

EISNERAMPER

VETERANS MULTI-SERVICE CENTER, INC.

FINANCIAL STATEMENTS

June 30, 2021



VETERANS MULTI-SERVICE CENTER, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Veterans Multi-Service Center, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Veterans Multi-Service Center, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 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.

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 audit. We conducted our audit 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 and the City of Philadelphia *Subrecipient Audit Guide* (the "Guide"). Those standards and the Guide require that we plan and perform the audit 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 organization'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 Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the 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 Veterans Multi-Service Center, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



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Other Matters

Supplementary 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 federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and are not a required part of the financial statements. Additionally, the accompanying schedules of Reconciliation of Agency Reported Expenditures / Revenues to Audit - HUD Continuum of Care - Freedom's Gate and Reconciliation of Agency Reported Expenditures / Revenues to Audit - PSH Rental Assistance - Edison 64 are presented for purposes of additional analysis as required by the City of Philadelphia *Subrecipient Audit Guide* and are 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 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 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 24, 2022, on our consideration of Veterans Multi-Service Center, Inc.'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 matters. The purpose of that report is solely 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 Veterans Multi-Service Center, Inc.'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 Veterans Multi-Service Center, Inc.'s internal control over financial reporting and compliance.



EISNERAMPER LLP
Philadelphia, Pennsylvania
March 28, 2022



VETERANS MULTI-SERVICE CENTER, INC.

**Statement of Financial Position
June 30, 2021**

ASSETS

Current assets:	
Cash and restricted cash	\$ 2,149,168
Grants and contracts receivable	1,150,586
Other receivables	133,420
Pledges receivable	46,235
Prepaid expenses	<u>98,440</u>
Total current assets	<u>3,577,849</u>

Property and equipment, net of accumulated depreciation	<u>1,081,566</u>
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OTHER ASSETS

Artwork	17,000
Note receivable	530,604
Security deposits	<u>14,169</u>
Total other assets	<u>561,773</u>
	<u>\$ 5,221,188</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Current portion of long-term debt	\$ 584,129
Accounts payable	180,979
Accrued expenses	246,682
Deferred income	<u>117,750</u>
Total current liabilities	<u>1,129,540</u>

Long-term debt, net of current portion	<u>699,094</u>
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OTHER LIABILITIES

Security deposits held in escrow	<u>12,075</u>
Total other liabilities	<u>12,075</u>
Total liabilities	<u>1,840,709</u>

NET ASSETS

Without donor restrictions	2,759,468
With donor restrictions	<u>621,011</u>
Total net assets	<u>3,380,479</u>
	<u>\$ 5,221,188</u>

VETERANS MULTI-SERVICE CENTER, INC.

**Statement of Activities
Year Ended June 30, 2021**

Net assets without donor restrictions

Revenues and support without donor restrictions:

Contributions	\$ 1,167,896
Fundraising	234,884
Resident fees	60,265
Rental income	217,270
Program administrative fees	761,606
Other income	<u>184,341</u>

Total revenues and support without donor restrictions 2,626,262

Net assets released from restrictions

Satisfaction of program restrictions	<u>15,716,090</u>
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Total revenues and other support without donor restrictions 18,342,352

Expenses:

Program	16,735,705
Fundraising	239,626
General and administrative	<u>707,962</u>

Total expenses 17,683,293

Change in net assets without donor restrictions

659,059

Net assets with donor restrictions:

Paycheck Protection Program loan forgiveness	209,285
Contributions	35,000
Contract revenues - Department of Veterans Affairs	13,397,788
Contract revenues - Department of Labor	645,058
Contract revenues - City of Philadelphia	726,072
Contract revenues - Department of Housing	329,598
Contract revenues - Department of Health and Human Services	484,218
Net assets released from restrictions	<u>(15,716,090)</u>

Change in net assets with donor restrictions

110,929

Total increase in net assets 769,988

Net assets, beginning 2,610,491

Net assets, ending \$ 3,380,479

VETERANS MULTI-SERVICE CENTER, INC.

Statement of Functional Expenses
Year Ended June 30, 2021

	Homeless Veteran Programs	Employment and Training Programs	Total Program	Fundraising	General and Administrative	Total Expenses
Expenses:						
Administrative fees	\$ 708,236	\$ 53,370	\$ 761,606	\$ -	\$ -	\$ 761,606
Advertising and promotion	67,788	-	67,788	28,670	-	96,458
Bad debt expense	-	-	-	-	7,266	7,266
Depreciation	58,701	-	58,701	-	8,891	67,592
Employee benefits	504,692	40,107	544,799	15,093	21,863	581,755
Equipment rental and repair	239,017	10,454	249,471	-	3,695	253,166
Insurance	106,133	3,892	110,025	953	67,709	178,687
Interest	-	-	-	-	41,658	41,658
Materials and supplies	30,941	645	31,586	-	-	31,586
Office expenses	32,234	11,618	43,852	11,706	25,327	80,885
Payroll taxes	444,689	36,215	480,904	11,684	18,366	510,954
Production expense	735,428	-	735,428	-	-	735,428
Professional fees	398,368	8,885	407,253	27,500	165,427	600,180
Program supplies, assistance and emergency housing costs	6,942,178	12,106	6,954,284	-	20,541	6,974,825
Rent and occupancy	383,604	9,169	392,773	1,627	88,753	483,153
Retirement plan	121,065	3,156	124,221	359	-	124,580
Salaries and wages	5,153,814	419,404	5,573,218	141,510	223,176	5,937,904
Telephone	144,311	6,433	150,744	-	13,624	164,368
Training expenses	633	11,438	12,071	-	825	12,896
Travel and meetings	27,425	9,556	36,981	524	841	38,346
	<u>\$ 16,099,257</u>	<u>\$ 636,448</u>	<u>\$ 16,735,705</u>	<u>\$ 239,626</u>	<u>\$ 707,962</u>	<u>\$ 17,683,293</u>

See accompanying notes to financial statements.

VETERANS MULTI-SERVICE CENTER, INC.

Statement of Cash flows
Year Ended June 30, 2021

Cash flows from operating activities:

Increase in net assets	\$ 769,988
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Bad debt expense	7,266
Depreciation	67,592
Accrued interest income	(10,404)
(Increase) decrease in:	
Grants and contracts receivable	202,206
Other receivables	(47,809)
Pledges receivable	(10,286)
Prepaid expenses	(10,274)
Increase (decrease) in:	
Accounts payable	(58,802)
Accrued expenses	(23,421)
Deferred income	(74,572)
Refundable advance	(209,285)
Security deposits held in escrow	(11,625)
	<hr/>
Net cash provided by operating activities	590,574

Cash flows from financing activities:

Payments on long-term debt	<hr/> (120,258)
Net cash used in financing activities	<hr/> (120,258)
Net increase in cash and restricted cash	470,316

Cash and restricted cash, beginning

1,678,852

Cash and restricted cash, ending

\$ 2,149,168

Supplemental disclosure of cash flow information:

Interest paid	<u>\$ 41,658</u>
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Noncash Transaction

Conversion of refundable advance to long-term debt	<u>\$ 648,972</u>
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VETERANS MULTI-SERVICE CENTER, INC.

Notes to Financial Statements June 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Organization and nature of activities:

Veterans Multi-Service Center, Inc. (the "Organization") was incorporated in May 1994 in Pennsylvania as a non-profit corporation. Veterans Multi-Service Center, Inc.'s mission is to provide outreach, counseling, employability assessment, job training and placement, permanent housing, transitional living, and supportive services to veterans in the metropolitan Philadelphia area. The Organization receives funding through various governmental agencies, the general public, and program fees. The Organization changed its name from The Philadelphia Veterans Multi-Service & Education Center, Inc. to Veterans Multi-Service Center, Inc. on April 2, 2014.

[2] Basis of accounting and presentation:

The Organization's policy is to prepare its financial statements using the accrual basis of accounting, which is in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The Organization follows Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958, *Not-for-Profit Entities*, to prepare its financial statements. Net assets, revenues, gains and losses are classified based on the existence or absence of donor- or grantor- imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

(i) *Net assets without donor restrictions:*

Net assets available for use in general operations and not subject to donor – (or certain grantor-) imposed restrictions.

(ii) *Net assets with donor restrictions:*

Net assets subject to donor- or certain grantor- imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Contributions restricted by donors are reported as increases if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

[3] Functional allocation of expenses:

The costs of providing the Organization's program and supporting services have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, rent and occupancy, insurance, telephone, and depreciation have been allocated the amount the programs and supporting services benefited, based on utilization of resources and square footage of facilities. Salaries and related payroll costs are allocated based on personnel hours and program participation. Expenses that directly related to, and can be assigned to, a specific program or activity have been appropriately identified.

[4] Cash and restricted cash:

Highly liquid investments purchased with original maturities of three months or less are considered to be cash equivalents. Included in cash and restricted cash is \$12,075 of cash held for security deposits for the year ended June 30, 2021.

VETERANS MULTI-SERVICE CENTER, INC.

Notes to Financial Statements June 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[5] Grants, contracts and pledges receivable and allowance for doubtful accounts:

Unconditional contributions, contracts and grants are recorded as receivables at the time such contributions, contracts and grants are made known to the Organization. Receivables are recorded for any amounts still outstanding at the fiscal year-end. Pledges receivable are recorded at their fair value when received. Conditional contributions, contracts and grants are recorded as receivable when the conditions have been met, or deferred revenue if received in advance. Fair values are measured based on the present value of future cash flows with consideration of expectations about possible variations in the amount and /or timing of the cash flows and other specific factors that would be considered by market participants. The Organization provides an allowance for any balances not deemed collectible during the year. There was no allowance for doubtful accounts for the year ended June 30, 2021, as management deemed all amounts collectible.

The Organization also records receivables for any resident fees still outstanding at the fiscal year-end. No allowance for doubtful accounts was considered necessary by management, as participant accounts were reviewed for collectability and any amounts deemed uncollectible by management are written off.

[6] Property and equipment and depreciation:

Property and equipment are recorded at cost, or if donated, at the approximate fair market value as of the date of donation. It is the Organization's policy to capitalize all expenditures which have a unit cost in excess of \$5,000, and a useful life of more than one year. The cost of maintenance and repairs is charged to expense as incurred. The useful lives of depreciable assets are as follows:

	<u>Life</u>
Building and renovations	5 - 40
Leasehold improvements	5 - 25
Equipment	5
Vehicles	5
Website	3

[7] Artwork:

The Organization has a hand painted mural, which was commissioned by the Organization in June 2010. In accordance with FASB ASC 958-360-25-3, the Organization is not depreciating the artwork.

[8] Advertising and promotion:

All costs associated with advertising and promotion are expensed in the period incurred. Advertising and promotion expense for the year ended June 30, 2021 was \$96,458.

[9] Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain 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 reported period. Actual results could differ from those estimates.

VETERANS MULTI-SERVICE CENTER, INC.

Notes to Financial Statements June 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[10] Income taxes:

The Organization is a nonprofit organization as described in Section 501(c) (3) of the Internal Revenue Code and is exempt from federal and state income taxes. U.S. GAAP requires management to evaluate tax positions taken and recognize a tax liability if the Organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by a government authority. Management has analyzed the tax positions taken by the Organization and has concluded that as of June 30, 2021, 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 Organization recognizes accrued interest and penalties associated with uncertain tax positions, if any, as part of administrative expenses. There were no income tax related interest and penalties recorded for the year ended June 30, 2021.

[11] Revenue recognition - exchange transactions:

In May 2014, FASB issued ASC 606, *Revenue from Contracts with Customers*, which provides a five-step analysis of contracts to determine when and how revenue is recognized and replaced most existing revenue recognition guidance in U.S. GAAP. The core principle of the new guidance is that an entity should recognize revenue to reflect the transfer of goods and services to customers in an amount equal to the consideration the entity received or expects to receive. ASC 606 is effective for annual reporting periods beginning after December 15, 2019.

(i) Resident fees:

The Organization collects resident fees from program participants for providing transitional housing services to homeless Veterans or for Veterans at risk of becoming homeless. These fees are for specific short-term housing at various housing complexes operated by the Organization and are recorded monthly based on the actual number of tenants housed at each facility. Tenant billings are based on each tenant's employment status and income level. Revenue is recognized to reflect the transfer of services to participants in an amount equal to the consideration the Organization is expected to receive for those services as required under ASC 606.

[12] Revenue recognition - nonexchange revenue:

(i) Contract revenue:

The Organization receives government grants in the form of contracts ("contract revenue") which provide funding to be used for the purposes indicated in the agreements. As the government is not receiving a benefit as a result of these transactions, contracts are considered to be contributions to the Organization. These contract agreements contain specific spending requirements. As these stipulations create a barrier that must be achieved, contracts are considered to be conditional contributions until such time as the barriers are overcome. Contributions from these contract agreements are therefore recognized as revenue when costs are incurred, as required by the agreements.

Until the financial information required by the funding sources is accepted, costs billed for program services under cost reimbursement contracts are subject to review and possible disallowance. In management's opinion, the potential for material disallowances is remote and, therefore, is not a barrier that would prevent the recognition of revenue.

As part of the contracts, the Organization is allowed to bill for certain administrative fees as deemed allowable under the contract terms. Administrative fees from these contract agreements are recognized as revenue when costs are incurred.

VETERANS MULTI-SERVICE CENTER, INC.

Notes to Financial Statements June 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[12] Revenue recognition - nonexchange revenue: (continued)

(ii) Grants and contributions:

The Organization receives grants and contributions from individuals, corporations and foundations including unconditional promises to give. These grants and contributions provide funding to be used to support the mission of the Organization. As the donors are not receiving a benefit as a result of these transactions, the grants and contributions are considered to be contribution revenue to the Organization. Some grants and contributions require that funds be expended for a specific purpose or over a specific period of time and are considered to be net assets with donor restrictions. 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 met. Cash and other assets received related to conditional contributions are recorded as refundable advances on the statements of financial position until the conditions have been met.

(iii) Fundraising:

Fundraising revenue is bifurcated into an exchange transaction component and a contribution component. The exchange transaction component is considered to be the fair market value of the event received by an attendee or participant. The transaction price is the fair market value which is estimated by management for each event based on the benefits received by the attendee. Revenue is recognized at the point in time when the event takes place as that is when the performance obligation is determined to be satisfied. The contribution component is considered to be the amount over and above the fair market value for which the attendee or participant does not receive commensurate value. Revenue is recognized when the event takes place as the occurrence of the event is considered to be a barrier and there is a right of return if the event does not take place. During the year ended December 31, 2021, there was no direct benefit provided to the donors as part of any fundraising efforts.

(iv) In-kind contributions:

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Numerous volunteer hours were contributed to the Organization for the year ended June 30, 2021. These services do not meet the criteria for recognition as contributed services, and therefore, are not included in the accompanying financial statements. The Organization received donated goods and services of \$736,241 for the year ended June 30, 2021, which is included in contributions revenue, and the related production expense, supplies, and office expense for the fiscal year.

[13] Revenue recognition - rental income:

The Organization leases out a portion of their building to the Veteran's Affairs ("VA") through a non-cancellable lease agreement. Rent is collected monthly and rental income is recognized monthly as rent becomes due.

Rental payments received in advance are deferred until they are earned.

[14] Paycheck Protection Program:

The Organization received a Paycheck Protection Program ("PPP") loan under the Coronavirus Aid, Relief and Economic Security Act ("CARES" Act). The Organization has elected to account for the PPP loans as conditional contributions under Accounting Standards Update ("ASU") 2018-08. The loan agreements include provisions for loan forgiveness based on measurable performance barriers related to staffing and salary levels and qualifying expenditures. PPP funds will be recognized as a refundable advance and then recognized as governmental grant income as the conditions on which they depend are substantially met. Any amounts not forgiven will be required to be repaid under the terms of the loan. Any not forgiven amounts will then recognized as a loan and be accounted for under FASB ASC 470, *Debt*.

VETERANS MULTI-SERVICE CENTER, INC.

Notes to Financial Statements June 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[15] Upcoming accounting pronouncements:

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)*. The Accounting Standards Update ("ASU") core principle is to increase transparency and comparability among organizations by recognizing lease assets and liabilities on the statement of financial position and disclosing key information. ASU 2016-02 is effective for fiscal years beginning after December 15, 2021, with early adoption permitted. Management is currently evaluating the effect that this new guidance will have on its financial statements and disclosures.

In September 2020, FASB issued ASU 2020-07 (*Topic 958*), *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. Under the new standard's requirements, gifts-in-kind are to be presented as a separate line item, instead of remaining grouped among contributions of cash or other financial assets, on the statement of activities. The ASU requires the new standard to be applied retrospectively, with amendments taking effect for annual reporting periods beginning after June 15, 2021. The ASU does allow for early adoption. Management is currently evaluating the effect that this new guidance will have on its financial statements and related disclosures.

[16] Subsequent events:

The Organization evaluated subsequent events through March 28, 2022, which is the date the financial statements were available to be issued.

NOTE B - GRANTS AND CONTRACTS RECEIVABLE

Grants and contributions receivable are expected to be received in less than one year. Receivables are comprised of the following as of June 30, 2021:

HVRP	\$	89,601
HUD		26,870
Perimeter		26,676
Shelter + Care		101,347
Code Blue		22,783
Rapid Rehousing		14,350
SSVF		610,034
Sith		134,079
HUD 64		86,689
Other		<u>38,157</u>
	\$	<u>1,150,586</u>

VETERANS MULTI-SERVICE CENTER, INC.

Notes to Financial Statements June 30, 2021

NOTE C - PLEDGES RECEIVABLE

Pledges receivable consist solely of amounts pledged during the WMGK Radio-thon fundraiser held during the year. The Organization has reduced this amount to the balance it reasonably expects to collect within a year; therefore, no amounts are considered uncollectible.

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of June 30, 2021:

Land	\$ 175,000
Building and renovations	1,906,728
Leasehold improvements	193,943
Equipment	146,795
Vehicles	<u>407,882</u>
Total	2,830,348
Less: accumulated depreciation	<u>(1,748,782)</u>
Net property and equipment	<u>\$ 1,081,566</u>

Depreciation expense for the year ended June 30, 2021 was \$67,592.

NOTE E - NOTE RECEIVABLE

The Organization has a note receivable with a related entity that is responsible for the redevelopment of Edison High School ("Edison 64 project") into housing. The note is for \$500,000 and is accruing interest at 2% per annum. The Organization had advanced \$490,000 to this entity as of June 30, 2018, and the remaining \$10,000 was advanced during the fiscal year ended June 30, 2019. The current balance of the note receivable, including accrued interest, is \$530,604. The principal balance and accrued interest are due in full in December 2047. No payments are required prior to that date.

NOTE F - SECURITY DEPOSITS

Security deposits relate to payments due from residents of the transitional residence facilities located in Coatesville, Pennsylvania. The Organization holds these deposits as a fiduciary until the residents leave the program or forfeit their deposit under the agreed terms.

VETERANS MULTI-SERVICE CENTER, INC.

Notes to Financial Statements June 30, 2021

NOTE G - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, are comprised of the following as of June 30, 2021:

Cash	\$ 2,015,693
Other receivables	133,420
Pledges receivable	<u>46,235</u>
	<u>\$ 2,195,348</u>

The Organization has a restricted cash balance of \$133,475 as of June 30, 2021, which is restricted for the use of certain program expenses and is not included as part of the Organization's liquid assets.

The Organization maintains sufficient resources to meet donor's restrictions. As part of the Organization's liquidity management, its policy is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Additionally, the Organization maintains a \$300,000 line of credit available for use (Note H).

NOTE H - NOTE PAYABLE

The Organization has a \$300,000 line of credit agreement with an interest rate at the *Wall Street Journal* rate plus 0.5% (3.25% at June 30, 2021), expiring April 1, 2022. This line of credit is subject to a covenant and secured by the building, assets of the organization and future rents. There was no outstanding balance as of 2021.

NOTE I - LONG-TERM DEBT

The Organization has a \$485,000 mortgage with an interest rate of 4.6%. The mortgage consists of 83 payments of principal and interest of \$3,104 monthly and one irregular last payment estimated at \$365,671 on or before August 1, 2025. This mortgage is subject to a covenant and secured by the building, assets of the business and future rents. The outstanding balance on the mortgage is \$441,973 as of June 30, 2021.

The Organization also has an additional \$315,000 mortgage with an interest rate at 4.6%, which matures on September 1, 2025. This mortgage is subject to a covenant and secured by the building, assets of the organization and future rents. The Organization must pay \$2,021 each month and one last irregular payment of \$238,104 on September 1, 2025. The outstanding balance on the mortgage is \$285,753 as of June 30, 2021.

During the fiscal year ended June 30, 2020, the Organization received a Paycheck Protection Program loan in the amount of \$1,165,630 under the CARES Act. On April 7, 2021, \$516,658 of the loan was forgiven, of which \$209,285 and \$307,373 were recognized as government grant income during the years ended June 30, 2021 and 2020, respectively. The remaining portion, \$648,972, is included in long-term debt and will be payable in monthly amounts of \$50,204, including interest at 1% and maturing in May 2022. The outstanding balance of the loan is \$555,497 as of June 30, 2021.

VETERANS MULTI-SERVICE CENTER, INC.

Notes to Financial Statements June 30, 2021

NOTE I - LONG-TERM DEBT (CONTINUED)

Future minimum payments are as follows:

<u>Year ending June 30,</u>		
2022	\$	584,129
2023		29,977
2024		31,385
2025		32,860
2026		<u>604,872</u>
	<u>\$</u>	<u>1,283,223</u>

NOTE J - COMMITMENTS

The Organization leases two residential complexes through shared lease agreements expiring September 30, 2022. Under the lease terms, monthly base rent is \$26,602 per month, plus a shared service fee of \$221. Rent expense was \$319,225 for the year ended June 30, 2021.

The Organization leases additional office space throughout Pennsylvania, Southern New Jersey, and Delaware. These leases are typically for 12 months and expire at various times throughout the year. Monthly base rent per office location is between \$800 and \$4,600.

The Organization also leases a store front. This lease commenced on June 1, 2013 and expires on May 31, 2023. Monthly base rent is \$3,500 in year one and increases 2.5% each year. Rent expense was \$50,029 for the year ended June 30, 2021.

The Organization also leases office equipment under non-cancellable operating leases. These leases were renewed through January 2024. Rent expense for equipment leases was \$3,043 for the year ended June 30, 2021.

Total rent and occupancy expense was \$483,153 for the year ended June 30, 2021.

VETERANS MULTI-SERVICE CENTER, INC.

Notes to Financial Statements June 30, 2021

NOTE J - COMMITMENTS (CONTINUED)

Future minimum lease payments are as follows:

<u>Year ending</u> <u>June 30,</u>		
2022	\$	513,596
2023		540,047
2024		239,130
2025		65,000
2026		<u>13,800</u>
	<u>\$</u>	<u>1,371,573</u>

NOTE K - CONCENTRATION OF CREDIT RISK

[1] Cash:

The Organization maintains its cash balances at two banks located in Pennsylvania which may, at various times during the year, exceed the threshold for insurance provided by the Federal Deposit Insurance Corporation ("FDIC"). The Organization believes it is not exposed to any significant credit risk on its cash.

[2] Receivables:

The Organization believes it is not exposed to any significant credit risk on its receivables.

NOTE L - SECURITY DEPOSITS HELD IN ESCROW

Security deposits held in escrow represent a deposit on a store front, deposits on various office spaces, and a deposit on additional space used for veteran housing.

NOTE M - RETIREMENT PLAN

The Organization has a 401(k) retirement plan for all employees, subject to age and length of service requirements. The Organization provides a 4% match on an eligible employees' salary effective June 25, 2011. Retirement plan expense for the year ended June 30, 2021 was \$124,580.

NOTE N - CONTINGENCIES

The extent of the impact of the coronavirus ("COVID-19") outbreak on the financial performance of the Organization will depend on future developments, including the duration and spread of the outbreak, related advisories and restrictions, and the impact of COVID-19 on the financial markets and the overall economy, all of which are highly uncertain and cannot be predicted. If the financial markets and/or the overall economy are impacted for an extended period of time, the Organization's results of operations may be materially adversely affected.

VETERANS MULTI-SERVICE CENTER, INC.

**Notes to Financial Statements
June 30, 2021**

NOTE O - GRANTS SUBJECT TO AUDIT

The Organization has received federal, state, and city grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

NOTE P - OPERATING LEASE

Veterans Affairs entered into a non-cancelable lease agreement on August 13, 2012 with the Organization to lease part of the Organization's second floor as office space for the VA liaison. The lease term started on September 1, 2012 for five (5) years. The lease was renewed during 2017 for an additional five (5) years and expires August 31, 2022.

Future minimum rental payments to be received are as follows:

Year ending June 30,		
2022	\$	134,400
2023		<u>22,400</u>
	\$	<u><u>156,800</u></u>

NOTE Q - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes as of June 30, 2021:

Edison 64 project	\$	571,422
HVRP		4,715
Sith		92,910
SSVF CPA		17
Shelter + Care		306
New Day		5,810
Code Blue		24,339
COVID relief		37,222
Other funds restricted for use		<u>93,555</u>
	\$	<u><u>830,296</u></u>

VETERANS MULTI-SERVICE CENTER, INC.

Notes to Financial Statements June 30, 2021

NOTE Q - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets released from restrictions during the year ended June 30, 2021 consisted of the following:

HVRP	\$ 640,343
Perimeter	312,879
Clinical	99,037
Sith	1,560,003
SSVF	11,233,265
HUD	329,598
Shelter + Care	396,059
HUD 64	329,836
New Day	478,408
Code Blue	75,338
Hoxie	13,461
COVID relief	35,000
Paycheck protection program loan forgiveness	209,285
Edison 64 resource center	<u>3,578</u>
	<u>\$ 15,716,090</u>

NOTE R - RELATED PARTY

The Organization has common Board members with another organization that was formed to assist with the development and operation of Edison 64 project (see Note E). There were no transactions between these organizations for the year ended June 30, 2021.

UNIFORM GUIDANCE REQUIREMENTS

VETERANS MULTI-SERVICE CENTER, INC.

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program Title	A.L. Number	Pass-Through Grantor's Number	Award Period	Expenditures
U.S. Department of Labor				
Homeless Veterans Reintegration Project	17.805		7/1/2020 - 6/30/2021	\$ 639,824
Total U.S. Department of Labor				<u>639,824</u>
U.S. Department of Housing and Urban Development				
Continuum of Care Program	14.267		1/1/2020 - 12/31/2020	167,723
Continuum of Care Program	14.267		1/1/2021 - 12/31/2021	161,874
Pass-Through City of Philadelphia , Office of Homeless Services:				
Continuum of Care Program	14.267	PA-0027-L3T001811	4/1/2020 - 3/31/2021	295,172
Continuum of Care Program	14.267	PA-0027-L3T001912	4/1/2021 - 3/31/2022	100,887
Continuum of Care Program	14.267	PA-0865-L3T001700	5/1/2020 - 4/30/2021	273,897
Continuum of Care Program	14.267	PA-0865-L3T001901	5/1/2021 - 4/30/2022	<u>55,939</u>
Total U.S. Department of Housing and Urban Development				<u>1,055,492</u>
U.S. Department of Health and Human Services				
Pass-Through Commonwealth of Pennsylvania:				
Opiod STR	93.788	DMVA-2019-0101	8/1/2019 - 9/29/2020	161,968
Opiod STR	93.788	DMVA-2020-0101	8/1/2020 - 9/29/2021	<u>316,440</u>
Total U.S. Department of Health and Human Services				<u>478,408</u>
U.S. Department of Veterans Affairs				
VA Supportive Services for Veteran Families Program	64.033		10/1/2019 - 9/30/2020	2,304,821
VA Supportive Services for Veteran Families Program	64.033		10/1/2020 - 9/30/2021	7,408,294
VA Supportive Services for Veteran Families Program	64.033		10/1/2019 - 9/30/2020	465,364
VA Supportive Services for Veteran Families Program	64.033		10/1/2020 - 9/30/2021	<u>1,054,803</u>
				11,233,282
VA Homeless Providers Grant and Per Diem Program	64.024		7/1/2020 - 6/30/2021	1,971,919
VA Homeless Providers Grant and Per Diem Program	64.024		3/05/2021 - 10/31/2021	<u>75,338</u>
				<u>2,047,257</u>
Total U.S. Department of Veterans Affairs				<u>13,280,539</u>
TOTAL				<u>\$ 15,454,263</u>

See accompanying notes to schedule of expenditures federal awards.

VETERANS MULTI-SERVICE CENTER, INC.

Notes to Schedule of Expenditures of Federal Awards June 30, 2021

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes all awards received directly from federal agencies or pass through other governmental agencies.

The accompanying Schedule of Expenditures of Federal Awards includes the activity of all federal assistance programs of Veterans Multi-Service Center, Inc. (the "Organization"), for the year ended June 30, 2021. The Organization's reporting entity is defined in Note A of the Organization's financial statements. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations ("CFR") Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance")*. Because the schedule presents only a selected portion of the operations of the Organization Veterans Multi-Service Center, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (i) Expenditures reported on the accompanying Schedule of Expenditures of Federal Awards are reported using the accrual basis of accounting, which is described in Note A to the Organization's financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (ii) Pass-through entity identifying numbers are presented when available.

NOTE C - INDIRECT COST RATE

The Organization has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

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

To the Board of Directors of
Veterans Multi-Service Center, Inc.

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 Veterans Multi-Service Center, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 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 March 28, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Veterans Multi-Service Center, Inc.'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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 Organization'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 Veterans Multi-Service Center, Inc.'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

This 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.

EisnerAmper LLP

EISNERAMPER LLP
Philadelphia, Pennsylvania
March 28, 2022

EISNERAMPER
LLP



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

To the Board of Directors of
Veterans Multi-Service Center, Inc.

Report on Compliance for the Major Federal Program

We have audited Veterans Multi-Service Center, Inc. (the "Organization")'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the City of Philadelphia *Subrecipient Audit Guide* (the "Guide") that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2021. The Organization's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs 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 of Federal Awards* ("Uniform Guidance"), and the City of Philadelphia *Subrecipient Audit Guide* (the "Guide"). Those standards, the 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 Organization'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 each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on the Major Federal Program

In our opinion, Veterans Multi-Service Center, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and a material effect on its major federal program for the year ended June 30, 2021.



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Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each 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 the 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 Organization'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 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 combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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



EISNERAMPER LLP
Philadelphia, Pennsylvania
March 28, 2022

VETERANS MULTI-SERVICE CENTER, INC.

Schedule of Findings and Questioned Costs June 30, 2021

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the financial statements of Veterans Multi-Service Center, Inc. (the "Organization") were prepared in accordance with U.S. GAAP.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of the Organization which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No significant deficiencies or material weaknesses over the major federal awards programs are reported in the independent auditors' report on compliance for the major program and in internal control over compliance required by the Uniform Guidance and the City of Philadelphia Subrecipient Audit Guide.
5. The auditors' report on compliance for the major federal award program for the Organization expresses an unmodified opinion on the major federal program.
6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule.
7. The following program was tested as a major program:

U.S. Department of Veterans Affairs *VA Supportive Services for Veteran Families*
Program: AL No. 64.033
8. The threshold for distinguishing types A and B programs was \$750,000.
9. The Organization was determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENT AUDIT

None.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None.

**SUPPLEMENTARY INFORMATION FOR
THE CITY OF PHILADELPHIA AUDIT REQUIREMENTS**

VETERANS MULTI-SERVICE CENTER, INC.

Office of Homeless Services (OHS)

City of Philadelphia Contract No. 20-20653

Hud Continuum of Care - Freedom's Gate Grant No. Pa-0027-L3t001811

Reconciliation of Agency Reported Expenditures/Revenues to Audit

Grant Period April 1, 2020 Through March 31, 2021

	<u>Agency Total Contract Expenditures</u>	<u>Adjustments</u>	<u>Amount per Audit</u>
<u>Budget Categories</u>			
Personnel services:			
Salaries	\$ 24,136	\$ -	\$ 24,136
Fringe benefits	<u>5,679</u>	<u>-</u>	<u>5,679</u>
Sub-total personnel services	<u>29,815</u>	<u>-</u>	<u>29,815</u>
Operating expenses:			
Rent, occupancy and utilities	-	-	-
Communications and telephone	-	-	-
Supplies	<u>-</u>	<u>-</u>	<u>-</u>
Sub-total operating expenses	<u>-</u>	<u>-</u>	<u>-</u>
Administrative costs:			
Insurance	<u>-</u>	<u>-</u>	<u>-</u>
Sub-total administrative costs	<u>-</u>	<u>-</u>	<u>-</u>
Participants:			
Rental assistance	<u>265,357</u>	<u>-</u>	<u>265,357</u>
Sub-total participants	<u>265,357</u>	<u>-</u>	<u>265,357</u>
Total OSH contract expenditures	<u>295,172</u>	<u>-</u>	<u>295,172</u>
City of Philadelphia, OSH			
Total funding	<u>294,859</u>	<u>-</u>	<u>-</u>
Excess of expenditures over funding sources	<u>\$ 313</u>	<u>\$ -</u>	<u>\$ 313</u>

VETERANS MULTI-SERVICE CENTER, INC.

Office of Homeless Services (OHS)

City of Philadelphia Contract No. 21-20805

Hud Continuum of Care - Freedom's Gate Grant No. Pa-0027-L3t001912

Reconciliation of Agency Reported Expenditures/Revenues to Audit

Grant Period April 1, 2021 Through March 31, 2022

	Agency Total Contract Expenditures	Adjustments	Amount per Audit
<u>Budget Categories</u>			
Personnel services:			
Salaries	\$ 5,890	\$ -	\$ 5,890
Fringe benefits	<u>1,317</u>	<u>-</u>	<u>1,317</u>
Sub-total personnel services	<u>7,207</u>	<u>-</u>	<u>7,207</u>
Operating expenses:			
Rent, occupancy and utilities	-	-	-
Communications and telephone	-	-	-
Supplies	<u>-</u>	<u>-</u>	<u>-</u>
Sub-total operating expenses	<u>-</u>	<u>-</u>	<u>-</u>
Administrative costs:			
Insurance	<u>-</u>	<u>-</u>	<u>-</u>
Sub-total administrative costs	<u>-</u>	<u>-</u>	<u>-</u>
Participants:			
Rental assistance	<u>93,680</u>	<u>-</u>	<u>93,680</u>
Sub-total participants	<u>93,680</u>	<u>-</u>	<u>93,680</u>
Total OSH contract expenditures	<u>100,887</u>	<u>-</u>	<u>100,887</u>
City of Philadelphia, OSH	<u>101,506</u>	<u>-</u>	<u>101,506</u>
Total funding	<u>101,506</u>	<u>-</u>	<u>101,506</u>
Excess of funding sources over expenditures	<u>\$ (619)</u>	<u>\$ -</u>	<u>\$ (619)</u>

VETERANS MULTI-SERVICE CENTER, INC.

Office of Homeless Services (OHS)

City of Philadelphia Contract No. 20-20601

Psh Rental Assistance - Edison 64 Grant No. Pa-0865-L3t001700

Reconciliation of Agency Reported Expenditures/Revenues to Audit

Grant Period May 1, 2020 Through April 30, 2021

	<u>Agency Total Contract Expenditures</u>	<u>Adjustments</u>	<u>Amount per Audit</u>
<u>Budget Categories</u>			
Personnel services:			
Salaries	\$ 114,510	\$ -	\$ 114,510
Fringe benefits	<u>23,808</u>	<u>-</u>	<u>23,808</u>
Sub-total personnel services	<u>138,318</u>	<u>-</u>	<u>138,318</u>
Operating expenses:			
Program expense	563	-	563
Office expense	-	-	-
Client travel	<u>253</u>	<u>-</u>	<u>253</u>
Sub-total operating expenses	<u>816</u>	<u>-</u>	<u>816</u>
Administrative costs:			
Fees	<u>13,640</u>	<u>-</u>	<u>13,640</u>
Sub-total administrative costs	<u>13,640</u>	<u>-</u>	<u>13,640</u>
Participants:			
Rental assistance	<u>121,123</u>	<u>-</u>	<u>121,123</u>
Sub-total participants	<u>121,123</u>	<u>-</u>	<u>121,123</u>
Total OSH contract expenditures	<u>273,897</u>	<u>-</u>	<u>273,897</u>
City of Philadelphia, OSH	<u>243,147</u>	<u>-</u>	<u>243,147</u>
Total funding	<u>243,147</u>	<u>-</u>	<u>243,147</u>
Excess of expenditures over funding sources	<u>\$ 30,750</u>	<u>\$ -</u>	<u>\$ 30,750</u>

VETERANS MULTI-SERVICE CENTER, INC.

Office of Homeless Services (OHS)

City of Philadelphia Contract No. 21-20809

Psh Rental Assistance - Edison 64 Grant No. Pa-0865-L3t001901

Reconciliation of Agency Reported Expenditures/Revenues to Audit

Grant Period May 1, 2021 Through April 30, 2022

	Agency Total Contract Expenditures	Adjustments	Amount per Audit
<u>Budget Categories</u>			
Personnel services:			
Salaries	\$ 24,906	\$ -	\$ 24,906
Fringe benefits	4,546	-	4,546
Sub-total personnel services	<u>29,452</u>	<u>-</u>	<u>29,452</u>
Operating expenses:			
Program expense	29	-	29
Office expense	217	-	217
Client travel	231	-	231
Sub-total operating expenses	<u>477</u>	<u>-</u>	<u>477</u>
Administrative costs:			
Fees	<u>2,728</u>	-	<u>2,728</u>
Sub-total administrative costs	<u>2,728</u>	<u>-</u>	<u>2,728</u>
Participants:			
Rental assistance	<u>23,282</u>	-	<u>23,282</u>
Sub-total participants	<u>23,282</u>	<u>-</u>	<u>23,282</u>
Total OSH contract expenditures	<u>55,939</u>	<u>-</u>	<u>55,939</u>
City of Philadelphia, OSH	<u>55,939</u>	<u>-</u>	<u>55,939</u>
Total funding	<u>55,939</u>	<u>-</u>	<u>55,939</u>
Excess of expenditures over funding sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>