



EASTON ROTARY SERVICE FOUNDATION

**Rotary Club of Easton
Easton, Pennsylvania**

2886 Hope Ridge Drive, Easton, PA 18045-8144

GRANT APPLICATION

Organization Name: The Center for Humanistic Change, Inc.

Address: 555 Union Boulevard, Suite #7

City : Allentown State: PA Zip: 18109

Phone: 610-443-1595 Ext.15 Fax : 610-443-1598

Email : kschoelles@thehc.org

Contact Person: Katelyn Schoelles Title: Grant Writer

Project Director: Virginia Sandoval Title: Manager, Project SUCCESS/Crossroads;

Project Title: Project SUCCESS/Crossroads

Grant Period: July 1 2022 - June 30, 2023

Total Cost of Project: \$435,214.12 Amount Requested: \$ 3,000

Signature of Approving

Agency Personnel 

Date 3/7/2022

Name of Approving

Agency Personnel: Katelyn Schoelles

Title: Grant Writer

For use by Easton Rotary Service Foundation

Date Received _____

Action Taken _____ Date _____

**Easton Rotary Service Foundation
2022 Grant Application**



- 1. Brief Description of the Organization:** The Center for Humanistic Change, Inc. (CHC), founded in 1979, traces its roots to Endeavor, a drug and alcohol treatment and prevention center founded in 1970. In 1975, Endeavor separated its treatment and prevention education divisions. Four years later, the prevention education division became an independent organization known as the Center for Humanistic Change, Inc. The Internal Revenue Service granted tax-exempt status to CHC by the in June 1980, which the IRS reconfirmed in October 2016. The *mission* of the Center for Humanistic Change, Inc. (CHC) is to give people, especially youth, the knowledge and tools they need to make better-informed and more positive life choices.

CHC is dedicated to the implementation of evidence-based programs and curricula as well as successful programs developed in-house. Drug and alcohol prevention programs and life skills education remain our core service. Our clients include students, counselors, parents, social service employees, teachers, administrators, community groups, and individuals interested in personal growth. In 2020-2021, CHC served 15,678 individuals through prevention programming.

- **Programs for elementary, middle and high school age youth.** Alcohol, tobacco and drug education and prevention; life skills training; violence prevention; peer mentoring; and, the Student Assistant Program.
 - **Programs for parents.** Alcohol, tobacco and drug education and prevention; life skills training; effective parenting; and, the Student Assistant Program.
 - **Programs for educators.** Alcohol, tobacco and drug education and prevention; life skills training; violence prevention; and, the Student Assistant Program.
 - **Programs for adults and the workplace.** Alcohol, tobacco and drug education and prevention; life skills training; violence prevention; stress management; diversity training; and, communication skills.
- 2. Summary of the Proposal:** Project SUCCESS/Crossroads (PSCR) provides students in K-12th grade, identified as "at-risk" by school personnel, with social-emotional support and practical skills needed to identify and develop personal character/resiliency, succeed in school, graduate from high school, and cope with challenges in life. Students obtain referral to the program for academic, behavioral, and social issues. In 2020-2021, the PSCR staff mentored 614 students from 31 schools throughout the Lehigh Valley.
 - **Crossroads Mentoring Program.** CHC developed and introduced Crossroads in the Lehigh Valley in 1995 for students in K-5th grade who were in danger of academic failure. The Crossroads Mentoring Program helps students considered "at-risk," develop the social-emotional learning support and practical skills needed to identify and develop personal character and resiliency, succeed in school, and cope with challenges in life. Students learn specific skills, such as communication; conflict resolution; goal setting; anger and stress management; and, resistance to peer pressure, so that they can work toward making healthy and more positive choices in school and in life. CHC redesigned Crossroads to include key components of the evidence-based model, Project SUCCESS, as well as qualitative and quantitative measures.
 - **Project SUCCESS Mentoring Program.** Project SUCCESS is an evidence-based mentoring program for students in middle and high school that prevents and/or reduces substance abuse and helps participants who are in danger of academic failure or other high-risk behaviors develop resiliency and coping skills. The U.S. Substance Abuse and mental Health Services Administration

(SAMHSA) recognizes Project SUCCESS as an effective prevention program that can strengthen a community's overall behavioral health. The National Registry of Evidence-Based Programs and Practices recognizes Project SUCCESS as an evidence based program.

CHC is respectfully requesting \$3,000 from The Easton Rotary Foundation to support PSCR in the Easton Area School District. Currently CHC implements PSCR in Easton Area High School, Easton Area Middle School, Cheston Elementary School and Paxinosa Elementary School.

3. Project Description

a. Statement of the need:

Early aggressive behavior, lack of parental supervision, academic problems, undiagnosed mental health problems, peer substance use, drug availability, poverty, peer rejection, and child abuse or neglect are risk factors associated with increased likelihood of youth substance use and abuse. Monitoring the Future Study: Trends in Prevalence of Various Drugs for 8th, 10th, and 12th graders, 2017-2020 reports from 2019 to 2020 across all grades, alcohol consumption was up between one and three percent. From 2019 to 2020, illicit drug use increased amongst the 8th grade population.

Additionally, poverty is a significant risk factor leading to increased substance use, lower grades, poor attendance, and behavior problems. The Pennsylvania Department of Education Information Management System Reports: 62% of students in the 31 schools currently implementing Project SUCCESS/Crossroads were considered economically disadvantaged in 2019: 66% of students in Crossroads schools, 51% of students in Project SUCCESS schools. The 2019 American Community Survey, U.S. Census Poverty Rate Statistics estimates 8.8% of children under the age of 18 in Northampton County are living below poverty. In Lehigh County, 19.3% of children under the age of 18 are living in poverty.

One of the long-term outcomes of the Project SUCCESS/Crossroads Mentoring program is that students will complete their high school degree. The Division of Data Quality of the Pennsylvania Department of Education, PA Department of Education Information Management System 2018-2019 Drop-out Rate in Pennsylvania is 1.73%.

Based on a report by Sharnell Creary and Dr. Naison from Fordham University, research suggests that high school dropouts face increased unemployment, a loss of learning power, and increased dependence on welfare and assistance programs (Creary & Naison, 2016).

- Increased unemployment. Combined research studies have shown that high school dropouts are about four times more likely to be unemployed than peers who attended four years or more of college. The 2019 American Community Survey², U.S. Census reports that the Civilian Labor Force Unemployment Rate for individuals 16 and over in Northampton County was 4.2% and 4.7% in Lehigh County
- Loss of earning power. Even when a high school dropout can find work, the difference in earning power is striking.
- Increased dependence on welfare and assistance programs. High school dropouts are more likely to seek out and live on public assistance or welfare than graduates.
- Increase in crime and imprisonment. A number of studies show a link between individuals who drop out of high school and personal exposure to socioeconomic circumstances that often lead to crime.

The purpose of this proposal is to request support that will assist CHC in maintaining the implementation of Project SUCCESS/Crossroads at Easton Area School District schools, thus maintaining consistency in our delivery of services and increasing the likelihood that children will remain in the classroom and successfully matriculate into their next grade.

CHC will utilize funding from **The Easton Rotary Foundation** in conjunction with other funding sources to serve children who are “at-risk” so that they can remain in their classrooms, not be distracting to others, learn, and be positive, productive community members.

b. How the proposal addresses the need: PSCR works to eliminate the barriers to success that “at-risk” students face on a daily basis. School administrators, counselors, or other school staff refers students to the mentoring program when they consider/determine the students are “at-risk” for academic, attendance, and/or behavioral issues. Behavior issues may include, anger, aggression, lack of social skills, and poor communication or attention skills that would negatively impact their academic progress. Students may also have difficult home environments or have identified risky behavior with drugs or alcohol. Mentors identify the root of these issues and work with students to address them.

Mentors work with students through three main activities: mentoring small groups of students who need to develop specific life skills, working one-on-one with individual students, and providing classroom based resiliency programs. Through PSCR, student mentees receive emotional support from the mentor; establish positive relationships with adults and peers; and develop life skills such as communication; conflict resolution; goal setting; anger and stress management; and, resistance to peer pressure.

This process allows students to work toward making healthy and more positive choices in school and in life. Mentors utilize the following strategies to implement PSCR:

- Work closely with school administrators and staff to ensure that the program is well established at each school and enhance each school site’s unique efforts to improve overall school climate.
- Act as guides, advocates and facilitators for students with issues that can impede their academic and personal success, as well as physical and mental health.
- Meet with student mentees regularly in one-on-one sessions or small groups, one or two days per week, to identify and address the needs of the mentee.
- Facilitate large prevention education sessions, when necessary, if issues arise that extend beyond the small group setting and may impact the school community.
- Train and consult on prevention issues with school staff and refer and follow-up with students when they are in need of substance abuse treatment or mental health services.
- Coordinate with members of the academic team, parents and caregivers, and other social service agencies to address the concerns of the student mentees.

It is often through our focused time and face-to-face interaction with students and adults that we learn about the fuller impact we make in their lives. Here is one success story:

CHC staff often faces the challenges of family cultures who resist counseling, but sometimes Project SUCCESS is the only form of support to which parents will agree. One student reached out to a CHC mentor for help after identifying as gay without family acceptance. The mentor quickly recognized the student could be headed toward depression. With a deeper method of intervention needed, the mentor worked on building trust with the parents who finally were willing to seek school-based mental health services for their child through the hospital network. The

persistence of the mentor and time taken to build trust with the family enabled the student to get the help that was needed.

- c. **Population to be served:** PSCR serves “at-risk” students in K-12th grade. Funding from **The Easton Rotary Foundation** will support PSCR in the Easton Area School District. School administrators, counselors, or other school staff refers students to the mentoring program when they consider/determine the students are “at-risk” for academic and/or behavioral issues. Behavior issues may include, anger, aggression, lack of social skills, and poor communication or attention skills that would negatively impact their academic progress. Students may also have difficult home environments or have identified risky behavior with drugs or alcohol. Students with many challenges impeding their academic success may require more attention than the school is able to provide, but their needs are such, that with a strong adult mentor they can remain in school and be successful.
- d. **Goals and measurable outcomes:** The *goal* of Project SUCCESS/Crossroads is to provide students in K-12th grade, who school personnel identify as "at-risk", with the emotional support and practical skills they need to identify and develop personal characteristics and resiliency so they can succeed in school and cope with challenges throughout their life. The *objectives* of PSCR is for students to improve communication skills; increase ability to handle stress and resist negative peer pressures; and, increase an understanding of risks associated with drug and alcohol use.

CHC compiles data annually and analyzes it to determine overall result and individual school results in regards to both short-term and long-term measurable outcomes also to influence future adjustments to the program.

CHC assess *measurable outcomes* are through age appropriate pre-and post- service tests and evaluations. Success will be determined as *60% of student mentees will maintain or improve their coping skill composite score based on key performance areas including:*

- *communication with peers;*
- *handling stress from home/school;*
- *speaking calmly during a disagreement;*
- *understanding another’s point of view;*
- *seeking help from adults; and,*
- *resisting’ saying “no” to peer pressure.*

Long-term outcomes for student mentees include:

- graduating from high school;
- having the knowledge, and tools needed to make better informed and more positive life choices;
- avoiding destructive behaviors;
- developing strong personal character and resiliency;
- coping with life challenges; and,
- being knowledgeable of essential life skills.

- e. **Other funding sources:** At the current time, CHC has no commitments for Northampton and Lehigh County during the 2022-2023 fiscal year; however, we anticipate similar income to the 2021-2022 fiscal year. United Way funding listed below, covers all Project SUCCESS/Crossroads funding in Lehigh and Northampton County for United Way identified schools participating in the program.

Proposals Awarded

Funder	Program Funded	Geographic Area	Amount Awarded
CDBG Bethlehem	Project SUCCESS Mentoring	Northampton County	\$19,000.00
Harry C. Trexler Trust	Crossroads Mentoring	Lehigh County	\$5,000.00
Leona Gruber	Project SUCCESS/Crossroads Mentoring (PSCR)	Lehigh County	\$1,000.00
Provident Bank Foundation	PSCR	Lehigh/Northampton County (LC/NC)	\$12,500.00
Trumbower Hospital Foundation	Project SUCCESS Mentoring	Nazareth Middle School	\$2,500.00
Rotary Club of Allentown	Crossroads Mentoring	Allentown	\$2,000.00
Anonymous	PSCR	Northampton County	\$8,935.00
Bill Sugra Memorial Fund	Project SUCCESS Mentoring	William Allen High School	\$2,500.00
United Way of the Greater Lehigh Valley	Project SUCCESS Mentoring	United Way Schools	\$37,176.00
United Way of the Greater Lehigh Valley	Crossroads Mentoring	United Way Schools	\$60,792.00
Two Rivers Health and Wellness Foundation	Crossroads Mentoring Program	Cheston, Donegan, Freemansburg, Lincoln, and Paxinosa Elementary Schools	\$15,000.00
Stabler Foundation	PSCR	Lehigh/Northampton County	\$29,800.00
Martin Guitar	PSCR	Northampton County	\$1,000.00
Looking Out Foundation	Crossroads Mentoring Program	Lehigh/Northampton County	\$5,000.00

Proposals Submitted Awaiting Response

Funder	Program	Geographic Area	Request
Air Products	PSCR	LC/NC	\$3,000.00
Penn National Gaming Foundation	PSCR	LC/NC	\$3,000.00
Majestic Realty Foundation	PSCR	Bethlehem Area School District	\$3,000.00
Jephson Educational Trust #2	PSCR	LC/NC	\$7,000.00
SONY	PSCR	LC/NC	\$5,000.00
Kiwanis Club of Poconos	PSCR	Poconos	\$1,000.00
Leona Gruber	PSCR	LC/NC	\$2,000.00
Trumbower Hospital	Project SUCCESS	Nazareth Middle School	\$9,066.96
Allentown Rotary LOI	Crossroads	LC	\$3,500.00
Bethlehem Rotary	PSCR	NC	\$2,000.00

4. Financial Information

a. **Project Budget:** Provided below is the 2021-2022 Project SUCCESS/Crossroads Budget.

Center for Humanistic Change 2021-2022 CHC Budget Approved by the Board October 2021	Crossroads TOTAL	Project SUCCESS TOTAL
INCOME		
Contract Income		
LEHIGH COUNTY TOTAL	5,259.08	54,759.08
NORTHAMPTON COUNTY TOTAL	\$60,218.74	\$91,340.74
Grant Income	109,200.00	105,080.00
Fee for Service Income	1,506.00	7,850.50
Donation Income		
Dividend Income		
TOTAL INCOME	176,183.81	259,030.31
EXPENSES		
Contract Trainers		1,100.00
Fundraising Expenses		
Insurance- Health	5,645.49	8,567.77
Insurance- Dental	282.91	265.23
Payroll Retirement	2,745.56	3,359.99
Payroll Salaries	122,422.36	183,304.57
Payroll Taxes	13,832.98	17,178.36
Professional Fees (<i>Consulting; Accounting; Computer Services; HR Consultant; Advisor Fees; Payroll Fees (W2's & 1099's); Temp Services; Legal Fees; & Finance Management</i>)	12,005.57	17,617.52
Bank & PayPal Fees	80.21	117.70
Board Expense	36.96	54.23
Computer Equipment & Programs	1,144.54	1,679.56
Curriculum Resources		
Depreciation Expense	508.15	745.69
Dues and Subscriptions	350.01	513.62
Equipment Lease	415.76	610.11
Furnishings	161.68	237.26
Insurance- Disability (Hartford)	1,086.52	1,594.41
Insurance- Liability (Philadelphia)	620.87	911.09
Insurance- W/C (Selective)	582.07	854.15
Marketing	429.71	630.58
Miscellaneous Expense	254.54	373.52
Office Expense	923.91	1,355.79
Postage and Delivery	115.49	169.47
Printing & Reproduction	207.88	305.05
Program Expense	1,156.93	1,735.39
Rent	6,900.62	10,126.29
Repairs and Maintenance	276.07	405.11
Staff Development	635.19	932.11
Background Checks	80.45	118.06
Travel (<i>Conventions/Meetings Fees; Meals; Parking; Staff Mileage; Tolls; & Lodging</i>)	2,865.57	3,557.73
Utilities (<i>Communication & Telephone</i>)	415.76	610.11
TOTAL EXPENSES	176,183.76	259,030.48

b. Most recent year-end financial statement

Please see Attachment “A” for most recent year-end financial statement.

5. Other Information

a. IRS letter 501 c3 status

Please see Attachment “B”

b. Board of Directors

Please see Attachment “C”

c. Annual Report

Please see attachment “D”



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Most Recent Year-End Financial Statement
Attachment "A"

**CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)**

**Financial Statements,
Independent Auditor's Report,
and Supplementary Information**

June 30, 2021

**CAMPBELL, RAPPOLD & YURASITS LLP
Certified Public Accountants
1033 South Cedar Crest Boulevard Allentown, PA 18103**

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Center for Humanistic Change, Inc.
Allentown, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of Center for Humanistic Change, Inc. (a Nonprofit Organization), which comprise the statements of financial position as of June 30, 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Center for Humanistic Change, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Center for Humanistic Change, Inc.'s June 30, 2020 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated, November 16, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2021, on our consideration of Center for Humanistic Change, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Center for Humanistic Change, Inc.'s internal control over financial reporting and compliance.

Congbell, Rappold & Yucasita LLP

December 20, 2021

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CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
STATEMENTS OF FINANCIAL POSITION
June 30, 2021 and 2020

	<u>Assets</u>	
	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
Cash and Cash Equivalents	\$ 519,830	\$ 721,128
Accounts Receivable (Note 4)	546,970	145,112
Prepaid Expenses	5,634	5,634
Investments (Note 5)	1,738,537	1,119,150
Property and Equipment, Net (Note 7)	<u>26,584</u>	<u>33,865</u>
 Total Assets	 <u>\$ 2,837,555</u>	 <u>\$ 2,024,889</u>

<u>Liabilities and Net Assets</u>		
Current Liabilities:		
Accounts Payable	\$ 60,323	\$ 17,641
Accrued Payroll and Compensated Absences	<u>99,211</u>	<u>89,388</u>
 Total Liabilities	 <u>159,534</u>	 <u>107,029</u>
 Commitments and Contingencies (Notes 8 and 14)		
Net Assets:		
Without Donor Restrictions		
Undesignated	920,984	793,710
Board Designated (Note 10)	<u>1,738,537</u>	<u>1,119,150</u>
	2,659,521	1,912,860
 With Donor Restrictions (Note 11)	 <u>18,500</u>	 <u>5,000</u>
 Total Net Assets	 <u>2,678,021</u>	 <u>1,917,860</u>
 Total Liabilities and Net Assets	 <u>\$ 2,837,555</u>	 <u>\$ 2,024,889</u>

See independent auditor's report and notes to financial statements.

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
For the Year Ended June 30, 2021
With Summarized Comparative Information for the Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Year Ended June 30,	
			2021	2020
Revenues, Gains, and Other Support:				
Government Contracts	\$ 2,039,634	\$ -	\$ 2,039,634	\$ 1,805,169
Grants	187,262	18,500	205,762	221,050
Government Grant - Paycheck Protection Program (Note 2)	-	-	-	239,840
Service Fees	33,255	-	33,255	57,315
Contributions	27,330	-	27,330	21,308
Investment Income, Net (Note 5)	307,492	-	307,492	20,962
Miscellaneous Income	345	-	345	-
Net Assets Released from Restrictions (Note 11)	5,000	(5,000)	-	-
Total Revenues, Gains, and Other Support	<u>2,600,318</u>	<u>13,500</u>	<u>2,613,818</u>	<u>2,365,644</u>
Expenses:				
Program Expenses	1,584,137	-	1,584,137	1,588,040
Management and General Expenses	217,977	-	217,977	301,418
Fundraising Expenses	51,543	-	51,543	17,255
Total Expenses	<u>1,853,657</u>	<u>-</u>	<u>1,853,657</u>	<u>1,906,713</u>
Change in Net Assets	746,661	13,500	760,161	458,931
Net Assets at Beginning of Year	<u>1,912,860</u>	<u>5,000</u>	<u>1,917,860</u>	<u>1,458,929</u>
Net Assets at End of Year	<u>\$ 2,659,521</u>	<u>\$ 18,500</u>	<u>\$ 2,678,021</u>	<u>\$ 1,917,860</u>

See independent auditor's report and notes to financial statements.

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2021

With Summarized Comparative Information for the Year Ended June 30, 2020

	Program Activities	Management and General	Fundraising	Year Ended June 30,	
				2021	2020
Salaries and Benefits:					
Salaries and Wages	\$ 988,589	\$ 139,565	\$ 34,892	\$ 1,163,046	\$ 1,148,554
Employee Benefits - Retirement	17,683	2,140	606	20,429	18,762
Employee Benefits - Health Insurance	91,142	12,044	2,981	106,167	108,610
Payroll Tax Expense	82,841	12,064	2,923	97,828	94,627
Total Salaries and Benefits	1,180,255	165,813	41,402	1,387,470	1,370,553
Operating Expenses:					
Contract Training	32,303	-	-	32,303	86,457
Direct Program Expenses	75,849	-	-	75,849	82,795
Travel	4,727	87	-	4,814	30,206
Curriculum Resources	15,487	-	-	15,487	45,387
Advertising and Marketing	70,853	831	36	71,720	19,046
Staff Development	867	199	50	1,116	8,784
Equipment Lease	3,021	442	102	3,565	4,397
Insurance	20,400	3,028	677	24,105	25,445
Office Supplies	8,868	4,441	358	13,667	27,394
Postage and Printing	873	250	67	1,190	1,441
Professional Fees	98,055	16,453	4,070	118,578	108,727
Repairs and Maintenance	2,521	14,965	89	17,575	4,580
Occupancy Expenses	61,980	8,871	2,079	72,930	72,438
Board Expenses	-	482	-	482	324
Fundraising	-	-	1,871	1,871	578
Miscellaneous Expenses	1,894	1,237	523	3,654	9,264
Depreciation Expense	6,184	878	219	7,281	7,276
Bad Debt	-	-	-	-	1,621
Total Expenses	<u>\$ 1,584,137</u>	<u>\$ 217,977</u>	<u>\$ 51,543</u>	<u>\$ 1,853,657</u>	<u>\$ 1,906,713</u>

See independent auditor's report and notes to financial statements.

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2020

	<u>Program Activities</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>2020 Total</u>
Salaries and Benefits:				
Salaries and Wages	\$ 941,814	\$ 195,254	\$ 11,486	\$ 1,148,554
Employee Benefits - Retirement	15,570	2,992	200	18,762
Employee Benefits - Health Insurance	88,784	18,766	1,060	108,610
Payroll Tax Expense	77,594	16,087	946	94,627
	<hr/>	<hr/>	<hr/>	<hr/>
Total Salaries and Benefits	1,123,762	233,099	13,692	1,370,553
Operating Expenses:				
Contract Training	86,457	-	-	86,457
Direct Program Expenses	82,772	23	-	82,795
Travel	28,346	1,848	12	30,206
Curriculum Resources	45,387	-	-	45,387
Advertising and Marketing	18,424	621	1	19,046
Staff Development	7,695	934	155	8,784
Equipment Lease	3,669	683	45	4,397
Insurance	20,823	4,362	260	25,445
Office Supplies	19,981	7,283	130	27,394
Postage and Printing	849	451	141	1,441
Professional Fees	88,004	19,506	1,217	108,727
Repairs and Maintenance	320	4,253	7	4,580
Occupancy Expenses	50,223	21,603	612	72,438
Board Expenses	-	324	-	324
Fundraising	-	-	578	578
Miscellaneous Expenses	5,761	3,193	310	9,264
Depreciation Expense	5,567	1,614	95	7,276
Bad Debt	-	1,621	-	1,621
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenses	<u>\$ 1,588,040</u>	<u>\$ 301,418</u>	<u>\$ 17,255</u>	<u>\$ 1,906,713</u>

See independent auditor's report and notes to financial statements.

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2021 and 2020

	Year Ended June 30,	
	2021	2020
<i><u>Cash Flows from Operating Activities:</u></i>		
Change in Net Assets	\$ 760,161	\$ 458,931
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Realized (Gain) / Loss on Investments	-	(8,080)
Unrealized (Gain) / Loss on Investments	(279,941)	25,086
Depreciation Expense	7,281	7,276
(Increase) Decrease in Assets:		
Accounts Receivable	(401,858)	185,688
Prepaid Expenses	-	5,635
Increase (Decrease) in Liabilities:		
Accounts Payable	42,682	(21,929)
Accrued Payroll and Compensated Absences	9,823	18,650
Net Cash Provided by Operating Activities	<u>138,148</u>	<u>671,257</u>
<i><u>Cash Flows from Investing Activities:</u></i>		
Acquisition of Property and Equipment	-	(31,893)
Purchase of Investments	(362,860)	(53,618)
Proceeds from Sale of Investments	23,414	15,650
Net Cash Used by Investing Activities	<u>(339,446)</u>	<u>(69,861)</u>
Increase (Decrease) in Cash and Cash Equivalents	(201,298)	601,396
Cash and Cash Equivalents at Beginning of Year	<u>721,128</u>	<u>119,732</u>
Cash and Cash Equivalents at End of Year	<u>\$ 519,830</u>	<u>\$ 721,128</u>

See independent auditor's report and notes to financial statements.

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

1. Nature of Activities

Center for Humanistic Change, Inc. was incorporated in 1979 and is a private nonprofit organization that provides alcohol, tobacco, and other drug prevention and life skills education. The Organization teaches skills to increase resiliency for managing change and life transitions. The goal is to equip people with knowledge and life skills, so they may be more likely to make positive, healthy choices in their lives. The Organization offers its programs in schools, the community, and the workplace. Its primary areas of service are Lehigh and Northampton Counties in Pennsylvania.

The Organization is exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded at the time liabilities are incurred.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the entity and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions: Net assets available for use in general operations and not subject to donor or certain grantor restrictions. Net assets without donor restrictions may be designated for specific purposes by the Board of Trustees.

Net Assets With Donor Restrictions: Net assets subject to donor or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time, or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires that is when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

2. Summary of Significant Accounting Policies (Continued)

Income Taxes

The accounting standard for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Organization may recognize the tax benefits from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or liabilities recorded for the fiscal years ended 2021 and 2020.

Center for Humanistic Change, Inc. files Form 990 with the United States Internal Revenue Service. The Organization is generally no longer subject to examination by the Internal Revenue Service for years before 2017.

Revenue from Contracts with Customers

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains or losses on other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless otherwise restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets are reported as net assets released from restrictions. The Organization's revenue from contracts with customers in the scope of ASC 606 is recognized within Services Fees as such:

- **Service Fees:** The Organization earns income from providing skill-based prevention education to entities located outside the boundaries of Lehigh County and Northampton County. Service fee income is also earned through Lehigh County Adult Probation for anger management classes and private pay for program services within the two-county service area. The Organization's policy is to recognize revenue from providing educational services at the time the service is performed.

Contributions

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment of potential defaults. The determination includes such factors as prior collection history, type of contribution, and nature of fundraising activity.

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

2. Summary of Significant Accounting Policies (Continued)

Contributions (Continued)

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as contributions without donor restrictions.

Contributions of land, buildings, and equipment without donor stipulations concerning the use of such long-lived assets are reported as revenues without donor restrictions. Contributions of cash or other assets to be used to acquire land, buildings, and equipment without such donor stipulations are reported as revenues with donor restrictions; the restrictions are considered to be released at the time of acquisition of such long-lived assets.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash invested in money market funds and cash in checking and savings accounts. The Organization, at times, maintains cash balances with a financial institution which may exceed federally insured limits. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per financial institution. The Organization has not historically experienced any credit related losses. At June 30, 2021, the Organization had \$199,207 in excess of the FDIC insured limit.

Accounts Receivable

Accounts receivable consist of amounts due from various sources, but primarily from Lehigh County and Northampton County. Management evaluates accounts for collectability and writes off items deemed uncollectible. An allowance for uncollectible accounts is determined based on an analysis of individual accounts and the overall receivable balance. Balances greater than 90 days are considered delinquent. There was no allowance for doubtful collections as of June 30, 2021 and 2020.

Investments

Investments are carried at fair value. The unrealized gain or loss on investments is reflected in the Statement of Activities and Changes in Net Assets.

Property and Equipment

Property and equipment is stated at cost. Depreciation is computed by use of the straight-line method based on estimated useful lives which range from five to seven years. The Organization capitalizes property and equipment purchases with a cost exceeding \$2,500 and a useful life greater than one year. Routine repairs and maintenance is expensed as incurred.

Accounting for Paycheck Protection Program (PPP)

The Organization may account for a Paycheck Protection Program (PPP) loan as a financial liability in accordance with FASB ASC Topic 470, *Debt*, or debt under other models, if certain conditions are met. If the Organization, expects to meet PPP's eligibility criteria and concludes that the PPP loan represents, in substance a grant that is expected to be forgiven, the Organization may account for the PPP loan in accordance with ASC subtopic 958-605 as a conditional contribution.

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

2. Summary of Significant Accounting Policies (Continued)

Accounting for Paycheck Protection Program (PPP) (Continued)

Management believes that, based on evaluation of the facts and circumstances specific to the Organization, eligibility criteria will be met and that the Organization will qualify for full forgiveness. Therefore, the Organization has elected the conditional contribution method. Under this method, once there is reasonable assurance that the conditions for forgiveness will be met, the earnings impact of the government grants are recorded on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate. On April 16, 2020, the Organization received \$239,840 under the Paycheck Protection Program. The Organization recognized qualified expenses in excess of the amount borrowed. As such the entire loan proceeds are recognized as PPP grant revenue during the year ended June 30, 2020. On April 2, 2021 the Organization's PPP Loan was forgiven for the full amount of \$239,840.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The Organization's method for allocating expenses among the functional reporting classifications which cannot be specifically identified as program or supporting service are based on estimates made for time spent by key personnel between functions, space occupied by function, consumption of supplies and postage by function, and other objective bases.

Advertising Costs

Advertising costs are expensed as incurred and were \$71,720 and \$19,046 for the years ended June 30, 2021 and 2020.

Adoption of New Accounting Standards

During 2021, the Organization adopted ASU No. 2018-13, *Fair Value Measurements* (Topic 820) which provides for changes to the disclosure requirements for recurring and nonrecurring fair value measurements under Topic 820, including changes in unrealized gains and losses, the range and weighted average of significant unobservable inputs used to develop level 3 fair value measurements, and the narrative description of measurement uncertainty.

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

3. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the Statement of Financial Position, consist of the following:

	June 30,	
	2021	2020
Cash	\$ 519,830	\$ 721,128
Accounts Receivable	546,970	145,112
Investments	1,738,537	1,119,150
Net Assets with Board Designations	(1,738,537)	(1,119,150)
Net Assets with Donor Restrictions	(18,500)	(5,000)
	\$ 1,048,300	\$ 861,240

The Organization is supported mainly by grants and contributions. The Organization believes that contracts, grants, and contributions along with the assets held at June 30, 2021, are sufficient to enable the Organization to continue to operate for the upcoming year. The Organization holds its investments with a long-term view in mind to generate income. Additionally, by approval of the Board of Trustees, net assets with designations could be made available if necessary. The Organization also has a \$250,000 line of credit available to provide working capital, if needed.

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

4. Accounts Receivable

Accounts receivable are summarized as follows:

	June 30,	
	2021	2020
Lehigh County	\$ 165,035	\$ 61,657
Northampton County	367,496	69,666
Others	14,439	13,789
	\$ 546,970	\$ 145,112

5. Investments

Investments are summarized as follows:

	June 30, 2021		June 30, 2020	
	Cost	Fair Value	Cost	Fair Value
Cash	\$ 87,477	\$ 87,477	\$ 53,532	\$ 53,532
Equities	860,408	1,096,418	764,231	713,232
Fixed Income	554,948	554,642	345,624	352,386
	\$ 1,502,833	\$ 1,738,537	\$ 1,163,387	\$ 1,119,150

Investment income was comprised of the following:

	Year Ended June 30,	
	2021	2020
Interest and Dividends	\$ 39,258	\$ 45,793
Unrealized Gains/(Losses)	279,941	(25,086)
Realized Gains/(Losses)	-	8,080
Investment Fees	(11,707)	(7,825)
	\$ 307,492	\$ 20,962

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

6. Fair Value of Financial Instruments

Financial Accounting Standards Board ASC 820-10 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820-10 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation method used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2021 and 2020.

Cash management funds: The carrying amount approximates fair value based on the short term maturities of these investments.

Equities, Fixed Income, and Other: Measured at the closing price reported on the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments that could result in a different fair value measurement at the reporting date.

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

6. Fair Value of Financial Instruments (Continued)

<u>2021</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash	\$ 87,477	\$ -	\$ -	\$ 87,477
Equities	1,096,418	-	-	1,096,418
Fixed Income	554,642	-	-	554,642
	<u>\$ 1,738,537</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,738,537</u>

<u>2020</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash	\$ 53,532	\$ -	\$ -	\$ 53,532
Equities	713,232	-	-	713,232
Fixed Income	352,386	-	-	352,386
	<u>\$ 1,119,150</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,119,150</u>

7. Property and Equipment

Property and equipment consists of the following:

	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
Equipment	\$ 38,424	\$ 38,424
Furniture and Fixtures	68,675	68,675
Other	7,789	7,789
	<u>114,888</u>	<u>114,888</u>
Less: Accumulated Depreciation	<u>(88,304)</u>	<u>(81,023)</u>
	<u>\$ 26,584</u>	<u>\$ 33,865</u>

Depreciation charged to expense was \$7,281 and \$7,276 for the years ended June 30, 2021 and 2020, respectively.

8. Line of Credit

The Organization has a \$250,000 revolving line of credit with a bank for the purpose of providing working capital. The note bears interest at the prime rate as published in the Wall Street Journal, with a floor of 3.75%. The Organization did not utilize this line of credit during the fiscal year.

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

9. Paycheck Protection Program Loan

The Organization borrowed \$239,840 on April 16, 2020, through the Paycheck Protection Program backed by the United States Small Business Administration (SBA) as a result of the Coronavirus Aid, Relief, and Economic Stimulus Act of 2020 (the "CARES Act"). The note is forgivable under certain circumstances. The Organization has qualified under those circumstances, and on April 2, 2021, the Paycheck Protection Program loan was fully forgiven for the amount of \$239,840.

10. Board Designated Net Assets

The Board of Trustees passed a resolution which sets aside net assets without donor restrictions in the amount of \$1,738,537 as a reserve to be used in times when regular income is disrupted or decreased for typical operations to continue.

11. Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following:

	June 30,	
	2021	2020
Time Restrictions:		
Grants	\$ 18,500	\$ 5,000

The source of net assets released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donor were as follows:

	Year Ended June 30,	
	2021	2020
Time Restrictions:		
Grants	\$ 5,000	\$ 34,000

12. Retirement Plan

The Organization provides a Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) for all eligible members. The Organization's expense for this plan was \$20,429 and \$18,762 during the years ended June 30, 2021 and 2020, respectively.

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

13. Government Contracts Concentration

During the years ended June 30, 2021 and 2020, the Organization had the following revenues from governmental contracts:

	June 30,	
	2021	2020
Lehigh County	\$ 1,217,905	\$ 1,069,853
Northampton County	821,729	735,316
	\$ 2,039,634	\$ 1,805,169

The governmental contracts above represented approximately 78% and 76% of the Organization's total revenue from governmental contracts during each of the years ended June 30, 2021 and 2020. Additionally, the two governmental contracts above accounted for approximately 97% and 90% of total accounts receivable at June 30, 2021 and 2020, respectively.

14. Lease Commitments

The Organization leases office space for its main operating facility in Allentown, PA. Terms of the lease require monthly payments over the lease term of sixty months through October 2023. At the conclusion of the agreement, the Organization can exercise a thirty-six month renewal option. Additionally, the Organization leases office equipment with a monthly rental of \$264 which expires in August 2022. Rental expense related to these leases was \$72,362 and \$72,283 for the years ended June 30, 2021 and 2020, respectively. Future minimum lease payments under the agreements are as follows:

Year Ended June 30,	\$
2022	70,786
2023	68,141
2024	22,538

15. Summarized Totals for Year Ended June 30, 2020

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient details to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended June 30, 2020, from which summarized information was derived.

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

16. Subsequent Events

The Organization's management has considered events subsequent to June 30, 2021 that affect the Organization through December 20, 2021, the date the financial statements were available to be issued, and has determined that no material subsequent events exist that require disclosure.

The COVID-19 pandemic is ongoing and has significant effects on global markets, supply chains businesses, and communities. Specific to the Organization, COVID-19 may impact various parts of its 2022 operations and financial results. Management believes the Organization is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are ongoing.

SUPPLEMENTARY INFORMATION

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND NOTES
For the Year Ended June 30, 2021

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal AL Number	Additional Award Identification	Pass-Through Entity Identifying Number	Expenditures	Expenditures to Sub-Recipients
U.S. Department of Health and Human Services					
Passed Through the County of Lehigh: Opioid STR	93.788		20-DA-07	\$ 397,178	\$ -
Passed Through the County of Northampton: Opioid STR	93.788		20-503	<u>157,345</u>	<u>-</u>
Total Opioid STR				<u>554,523</u>	<u>-</u>
Passed Through the County of Lehigh: Block Grants for Prevention and Treatment of Substance Abuse	93.959		20-DA-07	429,139	-
Passed Through the County of Northampton: Block Grants for Prevention and Treatment of Substance Abuse	93.959		20-503	<u>237,892</u>	<u>-</u>
Total Block Grants for Prevention and Treatment of Substance Abuse				<u>667,031</u>	<u>-</u>
Total U.S. Department of Health and Human Services				<u>1,221,554</u>	<u>-</u>
U.S. Department of Housing and Urban Development					
Passed Through the County of Northampton: Emergency Solutions Grant Program	14.231	COVID-19	20-503	<u>228,437</u>	<u>-</u>
Total U.S. Department of Human and Urban Development				<u>228,437</u>	<u>-</u>
Total Expenditures of Federal Awards				<u>\$ 1,449,991</u>	<u>\$ -</u>

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Center for Humanistic Change, Inc. under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the 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). Because the Schedule represents only a selected portion of the operations of the Center for Humanistic Change, Inc. it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Center for Humanistic Change, Inc.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized using the principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.
2. Center for Humanistic Change, Inc. has not elected to use the 10% de minimus indirect cost rate as allowed under Uniform Guidance.

See independent auditor's report on supplementary information.

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

To the Board of Trustees of
Center for Humanistic Change, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Center for Humanistic Change, Inc. (a not-for-profit corporation), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 20, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Center for Humanistic Change, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Center for Humanistic Change, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 the Center for Humanistic Change, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Congbell, Rappold & Yasuta LLP

December 20, 2021

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees of
Center for Humanistic Change, Inc.

Report on Compliance for each Major Program

We have audited the Center for Humanistic Change, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Center for Humanistic Change, Inc.'s major federal programs for the year ended June 30, 2021. Center for Humanistic Change, Inc.'s major federal 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 laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Center for Humanistic Change, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Center for Humanistic Change, 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 program. However, our audit does not provide a legal determination of the Center for Humanistic Change, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, the Center for Humanistic Change, 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 programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Center for Humanistic Change, 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, we considered the Center for Humanistic Change, Inc.'s internal control over compliance with the type of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Center for Humanistic Change, 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 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 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 of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Craig Bell, Rappold & Yasaita LLP

December 20, 2021

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021

Section I - Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ___ yes X no

Significant deficiencies(s) identified that are
not considered to be material weakness(es)? ___ yes X none reported

Noncompliance material to financial statements noted? ___ yes X no

Federal Awards:

Internal control over major programs:

Material weakness(es) identified? ___ yes X no

Significant deficiencies(s) identified that are
not considered to be material weakness(es)? ___ yes X 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
2CFR Section 200.516(a)? ___ yes X no

Identification of major programs:

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.959	Block Grants for Prevention and Treatment of Substance Abuse

Dollar threshold used to distinguish between
type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? ___ yes X no

Section II – Financial Statement Findings

- NONE-

Section III – Federal Award Findings and Questioned Costs

- NONE-

CENTER FOR HUMANISTIC CHANGE, INC.
(A Nonprofit Organization)
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2021

Summary Schedule of Prior Audit Findings

- NONE-



555 Union Blvd., Suite 7
Allentown, PA 18109
Phone: 610-443-1595
Fax: 610-443-1598
www.thehc.org
info@thehc.org

IRS Letter 501c3
Attachment "B"

OCT 24 2016

Internal Revenue Service
P.O. Box 2508
Cincinnati, OH 45201

Department of the Treasury

Date: October 20, 2016

Person to Contact:

Mr. Schatz

Toll-Free Telephone Number:

877-829-5500

Employer Identification Number:

23-2107264

Form 990 Required:

Yes

CENTER FOR HUMANISTIC CHANGE INC
100A CASCADE DR
ALLENTOWN PA 18109-9527

Dear Sir or Madam:

This is in response to your request dated October 19, 2016, regarding your tax-exempt status.

We issued you a determination letter in June 1980, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC 509(a)(1) & 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit www.irs.gov or call 1-800-TAX-FORM (1-800-829-3676).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

Sincerely yours,



Jeffrey I. Cooper
Director, Exempt Organizations
Rulings and Agreements



555 Union Blvd., Suite 7
Allentown, PA 18109
Phone: 610-443-1595
Fax: 610-443-1598
www.thehc.org
info@thehc.org

Board of Directors
Attachment "C"



Board of Directors Fiscal Year 2021– 2022

OFFICERS (terms)

Sean Linder, (9/2015-9/2024)

President

Prepared Retirement Institute

Edward Campbell, (11/2019-9/2028)

Secretary

MDA Industry Sales Mgr
Rockwell Automation

Ken Charette, (9/2015-9/2024)

Vice President

Attorney
Fitzpatrick Lentz & Bubba

John Mohr, (9/2019-9/2028)

Treasurer

Owner
mohrDigital LLC

MEMBERS (Terms)

Lorna Clause, (2/2015-2/2024)

Bloom and Truth for Women

Kevin Janus (9/2021-9/2030)

Wealth Mgmt Business Strategy
Guardian

Lenore Mohr, (9/2019-9/2028)

Pure Light Reinvest
Real Estate

Gabriel Rendon, (9/2018-9/2027)

Executive Director
Financial Literacy Center of the LV

Farah L. Vallera, PhD. (9/2017-9/2026)

Professor of Practice in Instructional Technology and Teacher Education
Lehigh University



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Phone: 610-443-1595
Fax: 610-443-1598
www.thehc.org
info@thehc.org

Annual Report
Attachment "D"

2020-2021 Annual Report

2020-2021 Board of Directors

OFFICERS

Lara Ruesch, President
*Allentown District, PA Board of
Probation and Parole*

Sean Linder, Vice President
Prepared Retirement Institute

Lorna Clause, Treasurer
Bloom/Truth for Women

Jaclyn Baldwin, Secretary
PPL Electric Utilities

MEMBERS

Danielle Adams
QueenSuite, LLC

Edward Campbell
Rockwell Automation

Kenneth Charette, Esq.
Fitzpatrick, Lentz & Bubba

Viviana X. Lucabeche
*Misericordia University
Muhlenberg College*

John Mohr
mohrDigital, LLC

Lenore Mohr
*Pure Light Reinvest... powered by
Keller Williams Real Estate*

Gabriel Rendon
*Financial Literacy Center
of the Lehigh Valley*

LaKeisha Thorpe
Chestnut Hill College

Amy Baker Trapp
*Ashland Foundry
& Machine Works, LLC*

Farah Vallera
Lehigh University

MISSION STATEMENT

'We give people, especially youth, the knowledge and tools they need to make better-informed and more positive life choices.'

PRESIDENT'S MESSAGE...

It is with gratitude and honor that I begin my term as Board President of the Center for Humanistic Change for the 2021-22 fiscal year. I am thankful for the opportunity to head the governance for such a wonderful organization, and grateful for the Board leadership which preceded me. We extend our sincerest thanks to outgoing President, Lara Ruesch, for her many years of volunteer service. We also appreciate the participation of other outgoing board members. The newly elected officers for 2021-2022, Ken Charette (VP), Ed Campbell (Secretary), and John Mohr (Treasurer), as well as the incoming full board, will work to support CHC in all of its endeavors.

The organization is a leader in offering critical education and resources to help individuals overcome challenges with resilience and to achieve personal growth. With a dedicated and caring staff, CHC is forging the way as not only a program provider, but also a problem solver.

~ Sean Linder, President, 2021-2022 Board of Directors

EXECUTIVE DIRECTOR'S MESSAGE...

The past two years were an unexpected challenge for the world, for our nation and for our community. The pandemic caused many people to experience great losses... of loved ones, jobs, learning opportunities, and even trust. Through it all, CHC continued providing its prevention education, mentoring and life skills programs to address the most urgent needs of children, adults and families in crisis. While many schools operated virtually and in hybrid environments, the focus remained on academics, and access to students for in-person prevention programming decreased. Nevertheless, CHC continued to deliver programs however possible. We answered the clarion call to reach people wherever they were. We saw an increase in the need for parenting programs as parents searched for ways to cope with the stress of their child being home from school, and to understand their child's behavior and support them in their learning. Schools turned to CHC's social-emotional learning programs more than ever before, during a time when children were struggling to manage their emotions and increased anxiety in uncertain times.



In February 2021, I readily accepted the baton passed on by our retiring and revered executive director, Arlene Lund. With eagerness and experience, I look forward to leading the organization and its talented team through this pivotal time and beyond. Our promise is to remain fully accessible and adapt our delivery styles as needed to provide effective virtual and in-person programming for every kind of school and community scenario, so that people receive the support they need to succeed in the classroom, at work, at play, and in life. I invite you to reach out to us at any time.

~ Kristen Hettrick, Executive Director

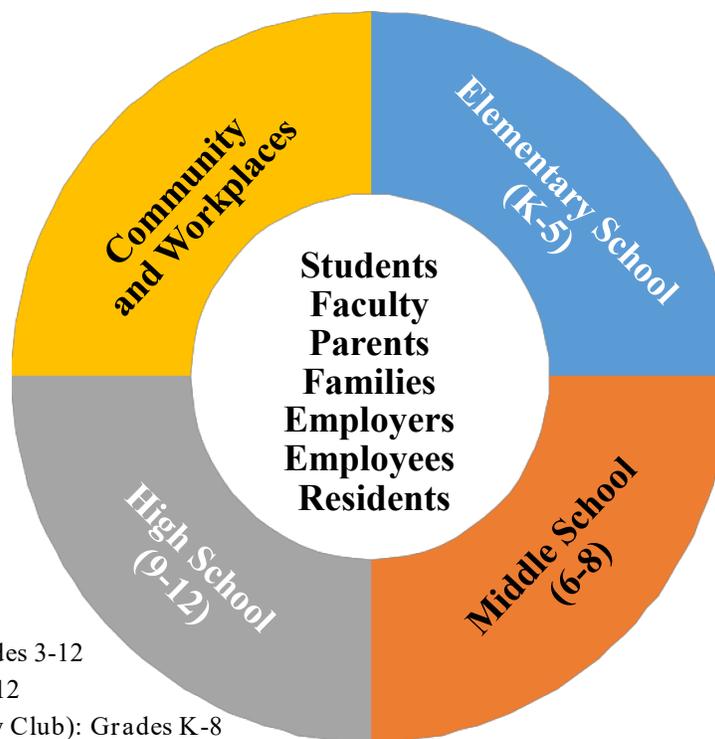
A Continuum of Prevention Service Across the Ages

Single-Session Programs

- **Choices, Chances, Changes**
- **Current Drug Trends** (Focus on Alcohol, Tobacco and Vaping)
- **Cyber Gambling Awareness Program**
- **HOPE** (Heroin and Opioid Prevention Education)
- **HOPE for HS Students**
- **HOPE for the Workplace**
- **HOPE for Older Adults**
- **Mock Teen Bedroom**
- **SOS - Signs of Suicide**
- **Stanford Tobacco Prevention Toolkit** (Single & Multi)
- **The Vaping Epidemic**

Small Groups - Life Skills

- **Botvin Life Skills (LST):** Grades 3-12
- **I Can Problem Solve:** Ages 4-12
- **Lifeskills for Littles** (Weekday Club): Grades K-8
- **FISH** (Families in Separate Households): Grades 2- 6
- **Healthy Choices Healthy Relationships:** Grades 10 - 12



Multi-Session Programs

- **Botvin Life Skills** (Student and Parent Training)
- **Project SUCCESS/Crossroads (PSCR) Mentoring**
- **PATHS** (Promoting Alternative Thinking Strategies)
- **Keep a Clear Mind**
- **Project Toward No Drug Abuse**
- **Safe Dates**
- **Second Step**
- **STEP/STEP Teens** (Systematic Training for Effective Parenting/Teens)
- **Small Group Life Skills**
- **Stanford Tobacco Prevention Toolkit** (Single & Multi)
- **Strengthening Families**
- **Strong African American Families (SAAF)**
- **Teaching Students to be Peacemakers**
- **The Blues Program**
- **Too Good for Drugs/Violence**

A YEAR OF ADJUSTMENTS AND ACHIEVEMENTS

~ PROGRAM HIGHLIGHTS ~

- ◆ CHC served 3,356 students in **Second Step**, an evidence based program which increases school success and decreases problem behaviors by promoting social-emotional competence and self-regulation. The skills-focused, social-emotional learning curriculum strengthens students' ability to learn, have empathy, manage emotions, and solve problems to reduce impulsive/aggressive behaviors.
- ◆ **STEP** trained 143 parents. This is a program which provides skills training for parents of children ages 6-12 years of age. The course is designed to help parents better understand children's behavior and misbehavior; learn to develop child confidence; practice positive listening; and give encouragement. The sessions use role-play to dramatize examples of both ineffective and effective parent-child interaction, and provide opportunities to discuss personal experiences.
- ◆ CHC's **Current Drug Trends** program served 1,037 people. This program identifies and explores personal values and risk factors regarding alcohol, tobacco, and other drug use and provides accurate information on current drug trends and their effects. Adults learn how to talk to children about drugs and alcohol, how to build refusal skills, and how to find help when facing a problem.
- ◆ **HOPE** served 2,312 people. The **Heroin and Opioid Prevent Education** program provides information on the growing concern around the heroin and opioid epidemic. Participants learn about opioids and heroin; signs and symptoms of opioid/heroin use; the effects of use on one's health, relationships, and their future; and where to find local resources to help the person with a substance use disorder.
- ◆ CHC's signature **Mock Teen Bedroom** program reached 1,408 people. This adults-only education program provides a hands-on opportunity to learn how to identify drug paraphernalia; the ways drugs and drug use can be disguised; current local drug trends; the most-up-to-date information on those trends/drugs; ways to talk to children about drugs and alcohol; and how/where to find help.
- ◆ Sixty nine percent (69%) of our programming was with children and teens.

IDENTITY STATEMENT

The Center for Humanistic Change prepares people to meet life's challenges.

We believe that individuals equipped with knowledge and life skills are more likely to make positive, healthy choices in their lives.

We offer evidence-based and custom-designed education focused primarily on building resiliency and preventing substance abuse, that gives people the knowledge and skills they need to make better choices.

We serve elementary, middle, and high school-aged youth, as well as parents and educators, and employees at workplaces throughout Lehigh Valley, Pennsylvania.

WE EDUCATE

We “train the trainers” and offer programs especially designed for parents and educators. We teach parents how to communicate more effectively with their children and to recognize the signs of alcohol and substance abuse, dating violence, and cyberbullying. We also offer custom-designed training for schools, businesses, and community organizations on topics ranging from alcohol, tobacco, and other drug use prevention, relationship and family skills, personal life skills, and violence and bullying prevention.

WE SUPPORT

We support at-risk students by teaching them the necessary skills to cope with challenges they face. We work with schools to identify students whose alcohol, substance abuse, or mental health issues are becoming barriers to their success – and then help these students get back on track.

WE LEAD

We track local and national trends to ensure our programs are relevant and reflect evidence-based best practices. We also take a leadership role in bringing together people from all sectors of the Valley to collectively address the issues of alcohol and substance abuse.

COVID-19 Response

In a report released in April 2020 by *World Vision*, researchers explored the feelings of youth between the ages of 8-17 about the COVID-19 pandemic. “Across all 13 countries, reflections were largely the same: children and youth are experiencing massive shifts in their lives due to school disruption, social distancing, and increasing poverty. For example, 71% of respondents said they felt isolated and lonely due to school closures, while 91% said they were facing anxiety, anger and worry as a result of the outbreak.”

While the United States was not part of that study, children in America are dealing with parallel emotions, and the Center for Humanistic Change sees the impact of these invariable challenges with the students and families we serve. People are experiencing high levels of stress, anxiety and conflict. This can lead to increased depression, anger, and alcohol and substance abuse, as we've seen with the rise in heroin and opioid abuse locally and on a national level.

The Center for Humanistic Change will continue to be flexible and responsive to meeting the needs of our schools and the community during these trying times. As we work to foster resilience in the people we assist, we also generate it within our organization by supporting and helping each other face our daily initiatives. As COVID-19 troubles persist, CHC will continue to reach out with critical programming and resources. Visit our website for current information and our community resources guide, and share with those who would benefit from our services.

We are here for you!



www.thehc.org

PROGRAM IMPACT ~ Making A Difference, One Student at a Time

Prevention Programs Make a Difference - We know prevention education works, because we measure changes in knowledge and attitude through pre- and post-surveys. Our evidence-based programming has been tested and proven to make a difference in the lives of those served. However, it is often through our focused time and face-to-face interaction with students and adults that we learn about the fuller impact we make in their lives. Here are a few successful stories:



- ◆ One of CHC's caring mentors worked with a kindergartner whose family was struggling through divorce, causing the child to withdraw, hide feelings and look to her mother for permissions before responding during virtual meetings. By taking time with the child each week, sharing a personal story about shyness and family separation, and using age-appropriate materials about divorce, the mentor created a trusting relationship with the student who became more conversational, open to discussing feelings, and responsive without needing external prompts.
- ◆ An elementary parent asked CHC staff for help in controlling her child's outbursts of anger. The student was well mannered in school, but this behavior would happen at home, and punishment was ineffective. During mentoring sessions, it was discovered the child didn't like to lose, particularly when playing games, and his temper was triggered when things didn't go his way. As the student opened up during sessions, the mentor learned that the child didn't know how to express his creativity. He especially wanted to learn to cook, and the mother never knew that. The mentor shared calming and mindfulness exercises with the student, and the family began to cook together which turned into positive experiences and averted time from frustrating video games. After just two months, the student felt in control of his emotions, and expressed a desired goal to become a chef when he grows up.
- ◆ CHC staff often face the challenges of family cultures who resist counseling, but sometimes Project SUCCESS is the only form of support to which parents will agree. One student reached out to a CHC mentor for help after identifying as gay without family acceptance. The mentor quickly recognized the student could be headed toward depression. With a deeper method of intervention needed, the mentor worked on building trust with the parents who finally were willing to seek school-based mental health services for their child through the hospital network. The persistence of the mentor and time taken to build trust with the family enabled the student to get the help that was needed.

COMMUNITY IMPACT ~ Meaningful Partnerships

CHC and Northampton County Drug and Alcohol cohosted an online Addiction and Recovery Forum on September 22, 2020, which featured three wonderful speakers:

Brian Sabo, CRS and Director of the Hope Center, shared his own journey through addiction and recovery in his talk, *The Power to Overcome Substance Use Disorder*. The Hope Center, located in Bethlehem, offers recovery support, including AA and NA meetings, family support gatherings, and Certified Recovery Specialist trainings.

Rhonda Miller, CFRS, is the Executive Director of Speak Up for Ben, Inc. and Oasis Community Center, located in Bethlehem. Rhonda's talk, *Speaking Up: Changing the Dialogue to End the Stigma Epidemic*, focused on the need to lessen stigma around substance use in order to break down barriers to recovery. Oasis programs, including Adult Children of Alcoholics, grief groups and SMART Recovery, to name just a few, focus on the needs of family and friends affected by substance use.

Beatriz Messina, LSW, MSW, Assistant Professor and Counselor at Northampton Community College, provided *Why Youth Recovery Programs are Essential*. Beatriz spoke about the specific recovery needs of older teens and young adults. As Director of the NCC Collegiate Recovery Program, she works with students who are in recovery and looking for a supportive environment within the college campus culture.

Nearly 200 people participated in the five hour program that also included question and answer sessions with local Certified Recovery Specialists. Attendees included people working in the substance recovery field, school counselors and administrators, and employees of various social service agencies and non-profit organizations.

Videos of the three featured speakers are available on the CHC website: www.thehc.org/resources/videos.html.

PROGRAM IMPACT ~ Measuring Results

Student Assistance Program: CHC served **93 of the 93 schools** in Lehigh County and **55 of the 55 schools** in Northampton County with liaison services, technical assistance, material dissemination, newsletters and other communications, team maintenance, and evaluation services through the Student Assistance Program (SAP). CHC’s Commonwealth Approved Training Program certified **125 new SAP professionals**.

Project SUCCESS/Crossroads Mentoring Program: The PSCR staff mentored 614 students from 31 schools throughout the Lehigh Valley, many of whom were remote students during the school year. Some of the 2020-2021 results showed these student improvements: 49% understood another’s point of view; 49% communicated better with peers; 47% sought help from adults; and 56% resisted or said “no” to peer pressure. Complete data on attendance, grades and disciplinary incidences was limited due to the impact of the Covid-19 pandemic.



Other Programs: CHC conducts pre- and post-surveys to determine the impact of prevention education. Program results are analyzed to determine if there is a significant difference in knowledge score and attitude shifts between the pre- and post-surveys; meaning their attitudes improved and knowledge increased. These results are part of a fuller evaluation that considers factors such as the level of pre-survey knowledge and attitudes, and the regularity and consistency of prevention education among the population. The following is a sampling of 2020-2021 results.

Knowledge Gains and Attitude Improvements:



- ♦ **Second Step**, an evidence-based multi-session program for elementary school students, had a knowledge increase of 33%.
- ♦ **Choices-Chances-Changes**, a single-session informational program, had a knowledge increase of 49.7% and an attitude improvement of 14.2%.
- ♦ **Current Drug Trends**, a single-session informational program, had a knowledge increase of 64.7% and an attitude improvement of 3.9%.
- ♦ **HOPE for High School Students**, another single-session program, had a knowledge increase of 32.4% and an attitude improvement of 11.7%.
- ♦ The **Addiction and Recovery Forum** targeting high school and college youth, had an attitude improvement of 16.8%.
- ♦ The **Fetal Alcohol Spectrum Disorder (FASD) conference**, offered annually to the general public, had a knowledge increase of 82.1% and an attitude improvement of 18.5%.

Program Participant Totals 2020-2021

Population	Lehigh County	Northampton County	Other Counties	TOTAL
Elementary (ages through 11 years)	2,178	3,031	—	5,209
Secondary (ages 12-20 Years)	4,086	1,497	40	5,623
Adults (ages 21 and older)	3,185	1,444	217	4,846
TOTAL	9,449	5,972	257	15,678

*We are grateful for the time and talents donated by our volunteers!
The organization was gifted with 130 hours of service from 29 volunteers, valued at \$3,710.20.*

A Clean Slate Recovery Center	Emmaus HS	Lincoln Leadership Academy CS	Roberto Clemente Elementary CS
Abe's Six Pack	Epworth United Methodist	Louis E Dieruff HS	Roberto Clemente Secondary CS
Ada B Cheston ES	Executive Education Academy CS	Lower Macungie MS	Roosevelt ES
Air Products	Eyer MS	LV Charter HS for the Performing	Salem United Methodist Church
Alburtis ES	Fairview Park (Health Fair)	LVHN Allentown	Salisbury Township SD
Allentown Housing Authority	Faith Church	LVHN Muhlenberg Alternative	Saucon Valley HS
Allentown Learning &	Faith Community Assembly of	Macungie ES	Saucon Valley SD
Allentown SD	Fed Up Coalition Rally	Macungie Memorial Park	Seven Generations CS
Allentown Victory Church	Forks Beer & Soda	Marvine ES	Shangy's Beverage
Arts Academy Charter ES	Fountain Hill ES	Miers Brauerei	Shawnee ES
Avona ES	Francis A March ES	Moms of Easton	Sheridan ES
Bangor Area HS	Francis D Raub MS	Moravian Academy US	Shoemaker ES
Beer Brothers	Freedom HS	Mosser ES	Slatington ES
Beer Company	Freemansburg ES	Muhlenberg ES	South Mountain MS
Bethlehem Area SD	Governer Wolff ES	Nazareth Area HS	South Mountain MS
Bethlehem Catholic HS	Grace Deliverance Baptist Church	Nazareth Area MS	Southern Lehigh MS
Beverage & Smoke	Greater Shiloh Church	Nazareth Area SD	St. Anne School
Blank Slate Church	Hanover ES	Nazareth Carnival	St. Catherine of Siena Catholic
Blue Moon Beverage	Harrison Morton MS	New Bethany Ministries	St. Lukes Health Network
Boom-A-Rang Beverage	Hays ES	Newcomer Academy	St. Lukes School of Nursing
Boy Scout Troop 439	Healing Path Psychology	Nitschmann MS	St. Paul Roman Catholic Church
Boys & Girls Club of Easton	Hope Center	Northampton County Drug &	St. Thomas More
Budget Beverage	International UBIC	Northampton County Health &	Tara Zrinski Event
Building 21	Iron Run Beverage	Northampton HS	Temple del Refugio
Casa Guadalupe	Jefferson ES (ASD)	Northampton MS	The Barn Church
Catasauqua MS	Jefferson ES (EPSD)	Northampton SD	The Nehemiah Wall
Cedar Crest Student Nurse Assn.	Kolbe Academy	Northeast MS	Trexler MS
Central ES	Lehigh Carbon Community	Northern Lehigh HS	Trinity Wesleyan Church
Change on Main	Lehigh County Community	Northern Lehigh MS	Union Terrace ES
Chestnut Hill Church	Lehigh County Dept. of	Northwestern Lehigh HS	United Way GLV - Education
Children's Clinic of Lehigh Valley	Lehigh County Jail	Northwestern Lehigh SD	Walters Park (Health Fair)
Col John Siegfried ES	Lehigh County Juvenile Probation	Notre Dame HS	Whitehall HS
Colonial Intermediate Unit 20	Lehigh Learning & Achievement	Oasis Community Center	Whitehall-Coplay MS
Corey & Kimberly's Ride	Lehigh Parkway ES	Our Lord's Ascension Polish	Whitehall-Coplay SD
D & R Beverage	Lehigh Valley Charter HS for the	Palmer ES	William Allen HS
DeSales University	Lehigh Valley Children's Center	Parkland SD	Wilson Area HS
Donegan ES	Lehigh Valley DUI/Highway	Pavlish Beverage	Wise Guys Beer
Dorneyville Beverage	Lehigh Valley Hospital	Paxinosa ES	Young Life Ministries
Drew's Beverage Barn	Lehigh Valley Hospital	PC Beverage	Youthbuild Allentown
Dual Language CS	Liberty Bell Beverage	Pen Argyl HS	
East Penn SD	Liberty HS	Peters ES	
East Side Family Beverage	Lincoln ES (Bethlehem Area SD)	Plainfield ES	
Easton Area HS	Lincoln ES (East Penn SD)	Ramos ES	
Easton Area MS		Ritter ES	
Easton Arts Academy			
Easton Beverage			
Easton Community Center			
Edward Tracy ES			



PROGRAM PROVIDERS ~ PROBLEM SOLVERS



The Center for Humanistic Change facilitates interactive experience-based trainings and small groups that engage participants in meaningful learning. Custom programs have been designed in response to the specific needs of schools, community organizations and businesses in the Lehigh Valley.

Many of our evidence-based programs have been approved by the National Registry of Evidence-Based Programs and Practices (NREPP), which is hosted by the Substance Abuse and Mental Health Services Administration (SAMHSA) within the U.S. Department of Health and Human Services (HHS.)

DONOR IMPACT ~ Supporters Making a Difference

\$1000-\$2499

Arlene Lund
Ray Venable, in memory of
Bob & Mary O'Rourke

\$500-\$999

Kristen Hettrick
RC Kelly Law Associates, LLC
Donald & Theresa Rives
Edward Spitzer

\$250-\$499

Anonymous
Jaclyn Baldwin
Fran Bentkowski
David Bond
Gerald Camera
EZ Micro Solutions, Inc.
Sean Linder
John Mohr
NCR Payroll & HR Solutions
Pure Light Properties, LLC
Jeanne Dager-Ruesch

\$100-\$249

Marc & Joann Basist
Kristianna Belotto
Edward Campbell
Kenneth Charette
Lorna Clause
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Drivelocker, LLC
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Michael & Joan Howe
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Theresa Krohn
Andrea Langlais
Longview Kennels
Kistler-Tiffany Benefits
Ross & Joan Marcus
Diane Menio
Lenore Mohr
Karen Moore

\$100-\$249 (continued)

Mary Morrison
Rosalie Moyer
Robert Ott
Mike & Audrey Polce
Mary Powers
Deborah Reilly
Gabriel Rendon
Donna Rohrbach
Helen Ruesch
Katelyn Schoelles
Paul & Sally Schoffstall
Arlene Sharp
Kimberly Spotts-Kimmel
Jennifer Staib
Robert Thompson
Farah Vallera
Judith Venturini
Joanna Walter
The Wolff Revocable Living
Trust

Up to \$99

Maria Alonso-Tomlinson
Amazon Smile
Anderson Family Trust
Anonymous
Jim & Patti Argondizzo
B. Braun Medical
Andrea Bickert
Laura Bickert Ciarllo
Nancy Bushspice
Brandon Chasse
Michael Chasse
Christine Neues Interiors
Martin Cottrell
Sandra Duarte
Kathleen Elliott
Kurt & Gemma Fendler
Gary Fields
Amy Jo Fields
James & Kathleen Halkins
Susan Henry



The Board of Directors appreciates the staff and leadership at CHC for another great year of making an impact in the Lehigh Valley - one person, one family, one school, one organization, one company at a time.

Allen Hess
Joan Howe
Patricia Jackson
Kate Joyce
Megan Kartchner
Rachel Kisselbach
Taylor & T.J. Kleffel
Karen Kohn
Constance Leslie
Sandra Lisin
Gregory & Linda MacGill
Meredith Makoul
Gladys Malone
Jim McDade
Mildred Miller
Delia Mitchell
Michael Ott
Penn State University
John Petruzzelli
PPL Electric Utilities Corp.

Paula Ream
Michael Roche
Virginia Sandoval
Donna & Helmut Schoen
Jonathan Schultz
Daniel Schwartzman
Patrice Schwartzman
Diane Seip
Patrice Shelton
Maureen Simonetta
Suzan Soltani
Wendy Texter
Elizabeth Thomas
Jobin Thomas
Amie Tracy
Devon Vukovich
Richard & Melody Weisman
Ian Williams
Lisa Wolff

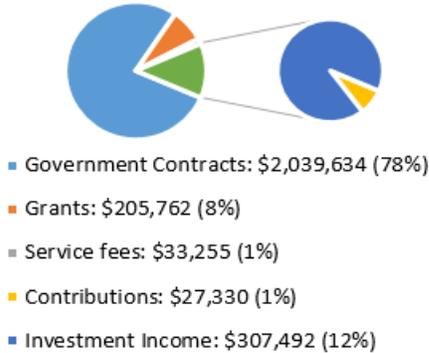
FINANCIAL REPORT: July 1, 2020 - June 30, 2021

CHC's volunteer Board of Directors provides prudent oversight of the finances and assists the Executive Director with financial management, allowing for smart growth that aligns with the agency's mission.

The organization is financially stable. With a strong investment portfolio, the agency's bottom line grew modestly in the 2020-2021 fiscal year.

Eighty-five percent (85%) of government, private and foundation grants, service fees and contribution revenues support direct programming to engage community members in building skills for life's challenges.

Statement of Activities: 6/30/2021 Revenues, Gains and Other Supports



Many thanks to these funders who supported CHC's programs and services with grants and contracts:

- Anonymous Foundation
- Bethlehem Rotary Foundation
- City of Bethlehem Development Block Grant
- Commonwealth Prevention Alliance
- Crayola
- Harry C. Trexler Trust
- Just Born Quality Confections
- Lehigh County Department of Human Services,
Drug and Alcohol Division
- Lehigh Valley Dual Language Charter School
- Martin Guitar Charitable Foundation
- Northampton County Department of Human Services,
Drug and Alcohol Division
- Northampton County Medical Society
- Provident Bank Foundation
- Rotary Club of Allentown
- Donald B. & Dorothy L. Stabler Foundation
- Sylvia Perkin Charitable Trust
- Trumbower Hospital Foundation
- Two Rivers Health & Wellness Foundation
- United Way of the Greater Lehigh Valley
- Wawa Foundation



Statement of Functional Expense: 6/30/2021



- Program Services: \$1,584,137
- Management and General: \$217,977
- Fundraising expenses: \$51,543

For the year ended June 30, 2021, the audit opinion confirmed that the audit was "in accordance with accounting principles generally accepted in the United States of America." The audit was conducted by Campbell, Rappold & Yurasits, LLP, Certified Public Accountants and Advisors.

CHC is registered through the Pennsylvania Department of Charitable Organizations. Registration does not imply endorsement.



Extreme Platinum

- ◆ The Richard and Susan Master Family Foundation

Platinum

- ◆ The Carpino Group
- ◆ Morey, Nee, Buck & Oswald, LLC

Bronze

- ◆ Arlene J. Lund, Consulting
- ◆ EZ Micro Solutions, Inc.
- ◆ Jacklyn & Emily Baldwin
- ◆ mohr Digital
- ◆ Pure Light Reinvest
- ◆ The Wolff Family

Gold

- ◆ CHC's SAP Team

Steel

- ◆ Bickert's Buddies
- ◆ Hampton Design Group
- ◆ Kistler Tiffany Benefits
- ◆ The Ferketich Family
- ◆ The Reilly Family
- ◆ The Staib Family

Although the spring event was virtual, we appreciate the support from our 2021 Highmark Walk sponsors, helping to raise \$11,840!

