

**SOUTH JAMAICA CENTER FOR
CHILDREN AND PARENTS, INC.**

**EARLY LEARN PROGRAM
FISCAL ID NO. 00825**

**114-02 GUY R. BREWER BLVD.
JAMAICA, NEW YORK 11434**

TELEPHONE NO. (718) 526-2500

**FINANCIAL STATEMENTS
INCLUDING UNIFORM GUIDANCE REPORTS
AND INDEPENDENT AUDITORS' REPORT**

FOR THE YEAR ENDED JUNE 30, 2018

LES S. THOMPSON & CO., LLP

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
JUNE 30, 2018

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INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

**The Board of Directors
South Jamaica Center for Children and Parents, Inc.
EARLY LEARN PROGRAM
114-02 Guy R. Brewer Blvd.
Jamaica, New York 11434**

Report on the Financial Statements

We have audited the accompanying financial statements of **South Jamaica Center for Children and Parents, Inc. Early Learn Program** which comprise of the statement of financial position as of June 30, 2018 and related statement of activities, statement of functional expenses, statement of cash flow, 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 our opinion on these financial statements based on our audit. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, "issued by the Comptroller General of the United States.

Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **South Jamaica Center for Children and Parents, Inc. Early Learn Program**, as of June 30, 2018 and the changes in its net assets for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was made for the purpose of forming an opinion on the financial statements as a whole. The supplementary information such as the Statement of Revenue and Expenditures Budgeted and Actual 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 financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States. 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 report dated May 14, 2019 our consideration of South Jamaica Center for Children and Parents, Inc. Early Learn Program's internal control over financial reporting and on or 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, 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 South Jamaica Center for Children and Parents, Inc. Early Learn Program's internal control over financial reporting and compliance.



New York, New York
May 14, 2019

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018

	HEAD START					
	ACS	UPK	DOE UPK Enhancement	CT	CACFP	TOTAL
ASSETS						
Cash and Cash Equivalents (Note 3)	\$ 77,083	\$ -	\$ -	\$ -	\$ -	\$ 77,083
Prepaid Expenses (Note 4)	11,773	-	-	-	-	11,773
Due from ACS (Note 5)	-	66,229	-	-	-	66,229
Due from CACFP (Note 6)	-	-	-	-	9,360	9,360
Due from Sponsors (Note 7)	216,810	-	4,659	2,781	-	224,250
TOTAL ASSETS	\$ 305,666	\$ 66,229	\$ 4,659	\$ 2,781	\$ 9,360	\$ 388,695
LIABILITIES						
Accounts Payable (Note 8)	\$ 18,114	\$ 2,207	\$ 619	\$ 2,781	\$ 1,358	\$ 25,079
Accrued Expenses (Note 9)	52,656	-	-	-	-	52,656
Due to ACS (Note 5)	234,896	-	4,040	-	-	238,936
Due to Sponsor (Note 7)	-	64,022	-	-	8,002	72,024
Total Liabilities	305,666	66,229	4,659	2,781	9,360	388,695
NET ASSETS	-	-	-	-	-	-
TOTAL LIABILITIES AND NET ASSETS	\$ 305,666	\$ 66,229	\$ 4,659	\$ 2,781	\$ 9,360	\$ 388,695

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	HEAD START								
	ACS	UPK	UPK - ENH	Health & Safety	Other	CACFP	CTL	Sub-grantee Contributions	Total
REVENUES:									
ACS Revenue	\$ 1,285,833	\$ 7,549	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,293,383
Health & Safety-ACS	-	-	-	2,405	-	-	-	-	2,405
City Funds	-	-	-	-	-	-	77,329	-	77,329
CACFP Reimbursement	-	-	-	-	-	108,447	-	-	108,447
Other Income	-	-	-	-	3,975	-	-	-	3,975
UPK Reimbursement	-	181,294	-	-	-	-	-	-	181,294
Enhanced UPK	-	-	82,358	-	-	-	-	-	82,358
In Kind Contribution	-	-	-	-	-	-	-	745,348	745,348
Total Revenues	1,285,833	188,843	82,358	2,405	3,975	108,447	77,329	745,348	2,494,538
EXPENDITURES									
Personnel Services	752,357	102,321	36,353	-	-	27,523	-	185,554	1,104,108
Employer's FICA	56,455	7,729	2,738	-	-	2,014	-	-	68,936
Other Insurance - FB	6,633	837	-	-	-	-	-	-	7,470
Pension	68,301	8,029	3,346	-	-	-	-	-	79,675
Health Insurance	99,052	10,941	5,613	-	-	-	-	-	115,606
Workers Compensation	20,417	3,605	1,056	-	-	-	-	-	25,078
Employer's U.I.B	8,861	1,261	730	-	-	-	-	-	10,852
Welfare Fund	-	-	-	-	-	-	-	-	-
Utilities and Telephone	16,026	4,413	-	-	-	-	-	-	20,439
Rent	35,018	10,872	-	-	-	-	48,646	559,794	654,330
Local Child Travel	-	-	-	-	-	-	-	-	-
Maintenance & Repairs	32,840	7,847	-	-	-	-	154	-	40,840
Health & Safety	-	-	-	2,405	-	-	-	-	2,405
Substitutes	16,595	-	747	-	-	-	-	-	17,342
Equipment < \$5000 Per Item	-	-	-	-	-	-	-	-	-
Capital Expenditure	-	-	-	-	-	-	-	-	-
Supplies	50,736	8,480	1,686	-	-	-	-	-	60,902
Education	9,478	567	22,650	-	-	-	-	-	32,695
Training & Staff Development	30,381	5,125	7,001	-	-	-	14,096	-	56,603
Insurance & Fees	11,353	3,193	437	-	-	-	-	-	14,983
Parent Services	3,977	-	-	-	3,975	-	-	-	7,952
Child Services Consultants	17,875	3,468	-	-	-	-	14,433	-	35,776
Other Consultants	316	84	-	-	-	-	-	-	400
Contractual	2,853	617	-	-	-	-	-	-	3,470
Miscellaneous	46,311	9,454	-	-	-	-	-	-	55,765
Food Expenses/NonFood	-	-	-	-	-	78,911	-	-	78,911
Total Expenses	1,285,833	188,843	82,358	2,405	3,975	108,447	77,329	745,348	2,494,538
Excess of Revenue over Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018

	OTHER THAN HEAD START								Total Program Expenses	Management	Total
	HEAD START ACS	HEAD START UPK	UPK ENH	HEALTH & SAFETY	CTL	OTHER	CACFP	SUB-GRANT CONTRIBUT			
EXPENDITURES											
Personnel Cost											
Salaries	\$ 628,922	\$ 94,108	\$ 36,353	\$ -	\$ -	\$ -	\$ 27,523	\$ 185,554	\$ 972,459	\$ 131,648	\$ 1,104,108
FICA	47,114	7,147	2,738	-	-	-	2,014	-	59,013	9,923	68,936
Other Insurance - FB	5,666	837	-	-	-	-	-	-	6,503	967	7,470
Pension	57,943	7,909	3,346	-	-	-	-	-	69,197	10,478	79,675
Health Insurance	86,967	10,927	5,613	-	-	-	-	-	103,507	12,099	115,606
Workers Compensation	17,317	3,374	1,056	-	-	-	-	-	21,747	3,331	25,078
Employer's U.I.B	8,214	1,226	730	-	-	-	-	-	10,170	681	10,852
Welfare Fund	-	-	-	-	-	-	-	-	-	-	-
Substitutes	16,595	-	747	-	-	-	-	-	17,342	-	17,342
Total Personnel Costs	868,738	125,528	50,583	-	-	-	29,537	185,554	1,259,940	169,126	1,429,066
Facilities Cost											
Rent & Property Taxes	29,472	10,336	-	-	48,646	-	-	559,794	648,248	6,082	654,330
Insurance	11,353	3,193	437	-	-	-	-	-	14,983	-	14,983
Utilities and Telephone	14,894	4,308	-	-	-	-	-	-	19,203	1,236	20,439
Maintenance & Repairs	32,840	7,847	-	-	154	-	-	-	40,840	-	40,840
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-
Other Facility Costs	-	-	-	-	-	-	-	-	-	-	-
Total Facilities Costs	88,560	25,684	437	-	48,800	-	-	559,794	723,275	7,318	730,593
OTPS											
Supplies	48,220	8,220	1,686	-	-	-	-	-	58,125	2,777	60,902
Education Materials	9,478	567	22,650	-	-	-	-	-	32,695	-	32,695
Equipment under \$5000	-	-	-	-	-	-	-	-	-	-	-
Training	25,050	5,002	7,001	-	14,096	-	-	-	51,150	839	51,989
Parent Services	3,977	-	-	-	-	3,975	-	-	7,952	-	7,952
Consultants	18,191	3,552	-	-	14,433	-	-	-	36,176	-	36,176
Contractual	2,853	617	-	-	-	-	-	-	3,470	-	3,470
Local Child Travel	-	-	-	-	-	-	-	-	-	-	-
Out of Town Travel	4,615	-	-	-	-	-	-	-	4,615	-	4,615
Food	-	-	-	-	-	-	69,026	-	69,026	-	69,026
Non Food	-	-	-	-	-	-	9,884	-	9,884	-	9,884
Health and Safety	-	-	-	2,405	-	-	-	-	2,405	-	2,405
Other	36,060	7,590	-	-	-	-	-	-	43,650	12,115	55,765
Total OTPS Costs	148,444	25,547	31,338	2,405	28,529	3,975	78,911	-	319,148	15,731	334,879
Total Expenses	\$ 1,105,741	\$ 176,759	\$ 82,358	\$ 2,405	\$ 77,329	\$ 3,975	\$ 108,447	\$ 745,348	\$ 2,302,362	\$ 192,176	\$ 2,494,538

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STATEMENT OF CASH FLOW
AS AT JUNE 30, 2018

Excess of Revenue over Expenditures	\$ -
(Increase) Decrease in cash flow from operating activities	
Receivables	(3,083)
Prepayments	8,469
Payables and accrued expenses	<u>(218,191)</u>
Cash provided by operating activities	(212,805)
Cash balance at beginning of year	<u>289,888</u>
Cash balance at end of year	<u><u>\$ 77,083</u></u>

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 PRINCIPAL ACTIVITIES

The South Jamaica Center for Children and Parents, Inc. Early Learn Program Fiscal I.D. No. 00825 ("the Program") was contracted by the City of New York, Administration for Children's Services (ACS), to provide Early Child Development for 111 pre-school children, including 12 children eligible for handicapped services in New York City. The eligibility of persons for the program is determined by the Office of Head Start.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Program have been prepared on a modified accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

(a) Basis of Accounting

The modified accrual basis of accounting is followed by the agency. Under the modified accrual basis of accounting for governmental units, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than vacation and sick leave, are recorded when the liability is incurred, if measurable.

In applying the susceptible to accrual concept to grant revenues, the legal and contractual requirements of the individual program is used as guidance. Monies that must be expended on the specific purpose or project before any amounts will be paid to the Agency are recognized as revenue based on the expenditures recorded. Client fees and investment earnings are recorded as earned since they are measurable and available.

(b) Equity Concept

Under the terms of the grant, all monies not spent according to the grant agreement and budget and any tangible assets remaining at the end of the grant period are to be returned to the City of New York. Therefore, South Jamaica Center for Children and Parents, Inc. does not maintain any equity

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in the grant and any excess of assets over liabilities is shown as due to the City of New York, Administration for Children Services.

(c) Vacation and Sick Leave

Employees are granted vacation leave at an average rate of 1-2/3 days each month for employees with up to seven years of service and 1-11/12 days for employees with more than seven years of service. Sick leave is granted at the rate of one (1) day each month. Vacation and sick leave are paid at the employee's salary rate at the time taken. Unused vacation time is also paid when the employee leaves the Agency. Half of the sick time balance is paid to the employee upon retirement. No provision for these possible future liabilities has been made in the financial statements. The Agency recognizes vacation and sick pay as expenditures at the time they are used during the year.

(d) 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 accounts of assets and liabilities and disclosure of contingent assets and liabilities as the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The Program evaluates its estimates on an on-going basis. The Program bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

(e) Cash and cash equivalents

The Program considers cash in operating bank accounts, short-term money market funds and other deposits held by financial institutions, generally with maturity of three months or less when purchased, as cash and cash equivalents.

(f) Capital Expenditures

Under the terms of the grant agreements and in accordance with generally

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accepted accounting principles for governmental units, purchases of equipment, furniture, leasehold improvements and other capital items are charged as expenditures as incurred and not capitalized and depreciated over the useful life of the assets.

(g) Income Taxes

The Program is not-for-profit Program that is exempt from income taxes under Section 501 (a) of the Internal Revenue Code and classified by the Internal Revenue Service as a publicly supported Program, which is not a private foundation under Section 509 (a). The Program did not conduct unrelated business activities and therefore, has no provision for Federal income taxes in the accompanying financial statements.

(h) Fair Value of Financial Instruments

The Program believes that the carrying amounts for cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and other current liabilities approximate their fair value due to short maturities of these instruments.

(i) Concentration of Credit Risk

The Program maintains deposits in federally insured financial institutions. Management believes the Program is not exposed to significant credit risk due to the financial position of the depository institutions.

Financial instruments that potentially subject South Jamaica Center for Children and Parents, Inc. – Early Learn Program to concentration of credit risk consist principally of demand deposit accounts in financial institutions, which from time to time exceed the Federal Depository Insurance coverage limit of \$250,000. However, South Jamaica Program for Children and Parents, Inc. Early Learn Program has not experienced any losses.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 3 CASH AND CASH EQUIVALENTS

Carver Federal Savings Bank	\$77,286
Citibank N.A.	(219)
Metrocard	16
Total	<u>\$77,083</u>

NOTE 4 PREPAID EXPENSES

The amount of \$11,773 represents health insurance costs of \$13,003 and other costs that were paid in advance for FY19.

NOTE 5 DUE FROM (TO) ACS

	<u>ACS</u>	<u>UPK</u>	<u>UPK</u> <u>Enhancement</u>	<u>TOTAL</u>
<u>Prior Year</u>				
Balance at June 30, 2017	\$ (197,011)	\$ (122,614)	\$ 134,723	\$ (184,902)
Adjustment				
Closeout FY17	66,088	-	-	\$ 66,088
<u>Current Year:</u>				
<u>Expenditures</u>				
Early Learn	1,285,833	188,843	82,358	\$ 1,557,034
<u>Receipts</u>				
<u>FY 18</u>				
Sub-total	<u>(1,389,806)</u>	<u>-</u>	<u>(221,121)</u>	<u>\$ (1,610,927)</u>
Total Due (to) from ACS	<u>\$ (234,896)</u>	<u>\$ 66,229</u>	<u>\$ (4,040)</u>	<u>\$ (172,707)</u>

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NOTE 6 DUE FROM CACFP

	<u>TOTAL</u>
<u>Prior Year</u>	
Balance at June 30, 2017	\$ 10,125
Expenditures	108,799
Cash received during the current year	(109,465)
Due (to) from CACFP	<u>\$ 9,459</u>
 <u>Curent Year:</u>	
Expenditures	\$ 108,447
Cash received during the year	(108,546)
Due (to) from CACFP	<u>\$ (99)</u>
 Total Due (to) from CACFP	 <u><u>\$ 9,360</u></u>

NOTE 7 DUE FROM (TO) SPONSOR

The balances due from (to) sponsor reflect the net cash received and disbursed by the Sponsor on behalf of the Early Learn and CACFP Programs for the year ended June 30, 2018.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 8 ACCOUNTS PAYABLE

<u>Vendor</u>	<u>EL</u>	<u>UPK</u>	<u>UE</u>	<u>CT</u>	<u>CACFP</u>	<u>Amount</u>	<u>Total Paid</u>	<u>Date Paid</u>
Antoinette Cantey	\$ 276	\$ -	\$ -	\$ -	\$ -	\$ 276	\$ 276	7/23/2018
Citibusiness Card	1,011	126	-	1,240	-	2,377	2,377	7/9/2018
Citibusiness Card	-	-	-	995	-	995	995	7/9/2018
Dente Kobla	-	-	210	-	-	210	210	7/9/2018
Dente Kobla	141	-	69	-	-	210	210	7/9/2018
Driscoll Foods	-	-	-	-	643	643	643	7/9/2018
Driscoll Foods	18	-	-	-	-	18	18	8/1/2018
Head Start Spon. Board	1,825	395	-	-	-	2,220	2,220	11/9/2018
Jhonson Nutrition Service	-	42	-	258	-	300	300	7/9/2018
Jhonson Nutrition Service	329	71	-	-	-	400	400	7/9/2018
Jhonson Nutrition Service	288	62	-	-	-	350	350	7/9/2018
Jhonson Nutrition Service	329	71	-	-	-	400	400	7/9/2018
Jhonson Nutrition Service	-	42	-	258	-	300	300	7/9/2018
Key Food Super market	-	-	-	-	11	11	11	7/9/2018
Key Food Super market	-	-	-	-	105	105	105	7/9/2018
117SHAY0530	-	-	-	-	55	55	55	7/9/2018
Amola106/04	-	-	-	-	11	11		
Maream117	-	-	-	-	532	532		
N.O.S Consulting	1,066	-	-	-	-	1,066	1,066	7/23/2018
Personnel concepts	226	49	-	-	-	275	275	10/31/2018
Personnel concepts	147	32	-	-	-	179	179	10/31/2018
Plak Smacker	94	-	-	-	-	94	94	8/23/2018
Plak Smacker	94	-	-	-	-	94	94	8/23/2018
Principal Financing Group	5,643	816	340	-	-	6,799	6,799	10/18/2018
Ragland Jalavia	56	-	-	-	-	56	56	7/16/2018
Staples Advantage	174	28	-	-	-	202	202	7/9/2018
Staples Advantage	18	3	-	-	-	21	21	7/9/2018
Staples Advantage	109	30	-	-	-	139	139	7/9/2018
Staples Advantage	187	-	-	30	-	217	217	7/9/2018
Staples Advantage	332	88	-	-	-	421	421	7/9/2018
Staples Advantage	194	52	-	-	-	246	246	7/9/2018
Twilaq Industries	154	25	-	-	-	179	179	7/16/2018
Twilaq Industries	77	13	-	-	-	90	90	7/16/2018
Twilaq Industries	231	38	-	-	-	269	269	7/16/2018
Twilaq Industries	213	56	-	-	-	269	269	9/7/2018
Verizon	3,426	-	-	-	-	3,426	3,426	7/16/2018
Wells Fargo Fina.Leasing	821	168	-	-	-	989	989	7/9/2018
	<u>17,478</u>	<u>2,207</u>	<u>619</u>	<u>2,781</u>	<u>1,358</u>	<u>24,443</u>		
Payroll clearing	4	-	-	-	-	4		
Medical premium	(245)					(245)		
Aflac	18	-	-	-	-	18		
Other dedictions-credit union	80	-	-	-	-	80		
Others-deductions garnishee	3	-	-	-	-	3		
Life insurance	365	-	-	-	-	365		
Legal shiled	154	-	-	-	-	154		
Other deductions-union dues	<u>257</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>257</u>	<u>-</u>	
Total	<u>\$ 18,113</u>	<u>\$ 2,207</u>	<u>\$ 619</u>	<u>\$ 2,781</u>	<u>\$ 1,358</u>	<u>\$ 25,079</u>	<u>\$ 23,901</u>	

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS INC.
 EARLY LEARN PROGRAM
 FISCAL I.D. NO. 00825
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 9 ACCRUED EXPENSES

<u>Payee</u>	<u>Period</u>	<u>Date Paid</u>	<u>Total Amount</u> <u>Paid</u>	<u>Unpaid</u> <u>Balance</u>	<u>Total</u>
Audit fees	7/1/2017-6/30/2018	1/18/2019	\$ 15,733	\$ 11,133	\$ 26,866
Char 500 fees	7/1/2017-6/30/2018		-	50	50
Accrued salaries payable	6/25/2018-6/30/2018	7/3/2018	25,740	-	25,740
Total			<u>\$ 41,473</u>	<u>\$ 11,183</u>	<u>\$ 52,656</u>

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 10 ECONOMIC DEPENDENCY

The Program receives substantial support from various governmental funding agencies. A significant reduction in the level of this support, if it was to occur, may have adverse effect on the Program's programs and activities.

NOTE 11 LEASE COMMITMENTS

On July 1, 2017, an occupancy agreement was made between Neighborhood Housing Services of Jamaica, Inc. and South Jamaica Center for Children and Parents, Inc. for rental premises designated at 114-02 Guy Blvd., Jamaica, NY. It is a 3,636 square feet at \$26.00 per square foot. The term of the Agreement shall be for a term of one (1) year at an annual fee of \$94,536 payable in equal monthly installment of \$7,878.

ACS' reimbursable rent expenses for the year ended June 30, 2018 was \$45,890.

The South Jamaica Center has two sites:

Site II is 6,540 square feet and is located on the campus of York College at 94-43 159th St., Jamaica, NY. This space is provided in-kind and a written agreement exists since April 28, 1988 which is automatically renewed annually.

NOTE 12 CONTRACTUAL AGREEMENTS

There are contractual agreements entered into with consultants for this period.

NOTE 13 PROGRAM AND ADMINISTRATIVE ALLOCATION

Program	\$2,302,362	92%
Administrative	<u>192,176</u>	<u>8%</u>
	<u>\$2,494,538</u>	<u>100%</u>

The Program is a single program hence there is no applicable indirect cost allocation plan.

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 14 IN-KIND

The Program's In-Kind match of \$745,348 represents 48% of Head Start Expenditures. The In-kind was based on the fair value of services, space and supplies provided to the Head Start Program. Services are valued based upon actual cost incurred while space is valued based on appraisal by Akos Inc.

NOTE 15 CONTINGENT LIABILITIES

The Organization participates in a number of Federal, State or locally assisted Grant Programs namely ACS, CACFP and UPK. These programs are subject to Financial and Compliance Audits by the grantors or their representatives. The audits of these programs for or including the year ended June 30, 2018 have not yet been conducted. Accordingly, the Organization's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time although the Organization expects such amounts, if any, to be immaterial.

NOTE 16 RELATED PARTIES

The Program is a single program managed by South Jamaica Center for Children and Parents, Inc. There were no other programs managed by the Organization. There were no related party transactions requiring disclosure.

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 17 SUBSEQUENT EVENTS

Management has determined that there is no subsequent event to be reported pursuant to ASC §855 10.

SUPPLEMENTARY SCHEDULES

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
FISCAL I.D. NO. 00825
ACS FUNDED - EARLY LEARN
STATEMENT OF REVENUES AND EXPENSES- BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018

SCHEDULE 1A

BUDGET CATEGORIES	ACS FUNDED									
	Early Learn									
	Early Learn	Child Care	Child Care UPK	FCCN	CDBG	Head Start	Head Start UPK	Total Early Learn (A)	Variance	Questioned Cost
REVENUES:										
ACS Revenue	\$ 1,474,677	\$ -	\$ -	\$ -	\$ -	\$ 1,285,833	\$ 188,843	\$ 1,474,677	\$ -	
Health & Safety - ACS	-	-	-	-	-	-	-	-	-	
Citi Funds	-	-	-	-	-	-	-	-	-	
CACFP Reimbursement	-	-	-	-	-	-	-	-	-	
Other Income	-	-	-	-	-	-	-	-	-	
Enhanced UPK	-	-	-	-	-	-	-	-	-	
In Kind Contribution	-	-	-	-	-	-	-	-	-	
Total Revenues	1,474,677	-	-	-	-	1,285,833	188,843	1,474,677	-	
EXPENDITURES										
Personnel Costs										
Salaries	1,177,929	-	-	-	-	752,357	102,321	854,678	323,251	
Employer's FICA	79,526	-	-	-	-	56,455	7,729	64,184	15,341	
Workmen's Compensation	16,942	-	-	-	-	20,417	3,605	24,022	(7,079)	
Employer's U.I.B	12,055	-	-	-	-	8,861	1,261	10,122	1,933	
CACFP Employer's FICA	-	-	-	-	-	-	-	-	-	
Pension	78,145	-	-	-	-	68,301	8,029	76,330	1,815	
Commuter Tax	-	-	-	-	-	-	-	-	-	
Welfare Fund	-	-	-	-	-	-	-	-	-	
Medical Insurance	78,335	-	-	-	-	105,684	11,778	117,462	(39,128)	
Substitutes Salaries	35,064	-	-	-	-	16,595	-	16,595	18,469	
Total Personnel Costs	1,477,995	-	-	-	-	1,028,669	134,724	1,163,393	314,602	
Facilities Costs										
Rent	49,835	-	-	-	-	35,018	10,872	45,890	3,945	
Insurance	13,356	-	-	-	-	11,353	3,193	14,546	(1,190)	
Telephone	8,384	-	-	-	-	9,881	3,286	13,167	(4,783)	
Utilities	6,818	-	-	-	-	6,145	1,127	7,272	(455)	
Maintenance & Repairs	35,550	-	-	-	-	32,840	7,847	40,686	(5,136)	
Capital Expenditure	-	-	-	-	-	-	-	-	-	
Total Facilities Costs	113,943	-	-	-	-	95,237	26,324	121,562	(7,619)	
Other Than Personnel Costs (OTPS)										
Supplies	22,102	-	-	-	-	56,925	8,856	65,781	(43,679)	
Postage	950	-	-	-	-	255	29	284	666	
Talking Drums	-	-	-	-	-	3,034	162	3,196	(3,196)	
Advertisements	1,635	-	-	-	-	318	69	387	1,248	
Local Child Travel	16,000	-	-	-	-	1,859	1,293	3,152	12,848	
Training & Staff Development	29,498	-	-	-	-	25,767	5,125	30,891	(1,393)	
Transportation	13,141	-	-	-	-	5,701	21	5,721	7,419	
Food - CACFP	-	-	-	-	-	-	-	-	-	
Non-Food related costs- CACFP	-	-	-	-	-	-	-	-	-	
Audit	33,121	-	-	-	-	22,327	4,786	27,113	6,008	
Parent Services	3,885	-	-	-	-	3,977	-	3,977	(92)	
Consultant - programic	23,550	-	-	-	-	18,191	3,552	21,743	1,807	
Consultant - administrative	-	-	-	-	-	2,853	617	3,470	(3,470)	
Health & Safety - ACS	-	-	-	-	-	-	-	-	-	
Other OTPS	6,338	-	-	-	-	20,721	3,286	24,007	(17,669)	
Total OTPS	150,219	-	-	-	-	161,927	27,795	189,722	(39,503)	
Total Early Learn Cost	264,162	-	-	-	-	257,164	54,119	311,284	(47,122)	
Excess (deficiency) of revenue over (under) expenditure	\$ (267,480)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (267,480)	

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
FISCAL I.D. NO. 00825
ACS FUNDED OTHER THAN EARLY LEARN
STATEMENT OF REVENUES AND EXPENSES- BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018

SCHEDULE 1B

BUDGET CATEGORIES	Health & Other Than Early Learn							Total Other Than Early Learn (B)	A + B Total ACS Funded
	DOE CC UPK Enhancement	DOE HS UPK Enhancement	Safety	CTL	Sandy Relief Fund	Other Funding			
REVENUES:									
ACS Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,474,677
HEALTH & SAFETY-ACS	-	-	2,405	-	-	-	-	2,405	2,405
Citi Funds	-	-	-	77,329	-	-	-	77,329	77,329
CACFP Reimbursement	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	3,975	-	3,975	3,975
Enhanced UPK	-	82,358	-	-	-	-	-	82,358	82,358
In Kind Contribution	-	-	-	-	-	-	-	-	-
Total Revenues	-	82,358	2,405	77,329	-	3,975	-	166,066	1,640,743
EXPENDITURES									
Personnel Costs									
Salaries	-	36,353	-	-	-	-	-	36,353	891,031
Employer's FICA	-	2,738	-	-	-	-	-	2,738	66,922
Workmen's Compensation	-	1,056	-	-	-	-	-	1,056	25,078
Employer's U.I.B	-	730	-	-	-	-	-	730	10,852
CACFP Employer's FICA	-	-	-	-	-	-	-	-	-
Pension	-	3,346	-	-	-	-	-	3,346	79,675
Commuter Tax	-	-	-	-	-	-	-	-	-
Welfare Fund	-	-	-	-	-	-	-	-	-
Medical Insurance	-	5,613	-	-	-	-	-	5,613	123,076
Substitutes Salaries	-	747	-	-	-	-	-	747	17,342
Total Personnel Costs	-	50,583	-	-	-	-	-	50,583	1,213,975
Facilities Costs									
Rent	-	-	-	48,646	-	-	-	48,646	94,536
Insurance	-	437	-	-	-	-	-	437	14,983
Telephone	-	-	-	-	-	-	-	-	13,167
Utilities	-	-	-	-	-	-	-	-	7,272
Maintenance & Repairs	-	-	-	154	-	-	-	154	40,840
Capital Expenditure	-	-	-	-	-	-	-	-	-
Total Facilities Costs	-	437	-	48,800	-	-	-	49,237	170,799
Other Than Personnel Costs (OTPS)									
Supplies	-	19,763	-	-	-	-	-	19,763	85,544
Postage	-	-	-	-	-	-	-	-	284
Talking Drums	-	4,574	-	-	-	-	-	4,574	7,770
Advertisements	-	-	-	-	-	-	-	-	387
Local Child Travel	-	-	-	-	-	-	-	-	3,152
Training & Staff Development	-	7,001	-	14,096	-	-	-	21,097	51,989
Transporation	-	-	-	-	-	-	-	-	5,721
Food - CACFP	-	-	-	-	-	-	-	-	-
Non-Food related costs- CACFP	-	-	-	-	-	-	-	-	-
Audit	-	-	-	-	-	-	-	-	27,113
Parent Services	-	-	-	-	-	3,975	-	3,975	7,952
Consultant - programic	-	-	-	14,433	-	-	-	14,433	36,176
Consultant - administrative	-	-	-	-	-	-	-	-	3,470
Health & Safety	-	-	2,405	-	-	-	-	2,405	2,405
Other OTPS	-	-	-	-	-	-	-	-	24,007
Total OTPS	-	31,338	2,405	28,529	-	3,975	-	66,247	255,969
Total Early Learn Cost	-	82,358	2,405	77,329	-	3,975	-	166,066	1,640,743
Excess (deficiency) of revenue over (under) expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
FISCAL I.D. NO. 00825
NOT ACS FUNDED
STATEMENT OF REVENUES AND EXPENSES- BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018

SCHEDULE 1C

BUDGET CATEGORIES	ACS FUNDED				
	Early Learn				
	CACFP	Cash Contribution (Head Start)	In-kind Contribution (Head Start)	Sponsor's Contribution Other Than Head Start	Other Funding Source
REVENUES:					
ACS Revenue	\$ -	-	\$ -	\$ -	\$ -
HEALTH & SAFETY-ACS	-	-	-	-	-
CACFP Reimbursement	108,447	-	-	-	-
Other Income	-	-	-	-	-
Enhanced UPK	-	-	-	-	-
In Kind Contribution	-	-	745,348	-	-
Total Revenues	108,447	-	108,447	-	-
EXPENDITURES					
Personnel Costs					
Salaries	27,523	-	185,554	-	-
Employer's FICA	-	-	-	-	-
Workmen's Compensation	-	-	-	-	-
Employer's U.I.B	-	-	-	-	-
CACFP Employer's FICA	2,014	-	-	-	-
Pension	-	-	-	-	-
Commuter Tax	-	-	-	-	-
Welfare Fund	-	-	-	-	-
Medical Insurance	-	-	-	-	-
Substitutes Salaries	-	-	-	-	-
Total Personnel Costs	29,537	-	185,554	-	-
Facilities Costs					
Rent	-	-	559,794	-	-
Insurance	-	-	-	-	-
Telephone	-	-	-	-	-
Utilities	-	-	-	-	-
Maintenance & Repairs	-	-	-	-	-
Capital Expenditure	-	-	-	-	-
Total Facilities Costs	-	-	559,794	-	-
Other Than Personnel Costs (OTPS)					
Supplies	-	-	-	-	-
Postage	-	-	-	-	-
Talking Drums	-	-	-	-	-
Advertisements	-	-	-	-	-
Local Child Travel	-	-	-	-	-
Training & Staff Development	-	-	-	-	-
Transportation	-	-	-	-	-
Food - CACFP	69,026	-	-	-	-
Non-Food related costs- CACFP	9,884	-	-	-	-
Audit	-	-	-	-	-
Parent Services	-	-	-	-	-
Consultant - programic	-	-	-	-	-
Consultant - administrative	-	-	-	-	-
Health & Safety	-	-	-	-	-
Other OTPS	-	-	-	-	-
Total OTPS	78,911	-	-	-	-
Total Early Learn Cost	108,447	-	745,348	-	-
Excess (deficiency) of revenue over (under) expenditure	\$ -	\$ -	\$ -	\$ -	\$ -

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
FISCAL I.D. NO. 00825
STATEMENT OF HEAD START EXPENDITURES BY PROGRAM YEAR
FOR THE YEAR ENDED JUNE 30, 2018

SCHEDULE 2

<u>CATEGORY</u>	<u>Program Year 04</u> <u>7/1/17 - 1/31/18</u>	<u>Program Year 05</u> <u>2/1/18 - 6/30/18</u>	<u>Total Head Start</u> <u>Expenses</u>	<u>Program Year 04</u> <u>7/1/17 - 1/31/18</u>	<u>Program Year 05</u> <u>2/1/18 - 6/30/18</u>
Personnel and Fringe Costs					
Salaries	\$ 463,218	\$ 300,326	\$ 763,544	\$ 74,572	\$ 52,671
Employer's FICA	34,219	22,209	56,428	5,701	4,029
Workmen's Compensation	11,071	6,178	17,249	1,630	1,034
Employer's U.I.B.	4,900	5,374	10,274	473	245
CACFP Employer's FICA	-	-	-	-	-
Pension	44,729	28,312	73,041	7,278	4,434
Commuter Tax	-	-	-	-	-
Welfare Fund	-	400	400	-	400
Medical Insurance	88,367	51,829	140,196	10,117	6,508
Substitutes Salaries	16,544	7,470	24,013	-	-
Total Personnel and Fringe Costs	663,048	422,097	1,085,145	99,771	69,321
Facilities Costs					
Rent	49,947	34,269	84,216	5,409	3,939
Insurance	6,039	3,513	9,552	1,284	-
Telephone	3,230	1,480	4,710	222	177
Utilities	3,842	2,636	6,478	416	303
Maintenance & Repairs	5,562	6,129	11,691	-	-
Capital Expenditure	-	-	-	-	-
Total Facilities Costs	68,619	48,027	116,646	7,331	4,419
Other Than Personnel Costs (OTPS)					
Supplies	24,758	25,717	50,475	2,548	3,061
Postage	210	108	318	-	-
Talking Drums	300	300	600	-	-
Advertisements	298	-	298	-	-
Local Child Travel	297	2,008	2,305	-	-
Training & Staff Development	9,555	23,708	33,263	522	857
Transportation	3,310	744	4,054	55	11
Food - CACFP	-	-	-	-	-
Non-Food related costs- CACFP	-	-	-	-	-
Audit	-	23,880	23,880	-	2,750
Parent Services	701	2,563	3,264	-	-
Consultant - programic	14,084	12,871	26,955	-	224
Consultant - administrative	1,295	925	2,220	1,295	925
Health & Safety	-	-	-	-	-
Other OTPS	3,950	2,735	6,685	2,898	2,268
Total OTPS	58,759	95,558	154,317	7,318	10,095
Indirect Costs					
Total Expenses	790,426	565,682	1,356,108	114,419	83,836
Health and Safety	-	-	-	-	-
Less Program Income	-	-	-	-	-
Total Head Start Funded Expenses	790,426	565,682	1,356,108	114,419	83,836
Non Federal Share (NFS) Expenses					
Head Start UPK	81,577	91,532	173,109	-	-
DOE HS UPK Enhancement	32,425	57,869	90,294	-	-
Cash Contributions - Head Start	-	-	-	-	-
In-Kind Contributions - Head Start	390,844	354,479	745,323	14,533	9,726
Total NFS Expenses	504,846	503,879	1,008,725	14,533	9,726
Total Head Start Program Expenses	\$ 1,295,272	\$ 1,069,561	\$ 2,364,833	\$ 128,952	\$ 93,561
NFS Program Percentage	-	-	-	-	-
Administrative Expenses					
Personnel and Fringe costs	\$ 99,771	\$ 69,321	\$ 169,092	\$ 646,504	
Facilities Costs	7,331	4,419	11,750		
OTPS	7,318	10,095	17,413		
Indirect Costs	-	-	-		
NFS Expenses	14,533	9,726	24,259		
Total Administrative Expenses	128,952	93,561	222,513		
Total Head Start Program Expenses	\$ 1,295,272	\$ 1,069,561	\$ 2,364,833		
Administrative Expense Percentage	10%	9%	9%		
Special Reporting:					
CTL	-	-	-		
CACFP Funded Expenses	\$ 60,417	\$ 48,382	\$ 108,799		

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
FISCAL I.D. NO. 00825
STATEMENT OF NON-FEDERAL SHARE EXPENDITURES BY PROGRAM YEAR
FOR THE YEAR ENDED JUNE 30, 2018

SCHEDULE 3

CATEGORY	HS UPK			DOE HS-UPK Enhancement		
	Program Year 04	Program Year 05	Total	Program Year 04	Program Year 05	Total
	7/1/17 - 1/31/18	2/1/18 - 6/30/18		7/1/17 - 1/31/18	2/1/18 - 6/30/18	
Personnel and Fringe Costs						
Salaries	\$ 48,522	\$ 53,799	\$ 102,321	\$ 17,064	\$ 19,289	\$ 36,353
Employer's FICA	3,696	4,033	7,729	1,335	1,403	2,738
Workmen's Compensation	2,177	1,428	3,605	690	366	1,056
Employer's U.I.B	562	700	1,261	339	391	730
CACFP Employer's FICA	-	-	-	-	-	-
Pension	4,002	4,027	8,029	1,668	1,678	3,346
Commuter Tax	-	-	-	-	-	-
Welfare Fund	-	-	-	-	-	-
Medical Insurance	5,873	5,906	11,778	2,855	2,758	5,613
Substitutes Salaries	-	-	-	747	-	747
Total Personnel and Fringe Costs	64,831	69,893	134,724	24,698	25,885	50,583
Facilities Costs						
Rent	5,357	5,515	10,872	-	-	-
Insurance	1,822	1,371	3,193	336	101	437
Telephone	1,008	2,278	3,286	-	-	-
Utilities	491	636	1,127	-	-	-
Maintenance & Repairs	4,339	3,508	7,847	-	-	-
Capital Expenditure	-	-	-	-	-	-
Total Facilities Costs	13,017	13,307	26,324	336	101	437
Other Than Personnel Costs (OTPS)						
Supplies	3,517	5,339	8,856	8,855	10,908	19,763
Postage	-	29	29	-	-	-
Talking Drums	117	44	162	935	3,639	4,574
Advertisements	36	33	69	-	-	-
Local Child Travel	-	1,293	1,293	-	-	-
Training & Staff Development	1,194	3,930	5,125	-	7,001	7,001
Transportation	-	21	21	-	-	-
Food - CACFP	-	-	-	-	-	-
Non-Food related costs- CACFP	-	-	-	-	-	-
Audit	-	4,786	4,786	-	-	-
Parent Services	-	-	-	-	-	-
Consultant - programic	2,024	1,528	3,552	-	-	-
Consultant - administrative	-	617	617	-	-	-
Health & Safety	-	-	-	-	-	-
Other OTPS	1,620	1,666	3,286	-	-	-
Total OTPS	8,508	19,287	27,795	9,789	21,549	31,338
Indirect Costs	-	-	-	-	-	-
Total Expenses	\$ 86,356	\$ 102,487	\$ 188,843	\$ 34,823	\$ 47,535	\$ 82,358

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
FISCAL I.D. NO. 00825
STATEMENT OF NON-FEDERAL SHARE EXPENDITURES BY PROGRAM YEAR
FOR THE YEAR ENDED JUNE 30, 2018

CATEGORY	SCHEDULE 3 (Cont'd)					
	Cash Contrib- HS			Inkind contribution - Head Start (Schedule 1)		
	Program Year 04 7/1/17 - 1/31/18	Program Year 05 2/1/18 - 6/30/18	Total	Program Year 04 7/1/17 - 1/31/18	Program Year 05 2/1/18 - 6/30/18	Total
Personnel and Fringe Costs						
Salaries	\$ -	\$ -	\$ -	\$ 100,649	\$ 84,905	\$ 185,554
Employer's FICA	-	-	-	-	-	-
Workmen's Compensation	-	-	-	-	-	-
Employer's U.I.B	-	-	-	-	-	-
CACFP Employer's FICA	-	-	-	-	-	-
Pension	-	-	-	-	-	-
Commuter Tax	-	-	-	-	-	-
Welfare Fund	-	-	-	-	-	-
Medical Insurance	-	-	-	-	-	-
Substitutes Salaries	-	-	-	-	-	-
Total Personnel and Fringe Costs	-	-	-	100,649	84,905	185,554
Facilities Costs						
Rent	-	-	-	326,547	233,248	559,794
Insurance	-	-	-	-	-	-
Telephone	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Maintenance & Repairs	-	-	-	-	-	-
Capital Expenditure	-	-	-	-	-	-
Total Facilities Costs	-	-	-	326,547	233,248	559,794
Other Than Personnel Costs (OTPS)						
Supplies	-	-	-	-	-	-
Postage	-	-	-	-	-	-
Talking Drums	-	-	-	-	-	-
Advertisements	-	-	-	-	-	-
Local Child Travel	-	-	-	-	-	-
Training & Staff Development	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Food - CACFP	-	-	-	-	-	-
Non-Food related costs- CACFP	-	-	-	-	-	-
Audit	-	-	-	-	-	-
Parent Services	-	-	-	-	-	-
Consultant - programic	-	-	-	-	-	-
Consultant - administrative	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-
Other OTPS	-	-	-	-	-	-
Total OTPS	-	-	-	-	-	-
Indirect Costs	-	-	-	-	-	-
Total Expenses	\$ -	\$ -	\$ -	\$ 427,196	\$ 318,152	\$ 745,348
Breakdown by Funding source						
State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City	-	-	-	-	-	-
Private	-	-	-	-	-	-
Delegate Agency	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

SCHEDULE 4

<u>Description</u>	<u>Quantity</u>	<u>Serial Number</u>	<u>Date Purchased</u>	<u>Cost</u>
<u>Current Year Purchases</u>				
None				
<u>Prior Year Inventory</u>				
None				

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.

EARLY LEARN PROGRAM

FISCAL I.D. NO. 00825

SCHEDULE OF QUANTITATIVE PROGRAM RESULTS

JUNE 30, 2018

SCHEDULE 5

ENROLLMENT

1 Contracted slots per site	
a) Center I	51
b) Center II	60
Total	<u>111</u>
2 Number of classrooms per site	
a) Center I	3
b) Center II	3
Total	<u>6</u>
3 Number of classrooms per site	
a) Center I	51
b) Center II	60
Total	<u>111</u>
4 Number of children in attendance by site	
a) Center I	7,383
b) Center II	11,526
Total	<u>18,909</u>
5 The average attendance for contract by site (#4 divided by #3)	
a) Center I	145
b) Center II	<u>192</u>
Total Average	<u>337</u>

COST

1 Total expenses for the contract. (Total EL expenses in Schedule 1-A)	\$ 1,474,677
2 a) Center I	\$ 728,718
b) Center II	745,959
Total	<u>\$ 1,474,677</u>
3 Average cost slots (Total expenses/Total attendance by sites)	78
4 Average cost per site(Total cost per site/Attendance by site)	
a) Center I	99
b) Center II	65
Total	<u>163</u>

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
FISCAL I.D. NO. 00825
STATEMENT OF PENSION CONTRIBUTIONS TO THE PRINCIPAL
FINANCIAL GROUP
FOR THE YEAR ENDED JUNE 30, 2018

SCHEDULE 6

<u>Budget Category</u>	<u>Total Number of Employees</u>	<u>Total Amount of Salaries</u>	<u>Pension Contribution</u>
1) Instructional Staff	16	\$ 463,113	\$ 41,670
2) Support Staff	13	423,260	38,005
		<u>\$ 886,373</u>	<u>\$ 79,675</u>

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
JUNE 30, 2018

INTRODUCTION

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC. EARLY LEARN PROGRAM contracted with the City of New York, Administration for Children's Services (ACS), provides the following services under the contract:

South Jamaica Center for Children and Parents, Inc. shall provide comprehensive early Child Development for **111** pre-school children, including 12 children eligible for handicapped services in New York City. The eligibility of persons for the program is determined by the Office of Head Start.

The grant was received for the year ending June 30, 2018 totals **\$1,474,677** for the period. The grant is being matched with in-kind contribution from local services such as: volunteers, contributed space and other contributions which amount to **\$745,348**. And additional income also received for CACFP reimbursement on special food service program in the amount of **\$108,447**.

The required Non-Federal matching share (sub grantee's contribution) is 25% of the total Head Start expenditures. South Jamaica Center for Children and Parents, Inc. has exceeded the required percentage.

EXIT CONFERENCE

An exit conference was held on May 15, 2019 at the office of South Jamaica Center for Children and Parents Inc. 114-02 Guy R. Brewer Blvd. Jamaica, New York 11434.

In attendance were:

Rose Marie Gulston
Patricia Crutch
Errol Fray
Gwendolyn Williams
Yvonne Reid
Terrence Brummell
Danessa Varswiyk
Keshia Rodriguez-Roopnarine
Ebony Richardson
Celia Aguilar
Yolanda Myrick

Board Chairperson
Administrative Director
Chief Fiscal Officer
Governing Board Member
Governing Board Treasurer
Governing Board Vice Chairperson
DAPC Member
DASPC Member
DAPC Member
DAPC Member
DASPC Member

Audit Firm:

Les S. Thompson
Neva Fajardo

Engagement Partner
Auditor in Charge



LES S. THOMPSON & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

112 W 34th Street, Flr.18, New
York, NY 10120 Tel.: 212-481-7634
Fax: 347-202-5742

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

**The Board of Directors
South Jamaica Center for Children and Parents, Inc.
HEAD START PROGRAM
114-02 Guy R. Brewer Blvd.
Jamaica, New York 11434**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States the financial statements of **South Jamaica Center for Children and Parents, Inc. HEAD START PROGRAM** ("the Program") which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated May 14, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Program's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Program's internal control. Accordingly, we do not express an opinion on the effectiveness of the Program'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 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 statement will not be prevented, or detected and

corrected on timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies in internal control that is less severe than the material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the 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 the whether the Program's financial statements are free of material misstatement, we performed test 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 the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not such opinion. The result of our test disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose Of This Report

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

A handwritten signature in dark ink, appearing to read "Lerd & Co, LLC". The signature is written in a cursive, flowing style.

New York, NY
May 14, 2019



LES S. THOMPSON & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
112 W 34th Street, Flr.18, New York, NY 10120
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**INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

**The Board of Directors
South Jamaica Center for Children and Parents, Inc.
HEAD START PROGRAM
114-02 Guy R. Brewer Blvd.
Jamaica, New York 11434**

Attention: Directors

We have audited the basic financial statements of **South Jamaica Center for Children and Parents, Inc. HEAD START PROGRAM** Fiscal I.D No. 00825 ("the Program") as of and for the year ended June 30, 2018, and have issued our report dated May 14, 2019, which contained an unmodified opinion of the financial statements as a whole. The accompanying schedule expenditures of federal awards is presented for the purpose of additional analysis as required by the Uniform Guidance and is not required part of financial statements. Such information is the responsibility of management was derived from the relates directly to the underlying accounting and other records used to prepare the financial statements. The information has not been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such statement or to the financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects, in relation to the financial statements taken as a whole.

New York, NY
May 14, 2019

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENT'S INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2018**

SCHEDULE A

FEDERAL AGENCY / Pass Through Entity / Name of Program	Federal CFDA Number	Agency or Pass Through Number	Federal Expenditures \$
United States Department of Health And Human Services Pass through from the New York City Administration for Children Services:			
Head Start Program	93.600		1,223,886
Pass through from State of New York Department of Health:			
Child and Adult Care Food Program	10.558		108,443
Total Expenditures of Federal Awards			<u>\$1,332,329</u>

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENT'S INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2018

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of South Jamaica Center for Children and Parents, Inc. under the programs of the federal government for the year ended June 30, 2018. 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 presents only a selected portion of the operations of South Jamaica Center for Children and Parents, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of South Jamaica Center for Children and Parents, Inc.



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH UNIFORM GUIDANCE

The Directors
South Jamaica Center for Children and Parents Inc.
Head Start Program
114-02 Guy R. Brewer Blvd.
Jamaica, New York 11434

Report on Compliance for Each Major Federal Program

We have audited South Jamaica Center for Children and Parents, 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 South Jamaica Center for Children and Parents, Inc.'s major federal programs for the year ended June 30, 2018. South Jamaica Center for Children and Parents, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of South Jamaica Center for Children and Parents, 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 the *US Code of Federal Regulations, (CFR) Part 200, Uniform Guidance Requirements, Cost Principles, and Audit Requirement 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 South Jamaica Center for Children and Parents, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

Opinion on Each Major Federal Program

In our opinion, the South Jamaica Center for Children and Parents, 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 program for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of South Jamaica Center for Children and Parents, Inc. is responsible for establishing and maintaining the effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit compliance, we considered South Jamaica for Children and Parents, Inc. internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine our auditing procedures that are appropriate in the circumstances 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 South Jamaica Center for Children and Parents, Inc. internal control over compliance.

A deficiency internal over compliance exist 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 the type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of 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, internal control over compliance with the 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 the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be 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 result of the testing based on the

requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purposes.

Lerd. Thompson & Co., Inc.

New York, New York
May 14, 2019

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS' INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2018**

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of Auditors' Report Issued

Unmodified

Internal Control Over Financial Reporting

Material Weakness(es) identified _____ yes _____ X _____ no

Reportable condition(s) identified not
considered to be material weakness _____ yes _____ X _____ non
reported

Noncompliance material to financial statements
noted?

_____ yes _____ X _____ no

Federal Awards

Internal Control Over Major Programs

Material Weakness(es) identified _____ yes _____ X _____ no

Reportable conditions identified not
Considered to be material weakness _____ yes _____ X _____ non
reported

Type of Auditors' Report issued on compliance
for major programs

Unmodified

Any audit findings disclosed that are required to
be reported in accordance with Section 2CFR
200.331 of Uniform Guidance

_____ yes _____ X _____ no

Identification of Major Programs

CFDA Number

93.600

Name of Federal Program or Cluster

U.S. Department of Health and Human Services
Fully funded Day Care Center
Passed-through-City of New York
Administration for Children's Services

Dollar Threshold used to distinguish between
Type A and Type B programs

\$750,000

Auditee qualified as low-risk?

_____ X _____ yes _____ no

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2018

Section II – Financial Statement Findings

Current Year Findings

1. Finding

We noted that some account balances (even without adjustments yet) per trial balance and statement of financial position do not tally/agree with the general ledger balance from which they supposed to be taken from. Basic accounting dictates that amounts for each account forwarded to the trial balance and statement of financial position from the general ledger should be the same. Examples are Due to/from ACS, Due to/from Other years, Accrued expenses, etc.

Recommendation

We recommend that the Agency analyze where the errors come from and have this corrected right away.

Subrecipient's Response

Situation was caused by temporary system failure, not recognized at once. This has been corrected.

2. Finding

Bank reconciliation for June 30, 2018 for Carver were submitted to the auditors late. Bank reconciliation for the same period for Citibank were not submitted to us as of date.

Recommendation

We recommend that the Agency prepare bank reconciliation on a timely and regular basis to determine whether all receipts and disbursements are recorded and adjustments, if any, are taken up in the books.

Subrecipient's Response

Bank reconciliations are done on a regular basis. On this occasion, adjusting entries were

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2018

made subsequent to bank reconciliations. These distorted results already obtained, thus requiring revision. The Agency will do monthly closing going forward ensuring that book balance remains fixed.

Prior Period Findings

1. Finding

The original Schedule of Functional Expenses submitted to us by the Agency did not tally with Schedule of Activities. We also noted some computation errors and misclassifications of certain accounts in the schedules. As explained by the Agency, this year they did not manually input the figures into the ACS-prescribed excel spreadsheets where there are formulas and link that automatically flow through to other schedules. Instead, they used the services of their IT consultant to come up with the schedules.

Recommendation

We recommend that the Agency should make sure that the figures in the Schedule of Functional Expenses tie up with the figures with the right formulas and link to the Schedule of Activities, the account classifications are correct and that only necessary information are disclosed therein. We also suggest that all schedules and analyses should be carefully reviewed by Fiscal.

Subrecipient's Response

The Agency will revise the schedules to ensure the figures balance. We will check on an ongoing basis to ensure that the schedules are calculating correctly.

2. Finding

Final Balance Sheet account balances reflected in the books for FY 2016 do not tally with the audited balances for the same FY. This is because auditors' adjustments were not reflected in the final balance of the Balance Sheet accounts. This caused errors in the current year balances. This still exists in 2018.

Recommendation

We recommend that Fiscal should make sure that final balance sheet accounts per FY tally with audited figures to avoid problems in the subsequent year.

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM
FISCAL I.D. NO. 00825
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2017**

Subrecipient's Response

The Agency will recognize the beginning balance going forward.

Section III – Federal Award Findings

None

INTERNAL CONTROL ON COMPLIANCE

Current Period Finding

None

Prior Period Finding

None