

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

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

TELEPHONE NO. (718) 526-2500

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

JUNE 30, 2021 AND 2020

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, 2020**

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LESS, 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

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 statements of financial position as of June 30, 2021 and 2020 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, 2021 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

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and 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 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Supplementary Information for Early Learn programs, as required by the Division of Early Childhood Education (DECE) are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the 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, that information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued report dated June 22, 2022, 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.

Handwritten signature in cursive script that reads "Herzog, Thompson & Co., A.P.".

New York, New York
June 22, 2022

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM**

**STATEMENT OF FINANCIAL POSITION
June 30, 2021 and 2020**

| | 6.30.2021 | 6.30.2020 |
|---|-------------------|-------------------|
| ASSETS | | |
| Cash and cash equivalents (Note 3) | \$ 131,618 | \$ 29,639 |
| Grants and Contracts (Note 4) | 532,748 | 507,761 |
| Due from Sponsor (Note 5) | 44,345 | 26,039 |
| Other receivables | 1,310 | - |
| Prepaid Expenses (Note 6) | 32,399 | 20,268 |
| TOTAL ASSETS | \$ 742,420 | \$ 583,707 |
| LIABILITIES | | |
| Accounts Payable (Note 7) | \$ 26,112 | \$ 45,811 |
| Accrued Expenses (Note 8) | 125,907 | 61,146 |
| Loans Payable (Note 9) | 177,460 | 177,460 |
| Due to ACS (Note 10) | 256,374 | 256,374 |
| Advances Payable to DOE | 156,567 | 42,916 |
| Total Liabilities | \$ 742,420 | \$ 583,707 |
| NET ASSETS | | |
| Net assets without donor restrictions | - | - |
| Net assets with donor restrictions | - | - |
| TOTAL LIABILITIES AND NET ASSETS | \$ 742,420 | \$ 583,707 |

See accompanying notes to the financial statements.

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM**

**STATEMENT OF ACTIVITIES
June 30, 2021 and 2020**

| | <u>6.30.2021</u> | | | <u>6.30.2020</u> |
|--|---------------------------------------|------------------------------------|------------------|------------------|
| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> | |
| Revenue: | | | | |
| EarlyLearn revenue | 1,730,840 | | 1,730,840 | 1,799,068 |
| In-kind contribution | 648,904 | - | 648,904 | 661,530 |
| Total Revenue | <u>2,379,744</u> | <u>-</u> | <u>2,379,744</u> | <u>2,460,598</u> |
| Expenditures | | | | |
| Program expenses | 2,128,556 | - | 2,128,556 | 2,207,019 |
| Administrative and management | 251,188 | - | 251,188 | 253,579 |
| Total expenditures | <u>2,379,744</u> | <u>-</u> | <u>2,379,744</u> | <u>2,460,598</u> |
| Increase (decrease) in net assets | - | - | - | - |
| Net assets - beginning | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET ASSETS - ENDING | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

See accompanying notes to the financial statements.

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM**

**STATEMENT OF FUNCTIONAL EXPENSES
June 30, 2021 and 2020**

| | 6.30.2021 | | | |
|------------------------------|-------------------------------|-------------------|---------------------|------------------|
| | Administrative and | | | |
| | Program | Management | Total | 6.30.2020 |
| Salaries | \$ 854,740 | \$ 135,603 | 990,343 | 978,789 |
| FICA | 63,727 | 10,268 | 73,995 | 73,483 |
| Workers compensation | 18,880 | 2,623 | 21,503 | 19,089 |
| Unemployment insurance | 9,187 | 947 | 10,134 | 7,474 |
| Pension | 115,382 | - | 115,382 | 93,895 |
| Health Insurance | 111,745 | 700 | 112,445 | 127,651 |
| Substitutes | 21,475 | - | 21,475 | 52,724 |
| Rent | 93,402 | 1,134 | 94,536 | 94,536 |
| Insurance | 13,670 | 1,061 | 14,731 | 9,897 |
| Telecommunications | 10,448 | - | 10,448 | 11,705 |
| Utilities | 2,788 | 4,484 | 7,272 | 7,272 |
| Maintenance and repairs | 21,573 | 4,563 | 26,136 | 30,223 |
| Supplies | 92,938 | 6,583 | 99,521 | 87,822 |
| Postage | 470 | - | 470 | 292 |
| Advertising | 75 | - | 75 | 618 |
| Training/Staff Development | 1,975 | 850 | 2,825 | 7,676 |
| Transportation | 462 | - | 462 | 18,360 |
| Audit | 43,124 | - | 43,124 | 30,000 |
| Parent Services | 3,853 | - | 3,853 | 3,036 |
| Consultant - programmatic | 49,236 | - | 49,236 | 43,043 |
| Consultant - administrative | 575 | 7,820 | 8,395 | 8,158 |
| CACFP - Food | - | - | - | 65,450 |
| Non-food related cost -CACFP | - | - | - | 1,625 |
| Indirect cost - Head Start | 588,564 | 60,340 | 648,904 | 661,530 |
| Other OTPS | 10,267 | 14,212 | 24,479 | 26,250 |
| Total expenses | \$ 2,128,556 | \$ 251,188 | \$ 2,379,744 | 2,460,598 |

See accompanying notes to the financial statements.

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM**

**STATEMENT OF CASH FLOW
June 30, 2021 and 2020**

| | <u>6.30.2021</u> | <u>6.30.2020</u> |
|--|-------------------|------------------|
| Excess of Revenue over Expenditures | \$ - | \$ - |
| (Increase) Decrease in cash flow from operating activities | | |
| Receivables | 111,963 | (117,061) |
| Prepayments | (12,131) | (17,789) |
| Payables and accrued expenses | <u>2,147</u> | <u>160,482</u> |
| Cash provided by operating activities | \$ 101,979 | \$ 25,632 |
| Cash balance beginning of year | <u>29,639</u> | <u>4,007</u> |
| Cash balance at end of year | <u>\$ 131,618</u> | <u>\$ 29,639</u> |

See accompanying notes to the financial statements.

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

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, Department of Education (DOE), Division of Early Childhood Education (DECE) 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 Agency follows the modified accrual basis of accounting. 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. The Agency did not collect client fees, nor engaged in any investment activity during the period audited.

(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 New York City Department of Education. Therefore, South Jamaica Center for Children and Parents, Inc. does not maintain any equity in the grant and any excess of assets over liabilities is shown as due to the City of New York, Administration for Children Services (ACS) and Department of Education (DOE).

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 at the employee's salary rate 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 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.

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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.

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 3 CASH AND CASH EQUIVALENTS

| | | |
|---------------------------------|-----------|----------------|
| Carver Federal Savings Bank | \$ | 131,553 |
| Petty Cash | | 65 |
| Total Cash and Cash Equivalents | <u>\$</u> | <u>131,618</u> |

NOTE 4 GRANTS AND CONTRACTS

| <u>Prior Year</u> | <u>UPK</u> | <u>DECE</u> | <u>Total</u> |
|-------------------------------|------------------|-------------------|-------------------|
| Balance at June 30, 2020 | \$ 45,914 | \$ 461,847 | \$ 507,761 |
| Adjustment | | 13,835 | 13,835 |
| Closeout FY19 | - | - | - |
| <u>Current Year</u> | | | |
| <u>Expenditures</u> | | | |
| Early Learn | - | 1,730,840 | 1,730,840 |
| Less: Accrued Vacation | - | - | - |
| Less: FICA - Accrued Vacation | - | - | - |
| <u>Receipts</u> | | | |
| FY21 | - | 1,719,688 | 1,719,688 |
| | - | - | - |
| Sub-total | <u>-</u> | <u>1,719,688</u> | <u>1,719,688</u> |
| Balance at June 30, 2021 | <u>\$ 45,914</u> | <u>\$ 486,834</u> | <u>\$ 532,748</u> |

NOTE 5 DUE FROM SPONSOR

The balances due from (to) sponsor reflect the net cash received and disbursed by the Sponsor on behalf of the Early Learn programs for the year ended June 30, 2021.

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 6 PREPAID EXPENSES

The amount of \$32,399 represents health insurance costs and other costs that were paid in advance for FY21.

NOTE 7 ACCOUNTS PAYABLE

| <u>PAYEE</u> | <u>AMOUNT</u> |
|---|------------------|
| IT Consultant 101 L.L.C. | \$ 8,450 |
| Lomax Security System | 4,965 |
| Discount School Supply | 3,519 |
| NY Enrichment Group | 1,700 |
| Standard Security Life Ins. Co. of NY | 1,593 |
| Aflac New York | 1,321 |
| Wells Fargo Financial Leasing | 1,147 |
| DC 1707, AFSCME | 991 |
| Mutual of America | 790 |
| Staples Business Credit | 703 |
| New York Life Insurance | 478 |
| Reliable Fire Protection | 345 |
| NYC Head Start Mgmt. Employees Welfare Fund | 100 |
| Key Food Supermarket | 10 |
| Total as of 6/30/2021 | \$ 26,112 |

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 8 ACCRUED EXPENSES

| <u>Payee/Description</u> | <u>Period</u> | <u>Total Amount</u> |
|------------------------------|---------------|---------------------|
| Audit Fees | 6/30/2021 | \$ 46,611 |
| Pre-audit review | 6/30/2021 | 9,500 |
| Payroll June 2021 | 6/30/2021 | 29,683 |
| Union Dues | 6/30/2021 | 20,640 |
| Retirement | 6/30/2021 | 15,994 |
| Accrued FICA | 6/30/2021 | 2,271 |
| Other Accrued Expenses | 6/30/2021 | 1,208 |
| Total as of 6/30/2021 | | \$ 125,907 |

NOTE 9 LOANS PAYABLE - FUND FOR THE CITY OF NEW YORK

In August and September 2019, the Center obtained loans in the amounts of \$80,165 and \$97,295 respectively, from City of New York to compensate for advances that were due from the Department of Education (DOE). The DOE was to repay the Fund and subsequently treat the loans as advances from them. The loans remained unpaid as of June 30, 2021.

NOTE 10 DUE TO ACS

| <u>Prior Year</u> | | <u>Total</u> |
|-------------------------------|-----------|----------------|
| Balance at June 30, 2020 | \$ | 256,374 |
| Adjustment Closeout FY19 | | - |
| <u>Current Year</u> | | |
| <u>Expenditures</u> | | |
| Early Learn | | - |
| Less: Accrued Vacation | | - |
| Less: FICA - Accrued Vacation | | - |
| <u>Receipts</u> | | |
| FY21 | | - |
| Sub-total | | <u>256,374</u> |
| Balance at June 30, 2021 | <u>\$</u> | <u>256,374</u> |

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 11 AVAILABILITY AND LIQUIDITY

Financial assets consist of the Agency’s cash and cash equivalents, investments, net grants, and contract receivable. The following represents the Agency’s financial assets as of Jun 30, 2021, reduced by amounts not available for general use within one year of June 30, 2021, because of contractual or donor-imposed restrictions:

| | 6.30.2021 | 6.30.2020 |
|---|------------------|------------------|
| Assets Available for General Expenditures (Net) | | |
| Cash and cash equivalents | \$ 131,618 | \$ 29,639 |
| Grants and Contracts | 532,748 | 461,847 |
| Due to Sponsor | 44,345 | 71,953 |
| Other Receivable | 1,310 | - |
| Total assets available for general expenditure | \$ 710,021 | \$ 563,439 |

NOTE 12 ECONOMIC DEPENDENCIES

The Program receives substantial support from governmental funding agency. 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 13 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 property 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. 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.

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 14 CONTRACTUAL AGREEMENTS

There are contractual agreements entered into with consultants for audit and other various services for this period.

NOTE 15 PROGRAM AND ADMINISTRATIVE ALLOCATION

| | | |
|----------------|---------------------|-------------|
| Program | \$ 2,128,556 | 89% |
| Administrative | <u>251,188</u> | <u>11%</u> |
| Total | <u>\$ 2,379,744</u> | <u>100%</u> |

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

NOTE 16 IN-KIND

The Program's In-Kind match of \$648,904 represents 3% 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 Aikos, Inc.

NOTE 18 CONTINGENT LIABILITIES

The Organization participates in a number of federal, state or locally assisted Grant Programs namely DOE, ACS, and UPK. These programs are subject to Financial and Compliance Audits by the grantors or their representatives. There is no separate audit for UPK, and since UPK is funded through ACS, the program normally falls under the ACS Compliance audits. No compliance audit was scheduled for the close-out year. 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.

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
EARLY LEARN PROGRAM**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 19 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.

SUPPLEMENTARY SCHEDULES

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Statement of Revenues and Expenditures
DOE Funded – Early Learn
For The Year Ended June 30, 2021

SCHEDULE 1A

| BUDGET CATEGORIES | DOE FUNDED | | | | | | | | | | | | | Questioned Cost |
|---|---------------------|-------------|----------------|-------------|-------------|---------------------|------------------|-------------------|-------------------|-----------------------------|----------------------|---------------------|-------------|-----------------|
| | EarlyLearn | | | | | | | | | | | | | |
| | Budget | Child Care | Child Care UPK | FCCN | CDBG | Head Start | Head Start COVID | Head Start UPK | CTL | City Transitional HeadStart | Total EarlyLearn (A) | Variance | | |
| Revenue: | | | | | | | | | | | | | | |
| EarlyLearn revenue | \$ 2,134,369 | \$ - | \$ - | \$ - | \$ - | \$ 1,063,238 | \$ 86,104 | \$ 186,892 | \$ 242,195 | \$ 80,454 | \$ 1,658,883 | \$ 475,486 | \$ - | |
| Other revenue (disability, interest, etc.) | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Teacher's incentive fund | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| HRA Voucher | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| CACFP | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Parent Fees | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| In-kind contribution | 648,904 | - | - | - | - | - | - | - | - | - | \$ - | 648,904 | - | |
| Sponsor's contribution | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Other funding source revenue 1 | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total Revenue | \$ 2,783,273 | \$ - | \$ - | \$ - | \$ - | \$ 1,063,238 | \$ 86,104 | \$ 186,892 | \$ 242,195 | \$ 80,454 | \$ 1,658,883 | \$ 1,124,390 | \$ - | |
| Expenditures | | | | | | | | | | | | | | |
| Personnel cost | | | | | | | | | | | | | | |
| Salaries | \$ 1,158,441 | \$ - | \$ - | \$ - | \$ - | \$ 747,091 | \$ 17,679 | \$ 120,162 | \$ 1,451 | \$ 44,854 | \$ 931,237 | \$ 227,204 | \$ - | |
| Salaries - COLA | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Teacher's Incentive | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Accrued Vacation | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| FICA | 95,418 | - | - | - | - | 55,809 | 1,321 | 8,994 | - | 3,319 | 69,443 | 25,975 | - | |
| FICA - COLA | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| FICA - Teacher's Incentive | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| FICA - Accrued Vacation | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Workers compensation | 23,104 | - | - | - | - | 17,168 | - | 3,510 | - | 825 | 21,503 | 1,601 | - | |
| Unemployment insurance | 16,706 | - | - | - | - | 7,047 | - | 722 | 972 | 351 | 9,091 | 7,615 | - | |
| Pension | 135,426 | - | - | - | - | 68,238 | - | 14,008 | 23,796 | 9,339 | 115,381 | 20,045 | - | |
| Welfare fund | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Health Insurance | 191,599 | - | - | - | - | 29,038 | - | 6,106 | 69,221 | 2,005 | 106,370 | 85,229 | - | |
| Substitutes | 40,629 | - | - | - | - | 2,404 | 11,737 | - | - | 77 | 14,218 | 26,412 | - | |
| Total personnel cost | \$ 1,661,323 | \$ - | \$ - | \$ - | \$ - | \$ 926,795 | \$ 30,737 | \$ 153,502 | \$ 95,440 | \$ 60,769 | \$ 1,267,243 | \$ 394,080 | \$ - | |
| Facilities cost | | | | | | | | | | | | | | |
| Rent | \$ 98,261 | \$ - | \$ - | \$ - | \$ - | \$ 28,256 | \$ - | \$ 10,549 | \$ 54,240 | \$ 1,492 | \$ 94,536 | \$ 3,724 | \$ - | |
| Property Taxes | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Water and sewer | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Licensing and permits | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Insurance | 14,381 | - | - | - | - | 17,989 | - | 2,364 | - | 454 | 20,807 | (6,426) | - | |
| Custodial services | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Alarm | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Telecommunications | 12,885 | - | - | - | - | 7,956 | - | 1,712 | 401 | 379 | 10,448 | 2,437 | - | |
| Utilities | 7,411 | - | - | - | - | 4,900 | - | 1,078 | 448 | 845 | 7,272 | 139 | - | |
| Maintenance and repairs | 18,228 | - | - | - | - | 17,375 | - | 4,922 | - | 3,841 | 26,138 | (7,910) | - | |
| Capital expenditures and renovations | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Other facilities costs | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total facilities cost | \$ 151,165 | \$ - | \$ - | \$ - | \$ - | \$ 76,476 | \$ - | \$ 20,625 | \$ 55,089 | \$ 7,011 | \$ 159,201 | \$ (8,035) | \$ - | |
| Family Child Care Stipend | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Other than personnel services (OTPS) | | | | | | | | | | | | | | |
| Supplies | \$ 99,031 | \$ - | \$ - | \$ - | \$ - | \$ 27,296 | \$ 52,897 | \$ 6,290 | \$ 8,347 | \$ 4,690 | \$ 99,521 | \$ (489) | \$ - | |
| Equipment over \$5,000 - Head Start | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Equipment over \$5,000 - Child Care | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Postage | 964 | - | - | - | - | 349 | - | 104 | - | 17 | 470 | 495 | - | |
| Advertising | 1,660 | - | - | - | - | 59 | - | 13 | - | 3 | 74 | 1,586 | - | |
| Instructional Field Trips | 6,900 | - | - | - | - | - | - | - | - | - | - | 6,900 | - | |
| Training/Staff Development | 55,319 | - | - | - | - | 1,110 | 1,600 | 64 | - | 51 | 2,825 | 52,493 | - | |
| Transportation | 8,942 | - | - | - | - | 368 | - | 83 | - | 11 | 462 | 8,480 | - | |
| Food - CACFP | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Non-food related cost - CACFP | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Audit | 33,624 | - | - | - | - | - | - | - | 41,296 | 1,829 | 43,124 | (9,500) | - | |
| Parent Services | 4,019 | - | - | - | - | 3,811 | - | - | - | 43 | 3,854 | 166 | - | |
| Consultant - programmatic | 81,245 | - | - | - | - | 4,888 | - | - | - | 4,686 | 49,236 | 32,010 | - | |
| Consultant - administrative | 24,583 | - | - | - | - | 5,944 | 870 | 2,064 | 33,901 | 4,686 | 49,236 | 16,188 | - | |
| Indirect cost - Head Start | 648,904 | - | - | - | - | - | - | 711 | 3,838 | 730 | 8,395 | 648,904 | - | |
| Other OTPS | 5,593 | - | - | - | - | 16,142 | - | 3,437 | 4,286 | 615 | 24,480 | (18,887) | - | |
| Total OTPS | \$ 970,785 | \$ - | \$ - | \$ - | \$ - | \$ 59,967 | \$ 55,367 | \$ 12,765 | \$ 91,667 | \$ 12,674 | \$ 232,440 | \$ 738,345 | \$ - | |
| TOTAL EARLY LEARN COST | \$ 2,783,273 | \$ - | \$ - | \$ - | \$ - | \$ 1,063,238 | \$ 86,104 | \$ 186,892 | \$ 242,195 | \$ 80,454 | \$ 1,658,884 | \$ 1,124,390 | \$ - | |
| Excess (deficiency) of revenue over (under) expenditures | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (0) | \$ (0) | \$ - | \$ (0) | \$ 0 | \$ - | |

See accompanying notes to the financial statements

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Statement of Revenues and Expenses - Budget and Actual
DECE Funded – Other than Early Learn
For The Year Ended June 30, 2021

SCHEDULE 1B

| BUDGET CATEGORIES | Other Than EarlyLearn | | | | | [A+B] Total DECE Funded (C) |
|---|--------------------------|---------------------------|----------------------|--|--|-----------------------------------|
| | DOE CC UPK Enhancemnt | DOE HS UPK Enhancement | Health and Safety | Other Funding use for EarlyLearn | Total Other Than EarlyLearn (B) | |
| Revenue: | | | | | | |
| EarlyLearn revenue | \$ - | \$ 71,957 | \$ - | \$ - | \$ 71,957 | \$ 1,730,840 |
| Total Revenue | <u>\$ -</u> | <u>\$ 71,957</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 71,957</u> | <u>\$ 1,730,840</u> |
| Expenditures | | | | | | |
| Personnel cost | | | | | | |
| Salaries | \$ - | \$ 59,106 | \$ - | \$ - | \$ 59,106 | \$ 990,343 |
| FICA | - | 4,551 | - | - | 4,551 | 73,994 |
| Workers compensation | - | - | - | - | - | 21,503 |
| Unemployment insurance | - | 1,043 | - | - | 1,043 | 10,134 |
| Pension | - | - | - | - | - | 115,381 |
| Health Insurance | - | - | - | - | - | 106,370 |
| Substitutes | - | 7,257 | - | - | 7,257 | 21,474 |
| Total personnel cost | <u>-</u> | <u>71,957</u> | <u>-</u> | <u>-</u> | <u>71,957</u> | <u>1,339,200</u> |
| Facilities cost | | | | | | |
| Rent | - | - | - | - | - | 94,536 |
| Insurance | - | - | - | - | - | 20,807 |
| Telecommunications | - | - | - | - | - | 10,448 |
| Utilities | - | - | - | - | - | 7,272 |
| Maintenance and repairs | - | - | - | - | - | 26,138 |
| Total facilities cost | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>159,200</u> |
| Family Child Care Stipend | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other than personnel services (OTPS) | | | | | | |
| Supplies | - | - | - | - | - | 99,521 |
| Postage | - | - | - | - | - | 470 |
| Advertising | - | - | - | - | - | 74 |
| Training/Staff Development | - | - | - | - | - | 2,825 |
| Transportation | - | - | - | - | - | 462 |
| Audit | - | - | - | - | - | 43,124 |
| Parent Services | - | - | - | - | - | 3,854 |
| Consultant - programmatic | - | - | - | - | - | 49,236 |
| Consultant - administrative | - | - | - | - | - | 8,395 |
| Other OTPS | - | - | - | - | - | 24,480 |
| Total OTPS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>232,440</u> |
| TOTAL EARLYLEARN COST | <u>\$ -</u> | <u>\$ 71,957</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 71,957</u> | <u>\$ 1,730,840</u> |
| Excess (deficiency) of revenue over (under) expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

See accompanying notes to financial statements

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Statement of Revenues and Expenditures
CCBG Funded – Early Learn
For The Year Ended June 30, 2021

NONE

SCHEDULE 1Ci

See accompanying notes to financial statements

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Schedule of Quantitative Programs Results
CCBG Funded-Early Learn
For The Year Ended June 30, 2021

SCHEDULE 1Cii

ENROLLMENT

| | | | |
|---|--|--|-----|
| 1 | Contracted slots per site | | |
| | a) Site I | | 51 |
| | b) Site II | | 60 |
| | c) | | - |
| | d) | | - |
| | Total | | 111 |
| 2 | Number of classrooms per site | | |
| | a) Site I | | 3 |
| | b) Site II | | 3 |
| | c) | | - |
| | d) | | - |
| | Total | | 6 |
| 3 | Number of children enrolled by site | | |
| | a) Site I | | 29 |
| | b) Site II | | 49 |
| | c) | | - |
| | d) | | - |
| | Total | | 78 |
| 4 | Number of children in attendance by site | | |
| | a) Site I | | 25 |
| | b) Site II | | 42 |
| | c) | | - |
| | d) | | - |
| | Total | | 67 |
| 5 | The average attendance for contract by site (#4 divided by #3) | | |
| | a) | | 86% |
| | b) | | 86% |
| | c) | | |
| | d) | | |
| | Total Average | | 86% |

COST

| | | | |
|---|--|--|-----------|
| 1 | Total expense for the contract. (Total EL expense in Schedule 1-A) | | 1,658,883 |
| 2 | Total expense by site | | |
| | a) Site I | | 762,189 |
| | b) Site II | | 896,693 |
| | c) | | - |
| | d) | | - |
| | Total | | 1,658,883 |
| 3 | Average cost slots (Total expenses/Total attendance by sites) | | 24,759 |
| 4 | Average cost per site/Total cost per site/Attendance by site) | | |
| | a) Site I | | 30,488 |
| | b) Site II | | 21,350 |
| | c) | | |
| | d) | | |
| | Total | | \$ 33,517 |

See accompanying notes to financial statements

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Schedule of Accrued Vacation
CCBG Funded-Early Learn
For The Year Ended June 30, 2021**

SCHEDULE 1Ciii

Schedule of Unused Earned Vacation and Sick Leave charged to CCBG Funded Programs:

NONE

See accompanying notes to financial statement

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Statement of Revenues and Expenditures
Not DECE Funded
For The Year Ended June 30, 2021

SCHEDULE 1D

| BUDGET CATEGORIES | NOT DOE FUNDED | | | | |
|---|-----------------------|---|--|---|-------------------------------------|
| | Actual | | | | |
| | CACFP | Cash Contribution (Head Start) | In-kind Contribution (Head Start) | Sponsor's Contribution (Other than Head Start) | Other Funding Source |
| Revenue: | | | | | |
| EarlyLearn revenue | \$ - | \$ - | \$ - | \$ - | \$ - |
| In-kind contribution | - | - | 648,904 | - | - |
| Total Revenue | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 648,904</u> | <u>\$ -</u> | <u>\$ -</u> |
| Expenditures | | | | | |
| Personnel cost | | | | | |
| Salaries | \$ - | \$ - | \$ - | \$ - | \$ - |
| Health Insurance | - | - | - | - | - |
| Substitutes | - | - | - | - | - |
| Total personnel cost | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Family Child Care Stipend | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other than personnel services (OTPS) | | | | | |
| Indirect cost - Head Start | - | - | 648,904 | - | - |
| Other OTPS | - | - | - | - | - |
| Total OTPS | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 648,904</u> | <u>\$ -</u> | <u>\$ -</u> |
| TOTAL EARLYLEARN COST | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 648,904</u> | <u>\$ -</u> | <u>\$ -</u> |
| Excess (deficiency) of revenue over (under) expenditures | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

See accompanying notes to financial statements

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Statement of Head Start Expenses by Program Year
For The Year Ended June 30, 2021

SCHEDULE 2

| <u>Category</u> | <u>07</u> <u>7/1/20-12/31/20</u> | <u>08</u> <u>1/1/21-6/30/21</u> | <u>Total Head</u> <u>Start Expenses</u> |
|--|-------------------------------------|------------------------------------|--|
| Personnel and fringe cost | | | |
| Salaries | \$ 395,380 | \$ 351,712 | \$ 747,092 |
| FICA | 29,367 | 26,442 | 55,809 |
| Unemployment insurance | 333 | 6,714 | 7,047 |
| Pension | 29,622 | 38,616 | 68,238 |
| Welfare fund | - | - | - |
| Health insurance | 13,604 | 15,434 | 29,038 |
| Worker's compensation | 8,699 | 8,469 | 17,168 |
| Substitute staff | 2,404 | - | 2,404 |
| Total personnel and fringe cost | <u>479,409</u> | <u>447,387</u> | <u>926,796</u> |
| Facilities cost | | | |
| Rent (Delegate Agency Administered Costs) | 17,456 | 10,800 | 28,256 |
| Property taxes | - | - | - |
| Water/sewer | - | - | - |
| Utilities (Delegate Agency Administered Costs) | 2,712 | 2,188 | 4,900 |
| Insurance | 6,018 | 11,971 | 17,989 |
| Telecommunications | 5,268 | 2,688 | 7,956 |
| Maintenance and repairs | 2,530 | 14,844 | 17,374 |
| Other facilities cost | - | - | - |
| Total facilities cost | <u>33,984</u> | <u>42,491</u> | <u>76,475</u> |
| Other than personnel services (OTPS) | | | |
| Supplies | 10,509 | 16,787 | 27,296 |
| Equipment over \$5,000 | - | - | - |
| Postage | - | 349 | 349 |
| Advertising | - | 59 | 59 |
| Training | - | 1,110 | 1,110 |
| Parent services/family involvement | 384 | 3,427 | 3,811 |
| Programmatic consultants | 3,075 | 1,813 | 4,888 |
| Administrative consultants | 2,017 | 3,926 | 5,943 |
| Transportation | 197 | 171 | 368 |
| Audit | - | - | - |
| Food (not funded by CACFP) | - | - | - |
| Other OTPS | 9,862 | 6,281 | 16,143 |
| Total OTPS | <u>26,044</u> | <u>33,923</u> | <u>59,967</u> |
| Indirect cost | <u>-</u> | <u>-</u> | <u>-</u> |

See accompanying notes to financial statement

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Statement of Head Start Expenses by Program Year
For The Year Ended June 30, 2021

SCHEDULE 2- continued

| | | | |
|------------------------------------|-------------------|-------------------|---------------------|
| Total Expenses | \$ 539,437 | \$ 523,801 | \$ 1,063,238 |
| Health and Safety | - | - | - |
| Less: Program Income | <u>539,437</u> | <u>523,801</u> | <u>1,063,238</u> |
| Total Head Start Funded Expenses | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | |
| Non-Federal Share (NFS) Expenses | | | |
| Head Start UPK | \$ 86,633 | \$ 100,259 | \$ 186,892 |
| DOE HS UPK Enhancement | 23,204 | 48,753 | 71,957 |
| Cash Contributions - Head Start | - | - | - |
| In-kind Contributions - Head Start | <u>324,450</u> | <u>324,454</u> | <u>648,904</u> |
| Total NFS Expenses | <u>\$ 434,288</u> | <u>\$ 473,466</u> | <u>\$ 907,753</u> |
| | | | |
| Total Head Start Program Expenses | <u>\$ 973,725</u> | <u>\$ 997,267</u> | <u>\$ 1,970,991</u> |
| NFS Program Percentage | 44.60% | 47.48% | 46.06% |
| | | | |
| Administrative Expenses | | | |
| Personnel and fringe cost | \$ 72,738 | \$ 77,403 | \$ 150,141 |
| Facilities cost | 3,043 | 8,199 | 11,242 |
| OTPS | 17,132 | 12,333 | 29,465 |
| Indirect Costs | - | - | - |
| NFS expenses | <u>30,170</u> | <u>30,170</u> | <u>60,340</u> |
| Total Administrative Expenses | <u>\$ 123,084</u> | <u>\$ 124,751</u> | <u>\$ 251,188</u> |
| Total Head Start Program Expenses | 983,031 | 987,960 | 1,970,991 |
| Administrative Expense Percentage | 12.5% | 12.6% | 12.7% |
| | | | |
| Special Reporting: | | | |
| CACFP Funded Expenses | \$ - | \$ - | \$ - |

See accompanying notes to financial statements

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Statement of Non-Federal Share Expenses by Program Year- Head Start
For The Year Ended June 30, 2021

SCHEDULE 3

| Category | HS UPK | | | DOE HS UPK Enhancement | | | Cash Contributions - Head Start | | | In-kind Contributions - Head Start | | |
|--|-----------------|-----------------|------------|------------------------|-----------------|--------------|---------------------------------|-----------------|-------|------------------------------------|-----------------|------------|
| | Program Year 02 | Program Year 03 | Total | Program Year 02 | Program Year 03 | Total | Program Year 02 | Program Year 03 | Total | Program Year 02 | Program Year 03 | Total |
| | 7/1/20-12/31/21 | 1/1/21-6/30/21 | | 7/1/20-12/31/20 | 1/1/21-6/30/21 | | 7/1/20-12/31/20 | 1/1/21-6/30/21 | | 7/1/20-12/31/20 | 1/1/21-6/30/21 | |
| Personnel and fringe cost | | | | | | | | | | | | |
| Salaries | \$ 64,723 | \$ 55,439 | \$ 120,162 | \$ 27,425 | \$ 31,681 | \$ 59,106.00 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| FICA | 4,927 | 4,068 | 8,995 | 2,047 | 2,504 | 4,551 | - | - | - | - | - | - |
| Unemployment insurance | 370 | 702 | 1,072 | 146 | 897 | 1,043 | - | - | - | - | - | - |
| Pension | 8,578 | 5,430 | 14,008 | - | - | - | - | - | - | - | - | - |
| Welfare fund | - | - | - | - | - | - | - | - | - | - | - | - |
| Health insurance | 2,804 | 2,002 | 4,806 | - | - | - | - | - | - | - | - | - |
| Worker's compensation | 1,561 | 1,598 | 3,159 | - | - | - | - | - | - | - | - | - |
| Substitute staff | - | - | - | 2,183 | 5,074 | 7,257 | - | - | - | - | - | - |
| Total personnel and fringe cost | \$ 82,963 | \$ 69,239 | \$ 152,202 | \$ 31,801 | \$ 40,156 | \$ 71,957 | - | - | - | - | - | - |
| Facilities cost | | | | | | | | | | | | |
| Rent (Delegate Agency Administered Costs) | \$ 5,735 | \$ 4,814 | \$ 10,549 | - | - | - | - | - | - | 378,525 | 270,379 | 648,904 |
| Property taxes | - | - | - | - | - | - | - | - | - | - | - | - |
| Water/sewer | - | - | - | - | - | - | - | - | - | - | - | - |
| Utilities (Delegate Agency Administered Costs) | 714 | 364 | 1,078 | - | - | - | - | - | - | - | - | - |
| Insurance | 1,318 | 2,345 | 3,663 | - | - | - | - | - | - | - | - | - |
| Telecommunications | 1,290 | 422 | 1,712 | - | - | - | - | - | - | - | - | - |
| Maintenance and repairs | 724 | 4,198 | 4,922 | - | - | - | - | - | - | - | - | - |
| Other facilities cost | - | - | - | - | - | - | - | - | - | - | - | - |
| Total facilities cost | \$ 9,781 | \$ 12,143 | \$ 21,924 | - | - | - | - | - | - | 378,525 | 270,379 | 648,904 |
| Other than personnel services (OTPS) | | | | | | | | | | | | |
| Supplies | \$ 2,379 | \$ 3,912 | \$ 6,291 | - | - | - | - | - | - | - | - | - |
| Equipment over \$5,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Training | 64 | - | 64 | - | - | - | - | - | - | - | - | - |
| Parent services/family involvement | - | - | - | - | - | - | - | - | - | - | - | - |
| Programmatic consultants | 1,664 | 400 | 2,064 | - | - | - | - | - | - | - | - | - |
| Administrative consultants | 600 | 110 | 710 | - | - | - | - | - | - | - | - | - |
| Transportation | 47 | 36 | 83 | - | - | - | - | - | - | - | - | - |
| Audit | - | - | - | - | - | - | - | - | - | - | - | - |
| Food (not funded by CACFP) | - | - | - | - | - | - | - | - | - | - | - | - |
| Other OTPS | 2,227 | 1,327 | 3,554 | - | - | - | - | - | - | - | - | - |
| Total OTPS | \$ 6,981 | \$ 5,785 | \$ 12,766 | - | - | - | - | - | - | - | - | - |
| Indirect cost | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenses | \$ 99,725 | \$ 87,167 | \$ 186,892 | \$ 31,801 | \$ 40,156 | \$ 71,957 | \$ - | \$ - | \$ - | \$ 378,525 | \$ 270,379 | \$ 648,904 |
| Breakdown by funding source: | | | | | | | | | | | | |
| State | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| City | - | - | - | - | - | - | - | - | - | - | - | - |
| Private/Third-Party | - | - | - | - | - | - | - | - | - | - | - | - |
| Delegate Agency | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

See accompanying notes to financial statements

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Schedule of Equipment Inventory
June 30, 2021

SCHEDULE 4

Current Year Purchases (with total acquisition cost per unit of at least \$5,000 or above and purchased between 7/1/20 to 6/30/21):

NONE

See accompanying notes to financial statements

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Schedule of Due To or Due From DECE
For The Year Ended June 30, 2021

SCHEDULE 5

| | | |
|--|--------------------|--------------------------|
| Due From DECE at 6/30/2020 | | \$ 461,847 |
| Adjustment | | 13,835 |
| | | |
| Cash received/advances from DECE | | \$ 1,719,688 |
| | | |
| Plus other funds collected: | | |
| Parent Fees | | - |
| Other revenue (disability, interest, etc.) | | - |
| | | <u> -</u> |
| Total funds available | | \$ 1,719,688 |
| | | |
| Less claimable expenditures: | | |
| Expenditures | \$ 1,730,840 | |
| Less: Accrued Vacation | - | |
| Less: FICA - Accrued Vacation | - | |
| Less: Questioned Costs | <u> -</u> | <u>\$ 1,730,840</u> |
| | | |
| Due From DECE at 6/30/2021 | | <u><u>\$ 486,834</u></u> |

See accompanying notes to financial statements

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Schedule of Accrued Vacation
For The Year Ended June 30, 2021

SCHEDULE 6

Schedule of Unused Earned Vacation and Sick Leave charged to DECE Funded Programs:

NONE

See accompanying notes to financial statements

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Schedule of Pay Parity
For The Year Ended June 30, 2021

SCHEDULE 7

NONE

See accompanying notes to financial statements

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Schedule of Covid Expenses
For The Year Ended June 30, 2021

SCHEDULE 8

Schedule of COVID Expenses charged to DOE Funded Programs:

| <u>Object of Expenditure</u> | <u>Explanation of COVID Response</u> | <u>% Attributable to COVID Response</u> | <u>COVID Expense</u> |
|--------------------------------|--------------------------------------|---|----------------------|
| Personnel - Maintenance Worker | | 100% | \$ 30,737 |
| Health and Safety Supplies | | 100% | 52,897 |
| Other Expenses | | 100% | 2,470 |

TOTAL

\$ 86,104

See accompanying notes to financial statements

COMPLIANCE AND INTERNAL CONTROL SECTION

**SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
June 30, 2021 and 2020**

INTRODUCTION

South Jamaica Center for Children and Parents, Inc., (The Early Learn Organization) has contracts with the City of New York Administration for Children’s Services (ACS), and the New York City Department of Education (DOE), Division of Early Childhood Education (DECE) to provide the services under the terms and conditions specified in these agreements.

The DOE contract was received for the year ending June 30, 2021 and totals \$ 2,783,273 for the period. The contract is being matched with Contractor Contributions and Non-Federal Match.

The Agency provides full day care services for pre-school children, family day care, and after school childcare services. The eligibility of persons for the program is determined by the DOE.

EXIT CONFERENCE

An exit conference was conducted via Zoom on June 24, 2022 hosted by the office of South Jamaica Center for Children and Parents Inc. 114-02 Guy R. Brewer Blvd. Jamaica, New York 11434.

For South Jamaica Center for Children and Parents, Inc.:

| | |
|-----------------------|----------------------------------|
| Juliana Barrett | Governing Board Chairperson |
| Vanessa Sparks | Governing Board Vice-Chairperson |
| Sunday Bafunso | Governing Board Member |
| Patricia Crutch | Administrative Director |
| Errol Fray | Chief Fiscal Officer |
| Shadey Thomas-Olikeze | DAPC Chairperson |
| Juana Chachan | DAPC Member |

For the Audit Firm:

| | |
|----------------------|--------------------|
| Les S. Thompson, CPA | Engagement Partner |
| Mercedes S. Arellano | Auditor in Charge |

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2021

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 Division of Early Childhood Education Services: | | | |
| Head Start Program | 93.600 | n/a | <u>\$ 1,063,238</u> |
| Total Expenditures of Federal Awards | | | <u><u>\$ 1,063,238</u></u> |

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Notes to Schedule of Federal Expenditures
June 30, 2021

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, 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 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.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursements.

Note 3-Nonmonetary Assistance

Nonmonetary assistance is reported in the Schedule based on the amount disbursed or received. There was no nonmonetary assistance for the year ended June 30, 2021.

Note 4. Indirect Cost Rate

The Center did not use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 5-Sub recipients

South Jamaica Center for Children and Parents, Inc. did not utilize any subrecipients in 2021.



LESS, 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

INDEPENDENT AUDITORS' 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.
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. EARLY LEARN PROGRAM** ("the Program ") which comprise the statement of financial position as of June 30, 2021, 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 June 22, 2022.

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 express such an opinion. The result of our test disclosed no instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards and the DOE Audit Guide*.

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 cursive script that reads "Lerd, Thompson & Co, LLP".

New York, NY
June 22, 2022



LESS, 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

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

The Board of Directors
South Jamaica Center for Children and Parents, Inc.
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, 2021. 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.'s 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 South Jamaica Center for Children and Parents, Inc.'s. 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.'s 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.'s 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.

A handwritten signature in cursive script, likely belonging to a lead auditor, reading "Lead Auditor".

New York, New York
June 22, 2022

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Summary of Findings and Questioned Costs
June 30, 2021 and 2020

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of Auditors’ Report Issued

Unmodified

Internal Control Over Financial Reporting

Material Weakness(es) identified yes no

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

Noncompliance material to financial statements

noted? yes no

Federal Awards

Internal Control Over Major Programs

Material Weakness(es) identified yes no

Reportable conditions identified not Considered to be material weakness yes 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 no

Identification of Major Programs

| CFDA Number | <u>Name of Federal Program or Cluster</u> |
|-------------|--|
| 93.600 | 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? yes no

SOUTH JAMAICA CENTER FOR CHILDREN AND PARENTS, INC.
Auditors' Comments on Compliance
June 30, 2021 and 2020

Section II – Financial Statements Findings

Current Year Findings

None

Prior Year Findings

None

Current Year's Update

None

Section III – Federal Award Findings

Current Period Finding

None

Prior Period Finding

None

INTERNAL CONTROL ON COMPLIANCE

Current Period Finding

None

Prior Period Finding

None