

**THE ALS ASSOCIATION  
GREATER PHILADELPHIA CHAPTER**

**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT**

**JANUARY 31, 2021 AND 2020**

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**TABLE OF CONTENTS**  
**JANUARY 31, 2021 AND 2020**

	<u>Page No.</u>
<b>Independent Auditors' Report</b>	1
<b>Financial Statements</b>	
Statements of Financial Position	4
Statements of Activities	6
Statements of Functional Expenses	8
Statements of Cash Flows	10
Notes to Financial Statements	11
<b>Independent Auditor's 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</b>	25
<b>Supplementary Information</b>	
Schedule of Expenditures of State Financial Assistance	28



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***Independent Auditors' Report***

To the Board of Directors  
The Amyotrophic Lateral Sclerosis Association,  
Greater Philadelphia Chapter

We have audited the accompanying financial statements of The Amyotrophic Lateral Sclerosis Association, Greater Philadelphia Chapter (a nonprofit organization), d/b/a The ALS Association Greater Philadelphia Chapter (Chapter), which comprise the statements of financial position as of January 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for 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.

***Auditors' 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards 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 auditors' 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,

To the Board of Directors  
The Amyotrophic Lateral Sclerosis Association,  
Greater Philadelphia Chapter

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 above present fairly, in all material respects, the financial position of The ALS Association Greater Philadelphia Chapter as of January 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of State Financial Assistance is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information 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 information is fairly stated, in all material respects, 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 (Insert Report Date), on our consideration of The ALS Association Greater Philadelphia Chapter's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other

To the Board of Directors  
The Amyotrophic Lateral Sclerosis Association,  
Greater Philadelphia Chapter

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 the effectiveness of The ALS Association Greater Philadelphia Chapter's 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 ALS Association Greater Philadelphia Chapter's internal control over financial reporting and compliance.

*Belfint, Lyons & Shuman, P.A.*

July 28, 2021

Wilmington, Delaware

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**STATEMENT OF FINANCIAL POSITION**  
**YEAR ENDED JANUARY 31, 2021**

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	\$ 2,963,353	\$ 379,347	\$ 3,342,700
Pledges Receivable, Net	137,509	96,667	234,176
Grants Receivable	315,982	221,067	537,049
Other Receivables	50,764	-	50,764
Prepaid Expenses	65,820	-	65,820
<b>TOTAL CURRENT ASSETS</b>	<b>3,533,428</b>	<b>697,081</b>	<b>4,230,509</b>
<b>PROPERTY, PLANT, AND EQUIPMENT</b>			
Patient Transport Vehicles	112,899	-	112,899
Computers and Equipment	543,719	27,840	571,559
	656,618	27,840	684,458
Less: Accumulated Depreciation	631,648	27,840	659,488
<b>NET PROPERTY, PLANT, AND EQUIPMENT</b>	<b>24,970</b>	<b>-</b>	<b>24,970</b>
<b>OTHER ASSETS</b>			
Pledges Receivable, Net	137,516	32,797	170,313
Beneficial Interest in Perpetual Trust	-	486,801	486,801
<b>TOTAL OTHER ASSETS</b>	<b>137,516</b>	<b>519,598</b>	<b>657,114</b>
<b>TOTAL ASSETS</b>	<b>\$ 3,695,914</b>	<b>\$ 1,216,679</b>	<b>\$ 4,912,593</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts Payable and Accrued Liabilities	\$ 570,117	\$ -	\$ 570,117
Deferred Revenue	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>570,117</b>	<b>-</b>	<b>570,117</b>
<b>OTHER LIABILITIES</b>			
Conditional Contribution - Paycheck Protection Program	305,895	-	305,895
Deferred Rent	29,038	-	29,038
<b>TOTAL OTHER LIABILITIES</b>	<b>334,933</b>	<b>-</b>	<b>334,933</b>
<b>TOTAL LIABILITIES</b>	<b>905,050</b>	<b>-</b>	<b>905,050</b>
<b>NET ASSETS</b>	<b>2,790,864</b>	<b>1,216,679</b>	<b>4,007,543</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 3,695,914</b>	<b>\$ 1,216,679</b>	<b>\$ 4,912,593</b>

The accompanying notes are an integral part of these financial statements.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**STATEMENT OF FINANCIAL POSITION**  
**YEAR ENDED JANUARY 31, 2020**

	<b>2020</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	\$ 3,452,387	\$ 262,658	\$ 3,715,045
Pledges Receivable, Net	116,379	90,166	206,545
Grants Receivable	226,874	90,582	317,456
Other Receivables	38,429	-	38,429
Prepaid Expenses	59,279	-	59,279
<b>TOTAL CURRENT ASSETS</b>	<b>3,893,348</b>	<b>443,406</b>	<b>4,336,754</b>
<b>PROPERTY, PLANT, AND EQUIPMENT</b>			
Patient Transport Vehicles	112,899	-	112,899
Computers and Equipment	543,719	27,840	571,559
	656,618	27,840	684,458
Less: Accumulated Depreciation	603,087	27,840	630,927
<b>NET PROPERTY, PLANT, AND EQUIPMENT</b>	<b>53,531</b>	<b>-</b>	<b>53,531</b>
<b>OTHER ASSETS</b>			
Pledges Receivable, Net	-	196,161	196,161
Beneficial Interest in Perpetual Trust	-	472,471	472,471
<b>TOTAL OTHER ASSETS</b>	<b>-</b>	<b>668,632</b>	<b>668,632</b>
<b>TOTAL ASSETS</b>	<b>\$ 3,946,879</b>	<b>\$ 1,112,038</b>	<b>\$ 5,058,917</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts Payable and Accrued Liabilities	\$ 486,678	\$ -	\$ 486,678
Deferred Revenue	205	-	205
<b>TOTAL CURRENT LIABILITIES</b>	<b>486,883</b>	<b>-</b>	<b>486,883</b>
<b>OTHER LIABILITIES</b>			
Conditional Contribution - Paycheck Protection Program	-	-	-
Deferred Rent	33,442	-	33,442
<b>TOTAL OTHER LIABILITIES</b>	<b>33,442</b>	<b>-</b>	<b>33,442</b>
<b>TOTAL LIABILITIES</b>	<b>520,325</b>	<b>-</b>	<b>520,325</b>
<b>NET ASSETS</b>	<b>3,426,554</b>	<b>1,112,038</b>	<b>4,538,592</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 3,946,879</b>	<b>\$ 1,112,038</b>	<b>\$ 5,058,917</b>

The accompanying notes are an integral part of these financial statements.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JANUARY 31, 2021**

	<b>2021</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUES AND OTHER SUPPORT</b>			
Contributions and Special Events	\$ 3,298,497	\$ 748,687	\$ 4,047,184
Government Grants	-	850,392	850,392
Interest Income	23,376	-	23,376
Change in Beneficial Interest in Perpetual Trust	-	14,330	14,330
	<u>3,321,873</u>	<u>1,613,409</u>	<u>4,935,282</u>
Total Revenues			
Net Assets Released from Restrictions	<u>1,508,768</u>	<u>(1,508,768)</u>	<u>-</u>
	<u>4,830,641</u>	<u>104,641</u>	<u>4,935,282</u>
<b>TOTAL REVENUES AND OTHER SUPPORT</b>			
<b>EXPENSES</b>			
Program			
Education	635,374	-	635,374
Care Services	2,780,071	-	2,780,071
Research	820,349	-	820,349
	<u>4,235,794</u>	<u>-</u>	<u>4,235,794</u>
Total Program Expenses			
Management and General	464,871	-	464,871
Fundraising	765,666	-	765,666
	<u>5,466,331</u>	<u>-</u>	<u>5,466,331</u>
<b>TOTAL EXPENSES</b>			
<b>CHANGE IN NET ASSETS</b>	(635,690)	104,641	(531,049)
<b>NET ASSETS - Beginning of Year</b>	<u>3,426,554</u>	<u>1,112,038</u>	<u>4,538,592</u>
<b>NET ASSETS - End of Year</b>	<u>\$ 2,790,864</u>	<u>\$ 1,216,679</u>	<u>\$ 4,007,543</u>

The accompanying notes are an integral part of these financial statements.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JANUARY 31, 2020**

	<b>2020</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUES AND OTHER SUPPORT</b>			
Contributions and Special Events	\$ 4,349,853	\$ 1,019,553	\$ 5,369,406
Government Grants	-	582,070	582,070
Interest Income	58,066	-	58,066
Change in Beneficial Interest in Perpetual Trust	-	32,105	32,105
	<u>4,407,919</u>	<u>1,633,728</u>	<u>6,041,647</u>
Total Revenues			
Net Assets Released from Restrictions	<u>1,686,681</u>	<u>(1,686,681)</u>	<u>-</u>
<b>TOTAL REVENUES AND OTHER SUPPORT</b>	<u>6,094,600</u>	<u>(52,953)</u>	<u>6,041,647</u>
<b>EXPENSES</b>			
Program			
Education	863,874	-	863,874
Care Services	3,232,111	-	3,232,111
Research	623,628	-	623,628
	<u>4,719,613</u>	<u>-</u>	<u>4,719,613</u>
Total Program Expenses			
Management and General	557,296	-	557,296
Fundraising	1,056,786	-	1,056,786
	<u>6,333,695</u>	<u>-</u>	<u>6,333,695</u>
<b>TOTAL EXPENSES</b>			
<b>CHANGE IN NET ASSETS</b>	(239,095)	(52,953)	(292,048)
<b>NET ASSETS - Beginning of Year</b>	<u>3,665,649</u>	<u>1,164,991</u>	<u>4,830,640</u>
<b>NET ASSETS - End of Year</b>	<u>\$ 3,426,554</u>	<u>\$ 1,112,038</u>	<u>\$ 4,538,592</u>

The accompanying notes are an integral part of these financial statements.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JANUARY 31, 2021**

	<b>2021</b>						
	<b>Program</b>				<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
	<b>Education</b>	<b>Care Services</b>	<b>Research</b>	<b>Subtotal</b>			
<b>SALARIES, WAGES, AND BENEFITS</b>	\$ 457,536	\$ 1,511,420	\$ 43,963	\$ 2,012,919	\$ 346,646	\$ 519,797	\$ 2,879,362
<b>SPECIAL EVENTS</b>	11	-	-	11	-	82,318	82,329
<b>PROGRAM SERVICES</b>	68,750	867,849	534,579	1,471,178	-	-	1,471,178
<b>PROFESSIONAL FEES</b>	-	-	-	-	23,125	-	23,125
<b>OFFICE AND OCCUPANCY</b>	49,019	214,285	63,287	326,591	35,899	59,068	421,558
<b>DEPRECIATION</b>	3,034	15,733	3,917	22,684	2,221	3,656	28,561
<b>MISCELLANEOUS EXPENSES</b>	-	9,769	-	9,769	14,720	794	25,283
<b>REVENUE SHARING TO NATIONAL</b>	<u>57,024</u>	<u>161,015</u>	<u>174,603</u>	<u>392,642</u>	<u>42,260</u>	<u>100,033</u>	<u>534,935</u>
<b>TOTAL EXPENSES</b>	<u>\$ 635,374</u>	<u>\$ 2,780,071</u>	<u>\$ 820,349</u>	<u>\$ 4,235,794</u>	<u>\$ 464,871</u>	<u>\$ 765,666</u>	<u>\$ 5,466,331</u>
<b>PERCENT OF TOTAL EXPENSES</b>	11.60%	50.90%	15.00%	77.50%	8.50%	14.00%	100.00%

The accompanying notes are an integral part of these financial statements.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JANUARY 31, 2020**

	<b>2020</b>						
	<b>Program</b>				<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
	<b>Education</b>	<b>Care Services</b>	<b>Research</b>	<b>Subtotal</b>			
<b>SALARIES, WAGES, AND BENEFITS</b>	\$ 472,392	\$ 1,588,842	\$ 48,002	\$ 2,109,236	\$ 389,078	\$ 495,565	\$ 2,993,879
<b>SPECIAL EVENTS</b>	52,238	-	-	52,238	-	356,087	408,325
<b>PROGRAM SERVICES</b>	194,290	1,146,690	194,450	1,535,430	-	-	1,535,430
<b>PROFESSIONAL FEES</b>	-	-	-	-	21,850	-	21,850
<b>OFFICE AND OCCUPANCY</b>	67,740	253,013	47,318	368,071	43,291	82,766	494,128
<b>DEPRECIATION</b>	3,579	25,000	2,500	31,079	2,287	4,372	37,738
<b>MISCELLANEOUS EXPENSES</b>	-	29,970	-	29,970	50,448	10,549	90,967
<b>REVENUE SHARING TO NATIONAL</b>	<u>73,635</u>	<u>188,596</u>	<u>331,358</u>	<u>593,589</u>	<u>50,342</u>	<u>107,447</u>	<u>751,378</u>
<b>TOTAL EXPENSES</b>	<u>\$ 863,874</u>	<u>\$ 3,232,111</u>	<u>\$ 623,628</u>	<u>\$ 4,719,613</u>	<u>\$ 557,296</u>	<u>\$ 1,056,786</u>	<u>\$ 6,333,695</u>
<b>PERCENT OF TOTAL EXPENSES</b>	13.65%	51.00%	9.85%	74.50%	8.80%	16.70%	100.00%

The accompanying notes are an integral part of these financial statements.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JANUARY 31, 2021 AND 2020**

	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (531,049)	\$ (292,048)
Adjustments to Reconcile Change in Net Assets to Net Cash from Operating Activities		
Depreciation	28,561	37,738
Provision for Uncollectible Pledges Receivable	(3,151)	7,694
Discount on Pledges Receivable	(4,357)	(3,578)
Donated Marketable Securities	(6,308)	(49,445)
Change in Beneficial Interest in Perpetual Trust	(14,330)	(32,104)
Changes in		
Pledges Receivable	5,725	(47,317)
Grant Receivables	(219,593)	(19,385)
Other Receivables	(12,335)	27,770
Prepaid Expenses	(6,541)	(562)
Accounts Payable and Accrued Liabilities	83,439	38,413
Deferred Revenue	(205)	(9,700)
Deferred Rent	(4,404)	(1,556)
	<b>(684,548)</b>	<b>(344,080)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property and Equipment	-	(31,412)
Proceeds from Sale of Donated Marketable Securities	6,308	49,445
	<b>6,308</b>	<b>18,033</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Paycheck Protection Program	305,895	-
	<b>(372,345)</b>	<b>(326,047)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(372,345)</b>	<b>(326,047)</b>
<b>CASH AND CASH EQUIVALENTS - Beginning of Year</b>	<b>3,715,045</b>	<b>4,041,092</b>
<b>CASH AND CASH EQUIVALENTS - End of Year</b>	<b>\$ 3,342,700</b>	<b>\$ 3,715,045</b>

The accompanying notes are an integral part of these financial statements.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS**  
**JANUARY 31, 2021**

**NOTE 1: NATURE OF ACTIVITIES**

**Organization and Operations** - The Amyotrophic Lateral Sclerosis Association, Greater Philadelphia Chapter, d/b/a The ALS Association Greater Philadelphia Chapter (Chapter), a Pennsylvania nonprofit corporation, is a chapter of The ALS Association, a national nonprofit organization (National). The Chapter represents eastern Pennsylvania, southern New Jersey, and Delaware in providing service to patients with Amyotrophic Lateral Sclerosis (ALS) and their families, providing education and information to the public about ALS, and funding research related to ALS.

**Reporting Entity** - The financial statements reflect the financial position, results of activities, and cash flows of the Chapter.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting** - The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

**Revenue Recognition** - In accordance with Topic 606, the Chapter recognizes revenue resulting from exchange transactions when it satisfies its performance obligations by transferring control over a product or service to a customer. The following is a description of principal exchange transactions from which the Chapter generates revenue:

*Special Events* - The Chapter recognizes special events revenue equal to the cost of direct benefits provided to the donor, and contribution revenue for the difference. Special event revenue equal to the cost of direct benefits provided to the donor is recognized at the point in time the benefit is delivered, generally when the event occurs. Contribution revenue resulting from special events is recognized immediately. Special event revenue subject to Topic 606 totaled \$22,631 and \$32,025 during the years ended January 31, 2021 and 2020, respectively.

The Chapter holds annual walks, bike rides, and related events. Participants of these events raise funds that are donated to the Chapter by the participant on or before the event date. Participants receive no direct benefit. As a result, the Chapter recognizes revenue derived from these events as contribution revenue.

Contract liabilities totaled \$9,905, \$205, and \$0 as of January 31, 2019, 2020, and 2021, respectively. There were no contract assets or accounts receivable as of the beginning or end of the years ended January 31, 2021 and 2020.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2021**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

***Revenue Recognition - Continued***

The following is a description of principal activities from which the Chapter generates revenue which fall outside the scope of Topic 606:

Contributions - The Chapter recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Government Grants - The Chapter receives state awards for the purpose of providing a societal benefit. Unconditional awards are recognized as revenue when notification of the award is received. Awards that contain a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

***Financial Statement Presentation*** - Financial statement presentation follows the recommendations of the Financial Accounting Standards Board's Accounting Standards Codification (FASB ASC) 958, *Not-for-Profit Entities*. Under ASC 958, net assets, revenues, gains and losses are classified based on the existence or absence of donor-or grantor-imposed restrictions. The Chapter is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. A description of the two net assets classifications is as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions although their use may be limited by other factors such as by contract or board designation.

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 may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

***Use of Estimates*** - In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect reported

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2021**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

*Use of Estimates - Continued* - amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Cash and Cash Equivalents* - The Chapter considers all investments purchased with an original maturity of three months or less to be cash and cash equivalents.

*Pledges Receivable* - Unconditional promises to give are recorded as pledges receivable and are reported at net realizable value if, at the time the pledge is made, payment is expected to be received in one year or less. Payments expected to be collected in more than one year are reported at fair value initially and in subsequent periods. The Chapter provides for probable uncollectible amounts through a provision for uncollectible pledges receivable and an adjustment to a valuation account based on its assessment of the current status of individual accounts.

*Agency Transactions* - The Chapter, at times, coordinates patient care with various outside organizations and support groups. Expenses paid by the Chapter in connection with providing patient care is later billed and collected from these various organizations and groups. Accordingly, the transaction is classified as an “agency” transaction and no revenue or expense is reported by the Chapter. As of January 31, 2021 and 2020, the Chapter had no receivables resulting from agency transactions.

*Other Receivables* - Included in other receivables are amounts due from National for general quarterly appeals and reimbursement of payroll expense for a shared employee. As of January 31, 2021 and 2020, amounts due from National totaled \$50,450 and \$34,025, respectively.

*Property, Plant, and Equipment* - The Chapter records purchased property, plant, and equipment at cost. Vans are primarily used for the transportation of ALS patients and their caregivers. The Chapter’s policy is to capitalize any contributed assets, purchases, or improvements over \$5,000.

Property, plant, and equipment are being depreciated using the straight-line method over the estimated useful life of the related asset. Estimated useful lives are as follows:

Vans and Motorized Wheelchairs	3 - 5 years
Computers (Including Assistive Technology Devices)	3 - 5 years
Office Equipment	7 years

When assets are retired or otherwise disposed of the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in revenue in the period. The cost of maintenance and repairs is expensed as incurred; renewals and betterments are capitalized.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2021**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

***Fair Value*** - The Chapter follows the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. FASB ASC 820 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. The fair value hierarchy is categorized into three levels based on the inputs as follows:

*Level 1* - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Chapter has the ability to access. Since valuations are based on quoted market prices that are readily and regularly available in an active market, it does not entail a significant degree of judgment.

*Level 2* - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

*Level 3* - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

***Deferred Rent*** - The Chapter has entered into operating lease agreements for its corporate office and facilities which include provisions for future rent increases. In accordance with generally accepted accounting principles, the Chapter records rent expense on a straight-line basis equal to the total of the payments due over the lease term, divided by the number of months of the lease term. The difference between rent expense recorded and the amount paid is charged to deferred rent.

***In-Kind Contributions***

*Contributed Assets* - Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported in net assets with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Chapter reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Chapter reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. There was no contributed property and equipment recorded for the years ended January 31, 2021 and 2020.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2021**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

*In-Kind Contributions - Continued*

Contributed Materials - In accordance with FASB ASC 958, contributed materials are recorded at the fair market value at the time of the donation. For the years ended January 31, 2021 and 2020, the Chapter did not recognize any amounts for contributed materials.

Contributed Services - In accordance with FASB ASC 958, contributed services are recorded at the fair market value of those services only if they create or enhance nonfinancial assets, or if they require specialized skills and are performed by a person possessing those skills. For the years ended January 31, 2021 and 2020, the Chapter did not recognize any amounts for contributed services.

The Chapter receives contributed services from volunteers in support of special events, board support, and support for program services throughout the year which are not recognized in the financial statements because the recognition criteria under FASB ASC 958 were not met.

**Expense Allocation** - The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. The allocation methods utilized by the Chapter are as follows:

Expense	Method
Salaries, Wages, and Benefits	Time and Effort
Special Events	Direct
Program Services	Direct
Professional Services	Direct
Office and Occupancy	Allocated based on each functional category's percentage of total expenses before Office and Occupancy and Depreciation costs
Depreciation	Allocated based on each functional category's percentage of total expenses before Office and Occupancy and Depreciation costs
Miscellaneous Expenses	Direct
Revenue Sharing to National	Allocated based on the percentage provided by National

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2021**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

*Income Taxes* - The Chapter is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is also exempt from Pennsylvania state income tax. In addition, the Chapter qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Income not related to the Chapter's tax-exempt purpose may be subject to taxation as unrelated business income. Accounting principles generally accepted in the United States of America impose a threshold for determining when an income tax benefit can be recognized in regard to uncertain tax positions. The Chapter has determined that no liability for uncertain tax positions is required to be accrued and included in the statements of financial position as of January 31, 2021 and 2020.

The federal and state information returns of the Chapter for the years ended January 31, 2018, 2019, and 2020, are subject to examination by the tax authorities, generally for three years after they were filed.

*Subsequent Events* - The Chapter's policy is to evaluate events and transactions subsequent to its year end for potential recognition in the financial statements or disclosure in the notes to the financial statements. Management has evaluated events and transactions through the date of the independent auditors' report, which is the date the financial statements were available to be issued.

**NOTE 3: AVAILABILITY AND LIQUIDITY**

The following reflects the Chapter's financial assets as of January 31, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position dates:

	2021	2020
Financial Assets as of January 31		
Cash and Cash Equivalents	\$ 3,342,700	\$ 3,715,045
Pledges Receivable, Net	404,489	402,706
Grants Receivable	537,049	317,456
Other Receivables	50,764	38,429
Total Financial Assets as of January 31	4,335,002	4,473,636

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2021**

**NOTE 3: AVAILABILITY AND LIQUIDITY - CONTINUED**

	2021	2020
Less Those Unavailable for General Expenditures Within One Year, Due to:		
Donor-Imposed Restrictions		
Restricted by Donor With Purpose Restrictions	\$ 371,295	\$ 389,377
Restricted by Grantor With Purpose Restrictions	221,067	90,582
Time-Imposed Restrictions		
Unrestricted Pledges Receivable, Due Greater Than One Year		
Unavailable for Expenditure Until Due	137,516	159,608
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	\$ 3,605,124	\$ 3,834,069

The Chapter's goal is generally to maintain financial assets to meet 30 days of operating expenses. The Chapter has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**NOTE 4: BENEFICIAL INTEREST IN PERPETUAL TRUST**

The Chapter has a beneficial interest in a charitable perpetual trust, the assets of which are not in the possession of the Chapter. This beneficial interest allows the Chapter to receive quarterly distributions consisting of dividends and interest earned on trust assets restricted to research. The Chapter's beneficial interest in this trust is irrevocable; therefore, the Chapter measures their beneficial interest in the trust's assets at fair value. During the years ended January 31, 2021 and 2020, restricted gains on trust assets of \$14,330 and \$32,105, respectively, are recorded in the statements of activities. The Chapter's beneficial interest in the perpetual trust included in the statements of financial position as of January 31, 2021 and 2020, was \$486,801 and \$472,471, respectively. The net assets associated with the Chapter's beneficial interest in the perpetual trust are reported as net assets with donor restrictions.

The Chapter's management does not believe that beneficial interests in a charitable perpetual trust are within the scope of FASB ASC 958 in regard to required disclosures for endowments, because in contrast to donor-restricted endowment funds, no ongoing decisions about the investment of the trust or distributions from the trust are within the authority of the Chapter.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2021**

**NOTE 5: PLEDGES RECEIVABLE**

Unconditional pledges receivable consisted of the following as of January 31:

	2021					Total
	Unrestricted	Subject to Time Restrictions	Restricted for Administrative	Restricted for Research	Restricted for Patient Services	
Due in Less than One Year	\$ 154,453	\$ -	\$ -	\$ -	\$ 109,728	\$ 264,181
Due in One to Five Years	-	105,140	-	-	12,000	117,140
Due in More than Five Years	-	50,000	-	25,000	-	75,000
Less: Discounts to Net Present Value	-	(605)	-	(98)	(1,070)	(1,773)
Less: Reserve for Uncollectible Accounts	(16,944)	(17,019)	-	(2,743)	(13,353)	(50,059)
<b>Net Unconditional Pledges Receivable</b>	<b>\$ 137,509</b>	<b>\$ 137,516</b>	<b>\$ -</b>	<b>\$ 22,159</b>	<b>\$ 107,305</b>	<b>\$ 404,489</b>

  

	2020					Total
	Unrestricted	Subject to Time Restrictions	Restricted for Administrative	Restricted for Research	Restricted for Patient Services	
Due in Less than One Year	\$ 131,525	\$ -	\$ 75,000	\$ 5,000	\$ 25,328	\$ 236,853
Due in One to Five Years	-	133,193	-	5,000	12,000	150,193
Due in More than Five Years	-	50,000	-	25,000	-	75,000
Less: Discounts to Net Present Value	-	(2,488)	(2,159)	(600)	(883)	(6,130)
Less: Reserve for Uncollectible Accounts	(15,146)	(21,097)	(8,637)	(4,031)	(4,299)	(53,210)
<b>Net Unconditional Pledges Receivable</b>	<b>\$ 116,379</b>	<b>\$ 159,608</b>	<b>\$ 64,204</b>	<b>\$ 30,369</b>	<b>\$ 32,146</b>	<b>\$ 402,706</b>

Multi-year pledges receivable were discounted at 0.39% and 1.28% as of January 31, 2021 and 2020, respectively.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2021**

**NOTE 6: FAIR VALUE MEASUREMENTS**

Fair values of assets measured on a recurring basis as of January 31 were as follows:

	2021			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Beneficial Interest in Perpetual Trust	\$ 486,801	\$ -	\$ 486,801	\$ -
Unconditional Pledges Receivable	404,489	-	-	404,489
<b>Total Assets at Fair Value</b>	<b>\$ 891,290</b>	<b>\$ -</b>	<b>\$ 486,801</b>	<b>\$ 404,489</b>

  

	2020			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Beneficial Interest in Perpetual Trust	\$ 472,471	\$ -	\$ 472,471	\$ -
Unconditional Pledges Receivable	402,706	-	-	402,706
<b>Total Assets at Fair Value</b>	<b>\$ 875,177</b>	<b>\$ -</b>	<b>\$ 472,471</b>	<b>\$ 402,706</b>

**Beneficial Interest in Perpetual Trust** - Fair values for the beneficial interest in the perpetual trust are determined based upon the underlying value of the trust's assets. The trust's assets consist of mutual fund portfolios consisting of fixed income and equity investments.

**Unconditional Pledges Receivable - Fair Value Election** - Unconditional pledge receivables are reported at net realizable value if, at the time the pledge is made, payment is expected to be received in one year or less. Unconditional pledges receivable that are expected to be collected in more than one year are reported at fair value initially and in subsequent periods because the Chapter elected the fair value option in accordance with generally accepted accounting principles. Management believes that the use of fair value reduces the cost of measuring unconditional pledges receivable in periods subsequent to their receipt and provides equal or better information to users of its financial statements than if those pledges were measured using historical discount rates.

When estimating the fair value of unconditional pledges receivable, management considers the relationship with the donor, the donor's past history of making timely payments, the donor's overall creditworthiness, general economic conditions in the geographic area in which the majority of the Chapter's donors live, the Chapter's policies concerning enforcement of pledges receivable, and market interest rate assumptions.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2021**

**NOTE 6: FAIR VALUE MEASUREMENTS - CONTINUED**

*Unconditional Pledges Receivable - Fair Value Election - Continued*

The table below presents information about the fair value measurements of unconditional pledges receivable as of January 31:

	2021			
	Due in Less than One Year	Due in One to Five Years	Due in More Than Five Years	Total
Pledges Receivable Measured at Fair Value				
Pledged Cash Flow	\$ 264,181	\$ 117,140	\$ 75,000	\$ 456,321
Carrying Amount	234,177	103,833	66,479	404,489
Fair Value Estimate	234,177	103,833	66,479	404,489
2020				
	Due in Less than One Year	Due in One to Five Years	Due in More Than Five Years	Total
Pledges Receivable Measured at Fair Value				
Pledged Cash Flow	\$ 236,853	\$ 150,193	\$ 75,000	\$ 462,046
Carrying Amount	206,545	130,974	65,187	402,706
Fair Value Estimate	206,545	130,974	65,187	402,706

The table below presents information about the changes in unconditional pledges receivable for the years ended January 31:

	2021	2020
Beginning Balance	\$ 402,706	\$ 359,505
New Pledges Received	156,375	337,000
Collections	(162,100)	(289,684)
Change in Discount and Allowance	7,508	(4,115)
Ending Balance	\$ 404,489	\$ 402,706

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2021**

**NOTE 7: NET ASSETS WITH DONOR RESTRICTIONS**

Net Assets with donor restrictions are available for the following purposes:

	<u>2021</u>	<u>2020</u>
Subject to Expenditure for Specified Purpose		
Education	\$ -	\$ 90
Administrative	-	10,796
Patient Services	460,597	333,835
Research	2,301	8,519
Net Pledges Receivable, the Proceeds From Which Have Been Restricted for:		
Administrative	-	64,204
Patient Services	107,305	32,146
Research	<u>22,159</u>	<u>30,369</u>
	592,362	479,959
Subject to the Passage of Time		
Net Pledges Receivable That are Not Restricted by Donors but Which are Unavailable for Expenditure Until Due	137,516	159,608
Not Subject to Appropriation or Expenditure		
Beneficial Interest in Perpetual Trust	<u>486,801</u>	<u>472,471</u>
Total Net Assets With Donor Restrictions	<u>\$ 1,216,679</u>	<u>\$ 1,112,038</u>

**NOTE 8: EMPLOYEE BENEFIT PLAN**

The Chapter sponsors a defined contribution plan (Plan) covering all employees, age 21 and older, with at least three months of service. Effective January 1, 2013, the Chapter reinstated an employer match, matching participants' contributions to the Plan up to four percent of the individual participant's compensation. Additionally, the Chapter may make a discretionary contribution to the Plan determined annually by the Board of Trustees. During the years ended January 31, 2021 and 2020, the Chapter made no discretionary contributions. Total plan expense for the years ended January 31, 2021 and 2020 was \$37,797 and \$39,851, respectively.

**NOTE 9: CONCENTRATION OF CREDIT RISK**

The Chapter maintains cash balances at two regional financial institutions. As of January 31, 2021, all deposit accounts, including all non-interest-bearing deposit accounts, were insured up to the standard maximum amount of \$250,000 per institution. As of January 31, 2021 and 2020, uninsured balances totaled \$3,490,141 and \$3,456,041, respectively.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2021**

**NOTE 10: OPERATING LEASE COMMITMENTS**

The Chapter leases equipment under noncancelable operating leases that expire in various periods through January 2024.

The Chapter also leases office space through January 31, 2024, under a noncancelable operating lease.

Future lease commitments for the next three years ending January 31, are as follows:

2022	\$	139,646
2023		142,374
2024		<u>134,995</u>
	\$	<u><u>417,015</u></u>

Rent expense was \$145,207 and \$146,035 for the years ended January 31, 2021 and 2020, respectively.

**NOTE 11: RELATED-PARTY TRANSACTIONS**

For the years ended January 31, 2021 and 2020, the Chapter received contributions in the amount of \$208,525 and \$189,750, respectively, from organizations affiliated with members of the Chapter's Board of Directors. Contributions totaling \$84,960 and \$84,561 were received during fiscal years ended January 31, 2021 and 2020, respectively, from members of the Chapter's Board of Trustees and Board of Overseers.

The Chapter disburses research payments to National quarterly. Research payments disbursed to National totaled \$398,124 and \$44,340, during the years ended January 31, 2021 and 2020, respectively, and are included in program services on the statements of functional expenses. The Chapter also disburses revenue sharing payments to National, which are classified as revenue sharing to National on the statement of functional expenses. Revenue sharing payments disbursed to National during the years ended January 31, 2021 and 2020 totaled \$534,935 and \$751,378, respectively.

During fiscal year 2019, the Chapter began to utilize a new fundraising platform in conjunction with National. The Chapter pays an annual fee along with fees based on monthly activity directly to National for the use of the platform. The amount of expense included in the statements of functional expenses totaled \$17,111 and \$93,719 for the years ended January 31, 2021 and 2020, respectively.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2021**

**NOTE 12: CONDITIONAL GRANTS**

Certain government grants are conditioned upon the completion of performance obligations and the incurrence of allowable expenses. As of January 31, 2021, conditional contributions of \$284,018, for which no amounts have been received in advance, have not been recognized in the accompanying financial statements. This amount will be recognized as revenue over time as specific qualifying expenses are incurred. The Chapter anticipates incurring the qualifying expenses during the year ending January 31, 2022.

**NOTE 13: SUPPLEMENTAL CASH FLOW DISCLOSURES**

During the normal course of operations, the Chapter receives donations of marketable securities. The Chapter has a standing order with a financial institution to immediately liquidate marketable securities upon receipt and transfer the proceeds to the Chapter. The Chapter believes that recognition of the transferred proceeds as cash received from operations on the statements of cash flows more accurately depicts the nature of the transactions. Proceeds from donated marketable securities which are not immediately liquidated are recognized in the statements of cash flows as cash received from investing activities. Proceeds received by the Chapter from immediate liquidation of donated marketable securities and included in the statements of cash flows as cash received from operations totaled \$6,308 and \$49,445 for the years ended January 31, 2021 and 2020, respectively.

**NOTE 14: PAYCHECK PROTECTION PROGRAM LOAN**

In April 2020, the Chapter received proceeds in the amount of \$305,895 under the Paycheck Protection Program (PPP) administered by the SBA. The PPP, established as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, provides loans to qualifying organizations for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. Loan and accrued interest amounts may be eligible for forgiveness as long as the borrower uses the loan proceeds during the covered period for eligible purposes, including payroll, benefits, rent and utilities, and maintains its employee and salary levels for a period of time after receipt of the loan funds.

The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for a period of ten months after the end of the covered period.

Subsequent to January 31, 2021, the loan was forgiven and recognized as revenue.

In January 2021, the SBA opened the loan application process for a second draw PPP loan for eligible organizations that previously received a first draw PPP loan. Loan terms for second draw PPP loans are consistent with the initial round of funding, with the exception of a loan term of five years. In March 2021, the Chapter received loan proceeds in the amount of \$416,340 under the second draw of PPP funding.

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2021**

**NOTE 15: COMMITMENTS AND CONTINGENCIES**

In the normal course of business there are various commitments and contingencies outstanding which are not reflected in these financial statements. In the opinion of management, the outcome of such events, if any, will not have a material effect on the Chapter's financial position.



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***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  
The Amyotrophic Lateral Sclerosis Association,  
Greater Philadelphia Chapter

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 financial statements of The Amyotrophic Lateral Sclerosis Association, Greater Philadelphia Chapter (a nonprofit organization), d/b/a The ALS Association Greater Philadelphia Chapter, which comprise the statement of financial position as of January 31, 2021, and the related statements of activities, 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 July 28, 2021.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered The ALS Association Greater Philadelphia Chapter'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 ALS Association Greater Philadelphia Chapter's internal control. Accordingly, we do not express an opinion on the effectiveness of The ALS Association Greater Philadelphia Chapter'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 entity'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.

To the Board of Directors  
The Amyotrophic Lateral Sclerosis Association,  
Greater Philadelphia Chapter

***Internal Control over Financial Reporting - Continued***

Our consideration of the 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 ALS Association Greater Philadelphia Chapter'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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Belfint, Lyons & Shuman, P.A.*

July 28, 2021  
Wilmington, Delaware

**SUPPLEMENTARY INFORMATION**

**THE ALS ASSOCIATION GREATER PHILADELPHIA CHAPTER  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED JANUARY 31, 2021**

<u>State Grantor Department Program Title/Name</u>	<u>State Grant Award Number</u>	<u>Grant Award Period</u>	<u>Fiscal Year Grant Expenditures*</u>	<u>Total Grant Expenditures to Date</u>
New Jersey Department of Health ALS Association 2021	DCHS21ALS004	07/01/2020 - 06/30/2021	\$ -	\$ -
New Jersey Department of Health ALS Association 2020	DCHS20ALS003	07/01/2019 - 06/30/2020	66,645	125,000
Pennsylvania Department of Health ALS Patient Care	SAP Number 4100088725	07/01/2020 - 06/30/2021	459,421	459,421
Pennsylvania Department of Health ALS Patient Care	SAP Number 4100081650	07/01/2019 - 06/30/2020	441,887	850,000
State of Delaware Grant in Aid	N/A	07/01/2020 - 06/30/2021	35,906	35,906
State of Delaware Grant in Aid	N/A	07/01/2019 - 06/30/2020	23,937	47,875

\*Fiscal Year Grant Expenditures may not agree with fiscal year grant revenue reported on the statement of activities due to the following:

- 1) Timing differences between when grant expenditures are made and when grant awards are recognized as revenue in accordance with generally accepted accounting principles;
- 2) The Chapter does not include amounts shared with affiliated organizations as revenues or expenses on their statement of activities.