



**ASOCIACIÓN PUERTORRIQUEÑOS EN MARCHA, INC. AND AFFILIATES**  
**Consolidated Financial Statements**  
**June 30, 2021 and 2020**  
**With Independent Auditor's Reports**

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
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**June 30, 2021 and 2020**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,  
Asociación Puertorriqueños en Marcha, Inc.:

### Report on Financial Statements

We have audited the accompanying consolidated financial statements of Asociación Puertorriqueños en Marcha, Inc. and Affiliates, which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities and changes in net assets, cash flows, and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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, and the *City of Philadelphia Subrecipient Audit Guide*. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Asociación Puertorriqueños en Marcha, Inc. and Affiliates as of June 30, 2021 and 2020, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating financial statements as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic consolidated financial statements. The accompanying schedule of expenditures of Federal, state and city awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and the *City of Philadelphia Subrecipient Audit Guide* and is not a required part of the consolidated financial statements. In addition, the accompanying supplemental schedules are presented for purposes of additional analysis and are required by the *City of Philadelphia Subrecipient Audit Guide* as follows: City of Philadelphia Department of Human Services (Section 2000)-Report of Revenue by Functional Programs, Report of Functional Expenditures, Report of Excess Revenue (Deficit); City of Philadelphia Department of Behavioral Health and Intellectual Disabilities (Section 6300)-Program Activity Invoice Summary, Schedules of Adjustments on Program Activity Invoice Summary; City of Philadelphia Division of Housing and Community Development (Section 4000)-Statements of Source and Status of Funds, Statements of Program Expenditures, Schedules of Program Income and Reconciliation Schedules; City of Philadelphia Office of Homeless Services (Section 5000)-Reconciliations of Agency Reported Expenditures/Revenues to Audited Expenditures/Revenues are presented for the purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements taken as a whole.

## Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards* and the *City of Philadelphia Subrecipient Audit Guide*, we have also issued our report dated February 3, 2022 on our consideration of Asociación Puertorriqueños en Marcha, Inc. and Affiliates' 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 Asociación Puertorriqueños en Marcha, Inc. and Affiliates' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the *City of Philadelphia Subrecipient Audit Guide* in considering Asociación Puertorriqueños en Marcha, Inc. and Affiliates' internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Withum Smith & Brown, PC". The signature is written in a cursive, flowing style.

February 3, 2022

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Financial Position**  
**June 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 14,724,180	\$ 12,851,864
Accounts receivable, net	965,689	1,286,118
Grants and contracts receivable	4,005,394	3,540,096
Prepaid expenses	311,634	248,667
Other current assets	<u>150,832</u>	<u>133,778</u>
Total current assets	<u>20,157,729</u>	<u>18,060,523</u>
Property and equipment, net	<u>31,126,604</u>	<u>31,031,384</u>
Other assets		
Other assets	7,973	7,973
Restricted deposits and funded reserves	1,878,801	1,774,326
Other receivables	<u>308,880</u>	<u>319,897</u>
Total other assets	<u>2,195,654</u>	<u>2,102,196</u>
Total assets	<u>\$ 53,479,987</u>	<u>\$ 51,194,103</u>
<b>Liabilities and Net Assets</b>		
Current liabilities		
Accounts payable and accrued expenses	\$ 6,549,648	\$ 6,122,485
Accrued mortgage interest payable	918,055	959,901
Deferred revenue	12,370	239,434
Current portion of long-term debt	134,909	110,668
Other current liabilities	<u>194,750</u>	<u>259,928</u>
Total current liabilities	7,809,732	7,692,416
Long-term debt, net of current portion	<u>11,527,058</u>	<u>13,152,073</u>
Total liabilities	<u>19,336,790</u>	<u>20,844,489</u>
<b>Net assets</b>		
Without donor restrictions		
Undesignated	24,836,804	20,881,312
Non-controlling interest in limited partnerships	<u>9,028,020</u>	<u>9,468,302</u>
Total without donor restrictions net assets	33,864,824	30,349,614
With donor restrictions	<u>278,373</u>	<u>-</u>
Total net assets	<u>34,143,197</u>	<u>30,349,614</u>
Total liabilities and net assets	<u>\$ 53,479,987</u>	<u>\$ 51,194,103</u>

The Notes to Consolidated Financial Statements are an integral part of these statements.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Activities and Changes in Net Assets**  
**Years Ended June 30, 2021 and 2020**

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Public support and revenue</b>						
Public support						
Contributions	\$ 836,599	\$ 278,373	\$ 1,114,972	\$ 716,786	\$ --	\$ 716,786
In-kind contributions	1,039,435	-	1,039,435	648,775	--	648,775
Total public support	1,876,034	278,373	2,154,407	1,365,561	--	1,365,561
Revenue						
Fees and grants from governmental agencies	25,368,327	-	25,368,327	24,589,264	--	24,589,264
Program service fees and grants	6,143,870	-	6,143,870	4,917,812	--	4,917,812
Interest income	19,275	-	19,275	246	--	246
Rental income	2,333,816	-	2,333,816	2,197,979	--	2,197,979
Other income	2,367,939	-	2,367,939	484,577	--	484,577
Gain on sale of assets	50,000	-	50,000	-	--	--
Total revenue	36,283,227	-	36,283,227	32,189,878	--	32,189,878
Total public support and revenue	38,159,261	278,373	38,437,634	33,555,439	--	33,555,439
<b>Expenses</b>						
Program services	30,819,098	-	30,819,098	31,778,140	--	31,778,140
Management and general	3,772,629	-	3,772,629	2,339,269	--	2,339,269
Fundraising	243,170	-	243,170	90,993	--	90,993
Total expenses	34,834,897	-	34,834,897	34,208,402	--	34,208,402
<b>Change in net assets</b>	3,324,364	278,373	3,602,737	(652,963)	--	(652,963)
Contribution from limited partner	190,846	-	190,846	121,990	--	121,990
<b>Net assets</b>						
Beginning of year	30,349,614	-	30,349,614	30,880,587	--	30,880,587
End of year	\$ 33,864,824	278,373	\$ 34,143,197	\$ 30,349,614	\$ --	\$ 30,349,614

The Notes to Consolidated Financial Statements are an integral part of these statements.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Cash Flows**  
**Years Ended June 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
<b>Operating activities</b>		
Change in net assets	\$ 3,602,737	\$ (652,963)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	2,230,926	2,176,494
Bad debt expense	35,275	15,423
Gain on sale of assets	(50,000)	-
Forgiveness of debt	(1,564,337)	(501,306)
Changes in assets and liabilities		
Accounts receivable	285,154	(70,089)
Grants and contracts receivable	(465,298)	980,174
Prepaid expenses	(62,967)	(120,644)
Other current assets	(17,054)	-
Other receivables	11,017	(2,922)
Accounts payable and accrued expenses	427,163	(332,213)
Accrued mortgage interest payable	(41,846)	227,503
Deferred revenue	(227,064)	811,775
Other current liabilities	(65,178)	116,943
Net cash provided by operating activities	<u>4,098,528</u>	<u>2,648,175</u>
<b>Investing activities</b>		
Purchase of property and equipment	(2,326,146)	(821,483)
Proceeds from disposal of property and equipment	50,000	-
Net cash used in investing activities	<u>(2,276,146)</u>	<u>(821,483)</u>
<b>Financing activities</b>		
Proceeds from long-term debt	352,424	2,629,456
Payments on long-term debt	(388,861)	(332,179)
Contribution from limited partner	190,846	121,990
Net cash provided by financing activities	<u>154,409</u>	<u>2,419,267</u>
Net change in cash, cash equivalents and restricted cash	1,976,791	4,245,959
<b>Cash, cash equivalents and restricted cash</b>		
Beginning of year	<u>14,626,190</u>	<u>10,380,231</u>
End of year	<u>\$ 16,602,981</u>	<u>\$ 14,626,190</u>
<b>Supplemental disclosure of cash flow information</b>		
Interest paid	<u>\$ 200,480</u>	<u>\$ 192,718</u>
<b>Reconciliation of cash, cash equivalents and restricted cash to the statements of financial position</b>		
Balance sheet presentation		
Cash and cash equivalents	\$ 14,724,180	\$ 12,851,864
Restricted deposits and funded reserves	<u>1,878,801</u>	<u>1,774,326</u>
Total cash, cash equivalents and restricted cash per statements of cash flows	<u>\$ 16,602,981</u>	<u>\$ 14,626,190</u>

The Notes to Consolidated Financial Statements are an integral part of these statements.



**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Functional Expenses**  
**Year Ended June 30, 2021**

	Program Services				Support Services				Total
	Early Childhood Services	Mental Health and Medical Services	Human Services	Community Economic Development	Total Program Services	Management and General	Fundraising	Total Support Services	
Salaries and wages	\$ 2,301,134	\$ 1,442,226	\$ 6,062,312	\$ 734,779	\$ 10,540,451	\$ 2,206,346	\$ 67,398	\$ 2,273,744	\$ 12,814,195
Fringe benefits and payroll taxes	688,544	456,969	1,841,695	224,618	3,211,826	602,282	24,457	626,739	3,838,565
Contractual services and program consultants	1,151,061	1,759,788	5,684,482	187,304	8,782,635	189,742	108,027	297,769	9,080,404
Supplies	754,746	24,430	13,983	35,455	828,614	75,739	19,457	95,196	923,810
Communications	57,868	92,008	209,164	42,498	401,538	62,530	8,469	70,999	472,537
Occupancy	396,669	63,971	535,109	339,304	1,335,053	69,005	4,486	73,491	1,408,544
Rent subsidies and security deposits	-	816,031	-	224,925	1,040,956	-	-	-	1,040,956
Insurance	20,389	110,414	1,042,710	243,408	1,416,921	7,643	1,000	8,643	1,425,564
Non-capitalized purchases	63,464	13,113	75,683	6,404	158,664	28,807	-	28,807	187,471
Repairs and maintenance	81,585	13,291	136,979	232,519	464,374	5,166	-	5,166	469,540
Equipment rental	26,622	24,074	53,286	10,648	114,630	4,261	-	4,261	118,891
Conferences, conventions and meetings	78,320	2,630	8,069	2,393	91,412	16,335	-	16,335	107,747
Travel	56	5,480	34,877	9,049	49,462	52,835	-	52,835	102,297
Finance charges and interest	-	12	2,506	140,505	143,023	15,611	-	15,611	158,634
Special funds	-	-	13,572	-	13,572	-	-	-	13,572
Depreciation	-	-	141,545	1,749,497	1,891,042	339,884	-	339,884	2,230,926
Bad debt expense	-	-	-	23,787	23,787	11,488	-	11,488	35,275
Other expenses	15,838	144,734	46,299	104,267	311,138	84,955	9,876	94,831	405,969
	<u>\$ 5,636,296</u>	<u>\$ 4,969,171</u>	<u>\$ 15,902,271</u>	<u>\$ 4,311,360</u>	<u>\$ 30,819,098</u>	<u>\$ 3,772,629</u>	<u>\$ 243,170</u>	<u>\$ 4,015,799</u>	<u>\$ 34,834,897</u>

The Notes to Consolidated Financial Statements are an integral part of this statement.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Functional Expenses**  
**Year Ended June 30, 2020**

	Program Services				Support Services				Total
	Early Childhood Services	Mental Health and Medical Services	Human Services	Community Economic Development	Total Program Services	Management and General	Fundraising	Total Support Services	
Salaries and wages	\$ 2,603,753	\$ 1,549,136	\$ 6,273,548	\$ 788,380	\$ 11,214,817	\$ 1,038,956	\$ 23,831	\$ 1,062,787	\$ 12,277,604
Fringe benefits and payroll taxes	781,322	464,738	1,892,016	236,512	3,374,588	307,285	12,036	319,321	3,693,909
Contractual services and program consultants	933,680	1,854,953	6,095,770	311,971	9,196,374	238,037	32,510	270,547	9,466,921
Supplies	270,298	80,950	113,460	41,446	506,154	48,084	16,870	64,954	571,108
Communications	131,857	90,012	221,231	33,938	477,038	66,465	4,348	70,813	547,851
Occupancy	226,169	399,039	502,565	398,255	1,526,028	43,920	-	43,920	1,569,948
Rent subsidies and security deposits	-	740,254	-	-	740,254	-	-	-	740,254
Insurance	116,701	240,824	833,816	202,192	1,393,533	57,461	-	57,461	1,450,994
Non-capitalized purchases	161,979	25,804	206,648	6,686	401,117	30,546	-	30,546	431,663
Repairs and maintenance	14,432	12,014	100,041	268,547	395,034	8,935	-	8,935	403,969
Equipment rental	30,239	31,221	58,317	11,517	131,294	37,456	70	37,526	168,820
Conferences, conventions and meetings	20,162	14,110	47,714	9,931	91,917	21,962	88	22,050	113,967
Travel	1,802	5,945	84,404	13,922	106,073	65,892	53	65,945	172,018
Finance charges and interest	-	614	879	195,579	197,072	5,864	-	5,864	202,936
Special funds	-	-	75,223	-	75,223	-	-	-	75,223
Depreciation	-	-	136,632	1,719,936	1,856,568	319,926	-	319,926	2,176,494
Bad debt expense	-	-	-	4,440	4,440	10,983	-	10,983	15,423
Other expenses	24,192	32,100	4,840	29,484	90,616	37,497	1,187	38,684	129,300
	<u>\$ 5,316,586</u>	<u>\$ 5,541,714</u>	<u>\$ 16,647,104</u>	<u>\$ 4,272,736</u>	<u>\$ 31,778,140</u>	<u>\$ 2,339,269</u>	<u>\$ 90,993</u>	<u>\$ 2,430,262</u>	<u>\$ 34,208,402</u>

The Notes to Consolidated Financial Statements are an integral part of this statement.

# Asociación Puertorriqueños en Marcha, Inc. and Affiliates

## Notes to Consolidated Financial Statements

### June 30, 2021 and 2020

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#### 1. ORGANIZATION'S PURPOSE

Asociación Puertorriqueños en Marcha, Inc. ("APM" or "APM, Inc.") is a not-for-profit organization incorporated in 1971 under the laws of the Commonwealth of Pennsylvania. The primary mission of APM is to promote the welfare of Puerto Rican/Latino residents of the Greater Philadelphia area through its health, human services and community development programs. APM receives a significant amount of its fees and grants from government agencies for services provided under various contracts with the City of Philadelphia. The major program services divisions include the following:

- **Early Childhood Services**  
APM's Early Childhood programs promote the cultural, cognitive, social, emotional and physical development of young children. APM provides Head Start, Pre-K Counts, and Day Care services for children three to five years of age who live within the Philadelphia area.
- **Mental Health and Medical Services**  
APM's Mental Health and Medical Services Division is primarily focused on two areas:
  - a) **Mental Health:** APM maintains three behavioral health clinics that deliver a spectrum of bilingual and culturally sensitive treatment and prevention services to more than 3,000 Philadelphia residents without geographic restriction. APM offers bilingual diagnoses and treatment for the community's mental health issues.
  - b) **Support Services:** APM's supportive housing programs provide long-term help to the Hispanic homeless population by offering housing assistance and appropriate supportive services that help clients master the tools necessary for successful independent living.
- **Human Services**  
The Human Services Division provides a full range of culturally sensitive services to families, youth and children, including social work counseling, supervised foster care, after-care, adoptions and parenting skills training in different locations throughout North Philadelphia.
- **Community Economic Development**  
APM's Community Economic Development Division helps to develop and rebuild neighborhoods. As a leader in community development, APM is a driver of the sweeping changes taking place in Eastern North Philadelphia. "Ground-up" construction, new businesses, housing developments and greening projects have successfully transformed this urban locale into a bustling community, generating renewed interest in the area. Using a holistic approach to revitalization, APM is working to meet the social, economic and ecological needs in the neighborhoods bordered by Temple University and the American Street Empowerment Zone. APM has a unique strategy to address the challenges of a community composed of both homeowners and renters. APM has used housing counseling and the economic mobility center as a vehicle to drive the housing and economic development efforts.

APM Properties, Inc. ("Properties") is a not-for-profit organization incorporated in 1992 under the laws of the Commonwealth of Pennsylvania. The primary purpose of APM Properties, Inc. is to be a title holding company for APM which is required to turn over the excess of its revenues over expenses to APM annually. APM Properties, Inc. will hold the transfer of the tax credit developments that have met their compliance period.

Pradera Corporation ("Pradera") is a not-for-profit organization incorporated in 2000 under the laws of the Commonwealth of Pennsylvania. Its primary purposes are to:

- Raise funds to develop, construct and sell housing to eligible low-income homebuyers.
- Operate a Resource Homes program that places children with families that are able to nurture children's physical and emotional needs, with the goal of reunification, under Pennsylvania and Philadelphia Departments of Human Services regulations.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Notes to Consolidated Financial Statements**  
**June 30, 2021 and 2020**

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Borinquen Plaza Associates, L.P. (“BP” or “Borinquen Plaza”) is a limited partnership incorporated in 1997 under the laws of the Commonwealth of Pennsylvania. The primary purpose of Borinquen Plaza Associates is the operation of the Borinquen Gateway Plaza retail center. APM owns 100% of Borinquen Plaza L.L.C., which owns 1% of Borinquen Plaza Associates, L.P. This corporation serves as the general partner of an economic development partnership. APM is also a 99% limited partner in this partnership.

Paseo Verde Community Manager, L.P. (“Paseo Verde”) is a limited partnership incorporated in 2010 under the laws of the State of Delaware. The primary purpose of Paseo Verde is to serve as a general partner in Transit Village Partnership.

Refugio De Amor, L.P. (“Refugio”) was organized as a Pennsylvania limited partnership on February 15, 1996, for the purpose of constructing and operating a rental housing project called Hogar de Esperanza. The project consists of one residential building containing twenty residential units for general occupancy in Philadelphia, Pennsylvania, under Section 221 of the National Housing Act. Occupancy was 93% and 83% for the years ended June 30, 2021 and 2020, respectively. The property was placed in service on July 3, 1998.

Escalera Associates, L.P. (“Escalera”) was organized as a Pennsylvania Limited Partnership on April 4, 1994, for the purpose of developing and operating twenty-four single room residential units for general occupancy in Philadelphia, Pennsylvania, under Section 221 of the National Housing Act. Occupancy was 83% and 60% for the years ended June 30, 2021 and 2020, respectively. The property was placed in service on June 30, 1995.

Borinquen Associates, L.P. (“Borinquen I”) was organized as a Pennsylvania limited partnership on July 16, 1993, for the purpose of developing and operating four two- and three-story buildings and a one-story community building consisting of 45 units for general occupancy in Philadelphia, Pennsylvania, under Section 221 of the National Housing Act. The property was placed in service on October 15, 1994. On June 29, 2017, all of the property and related debt were sold and transferred to a related entity, Camino Verde, LP. The entity remains the holder of the mortgage from Camino Verde received as part of the sales transaction.

Borinquen Associates II, L.P. (“Borinquen II”) was organized as a Pennsylvania limited partnership on March 23, 1995, for the purpose of developing and operating forty-five townhouse units for general occupancy in Philadelphia, Pennsylvania, under Section 221 of the National Housing Act. Occupancy was 95% and 92% for the years ended June 30, 2021 and 2020, respectively. The property was placed in service on August 16, 1996.

Taino Gardens, L.P. (“Taino”) was organized as a Pennsylvania Limited Partnership on April 28, 1998, for the purpose of developing and operating twenty-two residential buildings containing forty-two residential units for general occupancy in Philadelphia, Pennsylvania, under Section 221 of the National Housing Act. Occupancy was approximately 97% and 98% for the years ended June 30, 2021 and 2020, respectively. The property was placed in service on February 24, 2000.

Camino Verde, L.P. (“Camino”) was organized as a Pennsylvania Limited Partnership on October 3, 2016, for the purpose of rehabilitating three tax credit projects containing eleven residential buildings in Philadelphia, Pennsylvania, under Section 221 of the National Housing Act. The property rehabilitation was completed during the year ended June 30, 2019. Occupancy was approximately 99% and 96% for the years ended June 30, 2021 and 2020, respectively.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. The basic consolidated financial statements present the consolidated statements of Asociación Puertorriqueños en Marcha, Inc. and Affiliates (collectively, the "Organization"). The affiliates comprise Camino Verde, L.P., APM Properties, Inc., Pradera Corporation, Borinquen Plaza Associates, L.P., Refugio De Amor, L.P., Escalera Associates, L.P., Borinquen Associates, L.P., Borinquen Associates, II L.P., Taino Gardens, L.P. and Paseo Verde Community Manager, L.P. ("Affiliates").

All intercompany accounts and transactions have been eliminated in the basic consolidated financial statements. These companies are affiliated by means of overlapping Boards of Directors, management and financial interdependence.

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statements of activities and changes in net assets.

**Revenue and Support Recognition**

Contributions are recognized as revenue when they are received or unconditionally pledged and recorded as support with or without donor restrictions according to donor stipulations that limit the use of the assets due to time or purpose restrictions. Restrictions met in the same year of receipt are reported within net assets without donor restrictions. The Organization's ability to collect revenue is affected by a variety of factors, including general economic conditions and each contributor's financial capacity. As of June 30, 2021, the Organization had contributions of approximately \$590,000 for which the conditions have not yet been met to recognize.

The Organization accounts for fees and grants from governmental agencies and other income as either contribution transactions or exchange transactions in the consolidated statements of activities and changes in net assets. Revenue is recognized as an exchange transaction under fee for service contracts based on the level of service provided (the performance obligation) multiplied by the contracted reimbursement rate for a unit of service and is recognized over time as services are provided. Reimbursement of other expenses under cost-reimbursement contracts is recognized as a contribution transaction. Revenue is recognized to the extent that expenses have been incurred for the purpose specified by the grantor during the period. In applying this concept, the legal and contractual requirements of each program are used as guidance. Unexpended contract funds are recorded as grants or contract payables in the consolidated statements of financial position. Funds received in advance of their use are accounted for as deferred revenue in the consolidated statements of financial position.

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In May 2020, the Organization received loans from a financial institution authorized through the Paycheck Protection Program (“PPP”) authorized by the Coronavirus Aid, Relief and Economic Act (“CARES Act”) in the amount of \$2,065,643. In accordance with guidance from the American Institute of Certified Public Accountants (“AICPA”), the Organization has elected to account for the forgiveness as a government grant. Further, the Organization determined the funding was conditional upon qualified expenses in line with the PPP requirements. The Organization recognized \$1,564,337 and \$501,306 for the years ended June 30, 2021 and 2020, respectively, in other income as revenue for costs incurred for the PPP awards.

Rental income is recognized for apartment rentals as it accrues. All leases between the real estate partnerships and tenants of the property are operating leases. The Organization rents residential apartments on yearly leases. Commercial leases are leased under terms exceeding one year.

Program service fees and grants are recognized under fee for service contracts based on the level of service provided (the performance obligation) multiplied by the contracted reimbursement rate for a unit of service. Program service fees and grants relate to medical services provided directly to patients and to the management and development of properties. Medical services are billed on a biweekly basis based on what services were rendered over the course of the prior two weeks. Management and development services are billed monthly. These revenues are recognized over time as services are provided.

Other without donor restrictions revenues are obtained from other income, interest income and asset sales. These revenues are not restricted in their use and are used to offset program, management and general and fundraising expenses which are not funded by contract budgets. Revenue from these sources is recognized when earned.

**In-Kind Contributions**

In-kind services and other costs are reflected upon receipt or use and are recorded at cost or estimated cost, where practicable, as expenses for program services. For the years ended June 30, 2021 and 2020, in-kind contributions were \$1,039,435 and \$648,775, respectively, and consisted of volunteers, special instruction, and supplies.

**Cash and Cash Equivalents**

The Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash and cash equivalents.

**Accounts/Grants and Contracts Receivable**

The Organization provides an allowance for bad debts using the allowance method, which is based on management’s judgment considering historical information. Accounts and grants and contracts receivable are unsecured. Accounts past due are individually analyzed for collectability. In addition, an allowance is provided for other accounts when a significant pattern of collectability has occurred. When all collection efforts have been exhausted, the accounts are written off. At June 30, 2021 and 2020, the allowance was \$295,425 and \$321,137, respectively. Accounts receivable, net and grants and contracts receivable were \$1,231,452 and \$4,520,270 at July 1, 2019.

**Use of Estimates**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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**Deferred Revenue**

Deferred revenue consists of funds from two sources. The first source is funds received in advance of their use or for cases not served with program service fees. The second source is rental income received in advance from tenants. Deferred revenue was \$691,657 at July 1, 2019.

**Restricted Deposits and Funded Reserves**

Mortgage escrow deposit accounts are maintained to pay real estate taxes and insurance. The reserves for replacements represent funds required to be set aside for the repair and improvement of the project facilities. Monthly required deposits were made in accordance with the Pennsylvania Housing Finance Agency ("PHFA") Regulatory Agreement.

**Property, Equipment and Depreciation**

Property is recorded at cost, except for donated items that are recorded at fair value on the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as donor restricted support. In the absence of such restrictions, contributions of property and equipment are recorded as net assets without donor restricted support when the assets are placed in service. Capitalizable items include all fixed assets over \$5,000. When an asset is sold or retired, the cost and accumulated depreciation are removed from the respective accounts. Maintenance, repairs and minor renovations are charged to operations as incurred.

Certain assets were purchased with funding from federal or state sources. APM has a contingent liability if it were to sell or stop using this property for its intended purposes to return its funding to source.

Depreciation is provided over the estimated useful lives of the assets using the straight-line method. The principal rates for computing depreciation by major asset categories are stated below.

<u>Description</u>	<u>Estimated Life (Years)</u>
Buildings	15-40
Building improvements and renovations	15-30
Office equipment and furniture	5-10
Vehicles	3

**Valuation of Long-Lived Assets**

In accordance with the provisions of accounting standards related to *Accounting for the Impairment or Disposal of Long-Lived Assets*, the Organization reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. Management has determined that no assessment was required for the periods presented in these consolidated financial statements.

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**Functional Allocation of Expenses**

The cost of providing the program services has been summarized on a functional basis within the consolidated statements of activities and changes in net assets. The Organization internally tracks costs by individual program cost centers in the financial system. The Organization considers the costs of directly running these programs as programmatic expenses. Expenses that do not directly relate to running program operations are treated as supporting expenses. For salaries, payroll taxes and fringe benefits, allocations by department are decided on an individual basis, based on the functions of each position and the time spent performing functions under the umbrella of a particular department. These allocations may be updated on a periodic basis based on the evolving responsibilities of a position, and by nature some positions will be split across multiple departments while others will be more compartmentalized. Contractual services and program consultants are allocated to programs based on the ratio of each program's direct expenses to the total of the selected program direct expenses unless directly charged. Occupancy costs are allocated based upon usable square footage. The Organization prepares a schedule at the beginning of each year for each building which identifies the square footage being used by each individual. The resulting square footage distributions are divided by total square footage to arrive at percentage distributions for each individual. Based upon the allocation of an individual's salary, occupancy costs are allocated. Communications are allocated on the same basis as occupancy.

The allocations of salaries also serve as a general guideline for how other expenditures are parceled out across the Organization unless directly charged to one department or expense category receiving the benefit.

**Reclassification**

Certain amounts in the prior year consolidated financial statements have been reclassified to conform with current year presentation. The reclassifications had no effect on changes in net assets.

**3. NEW ACCOUNTING PRONOUNCEMENT ADOPTED IN CURRENT YEAR**

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers* (Topic 606), which supersedes all existing revenue recognition requirements, including most industry-specific guidance. Together with subsequent amendments, this created Accounting Standards Codification Topic 606 ("ASC 606"). ASC 606 requires an entity to recognize revenue when it transfers goods or services to customers in an amount that reflects the consideration that the entity expects to receive for those goods or services. ASC 606 also expands disclosure requirements. ASC 606 became effective for the Organization beginning July 1, 2020. The Organization has elected the "modified retrospective" approach, meaning the standard is applied only to the most current period presented in the consolidated financial statements. The Organization concluded that the effects of applying ASC 606 to the 2021 consolidated financial statements were immaterial, and as such, no adjustments were made to the 2021 consolidated financial statements.

**4. NEW ACCOUNTING PRONOUNCEMENT NOT YET EFFECTIVE**

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842), which requires expanded disclosures in addition to the recognition of a "right to use" asset and a lease liability, initially measured at the present value of the lease payments, on the consolidated statements of financial position for all of the Organization's lease obligations, except for certain leases classified as short-term leases. ASU 2016-02 is currently effective for annual periods beginning after July 1, 2022.

The Organization is currently evaluating the effect that this pronouncement will have on its financial statements and related disclosures.



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**5. FINANCIAL ASSETS AND LIQUIDITY**

The Organization manages liquidity needed for operations primarily through its policy to budget monthly cash inflows and outflows. Cash inflows can be easily predicted since they are comprised of revenue streams that are typically billed on a monthly basis. These include program service revenues, grants and contracts, and rental income. Cash outflows are planned accordingly so as not to exceed those expected inflows. Management's intention is generally to maintain financial assets to meet 90 days of operating expenses.

As of June 30, financial assets and liquidity resources available within one year for general expenditures, such as operating expenses, were as follows:

	<u>2021</u>	<u>2020</u>
Financial assets		
Cash and cash equivalents	\$ 14,724,180	\$ 12,851,864
Accounts receivable, net	965,689	1,286,118
Grants and contracts receivable	<u>4,005,394</u>	<u>3,540,096</u>
	19,695,263	17,678,078
Less: Amounts with specific purpose restrictions for use:		
Net assets with donor restrictions	<u>278,373</u>	<u>-</u>
	<u>278,373</u>	<u>-</u>
Financial assets available within one year	<u>\$ 19,416,890</u>	<u>\$ 17,678,078</u>

In addition to the assets reported, the Organization maintains a line of credit (see Note 6) with available demand credit of \$3,250,000 to support operations.

**6. LINE OF CREDIT**

The Organization maintains a revolving line of credit available from a bank to meet the cash flow and liquidity needs of the Organization. The agreement provides for demand borrowing of up to \$3,250,000. The revolving line of credit expires March 1, 2023. The line of credit accrues interest at the prime rate as determined each business date in the "Money Rates" column of *The Wall Street Journal* plus an additional 0.75%. The interest rate was 4.00% at June 30, 2021 and 2020. There were no amounts outstanding as of June 30, 2021 and 2020 on the line of credit.

**7. INCOME TAXES**

APM and Pradera Corporation qualify as tax-exempt organizations under existing provisions of the Internal Revenue Code Section 501(c)(3), and their income is not subject to federal or state income taxes. APM Properties, Inc. qualifies as a tax-exempt organization under existing provisions of the Internal Revenue Code Section 501(c)(2), and its income is not subject to federal or state income taxes. Borinquen Plaza Associates, Camino Verde, L.P., Refugio De Amor, L.P., Escalera Associates, L.P., Borinquen Associates, L.P., Borinquen Associates II, L.P. and Taino Gardens, L.P. are limited partnerships; income and losses pass through to and are reportable by the partners individually.

Management has determined that there are no uncertain tax positions at the Organization as of the date of adoption or at June 30, 2021 and 2020. In addition, there are no income tax related penalties or interest for the periods reported in these consolidated financial statements.

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**8. INVESTMENTS IN REAL ESTATE ENTITIES/ACQUISITION OF LIMITED PARTNERSHIPS**

APM is the sole shareholder of Jardines de Borinquen Inc., Jardines de Borinquen II Inc., Escolando Inc., Casa Esperanza, Inc., Jardine de Flores Development Corporation and Taino Gardens, Inc. All of these corporations (limited liability companies) were set up solely as holding companies for their share of partnerships. These corporations own between .01% and 1% of low-income housing partnerships and serve as their general partner. These partnerships construct and rent low-income housing.

**9. PROPERTY AND EQUIPMENT**

Property and equipment, shown net of accumulated depreciation at June 30, consist of the following:

	<u>2021</u>	<u>2020</u>
Land, building and improvements	\$ 51,060,082	\$ 50,126,600
Office equipment and furniture	1,710,270	1,199,597
Vehicles	924,015	713,084
Construction in progress	<u>605,838</u>	<u>51,186</u>
	54,300,205	52,090,467
Less: Accumulated depreciation	<u>23,173,601</u>	<u>21,059,083</u>
	<u>\$ 31,126,604</u>	<u>\$ 31,031,384</u>

Depreciation expense for the years ended June 30, 2021 and 2020 amounted to \$2,230,926 and \$2,176,494, respectively.

**10. LONG-TERM DEBT**

A summary of long-term debt obligations at June 30 is as follows:

	<u>2021</u>	<u>2020</u>
A \$364,000 first mortgage note, which originated on May 19, 1997, of which \$363,351 was released as of December 31, 2000, is held by the Philadelphia Redevelopment Authority (formerly "Redevelopment Authority of the City of Philadelphia") in the original amount of \$363,351. The note bears no interest. Beginning on the first of the month of the twenty-sixth anniversary of the completion of construction (completion date July 3, 1998) monthly payments become due in such amounts as will fully amortize the loan by the 14th anniversary of the CDBG closing.	\$ 363,351	\$ 363,351
A \$565,645 second mortgage note, which originated on August 29, 2019, of which \$563,813 was released as of June 30, 2021, is held by the Philadelphia Redevelopment Authority. The Organization has no intent on drawing any additional funds on this note. The note bears no interest. The entire principal balance and any accrued interest (if not in compliance with loan requirements) are due and payable on the 30th anniversary of the date of the mortgage, August 29, 2049.	563,813	563,813
An \$801,045 third mortgage note, which originated on January 22, 2021, of which \$312,324 was released as of June 30, 2021, is held by the Philadelphia Redevelopment Authority. The note bears no interest. The entire principal balance and any accrued interest (if not in compliance with loan requirements) are due and payable on the 30th anniversary of the date of the mortgage, January 13, 2051.	<u>312,324</u>	<u>-</u>
Total by Affiliate - Refugio De Amor, L.P.	<u>1,239,488</u>	<u>927,164</u>

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	<u>2021</u>	<u>2020</u>
A \$660,000 first mortgage note, which originated on November 23, 1994, is held by the Philadelphia Redevelopment Authority (formerly "Redevelopment Authority of the City of Philadelphia") in the original amount of \$660,000. The note bears no interest. Beginning on the first month of the twenty-sixth anniversary of the date of the loan closing, monthly payments become due in such amounts as will fully amortize the loan by the 14th anniversary of the closing date.	\$ 660,000	\$ 660,000
Total by Affiliate - Escalera Associates, L.P.	<u>660,000</u>	<u>660,000</u>
A \$1,164,095 third mortgage to the Philadelphia Redevelopment Authority (formerly "Redevelopment Authority of the City of Philadelphia") in the original amount of \$1,164,095. Interest accrues at 1% simple interest rate per year on the unpaid balance until August 2022. Monthly installments of the principal, accrued interest, and current interest are payable by the Organization in 168 equal monthly installments beginning September 1, 2022 and continuing through August 2036 in such amounts as will amortize the note by the 40th anniversary of the amortization date. Accrued interest at June 30, 2021 and 2020 was \$262,165 and \$251,590, respectively.	<u>1,057,453</u>	<u>1,057,453</u>
Total by Affiliate - Borinquen Associates II, L.P.	<u>1,057,453</u>	<u>1,057,453</u>
Original first 6.00% mortgage of \$292,441, which originated on March 31, 1999, is payable to the Reinvestment Fund in monthly installments of \$1,884, including principal and interest, commencing August 1, 2000 and continuing for 25 years thereafter, secured by a first mortgage on the property. Maturity date is July 1, 2025.	79,102	98,851
A second mortgage note, which originated on April 7, 1999, is payable to PHFA in the original amount of \$459,753 and is subordinated to the first mortgage. The note was restructured on November 23, 2004 to include a 50-50 split of the excess revenue to repay PHFA's loan and 50% disbursed to the owner as return on equity. Approved amount of owners' return on equity is determined by PHFA. This note is secured by a second mortgage on the property. The note matures April 7, 2029 and does not bear interest.	282,603	282,603
A \$420,000 third mortgage note originated on March 31, 1999 and is held by the Philadelphia Redevelopment Authority (formerly "Redevelopment Authority of the City of Philadelphia"). Interest accrues at the Applicable Federal Rate in effect on the date of the loan (5.3%). Annual interest and principal payments will begin on the 31st anniversary of the closing of the loan in such amounts as will fully amortize the loan and accrued interest by the 14th anniversary of the home loan closing. The note is secured by a third mortgage on the property. Accrued interest at June 30, 2021 and 2020 is \$484,761 and \$462,501, respectively.	420,000	420,000
A fourth mortgage of \$1,080,000 is split into two notes in the amount of \$760,669 and \$319,331. The notes are held by the Philadelphia Redevelopment Authority (formerly "Redevelopment Authority of the City of Philadelphia") and originated on March 31, 1999. The notes bear no interest and are secured by a fourth mortgage on the property. Annual payments will become due on the 31st anniversary of the closing of the loan in such amounts as will fully amortize the loan by the 14th anniversary of the CDBG closing. The notes mature on March 31, 2039.	760,669	760,669
Funds from the fourth mortgage note in the amount of \$319,331 are to be used for demolition and site remediation. For the year ended June 30, 2021, the total drawn on this note was \$50,645. Furthermore, the Organization has no intention of drawing any additional funds on this note.	<u>50,645</u>	<u>50,645</u>
Total by Affiliate - Taino Gardens, L.P.	<u>1,593,019</u>	<u>1,612,768</u>

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	<u>2021</u>	<u>2020</u>
Funds received from a loan from a financial institution authorized through the Paycheck Protection Program authorized by the Coronavirus Aid, Relief and Economic Security Act ("CARES") in the amount of \$2,065,643. The loan may be forgiven upon a review by the financial institution of the use of the loan proceeds in accordance with CARES. If the financial institution determines that the criteria for forgiveness has not been met, the loan matures two years from the date of the loan and interest accrues at 1% per year. The Organization is following FASB ASU 958-605 and accounting for the loan as a conditional contribution and has recorded the estimated amount used on allowable expenses as of June 30, 2021 and 2020 as a grant, which is presented within fees and grants from governmental agencies on the statement of activities and changes in net assets. Subsequent to year-end, the Organization received full forgiveness on this loan.	\$ -	\$ 1,564,337
Total by Affiliate - Asociacion Puertorriquenos en Marcha, Inc.	<u>-</u>	<u>1,564,337</u>
A first mortgage note originated on June 29, 2017 and is held by Key Bank. Interest is charged at the prime rate as determined by independent index. The current rate on the debt is 4.25%. Monthly payments of interest and principal are due on the loan beginning August 1, 2017 until maturity date of July 1, 2027. The note is secured by a first mortgage on the property.	897,824	1,266,936
Funds received from a loan from a financial institution authorized through the Economic Injury Disaster Loan authorized by the Small Business Administration in the amount of \$20,100 on July 11, 2020. The loan proceeds are required to act as working capital to alleviate economic injury caused by the COVID-19 pandemic. Interest accrues at 2.75% simple interest per year on the unpaid balance. Monthly payments of interest and principal are due on the loan beginning July 11, 2022 until the maturity date of June 11, 2051. The loan is unsecured.	20,100	-
Total by Affiliate - APM Properties, Inc.	<u>917,924</u>	<u>1,266,936</u>
Funds received from a loan from a financial institution authorized through the Economic Injury Disaster Loan authorized by the Small Business Administration in the amount of \$20,000 on July 11, 2020. The loan proceeds are required to act as working capital to alleviate economic injury caused by the COVID-19 pandemic. Interest accrues at 2.75% simple interest per year on the unpaid balance. Monthly payments of interest and principal are due on the loan beginning July 11, 2022 until the maturity date of June 11, 2051. The loan is unsecured.	20,000	-
Total by Affiliate - Borinquen Plaza Associates, L.P.	<u>20,000</u>	<u>-</u>

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	<u>2021</u>	<u>2020</u>
Original first mortgage of \$1,838,000, which originated on June 29, 2017, is payable to the PHFA. The total loan of \$1,838,000 consists of PHARE funds in the amount of \$500,000 and PennHomes funds for the balance of \$1,338,000. The note bears no interest and is secured by a first mortgage on the property. Repayment of principal shall be made from the surplus of revenue over expenses and is collateralized by land and building. Any unpaid balance of principal remaining is due upon termination of project or 30 years from the date construction is completed. Construction was completed during the fiscal year ended June 30, 2019.	\$ 1,838,000	\$ 1,838,000
Second mortgage for total approved amount of \$4,336,083, originated on June 29, 2017 and is payable to the Philadelphia Redevelopment Authority. Interest accrues at 1% simple interest rate per year on the unpaid balance. The entire principal balance together with any accrued interest shall be due and payable 30 years from the substantial completion of the rehabilitation of the project, but in no event no later than 32 years from the closing of the Philadelphia Redevelopment Authority loan. Maturity date will be no later than July 29, 2049. Accrued interest on this loan was \$171,128 and \$128,391 as of June 30, 2021 and 2020, respectively.	<u>4,336,083</u>	<u>4,336,083</u>
Total by Affiliate - Camino Verde, L.P.	<u>6,174,083</u>	<u>6,174,083</u>
	11,661,967	13,262,741
Less: Current portion of long-term debt	<u>134,909</u>	<u>110,668</u>
	<u>\$ 11,527,058</u>	<u>\$ 13,152,073</u>

Total interest expense on all debt amounted to \$158,634 and \$202,936 for the years ended June 30, 2021 and 2020, respectively.

Maturities of the mortgage note for each of the next five years are as follows:

2022	\$ 134,909
2023	211,052
2024	227,937
2025	252,863
2026	233,327
Thereafter	<u>10,601,879</u>
	<u>\$ 11,661,967</u>

**11. OPERATING LEASES**

APM entered into non-cancelable operating leases for office, education, and medical facilities with varying terms through May 2023 that amounted to rent expense of \$830,768 and \$958,969 for the years ended June 30, 2021 and 2020, respectively. Future minimum payments for the remaining lease term are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 675,325
2023	<u>489,142</u>
	<u>\$ 1,164,467</u>

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APM entered into a non-cancelable operating lease for copier leases in October 19, 2017 expiring November 30, 2020 before converting to month to month. Equipment rental expense was \$80,557 and \$116,289 for the years ended June 30, 2021 and 2020, respectively. In June 2021, APM entered into non-cancellable operating leases for copier expiring September 30, 2024. Future minimum payments for the remaining lease term are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 83,756
2023	83,756
2024	83,756
2025	<u>20,939</u>
	<u>\$ 272,207</u>

**12. RETIREMENT PLANS**

APM sponsors a 403(b) tax-deferred annuity plan (the “403(b) Plan”) for all eligible employees. Contributions made to the 403(b) Plan are determined annually by the board of directors. Contributions for the years ended June 30, 2021 and 2020 were \$636,827 and \$610,036, respectively. It is APM’s intention to fund the 403(b) Plan currently.

In addition, APM has established a non-qualified deferred compensation plan under Section 457(b) of the Internal Revenue Code. The deferred compensation plan was established on July 1, 2006 for the benefit of certain executives. Contributions to the plan for the years ended June 30, 2021 and 2020 were approximately \$153,000 and \$110,000, respectively. It is APM’s intention to fund the 457(b) plan currently.

**13. COMMITMENTS AND CONTINGENCIES**

Financial awards from federal, state and local governmental entities in the form of grants may be subject to additional audits. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

**14. CONCENTRATION OF CREDIT RISK**

Financial investments which potentially subject the Organization to concentrations of credit risk consist of cash in interest-bearing accounts, grants and contracts receivable, and accounts receivable. In an attempt to limit credit risk, the Organization places all funds with high quality financial institutions. At various times throughout the year, the Organization had cash balances in excess of Federal Deposit Insurance Corporation insurance coverage. However, APM believes it is not exposed to any significant credit risk on cash. Concentration of credit risk with respect to accounts receivable and grants and contracts receivable is limited due to the relatively large number of grants and funding sources comprising the Organization’s receivables.

Camino Verde, L.P., Refugio De Amor, L.P., Escalera Associates, L.P., Borinquen Associates II, L.P., and Taino Gardens, L.P. rent commercial and residential real estate on yearly leases.

Borinquen Plaza Associates leases commercial real estate to tenants under operating leases with varying terms of up to four-year terms with additional extension periods available.

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Future minimal rental payments for existing non-cancelable operating leases at June 30, 2021, assuming renewals, were as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 2,304,361
2023	85,907
2024	<u>39,159</u>
	<u>\$ 2,429,427</u>

The cost of the leased property at June 30, 2021 and 2020 was \$42,095,841 and \$41,687,259, respectively. The net book value of the leased property at June 30, 2021 and 2020 was \$24,047,622 and \$25,129,319, respectively.

**15. NET ASSETS**

APM has a non-controlling interest in Camino Verde, L.P. of 0.009% which is included in undesignated net assets without donor restrictions and amounted to \$(177) and \$(115) as of June 30, 2021 and 2020, respectively. The non-controlling interest in limited partnerships relates to the remaining balance in Camino Verde, L.P.

For the years ended June 30, 2021 and 2020, the Organization had \$278,373 and \$-0- of donor restricted net assets. All donor restricted net assets related to purpose restrictions.

There were no releases from net assets without donor restrictions for each of the years ended June 30, 2021 and 2020.

**16. AFFILIATIONS AND RELATED PARTY TRANSACTIONS**

At June 30, 2021 and 2020, certain amounts were due from affiliates and eliminated upon consolidation. The eliminations amount to \$8,304,546 and \$8,389,256, respectively, and the components were as follows:

	<u>2021</u>		<u>2020</u>	
	<u>Receivable</u>	<u>Payable</u>	<u>Receivable</u>	<u>Payable</u>
APM, Inc.	\$ 6,146,108	\$ -	\$ 6,332,161	\$ -
Camino Verde, L.P.	-	2,773,043	-	3,242,663
Borinquen Plaza Associates, L.P.	-	1,041,882	-	861,882
APM Properties, Inc.	72,001	2,931,008	89,678	2,271,848
Pradera Corporation	-	658,674	-	986,690
Refugio De Amor, L.P.	-	759,605	-	661,273
Escalera Associates, L.P.	1,864	-	-	12,047
Borinquen Associates, L.P.	2,084,573	-	1,967,417	-
Borinquen Associates II, L.P.	-	24,447	-	233,401
Taino Gardens, L.P.	-	115,887	-	119,452
	<u>\$ 8,304,546</u>	<u>\$ 8,304,546</u>	<u>\$ 8,389,256</u>	<u>\$ 8,389,256</u>

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Notes to Consolidated Financial Statements**  
**June 30, 2021 and 2020**

APM charges a management fee to affiliates for bookkeeping services, as well as salaries and fringe benefits for employees who work for these affiliates but are paid through APM. These expenditures amounted to \$1,331,263 and \$1,268,326 for the years ended June 30, 2021 and 2020, respectively and were as follows:

	<b>2021</b>			
	<b>Management Fee</b>		<b>Rent</b>	
	<b>Revenue</b>	<b>Expense</b>	<b>Revenue</b>	<b>Expense</b>
APM, Inc.	\$ 1,331,263	\$ -	\$ -	\$ 670,950
Borinquen Plaza Associates, L.P.	-	120,000	-	-
APM Properties, Inc.	-	656,332	910,950	-
Pradera Corporation	-	422,547	-	240,000
Refugio De Amor, L.P.	-	9,047	-	-
Escalera Associates, L.P.	-	1,254	-	-
Borinquen Associates II, L.P.	-	38,079	-	-
Taino Gardens, L.P.	-	45,576	-	-
Camino Verde, L.P.	-	38,428	-	-
	<u>\$ 1,331,263</u>	<u>\$ 1,331,263</u>	<u>\$ 910,950</u>	<u>\$ 910,950</u>

	<b>2020</b>			
	<b>Management Fee</b>		<b>Rent</b>	
	<b>Revenue</b>	<b>Expense</b>	<b>Revenue</b>	<b>Expense</b>
APM, Inc.	\$ 1,268,326	\$ -	\$ -	\$ 488,351
Borinquen Plaza Associates, L.P.	-	120,000	-	-
APM Properties, Inc.	-	310,376	729,251	-
Pradera Corporation	-	713,630	-	240,900
Refugio De Amor, L.P.	-	8,325	-	-
Escalera Associates, L.P.	-	10,853	-	-
Borinquen Associates II, L.P.	-	22,706	-	-
Taino Gardens, L.P.	-	45,097	-	-
Camino Verde, L.P.	-	37,339	-	-
	<u>\$ 1,268,326</u>	<u>\$ 1,268,326</u>	<u>\$ 729,251</u>	<u>\$ 729,251</u>

APM, Inc. paid rent to APM Properties, Inc. that amounts to \$670,950 and \$488,351 for the years ended June 30, 2021 and 2020, respectively. Pradera Corporation paid rent to APM Properties, Inc. that amounted to \$240,000 and \$240,900 for the years ended June 30, 2021 and 2020, respectively. These have been eliminated upon consolidation.



**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Notes to Consolidated Financial Statements**  
**June 30, 2021 and 2020**

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**17. SELF-INSURANCE**

The Organization is self-insured for medical claims. Self-insurance claims filed and claims incurred but not reported are accrued based on management's estimates of the ultimate cost for self-insurance claims based upon information provided by the insurance company and historical data available. The accrual for self-insurance for medical claims is included in the accounts payable and accrued expenses line within the consolidated statements of financial position. The accrual for medical claims amounted to approximately \$697,000 as of June 30, 2021 and 2020. Although management believes it has the ability to reasonably estimate losses related to claims, it is possible that actual results could differ from recorded self-insurance liabilities.

**18. SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events occurring after the consolidated statement of financial position date through February 3, 2022, which is the date the consolidated financial statements were available to be issued. Based on this evaluation, the Organization has determined the following subsequent events have occurred which require disclosure in the consolidated financial statements.

The Organization received formal forgiveness on its Paycheck Protection Program loan on July 30, 2021 for the full amount of the loan, \$2,065,643.

The Organization received an extension on its line of credit from the original expiration date of July 1, 2021 to March 1, 2023. The line of credit available draw remained at \$3,250,000 and the interest rate remained at the rate of prime plus 0.75%.

Subsequent to year-end, APM approved the 8th and Berks Senior Development Project Resolution and the Incumbency Certificate and Certification. APM will serve as the guarantor of the project.



## SUPPLEMENTARY INFORMATION

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Financial Position by Entity**  
**(With Summarized Affiliate Totals)**  
**June 30, 2021**

	<u>APM, Inc.</u>	<u>Affiliates</u>	<u>Total</u>	<u>Eliminations</u>	<u>Total</u>
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 9,460,604	\$ 5,263,576	\$ 14,724,180	\$ -	\$ 14,724,180
Accounts receivable, net	33,186	958,602	991,788	(26,099)	965,689
Grants and contracts receivable	4,005,394	-	4,005,394	-	4,005,394
Prepaid expenses	166,466	145,168	311,634	-	311,634
Related party receivables	5,000,123	1,864	5,001,987	(5,001,987)	-
Other current assets	123,778	27,054	150,832	-	150,832
Total current assets	<u>18,789,551</u>	<u>6,396,264</u>	<u>25,185,815</u>	<u>(5,028,086)</u>	<u>20,157,729</u>
<b>Property and equipment</b>					
Land, building and improvements	4,084,184	46,975,898	51,060,082	-	51,060,082
Construction in progress	500,791	105,047	605,838	-	605,838
Office equipment and furniture	793,533	916,737	1,710,270	-	1,710,270
Motor vehicles	640,385	283,630	924,015	-	924,015
Total property and equipment	6,018,893	48,281,312	54,300,205	-	54,300,205
Less: Accumulated depreciation	2,868,281	20,305,320	23,173,601	-	23,173,601
Net property and equipment	<u>3,150,612</u>	<u>27,975,992</u>	<u>31,126,604</u>	<u>-</u>	<u>31,126,604</u>
<b>Other assets</b>					
Other assets	7,973	-	7,973	-	7,973
Restricted deposits and funded reserves	-	1,878,801	1,878,801	-	1,878,801
Investments in real estate	3,875,817	-	3,875,817	(3,875,817)	-
Other receivables	308,880	-	308,880	-	308,880
Related party loans receivable	1,119,886	2,156,574	3,276,460	(3,276,460)	-
Total other assets	<u>5,312,556</u>	<u>4,035,375</u>	<u>9,347,931</u>	<u>(7,152,277)</u>	<u>2,195,654</u>
Total assets	<u>\$ 27,252,719</u>	<u>\$ 38,407,631</u>	<u>\$ 65,660,350</u>	<u>\$ (12,180,363)</u>	<u>\$ 53,479,987</u>
<b>Liabilities and Net Assets</b>					
<b>Current liabilities</b>					
Current portion of long-term debt	\$ -	\$ 134,909	\$ 134,909	\$ -	\$ 134,909
Accounts payable and accrued expenses	4,831,765	1,717,883	6,549,648	-	6,549,648
Accrued mortgage interest payable	-	1,299,718	1,299,718	(381,663)	918,055
Related party payables	-	5,496,712	5,496,712	(5,496,712)	-
Deferred revenue	-	12,370	12,370	-	12,370
Other current liabilities	-	194,750	194,750	-	194,750
Total current liabilities	4,831,765	8,856,342	13,688,107	(5,878,375)	7,809,732
Long-term debt, net of current portion	-	13,953,229	13,953,229	(2,426,171)	11,527,058
Total liabilities	<u>4,831,765</u>	<u>22,809,571</u>	<u>27,641,336</u>	<u>(8,304,546)</u>	<u>19,336,790</u>
<b>Net assets</b>					
<b>Without donor restrictions</b>					
Undesignated	22,142,581	6,570,040	28,712,621	(3,875,817)	24,836,804
Non-controlling interest in limited partnerships	-	9,028,020	9,028,020	-	9,028,020
Total without donor restrictions net assets	22,142,581	15,598,060	37,740,641	(3,875,817)	33,864,824
With donor restrictions	278,373	-	278,373	-	278,373
Total net assets	<u>22,420,954</u>	<u>15,598,060</u>	<u>38,019,014</u>	<u>(3,875,817)</u>	<u>34,143,197</u>
Total liabilities and net assets	<u>\$ 27,252,719</u>	<u>\$ 38,407,631</u>	<u>\$ 65,660,350</u>	<u>\$ (12,180,363)</u>	<u>\$ 53,479,987</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Financial Position by Entity**  
**(With Summarized Affiliate Totals)**  
**June 30, 2020**

	<u>APM, Inc.</u>	<u>Affiliates</u>	<u>Total</u>	<u>Eliminations</u>	<u>Total</u>
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 8,014,448	\$ 4,837,416	\$ 12,851,864	\$ -	\$ 12,851,864
Accounts receivable, net	-	1,286,118	1,286,118	-	1,286,118
Grants and contracts receivable	3,540,096	-	3,540,096	-	3,540,096
Prepaid expenses	108,945	139,722	248,667	-	248,667
Related party receivables	5,230,877	-	5,230,877	(5,230,877)	-
Other current assets	123,778	10,000	133,778	-	133,778
Total current assets	<u>17,018,144</u>	<u>6,273,256</u>	<u>23,291,400</u>	<u>(5,230,877)</u>	<u>18,060,523</u>
<b>Property and equipment</b>					
Land, building and improvements	3,891,582	46,235,018	50,126,600	-	50,126,600
Construction in progress	-	51,186	51,186	-	51,186
Office equipment and furniture	290,154	909,443	1,199,597	-	1,199,597
Vehicles	582,315	130,769	713,084	-	713,084
Total property and equipment	4,764,051	47,326,416	52,090,467	-	52,090,467
Less: Accumulated depreciation	2,644,805	18,414,278	21,059,083	-	21,059,083
Net property and equipment	<u>2,119,246</u>	<u>28,912,138</u>	<u>31,031,384</u>	<u>-</u>	<u>31,031,384</u>
<b>Other assets</b>					
Other assets	7,973	-	7,973	-	7,973
Restricted deposits and funded reserves	-	1,774,326	1,774,326	-	1,774,326
Investments in real estate	3,985,555	-	3,985,555	(3,985,555)	-
Other receivables	319,897	-	319,897	-	319,897
Related party loans receivable	1,103,529	2,057,095	3,160,624	(3,160,624)	-
Total other assets	<u>5,416,954</u>	<u>3,831,421</u>	<u>9,248,375</u>	<u>(7,146,179)</u>	<u>2,102,196</u>
Total assets	<u>\$ 24,554,344</u>	<u>\$ 39,016,815</u>	<u>\$ 63,571,159</u>	<u>\$ (12,377,056)</u>	<u>\$ 51,194,103</u>
<b>Liabilities and Net Assets</b>					
<b>Current liabilities</b>					
Current portion of long-term debt	\$ -	\$ 110,668	\$ 110,668	\$ -	\$ 110,668
Accounts payable and accrued expenses	3,988,853	2,133,632	6,122,485	-	6,122,485
Accrued mortgage interest payable	-	1,207,788	1,207,788	(247,887)	959,901
Related party payables	-	5,597,593	5,597,593	(5,597,593)	-
Deferred revenue	233,486	5,948	239,434	-	239,434
Other current liabilities	-	259,928	259,928	-	259,928
Total current liabilities	<u>4,222,339</u>	<u>9,315,557</u>	<u>13,537,896</u>	<u>(5,845,480)</u>	<u>7,692,416</u>
Long-term debt, net of current portion	<u>1,564,337</u>	<u>14,013,907</u>	<u>15,578,244</u>	<u>(2,426,171)</u>	<u>13,152,073</u>
Total liabilities	<u>5,786,676</u>	<u>23,329,464</u>	<u>29,116,140</u>	<u>(8,271,651)</u>	<u>20,844,489</u>
<b>Net assets</b>					
<b>Without donor restrictions</b>					
Undesignated	18,767,668	6,219,049	24,986,717	(4,105,405)	20,881,312
Non-controlling interest in limited partnerships	-	9,468,302	9,468,302	-	9,468,302
Total net assets	<u>18,767,668</u>	<u>15,687,351</u>	<u>34,455,019</u>	<u>(4,105,405)</u>	<u>30,349,614</u>
Total liabilities and net assets	<u>\$ 24,554,344</u>	<u>\$ 39,016,815</u>	<u>\$ 63,571,159</u>	<u>\$ (12,377,056)</u>	<u>\$ 51,194,103</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Financial Position by Entity**  
**June 30, 2021**

	<u>APM, Inc.</u>	<u>APM Prop, Inc.</u>	<u>Borinquen Plaza</u>	<u>Pradera Corp</u>	<u>Camino Verde</u>	<u>Pradera II</u>	<u>Pradera III</u>	<u>Refugio De Amor</u>
<b>Assets</b>								
<b>Current assets</b>								
Cash and cash equivalents	\$ 9,460,604	\$ 603,710	\$ 1,464,528	\$ 2,135,551	\$ 203,623	\$ 148,213	\$ -	\$ 357,872
Accounts receivable, net	33,186	-	27,021	739,296	70,442	-	-	24,074
Grants and contracts receivable	4,005,394	-	-	-	-	-	-	-
Prepaid expenses	166,466	-	25,996	38,307	52,935	-	-	4,963
Related party receivables	5,000,123	-	-	-	-	-	-	-
Other current assets	123,778	27,054	-	-	-	-	-	-
Total current assets	<u>18,789,551</u>	<u>630,764</u>	<u>1,517,545</u>	<u>2,913,154</u>	<u>327,000</u>	<u>148,213</u>	<u>-</u>	<u>386,909</u>
<b>Property and equipment</b>								
Land, building and improvements	4,084,184	4,553,047	5,582,683	327,010	18,692,979	-	-	2,824,926
Construction in progress	500,791	105,047	-	-	-	-	-	-
Office equipment and furniture	793,533	-	-	418,398	236,024	-	-	38,161
Vehicles	640,385	-	110,205	130,769	15,120	-	-	2,365
Total property and equipment	6,018,893	4,658,094	5,692,888	876,177	18,944,123	-	-	2,865,452
Less: Accumulated depreciation	2,868,281	1,397,132	2,880,040	410,038	2,139,631	-	-	1,508,257
Net property and equipment	<u>3,150,612</u>	<u>3,260,962</u>	<u>2,812,848</u>	<u>466,139</u>	<u>16,804,492</u>	<u>-</u>	<u>-</u>	<u>1,357,195</u>
<b>Other assets</b>								
Other assets	7,973	-	-	-	-	-	-	-
Restricted deposits and funded reserves	-	-	10,064	-	1,085,361	-	-	-
Investments in real estate	3,875,817	-	-	-	-	-	-	-
Other receivables	308,880	-	-	-	-	-	-	-
Related party loans receivable	1,119,886	72,001	-	-	-	-	-	-
Total other assets	<u>5,312,556</u>	<u>72,001</u>	<u>10,064</u>	<u>-</u>	<u>1,085,361</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 27,252,719</u>	<u>\$ 3,963,727</u>	<u>\$ 4,340,457</u>	<u>\$ 3,379,293</u>	<u>\$ 18,216,853</u>	<u>\$ 148,213</u>	<u>\$ -</u>	<u>\$ 1,744,104</u>
<b>Liabilities and Net Assets</b>								
<b>Current liabilities</b>								
Current portion of long-term debt	\$ -	\$ 69,394	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable and accrued expenses	4,831,765	6,809	49,994	1,549,658	70,755	-	-	4,413
Accrued mortgage interest payable	-	-	-	-	171,128	-	-	381,664
Related party payables	-	2,931,008	1,041,882	168,815	636,841	473,918	10,473	87,973
Deferred revenue	-	-	3,979	-	-	-	-	203
Other current liabilities	-	107,986	-	-	-	-	-	14,281
Total current liabilities	<u>4,831,765</u>	<u>3,115,197</u>	<u>1,095,855</u>	<u>1,718,473</u>	<u>878,724</u>	<u>473,918</u>	<u>10,473</u>	<u>488,534</u>
Long-term debt, net of current portion	-	848,530	20,000	-	8,310,286	-	-	1,529,456
Total liabilities	<u>4,831,765</u>	<u>3,963,727</u>	<u>1,115,855</u>	<u>1,718,473</u>	<u>9,189,010</u>	<u>473,918</u>	<u>10,473</u>	<u>2,017,990</u>
<b>Net assets</b>								
<b>Without donor restrictions</b>								
Undesignated	22,142,581	-	3,224,602	1,660,820	(177)	(325,705)	(10,473)	(273,886)
Non-controlling interest in limited partnerships	-	-	-	-	9,028,020	-	-	-
Total without donor restrictions net assets	<u>22,142,581</u>	<u>-</u>	<u>3,224,602</u>	<u>1,660,820</u>	<u>9,027,843</u>	<u>(325,705)</u>	<u>(10,473)</u>	<u>(273,886)</u>
<b>With donor restrictions</b>								
Total net assets	<u>22,420,954</u>	<u>-</u>	<u>3,224,602</u>	<u>1,660,820</u>	<u>9,027,843</u>	<u>(325,705)</u>	<u>(10,473)</u>	<u>(273,886)</u>
Total liabilities and net assets	<u>\$ 27,252,719</u>	<u>\$ 3,963,727</u>	<u>\$ 4,340,457</u>	<u>\$ 3,379,293</u>	<u>\$ 18,216,853</u>	<u>\$ 148,213</u>	<u>\$ -</u>	<u>\$ 1,744,104</u>

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**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Financial Position by Entity**  
**June 30, 2021**

	<u>Escalera</u>	<u>Paseo Verde</u>	<u>Borinquen Associates</u>	<u>Borinquen Associates II</u>	<u>Taino Gardens</u>	<u>Affiliates</u>	<u>Total</u>	<u>Eliminations</u>	<u>Total</u>
<b>Assets</b>									
<b>Current assets</b>									
Cash and cash equivalents	\$ 69,355	\$ -	\$ -	\$ 187,320	\$ 93,404	\$ 5,263,576	\$ 14,724,180	\$ -	\$ 14,724,180
Accounts receivable, net	12,524	-	-	49,896	35,349	958,602	991,788	(26,099)	965,689
Grants and contracts receivable	-	-	-	-	-	-	4,005,394	-	4,005,394
Prepaid expenses	4,726	-	-	7,433	10,808	145,168	311,634	-	311,634
Related party receivables	1,864	-	-	-	-	1,864	5,001,987	(5,001,987)	-
Other current assets	-	-	-	-	-	27,054	150,832	-	150,832
Total current assets	<u>88,469</u>	<u>-</u>	<u>-</u>	<u>244,649</u>	<u>139,561</u>	<u>6,396,264</u>	<u>25,185,815</u>	<u>(5,028,086)</u>	<u>20,157,729</u>
<b>Property and equipment</b>									
Land, building and improvements	1,619,259	-	-	7,294,478	6,081,516	46,975,898	51,060,082	-	51,060,082
Construction in progress	-	-	-	-	-	105,047	605,838	-	605,838
Office equipment and furniture	29,808	-	-	138,145	56,201	916,737	1,710,270	-	1,710,270
Vehicles	2,027	-	-	11,572	11,572	283,630	924,015	-	924,015
Total property and equipment	1,651,094	-	-	7,444,195	6,149,289	48,281,312	54,300,205	-	54,300,205
Less: Accumulated depreciation	1,461,178	-	-	5,764,560	4,744,484	20,305,320	23,173,601	-	23,173,601
Net property and equipment	<u>189,916</u>	<u>-</u>	<u>-</u>	<u>1,679,635</u>	<u>1,404,805</u>	<u>27,975,992</u>	<u>31,126,604</u>	<u>-</u>	<u>31,126,604</u>
<b>Other assets</b>									
Other assets	-	-	-	-	-	-	7,973	-	7,973
Restricted deposits and funded reserves	149,262	-	-	70,238	563,876	1,878,801	1,878,801	-	1,878,801
Investments in real estate	-	-	-	-	-	-	3,875,817	(3,875,817)	-
Other receivables	-	-	-	-	-	-	308,880	-	308,880
Related party loans receivable	-	-	2,084,573	-	-	2,156,574	3,276,460	(3,276,460)	-
Total other assets	<u>149,262</u>	<u>-</u>	<u>2,084,573</u>	<u>70,238</u>	<u>563,876</u>	<u>4,035,375</u>	<u>9,347,931</u>	<u>(7,152,277)</u>	<u>2,195,654</u>
Total assets	<u>\$ 427,647</u>	<u>\$ -</u>	<u>\$ 2,084,573</u>	<u>\$ 1,994,522</u>	<u>\$ 2,108,242</u>	<u>\$ 38,407,631</u>	<u>\$ 65,660,350</u>	<u>\$ (12,180,363)</u>	<u>\$ 53,479,987</u>
<b>Liabilities and Net Assets</b>									
<b>Current liabilities</b>									
Current portion of long-term debt	\$ 47,148	\$ -	\$ -	\$ -	\$ 18,367	\$ 134,909	\$ 134,909	\$ -	\$ 134,909
Accounts payable and accrued expenses	3,750	-	-	18,910	13,594	1,717,883	6,549,648	-	6,549,648
Accrued mortgage interest payable	-	-	-	262,165	484,761	1,299,718	1,299,718	(381,663)	918,055
Related party payables	-	5,468	-	24,447	115,887	5,496,712	5,496,712	(5,496,712)	-
Deferred revenue	-	-	-	3,809	4,379	12,370	12,370	-	12,370
Other current liabilities	11,274	-	-	30,559	30,650	194,750	194,750	-	194,750
Total current liabilities	<u>62,172</u>	<u>5,468</u>	<u>-</u>	<u>339,890</u>	<u>667,638</u>	<u>8,856,342</u>	<u>13,688,107</u>	<u>(5,878,375)</u>	<u>7,809,732</u>
Long-term debt, net of current portion	<u>612,852</u>	<u>-</u>	<u>-</u>	<u>1,057,453</u>	<u>1,574,652</u>	<u>13,953,229</u>	<u>13,953,229</u>	<u>(2,426,171)</u>	<u>11,527,058</u>
Total liabilities	<u>675,024</u>	<u>5,468</u>	<u>-</u>	<u>1,397,343</u>	<u>2,242,290</u>	<u>22,809,571</u>	<u>27,641,336</u>	<u>(8,304,546)</u>	<u>19,336,790</u>
<b>Net assets</b>									
Without donor restrictions									
Undesignated	(247,377)	(5,468)	2,084,573	597,179	(134,048)	6,570,040	28,712,621	(3,875,817)	24,836,804
Non-controlling interest in limited partnerships	-	-	-	-	-	9,028,020	9,028,020	-	9,028,020
Total without donor restrictions net assets	<u>(247,377)</u>	<u>(5,468)</u>	<u>2,084,573</u>	<u>597,179</u>	<u>(134,048)</u>	<u>15,598,060</u>	<u>37,740,641</u>	<u>(3,875,817)</u>	<u>33,864,824</u>
With donor restrictions	-	-	-	-	-	-	278,373	-	278,373
Total net assets	<u>(247,377)</u>	<u>(5,468)</u>	<u>2,084,573</u>	<u>597,179</u>	<u>(134,048)</u>	<u>15,598,060</u>	<u>38,019,014</u>	<u>(3,875,817)</u>	<u>34,143,197</u>
Total liabilities and net assets	<u>\$ 427,647</u>	<u>\$ -</u>	<u>\$ 2,084,573</u>	<u>\$ 1,994,522</u>	<u>\$ 2,108,242</u>	<u>\$ 38,407,631</u>	<u>\$ 65,660,350</u>	<u>\$ (12,180,363)</u>	<u>\$ 53,479,987</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Financial Position by Entity**  
**June 30, 2020**

	<u>APM, Inc.</u>	<u>APM Prop, Inc.</u>	<u>Borinquen Plaza</u>	<u>Pradera Corp</u>	<u>Camino Verde</u>	<u>Pradera II</u>	<u>Pradera III</u>	<u>Refugio De Amor</u>
<b>Assets</b>								
Current assets								
Cash and cash equivalents	\$ 8,014,448	\$ 659,013	\$ 1,084,757	\$ 1,752,393	\$ 444,772	\$ 148,710	\$ -	\$ 378,893
Accounts receivable, net	-	-	46,053	1,167,889	34,823	-	-	9,363
Grants and contracts receivable	3,540,096	-	-	-	-	-	-	-
Prepaid expense	108,945	-	34,732	21,380	72,759	-	-	-
Related party receivables	5,230,877	-	-	-	-	-	-	-
Other current assets	123,778	10,000	-	-	-	-	-	-
Total current assets	<u>17,018,144</u>	<u>669,013</u>	<u>1,165,542</u>	<u>2,941,662</u>	<u>552,354</u>	<u>148,710</u>	<u>-</u>	<u>388,256</u>
Property and equipment								
Land, building and improvements	3,891,582	4,143,137	5,675,529	294,417	18,692,979	-	-	2,433,703
Construction in progress	-	51,186	-	-	-	-	-	-
Office equipment and furniture	290,154	-	-	411,104	236,024	-	-	38,161
Motor vehicles	582,315	-	-	130,769	-	-	-	-
Total property and equipment	4,764,051	4,194,323	5,675,529	836,290	18,929,003	-	-	2,471,864
Less: Accumulated depreciation	2,644,805	1,227,901	2,709,232	268,493	1,431,140	-	-	1,422,102
Net property, plant and equipment	<u>2,119,246</u>	<u>2,966,422</u>	<u>2,966,297</u>	<u>567,797</u>	<u>17,497,863</u>	<u>-</u>	<u>-</u>	<u>1,049,762</u>
Other assets								
Other assets	7,973	-	-	-	-	-	-	-
Restricted deposits and funded reserves	-	-	10,064	-	1,025,833	-	-	-
Investments in real estate	3,985,555	-	-	-	-	-	-	-
Other receivables	319,897	-	-	-	-	-	-	-
Related party receivables	-	-	-	-	-	-	-	-
Related party loans receivable	1,103,529	89,678	-	-	-	-	-	-
Total other assets	<u>5,416,954</u>	<u>89,678</u>	<u>10,064</u>	<u>-</u>	<u>1,025,833</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 24,554,344</u>	<u>\$ 3,725,113</u>	<u>\$ 4,141,903</u>	<u>\$ 3,509,459</u>	<u>\$ 19,076,050</u>	<u>\$ 148,710</u>	<u>\$ -</u>	<u>\$ 1,438,018</u>
<b>Liabilities and Net Assets</b>								
Current liabilities								
Current portion of long-term debt	\$ -	\$ 66,019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Line of credit	-	-	-	-	-	-	-	-
Government construction loans	-	-	-	-	-	-	-	-
Construction and retainage payable	-	-	-	-	-	-	-	-
Accounts payable and accrued expenses	3,988,853	8,603	71,194	1,831,451	62,726	-	-	71,506
Accrued mortgage interest payable	-	-	-	-	128,391	-	-	365,306
Related party payables	-	2,271,662	861,882	496,876	1,106,460	473,873	10,473	5,999
Deferred revenue	233,486	-	5,948	-	-	-	-	-
Other current liabilities	-	177,912	-	-	-	-	-	13,421
Total current liabilities	<u>4,222,339</u>	<u>2,524,196</u>	<u>939,024</u>	<u>2,328,327</u>	<u>1,297,577</u>	<u>473,873</u>	<u>10,473</u>	<u>456,232</u>
Long-term debt, net of current portion	<u>1,564,337</u>	<u>1,200,917</u>	<u>-</u>	<u>-</u>	<u>8,310,286</u>	<u>-</u>	<u>-</u>	<u>1,217,132</u>
Total liabilities	<u>5,786,676</u>	<u>3,725,113</u>	<u>939,024</u>	<u>2,328,327</u>	<u>9,607,863</u>	<u>473,873</u>	<u>10,473</u>	<u>1,673,364</u>
<b>Net assets</b>								
Without donor restrictions								
Undesignated	18,767,668	-	3,202,879	1,181,132	(115)	(325,163)	(10,473)	(235,346)
Non-controlling interest in limited partnerships	-	-	-	-	9,468,302	-	-	-
Total net assets	<u>19,046,041</u>	<u>-</u>	<u>3,202,879</u>	<u>1,181,132</u>	<u>9,468,187</u>	<u>(325,163)</u>	<u>(10,473)</u>	<u>(235,346)</u>
Total liabilities and net assets	<u>\$ 24,832,717</u>	<u>\$ 3,725,113</u>	<u>\$ 4,141,903</u>	<u>\$ 3,509,459</u>	<u>\$ 19,076,050</u>	<u>\$ 148,710</u>	<u>\$ -</u>	<u>\$ 1,438,018</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Financial Position by Entity**  
**June 30, 2020**

	<u>Escalera</u>	<u>Paseo Verde</u>	<u>Borinquen Associates</u>	<u>Borinquen Associates II</u>	<u>Taino Gardens</u>	<u>Affiliates</u>	<u>Total</u>	<u>Eliminations</u>	<u>Total</u>
<b>Assets</b>									
<b>Current assets</b>									
Cash and cash equivalents	\$ 76,315	\$ -	\$ -	\$ 219,601	\$ 72,962	\$ 4,837,416	\$ 12,851,864	\$ -	\$ 12,851,864
Accounts receivable, net	4,401	-	-	21,418	2,171	1,286,118	1,286,118	-	1,286,118
Grants and contracts receivable	-	-	-	-	-	-	3,540,096	-	3,540,096
Prepaid expense	3,492	-	-	7,359	-	139,722	248,667	-	248,667
Related party receivables	-	-	-	-	-	-	5,230,877	(5,230,877)	-
Other current assets	-	-	-	-	-	10,000	133,778	-	133,778
<b>Total current assets</b>	<b>84,208</b>	<b>-</b>	<b>-</b>	<b>248,378</b>	<b>75,133</b>	<b>6,273,256</b>	<b>23,291,400</b>	<b>(5,230,877)</b>	<b>18,060,523</b>
<b>Property and equipment</b>									
Land, building and improvements	1,619,259	-	-	7,294,478	6,081,516	46,235,018	50,126,600	-	50,126,600
Construction in progress	-	-	-	-	-	51,186	51,186	-	51,186
Office equipment and furniture	29,808	-	-	138,145	56,201	909,443	1,199,597	-	1,199,597
Motor vehicles	-	-	-	-	-	130,769	713,084	-	713,084
Total property and equipment	1,649,067	-	-	7,432,623	6,137,717	47,326,416	52,090,467	-	52,090,467
Less: Accumulated depreciation	1,409,176	-	-	5,427,101	4,519,133	18,414,278	21,059,083	-	21,059,083
<b>Net property, plant and equipment</b>	<b>239,891</b>	<b>-</b>	<b>-</b>	<b>2,005,522</b>	<b>1,618,584</b>	<b>28,912,138</b>	<b>31,031,384</b>	<b>-</b>	<b>31,031,384</b>
<b>Other assets</b>									
Other assets	-	-	-	-	-	-	7,973	-	7,973
Restricted deposits and funded reserves	149,400	-	-	70,347	518,682	1,774,326	1,774,326	-	1,774,326
Investments in real estate	-	-	-	-	-	-	3,985,555	(3,985,555)	-
Other receivables	-	-	-	-	-	-	319,897	-	319,897
Related party receivables	-	-	-	-	-	-	-	-	-
Related party loans receivable	-	-	1,967,417	-	-	2,057,095	3,160,624	(3,160,624)	-
<b>Total other assets</b>	<b>149,400</b>	<b>-</b>	<b>1,967,417</b>	<b>70,347</b>	<b>518,682</b>	<b>3,831,421</b>	<b>9,248,375</b>	<b>(7,146,179)</b>	<b>2,102,196</b>
<b>Total assets</b>	<b>\$ 473,499</b>	<b>\$ -</b>	<b>\$ 1,967,417</b>	<b>\$ 2,324,247</b>	<b>\$ 2,212,399</b>	<b>\$ 39,016,815</b>	<b>\$ 63,571,159</b>	<b>\$ (12,377,056)</b>	<b>\$ 51,194,103</b>
<b>Liabilities and Net Assets</b>									
<b>Current liabilities</b>									
Current portion of long-term debt	\$ 27,503	\$ -	\$ -	\$ -	\$ 17,146	\$ 110,668	\$ 110,668	\$ -	\$ 110,668
Line of credit	-	-	-	-	-	-	-	-	-
Government construction loans	-	-	-	-	-	-	-	-	-
Construction and retainage payable	-	-	-	-	-	-	-	-	-
Accounts payable and accrued expenses	6,857	-	-	52,748	28,547	2,133,632	6,122,485	-	6,122,485
Accrued mortgage interest payable	-	-	-	251,590	462,501	1,207,788	1,207,788	(247,887)	959,901
Related party payables	12,047	5,468	-	233,401	119,452	5,597,593	5,597,593	(5,597,593)	-
Deferred revenue	-	-	-	-	-	5,948	239,434	-	239,434
Other current liabilities	7,427	-	-	31,468	29,700	259,928	259,928	-	259,928
<b>Total current liabilities</b>	<b>53,834</b>	<b>5,468</b>	<b>-</b>	<b>569,207</b>	<b>657,346</b>	<b>9,315,557</b>	<b>13,537,896</b>	<b>(5,845,480)</b>	<b>7,692,416</b>
Long-term debt, net of current portion	632,497	-	-	1,057,453	1,595,622	14,013,907	15,578,244	(2,426,171)	13,152,073
<b>Total liabilities</b>	<b>686,331</b>	<b>5,468</b>	<b>-</b>	<b>1,626,660</b>	<b>2,252,968</b>	<b>23,329,464</b>	<b>29,116,140</b>	<b>(8,271,651)</b>	<b>20,844,489</b>
<b>Net assets</b>									
Without donor restrictions									
Undesignated	(212,832)	(5,468)	1,967,417	697,587	(40,569)	6,219,049	24,986,717	(4,105,405)	20,881,312
Non-controlling interest in limited partnerships	-	-	-	-	-	9,468,302	9,468,302	-	9,468,302
<b>Total net assets</b>	<b>(212,832)</b>	<b>(5,468)</b>	<b>1,967,417</b>	<b>697,587</b>	<b>(40,569)</b>	<b>15,687,351</b>	<b>34,455,019</b>	<b>(4,105,405)</b>	<b>30,349,614</b>
<b>Total liabilities and net assets</b>	<b>\$ 473,499</b>	<b>\$ -</b>	<b>\$ 1,967,417</b>	<b>\$ 2,324,247</b>	<b>\$ 2,212,399</b>	<b>\$ 39,016,815</b>	<b>\$ 63,571,159</b>	<b>\$ (12,377,056)</b>	<b>\$ 51,194,103</b>

See Independent Auditor's Report.



**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Activities and Changes in Net Assets**  
**Year Ended June 30, 2021 (With Summarized Comparative Information for Year Ended June 30, 2020)**

	2021							2020 Total	
	APM, Inc.			Affiliates	Eliminations	Total			
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	Without Donor Restriction	Without Donor Restriction	With Donor Restriction		Total
<b>Public support and revenue</b>									
Public support									
Contributions	\$ 836,599	\$ 278,373	\$ 1,114,972	\$ -	\$ -	\$ 836,599	\$ 278,373	\$ 1,114,972	\$ 716,786
In-kind contributions	1,039,435	-	1,039,435	-	-	1,039,435	-	1,039,435	648,775
Total public support	1,876,034	278,373	2,154,407	-	-	1,876,034	278,373	2,154,407	1,365,561
<b>Revenue</b>									
Fees and grants from governmental agencies	16,842,102	-	16,842,102	8,526,225	-	25,368,327	-	25,368,327	24,589,264
Program service fees and grants	9,981,537	-	9,981,537	11,305	(3,848,972)	6,143,870	-	6,143,870	4,917,812
Interest income	61,969	-	61,969	128,537	(171,231)	19,275	-	19,275	246
Rental income	3,350	-	3,350	3,241,416	(910,950)	2,333,816	-	2,333,816	2,197,979
Other income	1,510,091	-	1,510,091	628,260	229,588	2,367,939	-	2,367,939	484,577
Gain on sale of assets/investments	50,000	-	50,000	-	-	50,000	-	50,000	-
Total revenue	28,449,049	-	28,449,049	12,535,743	(4,701,565)	36,283,227	-	36,283,227	32,189,878
Total public support and revenue	30,325,083	278,373	30,603,456	12,535,743	(4,701,565)	38,159,261	278,373	38,437,634	33,555,439
<b>Expenses</b>									
Program services	22,981,378	-	22,981,378	12,187,898	(4,350,178)	30,819,098	-	30,819,098	31,778,140
Management and general	3,725,622	-	3,725,622	627,982	(580,975)	3,772,629	-	3,772,629	2,339,269
Fundraising	243,170	-	243,170	-	-	243,170	-	243,170	90,993
Total expenses	26,950,170	-	26,950,170	12,815,880	(4,931,153)	34,834,897	-	34,834,897	34,208,402
<b>Change in net assets</b>	3,374,913	278,373	3,653,286	(280,137)	229,588	3,324,364	278,373	3,602,737	(652,963)
Contribution from limited partner	-	-	-	190,846	-	190,846	-	190,846	121,990
<b>Net assets</b>									
Beginning of year	18,767,668	-	18,767,668	15,687,351	(4,105,405)	30,349,614	-	30,349,614	30,880,587
End of year	\$ 22,142,581	\$ 278,373	\$ 22,420,954	\$ 15,598,060	\$ (3,875,817)	\$ 33,864,824	\$ 278,373	\$ 34,143,197	\$ 30,349,614

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Activities and Changes in Net Assets by Entity**  
**Year Ended June 30, 2021**

	APM, Inc.			APM	Borinquen Plaza	Pradera II	Pradera III	Refugio De Amor	Escalera	Paseo Verde
	Without Donor	With Donor	Total	Properties, Inc.	Without Donor	Without Donor	Without Donor	Without Donor	Without Donor	Without Donor
	Restrictions	Restrictions		Without Donor	Restrictions	Restrictions	Restrictions	Restrictions	Restrictions	Restrictions
<b>Public support and revenue</b>										
Public support										
Contributions	\$ 836,599	278,373	1,114,972	-	-	-	-	-	-	-
In-kind contributions	1,039,435	-	1,039,435	-	-	-	-	-	-	-
Total public support	<u>1,876,034</u>	<u>278,373</u>	<u>2,154,407</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Revenue</b>										
Fees and grants from governmental agencies	16,842,102	-	16,842,102	-	-	-	-	-	-	-
Program service fees and grants	9,981,537	-	9,981,537	-	-	-	-	-	-	-
Interest income	61,969	-	61,969	-	30	-	-	-	12	-
Rental income	3,350	-	3,350	910,950	447,671	-	-	181,989	119,561	-
Other (loss) income	1,510,091	-	1,510,091	69,926	1,019	1,730	-	1,708	5,705	-
Gain on sale of assets	50,000	-	50,000	-	-	-	-	-	-	-
Total revenue	<u>28,449,049</u>	<u>-</u>	<u>28,449,049</u>	<u>980,876</u>	<u>448,720</u>	<u>1,730</u>	<u>-</u>	<u>183,697</u>	<u>125,278</u>	<u>-</u>
Total public support and revenue	<u>30,325,083</u>	<u>278,373</u>	<u>30,603,456</u>	<u>980,876</u>	<u>448,720</u>	<u>1,730</u>	<u>-</u>	<u>183,697</u>	<u>125,278</u>	<u>-</u>
<b>Expenses</b>										
Program services	22,981,378	-	22,981,378	980,876	246,997	2,272	-	222,237	159,823	-
Management and general	3,725,622	-	3,725,622	-	120,000	-	-	-	-	-
Fundraising	243,170	-	243,170	-	-	-	-	-	-	-
Total expenses	<u>26,950,170</u>	<u>-</u>	<u>26,950,170</u>	<u>980,876</u>	<u>366,997</u>	<u>2,272</u>	<u>-</u>	<u>222,237</u>	<u>159,823</u>	<u>-</u>
<b>Change in net assets</b>	3,374,913	278,373	3,653,286	-	81,723	(542)	-	(38,540)	(34,545)	-
Contribution from (distribution to) limited partner	-	-	-	-	(60,000)	-	-	-	-	-
<b>Net assets</b>										
Beginning of year	<u>18,767,668</u>	<u>-</u>	<u>18,767,668</u>	<u>-</u>	<u>3,202,879</u>	<u>(325,163)</u>	<u>(10,473)</u>	<u>(235,346)</u>	<u>(212,832)</u>	<u>(5,468)</u>
End of year	<u>\$ 22,142,581</u>	<u>\$ 278,373</u>	<u>\$ 22,420,954</u>	<u>\$ -</u>	<u>\$ 3,224,602</u>	<u>\$ (325,705)</u>	<u>\$ (10,473)</u>	<u>\$ (273,886)</u>	<u>\$ (247,377)</u>	<u>\$ (5,468)</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Activities and Changes in Net Assets by Entity**  
**Year Ended June 30, 2021**

	<u>Borinquen Associates I</u>	<u>Borinquen Associates II</u>	<u>Taino Gardens</u>	<u>Pradera Corp</u>	<u>Camino Verde</u>	<u>Affiliates</u>	<u>Eliminations</u>	<u>Consolidated</u>		
	<u>Without Donor</u>	<u>Without Donor</u>	<u>Without Donor</u>	<u>Without Donor</u>	<u>Without Donor</u>	<u>Without Donor</u>	<u>Without Donor</u>	<u>Without Donor</u>	<u>With Donor</u>	
	<u>Restrictions</u>	<u>Restrictions</u>	<u>Restrictions</u>	<u>Restrictions</u>	<u>Restrictions</u>	<u>Restrictions</u>	<u>Restrictions</u>	<u>Restrictions</u>	<u>Restrictions</u>	<u>Total</u>
<b>Public support and revenue</b>										
Public support										
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 836,599	\$ 278,373	\$ 1,114,972
In-kind contributions	-	-	-	-	-	-	-	1,039,435	--	1,039,435
Total public support	-	-	-	-	-	-	-	1,876,034	278,373	2,154,407
<b>Revenue</b>										
Fees and grants from governmental agencies	-	-	-	8,526,225	-	8,526,225	-	25,368,327	--	25,368,327
Program service fees and grants	-	-	11,305.00	-	-	11,305	(3,848,972)	6,143,870	--	6,143,870
Interest income	117,156	--	6,978	-	4,361	128,537	(171,231)	19,275	--	19,275
Rental income	-	501,301	405,760	-	674,184	3,241,416	(910,950)	2,333,816	--	2,333,816
Other (loss) income	-	17,192	18,107	504,843	8,030	628,260	229,588	2,367,939	--	2,367,939
Gain on sale of assets	-	-	-	-	-	-	-	50,000	--	50,000
Total revenue	117,156	518,493	442,150	9,031,068	686,575	12,535,743	(4,701,565)	36,283,227	--	36,283,227
Total public support and revenue	117,156	518,493	442,150	9,031,068	686,575	12,535,743	(4,701,565)	38,159,261	278,373	38,437,634
<b>Expenses</b>										
Program services	-	618,901	535,629	8,128,833	1,292,330	12,187,898	(4,350,178)	30,819,098	--	30,819,098
Management and general	-	-	-	422,547	85,435	627,982	(580,975)	3,772,629	--	3,772,629
Fundraising	-	-	-	-	-	-	-	243,170	--	243,170
Total expenses	-	618,901	535,629	8,551,380	1,377,765	12,815,880	(4,931,153)	34,834,897	--	34,834,897
<b>Change in net assets</b>	117,156	(100,408)	(93,479)	479,688	(691,190)	(280,137)	229,588	3,324,364	278,373	3,602,737
Contribution from (distribution to) limited partner	-	-	-	-	250,846	190,846	-	190,846	--	190,846
<b>Net assets without donor restrictions</b>										
Beginning of year	1,967,417	697,587	(40,569)	1,181,132	9,468,187	15,687,351	(4,105,405)	30,349,614	--	30,349,614
End of year	\$ 2,084,573	\$ 597,179	\$ (134,048)	\$ 1,660,820	\$ 9,027,843	\$ 15,598,060	\$ (3,875,817)	\$ 33,864,824	\$ 278,373	\$ 34,143,197

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Activities and Changes in Net Assets by Entity**  
**Year Ended June 30, 2020**

	APM, Inc.	APM Properties, Inc.	Borinquen Plaza	Pradera II	Pradera III	Refugio De Amor	Escalera	Paseo Verde
<b>Public support and revenue</b>								
Public support								
Contributions	\$ 705,786	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
In-kind contributions	648,775	-	-	-	-	-	-	-
Total public support	<u>1,354,561</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Revenue</b>								
Fees and grants from governmental agencies	15,118,292	-	-	-	-	-	-	-
Program service fees and grants	9,505,527	-	-	-	-	-	-	-
Interest income	23,634	-	113	-	-	1	104	-
Rental income	4,900	726,851	446,982	-	-	166,501	95,436	-
Other (loss) income	289,901	(108,543)	1,806	-	-	2,197	158	-
Total revenue	<u>24,942,254</u>	<u>618,308</u>	<u>448,901</u>	<u>-</u>	<u>-</u>	<u>168,699</u>	<u>95,698</u>	<u>-</u>
Total public support and revenue	<u>26,296,815</u>	<u>619,308</u>	<u>448,901</u>	<u>-</u>	<u>-</u>	<u>168,699</u>	<u>95,698</u>	<u>-</u>
<b>Expenses</b>								
Program services	23,718,926	619,308	212,450	1,770	-	225,144	155,492	-
Management and general	2,304,354	-	120,000	-	-	-	-	-
Fundraising	90,993	-	-	-	-	-	-	-
Total expenses	<u>26,114,273</u>	<u>619,308</u>	<u>332,450</u>	<u>1,770</u>	<u>-</u>	<u>225,144</u>	<u>155,492</u>	<u>-</u>
<b>Change in net assets</b>	182,542	-	116,451	(1,770)	-	(56,445)	(59,794)	-
Contribution from (distribution to) limited partner	-	-	(60,000)	-	-	-	-	-
<b>Net assets without donor restrictions</b>								
Beginning of year	<u>18,585,126</u>	<u>-</u>	<u>3,146,428</u>	<u>(323,393)</u>	<u>(10,473)</u>	<u>(178,901)</u>	<u>(153,038)</u>	<u>(5,468)</u>
End of year	<u>\$ 18,767,668</u>	<u>\$ -</u>	<u>\$ 3,202,879</u>	<u>\$ (325,163)</u>	<u>\$ (10,473)</u>	<u>\$ (235,346)</u>	<u>\$ (212,832)</u>	<u>\$ (5,468)</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Consolidated Statements of Activities and Changes in Net Assets by Entity**  
**Year Ended June 30, 2020**

	<u>Borinquen Associates I</u>	<u>Borinquen Associates II</u>	<u>Taino Gardens</u>	<u>Pradera</u>	<u>Camino Verde</u>	<u>Affiliates</u>	<u>Eliminations</u>	<u>Total</u>
<b>Public support and revenue</b>								
Public support								
Contributions	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ 11,000	\$ -	\$ 716,786
In-kind contributions	-	-	-	-	-	-	-	648,775
Total public support	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>11,000</u>	<u>-</u>	<u>1,365,561</u>
<b>Revenue</b>								
Fees and grants from governmental agencies	-	-	-	9,470,972	-	9,470,972	-	24,589,264
Program service fees and grants	-	-	-	-	-	-	(4,587,715)	4,917,812
Interest income	117,156	-	-	-	1	117,375	(140,763)	246
Rental income	-	427,750	403,163	-	655,647	2,922,330	(729,251)	2,197,979
Other (loss) income	-	15,533	329	-	7,907	(80,613)	275,289	484,577
Total revenue	<u>117,156</u>	<u>443,283</u>	<u>403,492</u>	<u>9,470,972</u>	<u>663,555</u>	<u>12,430,064</u>	<u>(5,182,440)</u>	<u>32,189,878</u>
Total public support and revenue	<u>117,156</u>	<u>443,283</u>	<u>403,492</u>	<u>9,480,972</u>	<u>663,555</u>	<u>12,441,064</u>	<u>(5,182,440)</u>	<u>33,555,439</u>
<b>Expenses</b>								
Program services	-	708,029	575,281	8,851,701	1,296,799	12,645,974	(4,586,760)	31,778,140
Management and general	-	-	-	713,630	72,254	905,884	(870,969)	2,339,269
Fundraising	-	-	-	-	-	-	-	90,993
Total expenses	<u>-</u>	<u>708,029</u>	<u>575,281</u>	<u>9,565,331</u>	<u>1,369,053</u>	<u>13,551,858</u>	<u>(5,457,729)</u>	<u>34,208,402</u>
<b>Change in net assets</b>	117,156	(264,746)	(171,789)	(84,359)	(705,498)	(1,110,794)	275,289	(652,963)
Contribution from (distribution to) limited partner	-	-	-	-	181,990	121,990	-	121,990
<b>Net assets without donor restrictions</b>								
Beginning of year	<u>1,850,261</u>	<u>962,333</u>	<u>131,220</u>	<u>1,265,491</u>	<u>9,991,695</u>	<u>16,676,155</u>	<u>(4,380,694)</u>	<u>30,880,587</u>
End of year	<u>\$ 1,967,417</u>	<u>\$ 697,587</u>	<u>\$ (40,569)</u>	<u>\$ 1,181,132</u>	<u>\$ 9,468,187</u>	<u>\$ 15,687,351</u>	<u>\$ (4,105,405)</u>	<u>\$ 30,349,614</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Schedule of Expenditures of Federal, State and City Awards**  
**Year Ended June 30, 2021**

Federal Grantor/Pass-through Grantor/Program	Federal CFDA Number	Pass-through Grantor's Number	Award Period	Amounts Provided to Subrecipients	Grant Expenditures
<b>Federal Awards:</b>					
<u>U.S. Department of Health and Human Services</u>					
Pass-through Pennsylvania Department of Public Welfare/Philadelphia Department of Human Services: Improving Outcomes for Children	93.658	21-20176	07/01/20 - 06/30/21	\$ -	\$ 2,671,958
Total CFDA Number 93.658				-	2,671,958
Pass-through Pennsylvania Department of Public Welfare/Philadelphia Department of Human Services: Improving Outcomes for Children	93.645	21-20176	07/01/20 - 06/30/21	-	242,654
Total CFDA Number 93.645				-	242,654
Pass-through Early Learning Resource Center Child Care and Development Block Grant	93.575	CARES 1	07/01/20 - 06/30/21	-	35,000
Child Care and Development Block Grant	93.575	CARES 2	07/01/20 - 06/30/21	-	61,400
Child Care and Development Block Grant	93.575	CRRSA (CARES 4)	07/01/20 - 06/30/21	-	188,090
Child Care and Development Block Grant	93.575	PRA	07/01/20 - 06/30/21	-	8,400
Total CFDA Number 93.575				-	292,890
Pass-through the School District of Philadelphia: Head Start	93.600	2842/FY21	07/01/20 - 06/30/21	-	2,533,425
Total CFDA Number 93.600				-	2,533,425
Total U.S. Department of Health and Human Services				-	5,740,927
<u>U.S. Department of Housing and Urban Development</u>					
Direct Programs:					
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	PA-H17-0021	12/01/17 - 04/30/21	-	362,463
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	PA-H20-0025	05/01/21 - 04/30/24	-	75,502
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	PA-H20-01W012	07/20/20 - 06/30/23	-	13,298
Total CFDA Number 14.241				-	451,263

See Independent Auditor's Report.  
See accompanying Notes to Schedule of Expenditures of Federal, State and City Awards.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Schedule of Expenditures of Federal, State and City Awards**  
**Year Ended June 30, 2021**

Federal Grantor/Pass-through Grantor/Program	Federal CFDA Number	Pass-through Grantor's Number	Award Period	Amounts Provided to Subrecipients	Grant Expenditures
Abriendo Caminos	14.267	PA0009L3T001912	06/01/20 - 05/31/21	\$ -	\$ 127,796
Abriendo Caminos	14.267	PA0009L3T002013	06/01/21 - 05/31/22	-	10,535
Shelter Plus - Hogar de Esperanza	14.267	PA0466L3T002011	05/01/21 - 04/30/22	-	14,507
Support Empowerment Rental Enrichment Program (SERA)	14.267	PA0435L3T001908	07/01/20 - 06/30/21	-	214,668
Pass-through Philadelphia Office of Homeless Services:					
Shelter Plus - Proyecto Hogareno	14.267	20-20653	04/01/20 - 03/31/21	-	205,374
Shelter Plus - Proyecto Hogareno	14.267	21-20805	04/01/21 - 03/31/22	-	92,397
Shelter Plus - Hogar de Esperanza	14.267	20-20581	05/01/20 - 04/30/21	-	85,150
Total CFDA Number 14.267				-	750,427
Pass-through Philadelphia Division of Housing and Community Development:					
Housing Counseling	14.218	20-20220	11/01/19 - 10/31/20	-	31,944
Housing Counseling	14.218	21-20272	11/01/20 - 10/31/21	-	48,663
Housing and Economic Development	14.218	20-20367	10/01/19 - 09/30/20	-	15,972
Housing and Economic Development	14.218	21-20377	10/01/20 - 09/30/21	-	33,593
Total CFDA Number 14.218				-	130,172
Pass-through Local Initiative Support Corporation:					
Section 4 Funds	14.252	40570-0111	03/01/20 - 02/28/21	-	28,922
Section 4 Funds	14.252	40570-0117	02/01/21 - 03/31/22	-	18,203
Total CFDA Number 14.252				-	47,125
Total U.S. Department of Housing and Urban Development					
				-	1,378,987
<u>U.S. Department of Agriculture</u>					
Pass-through Pennsylvania Department of Education:					
Child Care Subsidies	10.558	300-51-105-0	07/01/20 - 06/30/21	-	19,899
<u>U.S. Department of the Treasury</u>					
Pass-through Early Learning Resource Center					
Coronavirus Relief Fund	21.019	CARES 3	07/01/20 - 06/30/21	-	97,200
Total Expenditures of Federal Awards				\$ -	\$ 7,237,013

See Independent Auditor's Report.

See accompanying Notes to Schedule of Expenditures of Federal, State and City Awards.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Schedule of Expenditures of Federal, State and City Awards**  
**Year Ended June 30, 2021**

<u>State Grantor/Pass-through Grantor/Program</u>	<u>Pass-through Grantor's Number</u>	<u>Award Period</u>	<u>Amounts Provided to Subrecipients</u>	<u>Grant Expenditures</u>
<b><u>Commonwealth of Pennsylvania - State Awards:</u></b>				
<u>Pennsylvania Department of Public Welfare</u>				
Pass-through Philadelphia Department of Behavioral Health and Intellectual Disabilities:				
MH Community Services	21-200005	07/01/20 - 06/30/21	\$ -	\$ 14,987
AM-Homeless	21-200005	07/01/20 - 06/30/21	-	147,596
Pass-through Philadelphia Department of Human Services:				
Improving Outcomes for Children	21-20176	07/01/20 - 06/30/21	-	4,871,525
Total PA Department of Public Welfare			<u>-</u>	<u>5,034,108</u>
<u>Pennsylvania Department of Education</u>				
Direct Programs:				
Pre-K Counts	130-20-0201	07/01/20 - 06/30/21	-	525,000
Pass-through The School District of Philadelphia:				
Head Start/Pre-K Counts	2842/FY21	07/01/20 - 06/30/21	-	1,700,595
Total PA Department of Education			<u>-</u>	<u>2,225,595</u>
<u>Pennsylvania Department of Human Services</u>				
Pass-through Diakon-Swan LLC:				
Statewide Adoption and Permanency Network		10/01/18 - 06/30/21	-	257,150
Total Expenditures of State Awards			<u>\$ -</u>	<u>\$ 7,516,853</u>

See Independent Auditor's Report.  
See accompanying Notes to Schedule of Expenditures of Federal, State and City Awards.



**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Schedule of Expenditures of Federal, State and City Awards**  
**Year Ended June 30, 2021**

<u>City Grantor/Pass-through Grantor/Program</u>	<u>Grantor's Number</u>	<u>Award Period</u>	<u>Amounts Provided to Subrecipients</u>	<u>Grant Expenditures</u>
<b><u>City of Philadelphia Awards:</u></b>				
<u>Department of Behavioral Health and Intellectual Disabilities</u>				
MH Community Services	21-200005	07/01/20 - 06/30/21	\$ -	\$ 1,665
AM-Homeless	21-200005	07/01/20 - 06/30/21	-	16,400
Total Philadelphia Department of Public Health			-	18,065
 <u>Department of Human Services</u>				
Improving Outcomes for Children	21-20176	07/01/20 - 06/30/21	-	1,440,237
Total Philadelphia Department of Human Services			-	1,440,237
 <u>Division of Housing and Community Development</u>				
Housing and Economic Development	20-20367	10/01/19 - 09/30/20	-	4,009
Total Philadelphia Division of Housing and Community Development			-	4,009
 <u>School District of Philadelphia</u>				
Head Start/Pre-K Counts	2842/FY21	07/01/20 - 06/30/21	-	157,502
Total School District of Philadelphia			-	157,502
Total Expenditures of City Awards			-	1,619,813
Total Expenditures of Awards			\$ -	\$ 16,373,679

See Independent Auditor's Report.  
See accompanying Notes to Schedule of Expenditures of Federal, State and City Awards.

**Asociación Puertorriqueños en Marcha, Inc. and Affiliates**  
**Notes to Schedule of Expenditures of Federal, State and City Awards**  
**June 30, 2021**

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**1. GENERAL INFORMATION**

The accompanying schedule of expenditures of Federal, state, and city awards presents the activities in all of the Federal, state, and city financial assistance programs of APM. All financial assistance received directly from Federal agencies as well as financial assistance passed through other governmental agencies or non-profit organizations are included on the schedule.

**2. BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of Federal, state, and city awards is presented using the accrual basis of accounting. The amounts reported in this schedule as expenditures may differ from certain financial reports submitted to Federal, state, or city funding agencies due to those reports being submitted on either a cash or modified accrual basis of accounting.

**3. RELATIONSHIP TO BASIC CONSOLIDATED FINANCIAL STATEMENTS**

Federal, state, and city award expenditures are reported on the consolidated statements of functional expenses as program services and management and general. In certain programs, the expenditures reported in the basic consolidated financial statements may differ from the expenditures reported in the schedule of expenditures of Federal, state, and city awards due to program expenditures exceeding grant or contract budget limitations which are not included as Federal, state, and city awards and differences between generally accepted accounting principles and applicable government regulations regarding eligible program expenditures. The basic consolidated financial statements present the consolidated expenditures of Asociación Puertorriqueños en Marcha, Inc., Camino Verde, L.P., APM Properties, Inc., Pradera Corporation, Borinquen Plaza Associates, L.P., Refugio De Amor, L.P., Escalera Associates, L.P., Borinquen Associates, L.P., Borinquen Associates II, L.P. and Taino Gardens, L.P., and the schedule of expenditures of Federal, state and city awards presents the expenditures of APM only, without eliminating transactions between these entities.

**4. INDIRECT COST RATE**

APM has not made an election pursuant to 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, to receive a 10% de minimis indirect cost rate. Furthermore, APM does not receive any federal indirect costs.

**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**

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors,  
Asociación Puertorriqueños en Marcha, Inc.:

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Asociación Puertorriqueños en Marcha, Inc. and Affiliates, which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities and changes in net assets, cash flows and functional expenses for the years then ended and the related notes to the financial statements, and have issued our report thereon dated February 3, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Asociación Puertorriqueños en Marcha, Inc. and Affiliates' internal control over financial reporting (internal control) as a basis for designing 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 Asociación Puertorriqueños en Marcha, Inc. and Affiliates' internal control. Accordingly, we do not express an opinion on the effectiveness of Asociación Puertorriqueños en Marcha, Inc. and Affiliates' 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 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.

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 Asociación Puertorriqueños en Marcha, Inc. and Affiliates' consolidated financial statements are free of material misstatement, we performed tests of their compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Withum Smith + Brown, PC".

February 3, 2022

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL, STATE AND CITY PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH  
UNIFORM GUIDANCE AND THE CITY OF PHILADELPHIA SUBRECIPIENT AUDIT GUIDE**

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors,  
Asociación Puertorriqueños en Marcha, Inc.:

**Report on Compliance for Each Major Federal, State and City Program**

We have audited the compliance of Asociación Puertorriqueños en Marcha, Inc. with the types of compliance requirements described in the *OMB Compliance Supplement* and the *City of Philadelphia Subrecipient Audit Guide* that could have a direct and material effect on each of its major Federal, state and city programs for the year ended June 30, 2021. Asociación Puertorriqueños en Marcha, Inc.'s major Federal, state and city programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Asociación Puertorriqueños en Marcha, Inc.'s major Federal, state and city 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; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and the *City of Philadelphia Subrecipient Audit Guide*. Those standards, Uniform Guidance and the *City of Philadelphia Subrecipient Audit 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, state and city program occurred. An audit includes examining, on a test basis, evidence about Asociación Puertorriqueños en Marcha, Inc.'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, state and city program. However, our audit does not provide a legal determination of Asociación Puertorriqueños en Marcha, Inc.'s compliance.

### Opinion on Each Major Federal, State and City Program

In our opinion, Asociación Puertorriqueños en Marcha, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal, state and city programs for the year ended June 30, 2021.

### Report on Internal Control Over Compliance

The management of Asociación Puertorriqueños en Marcha, Inc. 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 Asociación Puertorriqueños en Marcha, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal, state and city program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal, state and city program and to test and report on internal control over compliance in accordance with Uniform Guidance and the *City of Philadelphia Subrecipient Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Asociación Puertorriqueños en Marcha, Inc.'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, state or city program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal, state or city program will not be prevented or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency or a combination of deficiencies in internal control over compliance with a type of compliance requirement in a Federal, state, or city program that is less severe than a material weakness in internal control over compliance but important enough to merit attention by those charged with governance.

Our consideration of the 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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we considered 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 requirements of Uniform Guidance and the *City of Philadelphia Subrecipient Audit Guide*. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Withum Smith + Brown, PC".

February 3, 2022

**Asociación Puertorriqueños en Marcha, Inc.  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2021**

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**Section 1 – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting: Material weaknesses identified?	No
Control deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

**Federal, State and City Awards**

Internal control over major programs: Material weaknesses identified?	No
Control deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditor’s report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 200.516(a) of Uniform Guidance?	No

The following Federal program was designated as a major program:

<b>CFDA Number(s)</b>	<b>Name of Federal Program or Cluster</b>
93.658	Improving Outcomes for Children
14.267	Supportive Housing

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

**Section 2 – Financial Statement Findings**

None reported.

**Section 3 – Federal, State and City Award Findings and Questioned Costs**

None reported.

**Section 4 – Follow-Up of Prior Year Audit Findings**

None reported.



**CITY OF PHILADELPHIA DEPARTMENT OF HUMAN SERVICES (DHS)**



## REPORT ON COMPLIANCE WITH SPECIFIED INDIRECT COST ALLOCATION REQUIREMENTS

### INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors,  
Asociación Puertorriqueños en Marcha, Inc.:

We have examined Asociación Puertorriqueños en Marcha, Inc.'s compliance with allocating indirect costs reflected in the City of Philadelphia, Department of Human Services' Report of Functional Expenditures as required by the Commonwealth of Pennsylvania, Department of Public Welfare, Section 3170.60 of the Chapter 3170 Regulations; and the "Indirect Cost Allocations" Section of the *City of Philadelphia Subrecipient Audit Guide – Instructions For Completing The Report of Functional Expenditures* (Section 2000, Exhibit B) during the year ended June 30, 2021. Management is responsible for Asociación Puertorriqueños en Marcha, Inc.'s compliance with those requirements. Our responsibility is to express an opinion on Asociación Puertorriqueños en Marcha, Inc.'s compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether Asociación Puertorriqueños en Marcha, Inc. complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether Asociación Puertorriqueños en Marcha, Inc. complied with the specified requirements. The nature, timing, and extent of procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on Asociación Puertorriqueños en Marcha, Inc.'s compliance with specified requirements.

In our opinion, Asociación Puertorriqueños en Marcha, Inc. complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2021.

The purpose of this report is solely to report upon Asociación Puertorriqueños en Marcha, Inc.'s compliance with the requirements described in the first paragraph. This report is not suitable for any other purpose. This report is solely for the information and use of the Board of Directors, management, and the City of Philadelphia Department of Human Services and is not intended to be and should not be used by anyone other than those specified parties.



February 3, 2022

**Asociación Puertorriqueños en Marcha, Inc.**  
**DHS Report of Revenue by Functional Programs**  
**Year Ended June 30, 2021**

REPORT OF REVENUE BY FUNCTIONAL PROGRAMS		Agency Name: Asociación Puertorriqueños en Marcha, Inc.		City of Philadelphia					
Year Ended: June 30, 2021		Address: 1900 N. 9th Street, Suite 102 Philadelphia, PA 19122		Department of Human Services					
Sources of Revenue		(A) Total All Functions	Improving Outcomes for Children (IOC)						All Other
60	Federal Government	-	-	-	-	-	-	-	-
61	Title I	-	-	-	-	-	-	-	-
62	Title II	-	-	-	-	-	-	-	-
63	Title XIX	-	-	-	-	-	-	-	-
64	Title XX	-	-	-	-	-	-	-	-
65	Other Federal (Specify)	97,200	-	-	-	-	-	-	97,200
66	HUD	822,465	-	-	-	-	-	-	822,465
67	HHS	2,852,577	-	-	-	-	-	-	2,852,577
68	NCLR	-	-	-	-	-	-	-	-
69		-	-	-	-	-	-	-	-
70	US Dept of Commerce	-	-	-	-	-	-	-	-
71	Commonwealth of PA- DCED	-	-	-	-	-	-	-	-
72	Commonwealth of PA - CACFP	19,899	-	-	-	-	-	-	19,899
73	SWN	257,150	-	-	-	-	-	-	257,150
74	Phila. DHS	14,079,155	9,226,375	-	-	-	-	-	4,852,780
75	Phila. DHS Comm. Block Grants	-	-	-	-	-	-	-	-
76	Philadelphia OHS	397,428	-	-	-	-	-	-	397,428
77	Phila. DHCD	135,610	-	-	-	-	-	-	135,610
78	CBH	5,770,180	-	-	-	-	-	-	5,770,180
79	Phila. - PHMC	28,457	-	-	-	-	-	-	28,457
80		-	-	-	-	-	-	-	-
81	Phila. Dept. of Health	-	-	-	-	-	-	-	-
82	OBH/MR	180,648	-	-	-	-	-	-	180,648
83	Other City	384,986	-	-	-	-	-	-	384,986
84	Other State	2,225,595	-	-	-	-	-	-	2,225,595
85	Fundraising	-	-	-	-	-	-	-	-
86	Investment Income	190,507	-	-	-	-	-	-	190,507
87	TPAC	-	-	-	-	-	-	-	-
88	Rental Income	3,244,766	-	-	-	-	-	-	3,244,766
89	Private Fundraising	-	-	-	-	-	-	-	-
90	Foundations	492,177	-	-	-	-	-	-	492,177
91	United Way	-	-	-	-	-	-	-	-
92	Program Income	3,778,468	-	-	-	-	-	-	3,778,468
93	Client Fees	113,026	-	-	-	-	-	-	113,026
94	Other	5,656,221	-	-	-	-	-	-	5,656,221
95	Grand Total	40,726,515	9,226,375	-	-	-	-	-	31,500,140

Accounting Method Used: Accrual

(A) "Total All Functions" is the total of all revenues/expense of all affiliates with eliminations for consolidation.

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**DHS Report of Functional Expenditures**  
**Year Ended June 30, 2021**

REPORT OF FUNCTIONAL EXPENDITURES		Agency Name: Asociación Puertorriqueños en Marcha, Inc.							
Year Ended: June 30, 2021		Address: 1900 N. 9th Street, Suite 102 Philadelphia, PA 19122							
Object of Expense		(A) Total All Functions	Improving Outcomes for Children (IOC)						All Other
	Salaries & Wages								
1	Administration	847,381	608,730	-	-	-	-	-	238,651
2	Professional	11,085,287	3,862,220	-	-	-	-	-	7,223,067
3	Clerical	595,422	38,299	-	-	-	-	-	557,123
4	Maintenance & Services	284,203	79,368	-	-	-	-	-	204,835
5	Child Care & Activities	-	-	-	-	-	-	-	-
6	F.I.C.A. (Employer's Share)	974,410	413,698	-	-	-	-	-	560,712
7	Unemployment Compensation	127,367	46,821	-	-	-	-	-	80,546
8	Worker's Compensation	63,689	27,041	-	-	-	-	-	36,648
9	Employee Benefits	2,655,790	1,000,363	-	-	-	-	-	1,655,427
10	Other (Specify)	-	-	-	-	-	-	-	-
11	Total Social Service & Child Care	16,633,549	6,076,540	-	-	-	-	-	10,557,009
12	MH/MR Salaries	-	-	-	-	-	-	-	-
13	MH/MR F.I.C.A. (Employer's Share)	-	-	-	-	-	-	-	-
14	MH/MR Unemployment Comp	-	-	-	-	-	-	-	-
15	MH/MR Worker's Compensation	-	-	-	-	-	-	-	-
16	MH/MR Employee Benefits	-	-	-	-	-	-	-	-
17	Total MH/MR	-	-	-	-	-	-	-	-
18	Educational Salaries	-	-	-	-	-	-	-	-
19	Educational F.I.C.A. (Employer's Share)	-	-	-	-	-	-	-	-
20	Educational Unemployment Compensation	-	-	-	-	-	-	-	-
21	Educational Worker's Compensation	-	-	-	-	-	-	-	-
22	Educational Employee Benefit's	-	-	-	-	-	-	-	-
23	Total Educational	-	-	-	-	-	-	-	-
24	Medical Salaries	-	-	-	-	-	-	-	-
25	Medical F.I.C.A. (Employer's Share)	-	-	-	-	-	-	-	-
26	Medical Unemployment Compensation	-	-	-	-	-	-	-	-
27	Medical Worker's Compensation	-	-	-	-	-	-	-	-
28	Medical Employee Benefit's	-	-	-	-	-	-	-	-
29	Total Medical	-	-	-	-	-	-	-	-
30	TOTAL SALARIES & WAGES	16,633,549	6,076,540	-	-	-	-	-	10,557,009

(A) "Total All Functions" is the total of all revenues/expense of all affiliates with eliminations for consolidation.

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**DHS Report of Functional Expenditures**  
**Year Ended June 30, 2021**

REPORT OF FUNCTIONAL EXPENDITURES		Agency Name: Asociación Puertorriqueños en Marcha, Inc.								
Year Ended: June 30, 2021		Address: 1900 N. 9th Street, Suite 102 Philadelphia, PA 19122								
Object of Expense	(A) Total All Functions	Improving Outcomes for Children (IOC)								All Other
<b>OPERATING EXPENSE &amp; ADMIN</b>										
31	Professional Fees and Contract Pmts	5,095,456	197,665	-	-	-	-	-	-	4,897,791
32	Supplies	803,343	14,449	-	-	-	-	-	-	788,894
33	Telephone	594,927	131,665	-	-	-	-	-	-	463,262
34	Postage & Shipping	16,744	5,496	-	-	-	-	-	-	11,248
35	Local Transportation	99,978	38,327	-	-	-	-	-	-	61,651
36	Outside Printing, Artwork, Etc.	11,715	232	-	-	-	-	-	-	11,483
37	Conferences, Conventions, & Mtgs.	112,193	8,839	-	-	-	-	-	-	103,354
38	Subscriptions, Publications	30,729	1,645	-	-	-	-	-	-	29,084
39	Interest expense	328,446	7,413	-	-	-	-	-	-	321,033
40	Awards & Grants	-	-	-	-	-	-	-	-	-
41	Equipment Furn & Mtr Vehicles Rental	121,740	18,053	-	-	-	-	-	-	103,687
42	Equipment Furn & Mtr Vehicles Use Allowance	2,230,928	162,581	-	-	-	-	-	-	2,068,347
43	Fundraising	-	-	-	-	-	-	-	-	-
44	Other (Specify) - Liability insurance	1,434,791	874,229	-	-	-	-	-	-	560,562
	- Bad debt expense	35,275	-	-	-	-	-	-	-	35,275
	- Misc Expenses	1,908,108	741,053	-	-	-	-	-	-	1,167,055
	- Equipment purchases (B)	-	-	-	-	-	-	-	-	-
45	Total Social Service & Child Care	12,824,373	2,201,647	-	-	-	-	-	-	10,622,726
46	Operating Expense - MH/MR	-	-	-	-	-	-	-	-	-
47	Operating Expense - Educational	-	-	-	-	-	-	-	-	-
48	Operating Expense - Medical	-	-	-	-	-	-	-	-	-
49	<b>TOTAL OPERATING EXPENSE &amp; ADMIN</b>	<b>12,824,373</b>	<b>2,201,647</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,622,726</b>
<b>OCCUPANCY</b>										
50	Office Rent	1,767,178	502,632	-	-	-	-	-	-	1,264,546
51	Bldg. & Bldg. Equip. Ins.	90,771	55,307	-	-	-	-	-	-	35,464
52	Bldg. Grounds Maint & Repair	400,962	131,821	-	-	-	-	-	-	269,141
53	Utilities	580,580	32,943	-	-	-	-	-	-	547,637
54	Misc Items - Special Funds	13,572	11,858	-	-	-	-	-	-	1,714
55		-	-	-	-	-	-	-	-	-
56		-	-	-	-	-	-	-	-	-
57	Other (Specify) Rent subsidy	1,040,956	-	-	-	-	-	-	-	1,040,956
58	Total Social Service & Child Care	3,894,019	734,561	-	-	-	-	-	-	3,159,458
59	Occupancy Expense - MH/MR	-	-	-	-	-	-	-	-	-
60	Occupancy Expense - Educational	-	-	-	-	-	-	-	-	-
61	Occupancy Expense - Medical	-	-	-	-	-	-	-	-	-
62	<b>TOTAL OCCUPANCY EXPENSE</b>	<b>3,894,019</b>	<b>734,561</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,159,458</b>

(A) "Total All Functions" is the total of all revenues/expense of all affiliates with eliminations for consolidation.

(B) GAAP reclassification contra-account has been excluded for purposes of contract reporting. This was included as part of the Statement of Functional Expenses for GAAP reporting.

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**DHS Report of Functional Expenditures**  
**Year Ended June 30, 2021**

REPORT OF FUNCTIONAL EXPENDITURES		Agency Name: Asociación Puertorriqueños en Marcha, Inc.							
Year Ended: June 30, 2021		Address: 1900 N. 9th Street, Suite 102 Philadelphia, PA 19122							
Object of Expense	(A) Total All Functions	Improving Outcomes for Children (IOC)							All Other
	CHILDREN'S DIRECT EXPENSE								
63	Food or Board Payments	69,548	635	-	-	-	-	-	68,913
64	Subsidy Payments to Foster Parents	5,207,749	269,298	-	-	-	-	-	4,938,451
65	Clothing, Cleaning, & Repairing	-	-	-	-	-	-	-	-
66	Activities, Recreation, Camp	74	-	-	-	-	-	-	74
67	Personal Expenses	-	-	-	-	-	-	-	-
68	Transportation	-	-	-	-	-	-	-	-
69	Medical & Dental Fees & Supplies	-	-	-	-	-	-	-	-
70	Other (Specify)	-	-	-	-	-	-	-	-
71	Total Social Service & Child Care	5,277,371	269,933	-	-	-	-	-	5,007,438
72	Children's Direct Exp. - MH/MR	-	-	-	-	-	-	-	-
73	Children's Direct Exp. - Educational	-	-	-	-	-	-	-	-
74	Children's Direct Exp. - Medical	-	-	-	-	-	-	-	-
75	TOTAL CHILDREN'S DIRECT EXPENSE	5,277,371	269,933	-	-	-	-	-	5,007,438
	GRAND TOTAL EXPENSES	38,629,312	9,282,681	-	-	-	-	-	29,346,631
76	Child Care & Social Services	-	-	-	-	-	-	-	-
77	MH/MR	-	-	-	-	-	-	-	-
78	Educational	-	-	-	-	-	-	-	-
79	Medical	-	-	-	-	-	-	-	-
80	Non-Allowable Expenses	-	-	-	-	-	-	-	-
81	GRAND TOTAL ALL EXPENSES	38,629,312	9,282,681	-	-	-	-	-	29,346,631
	TOTAL DAYS OF CARE ALL CHILDREN	-	-	-	-	-	-	-	-
	TOTAL DAYS OF CARE DHS CHILDREN	-	-	-	-	-	-	-	-
	CAPACITY OF ALL FACILITIES	-	-	-	-	-	-	-	-

(A) "Total All Functions" is the total of all revenues/expense of all affiliates with eliminations for consolidation.

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**DHS Report of Excess Revenue (Deficit)**  
**Year Ended June 30, 2021**

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	<u>Total DHS Services</u>	<u>Improving Outcomes for Children (IOC)</u>
<b>Total DHS revenue</b>	\$ 9,226,375	\$ 9,226,375
<b>Deduct: Expenditures for Philadelphia DHS services</b>		
Salaries and wages	6,076,540	6,076,540
Operating and administration	2,201,647	2,201,647
Occupancy	734,561	734,561
Children's direct expenses	<u>269,933</u>	<u>269,933</u>
<b>Total DHS expenses</b>	<u>9,282,681</u>	<u>9,282,681</u>
<b>Excess revenue (deficit)</b>	<u>\$ (56,306)</u>	<u>\$ (56,306)</u>

See Independent Auditor's Report.



**CITY OF PHILADELPHIA DEPARTMENT OF BEHAVIORAL HEALTH AND  
INTELLECTUAL DISABILITIES (DBHIDS)**

## REPORT ON COMPLIANCE WITH SPECIFIED INDIRECT COST ALLOCATION REQUIREMENTS

### INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors,  
Asociación Puertorriqueños en Marcha, Inc.:

We have examined Asociación Puertorriqueños en Marcha, Inc.'s compliance with allocating indirect costs reflected in the City of Philadelphia, Department of Behavioral Health and Intellectual Disabilities program activity summary as required by the Commonwealth of Pennsylvania, Department of Public Welfare, Section 4300.94 of the Title 4300 Regulations during the year ended June 30, 2021. Management is responsible for Asociación Puertorriqueños en Marcha, Inc.'s compliance with those requirements. Our responsibility is to express an opinion on Asociación Puertorriqueños en Marcha, Inc.'s compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether Asociación Puertorriqueños en Marcha, Inc. complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether Asociación Puertorriqueños en Marcha, Inc. complied with the specified requirements. The nature, timing, and extent of procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on Asociación Puertorriqueños en Marcha, Inc.'s compliance with specified requirements.

In our opinion, Asociación Puertorriqueños en Marcha, Inc. complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2021.

The purpose of this report is solely to report upon on Asociación Puertorriqueños en Marcha, Inc.'s. compliance with the requirements described in the first paragraph. This report is not suitable for any other purpose. This report is solely for the information and use of the Board of Directors, management, and the City of Philadelphia Department of Behavioral Health and Intellectual Disabilities and is not intended to be and should not be used by anyone other than those specified parties.



February 3, 2022



## **REPORT ON APPLYING AGREED-UPON PROCEDURES ON COST ALLOCATION PLAN (FOR UPCOMING BUDGET YEAR)**

### **INDEPENDENT ACCOUNTANT'S REPORT**

To the Board of Directors,  
Asociación Puertorriqueños en Marcha, Inc.:

We have performed the procedures enumerated below with respect to the administrative costs distribution included in the Line Item Budget for the year ended June 30, 2021 submitted by Asociación Puertorriqueños en Marcha, Inc. to the City of Philadelphia, Department of Behavioral Health and Intellectual Disabilities to assist you in your filing requirements with the City of Philadelphia, Department of Behavioral Health and Intellectual Disabilities. Management of Asociación Puertorriqueños en Marcha, Inc. is responsible for the distribution of administrative costs included in the line item budget.

Management of Asociación Puertorriqueños en Marcha, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the City of Philadelphia Department of Behavioral Health and Intellectual Disabilities. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

- a. We obtained a schedule contained within the 2021 Line Item Budget which reflected the allocation factors utilized in distributing administrative costs.
- b. We confirmed our understanding of the method of allocating administrative costs through examination of supporting work papers and by discussions with management responsible for allocation factors.
- c. We compared Asociación Puertorriqueños en Marcha, Inc.'s method of allocating costs to those requirements as specified in Section 4300.94 of the Title 4300 Regulations Related Methods for Allocating Indirect Costs in order to confirm whether the cost allocation is in compliance with those regulations.
- d. We compared the allocation methods used between the current fiscal year and prior fiscal year to determine consistency between years. The cost allocation method is the simplified allocation method.

The Commonwealth of Pennsylvania, Department of Public Welfare, Section 4300.94 of Title 4300 Regulations state, "The overall objective of the allocation process is to distribute the indirect costs of the agency to its various services or cost categories in reasonable proportion with the benefits provided to these services or cost categories." The regulations require that the method used results in a fair and equitable distribution of costs which shall be in direct relation to actual benefits accruing to the services to which costs are charged.

We were engaged by Asociación Puertorriqueños en Marcha, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the administrative costs distribution included in the Line Item Budget for the year ended June 30, 2021 submitted by Asociación Puertorriqueños en Marcha, Inc. to the City of Philadelphia, Department of Behavioral Health and Intellectual Disabilities to assist you in your filing requirements with the City of Philadelphia. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Asociación Puertorriqueños en Marcha, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended for the information of management, the Board of Directors, and the City of Philadelphia Department of Behavioral Health and Intellectual Disabilities and is not intended to be and should not be used by anyone other than those specified parties. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in blue ink that reads "Withum Smith + Brown, PC".

Philadelphia, PA,  
February 3, 2022

Asociación Puertorriqueños en Marcha, Inc.  
 Program Activity Invoice Summary  
 Year Ended June 30, 2021

AGENCY NAME: Asociacion De Puertorriquenos En Marcha, Inc.					PERIOD COVERED 4/1/2021 til 6/30/2021					
PROGRAM ACTIVITY SUMMARY ( ) BH			DEPARTMENT OF BEHAVIORAL HEALTH		APPROVED EXECUTIVE DIRECTOR:			FISCAL YEAR: 2021		
					BOARD CHAIRPERSON:			DATE SUBMITTED:		
PROGRAM ACTIVITY	PAC CODE	PROGRAM NAME	CONTRACT NUMBER	ELIGIBLE EXPENDITURES				REVENUE	NET ELIGIBLE TO BE FUNDED	INELIGIBLE COST
				PERSONNEL	OPERATING	ADMIN.	TOTAL			
CC Special Coord	0100-0293			14,405	399	1,848	16,651			
Calle Cuatro	0100-2254			92,695	12,407	16,164	121,266			
<b>TOTAL</b>										

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Department of Behavioral Health and Intellectual Disabilities**  
**Schedules of Adjustments on Program Activity Invoice Summary**  
**Year Ended June 30, 2021**

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**Contract Number: 21-200005**  
**PAC Code (Community Services): #0100-0293**

There were no adjustments to the Program Activity Invoice Summary.

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Department of Behavioral Health and Intellectual Disabilities**  
**Schedules of Adjustments on Program Activity Invoice Summary**  
**Year Ended June 30, 2021**

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**Contract Number: 21-200005**  
**PAC Code (HS-Apartments): #0100-2254**

There were no adjustments to the Program Activity Invoice Summary.



**CITY OF PHILADELPHIA DIVISION OF HOUSING AND COMMUNITY  
DEVELOPMENT (DHCD)**

**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Statement of Source and Status of Funds – Contract Number 21-20272**  
**Year Ended June 30, 2021**

	<u>CDBG Funds</u>	<u>Program Income</u>	<u>CDBG COVID</u>	<u>Non-City Funds</u>	<u>Total</u>
Total contract (Final authorized budget)	\$ 75,000	\$ -	\$ 70,000	\$ -	\$ 145,000
Less:					
Funds drawn down - prior fiscal years	-	-	-	-	-
Funds drawn down - current year	<u>23,951</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,951</u>
Total funds drawn down	<u>23,951</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,951</u>
Funds still available for draw down	51,049	-	70,000	-	121,049
Total funds drawn down	23,951	-	-	-	23,951
Add: Program income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds received	23,951	-	-	-	23,951
Less:					
Program income expended					
Funds applied - prior fiscal years	-	-	-	-	-
Funds applied - current fiscal year	<u>43,423</u>	<u>-</u>	<u>5,240</u>	<u>-</u>	<u>48,663</u>
Total funds applied	<u>43,423</u>	<u>-</u>	<u>5,240</u>	<u>-</u>	<u>48,663</u>
Total funds due from funding source	<u>19,472</u>	<u>-</u>	<u>5,240</u>	<u>-</u>	<u>24,712</u>
Total funds available for disposition	<u>\$ 31,577</u>	<u>\$ -</u>	<u>\$ 64,760</u>	<u>\$ -</u>	<u>\$ 96,337</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Statement of Program Expenditures – Contract Number 21-20272**  
**Year Ended June 30, 2021**

Contract Categories	Project Budget				7/1/2020				07/01/20-06/30/21				Cumulative to 6/30/21				Questioned Costs
	CDBG	CDBG	Other	Total	CDBG	CDBG	Other	Total	CDBG	CDBG	Other	Total	CDBG	CDBG	Other	Total	
	Funds	COVID	Non-City	Funds	Funds	COVID	Non-City	Funds	Funds	COVID	Non-City	Funds	Funds	COVID	Non-City	Funds	
Direct personnel	\$ 49,450	\$ 47,200	\$ -	\$ 96,650	\$ -	\$ -	\$ -	\$ -	\$ 30,645	\$ 4,230	\$ -	\$ 34,875	\$ 30,645	\$ 4,230	\$ -	\$ 34,875	\$ -
Direct fringe benefits	14,835	12,853	-	27,688	-	-	-	-	7,686	1,010	-	8,696	7,686	1,010	-	8,696	-
Travel	275	275	-	550	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy	3,260	3,200	-	6,460	-	-	-	-	3,060	-	-	3,060	3,060	-	-	3,060	-
Consumable supplies	1,600	902	-	2,502	-	-	-	-	783	-	-	783	783	-	-	783	-
Professional fees	3,750	3,900	-	7,650	-	-	-	-	351	-	-	351	351	-	-	351	-
Equipment	700	950	-	1,650	-	-	-	-	776	-	-	776	776	-	-	776	-
Program cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	1,130	720	-	1,850	-	-	-	-	122	-	-	122	122	-	-	122	-
Operating subtotal	75,000	70,000	-	145,000	-	-	-	-	43,423	5,240	-	48,663	43,423	5,240	-	48,663	-
Audit costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract total	<u>\$ 75,000</u>	<u>\$ 70,000</u>	<u>\$ -</u>	<u>\$ 145,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,423</u>	<u>\$ 5,240</u>	<u>\$ -</u>	<u>\$ 48,663</u>	<u>\$ 43,423</u>	<u>\$ 5,240</u>	<u>\$ -</u>	<u>\$ 48,663</u>	<u>\$ -</u>

See Independent Auditor's Report.



**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Schedule of Program Income – Contract Number 21-20272**  
**Year Ended June 30, 2021**

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There was no program income reported for the year ended June 30, 2021.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Reconciliation Schedule – Contract Number 21-20272**  
**Year Ended June 30, 2021**

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<u>Category</u>	<u>Amount Per Books and Records</u>	<u>Amount Per 6/30/21 Subrecipient Invoices</u>	<u>Difference</u>
Contract amount	\$ 145,000	\$ 145,000	\$ -
Program costs			
Current year	48,663	48,663	-
Cumulative	48,663	48,663	-
Funds drawn down			
Current year	23,951	23,951	-
Cumulative	<u>23,951</u>	<u>23,951</u>	<u>-</u>
Balance of advance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Statement of Source and Status of Funds - Contract Number 20-20220**  
**Year Ended June 30, 2021**

	<u>CDBG Funds</u>	<u>Program Income</u>	<u>Other City Funds</u>	<u>Non-City Funds</u>	<u>Total</u>
Total contract (Final Authorized Budget)	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000
Less:					
Funds drawn down - prior fiscal years	9,908	-	-	-	9,908
Funds drawn down - current year	<u>51,147</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,147</u>
Total funds drawn down	<u>61,055</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,055</u>
Funds still available for draw down	13,945	-	-	-	13,945
Total funds drawn down	61,055	-	-	-	61,055
Add: Program income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds received	61,055	-	-	-	61,055
Less:					
Program income expended					
Funds applied - prior fiscal years	29,111	-	-	-	29,111
Funds applied - current fiscal year	<u>31,944</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,944</u>
Total funds applied	<u>61,055</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,055</u>
Total funds due from funding source	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds available for disposition	<u>\$ 13,945</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,945</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Statement of Program Expenditures – Contract Number 20-20220**  
**Year Ended June 30, 2021**

Contract Categories	Project Budget				7/1/2020				07/01/20-06/30/21				Cumulative to 6/30/21				Questioned Costs
	CDBG Funds	Other City Funds	Other Non-City Funds	Total Funds	CDBG Funds	Other City Funds	Other Non-City Funds	Total Funds	CDBG Funds	Other City Funds	Other Non-City Funds	Total Funds	CDBG Funds	Other City Funds	Other Non-City Funds	Total Funds	
Direct personnel	\$ 47,715	\$ -	\$ -	\$ 47,715	\$ 18,149	\$ -	\$ -	\$ 18,149	\$ 23,592	\$ -	\$ -	\$ 23,592	\$ 41,741	\$ -	\$ -	\$ 41,741	\$ -
Direct fringe benefits	10,780	-	-	10,780	4,538	-	-	4,538	6,228	-	-	6,228	10,766	-	-	10,766	-
Travel	300	-	-	300	42	-	-	42	-	-	-	-	42	-	-	42	-
Occupancy	6,386	-	-	6,386	2,489	-	-	2,489	691	-	-	691	3,180	-	-	3,180	-
Consumable supplies	5,259	-	-	5,259	693	-	-	693	77	-	-	77	770	-	-	770	-
Professional fees	-	-	-	-	-	-	-	-	1,117	-	-	1,117.00	1,117.00	-	-	1,117	-
Equipment	1,260	-	-	1,260	748	-	-	748	152	-	-	152	900	-	-	900	-
Program cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	1,800	-	-	1,800	1,200	-	-	1,200	87	-	-	87	1,287	-	-	1,287	-
Operating subtotal	73,500	-	-	73,500	27,859	-	-	27,859	31,944	-	-	31,944	59,803	-	-	59,803	-
Audit costs	1,500	-	-	1,500	1,252	-	-	1,252	-	-	-	-	1,252	-	-	1,252	-
Contract total	\$ 75,000	\$ -	\$ -	\$ 75,000	\$ 29,111	\$ -	\$ -	\$ 29,111	\$ 31,944	\$ -	\$ -	\$ 31,944	\$ 61,055	\$ -	\$ -	\$ 61,055	\$ -

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Schedule of Program Income – Contract Number 20-20220**  
**Year Ended June 30, 2021**

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There was no program income reported for the year ended June 30, 2021.

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Reconciliation Schedule – Contract Number 20-20220**  
**Year Ended June 30, 2021**

<u>Category</u>	<u>Amount Per Books and Records</u>	<u>Amount Per 6/30/21 Subrecipient Invoices</u>	<u>Difference</u>
Contract amount	\$ 75,000	\$ 75,000	\$ -
Program costs			
Current year	31,944	31,944	-
Cumulative	61,055	61,055	-
Funds drawn down			
Current year	51,147	51,147	-
Cumulative	<u>61,055</u>	<u>61,055</u>	<u>-</u>
Balance of advance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Statement of Source and Status of Funds - Contract Number 21-20377**  
**Year Ended June 30, 2021**

	<u>CDBG Funds</u>	<u>Program Income</u>	<u>CDBG-CV CARES Funds</u>	<u>Non-City Funds</u>	<u>Total</u>
Total contract (Final authorized budget)	\$ 65,000	\$ -	\$ 35,000	\$ -	\$ 100,000
Less:					
Funds drawn down - prior fiscal years	-	-	-	-	-
Funds drawn down - current year	<u>17,533</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,533</u>
Total funds drawn down	<u>17,533</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,533</u>
Funds still available for draw down	47,467	-	35,000	-	82,467
Total funds drawn down	17,533	-	-	-	17,533
Add: Program income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds received	17,533	-	-	-	17,533
Less:					
Program income expended					
Funds applied - prior fiscal years	-	-	-	-	-
Funds applied - current fiscal year	<u>30,749</u>	<u>-</u>	<u>2,844</u>	<u>-</u>	<u>33,593</u>
Total funds applied	<u>30,749</u>	<u>-</u>	<u>2,844</u>	<u>-</u>	<u>33,593</u>
Total funds due from funding source	<u>13,216</u>	<u>-</u>	<u>2,844</u>	<u>-</u>	<u>16,060</u>
Total funds available for disposition	<u>\$ 34,251</u>	<u>\$ -</u>	<u>\$ 32,156</u>	<u>\$ -</u>	<u>\$ 66,407</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Statement of Program Expenditures – Contract Number 21-20377**  
**Year Ended June 30, 2021**

Contract Categories	Project Budget				Accrued Expenditures 7/1/2020				Accrued Expenditures 07/01/20-06/30/21				Accrued Expenditures Cumulative to 6/30/21				Questioned Costs
	CDBG	CDBG-CV	Other	Total	CDBG	CDBG-CV	Other	Total	CDBG	CDBG-CV	Other	Total	CDBG	CDBG-CV	Other	Total	
	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	
Direct personnel	\$ 40,200	\$ 12,240	\$ -	\$ 52,440	\$ -	\$ -	\$ -	\$ -	\$ 22,129	\$ 2,642	\$ -	\$ 24,771	\$ 22,129	\$ 2,642	\$ -	\$ 24,771	\$ -
Direct fringe benefits	10,050	1,859	-	11,909	-	-	-	-	5,020	202	-	5,222	5,020	202	-	5,222	-
Travel	1,299	-	-	1,299	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy	4,780	-	-	4,780	-	-	-	-	2,003	-	-	2,003	2,003	-	-	2,003	-
Consumable supplies	5,671	18,717	-	24,388	-	-	-	-	523	-	-	523	523	-	-	523	-
Professional fees	5,000	-	-	5,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment	1,500	2,184	-	3,684	-	-	-	-	871	-	-	871	871	-	-	871	-
Insurance	1,500	-	-	1,500	-	-	-	-	203	-	-	203	203	-	-	203	-
Operating subtotal	70,000	35,000	-	105,000	-	-	-	-	30,749	2,844	-	33,593	30,749	2,844	-	33,593	-
Audit costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract total	\$ 70,000	\$ 35,000	\$ -	\$ 105,000	\$ -	\$ -	\$ -	\$ -	\$ 30,749	\$ 2,844	\$ -	\$ 33,593	\$ 30,749	\$ 2,844	\$ -	\$ 33,593	\$ -

See Independent Auditor's Report.



**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Schedule of Program Income – Contract Number 21-20377**  
**Year Ended June 30, 2021**

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There was no program income reported for the year ended June 30, 2021.

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Reconciliation Schedule – Contract Number 21-20377**  
**Year Ended June 30, 2021**

<u>Category</u>	<u>Amount Per Books and Records</u>	<u>Amount Per 6/30/21 Subrecipient Invoices</u>	<u>Difference</u>
Contract amount	\$ 105,000	\$ 105,000	\$ -
Program costs			
Current year	33,593	33,593	-
Cumulative	33,593	33,593	-
Funds drawn down			
Current year	17,533	17,533	-
Cumulative	<u>17,533</u>	<u>17,533</u>	<u>-</u>
Balance of advance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Statement of Source and Status of Funds - Contract Number 20-20367**  
**Year Ended June 30, 2021**

	<u>CDBG Funds</u>	<u>Program Income</u>	<u>Other City Funds</u>	<u>Non-City Funds</u>	<u>Total</u>
Total contract (Final Authorized Budget)	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000
Less:					
Funds drawn down - prior fiscal years	30,134	-	-	-	30,134
Funds drawn down - current year	<u>29,967</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,967</u>
Total funds drawn down	<u>60,101</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,101</u>
Funds still available for draw down	4,899	-	-	-	4,899
Total funds drawn down	60,101	-	-	-	60,101
Add: Program income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds received	60,101	-	-	-	60,101
Total funds due from funding source	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds available for disposition	<u>\$ 4,899</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,899</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Statement of Program Expenditures – Contract Number 20-20367**  
**Year Ended June 30, 2021**

Contract Categories	Project Budget				Accrued Expenditures 7/1/2020				Accrued Expenditures 07/01/20-06/30/21				Accrued Expenditures Cumulative to 6/30/21				Questioned Costs
	CDBG Funds	Other City Funds	Other Non-City Funds	Total Funds	CDBG Funds	Other City Funds	Other Non-City Funds	Total Funds	CDBG Funds	Other City Funds	Other Non-City Funds	Total Funds	CDBG Funds	Other City Funds	Other Non-City Funds	Total Funds	
Direct personnel	\$ 39,903	\$ -	\$ -	\$ 39,903	\$ 25,366	\$ -	\$ -	\$ 25,366	\$ 9,692	\$ -	\$ -	\$ 9,692	\$ 35,058	\$ -	\$ -	\$ 35,058	\$ -
Direct fringe benefits	11,202	-	-	11,202	5,977	-	-	5,977	2,535	-	-	2,535	8,512	-	-	8,512	-
Travel	1,125	-	-	1,125	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy	5,418	-	-	5,418	2,696	-	-	2,696	1,348	-	-	1,348	4,044	-	-	4,044	-
Consumable supplies	3,484	-	-	3,484	2,316	-	-	2,316	1,885	-	-	1,885	4,201	-	-	4,201	-
Professional fees	-	-	-	-	-	-	-	-	-	4,009	-	4,009	-	4,009	-	4,009	-
Equipment	2,500	-	-	2,500	973	-	-	973	323	-	-	323	1,296	-	-	1,296	-
Insurance	1,368	-	-	1,368	2,225	-	-	2,225	-	-	-	-	2,225	-	-	2,225	-
Operating subtotal	65,000	-	-	65,000	39,553	-	-	39,553	15,783	4,009	-	19,792	55,336	4,009	-	59,345	-
Audit costs	-	-	-	-	567	-	-	567	189	-	-	189	756	-	-	756	-
Contract total	<u>\$ 65,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,000</u>	<u>\$ 40,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,120</u>	<u>\$ 15,972</u>	<u>\$ 4,009</u>	<u>\$ -</u>	<u>\$ 19,981</u>	<u>\$ 56,092</u>	<u>\$ 4,009</u>	<u>\$ -</u>	<u>\$ 60,101</u>	<u>\$ -</u>

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Schedule of Program Income – Contract Number 20-20367**  
**Year Ended June 30, 2021**

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There was no program income reported for the year ended June 30, 2021.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Division of Housing and Community Development (DHCD)**  
**Reconciliation Schedule – Contract Number 20-20367**  
**Year Ended June 30, 2021**

<u>Category</u>	<u>Amount Per Books and Records</u>	<u>Amount Per 6/30/21 Subrecipient Invoices</u>	<u>Difference</u>
Contract amount	\$ 65,000	\$ 65,000	\$ -
Program costs			
Current year	19,981	19,981	-
Cumulative	60,101	60,101	-
Funds drawn down			
Current year	29,967	29,967	-
Cumulative	<u>60,101</u>	<u>60,101</u>	<u>-</u>
Balance of advance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report.



**CITY OF PHILADELPHIA OFFICE OF HOMELESS SERVICES (OHS)**

**Asociación Puertorriqueños en Marcha, Inc.**  
**Office of Homeless Services (OHS)**  
**Reconciliations of Agency Reported Expenditures/Revenues to**  
**Audited Expenditures/Revenues – Contract Number 21-20805**  
**Year Ended June 30, 2021**

Budget Categories	Agency Total Contract Expenditures	Adjustments	(A) Amount per Audit
Personnel services			
Salaries	\$ -	\$ -	\$ -
Fringe benefits	-	-	-
Staff travel	-	-	-
Training/conferences	-	-	-
Subtotal - personnel services	-	-	-
Operating expenses			
Rent/occupancy	78,479	-	78,479
Utilities	-	-	-
Communications/telephone	-	-	-
Insurance	-	-	-
Audit services	-	-	-
Legal fees	-	-	-
Supplies (office/program)	-	-	-
Equipment leasing	-	-	-
Professional fees	-	-	-
Building maintenance costs	-	-	-
Taxes	-	-	-
Security deposits	-	-	-
Subtotal - operating expenses	78,479	-	78,479
Fixed assets			
Furnishings	-	-	-
Repairs/replacements	-	-	-
Subtotal - fixed assets	-	-	-
Administrative costs			
Salaries	-	-	-
Fringe benefits	-	-	-
Training/conferences/other	6,671	-	6,671
Subtotal - administrative costs	6,671	-	6,671
Participants			
Food	-	-	-
Food service products	-	-	-
Personal hygiene	-	-	-
Bedding/linen	-	-	-
Transportation	-	-	-
Medical supplies	-	-	-
Bright spaces costs	-	-	-
Subtotal - participants	-	-	-
OHS contract expenditures	85,150	-	85,150
Client fees	-	-	-
City of Philadelphia, OHS	85,150	-	85,150
Total funding	85,150	-	85,150
Excess of expenditures over funding sources	\$ -	\$ -	\$ -

(A) Amount funded under contract in accordance with OHS guidelines.

Expenditure adjustments

There were no expenditure adjustments.

Funding source adjustments

There were no funding source adjustments.

See Independent Auditor's Report.



**Asociación Puertorriqueños en Marcha, Inc.**  
**Office of Homeless Services (OHS)**  
**Reconciliations of Agency Reported Expenditures/Revenues to**  
**Audited Expenditures/Revenues – Contract Number 20-20653**  
**Year Ended June 30, 2021**

Budget Categories	Agency Total Contract Expenditures	Adjustments	(A) Amount per Audit
Personnel services			
Salaries	\$ -	\$ -	\$ -
Fringe benefits	-	-	-
Staff travel	-	-	-
Training/conferences	-	-	-
Subtotal - personnel services	-	-	-
Operating expenses			
Rent/occupancy	187,226	-	187,226
Utilities	-	-	-
Communications/telephone	-	-	-
Insurance	-	-	-
Audit services	-	-	-
Legal fees	-	-	-
Supplies (office/program)	-	-	-
Equipment leasing	-	-	-
Professional fees	-	-	-
Building maintenance costs	-	-	-
Taxes	-	-	-
Security deposits	2,020	-	2,020
Subtotal - operating expenses	189,246	-	189,246
Fixed assets			
Furnishings	-	-	-
Repairs/replacements	-	-	-
Subtotal - fixed assets	-	-	-
Administrative costs			
Salaries	-	-	-
Fringe benefits	-	-	-
Training/conferences/other	16,128	-	16,128
Subtotal - administrative costs	16,128	-	16,128
Participants			
Food	-	-	-
Food service products	-	-	-
Personal hygiene	-	-	-
Bedding/linen	-	-	-
Transportation	-	-	-
Medical supplies	-	-	-
Bright spaces costs	-	-	-
Subtotal - participants	-	-	-
OHS contract expenditures	205,374	-	205,374
Client fees	-	-	-
City of Philadelphia, OHS	205,374	-	205,374
Total funding	205,374	-	205,374
Excess of expenditures over funding sources	\$ -	\$ -	\$ -

(A) Amount funded under contract in accordance with OHS guidelines.

Expenditure adjustments

There were no expenditure adjustments.

Funding source adjustments

There were no funding source adjustments.

See Independent Auditor's Report.

**Asociación Puertorriqueños en Marcha, Inc.**  
**Office of Homeless Services (OHS)**  
**Reconciliations of Agency Reported Expenditures/Revenues to**  
**Audited Expenditures/Revenues – Contract Number 20-20581**  
**Year Ended June 30, 2021**

Budget Categories	Agency Total Contract Expenditures	Adjustments	(A) Amount per Audit
Personnel services			
Salaries	\$ -	\$ -	\$ -
Fringe benefits	-	-	-
Staff travel	-	-	-
Training/conferences	-	-	-
Subtotal - personnel services	-	-	-
Operating expenses			
Rent/occupancy	78,479	-	78,479
Utilities	-	-	-
Communications/telephone	-	-	-
Insurance	-	-	-
Audit services	-	-	-
Legal fees	-	-	-
Supplies (office/program)	-	-	-
Equipment leasing	-	-	-
Professional fees	-	-	-
Building maintenance costs	-	-	-
Taxes	-	-	-
Security deposits	-	-	-
Subtotal - operating expenses	78,479	-	78,479
Fixed assets			
Furnishings	-	-	-
Repairs/replacements	-	-	-
Subtotal - fixed assets	-	-	-
Administrative costs			
Salaries	-	-	-
Fringe benefits	-	-	-
Training/conferences/other	6,671	-	6,671
Subtotal - administrative costs	6,671	-	6,671
Participants			
Food	-	-	-
Food service products	-	-	-
Personal hygiene	-	-	-
Bedding/linen	-	-	-
Transportation	-	-	-
Medical supplies	-	-	-
Bright spaces costs	-	-	-
Subtotal - participants	-	-	-
OHS contract expenditures	85,150	-	85,150
Client fees	-	-	-
City of Philadelphia, OHS	85,150	-	85,150
Total funding	85,150	-	85,150
Excess of expenditures over funding sources	\$ -	\$ -	\$ -

(A) Amount funded under contract in accordance with OHS guidelines.

Expenditure adjustments

There were no expenditure adjustments.

Funding source adjustments

There were no funding source adjustments.

See Independent Auditor's Report.