

MEMORANDUM

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

FROM: Angelo DeSantis, YPTC

DATE: April 20, 2021

SUBJECT: March 31, 2021 Preliminary and Unaudited Financial Statements

Your financial statements for the two months through March 31, 2021 are attached.

These reports include:

- Cash Summary for the two months ending March 31, 2021
- Program Revenue and Expenses for the two months ending March 31, 2021
- Statements of Financial Position as of March 31, 2021 and March 31, 2020
- Statements of Operations for the two months ending March 31, 2021 and March 31, 2020
- Statement of Operations with General & Administration Expenses for the two months ending March 31, 2021
- Statement of Cash Flows for the two months ending March 31, 2021
- Rolling Forecast for the two months ending March 31, 2021

Some important items to note:

Summary

- The Statement of Financial Position remains strong with Total Liabilities equal to 30% of Total Assets.
- Compared to Budget, there is an unfavorable (\$103K) in Revenue from Operations. Due mainly to less than expected revenue from Events, Major Gifts, and Bequests.
- Compared to Budget, there is a favorable \$113K in expenses. Due to less than expected expenses for Care Services and Education.
- Compared to Budget, the Net Surplus/(Deficit) is an unfavorable (\$21K).

Cash

- Total Cash of \$3.4M 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.
- Compared to this time last year, there is \$98K higher cash balance.

Revenue & Expense

- Compared to Budget, there is an unfavorable amount of (\$134K) in Total Revenue.
 - There is an unfavorable amount of (\$54K) 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 (\$106K) in Major Gifts and Bequests.
- Total Annual Giving has a favorable amount of \$144K. Contributions, Grants, Appeals, Memorials and Tributes, and Workplace Giving all have a favorable amount.
- Care Services Expenses are at a favorable \$99K, with favorable amounts for Salaries and Benefits, ALS Clinic Centers, Abrams Program, Other Services Expenses, and Allocated Overhead.
- An additional Statement of Operations is included with March's statements. This statement removes the Allocated Overhead for each program and shows amounts as detailed General and Administrative expenses. Through March, Total General and Administrative expenses are 50% of Total Revenue. The following General & Administrative expense line items are 38.3% of Revenue:
 - Salaries and Benefits: 10.7%
 - Rent: 6.2%
 - IT & Related Expenses: 12.7%
 - Revenue Sharing: 8.7%
- Compared to Actual for this time last year, there is a favorable \$15K in Total Revenue and a favorable \$135K in Total Expenses. Net Surplus (Deficit) is a favorable \$151K from this time last year.
 - There is a favorable \$83K 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 March's Financial Statements. The report summarizes and visualizes the revenue and expenses for each program. Through March, 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.

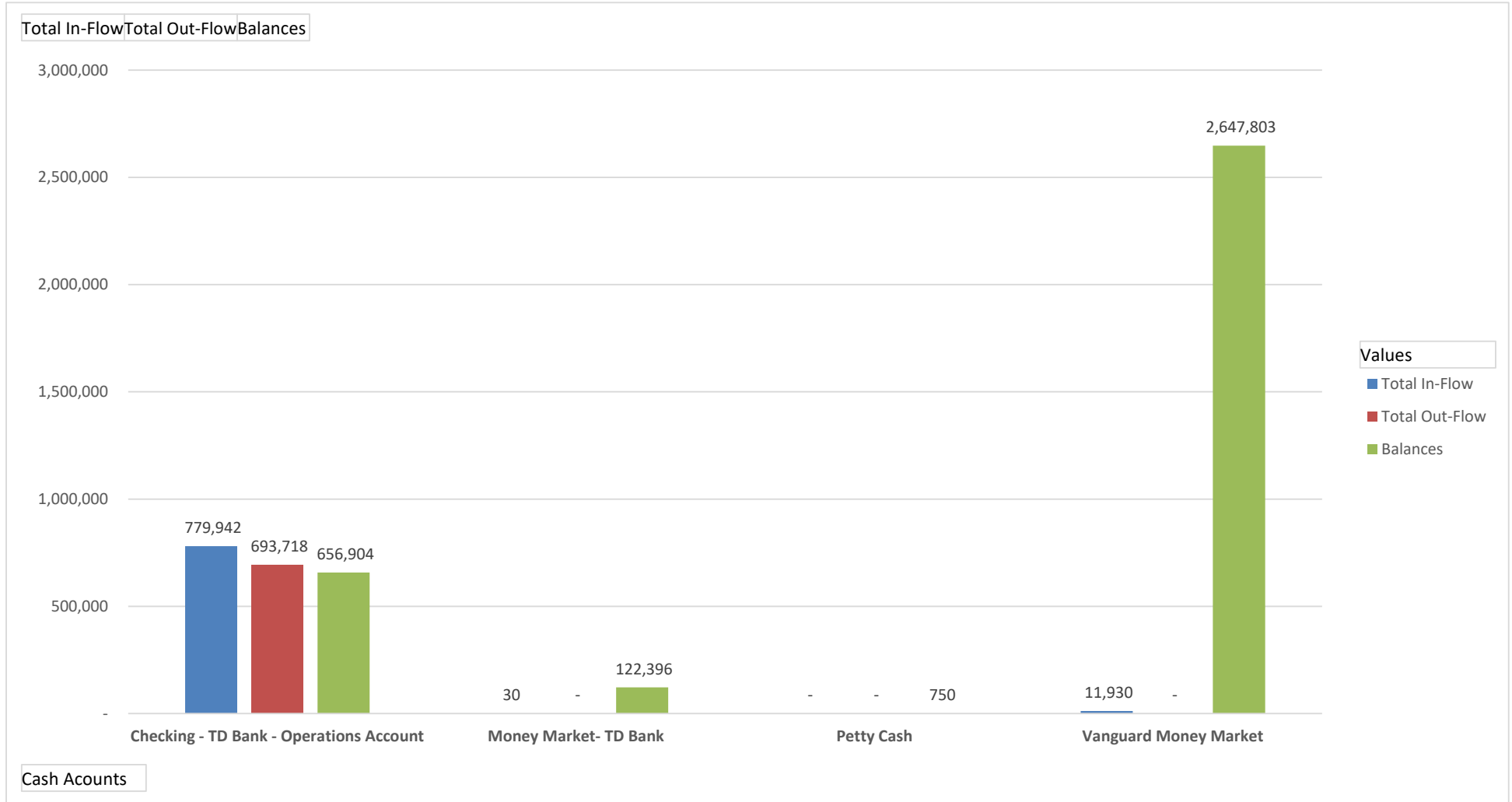
Recommendations and Other Notes

- In March, we received the proceeds for a 2nd PPP Loan in the amount of \$416K. During the month of April, we will apply for the forgiveness of the 1st PPP Loan.
- Also, we may qualify for an Employee Retention Credit (ERC), which is a fully refundable payroll tax credit. The ERC is part of the 2nd round of the COVID Relief Package. The credit is calculated with the quarterly payroll tax reports.
- 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 began on April 12, 2021.

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

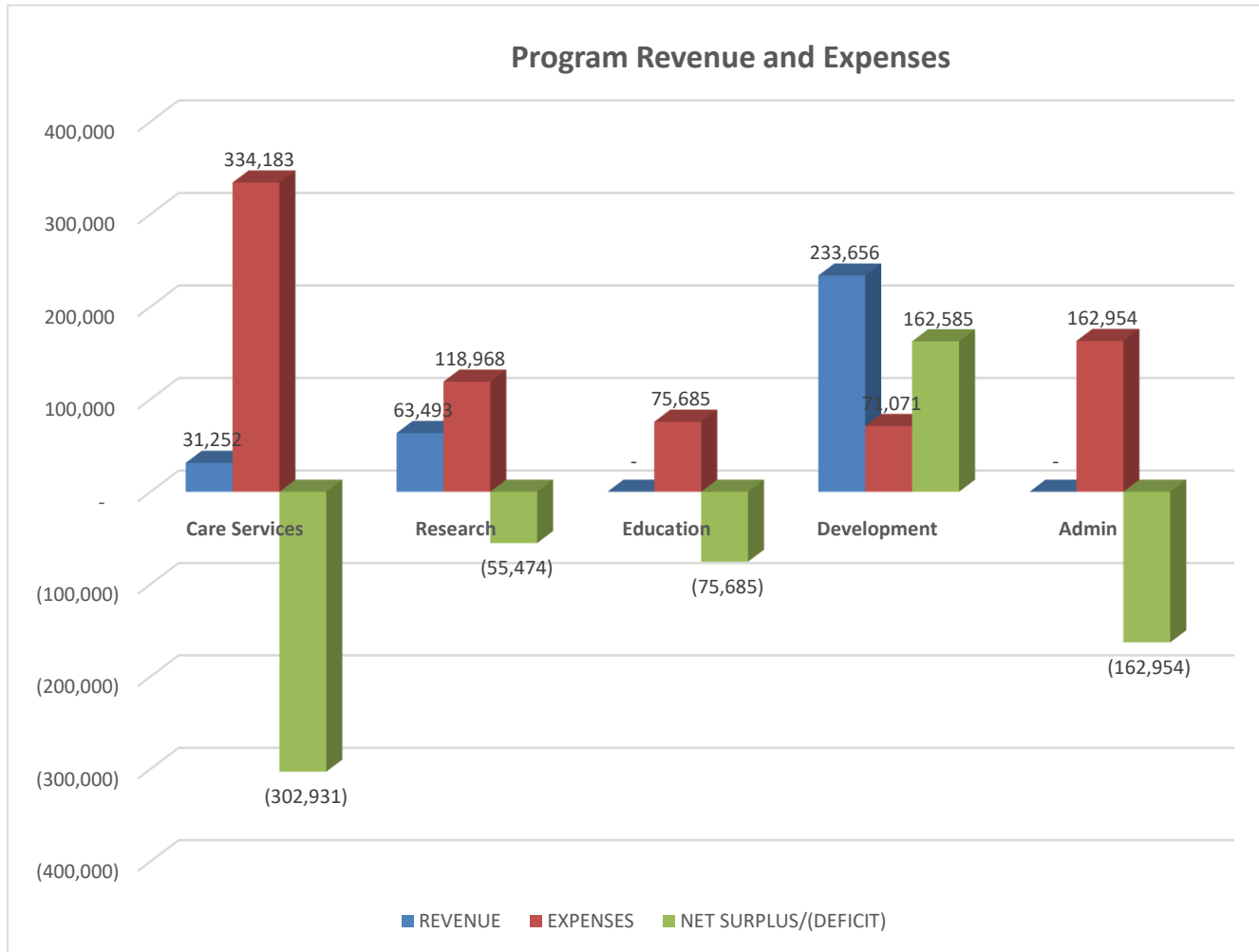
**The ALS Association Greater Philadelphia Chapter
Cash Summary
for the two month ending March 31, 2021**

Account	Total In-Flow	Total Out-Flow	Balances
Checking - TD Bank - Operations Account	779,942	693,718	656,904
Money Market- TD Bank	30	-	122,396
Petty Cash	-	-	750
Vanguard Money Market	11,930	-	2,647,803
Grand Total	791,902	693,718	3,427,853



**The ALS Association Greater Philadelphia Chapter
Program Revenue and Expenses
for the two month ending March 31, 2021**

Activity	Care Services	Research	Education	Development	Admin	Totals
REVENUE	31,252	63,493	-	233,656	-	328,402
EXPENSES	334,183	118,968	75,685	71,071	162,954	762,862
NET SURPLUS/(DEFICIT)	(302,931)	(55,474)	(75,685)	162,585	(162,954)	(434,460)



**The ALS Association Greater Philadelphia Chapter
Unaudited Statements of Financial Position
as of March 31, 2021 and March 31, 2020**

	<u>2021</u>	<u>2020</u>
Assets		
Cash and Cash Equivalents	\$ 3,427,853	\$ 3,554,599
Pledges Receivable	441,321	469,971
Less: Allowance for Uncollectible Pledges	(50,059)	(53,210)
Less: Discount Pledged Receivables	(1,773)	(6,130)
Grants Receivable	595,433	162,783
Receivables - Other	249,053	127,944
Prepaid Expenses	55,648	52,226
Property & Equipment, Net	25,914	52,347
Beneficial Interest in Perpetual Trust	459,957	388,311
Total Assets	<u>5,203,349</u>	<u>4,748,842</u>
 Liabilities		
Accounts Payable	312,505	522,578
Accrued Liabilities	63,760	64,392
Loan Payable-SBA	722,235	-
National - Revenue Sharing	217,554	161,261
National - Research (Revenue Restricted)	227,691	27,347
Deferred Rent	27,994	32,812
Total Liabilities	<u>1,571,738</u>	<u>808,389</u>
 Net Assets	 <u>3,631,611</u>	 <u>3,940,452</u>
 Total Liabilities and Net Assets	 <u>\$5,203,349</u>	 <u>\$4,748,842</u>

The ALS Association Greater Philadelphia Chapter
Unaudited Statements of Operations
for the two month ending March 31, 2021 and March 31, 2020

	Actual	Budget	Actual vs. Budget	Prior Year	Actual vs. Prior Year
REVENUE					
Events					
Special Events	\$ 12,985	\$ 25,000	\$ (12,015)	\$ 71,910	\$ (58,925)
Walks	38,076	80,000	(41,924)	38,207	(130)
Total Events	51,061	105,000	(53,939)	110,116	(59,055)
Annual Giving					
Contributions	74,531	25,000	49,531	50,465	24,066
Grants	55,452	5,000	50,452	28,130	27,322
Appeals	52,883	35,000	17,883	45,494	7,389
Memorials and Tributes	55,834	30,000	25,834	30,005	25,829
Workplace Giving	20,846	20,000	846	22,123	(1,277)
Total Annual Giving	259,545	115,000	144,545	176,217	83,328
Development					
Major Gifts	14,465	100,000	(85,535)	33,430	(18,965)
Bequests	-	20,000	(20,000)	42,131	(42,131)
Total Development	14,465	120,000	(105,535)	75,561	(61,096)
Government Funding	26,466	114,229	(87,764)	29,913	(3,448)
REVENUE FROM OPERATIONS					
	351,536	454,229	(102,693)	391,808	(40,272)
Unrealized (Loss) Gain	(23,297)	-	(23,297)	(85,378)	62,081
Interest Income	163	8,000	(7,838)	6,782	(6,619)
TOTAL REVENUE	328,402	462,229	(133,827)	313,212	15,189
EXPENSES					
Care Services					
Salaries and Benefits	218,099	239,374	(21,275)	222,415	(4,316)
ALS Clinic Centers	38,678	47,616	(8,938)	47,890	(9,212)
Abrams Program	60,202	92,166	(31,964)	87,355	(27,152)
Other Service Expenses	17,204	40,960	(23,756)	51,171	(33,967)
Allocated Overhead	30,099	42,848	(12,749)	48,333	(18,234)
Total Care Services	364,283	462,963	(98,681)	457,164	(92,881)
Research					
Research Payments to NTL	93,863	42,728	51,135	27,946	65,916
Research Coordinators	18,618	19,532	(914)	22,784	(4,167)
Other Research Expense	6,487	1,084	5,403	8,784	(2,296)
Allocated Overhead	26,798	38,149	(11,351)	43,033	(16,235)
Total Research	145,766	101,493	44,273	102,547	43,219
Education					
Education	75,685	87,445	(11,760)	78,741	(3,056)
Allocated Overhead	8,918	12,696	(3,777)	14,321	(5,403)
Total Education	84,603	100,141	(15,537)	93,062	(8,459)
Development					
Fundraising	67,953	69,537	(1,585)	81,228	(13,275)
Events	3,119	3,500	(381)	8,374	(5,255)
Allocated Overhead	11,148	15,870	(4,722)	17,901	(6,753)
Total Development	82,219	88,907	(6,688)	107,503	(25,284)
Administrative & Board	85,991	122,413	(36,422)	138,084	(52,094)
TOTAL EXPENSES	762,862	875,916	(113,055)	898,361	(135,499)
NET SURPLUS/(DEFICIT)	\$ (434,460)	\$ (413,687)	\$ (20,773)	\$ (585,149)	\$ 150,689

* Revenue Sharing for the two month ending March 31, 2021 , which is allocated across all departments, is \$28,702

** Restricted Income: Care Services: \$31,252 Resear \$63,493 Education: \$0

The ALS Association Greater Philadelphia Chapter
Unaudited Statement of Operations with General & Administration Expenses
for the two month ending March 31, 2021

	<u>YTD</u>	<u>% of Revenue</u>
REVENUE		
Events		
Special Events	\$ 12,985	4.0%
Walks	38,076	11.6%
Total Events	51,061	15.5%
Annual Giving		
Contributions	74,531	22.7%
Grants	55,452	16.9%
Appeals	52,883	16.1%
Memorials and Tributes	55,834	17.0%
Workplace Giving	20,846	6.3%
Total Annual Giving	259,545	79.0%
Development		
Major Gifts	14,465	4.4%
Total Development	14,465	4.4%
Government Funding		
	26,466	8.1%
REVENUE FROM OPERATIONS		
	351,536	107.0%
Unrealized (Loss) Gain	(23,297)	-7.1%
Interest Income	163	0.0%
TOTAL REVENUE	328,402	100.0%
EXPENSES		
Care Services		
Salaries and Benefits	218,099	66.4%
ALS Clinic Centers	38,678	11.8%
Abrams Program	60,202	18.3%
Other Service Expenses	17,204	5.2%
Total Care Services	334,183	101.8%
Research		
Research Payments to NTL	93,863	28.6%
Research Coordinators	18,618	5.7%
Other Research Expense	6,487	2.0%
Total Research	118,968	36.2%
Education		
Education	75,685	23.0%
Total Education		
Development		
Fundraising	67,953	20.7%
Events	3,119	0.9%
Total Development	71,071	21.6%
General & Administration		
Salaries and Benefits	35,111	10.7%
Staff Development	40	0.0%
Office Rent	20,206	6.2%
Office Expense	2,431	0.7%
Postage	1,411	0.4%
Printing & Copying	1,334	0.4%
IT & Related Expenses	41,659	12.7%
Insurance	4,059	1.2%
Telephone	7,987	2.4%
Meals & Entertainment	50	0.0%
Bank Charges	3,041	0.9%
Professional Fees	11,902	3.6%
Revenue Sharing	28,702	8.7%
Miscellaneous	860	0.3%
Depreciation	4,162	1.3%
Total General & Administration Expenses	162,954	49.6%
TOTAL EXPENSES	762,862	232.3%
NET SURPLUS/(DEFICIT)	\$(434,460)	-132.3%

(A) Other Depreciation is Allocated to Care Services

**The ALS Association Greater Philadelphia Chapter
Unaudited Statement of Cash Flows
for the two month ending March 31, 2021**

Net surplus (deficit) for Period	\$	(434,460)
Adjustments to Reconcile Net Surplus (Deficit) to Net Cash from Operating Activities		
Depreciation (Total of Care Services + General & Administrative) Provided (Used) by Operating Activities		4,162
Decrease (Increase) in Pledged Receivables		15,000
(Increase) Decrease in Grant Receivables		(29,581)
(Increase) Decrease in Receivables - Other		(74,558)
Decrease (Increase) in Prepaids		5,067
Decrease (Increase) in Beneficial Interest in Perpetual Trust		26,844
Increase (Decrease) in Accounts Payable		68,330
Increase (Decrease) in Accrued Liabilities		(325,549)
Increase (Decrease) in Loan Payable		722,235
Increase (Decrease) in Accrued National - Revenue Sharing		28,702
Increase (Decrease) in Accrued National - Research (Revenue Restricted)		93,863
Increase (Decrease) in Accrued National - Research		(827)
Increase (Decrease) in Deferred Rent		(1,045)
		98,183
Net Cash Provided (Used) by Operating Activities		98,183
Net Surplus/(Deficit) in Cash		98,183
Cash and Cash Equivalents Beginning		3,329,670
Cash and Cash Equivalents Ending	\$	3,427,853

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

	Actual YTD	Forecast										Annual		
	Mar-2021	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	\$ 12,985	25,000	35,000	35,000	25,000	40,000	125,000	150,000	100,000	55,000	10,000	612,985	\$ 625,000	\$(12,015)
Walks	38,076	75,000	80,000	60,000	70,000	90,000	150,000	180,000	60,000	30,000	30,000	863,076	905,000	(41,924)
Total Events	51,061	100,000	115,000	95,000	95,000	130,000	275,000	330,000	160,000	85,000	40,000	1,476,061	1,530,000	(53,939)
Annual Giving														
Contributions	74,531	45,000	45,000	20,000	30,000	20,000	20,000	20,000	25,000	75,000	35,000	409,531	360,000	49,531
Grants	55,452	70,000	3,000	381,250	14,000	5,000	5,500	4,000	87,500	136,000	20,000	781,702	731,250	50,452
Appeals	52,883	5,000	15,000	45,000	25,000	45,000	10,000	15,000	20,000	35,000	40,000	307,883	290,000	17,883
Memorials and Tributes	55,834	15,000	15,000	15,000	15,000	15,000	15,000	15,000	25,000	35,000	15,000	235,834	210,000	25,834
Workplace Giving	20,846	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	15,000	10,000	125,846	125,000	846
Total Annual Giving	259,545	145,000	88,000	471,250	94,000	95,000	60,500	64,000	167,500	296,000	120,000	1,860,795	1,716,250	144,545
Development														
Major Gifts	14,465	75,000	75,000	75,000	12,500	12,500	12,500	12,500	-	300,000	-	589,465	675,000	(85,535)
Bequests	-	10,000	20,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	230,000	250,000	(20,000)
Total Development	14,465	85,000	95,000	100,000	37,500	37,500	37,500	37,500	25,000	325,000	25,000	819,465	925,000	(105,535)
Government Funding	26,466	57,115	57,115	57,115	57,115	57,115	57,115	57,115	57,115	57,115	57,115	597,611	685,375	(87,764)
REVENUE FROM OPERATIONS	351,536	387,115	355,115	723,365	283,615	319,615	430,115	488,615	409,615	763,115	242,115	4,753,932	4,856,625	(102,693)
Unrealized (Loss) Gain	(23,297)	3,300	4,300	4,300	4,300	4,300	4,300	4,300	7,000	7,000	7,000	26,803	-	26,803
Interest Income	163	-	-	-	-	-	-	-	-	-	-	163	58,100	(57,938)
TOTAL REVENUE	328,402	390,415	359,415	727,665	287,915	323,915	434,415	492,915	416,615	770,115	249,115	4,780,898	4,914,725	(133,827)
EXPENSES														
Care Services														
Salaries and Benefits	218,099	119,687	119,687	119,687	119,687	119,687	119,687	119,687	119,687	119,687	88,443	1,383,725	1,405,000	(21,275)
ALS Clinic Centers	38,678	23,808	23,808	23,808	23,808	23,808	23,808	23,808	23,808	23,808	23,812	276,762	285,700	(8,938)
Abrams Program	60,202	46,083	46,083	46,083	46,083	46,083	46,083	46,083	46,083	46,083	46,087	521,036	553,000	(31,964)
Other Service Expenses	17,204	20,480	20,480	20,480	20,480	20,480	20,480	20,480	20,480	20,480	20,490	222,012	245,767	(23,756)
Allocated Overhead	30,099	21,424	21,424	21,424	21,424	21,424	21,424	21,424	21,424	21,424	21,424	244,339	257,088	(12,749)
Total Care Services	364,283	231,482	231,482	231,482	231,482	231,482	231,482	231,482	231,482	231,482	200,256	2,647,874	2,746,555	(98,681)
Research														
Research Payments to NTL	93,863	21,364	21,364	21,364	21,364	21,364	21,364	21,364	21,364	21,364	21,366	307,505	256,370	51,135
Research Coordinators	18,618	9,766	9,766	9,766	9,766	9,766	9,766	9,766	9,766	9,766	9,765	116,277	117,191	(914)
Other Research Expense	6,487	542	542	542	542	542	542	542	542	542	544	11,909	6,506	5,403
Allocated Overhead	26,798	19,074	19,074	19,074	19,074	19,074	19,074	19,074	19,074	19,074	19,074	217,542	228,893	(11,351)
Total Research	145,766	50,746	50,746	50,746	50,746	50,746	50,746	50,746	50,746	50,746	50,749	653,233	608,960	44,273
Education														
Education	75,685	43,716	43,716	43,716	43,716	43,716	43,716	43,716	43,716	43,716	43,716	512,845	524,605	(11,760)
Allocated Overhead	8,918	6,348	6,348	6,348	6,348	6,348	6,348	6,348	6,348	6,348	6,348	72,397	76,174	(3,777)
Total Education	84,603	50,064	50,064	50,064	50,064	50,064	50,064	50,064	50,064	50,064	50,064	585,242	600,779	(15,537)
Development														
Fundraising	67,953	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	415,589	417,174	(1,585)
Events	3,119	2,500	10,000	10,000	4,000	10,000	30,000	52,000	55,000	26,050	5,000	207,669	208,050	(381)
Allocated Overhead	11,148	7,935	7,935	7,935	7,935	7,935	7,935	7,935	7,935	7,935	7,935	90,496	95,218	(4,722)
Total Development	82,219	45,199	52,699	52,699	46,698	52,699	72,698	94,698	97,698	68,748	47,698	713,754	720,442	(6,688)
Administrative & Board	85,991	61,206	61,206	61,206	61,206	61,206	61,206	61,206	61,206	61,206	61,206	698,054	734,476	(36,422)
TOTAL EXPENSES	762,862	438,697	446,197	446,197	440,197	446,197	466,197	488,197	491,197	462,247	409,974	5,298,156	5,411,211	(113,055)
NET SURPLUS/(DEFICIT)	\$ (434,460)	\$ (48,282)	\$ (86,782)	\$281,468	\$(152,282)	\$(122,282)	\$(31,782)	\$ 4,718	\$(74,582)	\$307,868	\$(160,859)	\$(517,259)	\$(496,486)	\$(20,773)
Depreciation	4,162	2,081	2,081											
Pledged Receivables	15,000	10,000	10,000											
Grant Receivables	(29,581)	180,000	293,947											
Receivables - Other	(74,558)	-	191,888											
Prepays	5,067	-	-											
Beneficial Interest in Perpetual Trust	26,844	-	-											
Accounts Payable	68,330	(65,000)	(10,000)											
Accrued Liabilities	(325,549)	(175,000)	-											
Loan Payable-SBA	722,235	-	-											
Accrued National - Revenue Sharing	28,702	-	(188,852)											
Accrued National - Research (Revenue Restricted)	93,863	-	(133,829)											
Accrued National - Research	(827)	-	-											
Deferred Rent	(1,045)	(522)	(522)											
Cash and Cash Equivalents Beginning	3,329,670	3,427,853	3,331,130											
Cash and Cash Equivalents Ending	\$3,427,853	\$3,331,130	\$3,409,061											