



**CONGRESO DE LATINOS UNIDOS, INC.
AND AFFILIATES**

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2016 AND 2015
(with consolidating supplementary information)

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Congreso de Latinos Unidos, Inc. and Affiliates

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Congreso de Latinos Unidos, Inc. and Affiliates, which comprise the consolidated statements of financial position as of June 30, 2016 and 2015, and the related consolidated statements of activities and changes in net assets, and cash flows for each of the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated 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 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 did not audit the financial statements of Pan American Academy Charter School, which statements reflect total assets of \$3,243,204 and \$3,204,584 as of June 30, 2016 and 2015, respectively, and total revenues of \$8,433,029 and \$8,408,192 for the years ended June 30, 2016 and 2015, respectively. Those statements, which were prepared in accordance with Governmental Accounting Standards as issued by the Governmental Accounting Standards Board, were audited by other auditors whose reports have been furnished to us. We have applied audit procedures on the conversion adjustments to the financial statements of Pan American Academy Charter School, which conform those financial statements to accounting principles generally accepted in the United States of America. Our opinion, insofar as it relates to the amounts included for Pan American Academy Charter School, prior to these conversion adjustments, is based solely on the reports of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, based on our audits and the reports of the other auditors, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Congreso de Latinos Unidos, Inc. and Affiliates as of June 30, 2016 and 2015, and the consolidated changes in their net assets and their cash flows for each of the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating supplementary information shown on pages 18 to 23 is presented for purposes of additional analysis and is 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 other 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 as a whole.

EisnerAmper LLP

Philadelphia, Pennsylvania
December 27, 2016

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Consolidated Statements of Financial Position

	June 30	
	2016	2015
ASSETS		
Current assets:		
Cash	\$ 2,659,756	\$ 1,754,027
Restricted cash	1,863,044	1,346,880
Accounts receivable:		
Governmental grants and contracts, net of allowance for uncollectibles of \$23,634 in 2016 and \$74,265 in 2015	3,589,540	3,160,756
Other	321,923	392,956
Promises to give	235,708	349,900
Prepaid expenses and other assets	430,302	385,200
Total current assets	9,100,273	7,389,719
Promises to give , net of current portion	251,205	53,359
Property and equipment , net of accumulated depreciation of \$9,499,568 in 2016 and \$8,385,056 in 2015	17,519,620	18,548,020
	\$ 26,871,098	\$ 25,991,098
LIABILITIES		
Current liabilities:		
Line-of-credit	\$ 1,440,203	\$ 2,249,552
Current portion of long-term debt	98,553	453,669
Accounts payable and accrued expenses	2,060,056	2,214,203
Unearned revenue	430,584	238,561
Total current liabilities	4,029,396	5,155,985
Long-term debt , net of current portion	12,284,164	12,513,702
Total liabilities	16,313,560	17,669,687
Commitments and contingencies		
NET ASSETS		
Unrestricted	9,475,684	7,663,669
Temporarily restricted	1,081,854	657,742
Total net assets	10,557,538	8,321,411
	\$ 26,871,098	\$ 25,991,098

See notes to consolidated financial statements

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Consolidated Statement of Activities and Changes in Net Assets Year Ended June 30, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue and support:			
Governmental grants and contracts	\$ 19,396,446	\$ -	\$ 19,396,446
Corporation and foundation contributions	2,269,543	1,428,614	3,698,157
Fees and services	217,782	-	217,782
Fundraising revenue	241,950	-	241,950
Rental income and facility management fees	486,665	-	486,665
Other	677,437	-	677,437
Net assets released from restrictions	<u>1,004,502</u>	<u>(1,004,502)</u>	<u>-</u>
	<u>24,294,325</u>	<u>424,112</u>	<u>24,718,437</u>
Expenses:			
Program services:			
Education and workforce services	4,034,576	-	4,034,576
Family and housing services	4,296,888	-	4,296,888
Health promotion and wellness	4,242,712	-	4,242,712
Education - Pan American Academy Charter School	<u>6,485,821</u>	<u>-</u>	<u>6,485,821</u>
	19,059,997	-	19,059,997
General and administrative	1,941,328	-	1,941,328
Fundraising	<u>354,832</u>	<u>-</u>	<u>354,832</u>
Total expenses before depreciation and amortization	<u>21,356,157</u>	<u>-</u>	<u>21,356,157</u>
Change in net assets before depreciation and amortization	2,938,168	424,112	3,362,280
Depreciation and amortization	<u>1,126,153</u>	<u>-</u>	<u>1,126,153</u>
Change in net assets	1,812,015	424,112	2,236,127
Net assets at beginning of year	<u>7,663,669</u>	<u>657,742</u>	<u>8,321,411</u>
Net assets at end of year	<u>\$ 9,475,684</u>	<u>\$ 1,081,854</u>	<u>\$ 10,557,538</u>

See notes to consolidated financial statements

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Consolidated Statement of Activities and Changes in Net Assets Year Ended June 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue and support:			
Governmental grants and contracts	\$ 18,880,613	\$ -	\$ 18,880,613
Corporation and foundation contributions	2,435,535	367,068	2,802,603
Fees and services	151,161	-	151,161
Fundraising revenue	218,637	-	218,637
Rental income and facility management fees	422,948	-	422,948
Other	394,596	-	394,596
Net assets released from restrictions	735,544	(735,544)	-
	<u>23,239,034</u>	<u>(368,476)</u>	<u>22,870,558</u>
Expenses:			
Program services:			
Education and workforce services	4,063,252	-	4,063,252
Family and housing services	3,532,661	-	3,532,661
Health promotion and wellness	5,019,792	-	5,019,792
Education - Pan American Academy Charter School	6,652,732	-	6,652,732
	19,268,437	-	19,268,437
General and administrative	2,603,349	-	2,603,349
Fundraising	317,714	-	317,714
Total expenses before depreciation and amortization	<u>22,189,500</u>	<u>-</u>	<u>22,189,500</u>
Change in net assets before depreciation and amortization	1,049,534	(368,476)	681,058
Depreciation and amortization	<u>1,098,734</u>	<u>-</u>	<u>1,098,734</u>
Change in net assets	(49,200)	(368,476)	(417,676)
Net assets at beginning of year	<u>7,712,869</u>	<u>1,026,218</u>	<u>8,739,087</u>
Net assets at end of year	<u>\$ 7,663,669</u>	<u>\$ 657,742</u>	<u>\$ 8,321,411</u>

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Consolidated Statements of Cash Flows

	Year Ended June 30	
	2016	2015
Cash flows from operating activities:		
Change in net assets	\$ 2,236,127	\$ (417,676)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,114,512	1,091,965
Amortization	11,641	6,769
Provision for doubtful accounts	(50,631)	(71,135)
(Increase) decrease in assets:		
Restricted cash	(516,164)	(308,192)
Accounts receivable - governmental grants and contracts	(378,153)	147,246
Accounts receivable - other	71,033	(122,388)
Promises to give	(83,654)	292,027
Prepaid expenses and other assets	(56,743)	(99,099)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(154,147)	28,517
Unearned revenue	192,023	73,832
Net cash provided by operating activities	<u>2,385,844</u>	<u>621,866</u>
Cash flows from investing activities:		
Purchase of property and equipment	<u>(86,112)</u>	<u>(270,532)</u>
Cash flows from financing activities:		
Net proceeds (payments) on line-of-credit	(809,349)	360,000
Payments on long-term debt	(584,654)	(413,425)
Proceeds from borrowings on long-term debt	-	131,000
Net cash provided by (used in) financing activities	<u>(1,394,003)</u>	<u>77,575</u>
Net increase in cash	905,729	428,909
Cash at beginning of year	<u>1,754,027</u>	<u>1,325,118</u>
Cash at end of year	<u>\$ 2,659,756</u>	<u>\$ 1,754,027</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	<u>\$ 686,491</u>	<u>\$ 832,185</u>

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2016 and 2015

NOTE A - ORGANIZATION AND BASIS OF PRESENTATION

Congreso de Latinos Unidos, Inc. ("Congreso") is a nonprofit, multiservice organization whose mission is to strengthen Latino communities through social, economic, education and health services, leadership development and advocacy. It is headquartered in North Philadelphia, and in FY16, served 17,064 unduplicated individuals throughout Philadelphia and surrounding counties. Its programmatic services are separated into three divisions. Education and Workforce Services help children, youth and adults become competitive in a global economy by helping them reach their educational and career goals. Family and Housing Services help promote family stability and include housing counseling, financial literacy and family support services. The Health Promotion and Wellness Division provides primary care services, domestic violence, nutrition and parental counseling services to children and adults in a safe and nurturing environment.

Aprendizaje Superior de la Comunidad, LLC ("ASC") was organized as a limited liability company ("LLC") with another nonprofit organization to provide programs for students to earn college credits towards an Associate Degree from Harcum College through a cohort-based learning experience consisting of curriculum for majors in Early Childhood Education, Law & Justice, and Human Services. Congreso is a 50% limited partner in this LLC and revenues and expenses relating to Congreso's share of ASC's operations are included in the consolidated statements of activities and changes in net assets under the equity method of accounting. ASC received funds from Harcum College based on the number of students enrolled through the Department of Education of Pennsylvania. As of June 30, 2016 and 2015, ASC had \$10,379 and \$216,074, respectively, of assets and liabilities. For the years ended June 30, 2016 and 2015, ASC had \$287,791 and \$417,270, respectively, of earned revenue and incurred expenses.

2800 American Street Company ("2800 American") and 216 Somerset Company ("216 Somerset") are wholly-owned subsidiaries of Congreso, organized as nonprofit organizations to support Congreso and its mission. Both of these subsidiaries own properties in which Congreso or its related organizations operate programs.

Congreso Business Services LLC ("CBS") is a single member LLC in which Congreso is the sole member. CBS provides facilities management to property owned by 2800 American.

Congreso is the founding member of the Pan American Academy Charter School ("PAACS"), a nonprofit corporation. Congreso provides governance oversight and its board appoints the majority of PAACS board members. PAACS operates independently from Congreso and prepares students for a successful future by promoting academic excellence through rigorous instruction, bilingualism, and the integration of cultural awareness and respect throughout all aspects of the curriculum.

The accompanying consolidated financial statements contain the accounts of Congreso, 2800 American, 216 Somerset, CBS and PAACS (collectively, the "Organization") and have been prepared using the accrual basis of accounting in accordance with accounting principles general accepted in the United States of America ("U.S. GAAP"). All significant intercompany activity has been eliminated.

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2016 and 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies followed by the Organization in the preparation of the consolidated financial statements.

[1] Classification of net assets:

The Organization is required to report information regarding its consolidated financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. There were no permanently restricted net assets as of June 30, 2016 and 2015.

The accompanying consolidated financial statements include the following classes of net assets:

- **Unrestricted**

Unrestricted net assets are used to account for funds which have not been restricted by donors, and over which the Board of Directors has discretionary control.

- **Temporarily Restricted**

Temporarily restricted net assets represent those resources that have been restricted by donors for specific purposes or period of time. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the accompanying consolidated statements of activities and changes in net assets as net assets released from restrictions.

[2] Restricted cash:

These balances represent various amounts restricted as to use and not available for use in operations. Restrictions include escrows for the properties that are required by project funders or as collateral for debt instruments.

[3] Revenue recognition – governmental grants, contracts and unearned revenue:

Funding for the Organization's activities is achieved substantially through cost reimbursement government contracts. Revenue is recognized when costs are incurred. Until the financial information required by the funding source is accepted, costs billed for program services under cost reimbursement contracts are subject to review and possible disallowance. In management's opinion, such disallowance, if any, would not be material to the consolidated financial statements. Fee-for-service or performance-based revenue has been recognized when the services have been provided only to the extent allowed under the contract.

Charter schools are funded by the local public school district in which each student resides. The rate per student is determined annually and is based on the budgeted total expenditure per average daily membership of the prior school year for each school district. All of the students of PAACS reside in Philadelphia. For the years ended June 30, 2016 and 2015, the rate for the School District of Philadelphia was \$7,745 and \$7,992, respectively, for regular education students and \$23,720 and \$23,293, respectively, for special education students. The annual rate is paid monthly by the School District of Philadelphia and is prorated if a student enters or leaves during the year. Tuition revenue is recognized ratably over the school year as the education instruction and services are provided. Tuition revenue is included in governmental grants and contracts in the consolidated statements of activities and changes in net assets.

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2016 and 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[3] Revenue recognition – governmental grants, contracts and unearned revenue (continued):

Collection of receivables arising under these government contracts is subject to the availability of funds from the funding sources. Accounts receivable are net of an allowance for doubtful accounts. The Organization establishes a provision for doubtful accounts based on history of past write-offs and collections and current credit conditions. An account is written off when it is determined that all collection efforts have been exhausted. Management has determined that the provision for doubtful accounts for the years ended June 30, 2016 and 2015 was \$23,634 and \$74,265, respectively.

Amounts received on exchange transaction contracts, for which services have not yet been provided as of June 30, 2016 and 2015, are recorded as unearned revenue.

[4] Revenue recognition – corporation and foundation contributions:

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation. Conditional promises to give are not included as revenue until such time as the conditions are substantially met.

[5] Revenue recognition – rental income and facility management fees:

Rental income and facility management fees are earned pursuant to agreements. The rents are accounted for under operating leases and revenues are recorded ratably over the term of the agreement. The management fees are accounted for under management agreements and revenues are recorded when services are provided. If advanced rental or facilities management fees are received, they are included in unearned revenue on the consolidated statements of financial position.

[6] Donated services:

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

There were numerous volunteer hours that were contributed to the Organization for the years ended June 30, 2016 and 2015. The value of these contributed services is not reflected in these consolidated financial statements since the services did not meet the criteria for recognition under accounting principles generally accepted in the United States of America.

[7] Property and equipment and depreciation:

Property and equipment are stated at cost less accumulated depreciation. Contributed property and equipment are recorded at fair value at the date of donation. The Organization capitalizes all significant additions, while all other costs that do not improve or extend the useful lives of the respective assets are expensed in the period in which they occur. Depreciation is provided by the straight-line method over estimated useful lives of three to 40 years.

Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. Long-lived assets were tested for impairment as of June 30, 2016 and 2015, and in the opinion of management, there was no impairment. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2016 and 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[8] Allocation of expenses:

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited and in accordance with contract allowances. Indirect expenses for programs are allocated based on the ratio of the program's direct payroll costs to total payroll costs up to the maximum amount permitted by the contract funding the programs.

[9] 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. Actual results could differ from those estimates.

[10] Federal tax status:

The Internal Revenue Service has classified Congreso, 2800 American, 216 Somerset and PAACS as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("Code"); as organizations, contributions to which are deductible under Section 170(c) of the Code; and as organizations that are not private foundations as defined in Section 509(a) of the Code. CBS is a limited liability company whose sole member is an exempt organization.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken and recognize a tax liability, if the Organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by a government authority. Management has analyzed the tax positions taken by the Organization and has concluded that as of June 30, 2016 and 2015, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the consolidated financial statements.

The Organization recognizes accrued interest and penalties associated with uncertain tax positions, if any. There were no income tax related interest and penalties recorded for either of the years ended June 30, 2016 or 2015. Because Congreso is the sole member of CBS, this LLC is included in Congreso's tax return.

[11] New accounting pronouncements:

In February 2016, Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases (Topic 842)*. The standard's core principle is to increase transparency and comparability among organizations by recognizing lease assets and liabilities on the balance sheet and disclosing key information. ASU 2016-02 will be effective for nonpublic entities for fiscal years beginning after December 15, 2019, with early adoption permitted. Management is currently evaluating the effect that this new guidance will have on its consolidated financial statements and related disclosures.

In August 2016, FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 amends the presentation and disclosures to help not-for-profit organizations provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. ASU 2016-14 includes qualitative and quantitative requirements in the following areas: a) net asset classes, b) investment return, c) expenses, d) liquidity and availability of resources, and e) presentation of operating cash flows. The new standard will be effective for annual financial statements issued for fiscal years beginning after December 15, 2017, which will be the year beginning on July 1, 2018 for the Organization, with early adoption permitted. Management is currently evaluating the effect that this new guidance will have on its consolidated financial statements and related disclosures.

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2016 and 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[12] Reclassification:

Certain amounts in the 2015 consolidated financial statements have been reclassified to conform to the current year presentation.

NOTE C - CONCENTRATIONS OF CREDIT RISK

[1] Cash balances:

The Organization maintains its cash balances in financial institutions with insurance provided by the Federal Deposit Insurance Corporation. At times, these accounts may exceed the federally insured limit. Management does not believe there is a significant credit risk with these institutions.

[2] Funding sources:

The Organization receives a significant amount of its funding from two funding sources (City of Philadelphia and School District of Philadelphia). These funding sources accounted for 71% and 72% of total governmental grants and contracts revenue for the years ended June 30, 2016 and 2015, respectively. These funding sources also accounted for 66% and 67% of total accounts receivable from governmental grants and contracts as of June 30, 2016 and 2015, respectively.

NOTE D - PROMISES TO GIVE

Promises to give consist of the following as of June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Receivable in less than one year	\$ 235,708	\$ 349,900
Receivable in one to five years	<u>255,000</u>	<u>55,389</u>
Total promises to give	490,708	405,289
Less discount to net present value	<u>(3,795)</u>	<u>(2,030)</u>
Net promises to give	<u>\$ 486,913</u>	<u>\$ 403,259</u>
Current	\$ 235,708	\$ 349,900
Noncurrent	<u>251,205</u>	<u>53,359</u>
	<u>\$ 486,913</u>	<u>\$ 403,259</u>

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2016 and 2015

NOTE E - PROPERTY AND EQUIPMENT

Property and equipment as of June 30, 2016 and 2015 is as follows:

	<u>2016</u>	<u>2015</u>
Building and improvements	\$ 24,311,815	\$ 24,311,815
Furniture and fixtures	1,376,239	1,184,925
Equipment	<u>1,331,134</u>	<u>1,436,336</u>
	27,019,188	26,933,076
Less accumulated depreciation	<u>9,499,568</u>	<u>8,385,056</u>
	<u>\$ 17,519,620</u>	<u>\$ 18,548,020</u>

Depreciation for the years ended June 30, 2016 and 2015 was \$1,114,512 and \$1,091,965, respectively.

NOTE F - LINE-OF-CREDIT

Congreso has a bank line-of-credit with a maximum borrowing availability of \$2,400,000, bearing interest at 4% above the LIBOR rate (LIBOR was 1.337% and 0.7497 as of June 30, 2016 and 2015, respectively). The line-of-credit is secured by all of Congreso's business assets. The outstanding balance was \$1,440,203 and \$2,249,552 as of June 30, 2016 and 2015, respectively. The line-of-credit expires on February 15, 2017. Interest expense for the line-of-credit for the years ended June 30, 2016 and 2015 was \$63,229 and \$91,756, respectively.

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2016 and 2015

NOTE G - LONG-TERM DEBT

Long-term debt as of June 30, 2016 and 2015 is as follows:

	<u>2016</u>	<u>2015</u>
PIDC, mortgage to purchase and renovate 2800 American property; principal together with interest at 2.8% is due in 180 monthly payments of \$3,211, with the final payment due on August 1, 2019; collateralized by the real estate at 2800 American Street	\$ 113,548	\$ 147,328
Bank, term loan to restructure and consolidate debt; principal together with interest at 4.49% is due in 84 monthly payments of \$8,836, with the final payment due on September 30, 2020; collateralized by the accounts receivables of Congreso and all business assets of Congreso	953,169	1,014,156
TRF, loan for development and construction of 2830 American Street property; interest at 5.31% is due in 88 monthly installments of approximately \$28,000, with the final payment of the remaining unpaid principal due on September 30, 2018; collateralized by substantially all business assets of 2800 American	6,192,312	6,192,312
TRF, loan for development and construction of 2830 American Street property; interest at 5.31% is due in 88 monthly installments of approximately \$13,000, with the final payment of the remaining unpaid principal due on September 30, 2018; collateralized by substantially all business assets of 2800 American	2,899,848	2,899,848
TRF, loan for development and construction of 2830 American Street property; interest at 5.31% is due in monthly installments of approximately \$10,000 through October 31, 2018; commencing on September 30, 2018 and through October 31, 2018, the lender may exercise a put or sale option, pursuant to which the lender shall be paid \$1,000 in exchange for the loan, conditioned on each TRF loan above being repaid in full and none of the loans being in default; collateralized by substantially all business assets of 2800 American	2,223,840	2,223,840
PIDC, second mortgage to purchase and renovate 2800 American property; upon maturity in December 2015, \$305,382 was forgiven and the remaining balance was paid in full	-	358,887
Raza Development Fund, Inc., term loan to pay property taxes; paid in full in 2016	-	131,000
	12,382,717	12,967,371
Less current portion	98,553	453,669
	<u>\$ 12,284,164</u>	<u>\$ 12,513,702</u>

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2016 and 2015

NOTE G - LONG-TERM DEBT (CONTINUED)

Congreso is the guarantor of all TRF and PIDC loans described on the previous page.

Scheduled future principal maturities of long-term debt as of June 30, 2016 are as follows:

<u>Year Ending June 30</u>	
2017	\$ 98,553
2018	103,826
2019	11,422,939
2020	78,384
2021	<u>679,015</u>
	<u>\$ 12,382,717</u>

Interest expense for long-term debt for the years ended June 30, 2016 and 2015 was \$671,434 and \$689,593, respectively.

The terms of the loans with The Redevelopment Fund ("TRF") provide for a sinking fund to be funded by monthly payments of \$29,804, with an annual requirement of \$357,648 through September 2018. For the years ended June 30, 2016 and 2015, the balance in the sinking fund was \$1,523,135 and \$1,193,933, respectively. The sinking fund requirement was met for each of the years ended June 30, 2016 and 2015.

NOTE H - COMMITMENTS AND CONTINGENCIES

[1] Pension plans:

Congreso sponsors a 403(b) defined-contribution pension plan ("Plan") which allows those employees who regularly complete at least 20 hours of work per week to make pre-tax and/or Roth payroll contributions up to the lesser of 100% of their salary or \$18,000 per year plus applicable catch-up contributions. Congreso will match 50% of an employee's contribution, up to 6%, for those Plan participants who have completed at least one year of service, as defined by the Plan document. Participants are fully vested in their elective deferral and rollover contributions immediately after admittance into the Plan. Participants are fully vested in the matching contributions after three years of service. Pension expense for the years ended June 30, 2016 and 2015 was \$71,774 and \$95,110, respectively.

PAACS contributes to the Public School Employees' Retirement System, a governmental cost-sharing multi-employer defined benefit pension plan ("PAACS Plan"). The contribution policy is established in the Public School Employees' Retirement Code and requires contributions by active members, employers and the Commonwealth of Pennsylvania. PAACS' contributions are based upon an actuarial valuation. For the years ended June 30, 2016 and 2015, the rates of PAACS' contributions were 25.84% and 20.5%, respectively, of covered payroll. PAACS' contributions to the PAACS Plan for the years ended June 30, 2016 and 2015 were \$824,365 and \$787,924, respectively.

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2016 and 2015

NOTE H - COMMITMENTS AND CONTINGENCIES (CONTINUED)

[2] Operating lease:

The Organization leases office space and office equipment under operating lease agreements which require monthly payments ranging from \$179 to \$3,750 and expire at various times through April 30, 2020.

Future minimum lease payments for office space and office equipment as of June 30, 2016 are as follows:

<u>Year Ending June 30</u>	
2017	\$ 133,900
2018	134,087
2019	121,263
2020	<u>46,748</u>
	<u>\$ 435,998</u>

[3] Legal matters:

In the course of its business operations, the Organization is involved in various legal matters, which are generally covered by insurance. As of June 30, 2016 and 2015, management believes there is no exposure to such matters that, if decided adversely, would be material to the consolidated financial statements or are not adequately covered by insurance.

NOTE I - FUTURE RENTAL RECEIPTS

The Organization leases office space to various third-party tenants under long-term leases expiring through June 2020.

Scheduled future rental receipts under the long-term leases as of June 30, 2016 are as follows:

<u>Year Ending June 30</u>	
2017	\$ 336,342
2018	280,453
2019	221,248
2020	<u>222,302</u>
	<u>\$ 1,060,345</u>

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2016 and 2015

NOTE J - FUNCTIONALIZED EXPENSES

Total expenses by function were as follows for the years ended June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Education and workforce services	\$ 4,053,993	\$ 4,085,089
Family and housing services	4,317,567	3,548,217
Health promotion and wellness	4,263,130	5,050,199
Education - Pan American Academy Charter School	<u>6,966,196</u>	<u>6,888,039</u>
Total program expenses	19,600,886	19,571,544
General and administrative	2,524,884	3,398,976
Fundraising	<u>356,540</u>	<u>317,714</u>
Total functionalized expenses	<u>\$ 22,482,310</u>	<u>\$ 23,288,234</u>

NOTE K - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of and for the years ended June 30, 2016 and 2015 are available for the following purposes:

<u>Program</u>	<u>July 1, 2015</u>	<u>Contributions</u>	<u>Releases from Restrictions</u>	<u>June 30, 2016</u>
Program services:				
Education and workforce services	\$ 174,455	\$ 1,186,918	\$ (496,094)	\$ 865,279
Family and housing services	-	37,261	(1,890)	35,371
Health promotion and wellness	186,653	204,435	(209,884)	181,204
Education - Pan American Academy Charter School	23,665	-	(23,665)	-
General operating support	<u>272,969</u>	<u>-</u>	<u>(272,969)</u>	<u>-</u>
	<u>\$ 657,742</u>	<u>\$ 1,428,614</u>	<u>\$ (1,004,502)</u>	<u>\$ 1,081,854</u>

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Notes to Consolidated Financial Statements June 30, 2016 and 2015

NOTE K - TEMPORARILY RESTRICTED NET ASSETS (CONTINUED)

<u>Program</u>	<u>July 1, 2014</u>	<u>Contributions</u>	<u>Releases from Restrictions</u>	<u>June 30, 2015</u>
Program services:				
Education and workforce services	\$ 163,052	\$ 186,162	\$ (174,759)	\$ 174,455
Health promotion and wellness	273,792	155,906	(243,045)	186,653
Education - Pan American Academy Charter School	23,665	-	-	23,665
General operating support	<u>565,709</u>	<u>25,000</u>	<u>(317,740)</u>	<u>272,969</u>
	<u>\$ 1,026,218</u>	<u>\$ 367,068</u>	<u>\$ (735,544)</u>	<u>\$ 657,742</u>

NOTE L - SUBSEQUENT EVENTS

The Organization has evaluated all subsequent events through December 27, 2016, which is the date the consolidated financial statements were available to be issued.

In October 2016, Congreso de Latinos Unidos, Inc.'s affiliate, 2800 American Street Company, obtained two promissory notes totaling \$2,000,000 from Reinvestment Fund, Inc. in order to restructure debt, including payoff of the PIDC mortgage.

CONSOLIDATING SUPPLEMENTARY INFORMATION

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

**Consolidating Schedule of Financial Position
June 30, 2016**

ASSETS	Congreso de Latinos Unidos, Inc.	2800 American Street Company	216 Somerset Company	Pan American Academy Charter School	Eliminations	Total
Current assets:						
Cash	\$ 583,869	\$ 210,722	\$ -	\$ 1,865,165	\$ -	\$ 2,659,756
Restricted cash	339,909	1,523,135	-	-	-	1,863,044
Accounts receivable:						
Governmental grants and contracts, net of allowance for uncollectibles of \$23,634	3,255,436	-	-	334,104	-	3,589,540
Due from affiliates	-	-	680,875	-	(680,875)	-
Other	178,925	111,827	-	31,171	-	321,923
Promises to give	235,708	-	-	-	-	235,708
Prepaid expenses and other assets	229,590	-	-	200,712	-	430,302
Total current assets	4,823,437	1,845,684	680,875	2,431,152	(680,875)	9,100,273
Promises to give , net of current portion	251,205	-	-	-	-	251,205
Property and equipment , net of accumulated depreciation of \$9,499,568	399,900	14,989,071	1,318,597	812,052	-	17,519,620
	\$ 5,474,542	\$ 16,834,755	\$ 1,999,472	\$ 3,243,204	\$ (680,875)	\$ 26,871,098
LIABILITIES						
Current liabilities:						
Line-of-credit	\$ 1,440,203	\$ -	\$ -	\$ -	\$ -	\$ 1,440,203
Current portion of long-term debt	63,961	34,592	-	-	-	98,553
Accounts payable and accrued expenses	793,006	135,032	-	1,132,018	-	2,060,056
Due to affiliate	290,094	390,781	-	-	(680,875)	-
Unearned revenue	313,037	79,803	-	37,744	-	430,584
Total current liabilities	2,900,301	640,208	-	1,169,762	(680,875)	4,029,396
Long-term debt , net of current portion	889,208	11,394,956	-	-	-	12,284,164
Total liabilities	3,789,509	12,035,164	-	1,169,762	(680,875)	16,313,560
NET ASSETS						
Unrestricted	603,179	4,799,591	1,999,472	2,073,442	-	9,475,684
Temporarily restricted	1,081,854	-	-	-	-	1,081,854
Total net assets	1,685,033	4,799,591	1,999,472	2,073,442	-	10,557,538
	\$ 5,474,542	\$ 16,834,755	\$ 1,999,472	\$ 3,243,204	\$ (680,875)	\$ 26,871,098

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

**Consolidating Schedule of Financial Position
June 30, 2015**

ASSETS	Congreso de Latinos Unidos, Inc.	2800 American Street Company	216 Somerset Company	Pan American Academy Charter School	Eliminations	Total
Current assets:						
Cash	\$ 30,186	\$ 67,393	\$ -	\$ 1,656,448	\$ -	\$ 1,754,027
Restricted cash	152,947	1,193,933	-	-	-	1,346,880
Accounts receivable:						
Governmental grants and contracts, net of allowance for uncollectibles of \$74,265	2,808,389	-	-	352,367	-	3,160,756
Due from affiliates	74,414	-	567,810	-	(642,224)	-
Other	266,808	126,148	-	-	-	392,956
Promises to give	349,900	-	-	-	-	349,900
Prepaid expenses and other assets	205,733	-	-	179,467	-	385,200
Total current assets	3,888,377	1,387,474	567,810	2,188,282	(642,224)	7,389,719
Promises to give , net of current portion	53,359	-	-	-	-	53,359
Property and equipment , net of accumulated depreciation of \$8,385,056	441,248	15,429,445	1,661,025	1,016,302	-	18,548,020
	<u>\$ 4,382,984</u>	<u>\$ 16,816,919</u>	<u>\$ 2,228,835</u>	<u>\$ 3,204,584</u>	<u>\$ (642,224)</u>	<u>\$ 25,991,098</u>
LIABILITIES						
Current liabilities:						
Line-of-credit	\$ 2,249,552	\$ -	\$ -	\$ -	\$ -	\$ 2,249,552
Current portion of long-term debt	61,002	392,667	-	-	-	453,669
Accounts payable and accrued expenses	1,047,063	4,017	-	1,163,123	-	2,214,203
Due to affiliate	-	533,128	-	109,096	(642,224)	-
Unearned revenue	145,746	77,479	-	15,336	-	238,561
Total current liabilities	3,503,363	1,007,291	-	1,287,555	(642,224)	5,155,985
Long-term debt , net of current portion	1,084,154	11,429,548	-	-	-	12,513,702
Total liabilities	<u>4,587,517</u>	<u>12,436,839</u>	<u>-</u>	<u>1,287,555</u>	<u>(642,224)</u>	<u>17,669,687</u>
NET ASSET (DEFICIENCY)						
Unrestricted	(838,610)	4,380,080	2,228,835	1,893,364	-	7,663,669
Temporarily restricted	634,077	-	-	23,665	-	657,742
Total net asset (deficiency)	<u>(204,533)</u>	<u>4,380,080</u>	<u>2,228,835</u>	<u>1,917,029</u>	<u>-</u>	<u>8,321,411</u>
	<u>\$ 4,382,984</u>	<u>\$ 16,816,919</u>	<u>\$ 2,228,835</u>	<u>\$ 3,204,584</u>	<u>\$ (642,224)</u>	<u>\$ 25,991,098</u>

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

**Consolidating Schedule of Activities and Changes in Net Assets
Year Ended June 30, 2016**

	Congreso de Latinos Unidos, Inc.		2800 American Street Company	216 Somerset Company	Pan American Academy Charter School		Eliminations	Total
	Unrestricted	Temporarily Restricted	Unrestricted	Unrestricted	Unrestricted	Temporarily Restricted		
Revenue and support:								
Governmental grants and contracts Corporation and foundation contributions	\$ 11,990,068	\$ -	\$ -	\$ -	\$ 7,406,378	\$ -	\$ -	\$ 19,396,446
Fees and services	1,143,997	1,428,614	307,301	-	818,245	-	-	3,698,157
Fundraising revenue	217,782	-	-	-	-	-	-	217,782
Rental income and facilities management fees	241,950	-	-	-	-	-	-	241,950
Other	176,753	-	1,710,276	113,065	-	-	(1,513,429)	486,665
Net assets released from restrictions	467,674	-	1,357	-	208,406	-	-	677,437
	980,837	(980,837)	-	-	23,665	(23,665)	-	-
	<u>15,219,061</u>	<u>447,777</u>	<u>2,018,934</u>	<u>113,065</u>	<u>8,456,694</u>	<u>(23,665)</u>	<u>(1,513,429)</u>	<u>24,718,437</u>
Expenses:								
Program services:								
Education and workforce services	4,034,576	-	-	-	-	-	-	4,034,576
Family and housing services	4,296,888	-	-	-	-	-	-	4,296,888
Health promotion and wellness	4,242,712	-	-	-	-	-	-	4,242,712
Education - Pan American Academy Charter School	-	-	-	-	7,999,250	-	(1,513,429)	6,485,821
	<u>12,574,176</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,999,250</u>	<u>-</u>	<u>(1,513,429)</u>	<u>19,059,997</u>
General and administrative	782,279	-	1,159,049	-	-	-	-	1,941,328
Fundraising	354,832	-	-	-	-	-	-	354,832
	<u>13,711,287</u>	<u>-</u>	<u>1,159,049</u>	<u>-</u>	<u>7,999,250</u>	<u>-</u>	<u>(1,513,429)</u>	<u>21,356,157</u>
Change in net assets before depreciation and amortization	<u>1,507,774</u>	<u>447,777</u>	<u>859,885</u>	<u>113,065</u>	<u>457,444</u>	<u>(23,665)</u>	<u>-</u>	<u>3,362,280</u>
Depreciation and amortization	<u>65,985</u>	<u>-</u>	<u>440,374</u>	<u>342,428</u>	<u>277,366</u>	<u>-</u>	<u>-</u>	<u>1,126,153</u>
Change in net assets	<u>1,441,789</u>	<u>447,777</u>	<u>419,511</u>	<u>(229,363)</u>	<u>180,078</u>	<u>(23,665)</u>	<u>-</u>	<u>2,236,127</u>
Net asset (deficiency) at beginning of year	<u>(838,610)</u>	<u>634,077</u>	<u>4,380,080</u>	<u>2,228,835</u>	<u>1,893,364</u>	<u>23,665</u>	<u>-</u>	<u>8,321,411</u>
Net assets at end of year	<u>\$ 603,179</u>	<u>\$ 1,081,854</u>	<u>\$ 4,799,591</u>	<u>\$ 1,999,472</u>	<u>\$ 2,073,442</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,557,538</u>

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

**Consolidating Schedule of Activities and Changes in Net Assets
Year Ended June 30, 2015**

	Congreso de Latinos Unidos, Inc.		2800 American Street Company	216 Somerset Company	Pan American Academy Charter School		Eliminations	Total
	Unrestricted	Temporarily Restricted	Unrestricted	Unrestricted	Unrestricted	Temporarily Restricted		
Revenue and support:								
Governmental grants and contracts Corporation and foundation contributions	\$ 11,397,648	\$ -	\$ -	\$ -	\$ 7,482,965	\$ -	\$ -	\$ 18,880,613
Fees and services	1,668,130	367,068	-	-	767,405	-	-	2,802,603
Fundraising revenue	151,161	-	-	-	-	-	-	151,161
Rental income and facilities management fees	218,637	-	-	-	-	-	-	218,637
Other	159,378	-	1,323,937	112,131	-	-	(1,172,498)	422,948
Net assets released from restrictions	608,307	-	-	-	157,822	-	(371,533)	394,596
	735,544	(735,544)	-	-	-	-	-	-
	<u>14,938,805</u>	<u>(368,476)</u>	<u>1,323,937</u>	<u>112,131</u>	<u>8,408,192</u>	<u>-</u>	<u>(1,544,031)</u>	<u>22,870,558</u>
Expenses:								
Program services:								
Education and workforce services	4,063,252	-	-	-	-	-	-	4,063,252
Family and housing services	3,532,661	-	-	-	-	-	-	3,532,661
Health promotion and wellness	5,019,792	-	-	-	-	-	-	5,019,792
Education - Pan American Academy Charter School	-	-	-	-	8,020,147	-	(1,367,415)	6,652,732
	12,615,705	-	-	-	8,020,147	-	(1,367,415)	19,268,437
General and administrative	1,986,077	-	793,888	-	-	-	(176,616)	2,603,349
Fundraising	317,714	-	-	-	-	-	-	317,714
	<u>14,919,496</u>	<u>-</u>	<u>793,888</u>	<u>-</u>	<u>8,020,147</u>	<u>-</u>	<u>(1,544,031)</u>	<u>22,189,500</u>
Change in net assets before depreciation and amortization	19,309	(368,476)	530,049	112,131	388,045	-	-	681,058
Depreciation and amortization	80,789	-	440,210	342,428	235,307	-	-	1,098,734
Change in net assets	(61,480)	(368,476)	89,839	(230,297)	152,738	-	-	(417,676)
Net asset (deficiency) at beginning of year	(777,130)	1,002,553	4,290,241	2,459,132	1,740,626	23,665	-	8,739,087
Net asset (deficiency) at end of year	<u>\$ (838,610)</u>	<u>\$ 634,077</u>	<u>\$ 4,380,080</u>	<u>\$ 2,228,835</u>	<u>\$ 1,893,364</u>	<u>\$ 23,665</u>	<u>\$ -</u>	<u>\$ 8,321,411</u>

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Consolidating Schedule of Functional Expenses
Year Ended June 30, 2016

	Congreso de Latinos Unidos, Inc.						2800	216	Pan American Academy Charter School		
	Education and Workforce Services	Family and Housing Services	Health Promotion and Wellness	General and Administrative	Fundraising	Total	American Street Company	Somerset Company	Educational Services	Eliminations	Total
Salaries	\$ 2,262,489	\$ 1,953,855	\$ 2,033,452	\$ 630,696	\$ 166,896	\$ 7,047,388	\$ -	\$ -	\$ 3,810,665	\$ -	\$ 10,858,053
Fringe benefits	581,897	538,023	528,857	194,350	46,916	1,890,043	-	-	1,725,733	-	3,615,776
Bad debt	-	-	-	25,593	-	25,593	-	-	-	-	25,593
Client activities and incentives	105,588	29,218	16,812	-	-	151,618	-	-	85,819	-	237,437
Communications - telephone	31,187	26,932	28,030	7,939	2,301	96,389	-	-	18,477	-	114,866
Consumable supplies	156,128	19,455	180,107	4,894	368	360,952	-	-	255,445	-	616,397
Cost of direct benefit to donors	-	-	-	136,924	-	136,924	-	-	14,517	-	151,441
Emergency payments	-	50,655	86,972	250	-	137,877	-	-	-	-	137,877
Equipment	101,020	64,578	39,840	14,447	5,267	225,152	-	-	40,662	-	265,814
Event and meetings	16,731	9,223	5,507	17,693	67,184	116,338	-	-	3,322	-	119,660
Fees and services	-	3,138	8,278	87,998	10,395	109,809	72,791	-	-	-	182,600
Indirect cost/ administrative overhead	258,845	110,470	504,031	(873,346)	-	-	-	-	-	-	-
Insurance	103,424	89,316	118,354	26,327	7,629	345,050	55,759	-	70,351	-	471,160
Interest expense	-	-	-	108,047	-	108,047	626,616	-	-	-	734,663
Marketing and outreach expenses	-	-	2,549	5,093	20,558	28,200	-	-	13,798	-	41,998
MS/information technology	54,622	47,171	49,093	13,904	4,029	168,819	-	-	69,437	-	238,256
Occupancy	206,252	207,906	267,012	104,876	18,236	804,282	403,883	-	1,303,106	(1,513,429)	997,842
Professional fees	97,435	9,362	317,512	258,997	3,708	687,014	-	-	514,523	-	1,201,537
Rental assistance	-	1,104,905	-	-	-	1,104,905	-	-	-	-	1,104,905
Training and conferences	954	5,976	4,500	5,751	-	17,181	-	-	34,501	-	51,682
Travel and related costs	58,004	26,705	51,806	11,846	1,345	149,706	-	-	38,894	-	188,600
	4,034,576	4,296,888	4,242,712	782,279	354,832	13,711,287	1,159,049	-	7,999,250	(1,513,429)	21,356,157
Depreciation and amortization	19,417	20,679	20,418	3,763	1,708	65,985	440,374	342,428	277,366	-	1,126,153
	<u>\$ 4,053,993</u>	<u>\$ 4,317,567</u>	<u>\$ 4,263,130</u>	<u>\$ 786,042</u>	<u>\$ 356,540</u>	<u>\$ 13,777,272</u>	<u>\$ 1,599,423</u>	<u>\$ 342,428</u>	<u>\$ 8,276,616</u>	<u>\$ (1,513,429)</u>	<u>\$ 22,482,310</u>

CONGRESO DE LATINOS UNIDOS, INC. AND AFFILIATES

Consolidating Schedule of Functional Expenses
Year Ended June 30, 2015

	Congreso de Latinos Unidos, Inc.						2800	216	Pan American Academy Charter School		
	Education and Workforce Services	Family and Housing Services	Health Promotion and Wellness	General and Administrative	Fundraising	Total	American Street Company	Somerset Company	Educational Services	Eliminations	Total
Salaries	\$ 2,271,441	\$ 1,482,519	\$ 2,542,212	\$ 1,102,244	\$ 219,996	\$ 7,618,412	\$ -	\$ -	\$ 3,765,604	\$ -	\$ 11,384,016
Fringe benefits	537,427	349,960	602,027	260,793	52,051	1,802,258	-	-	1,709,117	-	3,511,375
Bad debt	-	-	-	32,652	-	32,652	-	-	-	-	32,652
Client activities and incentives	105,474	19,609	28,218	1,612	-	154,913	-	-	226,960	-	381,873
Communications - telephone	52,114	33,936	58,400	30,336	-	174,786	-	-	36,911	-	211,697
Consumable supplies	100,930	12,244	224,185	15,331	81	352,771	-	-	49,248	-	402,019
Cost of direct benefit to donors	-	-	-	132,511	-	132,511	-	-	-	-	132,511
Emergency payments	-	33,589	79,948	-	-	113,537	-	-	-	-	113,537
Equipment	41,602	22,772	62,103	93,578	-	220,055	-	-	32,366	-	252,421
Event and meetings	24,410	7,897	6,054	96,505	6,738	141,604	-	-	-	-	141,604
Fees and services	-	500	10,101	95,506	21,605	127,712	45,595	-	10,991	-	184,298
Indirect cost/ administrative overhead	278,685	222,548	546,451	(1,047,684)	-	-	-	-	-	-	-
Insurance	94,011	61,218	105,350	81,221	-	341,800	55,788	-	90,207	-	487,795
Interest expense	-	-	-	145,846	-	145,846	635,503	-	-	-	781,349
Marketing and outreach expenses	600	-	1,437	4,839	11,950	18,826	-	-	3,331	-	22,157
MS/information technology	9,567	6,230	10,721	1,712	3,857	32,087	-	-	57,805	-	89,892
Occupancy	239,946	156,247	268,886	468,179	-	1,133,258	57,002	-	1,281,872	(1,452,364)	1,019,768
Professional fees	218,625	9,590	407,483	444,324	-	1,080,022	-	-	682,665	(91,667)	1,671,020
Rental assistance	-	1,074,243	-	-	-	1,074,243	-	-	-	-	1,074,243
Training and conferences	16,341	7,413	15,912	16,717	-	56,383	-	-	5,000	-	61,383
Travel and related costs	72,079	32,146	50,304	9,855	1,436	165,820	-	-	68,070	-	233,890
	4,063,252	3,532,661	5,019,792	1,986,077	317,714	14,919,496	793,888	-	8,020,147	(1,544,031)	22,189,500
Depreciation and amortization	21,837	18,967	26,996	12,989	-	80,789	440,210	342,428	235,307	-	1,098,734
	<u>\$ 4,085,089</u>	<u>\$ 3,551,628</u>	<u>\$ 5,046,788</u>	<u>\$ 1,999,066</u>	<u>\$ 317,714</u>	<u>\$ 15,000,285</u>	<u>\$ 1,234,098</u>	<u>\$ 342,428</u>	<u>\$ 8,255,454</u>	<u>\$ (1,544,031)</u>	<u>\$ 23,288,234</u>