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	17-20072-03	07/1/20-06/30/21	<u>673,400</u>
Total federal awards expended				<u>2,389,597</u>
State Awards				
Pennsylvania Department of Human Services				
Pass-through:				
City of Philadelphia Department of Behavioral Health and Intellectual Disability Services, Office of Addition Services				
Substance Abuse Prevention and Treatment	N/A	17-20072-03	7/1/20-06/30/21	215,685
Drug and Alcohol Program	N/A	17-20072-03	7/1/20-06/30/21	934,089
				<u>1,149,774</u>
Public Health Management Corporation				
Temporary Assistance for Needy Families	N/A	860002014	7/1/20-06/30/21	<u>107,786</u>
City of Philadelphia Department of Human Services				
ACT 148 - Truancy Prevention	N/A	19-20039-01	7/1/20-06/30/21	636,639
ACT 148 - Care of Delinquent Children	N/A	19-20044-01	7/1/20-06/30/21	172,423
				<u>809,062</u>
Pennsylvania Department of Education				
Pass-through:				
Public Health Management Corporation				
Philadelphia Pre-K	N/A		7/1/20-06/30/21	<u>236,652</u>
Total state awards expended				<u>2,303,274</u>
City Awards				
City of Philadelphia Department of Human Services				
ACT 148 - Truancy Prevention	N/A	19-20039-01	07/01/19-06/30/20	159,160
ACT 148 - Care of Delinquent Children	N/A	19-20044-01	07/01/19-06/30/20	689,692
				<u>848,852</u>
Pass-through:				
Public Health Management Corporation				
Temporary Assistance for Needy Families	N/A	860002014	7/1/20-06/30/21	169,943
Philadelphia Pre-K	N/A		7/1/20-06/30/21	615,600
				<u>785,543</u>
Community Behavioral Health				
Intensive Behavioral Health Systems	N/A		7/1/20-06/30/21	<u>2,258,159</u>
Total city awards expended				<u>3,892,554</u>
Total Federal, State and City Expenditures				<u>\$ 8,585,425</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, 2021

(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 Organization. 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) De Minimis Indirect Cost Rate

The Organization 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, 2021, 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 January 31, 2022.

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) as a basis for designing 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 combined financial statement. 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.

A handwritten signature in cursive script that reads "Kreischer Miller".

Horsham, Pennsylvania
January 31, 2022

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 CORA Services, Inc. and The CORA Services Foundation's major federal program for the year ended June 30, 2021. CORA Services, Inc. and The CORA Services Foundation'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 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 CORA Services, Inc. and The CORA Services Foundation'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; 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 the 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 the 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 their major federal program for the year ended June 30, 2021.


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 the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the 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.

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.

A handwritten signature in cursive script that reads "Kreischer Miller".

Horsham, Pennsylvania

January 31, 2022

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

Schedule of Findings and Questioned Costs Year Ended June 30, 2021

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:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.558	Temporary Assistance for Needy Families

CORA SERVICES, INC. AND THE CORA SERVICES FOUNDATION

**Schedule of Findings and Questioned Costs, Continued
Year Ended June 30, 2021**

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 FOUN

City of Philadelphia Department of Behavioral Health and Intellectual Disability Services,
Office of Addiction Services
Contract Numbers: 19-20044-02

Schedule of Functional Expenditures by Program and Revenue by Funding Sources
Year Ended June 30, 2021

	SAP Assessment	Adolescent Case Management	Gambling Prevention	SAP Expansion	Teen Pregnancy and Parenting
Expenditures by cost center:					
Total personnel services	\$ 192,992	\$ 315,082	\$ 152,620	\$ 191,537	\$ 66,710
Total operating expenses	35,785	37,759	17,759	24,148	8,155
Total expenditures by cost center	228,777	352,841	170,379	215,685	74,865
Funding sources:					
City of Philadelphia, Office of Addiction Services	228,777	352,841	170,379	215,685	74,865
Contributions, fundraising and other	-	-	-	-	-
Total funding sources	228,777	352,841	170,379	215,685	74,865
Excess (deficiency) of expenditures over funding sources	\$ -	\$ -	\$ -	\$ -	\$ -

Adult Recovery Services	Alternative Peer Group	AOD EI TIP Program	Main OPDF & SAP Treatment	Discretionary Funds	Total
\$ 53,644	\$ 187,237	\$ 243,965	\$ 140,729	\$ -	\$ 1,544,516
6,943	23,603	29,890	12,104	214,700	410,846
60,587	210,840	273,855	152,833	214,700	1,955,362
60,587	210,840	273,855	20,645	214,700	1,823,174
-	-	-	102,488	-	102,488
60,587	210,840	273,855	123,133	214,700	1,925,662
\$ -	\$ -	\$ -	\$ 29,700	\$ -	\$ 29,700

Report of Revenue by Functional Program City of Philadelphia Department of Human Services Year Ended June 30, 2021	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	19-20039-02	19-20044-02	Functions
71 State Government	\$ -	\$ -	\$ -	\$ -
72	-	-	-	-
73	-	-	-	-
74 Philadelphia DHS	1,657,914	795,799	862,115	-
75 Philadelphia DHS Community Block Grants	-	-	-	-
76 Philadelphia North City Congress	-	-	-	-
77 Philadelphia Activities Fund	-	-	-	-
78 Philadelphia Department of Recreation	-	-	-	-
79 Community Behavioral Health	2,258,159	-	-	2,258,159
80 Board of Education	9,882,484	-	-	9,882,484
81 Office of Addiction Services	1,824,006	-	-	1,824,006
82 MH/MR	-	-	-	-
83 Office of Vocational Rehab	80,546	-	-	80,546
84 Youth Activities	-	-	-	-
85 Public Health Management Corp	1,125,271	-	-	1,125,271
86 Real Alternatives	-	-	-	-
87 Investment Income	-	-	-	-
88 Contributions	639,715	-	-	639,715
89 Rental Income	16,499	-	-	16,499
90 Endowment Fund	-	-	-	-
91 Foundation Income	220,716	-	-	220,716
92 United Way	-	-	-	-
93 Program Income	1,103,784	-	-	1,103,784
94 Client Fees	6,113,899	-	-	6,113,899
95 Other	341,350	-	-	341,350
96 Grand Total	\$ 25,264,343	\$ 795,799	\$ 862,115	\$ 23,606,429

Accounting Method Used Accrual

Report of Functional Expenditures Year Ended June 30, 2021		City of Philadelphia Department of Human Services Agency: CORA Services, Inc.			
			DHS	DHS	
		Total all Functions	Contract No. 19-20039-02	Contract No. 19-20044-02	All Other Functions
Objects of Expense					
Salaries and Wages					
1	Direct Service and Program Support	\$ 15,480,074	\$ 468,871	\$ 543,631	\$ 14,467,572
2	Management and General	1,847,118	44,660	49,601	1,752,857
3	Building Maintenance	180,742	-	-	180,742
4	Promotional and Fundraising	143,882	-	-	143,882
5	Admin. Cost Center	1,212,742	-	-	1,212,742
6	F.I.C.A.	1,053,263	38,286	41,163	973,814
7	Unemployment	174,402	1,743	6,108	166,551
8	Workers' Compensation	47,605	6,264	1,775	39,566
9	Employee Benefits	1,944,506	92,420	96,384	1,755,702
10	Other - Life Insurance	-	-	-	-
11	Total Social Services	22,084,334	652,244	738,662	20,693,428
30	Total Salaries and Wages	22,084,334	652,244	738,662	20,693,428
Operating Expense and Administrative					
31	Professional Fees and Contract Payments	530,244	22,228	14,444	493,572
32	Supplies	648,463	10,200	1,454	636,809
33	Telephone	107,721	10,133	7,670	89,918
34	Postage and Shipping	237	92	125	20
35	Local Transportation	71,978	12,724	6,664	52,590
36	Outside Printing	759	-	130	629
37	Conferences, Conventions, Meetings	-	-	-	-
38	Subscriptions, Publications	-	-	-	-
39	Membership Dues	-	-	-	-
40	Awards and Grants	9,500	4,293	2,952	2,255
41	Equipment, Furniture and Motor Vehicles Rental	-	-	-	-
42	Equipment, Furniture and Motor Vehicles Depreciation	18,703	-	-	18,703
43	Equipment, Furniture - Maintenance and Repair	807,987	30,110	6,678	771,199
44	Other - Advertising	6,098	424	221	5,453
45	Other - Bad Debt Expense	-	-	-	-
46	Total Social Services	2,201,690	90,204	40,338	2,071,148
49	Total Operating Expense and Administrative	2,201,690	90,204	40,338	2,071,148
Occupancy					
50	Indirect shared Facility Expense - Including Rent	505,408	37,235	73,658	394,515
51	Building and Building Equipment Insurance	156,705	6,113	6,264	144,328
52	Building and Grounds Maintenance and Repairs	123,584	3,242	2,856	117,486
53	Utilities	-	-	-	-
54	Amortization	-	-	-	-
55	Interest	53,846	332	337	53,177
56	Depreciation	249,773	-	-	249,773
57	Other	6,429	6,429	-	-
58	Total Social Services	1,095,745	53,351	83,115	959,279
62	Total Occupancy	1,095,745	53,351	83,115	959,279
Grand Total Expenses		25,381,769	795,799	862,115	23,723,855
76	Child Care and Social Services	25,381,769	795,799	862,115	23,723,855
81	Grand Total Expenses	25,381,769	795,799	862,115	23,723,855

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, 2021

		DHS	DHS
	Total DHS	Contract No.	Contract No.
	Services	19-20039-02	19-20044-02
Total DHS Revenue:	\$ 1,657,914	\$ 795,799	\$ 862,115
Deduct: Expenditures for Phila DHS Services:			
Salaries and Wages	1,390,906	652,244	738,662
Operating and Administration	130,542	90,204	40,338
Occupancy	136,466	53,351	83,115
Children's Direct Expense - Client Emergency Fund	-	-	-
Total DHS Expenditures:	\$ 1,657,914	\$ 795,799	\$ 862,115
Excess Revenue/(Expense)	-	-	-

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, 2021. Management is responsible for CORA Services, Inc. and The CORA Services Foundation's compliance with the specified requirements. Our responsibility is to express an opinion on CORA Services, Inc. and The CORA Services Foundation's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether CORA Services, Inc. and The CORA Services Foundation complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether CORA Services, Inc. and The CORA Services Foundation complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide 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 specified requirements for the year ended June 30, 2021.

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
January 31, 2022