

MEMORANDUM

TO: Jeff Cline, Jim Passaro, The ALS Association Greater Philadelphia Chapter

FROM: Angelo DeSantis, YPTC

DATE: May 18, 2021

SUBJECT: April 30, 2021 Preliminary and Unaudited Financial Statements

Your financial statements for the three months through April 30, 2021 are attached.

These reports include:

- Cash Summary for the three months ended April 30, 2021
- Program Revenue and Expenses for the three months ended April 30, 2021
- Statements of Financial Position as of April 30, 2021 and 2020
- Statements of Operations for the three months ended April 30, 2021 and 2020
- Statement of Operations with General & Administration Expenses for the three months ended April 30, 2021
- Statement of Cash Flows for the three months ended April 30, 2021
- Rolling Forecast for the twelve months ending January 31, 2022

Some important items to note:

Summary

- The Statement of Financial Position remains strong with Total Liabilities equal to 31% of Total Assets.
- Compared to Budget, there is an unfavorable (\$256K) in Revenue from Operations. Due mainly to less than expected revenue from Events, Major Gifts, and Bequests.
- Compared to Budget, there is a favorable \$144K in expenses. Due to less than expected expenses for Care Services and Education.
- Compared to Budget, the Net Surplus/(Deficit) is an unfavorable (\$144K).

Cash

- Total Cash of \$3.6M represents about 9 months of operating expenses.
- About \$2.8M of the Cash is kept in an investment and interest-bearing accounts.
- See the attached Cash Summary Chart and Table for more information.

Revenue & Expense

- Compared to Budget, there is an unfavorable amount of (\$288K) in Total Revenue.
 - There is an unfavorable amount of (\$60K) in Total Events. This is mainly due to the continuing pandemic which has limited the number of events to be held.
 - There is an unfavorable amount of (\$190K) in Major Gifts and Bequests.

- Total Annual Giving has a favorable amount of \$103K. Contributions, Appeals, and Memorials and Tributes, all have a favorable amount.
- Care Services Expenses are at a favorable \$120K, with favorable amounts for Salaries and Benefits, Abrams Program, Other Services Expenses, and Allocated Overhead.
- An additional Statement of Operations is included with April's statements. This statement removes the Allocated Overhead for each program and shows amounts as detailed General and Administrative expenses. Through April, Total General and Administrative expenses are 43% of Total Revenue. The following General & Administrative expense line items are 33.2% of Revenue:
 - Salaries and Benefits: 9.4%
 - Rent: 5.4%
 - IT & Related Expenses: 9.8%
 - Revenue Sharing: 8.6%
- Compared to Actual for this time last year, there is a favorable \$88K in Total Revenue and a favorable \$128K in Total Expenses. Net Surplus (Deficit) is a favorable \$216K from this time last year.
 - There is a favorable \$106K in Total Annual Giving.
 - Care Services, Education, Development, and Administrative & Board have favorable results compared to this time last year.
- A Program Revenue and Expense report is included with April's Financial Statements. The report summarizes and visualizes the revenue and expenses for each program. Through April, the Care Services, Research, and Education programs are running a deficit based on the restricted income for each program. The deficits are funded in part by the unrestricted income allocated to Development.

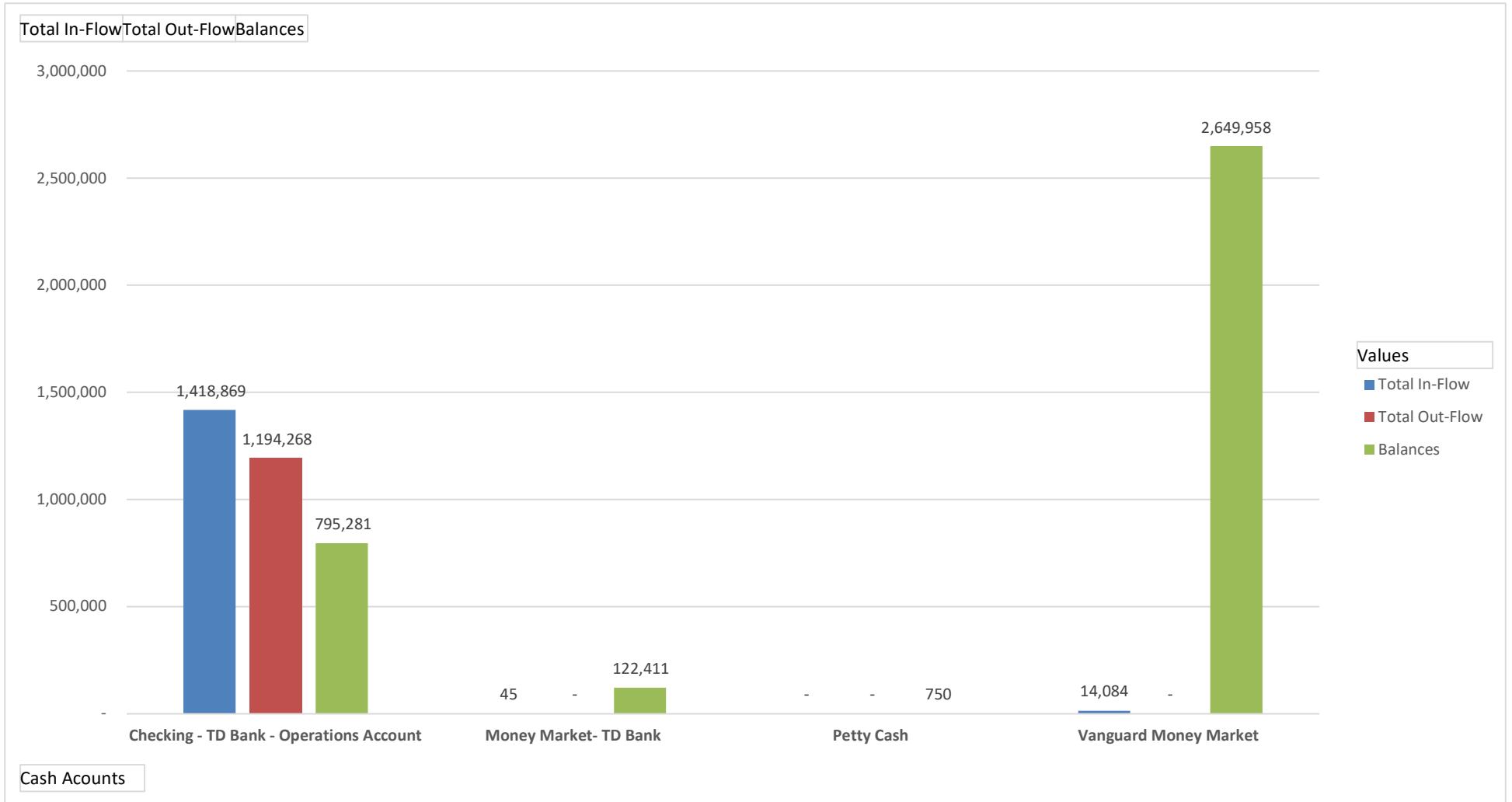
Recommendations and Other Notes

- During the month of May, we will begin the application for the forgiveness of the 1st PPP Loan.
- Per ALS National's directive, a new CRM and Accounting System will be implemented at all the Chapters. Each Chapter will move from their current CRM and Accounting System to Salesforce and Sage Intacct. The implementation will begin in FY22 and will be deployed at the start of FY23. Currently, the cost of Salesforce will be absorbed by the Chapters, however, the cost of Sage Intacct will be absorbed by National. In conjunction with the Sage Intacct, we will implement a payment system to pay our vendors via ACH.
- The FY21 Audit which began on April 12, 2021 is in progress and so far, is going well.

If you have any questions, or would like to discuss anything on these statements, please let me know.

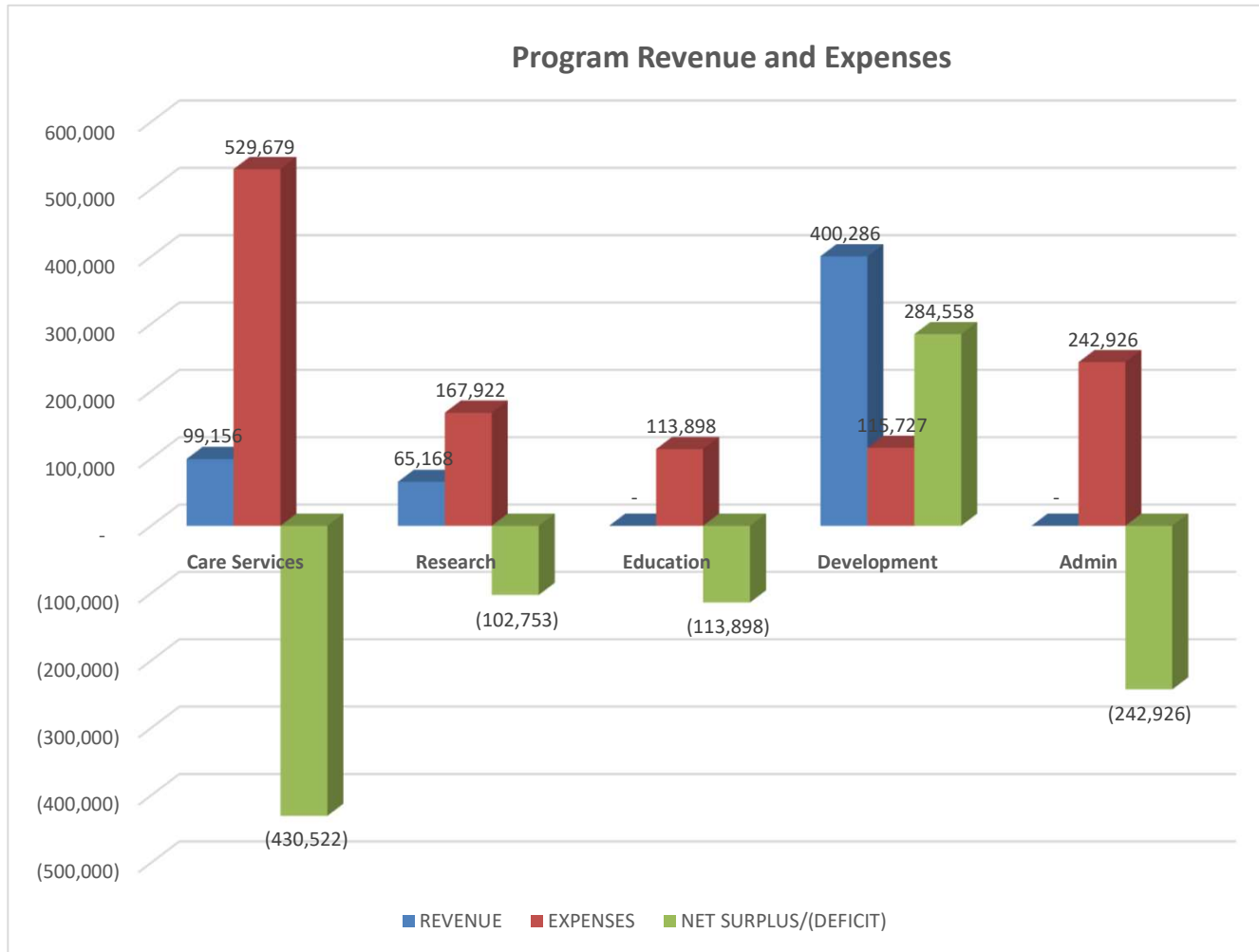
**The ALS Association Greater Philadelphia Chapter
Cash Summary
for the three months ended April 30, 2021**

Account	Total In-Flow	Total Out-Flow	Balances
Checking - TD Bank - Operations Account	1,418,869	1,194,268	795,281
Money Market- TD Bank	45	-	122,411
Petty Cash	-	-	750
Vanguard Money Market	14,084	-	2,649,958
Grand Total	1,432,997	1,194,268	3,568,400



**The ALS Association Greater Philadelphia Chapter
Program Revenue and Expenses
for the three months ended April 30, 2021**

Activity	Care Services	Research	Education	Development	Admin	Totals
REVENUE	99,156	65,168	-	400,286	-	564,610
EXPENSES	529,679	167,922	113,898	115,727	242,926	1,170,152
NET SURPLUS/(DEFICIT)	(430,522)	(102,753)	(113,898)	284,558	(242,926)	(605,542)



The ALS Association Greater Philadelphia Chapter
Unaudited Statements of Financial Position
as of April 30, 2021 and April 30, 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and Cash Equivalents	\$ 3,568,400	\$ 3,583,143
Pledges Receivable	414,821	441,721
Less: Allowance for Uncollectible Pledges	(50,059)	(53,210)
Less: Discount Pledged Receivables	(1,773)	(6,130)
Grants Receivable	354,623	147,271
Receivables - Other	213,314	125,297
Prepaid Expenses	52,027	137,248
Property & Equipment, Net	23,833	49,641
Beneficial Interest in Perpetual Trust	459,957	388,311
Total Assets	<u>5,035,143</u>	<u>4,813,293</u>
Liabilities		
Accounts Payable	356,527	501,238
Accrued Liabilities	(27,803)	64,853
Loan Payable-SBA	722,235	305,895
National - Revenue Sharing	237,189	174,321
National - Research (Revenue Restricted)	258,995	30,179
Deferred Rent	27,471	32,497
Total Liabilities	<u>1,574,614</u>	<u>1,108,982</u>
Net Assets	<u>3,460,529</u>	<u>3,704,311</u>
Total Liabilities and Net Assets	<u>\$5,035,143</u>	<u>\$4,813,293</u>

The ALS Association Greater Philadelphia Chapter
Unaudited Statements of Operations
for the three months ended April 30, 2021 and 2020

	Actual	Budget	Actual vs. Budget	Prior Year	Actual vs. Prior Year
REVENUE					
Events					
Special Events	\$ 36,221	\$ 50,000	\$ (13,780)	\$ 89,553	\$ (53,332)
Walks	108,668	155,000	(46,332)	44,002	64,667
Total Events	144,889	205,000	(60,111)	133,554	11,334
Annual Giving					
Contributions	121,662	70,000	51,662	68,678	52,985
Grants	56,952	75,000	(18,048)	28,130	28,822
Appeals	82,226	40,000	42,226	70,445	11,781
Memorials and Tributes	74,144	45,000	29,144	58,275	15,869
Workplace Giving	28,196	30,000	(1,804)	31,850	(3,654)
Total Annual Giving	363,180	260,000	103,180	257,378	105,802
Development					
Major Gifts	15,485	175,000	(159,515)	53,450	(37,965)
Bequests	-	30,000	(30,000)	43,131	(43,131)
Total Development	15,485	205,000	(189,515)	96,581	(81,096)
Government Funding	62,022	171,344	(109,322)	58,070	3,952
REVENUE FROM OPERATIONS					
Unrealized (Loss) Gain	(21,164)	-	(21,164)	(76,695)	55,531
Interest Income	199	11,300	(11,101)	8,130	(7,931)
TOTAL REVENUE	564,610	852,644	(288,034)	477,018	87,592
EXPENSES					
Care Services					
Salaries and Benefits	325,993	359,061	(33,068)	348,747	(22,754)
ALS Clinic Centers	74,337	71,424	2,913	70,080	4,257
Abrams Program	100,587	138,249	(37,662)	121,480	(20,893)
Other Service Expenses	28,762	61,439	(32,678)	63,177	(34,415)
Allocated Overhead	44,871	64,272	(19,401)	63,071	(18,200)
Total Care Services	574,550	694,445	(119,896)	666,555	(92,005)
Research					
Research Payments to NTL	125,166	64,092	61,074	30,778	94,388
Research Coordinators	33,127	29,298	3,829	33,127	-
Other Research Expense	9,629	1,626	8,003	13,848	(4,219)
Allocated Overhead	39,950	57,223	(17,273)	56,154	(16,204)
Total Research	207,871	152,239	55,632	133,907	73,964
Education					
Education	113,898	131,161	(17,263)	124,397	(10,499)
Allocated Overhead	13,295	19,044	(5,748)	18,688	(5,393)
Total Education	127,193	150,205	(23,011)	143,085	(15,892)
Development					
Fundraising	104,007	104,301	(294)	126,039	(22,032)
Events	11,720	6,000	5,720	25,176	(13,456)
Allocated Overhead	16,619	23,804	(7,186)	23,360	(6,741)
Total Development	132,346	134,105	(1,759)	174,575	(42,228)
Administrative & Board	128,192	183,619	(55,427)	180,187	(51,995)
TOTAL EXPENSES	1,170,152	1,314,613	(144,461)	1,298,309	(128,156)
NET SURPLUS/(DEFICIT)	\$ (605,542)	\$ (461,969)	\$ (143,572)	\$ (821,290)	\$ 215,749

* Revenue Sharing for the three months ended April 30, 2021, which is allocated across all departments, is \$48,337

** Restricted Income: Care Services: \$99,156 Research \$65,168 Education: \$0

The ALS Association Greater Philadelphia Chapter
Unaudited Statement of Operations with General & Administration Expenses
for the three months ended April 30, 2021

	<u>YTD</u>	<u>% of Revenue</u>
REVENUE		
Events		
Special Events	\$ 36,221	6.4%
Walks	108,668	19.2%
Total Events	144,889	25.7%
Annual Giving		
Contributions	121,662	21.5%
Grants	56,952	10.1%
Appeals	82,226	14.6%
Memorials and Tributes	74,144	13.1%
Workplace Giving	28,196	5.0%
Total Annual Giving	363,180	64.3%
Development		
Major Gifts	15,485	2.7%
Total Development	15,485	2.7%
Government Funding		
	62,022	11.0%
REVENUE FROM OPERATIONS		
	585,575	103.7%
Unrealized (Loss) Gain	(21,164)	-3.7%
Interest Income	199	0.0%
TOTAL REVENUE	564,610	100.0%
EXPENSES		
Care Services		
Salaries and Benefits	325,993	57.7%
ALS Clinic Centers	74,337	13.2%
Abrams Program	100,587	17.8%
Other Service Expenses	28,762	5.1%
Total Care Services	529,679	93.8%
Research		
Research Payments to NTL	125,166	22.2%
Research Coordinators	33,127	5.9%
Other Research Expense	9,629	1.7%
Total Research	167,922	29.7%
Education		
Education	113,898	20.2%
Total Education		
Development		
Fundraising	104,007	18.4%
Events	11,720	2.1%
Total Development	115,727	20.5%
General & Administration		
Salaries and Benefits	52,812	9.4%
Staff Development	40	0.0%
Office Rent	30,624	5.4%
Office Expense	3,704	0.7%
Dues, Books, & Subscriptions	170	0.0%
Postage	3,418	0.6%
Printing & Copying	2,464	0.4%
IT & Related Expenses	55,141	9.8%
Insurance	4,904	0.9%
Telephone	9,542	1.7%
Meals & Entertainment	50	0.0%
Bank Charges	5,797	1.0%
Professional Fees	18,839	3.3%
Revenue Sharing	48,337	8.6%
Miscellaneous	842	0.1%
Depreciation	6,243	1.1%
Total General & Administration Expenses	242,926	43.0%
TOTAL EXPENSES	1,170,152	207.2%
NET SURPLUS/(DEFICIT)	\$(605,542)	-107.2%

(A) Other Depreciation is Allocated to Care Services

**The ALS Association Greater Philadelphia Chapter
Unaudited Statement of Cash Flows
for the three months ended April 30, 2021**

Net surplus (deficit) for Period	\$	(605,542)
Adjustments to Reconcile Net Surplus (Deficit) to Net Cash from Operating Activities		
Depreciation (Total of Care Services + General & Administrative) Provided (Used) by Operating Activities		6,243
Decrease (Increase) in Pledged Receivables		41,500
(Increase) Decrease in Grant Receivables		215,278
(Increase) Decrease in Receivables - Other		(21,111)
Decrease (Increase) in Prepaids		8,689
Decrease (Increase) in Beneficial Interest in Perpetual Trust		26,844
Increase (Decrease) in Accounts Payable		92,883
Increase (Decrease) in Accrued Liabilities		(419,398)
Increase (Decrease) in Loan Payable		722,235
Increase (Decrease) in Accrued National - Revenue Sharing		48,337
Increase (Decrease) in Accrued National - Research (Revenue Restricted)		125,166
Increase (Decrease) in Accrued National - Research		(827)
Increase (Decrease) in Deferred Rent		(1,567)
		238,730
Net Cash Provided (Used) by Operating Activities		238,730
Cash and Cash Equivalents Beginning		3,329,670
Cash and Cash Equivalents Ending	\$	3,568,400

The ALS Association Greater Philadelphia Chapter
Rolling Forecast
for the twelve months ending January 31, 2022

	Actual YTD	Forecast									Annual		
	Apr-2021	May-2021	Jun-2021	Jul-2021	Aug-2021	Sep-2021	Oct-2021	Nov-2021	Dec-2021	Jan-2022	TOTALS	Budget	Variance
Events													
Special Events	\$ 36,221	35,000	35,000	25,000	40,000	125,000	150,000	100,000	55,000	10,000	611,221	\$ 625,000	\$ (13,780)
Walks	108,668	80,000	60,000	70,000	90,000	150,000	180,000	60,000	30,000	30,000	858,668	905,000	(46,332)
Total Events	144,889	115,000	95,000	95,000	130,000	275,000	330,000	160,000	85,000	40,000	1,469,889	1,530,000	(60,111)
Annual Giving													
Contributions	121,662	45,000	20,000	30,000	20,000	20,000	20,000	25,000	75,000	35,000	411,662	360,000	51,662
Grants	56,952	3,000	381,250	14,000	5,000	5,500	4,000	87,500	136,000	20,000	713,202	731,250	(18,048)
Appeals	82,226	15,000	45,000	25,000	45,000	10,000	15,000	20,000	35,000	40,000	332,226	290,000	42,226
Memorials and Tributes	74,144	15,000	15,000	15,000	15,000	15,000	15,000	25,000	35,000	15,000	239,144	210,000	29,144
Workplace Giving	28,196	10,000	10,000	10,000	10,000	10,000	10,000	10,000	15,000	10,000	123,196	125,000	(1,804)
Total Annual Giving	363,180	88,000	471,250	94,000	95,000	60,500	64,000	167,500	296,000	120,000	1,819,430	1,716,250	103,180
Development													
Major Gifts	15,485	75,000	75,000	12,500	12,500	12,500	12,500	-	300,000	-	515,485	675,000	(159,515)
Bequests	-	20,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	220,000	250,000	(30,000)
Total Development	15,485	95,000	100,000	37,500	37,500	37,500	37,500	25,000	325,000	25,000	735,485	925,000	(189,515)
Government Funding	62,022	57,115	57,115	57,115	57,115	57,115	57,115	57,115	57,115	57,115	576,053	685,375	(109,322)
REVENUE FROM OPERATIONS	585,575	355,115	723,365	283,615	319,615	430,115	488,615	409,615	763,115	242,115	4,600,856	4,856,625	(255,769)
Unrealized (Loss) Gain	(21,164)	4,300	4,300	4,300	4,300	4,300	4,300	7,000	7,000	7,000	25,636	-	25,636
Interest Income	199	-	-	-	-	-	-	-	-	-	199	58,100	(57,901)
TOTAL REVENUE	564,610	359,415	727,665	287,915	323,915	434,415	492,915	416,615	770,115	249,115	4,626,692	4,914,725	(288,034)
EXPENSES													
Care Services													
Salaries and Benefits	325,993	119,687	119,687	119,687	119,687	119,687	119,687	119,687	119,687	88,443	1,371,932	1,405,000	(33,068)
ALS Clinic Centers	74,337	23,808	23,808	23,808	23,808	23,808	23,808	23,808	23,808	23,812	288,613	285,700	2,913
Abrams Program	100,587	46,083	46,083	46,083	46,083	46,083	46,083	46,083	46,083	46,087	515,338	553,000	(37,662)
Other Service Expenses	28,762	20,480	20,480	20,480	20,480	20,480	20,480	20,480	20,480	20,490	213,090	245,767	(32,678)
Allocated Overhead	44,871	21,424	21,424	21,424	21,424	21,424	21,424	21,424	21,424	21,424	237,686	257,088	(19,401)
Total Care Services	574,550	231,482	231,482	231,482	231,482	231,482	231,482	231,482	231,482	200,256	2,626,659	2,746,555	(119,896)
Research													
Research Payments to NTL	125,166	21,364	21,364	21,364	21,364	21,364	21,364	21,364	21,364	21,366	317,444	256,370	61,074
Research Coordinators	33,127	9,766	9,766	9,766	9,766	9,766	9,766	9,766	9,766	9,765	121,020	117,191	3,829
Other Research Expense	9,629	542	542	542	542	542	542	542	542	544	14,509	6,506	8,003
Allocated Overhead	39,950	19,074	19,074	19,074	19,074	19,074	19,074	19,074	19,074	19,074	211,620	228,893	(17,273)
Total Research	207,871	50,746	50,746	50,746	50,746	50,746	50,746	50,746	50,746	50,749	664,592	608,960	55,632
Education													
Education	113,898	43,716	43,716	43,716	43,716	43,716	43,716	43,716	43,716	43,716	507,342	524,605	(17,263)
Allocated Overhead	13,295	6,348	6,348	6,348	6,348	6,348	6,348	6,348	6,348	6,348	70,426	76,174	(5,748)
Total Education	127,193	50,064	50,064	50,064	50,064	50,064	50,064	50,064	50,064	50,064	577,768	600,779	(23,011)
Development													
Fundraising	104,007	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	416,880	417,174	(294)
Events	11,720	10,000	10,000	4,000	10,000	30,000	52,000	55,000	26,050	5,000	213,770	208,050	5,720
Allocated Overhead	16,619	7,935	7,935	7,935	7,935	7,935	7,935	7,935	7,935	7,935	88,032	95,218	(7,186)
Total Development	132,346	52,698	52,698	46,698	52,698	72,698	94,698	97,698	68,748	47,698	718,682	720,442	(1,759)
Administrative & Board	128,192	61,206	61,206	61,206	61,206	61,206	61,206	61,206	61,206	61,206	679,049	734,476	(55,427)
TOTAL EXPENSES	1,170,152	446,197	446,197	440,197	446,197	466,197	488,197	491,197	462,247	409,974	5,266,750	5,411,211	(144,461)
NET SURPLUS/(DEFICIT)	\$ (605,542)	\$ (86,782)	\$ 281,468	\$(152,282)	\$(122,282)	\$(31,782)	\$ 4,718	\$(74,582)	\$307,868	\$(160,859)	\$(640,058)	\$(496,486)	\$(143,572)
Depreciation	6,243	2,081	2,081										
Pledged Receivables	41,500	10,000	10,000										
Grant Receivables	215,278	169,765	61,088										
Receivables - Other	(21,111)	74,102	89,744										
Prepays	8,689	-	-										
Beneficial Interest in Perpetual Trust	26,844	-	-										
Accounts Payable	92,883	(175,000)	(175,000)										
Accrued Liabilities	(419,398)	-	-										
Loan Payable-SBA	722,235	-	-										
Accrued National - Revenue Sharing	48,337	(188,852)	(48,337)										
Accrued National - Research (Revenue Restricted)	125,166	(133,829)	(125,166)										
Accrued National - Research	(827)	-	-										
Deferred Rent	(1,567)	(522)	(522)										
Cash and Cash Equivalents Beginning	3,329,670	3,568,400	3,239,362										
Cash and Cash Equivalents Ending	\$3,568,400	\$3,239,362	\$3,334,718										