



# **THE URBAN LEAGUE OF PHILADELPHIA**

**FINANCIAL STATEMENTS**

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

**JUNE 30, 2016 AND 2015  
(with supplementary information)**

# THE URBAN LEAGUE OF PHILADELPHIA

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
The Urban League of Philadelphia

### **Report on the Financial Statements**

We have audited the accompanying financial statements of The Urban League of Philadelphia, which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities and changes in net asset (deficiency), functional expenses, and cash flows for each of the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

## **Opinion**

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the financial position of The Urban League of Philadelphia as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for each of the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards shown on pages 18 and 19 is presented for purposes of additional analysis, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“*Uniform Guidance*”), and is not a required part of the financial statements. The accompanying City of Philadelphia, Office of Housing and Community Development (“OHCD”) schedules of source and status of funds, schedules of program expenditures, schedules of program income and reconciliation schedules shown on pages 28 to 35 are presented for purposes of additional analysis as required by the City of Philadelphia *Subrecipient Audit Guide* and are also not a required part of the financial statements. The above-described supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the above-described information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2017 on our consideration of The Urban League of Philadelphia’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Urban League of Philadelphia’s internal control over financial reporting and compliance.

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

Philadelphia, Pennsylvania  
March 22, 2017

# THE URBAN LEAGUE OF PHILADELPHIA

## Statements of Financial Position

	June 30	
	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash (including CCIS cash of \$4,093,215 in 2016 and \$3,779,115 in 2015)	<b>\$ 4,381,154</b>	\$ 4,086,884
Contributions receivable, net of allowance for doubtful accounts of \$29,968 in 2016 and \$25,393 in 2015	<b>157,270</b>	213,794
Grants and fees receivable	<b>549,534</b>	370,250
Security deposits	<b>30,038</b>	30,038
Prepaid expense and other assets	<b>22,444</b>	62,781
<b>Total current assets</b>	<b>5,140,440</b>	4,763,747
<b>Property and equipment</b> , net of accumulated depreciation of \$136,763 in 2016 and \$131,365 in 2015	<b>2,197</b>	7,595
	<b><u>\$ 5,142,637</u></b>	<b><u>\$ 4,771,342</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities:</b>		
Accounts payable	<b>\$ 751,882</b>	\$ 587,222
Line-of-credit	-	177,456
Current portion of note payable	<b>167,598</b>	-
Accrued expenses	<b>252,066</b>	207,809
Due to others	<b>3,768,822</b>	3,376,654
Deferred revenue and other liabilities	<b>269,057</b>	177,311
<b>Total current liabilities</b>	<b>5,209,425</b>	4,526,452
<b>Long-term portion of note payable</b>	<b>119,904</b>	-
	<b><u>5,329,329</u></b>	<b><u>4,526,452</u></b>
<b>Commitments</b>		
<b>NET ASSET (DEFICIENCY)</b>		
<b>Unrestricted</b>	<b>(359,352)</b>	47,230
<b>Temporarily restricted</b>	<b>172,660</b>	197,660
<b>Total net asset (deficiency)</b>	<b>(186,692)</b>	244,890
	<b><u>\$ 5,142,637</u></b>	<b><u>\$ 4,771,342</u></b>

**THE URBAN LEAGUE OF PHILADELPHIA**

**Statements of Activities and Changes in Net Asset (Deficiency)**

	Year Ended June 30					
	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Public support and revenue:</b>						
Grants and fees	\$ 43,465,673	\$ 60,000	\$ 43,525,673	\$ 40,970,478	\$ 60,000	\$ 41,030,478
Contributions	275,623	59,000	334,623	300,093	59,000	359,093
Special events	601,336	-	601,336	610,452	-	610,452
Interest income	75	-	75	146	-	146
Other revenue	14,878	-	14,878	16,201	-	16,201
Membership dues	18,822	-	18,822	17,334	-	17,334
	<u>44,376,407</u>	<u>119,000</u>	<u>44,495,407</u>	41,914,704	119,000	42,033,704
<b>Net assets released from restrictions</b>	<u>144,000</u>	<u>(144,000)</u>	<u>-</u>	144,000	(144,000)	-
	<u>44,520,407</u>	<u>(25,000)</u>	<u>44,495,407</u>	<u>42,058,704</u>	<u>(25,000)</u>	<u>42,033,704</u>
<b>Expenses:</b>						
Program services:						
Advocacy and policy	846,154	-	846,154	591,628	-	591,628
Business and talent diversity	489,568	-	489,568	428,588	-	428,588
Community and economic development	42,544,245	-	42,544,245	40,659,565	-	40,659,565
Support services	1,047,022	-	1,047,022	894,283	-	894,283
	<u>44,926,989</u>	<u>-</u>	<u>44,926,989</u>	42,574,064	-	42,574,064
<b>Changes in net assets</b>	<u>(406,582)</u>	<u>(25,000)</u>	<u>(431,582)</u>	(515,360)	(25,000)	(540,360)
<b>Net assets at beginning of year</b>	<u>47,230</u>	<u>197,660</u>	<u>244,890</u>	562,590	222,660	785,250
<b>Net asset (deficiency) at end of year</b>	<u>\$ (359,352)</u>	<u>\$ 172,660</u>	<u>\$ (186,692)</u>	<u>\$ 47,230</u>	<u>\$ 197,660</u>	<u>\$ 244,890</u>

See notes to financial statements

THE URBAN LEAGUE OF PHILADELPHIA

Statement of Functional Expenses  
Year Ended June 30, 2016

	Program Services				Support Services			Total Expenses
	Advocacy and Policy	Business and Talent Diversity	Community and Economic Development	Total Program Services	Fund Development	Management Services	Total Support Services	
Salaries	\$ 112,545	\$ 111,600	\$ 1,920,502	\$ 2,144,647	\$ 46,053	\$ 458,647	\$ 504,700	\$ 2,649,347
Benefits and taxes	56,590	34,110	723,501	814,201	5,045	117,393	122,438	936,639
Professional services	424,684	169,128	38,701,228	39,295,040	291,072	223,701	514,773	39,809,813
Meals, travel and meetings	17,500	653	4,719	22,872	179	27,681	27,860	50,732
Special events	32,215	4,726	649	37,590	111,313	1,125	112,438	150,028
Office expense	25,034	49,244	131,304	205,582	28,243	7,230	35,473	241,055
Expendable equipment	-	-	51,844	51,844	2,276	18,998	21,274	73,118
Advertising	12	134	-	146	916	-	916	1,062
Occupancy	6,282	20,195	330,371	356,848	-	138,058	138,058	494,906
Utilities	2,839	4,333	55,307	62,479	-	25,509	25,509	87,988
Insurance	-	-	31,018	31,018	-	18,200	18,200	49,218
Interest expense	-	-	-	-	-	21,028	21,028	21,028
Scholarships	89,000	-	-	89,000	-	-	-	89,000
Other expenses	15,850	27,775	147,018	190,643	23,089	53,925	77,014	267,657
Indirect administrative costs	63,603	67,670	446,784	578,057	-	(578,057)	(578,057)	-
<b>Total expenses before depreciation</b>	<b>846,154</b>	<b>489,568</b>	<b>42,544,245</b>	<b>43,879,967</b>	<b>508,186</b>	<b>533,438</b>	<b>1,041,624</b>	<b>44,921,591</b>
Depreciation	-	-	-	-	-	5,398	5,398	5,398
<b>Total functional expenses</b>	<b>\$ 846,154</b>	<b>\$ 489,568</b>	<b>\$ 42,544,245</b>	<b>\$ 43,879,967</b>	<b>\$ 508,186</b>	<b>\$ 538,836</b>	<b>\$ 1,047,022</b>	<b>\$ 44,926,989</b>



**THE URBAN LEAGUE OF PHILADELPHIA**

**Statement of Functional Expenses  
Year Ended June 30, 2015**

	Program Services			Support Services				
	Advocacy and Policy	Business and Talent Diversity	Community and Economic Development	Total Program Services	Fund Development	Management Services	Total Support Services	Total Expenses
Salaries	\$ 105,466	\$ 148,430	\$ 1,903,457	\$ 2,157,353	\$ 121,053	\$ 573,154	\$ 694,207	\$ 2,851,560
Benefits and taxes	47,354	60,892	701,229	809,475	13,089	144,676	157,765	967,240
Professional services	156,967	117,555	36,757,067	37,031,589	109,360	146,843	256,203	37,287,792
Meals, travel and meetings	11,213	1,880	5,548	18,641	1,579	23,984	25,563	44,204
Special events	17,174	-	1,750	18,924	105,354	4,449	109,803	128,727
Office expense	31,707	14,437	123,800	169,944	52,225	13,084	65,309	235,253
Expendable equipment	-	484	77,926	78,410	850	9,385	10,235	88,645
Advertising	-	-	-	-	40	-	40	40
Occupancy	6,875	18,084	314,070	339,029	-	123,558	123,558	462,587
Utilities	7,087	3,226	54,076	64,389	-	18,950	18,950	83,339
Insurance	-	-	37,873	37,873	-	17,280	17,280	55,153
Interest expense	-	-	-	-	-	1,372	1,372	1,372
Scholarships	123,500	-	-	123,500	-	-	-	123,500
Other expenses	21,245	10,861	140,102	172,208	32,497	30,801	63,298	235,506
Indirect administrative costs	63,040	52,739	542,667	658,446	-	(658,446)	(658,446)	-
<b>Total expenses before depreciation</b>	<b>591,628</b>	<b>428,588</b>	<b>40,659,565</b>	<b>41,679,781</b>	<b>436,047</b>	<b>449,090</b>	<b>885,137</b>	<b>42,564,918</b>
Depreciation	-	-	-	-	-	9,146	9,146	9,146
<b>Total functional expenses</b>	<b>\$ 591,628</b>	<b>\$ 428,588</b>	<b>\$ 40,659,565</b>	<b>\$ 41,679,781</b>	<b>\$ 436,047</b>	<b>\$ 458,236</b>	<b>\$ 894,283</b>	<b>\$ 42,574,064</b>

# THE URBAN LEAGUE OF PHILADELPHIA

## Statements of Cash Flows

	<b>Year Ended June 30</b>	
	<b>2016</b>	<b>2015</b>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (431,582)	\$ (540,360)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	5,398	9,146
Increase in allowance for doubtful accounts	4,575	-
(Increase) decrease in assets:		
Contributions receivable	51,949	120,333
Grants and fees receivable	(179,284)	161,555
Prepaid expense and other assets	40,337	20,109
Increase (decrease) in liabilities:		
Accounts payable	164,660	(9,262)
Accrued expenses	44,257	(46,430)
Due to others	392,168	313,247
Deferred revenue and other liabilities	91,746	(4,075)
Net cash provided by operating activities	<u>184,224</u>	<u>24,263</u>
<b>Cash flows from investing activities:</b>		
Acquisition of property and equipment	-	(856)
<b>Cash flows from financing activities:</b>		
Proceeds from note payable	300,000	-
Payments on note payable	(12,498)	-
Proceeds from line-of-credit	-	177,456
Payments on line-of-credit	(177,456)	-
Net cash provided by financing activities	<u>110,046</u>	<u>177,456</u>
<b>Net increase in cash</b>	<b>294,270</b>	<b>200,863</b>
<b>Cash at beginning of year</b>	<b>4,086,884</b>	<b>3,886,021</b>
<b>Cash at end of year</b>	<b><u>\$ 4,381,154</u></b>	<b><u>\$ 4,086,884</u></b>
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid during the year for interest	<u>\$ 21,028</u>	<u>\$ 1,372</u>

# THE URBAN LEAGUE OF PHILADELPHIA

## Notes to Financial Statements June 30, 2016 and 2015

### NOTE A - ORGANIZATION AND DESCRIPTION OF PROGRAMS

#### [1] Organization:

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

#### [2] Description of programs:

##### ***Advocacy and Policy***

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

The Urban League Guild (the "Guild") provides a host of volunteers for special engagements and helps to support the League through annual fundraisers. Among many community service projects, the Guild focuses on those that provide assistance to abused children.

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

##### ***Business and Talent Diversity***

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

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

##### ***Community and Economic Development***

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

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

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

# THE URBAN LEAGUE OF PHILADELPHIA

## Notes to Financial Statements June 30, 2016 and 2015

### NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### [1] Basis of presentation:

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

#### [2] Classification of net assets:

- ***Unrestricted***

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

The Board has designated \$119,000 of its unrestricted net assets for each of the years ended June 30, 2016 and 2015, as an operating reserve account to enhance the overall long-term security for the League to fund its programs.

- ***Temporarily Restricted***

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

- ***Permanently Restricted***

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

As of June 30, 2016 and 2015, the League did not have any permanently restricted net assets.

#### [3] Use of estimates:

The preparation of 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

#### [4] Revenue recognition:

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

#### [5] Contributions:

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

# THE URBAN LEAGUE OF PHILADELPHIA

## Notes to Financial Statements June 30, 2016 and 2015

### NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### [6] Allowance for doubtful accounts:

The League evaluates its receivables for contributions and grants and fees on a periodic basis to determine collectability. Bad debts are provided for on the allowance method based on historical experience and management's evaluation of outstanding receivables. Accounts are written off when they are deemed uncollectable. As of June 30, 2016 and 2015, the League had an allowance for doubtful accounts related to contributions receivable of \$29,968 and \$25,393, respectively. As of both June 30, 2016 and 2015, the League had an allowance for doubtful accounts related to grants and fees receivable of \$-0-.

#### [7] Property and equipment:

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

#### [8] Deferred revenue:

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

#### [9] Federal tax status:

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

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 League and has concluded that as of June 30, 2016 and 2015 there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

The League recognizes accrued interest and penalties associated with uncertain tax positions, if any. There were no income tax related interest and penalties recorded for either of the years ended June 30, 2016 or 2015.

#### [10] Allocation of administrative support and support services:

The League's management policy is to allocate the indirect expenses of administrative support to certain programs based on revenues, headcount, or space utilization, depending on the nature of the expense. Support services include the administrative costs of supporting the League's programs, as well as fundraising costs.

# THE URBAN LEAGUE OF PHILADELPHIA

## Notes to Financial Statements June 30, 2016 and 2015

### NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### [11] New accounting pronouncements:

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

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

### NOTE C - CONTRIBUTIONS RECEIVABLE

Contributions receivable are expected to be received in less than one year. Contributions receivable as of June 30, 2016 and 2015 consisted of the following:

	<u>2016</u>	<u>2015</u>
United Way allocation	\$ 59,000	\$ 59,000
United Way Donor Option, net of allowance for doubtful accounts of \$29,968 in 2016 and \$25,393 in 2015	50,665	50,643
Special events	<u>47,605</u>	<u>104,151</u>
	<u>\$ 157,270</u>	<u>\$ 213,794</u>

# THE URBAN LEAGUE OF PHILADELPHIA

## Notes to Financial Statements June 30, 2016 and 2015

### NOTE D - GRANTS AND FEES RECEIVABLE

Grants and fees receivable as of June 30, 2016 and 2015 consisted of the following:

	<u>2016</u>	<u>2015</u>
Pennsylvania Department of Public Welfare	\$ 311,744	\$ 60,843
School District of Philadelphia	99,721	54,740
U.S. Small Business Administration	315	314
Office of Housing and Community Development, City of Philadelphia	17,855	36,337
Homeowners' Emergency Mortgage Assistance Program ("HEMAP"), Pennsylvania Housing Finance Agency ("PHFA") and Emergency Homeowners' Loan Program ("EHLP")	450	6,250
National Urban League/U.S. Department of Housing and Urban Development	14,088	25,605
National Urban League/NeighborWorks	19,690	27,500
Grants from corporations	<u>85,671</u>	<u>158,661</u>
	<u>\$ 549,534</u>	<u>\$ 370,250</u>

### NOTE E - PROPERTY AND EQUIPMENT

Property and equipment as of June 30, 2016 and 2015 consisted of the following:

	<u>2016</u>	<u>2015</u>
Furniture, fixtures and equipment	\$ 105,814	\$ 105,814
Software	<u>33,146</u>	<u>33,146</u>
	138,960	138,960
Less accumulated depreciation	<u>136,763</u>	<u>131,365</u>
	<u>\$ 2,197</u>	<u>\$ 7,595</u>

Depreciation for the years ended June 30, 2016 and 2015 was \$5,398 and \$9,146, respectively.

## THE URBAN LEAGUE OF PHILADELPHIA

### Notes to Financial Statements June 30, 2016 and 2015

#### NOTE F - DUE TO OTHERS

Due to others as of June 30, 2016 and 2015 consisted of the following:

	<u>2016</u>	<u>2015</u>
Due to:		
Pennsylvania Department of Public Welfare, current year	\$ -	\$ 76,188
Pennsylvania Department of Public Welfare, prior years	41,981	41,981
Various daycare providers	<u>3,726,841</u>	<u>3,258,485</u>
	<u>\$ 3,768,822</u>	<u>\$ 3,376,654</u>

#### NOTE G - DEFERRED REVENUE AND OTHER LIABILITIES

Deferred revenue and other liabilities as of June 30, 2016 and 2015 consisted of the following:

	<u>2016</u>	<u>2015</u>
Grants	\$ 142,307	\$ -
Scholarships	112,875	130,250
Unity Golf Classic	4,000	4,000
Whitney M. Young Luncheon	-	10,000
Gala	-	3,500
Annual Meeting	-	5,000
Memberships and other	<u>9,875</u>	<u>24,561</u>
	<u>\$ 269,057</u>	<u>\$ 177,311</u>

#### NOTE H - DEBT

The League had a line-of-credit of \$3 million with TD Bank. The terms of the line-of-credit agreement provided for an interest rate at 2% above the BBA LIBOR rate (.18% as of 2015). The outstanding balance of the line-of-credit as of June 30, 2015 was \$177,456. The line-of-credit matured on March 1, 2015, was not renewed or extended and was paid off in December 2015.

In December 2015, the League obtained a note payable with United Bank in the amount of \$300,000 due in monthly payments of approximately \$5,800 plus interest at 6.50% through November 2016, with the remaining balance due at that time. On December 21, 2016, the agreement was amended and terms were arranged for monthly payments of approximately \$13,900 plus interest at 6.25% through January 20, 2018, with the remaining balance due at that time. The note payable is collateralized by the League's contracts with the School District of Philadelphia and the United Way.



**THE URBAN LEAGUE OF PHILADELPHIA**

**Notes to Financial Statements  
June 30, 2016 and 2015**

**NOTE H - DEBT (CONTINUED)**

Scheduled future maturities of long-term debt as of June 30, 2016 are as follows:

<u>Year Ending June 30</u>	
2017	\$ 167,598
2018	<u>119,904</u>
	<u>\$ 287,502</u>

The interest expense incurred on the loan and line-of-credit obligations for the years ended June 30, 2016 and 2015 was \$21,028 and \$1,372, respectively.

**NOTE I - TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets consist of the following as of June 30, 2016 and 2015:

	<u>June 30, 2016</u>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Releases</u>	<u>Ending Balance</u>
Scholarship funds	\$ 58,660	\$ -	\$ (25,000)	\$ 33,660
Program-restricted grants	<u>139,000</u>	<u>119,000</u>	<u>(119,000)</u>	<u>139,000</u>
	<u>\$ 197,660</u>	<u>\$ 119,000</u>	<u>\$ (144,000)</u>	<u>\$ 172,660</u>
	<u>June 30, 2015</u>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Releases</u>	<u>Ending Balance</u>
Scholarship funds	\$ 83,660	\$ -	\$ (25,000)	\$ 58,660
Program-restricted grants	<u>139,000</u>	<u>119,000</u>	<u>(119,000)</u>	<u>139,000</u>
	<u>\$ 222,660</u>	<u>\$ 119,000</u>	<u>\$ (144,000)</u>	<u>\$ 197,660</u>

**NOTE J - TAX DEFERRED ANNUITY PLAN**

In accordance with Internal Revenue Code Section 403(b), the League sponsors an employer contributory tax deferred annuity plan that covers substantially all employees who have completed 1,000 hours of service. The plan provides for employer discretionary contributions, which are determined on an annual basis. For the years ended June 30, 2016 and 2015, the annual contribution was \$27,262 and \$26,072, respectively, based on 2% of the employees' annual salary.

# THE URBAN LEAGUE OF PHILADELPHIA

## Notes to Financial Statements June 30, 2016 and 2015

### NOTE K - LEASE COMMITMENTS - OPERATING LEASES

The League currently leases office space in Philadelphia under two operating leases, which expire in July 2019 and May 2021; rent is payable in monthly installments of \$17,621 and \$16,177, respectively. The League also leases office equipment with monthly lease payments ranging from \$700 to \$1,920; the equipment leases run through 2020.

Approximate minimum future rental payments under noncancelable operating leases having remaining terms in excess of one year as of June 30, 2016 are as follows:

<u>Year Ending June 30</u>	
2017	\$ 466,428
2018	465,768
2019	466,781
2020	233,416
2021	<u>232,527</u>
	<u>\$ 1,864,920</u>

Office rent and equipment leasing expense for the years ended June 30, 2016 and 2015 was \$483,241 and \$453,934, respectively.

### NOTE L - GRANTS AND FEES

Grants and fees during the years ended June 30, 2016 and 2015 consisted of the following:

	<u>2016</u>	<u>2015</u>
Pennsylvania Department of Public Welfare	<b>\$ 41,929,444</b>	\$ 39,726,141
Grants from corporations/foundations	<b>453,197</b>	619,213
National Urban League/NeighborWorks	<b>15,219</b>	55,248
National Urban League/U.S. Department of Housing and Urban Development	<b>14,088</b>	31,980
Office of Housing and Community Development, City of Philadelphia	<b>173,499</b>	230,262
Homeowners' Emergency Mortgage Assistance Program and Pennsylvania Housing Finance Agency	<b>12,483</b>	12,200
Leadership tuition	<b>152,300</b>	129,500
School District of Philadelphia	<b>464,191</b>	189,730
Career Services fee income	<b>157,053</b>	4,212
Other	<b>154,199</b>	31,992
	<u><b>\$ 43,525,673</b></u>	<u><b>\$ 41,030,478</b></u>

## THE URBAN LEAGUE OF PHILADELPHIA

### Notes to Financial Statements June 30, 2016 and 2015

#### NOTE M - CONTRIBUTIONS

Contributions during the years ended June 30, 2016 and 2015 consisted of the following:

	<u>2016</u>	<u>2015</u>
United Way Allocation	\$ 59,000	\$ 59,000
United Way Donor Option	52,521	72,136
Scholarships	55,900	96,000
Corporate support	64,632	97,697
Other	<u>102,570</u>	<u>34,260</u>
	<u>\$ 334,623</u>	<u>\$ 359,093</u>

#### NOTE N - SPECIAL EVENTS

Special events during the years ended June 30, 2016 and 2015 consisted of the following:

	<u>2016</u>	<u>2015</u>
Gala	\$ 291,132	\$ 494,778
Urban League Night At the Fights	156,702	-
Whitney M. Young Luncheon	96,765	79,750
Guild events	46,534	32,407
Secret Garden Event	9,490	-
NEXt Philadelphia events	<u>713</u>	<u>3,517</u>
	<u>\$ 601,336</u>	<u>\$ 610,452</u>

#### NOTE O - LIQUIDITY

Management believes that the existing liquidity position is adequate to meet its current needs. Management has established an action plan to meet its long-term needs. Management has restructured the fundraising efforts and intends to expand its efforts to obtain other revenue streams.

#### NOTE P - CONCENTRATIONS OF CREDIT RISK

As of June 30, 2016 and 2015, the League maintained cash accounts with a bank that exceeded the limit of insurability under the Federal Deposit Insurance Corporation. The League has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk on its cash balances.

For each of the years ended June 30, 2016 and 2015, approximately 96% of the League's grants and fees revenue was provided by one grantor, the Pennsylvania Department of Public Welfare. There could be a significant impact on the League and its ability to continue its operations should funding from this grantor diminish.

# **THE URBAN LEAGUE OF PHILADELPHIA**

## **Notes to Financial Statements June 30, 2016 and 2015**

### **NOTE Q - CONTRIBUTED SERVICES**

Contribution of services is recognized by the League as both revenue and expense in the accompanying statements of activities and changes in net assets, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not donated. For the years ended June 30, 2016 and 2015, the League recognized \$67,572 and \$64,540, respectively, of in-kind contributions. In-kind contributions include advertising received in connection with fundraising events and legal fees, which are included in special events and contributions revenue on the statements of activities and changes in net assets.

### **NOTE R - SUBSEQUENT EVENTS**

The League has evaluated subsequent events through March 22, 2017, which is the date the financial statements were available to be issued.

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

**THE URBAN LEAGUE OF PHILADELPHIA**

**Schedule of Expenditures of Federal and State Awards  
Year Ended June 30, 2016**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Grant Period</u>	<u>Expenditures</u>
<b>FEDERAL AWARDS</b>				
<b>U.S. Department of Health and Human Services:</b>				
<b>Commonwealth of Pennsylvania, Department of Public Welfare:</b>				
Temporary Assistance for Needy Families	93.558	DC15-379292	07/01/15 - 06/30/16	<u>\$ 2,950,556</u>
Social Services Block Grant	93.667	DC15-379292	07/01/15 - 06/30/16	<u>1,613,553</u>
Child Care and Development Block Grant	93.575	DC15-379292	07/01/15 - 06/30/16	13,567,736
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	DC15-379292	07/01/15 - 06/30/16	<u>6,054,648</u>
<b>Total under Child Care and Development Fund Cluster</b>				<u>19,622,384</u>
<b>Total U.S. Department of Health and Human Services</b>				<u>24,186,493</u>
<b>U.S. Department of Agriculture, Food and Nutrition Service:</b>				
<b>Commonwealth of Pennsylvania, Department of Public Welfare:</b>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	DC15-379292	07/01/15 - 06/30/16	<u>30,426</u>
<b>U.S. Department of Housing and Urban Development:</b>				
<b>Philadelphia Workforce Development Corporation:</b>				
<b>City of Philadelphia, Office of Housing and Community Development:</b>				
Community Development Block Grant	14.218	15-20184	08/01/14 - 07/31/15	4,634
Community Development Block Grant	14.218	16-20177	08/01/15 - 07/31/16	<u>168,860</u>
				173,494
<b>National Urban League:</b>				
Housing Counseling Assistance Program	14.169	N/A	10/01/15 - 09/30/16	<u>14,088</u>
<b>Total U.S. Department of Housing and Urban Development</b>				<u>187,582</u>

(continued)

See notes to schedule of expenditures of federal and state awards

**THE URBAN LEAGUE OF PHILADELPHIA**

**Schedule of Expenditures of Federal and State Awards  
Year Ended June 30, 2016**

(continued)

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Grant Period</u>	<u>Expenditures</u>
<b>U.S. Department of the Treasury:</b>				
<b>National Urban League:</b>				
National Foreclosure Mitigation Counseling	21.000	N/A	10/01/15 - 12/31/15	<u>15,219</u>
<b>U.S. Department of Education:</b>				
<b>The School District of Philadelphia:</b>				
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	273A/F15	06/30/15 - 07/31/16	150,000
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	739/F15	01/16/15 - 09/24/15	134,910
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	739A/F15	09/24/15 - 09/24/16	<u>179,281</u>
<b>Total U.S. Department of Education</b>				<u>464,191</u>
<b>TOTAL FEDERAL AWARDS</b>				<u>24,883,911</u>
<b>STATE AWARDS</b>				
<b>Commonwealth of Pennsylvania, Department of Public Welfare</b>	N/A	DC15-379292	07/01/15 - 06/30/16	17,712,524
<b>Pennsylvania Housing Finance Agency</b>	N/A	N/A	07/01/15 - 06/30/16	<u>12,483</u>
<b>TOTAL STATE AWARDS</b>				<u>17,725,007</u>
<b>TOTAL FEDERAL and STATE AWARDS</b>				<u>\$ 42,608,918</u>

# THE URBAN LEAGUE OF PHILADELPHIA

## Notes to Schedule of Expenditures of Federal and State Awards June 30, 2016

### NOTE A - GENERAL INFORMATION

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

### NOTE B - BASIS OF ACCOUNTING

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

### NOTE C - INDIRECT COST RATE

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

### NOTE D - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal and state award expenditures are reported on the statements of activities and changes in net asset (deficiency) as expense. The revenue reported in the basic financial statements differs from the expenditures reported in the schedule of expenditures of federal and state awards due to revenue from other nongovernment-funded programs. The reconciliation of revenues reported in the basic 2016 financial statements to the expenditures reported in the schedule of expenditures of federal and state awards is as follows:

Expenditures per schedule of expenditures of federal and state awards	\$ 42,608,918
Grants from nongovernment-funded entities	605,497
Fees charged for The Urban League of Philadelphia programs	<u>311,258</u>
Grants and fees revenue per basic 2016 financial statements	<u><u>\$ 43,525,673</u></u>



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

To the Board of Directors of  
The Urban League of Philadelphia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Urban League of Philadelphia (the "League"), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities and changes in net asset (deficiency), functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 22, 2017.

***Internal Control Over Financial Reporting***

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

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

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

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

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

Philadelphia, Pennsylvania  
March 22, 2017

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

To the Board of Directors of  
The Urban League of Philadelphia

**Report on Compliance for the Major Federal Program**

We have audited The Urban League of Philadelphia's compliance with the types of compliance requirements described in U.S. Office of Management and Budget *Compliance Supplement* and the City of Philadelphia *Subrecipient Audit Guide* that could have a direct and material effect on The Urban League of Philadelphia's major federal program for the year ended June 30, 2016. The Urban League of Philadelphia's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

***Opinion on Compliance for the Major Federal Program***

In our opinion, The Urban League of Philadelphia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2016.

## Report on Internal Control Over Compliance

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

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

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

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

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

Philadelphia, Pennsylvania  
March 22, 2017



**SUPPLEMENTARY INFORMATION**

**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors of  
The Urban League of Philadelphia

We have performed the procedures enumerated below, which were agreed to by the Commonwealth of Pennsylvania, Department of Public Welfare ("DPW") and The Urban League of Philadelphia (the "League") solely to assist you with respect to the financial schedules and exhibits required by the DPW Single Audit Supplement for the year ended June 30, 2016. The League's management is responsible for the financial schedules and exhibits. This engagement to apply agreed-upon procedures was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of DPW and the League. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested, or for any other purpose.

The procedures and associated findings are as follows:

- a) We have compared the amounts and classifications of the information in the supplemental financial schedule listed below, which summarizes amounts reported to DPW for the fiscal year ended June 30, 2016, to audited books and records of the League. We also compared the example schedules to the League schedule and determined that it is presented, at a minimum, at the level of detail and in the format required by the DPW Single Audit Supplement pertaining to this period.

<u>Program Name</u>	<u>Page</u>	<u>Reference Schedule/Exhibit</u>
Child Care Information Services ("CCIS")	27	CCIS Recap Worksheet for FY 2015 - 2016

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

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the financial schedules and exhibits. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Department of Public Welfare and the management of The Urban League of Philadelphia and should not be used by those who have not agreed to the procedures, and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



Philadelphia, Pennsylvania  
March 22, 2017

CCIS RECAP WORKSHEET FOR FY 2015-2016

CONTRACTOR: URBAN LEAGUE OF PHILADELPHIA  
 FEDERAL ID NUMBER: 23-1429810  
 CONTRACT NUMBER: DC-15 379292

COUNTY(IES): Philadelphia - NW  
 PREPARED BY: SHIRLEY P THOMAS  
 PHONE NUMBER: 215-642-4820


	LOW INCOME		FORMER TANF		LI & FT TOTAL
	ADMIN/FSS	SERVICE	ADMIN/FSS	SERVICE	
REVENUE					
DPW Funds	\$1,349,785.52	\$16,906,513.22	\$990,298.79	\$14,072,435.11	\$33,319,032.64
Interest					\$0.00
Audit Adjustments					\$0.00
Other (eg. Penalties)					\$0.00
Parent Overpayment Collection		\$2,545.80			\$2,545.80
TOTAL REVENUE	\$1,349,785.52	\$16,909,059.02	\$990,298.79	\$14,072,435.11	\$33,321,578.44
EXPENDITURES					
Final Report Totals	\$1,449,660.04	\$16,932,188.65	\$1,126,279.44	\$14,042,625.28	\$33,550,753.41
Carry Forward Amount					
TOTAL EXPENDITURES	\$1,449,660.04	\$16,932,188.65	\$1,126,279.44	\$14,042,625.28	\$33,550,753.41
SUBTOTAL-LIFT	(\$99,874.52)	(\$23,129.63)	(\$135,980.65)	\$29,809.83	(\$225,174.97)

SUMMARY FY 2015-16

REVENUE	
Service	\$38,508,342.67
FSS	\$3,109,355.56
SUBTOTAL	\$41,617,698.22
EXPENDITURES	
Service	\$38,544,826.73
FSS	\$3,384,518.94
SUBTOTAL	\$41,929,443.67
TOTAL DUE DPW	(\$311,744.45)

\* If TOTAL DUE DHS is positive, issue check to Department of Human Services in the amount listed. Include the check with the Recap Packet - to be received by OCDEL no later than 5:00 pm, Thursday, September 15, 2016.

		TANF TRAINING	TANF WORKING	TANF STATE MOE	FOOD STAMPS	GENERAL ASSIST/WVS 2	TANF TOTAL
REVENUE							
TANF/FSS/GA SERVICE	DPW Funds	\$4,613,758.18	\$1,987,753.77	\$853,491.00	\$54,369.34	\$17,476.25	\$7,526,848.54
	Interest						\$0.00
	TOTAL SERVICE	\$4,613,758.18	\$1,987,753.77	\$853,491.00	\$54,369.34	\$17,476.25	\$7,526,848.54
	TANF/FSS FSS	DPW Funds	\$456,293.60	\$214,149.27	\$92,346.58	\$6,482.79	
	Audit Adjustments						\$0.00
	Other (eg. Penalties)						\$0.00
	TOTAL FSS	\$456,293.60	\$214,149.27	\$92,346.58	\$6,482.79		\$769,272.24
TOTAL REVENUE		\$5,070,051.78	\$2,201,903.04	\$945,837.58	\$60,852.13	\$17,476.25	\$8,296,120.78
EXPENDITURES							
TANF/FSS/GA SERVICE	Final Report Totals	\$4,640,268.86	\$1,989,688.13	\$877,285.66	\$54,958.34	\$17,080.25	\$7,579,281.24
	Carry Forward Amount						\$0.00
	Pymnt Adj	(\$9,168.44)					(\$9,168.44)
	TOTAL SERVICE	\$4,631,100.42	\$1,989,688.13	\$877,285.66	\$54,958.34	\$17,080.25	\$7,570,112.80
TANF/FSS FSS	Final Report Totals	\$479,607.48	\$225,091.02	\$97,064.94	\$6,814.02		\$808,577.46
	Carry Forward Amount						\$0.00
	TOTAL FSS	\$479,607.48	\$225,091.02	\$97,064.94	\$6,814.02		\$808,577.46
TOTAL EXPENDITURES		\$5,110,707.90	\$2,214,779.15	\$974,350.60	\$61,772.36	\$17,080.25	\$8,378,690.25
SUBTOTAL-TANF/FSS/GA/SZ		(\$40,656.12)	(\$12,876.11)	(\$28,513.02)	(\$920.23)	\$396.00	(\$82,569.48)

CERTIFICATION: SIGNATURE  DATE 9/14/2016  
 NAME SHIRLEY P THOMAS TITLE DIRECTOR  
 (please print)

COMMENTS:



**CITY OF PHILADELPHIA, OFFICE OF HOUSING AND  
COMMUNITY DEVELOPMENT (OHCD)  
STATEMENTS AND SCHEDULES**

**THE URBAN LEAGUE OF PHILADELPHIA**

**City of Philadelphia, Office of Housing and Community Development  
 Contract Number 16-20177  
 Schedule of Source and Status of Funds  
 July 1, 2015 to June 30, 2016**

	<u>CDBG *</u> <u>Funds</u>	<u>Program</u> <u>Income</u>	<u>Other</u> <u>City</u> <u>Funds</u>	<u>NonCity</u> <u>Funds</u>	<u>Total</u>
<b>Total Contract (Final Authorized Budget)</b>	\$ 186,500	\$ -	\$ -	\$ -	\$ 186,500
<b>Less:</b>					
Funds drawn down, prior fiscal years	-	-	-	-	-
Funds drawn down, current fiscal year	168,860	-	-	-	168,860
<b>Total funds drawn down</b>	168,860	-	-	-	168,860
<b>Funds still available for draw down</b>	<u>\$ 17,640</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,640</u>
<b>Total funds drawn down</b>	\$ 168,860	\$ -	\$ -	\$ -	\$ 168,860
<b>Add:</b>					
Program income	-	-	-	-	-
<b>Total funds received</b>	168,860	-	-	-	168,860
<b>Less:</b>					
Program income expended	-	-	-	-	-
Funds applied, prior years	-	-	-	-	-
Funds applied, current year	168,860	-	-	-	168,860
<b>Total funds applied (actual expenses)</b>	168,860	-	-	-	168,860
<b>Total funds due to funding source</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Total funds available for disposition</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

\* Community Development Block Grant

THE URBAN LEAGUE OF PHILADELPHIA

City of Philadelphia, Office of Housing and Community Development  
 Contract Number 16-20177  
 Schedule of Program Expenditures  
 Year Ended June 30, 2016

	Program Budget				Accrued Expenditures Prior to July 1, 2015				Accrued Expenditures July 1, 2015 to June 30, 2016				Accrued Expenditures Cumulative to June 30, 2016			
	CDBG * Funds	Other City Funds	NonCity Funds	Total	CDBG * Funds	Other City Funds	NonCity Funds	Total	CDBG * Funds	Other City Funds	NonCity Funds	Total	CDBG * Funds	Other City Funds	NonCity Funds	Total
<b>Contract categories:</b>																
Direct personnel	\$ 173,217	\$ -	\$ -	\$ 173,217	\$ -	\$ -	\$ -	\$ -	\$ 157,040	\$ -	\$ -	\$ 157,040	\$ 157,040	\$ -	\$ -	\$ 157,040
Fringe benefits	13,283	-	-	13,283	-	-	-	-	11,820	-	-	11,820	11,820	-	-	11,820
Travel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Contract total</b>	<u>\$ 186,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 168,860</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 168,860</u>	<u>\$ 168,860</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 168,860</u>

\* Community Development Block Grant

**THE URBAN LEAGUE OF PHILADELPHIA**

City of Philadelphia, Office of Housing and Community Development  
Contract Number 16-20177  
Schedule of Program Income  
July 1, 2015 to June 30, 2016

	<u>Sales Proceeds</u>	<u>Other (Specify)</u>	<u>Total</u>
Program income (cumulative to June 30, 2016)	\$ -	\$ -	\$ -
Less program income expended in prior years	<u>-</u>	<u>-</u>	<u>-</u>
Beginning balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>-</u>
Add program income received in current fiscal year	-	-	-
Less program income expended in current fiscal year	<u>-</u>	<u>-</u>	<u>-</u>
Ending balance, June 30, 2016	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**THE URBAN LEAGUE OF PHILADELPHIA**

**City of Philadelphia, Office of Housing and Community Development  
 Contract Number 16-20177  
 Reconciliation Schedule  
 July 1, 2015 to June 30, 2016**

	<u>Amount Per Books and Records</u>	<u>Amount Per Subrecipient Invoices</u>	<u>Differences</u>
<b>Contract amount</b>	<u>\$ 186,500</u>	<u>\$ 186,500</u>	<u>\$ -</u>
<b>Program cost:</b>			
Current year	\$ 168,860	\$ 168,860	\$ -
Cumulative	<u>-</u>	<u>-</u>	<u>-</u>
<b>Funds drawn down:</b>			
Current year	168,860	168,860	-
Cumulative	<u>-</u>	<u>-</u>	<u>-</u>
<b>Balance on advances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**THE URBAN LEAGUE OF PHILADELPHIA**

**City of Philadelphia, Office of Housing and Community Development  
 Contract Number 15-20184  
 Schedule of Source and Status of Funds  
 July 1, 2015 to June 30, 2016**

	<u>CDBG *</u> <u>Funds</u>	<u>Program</u> <u>Income</u>	<u>Other</u> <u>City</u> <u>Funds</u>	<u>NonCity</u> <u>Funds</u>	<u>Total</u>
<b>Total contract (Final Authorized Budget)</b>	<u>\$ 225,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 225,000</u>
<b>Less:</b>					
Funds drawn down, prior fiscal years	220,366	-	-	-	220,366
Funds drawn down, current fiscal year	<u>4,634</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,634</u>
<b>Total funds drawn down</b>	<u>225,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>225,000</u>
<b>Funds still available for draw down</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Total funds drawn down</b>	<u>\$ 225,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 225,000</u>
<b>Add:</b>					
Program income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total funds received</b>	<u>225,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>225,000</u>
<b>Less:</b>					
Program income expended	-	-	-	-	-
Funds applied, prior years	220,366	-	-	-	220,366
Funds applied, current year	<u>4,634</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,634</u>
<b>Total funds applied (actual expenses)</b>	<u>225,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>225,000</u>
<b>Total funds due to funding source</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Total funds available for disposition</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

\* Community Development Block Grant

THE URBAN LEAGUE OF PHILADELPHIA

City of Philadelphia, Office of Housing and Community Development  
 Contract Number 15-20184  
 Schedule of Program Expenditures  
 Year Ended June 30, 2016

	Program Budget				Accrued Expenditures Prior to July 1, 2015				Accrued Expenditures July 1, 2015 to June 30, 2016				Accrued Expenditures Cumulative to June 30, 2016			
	CDBG * Funds	Other City Funds	NonCity Funds	Total	CDBG * Funds	Other City Funds	NonCity Funds	Total	CDBG * Funds	Other City Funds	NonCity Funds	Total	CDBG * Funds	Other City Funds	NonCity Funds	Total
<b>Contract categories:</b>																
Direct personnel	\$ 173,081	\$ -	\$ -	\$ 173,081	\$ 168,447	\$ -	\$ -	\$ 168,447	\$ 4,634	\$ -	\$ -	\$ 4,634	\$ 173,081	\$ -	\$ -	\$ 173,081
Fringe benefits	51,919	-	-	51,919	51,919	-	-	51,919	-	-	-	-	51,919	-	-	51,919
Travel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Contract total</b>	<u>\$ 225,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 225,000</u>	<u>\$ 220,366</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 220,366</u>	<u>\$ 4,634</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,634</u>	<u>\$ 225,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 225,000</u>

\* Community Development Block Grant

**THE URBAN LEAGUE OF PHILADELPHIA**

**City of Philadelphia, Office of Housing and Community Development  
Contract Number 15-20184  
Schedule of Program Income  
July 1, 2015 to June 30, 2016**

	<u>Sales Proceeds</u>	<u>Other (Specify)</u>	<u>Total</u>
<b>Program income (cumulative to June 30, 2016)</b>	\$ -	\$ -	\$ -
<b>Less program income expended in prior years</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Beginning balance, July 1, 2015</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Add program income received in current fiscal year</b>	-	-	-
<b>Less program income expended in current fiscal year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending balance, June 30, 2016</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>



**THE URBAN LEAGUE OF PHILADELPHIA**

**City of Philadelphia, Office of Housing and Community Development  
Contract Number 15-20184  
Reconciliation Schedule  
July 1, 2015 to June 30, 2016**

	<u>Amount Per Books and Records</u>	<u>Amount Per Subrecipient Invoices</u>	<u>Differences</u>
<b>Contract amount</b>	<u>\$ 225,000</u>	<u>\$ 225,000</u>	<u>\$ -</u>
<b>Program costs:</b>			
Current year	\$ 4,634	\$ 4,634	\$ -
Cumulative	<u>220,366</u>	<u>220,366</u>	<u>-</u>
<b>Funds drawn down:</b>			
Current year	4,634	4,634	-
Cumulative	<u>220,366</u>	<u>220,366</u>	<u>-</u>
<b>Balance on advances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>