

**PEOPLE'S EQUAL ACTION AND
COMMUNITY EFFORT, INC.**

**Financial Statements as of
January 31, 2023 and 2022
Together with
Independent Auditor's Report
And Single Audit Reports**

Draft- Subject to Change

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

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INDEPENDENT AUDITOR'S REPORT

May 18, 2023

To the Board of Directors of
People's Equal Action and Community Effort, Inc.:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of People's Equal Action and Community Effort, Inc. (a nonprofit organization) (the Agency), which comprise the statements of financial position as of January 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of January 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the Agency adopted Accounting Standards Codification 842, *Leases*, as of February 1, 2022. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

(Continued)

INDEPENDENT AUDITOR'S REPORT
(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2023 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's 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 the Agency's internal control over financial reporting and compliance.

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

STATEMENTS OF FINANCIAL POSITION
JANUARY 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 2,358,050	\$ 1,104,230
Grants receivable	2,157,107	1,969,893
Program service fees receivable	63,447	30,729
Inventory	141,942	87,165
Other current assets	66,687	42,026
Total current assets	<u>4,787,233</u>	<u>3,434,043</u>
LONG-TERM ASSETS:		
Long-term deposits	97,413	92,688
Long-term right-of-use assets	1,605,212	-
PROPERTY:		
Land	352,153	204,793
Buildings	3,138,059	2,742,270
Leasehold improvements	5,818,670	5,754,986
Vehicles	3,192,792	3,056,166
Equipment	1,043,349	1,072,056
Construction in progress	185,631	13,000
Total	13,730,654	12,843,271
Less: Accumulated depreciation	<u>(10,323,185)</u>	<u>(10,236,908)</u>
Property, net	<u>3,407,469</u>	<u>2,606,363</u>
Total assets	<u>\$ 9,897,327</u>	<u>\$ 6,133,094</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable - trade	\$ 642,520	\$ 288,756
Accrued payroll and related liabilities	892,173	819,214
Accrued compensated absences	248,302	268,296
Deferred revenue	717,366	1,048,402
Lease liability - current portion	528,216	-
Custodial accounts, deposits, and other current liabilities	37,667	5,307
Total current liabilities	<u>3,066,244</u>	<u>2,429,975</u>
LONG-TERM LEASE LIABILITY	<u>1,089,371</u>	<u>-</u>
NET ASSETS:		
Without donor restrictions	5,366,063	3,265,429
With donor restrictions	375,649	437,690
Total net assets	<u>5,741,712</u>	<u>3,703,119</u>
Total liabilities and net assets	<u>\$ 9,897,327</u>	<u>\$ 6,133,094</u>

The accompanying notes are an integral part of these statements.

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JANUARY 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT:			
Direct contributions	\$ 95,529	\$ 54,085	\$ 149,614
In-kind contributions	1,705,729	-	1,705,729
Fundraising	40,463	14,116	54,579
Net assets released from restrictions	301,737	(301,737)	-
Total support	2,143,458	(233,586)	1,909,922
REVENUE:			
Governmental agencies	22,220,733	171,495	22,392,228
Program service fees	772,477	-	772,477
Interest income	292	-	292
Rental income	12,543	-	12,543
Gain on/proceeds from sale of asset	2,200,000	-	2,200,000
Other Income	72,322	-	72,322
Total revenue	25,278,367	171,495	25,449,862
Total support and revenue	27,421,825	(62,041)	27,359,784
EXPENSES:			
Program services	22,343,252	-	22,343,252
Management and general	2,967,436	-	2,967,436
Fundraising	10,503	-	10,503
Total expenses	25,321,191	-	25,321,191
CHANGE IN NET ASSETS	2,100,634	(62,041)	2,038,593
NET ASSETS - FEBRUARY 1, 2022	3,265,429	437,690	3,703,119
NET ASSETS - JANUARY 31, 2023	\$ 5,366,063	\$ 375,649	\$ 5,741,712

The accompanying notes are an integral part of these statements.

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JANUARY 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT:			
Direct contributions	\$ 76,212	\$ 40,149	\$ 116,361
In-kind contributions	4,961,985	-	4,961,985
Fundraising	33,393	25,530	58,923
Net assets released from restrictions	101,510	(101,510)	-
Total support	5,173,100	(35,831)	5,137,269
REVENUE:			
Governmental agencies	19,836,375	219,105	20,055,480
Program service fees	727,235	-	727,235
Interest income	125	-	125
Rental income	12,528	-	12,528
Other income	25	-	25
Total revenue	20,576,288	219,105	20,795,393
Total support and revenue	25,749,388	183,274	25,932,662
EXPENSES:			
Program services	23,258,093	-	23,258,093
Management and general	2,912,883	-	2,912,883
Fundraising	9,416	-	9,416
Total expenses	26,180,392	-	26,180,392
CHANGE IN NET ASSETS	(431,004)	183,274	(247,730)
NET ASSETS - FEBRUARY 1, 2021	3,696,433	254,416	3,950,849
NET ASSETS - JANUARY 31, 2022	\$ 3,265,429	\$ 437,690	\$ 3,703,119

The accompanying notes are an integral part of these statements.

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JANUARY 31, 2023

	Program Services	Management and General	Fundraising	Total
Salaries	\$ 11,068,729	\$ 1,588,850	\$ -	\$ 12,657,579
Payroll taxes and fringe benefits	3,030,022	331,590	-	3,361,612
Consumable supplies	3,575,665	23,183	7,420	3,606,268
Occupancy costs	1,654,010	157,289	-	1,811,299
Professional fees and contract services	1,336,544	92,433	-	1,428,977
Depreciation	16,918	516,749	-	533,667
Equipment expense	329,150	54,111	3,000	386,261
Insurance	394,138	29,885	-	424,023
Telephone	188,124	14,191	-	202,315
Conferences and travel	246,083	27,979	-	274,062
Vehicle maintenance	321,504	3,282	-	324,786
Advertising, printing, postage, and dues	97,536	35,927	-	133,463
Other costs	19,131	91,967	83	111,181
Program service fee overhead	13,698	-	-	13,698
Interest expense	52,000	-	-	52,000
Total expenses	<u>\$ 22,343,252</u>	<u>\$ 2,967,436</u>	<u>\$ 10,503</u>	<u>\$ 25,321,191</u>

The accompanying notes are an integral part of these statements.

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JANUARY 31, 2022

	Program Services	Management and General	Fundraising	Total
Salaries	\$ 10,104,970	\$ 1,563,184	\$ 42	\$ 11,668,196
Payroll taxes and fringe benefits	2,977,848	346,323	22	3,324,193
Consumable supplies	6,108,482	16,053	6,135	6,130,670
Occupancy costs	1,546,085	151,733	-	1,697,818
Professional fees and contract services	1,137,545	69,579	-	1,207,124
Depreciation	16,633	530,663	-	547,296
Equipment expense	320,091	50,950	3,000	374,041
Insurance	373,524	29,329	-	402,853
Telephone	163,676	13,082	-	176,758
Conferences and travel	186,429	24,302	-	210,731
Vehicle maintenance	188,276	2,581	-	190,857
Advertising, printing, postage, and dues	92,142	35,548	-	127,690
Other costs	13,575	78,036	217	91,828
Program service fee overhead	28,817	-	-	28,817
Interest expense	-	1,520	-	1,520
Total expenses	\$ 23,258,093	\$ 2,912,883	\$ 9,416	\$ 26,180,392

The accompanying notes are an integral part of these statements.

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JANUARY 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 2,038,593	\$ (247,730)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Bad debt expense	7,000	-
Depreciation	533,667	547,296
Gain on disposal of property	(2,148,000)	-
Changes in operating assets and liabilities:		
Grants receivable	194,214	(565,550)
Program service fees receivable	67,282	(2,732)
Inventory	45,223	(2,661)
Other current assets	(24,661)	172,048
Long-term deposits	(4,725)	(7,616)
Accounts payable - trade	353,764	108,146
Accrued payroll and related liabilities	72,959	(150,139)
Accrued compensated absences	(19,994)	(9,279)
Deferred revenue	(331,036)	774,571
Refundable advance	-	(140,514)
Lease liability	12,375	-
Custodial accounts, deposits, and other current liabilities	32,360	3,541
Net cash from operating activities	<u>440,593</u>	<u>479,381</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions of property	(1,386,773)	(263,095)
Proceeds from sale of property	<u>2,200,000</u>	<u>-</u>
Net cash flow from investing activities	<u>813,227</u>	<u>(263,095)</u>
NET CHANGE IN CASH	1,253,820	216,286
CASH - beginning of year	<u>1,104,230</u>	<u>887,944</u>
CASH - end of year	<u>\$ 2,358,050</u>	<u>\$ 1,104,230</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	<u>\$ -</u>	<u>\$ 1,520</u>

The accompanying notes are an integral part of these statements.

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

NOTES TO FINANCIAL STATEMENTS JANUARY 31, 2023 AND 2022

1. THE ORGANIZATION

The Agency provides community action programs primarily throughout Onondaga County. The programs of the Agency include senior citizen services; transportation services for elderly, disabled and isolated; activities and one-on-one interaction with a role model; programs and services covering prenatal care and early childhood education; family endeavors; emergency food needs; energy services; home weatherization; community health, and social service introduction to families.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Recently Adopted Accounting Guidance

Leases

The Financial Accounting Standards Board (FASB) has issued Accounting Standards Updates (ASUs) codified as Accounting Standards Codification (ASC) 842, Leases, to increase transparency and comparability among agencies by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standards is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standards, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Agency adopted the standard effective February 1, 2022 using the modified retrospective approach and summarized comparative financial information has not been restated. In addition, lease disclosures for the year ended January 31, 2022 are made under prior lease guidance in FASB ASC 840.

The Agency elected the available practical expedients to account for the existing operating leases as operating leases under the new guidance without reassessing (a) whether the contracts contain leases under the new standard, (b) whether classification of operating leases would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

As a result of the adoption of the new lease accounting guidance, the Agency recognized on February 1, 2022 an operating lease liability of \$1,617,587, and an operating lease ROU asset of \$1,605,212. The standard did not have an impact on the statements of activities or cash flows.

Contributed Nonfinancial Assets

The Agency adopted FASB ASU) 2020-07, "Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets" for the year ended January 31, 2023. This ASU enhances presentation and disclosures relating to nonfinancial assets. The standard is effective for annual periods beginning after June 15, 2021. The adoption of this guidance did not have an impact on the financial statement amounts reported.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Reporting

The Agency reports its activities and the related net assets using the following categories:

- **Net Assets Without Donor Restrictions**

Net assets without donor restrictions include resources that are available for the support of the Agency's operating activities.

- **Net Assets With Donor Restrictions**

Net assets with donor restrictions include resources that have been donated to the Agency subject to restrictions as defined by the donor.

Cash

Cash includes demand deposit accounts. The Agency has collateral agreements with two separate banks insuring all cash deposits. The Agency has not experienced any losses in these accounts and believes it is not exposed to any significant risk with respect to cash.

Grants Receivable and Revenue

The Agency receives grants to assist in carrying out its programs from federal, state, and local governments. Unconditional grants and restricted grants are recognized as revenues in the period in which all barriers to revenue recognition are overcome or promised. Conditional grants are not recognized as revenues until the conditions on which they depend are substantially met. The Agency has adopted a policy whereby all government and other contracts be recorded as without donor restrictions if the restriction expires in the same reporting period as received.

Grants receivable represents amounts due to the Agency under grant agreements where conditions were substantially met at year end. Receivables are stated at the amount management expects to collect from outstanding balances. The Agency has established an allowance for doubtful accounts of \$7,000 as of January 31, 2023. There was no allowance for uncollectible accounts as of January 31, 2022. If amounts become uncollectible, they will be charged to bad debt expense when the determination is made. Unpaid balances remaining after the stated payment terms are considered past due.

Conditional grants that have not yet been recognized as revenue were received from the following sources as of January 31:

	<u>2023</u>	<u>2022</u>
Federal grants	\$ 7,696,961	\$ 11,891,357
Other than federal grants	<u>809,542</u>	<u>1,079,275</u>
	<u>\$ 8,506,503</u>	<u>\$ 12,970,632</u>

Program Service Fees Receivable and Revenue

The Agency reviews individual contracts, at the time of performance, in order to determine estimated uncollectible amounts due from customers and records these implicit price concessions as a direct reduction to revenue. Based on this, the Agency determined there were no implicit price concessions at January 31, 2023 and 2022.

Program service fees revenue is related to fee for service contracts with customers to provide consultation services and nutrition services. Program service fees are set by contracts established with customers. Program service fees revenue is recognized at the point in time the program is provided for short-term programs and over time for long-term programs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Revenue

Deferred revenue is recorded for program service fees revenue received from exchange transactions in which performance obligations have not been met.

Inventory

Inventory of supplies and materials is stated at the lower of cost or net realizable value, with cost being determined on a first-in, first-out method.

Property and Depreciation

Property additions in excess of \$5,000 and greater is capitalized and stated at cost if purchased or fair value if donated. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets ranging from 3 to 40 years. Long-lived donated property and equipment is recognized as support without donor restrictions when placed into service. Depreciation expense for the years ended January 31, 2023 and 2022 was \$533,667 and \$547,296, respectively.

Property acquired with grant resources is owned by the Agency for use in authorized programs. The funding sources retain reversionary interest in property purchased with grant funds. Disposition of such assets, as well as any sale proceeds, are subject to a recorded Notice of Federal Interest. Property purchased with grant funds was \$1,849,941 and \$1,751,225 as of January 31, 2023 and 2022, respectively.

Leases

The Agency determines if an arrangement is a lease at inception. ROU assets represent the Agency's right to use an underlying asset for the lease term and lease liabilities represent an obligation to make lease payments arising from the lease. Lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The lease may include renewal and termination options, which are included in the lease term when the Agency is reasonably certain to exercise these options.

For all underlying classes of assets, the Agency has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that the Agency is reasonably certain to exercise. The Agency recognizes fixed short-term lease costs on a straight-line basis over the lease term and variable lease costs in the period in which the obligation is incurred.

The Agency elected for all classes of underlying assets, to use the risk-free rate as the discount rate if the implicit rate in the lease contract is not readily determinable and to not separate the lease and non-lease components of a contract and to account for them as a single lease component.

Variable lease costs paid to or on behalf of the lessor, consisting of maintenance, services, and supplies, are excluded from the measurement of the ROU and lease liability, and are expensed in the period incurred.

In evaluating contracts to determine if they qualify as a lease, the Agency considers factors such as if the Agency obtained substantially all of the rights to the underlying asset through exclusivity, if it can direct the use of the asset by making decisions about how and for what purpose the asset will be used, and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Self-Insurance

The Agency is self-insured for its employees' health care costs. The Agency was liable for losses on claims up to \$70,000 per claim through policy years ended June 30, 2016, through September 30, 2021, and \$75,000 per claim through policy years ended September 30, 2022. The Agency has third-party insurance coverage for any losses in excess of such amounts. Self-insurance costs are accrued based on claims reported as of the statements of financial position dates as well as an estimated liability for claims incurred but not reported. The total accrued liability for self-insurance costs was \$483,171 and \$473,885 as of January 31, 2023 and 2022, respectively, and is included in accrued payroll and related liabilities.

Direct Contributions

Contributions are recognized when a donor makes an unconditional promise to give to the Agency. Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions as net assets released from restrictions.

In-Kind Contributions

The Agency recognizes contributed nonfinancial assets within support as in-kind contributions, including services, consumable supplies, and space. All in-kind contributions are without donor restriction and used to support and further the Agency's objectives.

Contributions of services are recognized as revenues when they create or enhance non-financial assets, or require specialized skills provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The Agency received in-kind contributions from outside parties that do not meet the recognition requirement, which management estimated a value of \$3,214,719 and \$2,941,452 for the years ended January 31, 2023 and 2022, respectively. The Agency receives services from volunteers within the community. However, no amounts have been recognized in the accompanying statements of activities for these contributed services because the criteria for recognition of such volunteer efforts have not been satisfied.

Supplies values are estimated using the Salvation Army guidelines when available or if unavailable, internet research is performed to determine a conservative valuation. Donated space is recorded based on estimated fair value of the leased space as determined by professional appraisals and third party published sources.

Allocation of Certain Expenses

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimate (salaries, fringes, commercial insurance, transportation, foodservice, maintenance and foodservice). Management's estimates utilize square footage, time spent, and meals served. Other costs specifically identified to a program are charged directly to that program.

Indirect Cost Rate

The Agency has been approved by its cognizant agency, U.S. Department of Health and Human Services, to apply a provisional indirect cost rate not to exceed 24.0%. Indirect costs are allocated to all programs of the Agency. Total direct salaries are used as the base to calculate the Agency's indirect cost rate.

Income Taxes

The Agency is a New York not-for-profit corporation exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. The Agency has been determined by the Internal Revenue Service not to be a private foundation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions for the reporting period and as of the financial statement date. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities, and the reported amounts of revenues and expenses. Actual results could differ from these estimates.

3. LIQUIDITY

The following reflects the Agency's financial assets available within one year of the statements of financial position date for general expenditures at January 31:

	<u>2023</u>	<u>2022</u>
Cash	\$ 2,358,050	\$ 1,104,230
Grants receivable	2,157,107	1,969,893
Program service fees receivable	63,447	130,729
Other receivables	9,663	13,832
	<u>4,588,267</u>	<u>3,218,684</u>
Less those unavailable for general expenditure within one year, due to donor restrictions	<u>(375,649)</u>	<u>(437,690)</u>
	<u>\$ 4,212,618</u>	<u>\$ 2,780,994</u>

The Agency has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Agency's ability to meet its cash needs is dependent on timely collection of its grants and program service fees receivables. In addition, as part of its liquidity management, the Agency has a line of credit of \$2,000,000 (as described in Note 6), which it could draw upon in the event of an unanticipated liquidity need.

4. IN-KIND CONTRIBUTIONS

In-kind contributions are as follows for the years ended January 31:

	<u>2023</u>	<u>2022</u>
Family services:		
Donated space	\$ 71,685	\$ 71,745
Donated supplies	1,202,144	4,404,512
Head start and early head start:		
Donated space	207,017	218,628
Donated professional and contracted services	170,301	194,380
Senior services:		
Donated space	18,035	16,784
Free tax prep:		
Donated space	5,852	22,192

4. IN-KIND CONTRIBUTIONS (Continued)

	<u>2023</u>	<u>2022</u>
Energy and housing services:		
Donated space	179	3,210
Management and general:		
Donated space	<u>30,516</u>	<u>30,534</u>
	<u>\$ 1,705,729</u>	<u>\$ 1,961,985</u>

5. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions include donor restricted contributions and restricted program income to be used to support the following activities as of January 31:

	<u>2023</u>	<u>2022</u>
Head Start/Early Head Start	\$ 162,958	\$ 181,162
Family Resource Centers	47,722	54,905
Big Brothers Big Sisters	108,672	142,019
Foster Grandparents	7,451	7,295
Community Development	1,722	1,722
Senior Services	450	450
Free tax prep	-	165
Employee training	-	2,451
Employee emergency	1,600	1,100
Food services	3,223	4,252
Weatherization	10,298	2,805
Frank DeFrancisco Eastwood Community Center	4,936	4,962
Foundation for the future	1,500	1,500
Maintenance	30	30
Camp fund	8,842	16,512
Crop walk	34	234
Give-a-holiday	16,211	16,109
KIDS (Kids in Distressed Situations)	<u>-</u>	<u>17</u>
	<u>\$ 375,649</u>	<u>\$ 437,690</u>

5. NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets with donor restrictions were released from restrictions by incurring expenses satisfying the following activities during the years ending January 31:

	<u>2023</u>	<u>2022</u>
Head Start/Early Head Start	\$ 171,216	\$ 3,650
Family Resource Centers	30,128	13,444
Big Brothers Big Sisters	80,555	59,698
Foster Grandparents	45	106
Community Development	-	144
KIDS (Kids in Distressed Situations)	17	-
Employee Training	2,451	-
Food services	3,782	1,461
Weatherization	3,035	18,250
Camp fund	7,715	185
Give-a-holiday	2,327	708
Frank DeFrancisco Eastwood Community Center	101	106
Crop walk	200	243
Free tax prep	165	3,518
	<u>\$ 301,737</u>	<u>\$ 101,510</u>

6. SHORT TERM BORROWINGS

The Agency has a \$2,000,000 revolving loan with a bank. Borrowings bear interest at the prime rate (7.50% as of January 31, 2023) and are not collateralized. The outstanding balance on the line of credit was zero as of January 31, 2023 and 2022.

7. RETIREMENT PLAN

The Agency sponsors a 401(k) defined contribution profit sharing plan covering employees who have completed one year of service and are 18 years of age. Employees may contribute a percentage of their compensation on a pre-tax basis, subject to limitations by the Internal Revenue Service. Agency contributions to the plan are at the sole discretion of the Board of Directors. The Board elected to match up to 3% of employee deferred compensation for the plan years ended December 31, 2022 and 2021.

Retirement plan expense was \$207,645 and \$210,100 for 2023 and 2022, respectively.

8. LEASES

Leases (ASC 842)

The Agency leases certain buildings and equipment. Under operating leases that expire between April 2023 and May 2029. These leases have various extension terms, but none of the options are considered reasonably certain of exercise and are therefore, not recognized as part of the ROU asset and lease liability.

8. LEASES (Continued)

Leases (ASC 842) (Continued)

The components of total lease cost for the year ended January 31, 2023 was as follows:

Operating lease cost	\$ 573,668
Variable lease expense	<u>115,247</u>
Total lease cost	<u>\$ 688,915</u>

Supplemental cash flow information related to leases for the year ended January 31, 2023, are as follows:

Cash paid for amounts included in the measurement of lease liabilities: \$ 559,912

ROU assets obtained in exchange for operating lease obligations \$ 2,148,261

Other information related to operating leases as of January 31, 2023 was as follows:

Weighted-average remaining lease term 4.16 years

Weighted-average discount rate 1.73%

Maturities of operating lease liabilities are as follows for the years ending January 31:

2024	\$ 551,310
2025	427,602
2026	246,818
2027	167,014
2028	121,369
Thereafter	<u>163,195</u>
	1,677,308
Less: Present value discount	<u>(59,720)</u>
Total present value of lease liability	1,617,588
Less: Current portion	<u>(528,216)</u>
	<u>\$ 1,089,372</u>

Leases (ASC 840)

Future minimum lease payments as of January 31, 2022 were as follows for the years ending January 31:

2023	\$ 1,302,677
2024	614,224
2025	472,897
2026	283,843
2027	178,027
Thereafter	<u>284,563</u>
	<u>\$ 3,136,231</u>

8. LEASES (Continued)

Lease Expense

Total lease expense for space and equipment included in occupancy costs, equipment, and telephone expense was \$1,384,534 and \$1,360,062 for the years ended January 31, 2022 and 2021, respectively.

9. CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Agency to credit risk consist principally of unsecured receivables.

A significant portion of the Agency's revenue is generated through Federal, New York State, and County grants that are renewed annually, without which would be an impact on the Agency's level of service and operation. The Agency derives a substantial portion of its revenues from one grant. Total revenues related to this grant were approximately \$12,900,000 for the years ended January 31, 2023 and 2022. Accounts receivable related to this grant were approximately \$951,000 and \$945,000 at January 31, 2023 and 2022, respectively.

10. CONTINGENCIES

Grants

Under the terms of various grants, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such questioned costs could lead to reimbursement to the grantor agencies. Management believes that it would be able to provide support acceptable to the grantor and that any disallowances would not be material.

11. SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 18, 2023, which is the date the financial statements were available to be issued.

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

May 18, 2023

To the Board of Directors of
People's Equal Action and Community Effort, Inc.:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of People's Equal Action and Community Effort, Inc.'s (a nonprofit organization) (the Agency), which comprise the statement of financial position as of January 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 18, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

(Continued)

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

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Draft- Subject to Change

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

May 18, 2023

To the Board of Directors of
People's Equal Action and Community Effort, Inc.:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited People's Equal Action and Community Effort, Inc.'s (the Agency) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Agency's major federal program for the year ended January 31, 2023. The Agency's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Agency's complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended January 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Agency's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Agency's federal programs.

(Continued)

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

(Continued)

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Agency's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Agency's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Agency's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Agency's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

(Continued)

Report on Internal Control over Compliance (Continued)

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Draft- Subject to Change

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JANUARY 31, 2023

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Grant Period	Agency or Pass-through Number	Program Award Amount	Federal Expenditures
<u>U.S. Department of Health and Human Services</u>					
Head Start Cluster:					
Head Start	93.600	02/01/21-01/31/22	02CH00139402	\$ 12,589,634	\$ 10,738
Head Start	93.600	02/01/22-01/31/23	02CH00139403	14,932,708	12,878,485
COVID 19 - Head Start - Coronavirus Response and Relief Supplemental Appropriations Act	93.600	04/01/21-03/31/23	02HE000125-01/C5	313,911	119,011
COVID 19 - Head Start - American Rescue Plan	93.600	04/01/21-03/31/23	02HE000125-01/C6	1,247,950	490,666
Total Head Start				29,094,203	13,498,900
Total Head Start Cluster				29,094,203	13,498,900
Pass-through from:					
NYS Office of Children & Families					
Child Care and Development Fund Grant	93.575	12/01/21-09/30/23	13610	732,400	498,002
Total Child Care and Development Fund Grant				732,400	498,002
Pass-through from:					
NYS Department of State					
Community Services Block Grant	93.569	10/01/21-09/30/22	C1001476	1,822,096	996,509
Community Services Block Grant	93.569	10/01/22-09/30/23	C1001476	1,604,644	555,185
Community Services Block Grant	93.569	08/01/22-09/30/22	T1002258	45,000	45,000
COVID-19 - Community Services Block Grant	93.569	04/01/20-09/30/22	T1001809	2,133,526	834,237
Total Community Services Block Grant				5,605,266	2,430,931
NYS Division of Housing & Community Renewal					
Low-Income Home Energy Assistance	93.568	04/01/21-06/30/22	C093490-21	1,930,873	215,464
Low-Income Home Energy Assistance	93.568	04/01/22-06/30/23	C095490-22	1,712,668	999,144
Low-Income Home Energy Assistance	93.568	01/04/22-09/30/23	C094449-22	577,539	274,696
Total Low-Income Home Energy Assistance				4,221,080	1,489,304
Aging Cluster:					
Onondaga County Department of Aging & Youth					
Special Programs for the Aging - Title III, Part B -					
Grants for Supportive Services and Senior Centers	93.044	01/01/22-12/31/22	PEA220002	25,000	18,697
Grants for Supportive Services and Senior Centers	93.044	01/01/23-12/31/23	PEA250001	35,000	139
Total Special Programs for the Aging - Title III, Part B				60,000	18,836

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED JANUARY 31, 2023

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Grant Period	Agency or Pass-through Number	Program Award Amount	Federal Expenditures
Aging Cluster (Continued):					
Onondaga County Department of Aging & Youth (Continued)					
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	01/01/22-12/31/22	PEA230001	519,067	485,115
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	01/01/23-12/31/23	PEA250002	53,088	9,839
Total Special Programs for the Aging - Title III, Part C				572,155	494,954
Total Aging Cluster				632,155	513,790
Total - U.S. Department of Health and Human Services				40,285,104	18,430,927
The Corporation for National Service					
Foster Grandparent/Senior Companion Cluster:					
Foster Grandparent Program	94.011	07/01/19-06/30/22	19SFANY006	475,298	198,140
COVID-19 - Foster Grandparent Program	94.011	07/01/19-06/30/22	19SFANY006	9,450	9,450
Foster Grandparent Program	94.011	07/01/22-06/30/23	22SFFNY006	461,186	185,210
Total - The Corporation for National Service, Total Foster Grandparent/Senior Companion Cluster				945,934	392,800
U.S. Department of Agriculture					
Pass-through from:					
NYS Department of Health					
Child and Adult Care Food Program (CACFP)	10.558	10/01/21-09/30/22	2139	284,684	194,113
Child and Adult Care Food Program (CACFP)	10.558	10/01/22-09/30/23	2139	154,589	154,589
Total - U.S. Department of Agriculture, Total NYS Department of Health				439,273	348,702

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED JANUARY 31, 2023

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Grant Period	Agency or Pass-through Number	Amount of Award	Federal Expenditures
<u>U.S. Department of Energy</u>					
Pass-through from:					
NYS Division of Housing & Community Renewal					
Weatherization Assistance for Low-Income Persons	81.042	04/01/21-06/30/22	C095490-21	1,233,335	341,383
Weatherization Assistance for Low-Income Persons	81.042	04/01/22-06/30/23	C095490-22	898,333	898,333
Total - U.S. Department of Energy				2,131,668	1,239,716
<u>U.S. Department of Justice</u>					
Pass-through from:					
Vera House					
Enhanced Training and Services to End Violence and Abuse of Women Later in Life	16.528	03/01/21-09/30/23	2019-EW-AX-K001	36,264	15,080
Engage Men and Boys as Allies in the Prevention of Violence Against Women and Girls	16.888	10/01/22-09/30/25	15J0VW-22-GG-01083	130,426	-
Total - U.S. Department of Justice				166,690	15,080
				\$ 43,968,669	\$ 20,427,225

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JANUARY 31, 2023

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards presents the activity of federal financial assistance programs administered by the Agency, an entity as defined in the basic financial statements. The information in this schedule is presented on the accrual basis and in accordance with 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). Therefore, some amounts presented in this schedule may differ from amounts presented or used in the presentation of the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting in accordance with GAAP. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. INDIRECT COSTS

Indirect costs are included in the reported expenditures to the extent they are included in the federal financial reports for each program. The Agency has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

4. MATCHING COSTS

Matching costs, i.e., the Agency's share of certain program costs, are not included in the reported expenditures.

5. SUBRECIPIENTS

The Agency does not have any subrecipients of federal awards.

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JANUARY 31, 2023**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

☐ yes

☒ no

Significant deficiencies identified?

☒ yes

☒ none
reported

Noncompliance material to financial statements noted?

☐ yes

☒ no

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

☐ yes

☒ no

Significant deficiencies identified?

☐ yes

☒ none
reported

Type of auditor's report issued on compliance for
major programs:

Unmodified

Any audit findings disclosed that are required to be
reported in accordance with 2 CFR 200.516(a)?

☐ yes

☒ no

Identification of major federal programs:

Assistance Listing Number

Program Title

93.600

Head Start

Dollar threshold used to distinguish between Type A and
Type B programs:

\$750,000

Auditee qualified as low-risk auditee

☒ yes

☐ no

SECTION II - FINANCIAL STATEMENT AUDIT FINDINGS

None noted.

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL
AWARD PROGRAM AUDIT**

None noted.

HAYLOR PROPOSED RATES
12 MTH AVG PREMIUM
12 MTH AVG COST

BASED ON NO INCREASE FOR TOTAL PREMIUM, EMPLOYEE PORTION
 OR EMPLOYER PORTION

USING:	105 -EE	PREPARED BY CFO, AGREED BY HF&C	RESERVE CALCULATION:
	20 -EE + SPOUSE	983.72	MTHLY EXPENDITURES
	0 -EE + CHILDREN	1,792.71	
	6 FAMILY	2,631.44	
		15,788.64	
		155,983.44	
			136,082.00
			408,246.00
			29,400.00
			437,646.00

PROJECTED

PROJECTED				ACTUAL			
PREMIUM	CLAIMS & NON-CLAIMS	STOP LOSS	MVP TPA FEES	HAYLOR FEE	#01-2009-00000	PREMIUM	CLAIMS & NON-CLAIMS

ESTIMATED BEGINNING BALANCE

10/22	NEW PLAN YEAR	(155,983)	95,387	31,108	9,587	(604,941)	(155,111)	100,776	32,241	9,879	(598,045)
11/22		(155,983)	95,387	31,108	9,587	(624,842)	(145,000)	92,358	32,241	10,097	(610,258)
12/22		(155,983)	95,387	31,108	9,587	(644,744)	HOLIDAY MTH	114,943	31,275	9,360	(620,562)
1/23		(155,983)	95,387	31,108	9,587	(664,645)	(139,155)	81,457	30,226	9,286	(464,984)
2/23		(155,983)	95,387	31,108	9,587	(684,547)	(139,457)	102,846	30,226	9,581	(483,171)
3/23		(155,983)	95,387	31,108	9,587	(704,448)	(141,318)	127,872	30,922	9,728	(479,975)
4/23		(155,983)	95,387	31,108	9,587	(716,350)					(452,770)
5/23		(155,983)	95,387	31,108	9,587	(736,251)	(141,133)	127,450	29,780	7,666	(429,007)
6/23		(155,983)	95,387	31,108	9,587	(756,153)					
7/23		(155,983)	95,387	31,108	9,587	(776,054)					
8/23		(155,983)	95,387	31,108	9,587	(795,955)					
9/23		(155,983)	95,387	31,108	9,587	(815,857)					
		(155,983)	95,387	31,108	9,587	(835,758)					
		(1,871,801)	1,144,644	373,296	115,044						

ESTIMATED RESERVE OVER TARGET

398,112.28

P.E.A.C.E., INC.
MONTHLY FINANCIAL STATEMENTS
APRIL 2023

PAGE #

1 **Statement of Financial Position**

3 **Statement of Activities**

6 **Current Ratio**

7 **Comments**

11 **Comparative Information By Program**

Kobuen
Wm

People's Equal Action and Community Effort, Inc.
Statement of Financial Position
As of April 30, 2023

As of
April 30, 2023

ASSETS		
CURRENT ASSETS		
Cash	\$	1,771,611
Receivables		1,643,456
Prepaid Expenses		17,366
Inventory		197,004
Other Assets		99,260
Total CURRENT ASSETS		<u>3,728,697</u>
LONG TERM ASSETS		
Long Term Right of Use Leases		1,605,212
Total LONG TERM ASSETS		<u>1,605,212</u>
PROPERTY		
Land		352,153
Buildings		3,138,059
Leasehold Improvements		5,811,439
Vehicles		3,223,398
Equipment		1,051,057
Construction in Progress		252,876
Accumulated Depreciation		(10,407,154)
Total LONG TERM ASSETS		<u>3,421,828</u>
Total ASSETS	\$	<u><u>8,755,737</u></u>

People's Equal Action and Community Effort, Inc.
Statement of Financial Position
As of April 30, 2023

As of
April 30, 2023

LIABILITIES & NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable Trade	\$ 94,459
Short Term Borrowings	
Accrued Payroll & Related Liabilities	443,816
Accrued Compensated Absences	248,302
Accrued Expenses	37,388
Deferred Revenue	626,325
Short Term Lease Liability	528,216
Deposits	400
TOTAL CURRENT LIABILITIES	<u>1,978,907</u>
LONG TERM LIABILITIES	
Lease Liability	1,089,371
	<u>1,089,371</u>
NET ASSETS	
Without Donor Restrictions	5,313,793
With Donor Restrictions	373,667
Total LONG TERM ASSETS	<u>5,687,459</u>
Total LIABILITIES AND NET ASSETS	<u>\$ 8,755,737</u>

People's Equal Action and Community Effort, Inc.
Statement of Activities
For Three Months Ending April 30, 2023

	Annual Budget	Year To Date Budget	Current Year Year To Date	Prior Year Actual Year To Date
REVENUE:				
Direct Contributions & Fundraising	\$ 101,880	\$ 17,220	\$ 35,056	\$ 44,804
Government Agencies	25,190,473	6,297,618	5,153,497	4,905,029
Rental Income	13,758	3,440	3,440	2,832
Service Fees	519,753	129,939	104,526	166,364
Service Fees - Energy & Housing Fee for Service	209,893	52,473	-	-
In-Kind Revenue	3,322,310	830,577	1,214,193	951,090
Dividend, Interest & Other Income			8,717	-
Total	29,358,067	7,331,266	6,519,429	6,070,120
EXPENSES				
Salaries	13,045,562	3,185,747	2,882,324	2,784,565
Payroll Taxes & Fringe Benefits	3,596,990	881,300	835,877	859,234
Professional Fees & Contract Services	2,105,417	526,354	135,841	136,765
Conferences & Travel	331,200	82,249	68,666	47,360
Occupancy Costs	1,645,773	411,441	424,529	412,365
Consumable Supplies	2,393,210	595,701	464,256	463,511
Equipment Expense	289,982	72,495	125,818	89,541
Insurance	415,715	103,922	98,639	90,622
Telephone	206,863	51,715	65,840	48,717
Printing, Postage & Dues	122,496	30,369	42,657	44,534
Vehicle Maintenance	253,029	63,257	63,738	39,950
Interest Expense	1,000	250		
Other Costs & Loss on Disposals	245,587	156,675	20,220	19,193
In-Kind	3,322,310	830,577	1,214,193	951,090
Total	27,975,134	6,992,052	6,442,599	5,987,448
NET SURPLUS (DEFICIT)	1,382,933	339,214	76,830	82,672
DEPRECIATION				
Buildings & Leasehold Improvements	(217,086)	(54,271)	(58,834)	(54,403)
Equipment, Vehicles, \	(314,537)	(78,634)	(72,249)	(82,151)
Total	(531,623)	(132,905)	(131,083)	(136,554)
CHANGE IN NET ASSETS	\$ 851,310	\$ 206,309	\$ (54,253)	\$ (53,882)

People's Equal Action and Community Effort, Inc.
Statement of Activities
For Three Months Ending April 30, 2023

REVENUE:				
	Fundraising	Non-Allocable	Indirect Pool	Trans & Maint
Direct Contributions & Fundraising	2,909			900
Government Agencies				
Rental Income				
Service Fees				
Service Fees - Energy & Housing Fee for Service				
In-Kind Revenue			7,793	11,138
Dividend, Interest & Other Income				
Total	2,909	-	7,793	12,038
EXPENSES				
Salaries			327,858	
Payroll Taxes & Fringe Benefits			68,973	
Professional Fees & Contract Services			3,552	589
Conferences & Travel			5,894	
Occupancy Costs			32,315	(9,067)
Consumable Supplies		577	3,494	3,396
Equipment Expense			20,647	1,230
Insurance			4,968	3,628
Telephone			3,659	1,604
Printing, Postage & Dues			8,767	73
Vehicle Maintenance		5	414	(3,232)
Interest Expense				
Other Costs & Loss on Disposals	44	4,647	(480,539)	
In-Kind			7,793	11,138
	44	5,229	7,793	9,359
NET SURPLUS (DEFICIT)	2,865	(5,229)	(0)	2,679
DEPRECIATION				
Buildings & Leasehold Improvements		(56,218)		(1,950)
Equipment, Vehicles, and Software		(69,828)		(729)
Total	-	(126,045)	-	(2,679)
CHANGE IN NET ASSETS	2,865	(131,275)	(0)	-

People's Equal Action and Community Effort, Inc.
Statement of Activities
For Three Months Ending April 30, 2023

	Grants	Rental Properties	Other
REVENUE:			
Direct Contributions & Fundraising			32,147
Government Agencies	5,152,597		
Rental Income		3,440	
Service Fees			104,526
Service Fees - Energy & Housing Fee for Service			
In-Kind Revenue	1,191,261		4,001
Dividend, Interest & Other Income			8,717
Total	6,343,858	3,440	149,391
EXPENSES			
Salaries	2,414,170	84	140,213
Payroll Taxes & Fringe Benefits	696,222	22	70,660
Professional Fees & Contract Services	129,500		2,201
Conferences & Travel	62,534		238
Occupancy Costs	360,291	1,485	39,504
Consumable Supplies	633,412		(176,624)
Equipment Expense	102,737		1,204
Insurance	85,434	177	4,432
Telephone	56,766	50	3,760
Printing, Postage & Dues	22,009		11,809
Vehicle Maintenance	48,780		17,771
Interest Expense			
Other Costs & Loss on Disposals	468,661	16	27,391
In-Kind	1,191,261		4,001
	6,271,778	1,835	146,560
NET SURPLUS (DEFICIT)	72,080	1,604	2,830
DEPRECIATION			
Buildings & Leasehold Improvements			(666)
Equipment, Vehicles, and Software			(1,692)
Total	-	-	(2,358)
CHANGE IN NET ASSETS	72,080	1,604	472

PEACE, INC.
CURRENT RATIO
AS OF APRIL 30, 2023

	CURRENT ASSETS	CURRENT LIABILITIES	CURRENT RATIO	DIFFERENCE IN DOLLARS
1/31/05	2,029,803	2,184,993	92.90%	(155,190)
1/31/06	1,569,391	1,792,909	88.55%	(203,518)
1/31/07	1,775,617	1,891,171	93.89%	(115,554)
1/31/08	2,321,076	2,355,826	98.52%	(34,750)
1/31/09	1,576,343	1,754,019	89.87%	(177,676)
1/31/10	3,286,876	3,284,011	100.09%	2,865
1/31/11	3,744,177	3,531,750	106.01%	212,427
1/31/12	2,306,292	1,886,324	122.26%	419,968
1/31/13 - FIRST CLOSE	1,949,478	1,278,319	152.50%	671,159
1/31/14 - FIRST	1,493,007	895,712	166.88%	597,295
1/31/15 FINAL	2,679,027	2,135,917	125.43%	543,110
1/31/16 FIRST CLOSE	2,312,267	1,667,694	138.65%	644,573
1/31/17 PRELIM	2,036,080	1,398,479	145.59%	637,601
1/31/18 - FIRST CLOSE	2,008,901	1,523,164	131.89%	485,737
1/31/19 FINAL	2,353,073	1,919,548	122.58%	433,525
1/31/20 FIRST CLOSE	2,283,412	1,826,420	125.02%	456,992
1/31/21 - FIRST CLOSE	2,694,357	1,556,977	173.05%	1,137,380
1/31/22 - FIRST CLOSE	3,062,677	2,138,931	143.19%	923,746
1/31/23 FIRST	4,155,898	1,678,201	247.63%	2,477,697
2/28/23	NA - 1/31/23 HAS NOT BEEN CLOSED AS YET			
3/31/23	4,123,445	2,330,262	176.95%	1,793,183
4/30/23	3,728,687	1,978,907	188.42%	1,749,790

AS OF:

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PEACE, INC.
FINANCIAL STATEMENT NOTES AND COMMENTS
AS OF APRIL 30, 2023

CURRENT RATIO STATUS

The current ratio is an analysis of current assets divided by current liabilities.
The goal is to have at least 100%, to ensure we have enough current assets to cover our current liabilities.

The current ratio for April 30, 2023 is 188%, which equates to current assets \$1,749,790 higher than current liabilities.

NET SURPLUS (DEFICIT) BEFORE DEPRECIATION

The budgeted net income before depreciation year to date is \$339,214 and actual is \$76,830. The change in net assets after depreciation is (\$54,253).

An overview of the components making up this \$76,830 is:

From Normal Operations:

Senior Nutrition	54,548
Centro	7,553
Fundraising	2,865
Transportation & Maintenance	2,679
Rental Properties	1,604
Energy & Housing Fee for Service	-
Non-Allocable	(5,229)
Real Estate Purchase & Sale	(5,448)
Other	(6,107)
Indirect Cost not allowed on grant	(6,872)
	<u>45,593</u>
Fixed Asset Purchases	49,569
Revenue Recognition	3,452
Special Donation Accounts	(21,784)
	<u>31,237</u>
	<u>76,830</u>

From "Timing Differences" (over period of more than one year the net effect is \$0)
Fixed Asset Purchases
Revenue Recognition
Special Donation Accounts

TOTAL FUNDRAISING REVENUE:
COST CENTER #100 FUNDRAISING (WITH TRANSFERS)
SPECIAL DONATION ACCOUNTS
MEAL CONTRIBUTIONS

2,909
3,137
29,009
35,056

LINE OF CREDIT

BALANCE BEGINNING OF MONTH

\$ -

BALANCE AT END OF MONTH

\$ -

Current month interest expense

NA

Date interest paid

NA

CAPITAL IMPROVEMENT/REPAIR CASH ACCOUNT

Balance at Beginning of Month

\$ 431,727.64

Balance at End of Month

\$ 431,727.64

INDIRECT RATE

The final rate for year ending 1/31/22 IS 23.2%
The provisional rate for 2/1/22 - 1/31/25 is 24.00%

4/23	19.53%
4/22	20.49%

NOTE: During March 2023 we had 2 incentive pays for Head Start, which affected the indirect rate.

ANALYSIS OF IN-KIND AND HEAD START ADMINISTRATIVE RATES:
Unless otherwise stated, the booked In-Kind includes entries are through the previous month, due to the quick close of financial statements each month. Therefore, the In-Kind below includes an estimate for the current month based on actual for the prior month.

IN-KIND (MAJOR GRANTS)

	IN-KIND	EXPENDITURES	%	REQUIRED
2410 Head Start (first month in grant year - In-Kind not posted as yet)	1,164,996	2,460,380	0.47	1.2234
4019 CSBG	1,479,125	914,404	1.62	N/A

In-Kind is posted in the subsequent month. The In-Kind reported above includes an estimated amount based on the current month.

NOTE: CAN ALSO USE UPK FUNDING AS IN-KIND, NOT INCLUDED ABOVE.

ADMINISTRATIVE RATE

HEAD START ADMIN. RATE	(NOT TO EXCEED) REQUIRED
0.09	0.15

2410 Head Start

WEATHERIZATION FEE FOR SERVICE PROGRAMS

Net income for Fee for Service programs is:

	Current Month	Year To Date
9125 Empower New York	(6,364)	-
9310 DEHS Fee for Service	-	-
9600 Multifamily Performance	-	-
	(6,364)	-

ACCRUAL ACCOUNTING

We are accruing invoices for not only the indirect pool, but also any projects that are not cash basis. This includes projects such as the rental locations and temporarily restricted accounts. waiting for year end.

DEPRECIATION

Purchases with grant funds - we recognize the revenue when we purchase the fixed asset. Then in subsequent years, we must reflect the depreciation as an expense that hits our "Change in Net Assets".

REVENUE

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PEACE, INC.
COMPARATIVE INFORMATION BY PROGRAM
AS OF APRIL 30, 2023

CC	REVENUE			NET		
	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL
4019-530 CSBG	8,131	2,033	952			
4019-532 CSBG	158,233	39,558	23,268			
4019-533 CSBG	151,356	37,839	45,501			
4019-534 CSBG	162,597	40,649	33,189			
4019-535 CSBG	82,497	20,624	13,418			
4019-536 CSBG	142,367	35,592	34,491			
4019-537 CSBG	177,519	44,380	51,458			
4019-544 CSBG			200			
4189 CSBG CARES						
4193 ***KEY BANK DYJ ESFRC						
4198 HOUSING VISIONS ESFRC						
4199 VERA HOUSE CEFRC	1,424	356	5,566			
4200 ***ST. AUGUSTINES						
4201 FOOD BANK						
4203 SCSD ESFRC ALT						
4204 MAGNARELLI						
4205 ***F&CD FATHERHOOD						(1,499)
4206 ONONDAGA CNTY GUN VIOL						
4207 EITC COOP & COM FOUND						
4208 UNITED WAY EITC	110,000	27,500				
4209 GIF SAVE THE RAIN						
4210 ONONDAGA CNTY WOMENS						
4211 HOUSING VISIONS						
4212 FOOD BANK	60,152	15,038	14,133	(5,760)	(1,440)	(1,196)
4213 WSFRC BOEHEIM						
4214 ALLYN FOUND SSFRC						
4215 CSBG DISCRET						
4216 SCSD ESFRC ALT	124,923	31,231	28,871			
4217 KEY BANK EITC	25,000	6,250	25,000			
4218 MOTHER CABRINI REENTRY	50,000	12,500	15,479			
4219 VERA HOUSE DOJ	39,909	9,977	1,212			

PEACE, INC.
COMPARATIVE INFORMATION BY PROGRAM
AS OF APRIL 30, 2023

CC

	REVENUE		NET	
	ANNUAL BUDGET	YTD BUDGET	ANNUAL BUDGET	YTD ACTUAL
4220 BERKSHIRE BANK ETIC		625		
4221 COMM FOUND WSFRC	2,500			
4222 ESFRC NATIONAL GRID				
4223 ***M&T SUMMER FRC				
4224 COMMUNITY FOUND FRC				
4225 EITC UNITED WAY				
4226 GLOBAL PARTNERS				
4227 EITC ALLYN FOUND				
4228 ESFRC AMERICAN HEART				
5105 ***DSRIP/VBP			(7,519)	(16,402)
5106 KRESGE FOUND	69,071	17,268	(8,842)	(961)
5107 ***VBP FOOD PROD				(240)
5109 ***CNYCC FFP COVID			(45,000)	
5110 ***ARISE FOOD INSEC			(22,588)	
	1,806,869	451,717	(89,709)	(20,298)

DONATIONS

9015 CEFRC	416	416
9260 FGP RECOGNITION		
9500 MISC - HS		(178)
9503 MISC - CWFRC XMAS & RENT		(611)
9506 FOOD PANTRY		
10802 HS B'VILLE		
10804 HS JORDAN		
10805 HS LIVERPOOL		
10807 HS GENESEE		
10810 HS LAFAYETTE		
10816 HS SUMNER	285	285
10823 CSFRC	200	200
10824 CWFRC		(1,400)
		(50)

PEACE, INC.
COMPARATIVE INFORMATION BY PROGRAM
AS OF APRIL 30, 2023

CC	REVENUE			NET		
	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL
10829 BOWL BBBS						(5,300)
10830 EASTWOOD SENIOR CENTER						(4)
10831 FGP						
10834 CS CROP WALK						510
10835 CW EMERGENCY			510			
10838 SENIOR SERVICES						
10839 SSFRC COORD SPECIAL						
10842 COUNTY WEST KIDZ RULE						
10844 ESFRC COORD SPECIAL			30			30
10849 HS MERRICK						
10850 EASTWOOD SENIOR CENTER						(1,007)
10854 BBBS OTHER			1,174			(10,014)
10855 BERSKSHIRE BANK TRAIN						
10856 CSFRC			(2,000)			(2,236)
10857 IT TECH PROGRAM						
10860 GIVE A HOLIDAY			103			100
10861 CAMP FUND/SUMMER ACT						
10864 DONATION PROG/KIDS						
10866 TRANSPORTATION						
10867 FSD LUNCH & LEARN						
10868 EMPLOYEE EMERG			420			(1,727)
10869 EITC PROGRAM						
10871 SSFRC YOUTH ADVISORY						
10875 SSFRC SENIORS						(3)
10877 BBBS COUNTRY RUN						(716)
10878 BBBS SCHOLARSHIP						
10879 CSFRC DOMESTIC VIOL						
10880 CWFRC COORD SPECIAL			2,000			1,000
10881 A CAUSE TO CELEBRATE						(2,376)
10882 VOLL FOUND						
10883 BBBS GOLF TOURN						

PEACE, INC.
COMPARATIVE INFORMATION BY PROGRAM
AS OF APRIL 30, 2023

	REVENUE			NET		
	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL
CC						
10884 GEAR FOR GOOD F&CD			3,137			(23,082)
E&H FEE FOR SERVICE						
9125 EMPOWER	64,490	16,122		(2,706)	(677)	
9310 DEHS FEE FOR SERVICE	145,403	36,351		27,069	6,767	
	209,893	52,473	-	24,363	6,091	-
EASTWOOD						
3902 ECC OFA						
3903 ECC OFA						
3904 ECC OFA	25,000	6,250	3,074			
4202 ECC DEFRANCISCO	73,425	18,356		73,425	18,356	
4019-584 CSBG	231,492	57,873	48,267			
	329,917	82,479	51,341	73,425	18,356	-
FOSTER GRANDPARENTS						
3328 FGP CNCS						
3329 FGP CNCS	461,186	115,296	91,581			
3495 NYS OFFICE FOR THE AGING						
3496 NYS OFFICE FOR THE AGING	5,778	1,445				
3499 NYS OFFICE FOR THE AGING			505			
	468,964	116,741	92,086			-
FOOD SERVICE						
1700 FOOD SERVICES						
3239 FSD OFA	474,973	118,743	4,001	(68,880)	(17,220)	
3241 FSD OFA			149,325			25,538

PEACE, INC.
COMPARATIVE INFORMATION BY PROGRAM
AS OF APRIL 30, 2023

CC	REVENUE			NET		
	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL
4019-581 CSBG	204,948	51,237	38,345			
9360 FOOD SERV - MEAL CONTR	68,880	17,220	29,009	68,880	17,220	29,009
9380 FSD CATERING			21,447			
	748,800	187,200	242,127		0	54,548
FUNDRAISING						
100 FUNDRAISING	33,000		2,909	22,992	(780)	2,865
	33,000		2,909	22,992	(780)	2,865
ENERGY & HOUSING						
3101 HTFC - P PLUS	1,410,501	352,625	8,023	66,541	16,636	
3102 NYS HEAP WX ARPA	349,758	87,439	77,329			
3103 ONON CNTY AGING IN PLACE	50,000	12,500				
3131 DHCR - LANDLORD CONTR						
3189 HCR 3/1/22						
3192 HCR 3/31/23	2,611,001	652,750	503,821	(12,701)	(3,175)	42,618
3193 HCR			17,446			
	4,421,760	1,105,315	606,619	53,840	13,461	42,618
HEAD START						
2011 HS STABILIZATION						
2012 HS STABILIZATION	47,140	11,785	4,355			
2098 CACFP	191,600	47,900				
2099 CACFP	284,530	71,132	156,845			
2205 ***GRO MORE GARDEN						(304)
2208 HS/EHS COVID 19						
2209 HS/EHS ARP	111,324	27,831	105,121			
2408 HEAD START	430,646	107,661	537,731			
2410 HEAD START						
2458 HS T&TA	17,705,144	4,426,286	3,314,298	1,270,394	317,599	3,000

PEACE, INC.
COMPARATIVE INFORMATION BY PROGRAM
AS OF APRIL 30, 2023

CC	REVENUE			NET		
	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL
2460 HS T&TA	106,150	26,537	32,015			
2558 EHS T&TA						
2560 EHS T&TA	70,651	17,663	17,887			
2608 ***SYRACUSE UPK						
2609 ***SYRACUSE UPK	1,209,390	302,348	244,788			
2709 ***HS B'VILLE UPK	97,240	24,310	19,547			
2909 ***LIVERPOOL EPK	42,500	10,625	17,039			
2909 ***LIVERPOOL UPK						
	20,296,315	5,074,079	4,449,625	1,270,394	317,599	2,696
INDIRECT POOL						
1010 MAIN OFFICE			6,569	(207,738)	(51,934)	(48,512)
1014 SUPPLEMENTAL COSTS				(78,414)	(19,603)	-
1020 EXECUTIVE OFFICE				(314,073)	(65,204)	(64,418)
1030 HR				(500,933)	(106,929)	(107,522)
1040 FISCAL				(855,929)	(176,508)	(165,145)
1070 MIS			1,223	(289,358)	(61,753)	(54,655)
1080 PROGRAM OVERSIGHT				(312,489)	(64,639)	(60,263)
1090 BOARD OF DIRECTORS				(18,620)	(2,456)	-
1095 INDIRECT POOL ALLOCATION			7,793	2,577,553	549,027	500,514
NON-ALLOCABLE						
150 NON-ALLOCABLE				(6,850)	(1,712)	(5,229)
153 NON-ALLOCABLE DEPREC				(520,904)	(130,226)	(126,045)
			-	(527,754)	(131,938)	(131,275)
PROJECT CONNECTION						
3758 OPWDD	74,108	18,527	15,184			
3759 OPWDD						

PEACE, INC.
COMPARATIVE INFORMATION BY PROGRAM
AS OF APRIL 30, 2023

CC	REVENUE			NET		
	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL
4019-552 CSBG	18,721	4,680	5,184			
	92,829	23,207	20,368			
PROJECT ROSE						
3487 OFA N'HOOD ADV						
3497 OFA N'HOOD ADV	45,000	11,250	6,584			
3501 OFA N'HOOD ADV			1,454			
3488 OFA EISEP						
3498 OFA EISEP	59,000	14,750	9,843			
3502 OFA EISEP			2,169			
4019-311 CSBG	5,352	1,338	1,143			
	109,352	27,338	21,193			
RENTALS						
7020 TULLY	4,800	1,200	1,200	1,377	344	386
7042 TULLY - ARISE	6,528	1,632	1,632	4,868	1,217	1,219
7066 SSFRC TENANT	1,215	304	304	161	40	(102)
7067 WSFRC TENANT	1,215	304	304	161	40	101
7120 BASSETT						
	13,758	3,440	3,440	6,567	1,642	1,604
TRANSPORTATION AND MAINTENANCE						
1500 TRANSPORTATION						
1600 MAINTENANCE			12,038			
			12,038			
SALE AND PURCHASE PROPERTIES						
3198 SALE OF 811 E. WASHINGTON						(1,632)

PEACE, INC.
COMPARATIVE INFORMATION BY PROGRAM
AS OF APRIL 30, 2023

CC	REVENUE			NET		
	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL
3199 PURCHASE 717 ERIE BLVD W			-			(3,816)
						(5,448)
INSURANCE PROCEEDS			8,717			(1,060)
9951 INSURANCE PROCEEDS			8,717			(1,060)
YEAR END ACCRUALS			14,398			
9820 YEAR END ACCRUALS			14,398			-
MINOR DIFF						
	29,358,067	7,331,266	6,519,429	851,310	206,302	(54,253)

P.E.A.C.E., INC.
SUPPLEMENTAL FINANCIAL INFORMATION
PREPARED FOR FINANCE COMMITTEE
AS OF APRIL 30, 2023

FILE: CONTROLLER/FINANCIALS/SUPPLEMENTAL
FINANCIAL INFORMATION

NOTE: All cost center Statement of Activities are available for all Finance Committee and Board Meetings
A copy of the Fiscal Policy and Procedure manuals is present at all Finance Committee and Board Meetings.
Note - there are no Finance Committee or Board meetings during the months of July and August.
Finance Committee meetings were held remotely during covid 19 period.

UNRELATED BUSINESS INCOME (TO BE UPDATED PERIODICALLY)

OUTSIDE OF COUNTY:

BBBS OSWEGO CO. GRANT
MULTIFAMILY PERFORMANCE PROGRAM

NOT UNRELATED BUSINESS PER AUDITORS

OUTSIDE OF LOW INCOME GUIDE:

ASSISTED HOME PERFORMANCE

+	TOTAL	-
	TOTAL REVENUE	6,519,429
	%	0%
	GUIDE - % OF ALL REVENUE	15% - 30%

BANK ACCOUNTS

BANK	DESCRIPTION	G/L ACCT #	BALANCE AT MONTH END	MONTH LAST RECONCILED
KEY BANK	Operating	01-1000-00000	1,278,845	4/23
KEY BANK	DHCR Landlord Contr.	01-1004-00000	20,310	4/23
M&T	Operating for HS	01-1010-00000	23,055	4/23
KEY BANK	Capital Improvement/Repair Account	01-1012-00000	431,728	4/23
KEY BANK	Health Captive Account	01-1015-00000	9,599	4/23
All Petty Cash			8,075	
			<u>1,771,611</u>	

NOTE: The two main operating accounts for Key Bank and M&T are reconciled before statements are released for the month. The remaining account reconciliations are due by the end of the subsequent month. Petty cash are reconciled quarterly.

NOTE:

Due to social distancing for COVID 19, Finance Committee meetings are held remotely. Therefore, there may not be a member present to sign the reconciliations. Note that there are no Finance Committee Meetings in July or August.

NOTE: All Finance Committee members attending the 1/9/23 meeting attended via zoom, so no reconciliations were signed.

OPERATING CASH ACCOUNTS:

		REVIEWER
KEY BANK	658	Bob Tackman
M&T	6200	Bob Tackman

The above operating bank account reconciliations are presented to the Finance Committee, and a committee member initials upon review. The reconciliations are presented for the prior month, as we close and present monthly financial statements so quickly.

CREDIT CARD STATEMENTS:

NOT APPLICABLE DURING THE SUMMER MONTHS OF JULY AND AUGUST

KEY BANK (OPERATING AND DMV) GENERAL PURCHASES	1720 AND -9177	Patricia Usherwood	NA
KEY DMV-TO BE CLOSED NO ACTIVITY 3/23	5216		NA
HOME DEPOT USED BY E&H, MAINTENANCE	-5148	Judge Jim Cecile	NA
WEGMANS USED BY HEAD START, FOOD SERVICES	VARIOUS	Patricia Usherwood	NA
WEX USED BY VARIOUS DIRECTORS - OIL CHANGES	-4050-6	Eric Caballero	NA

The above credit card statements are presented to the Finance Committee, and a committee member initials upon review. The credit card statements are for the prior month as we close the books quickly.

AGED ACCOUNTS RECEIVABLE AS OF MARCH 31, 2023

NOTE: Not presented as in process of closing 1/31/23 fiscal year.

	TOTAL	CURRENT	1-30	31-60	61-90	OVER 90
See statement attached.	1,656,358	1,553,326	58,993	29,023	15,015	

Description of items over 90 days old - see attached for information

Note: The amounts shown are for the prior month, as the reconciliations are not due until the end of the month after the month reported.

ACCOUNTS PAYABLE AS OF MARCH 31, 2023

M&T Bank no longer included as we do not use this account.

<u>KEY BANK</u>	TOTAL	CURRENT	1-30	31-60	61-90	OVER 90
%						

Description of items over 90 days old:

None _____

of invoices over 90 days old _____ 0

ACCOUNTING AND FINANCIAL POLICIES AND PROCEDURES MANUAL and TRAINING

The Bonadio Group will present the audited financial statements for the fiscal year ending January 31, 2023. After The Bonadio Group's presentation the PEACE, Inc. staff members will excuse themselves from the meeting, to enable the Finance Committee an opportunity to talk with the auditors.

LEGAL

RE: DISCRIMINATION

383 HUMAN RIGHTS CASE

One 5/23/22 we were notified of a human rights case from a Merrick HS worker who is claiming discrimination. The notice was sent to HF&C on 5/23/22 to put them on notice. The employee is claiming the supervisor was discriminatory and he was fired with another worker.

We heard from our Philly rep on 5/25/22, who had some questions.

We received a 8/17/22 "Determination and Order after Investigation" was made in our favor with "no probable cause for discrimination. The employee has 60 days to file for an appeal.

On 10/5/22 we received a letter from EEOC supporting supporting the decision. The employee has 90 days to file in the federal court. No update as of 1/9/23.

We are now past the 90 day appeal window, but have received not update.

HUMAN RIGHTS CASE

On 12/19/22 we were notified of a human rights case from Centro Call-A-Bus, claiming disability discrimination. Employment was terminated because the employee was unable to return to work after an extended absence.

An request for extension of the response was filed, granted 1/17/23. HF&C notified 12/20/22, and HR Director provided basic information 12/28/22. More detail discussion with HF&C 12/29/22. Response to the complaint has not yet been submitted.

As of April 2023, the original complaint was withdrawn, and a new complaint was filed. The employee hired an attorney.

The response to the new complaint was filed 4/3/23. This is in discussion for possible settlement.

HUMAN RIGHTS CASE

On 12/20/22 we were notified of a second Centro Call-A-Bus human rights claim who is claiming disability discrimination. Employment was terminated because the employee was unable to return to work after an extended absence.

Hancock Estabrook was notified on 12/20/22, and HR Director and Benefits Coordinator spoke with him. A request for extension to respond was filed, and granted 1/19/23. Information was relayed 12/28 and 12/29.

A response to the complaint was filed 1/20/23.

RE: STAFF MEMBER VEHICLE ACCIDENT

On 1/25/22 our PEACE, Inc. vehicle was in an accident where there was vehicle damage. The claim was initially processed 2/16/22. We will readdress the claim reimbursement to us, as the actual quote for the damage was higher than anticipated. Also, we subsequently received a letter from the other party's attorney on 2/28/22 requesting information and evidence.

TRIAL BALANCE AS OF APRIL 30, 2023

Balance of Trial Balance at month end (should be \$0)

Verified by CFO is \$0

FISCAL VOUCHERING FOR ALL GRANTS

The CFO maintains a list of due dates for all grant vouchers.

All grant vouchers have been sent during the month

Yes

VOUCHERING FOR ALL OTHER BILLINGS (RENTS, CENTRO, ETC)

The CFO maintains a list of due dates for all vouchers.

All other vouchers have been sent during the month

Yes

REQUIRED TAX FILINGS

The CFO has reviewed that all required tax filings have been submitted on time (payroll and corporate)

Yes

CASH FORECAST

The CFO will prepare cash forecasts as needed.

MEAL COUNTS - PRELIMINARY APRIL 2023

	4/30/23
Breakfast	4,450
Lunch	4,634
Snack	4,396
Total Attended	4,700

ACCOUNTS RECEIVABLE
AS OF MARCH 31, 2023

INCLUDE IN		ACCT DESCRIPTION		BALANCE AT 3/31/23	CURRENT	1-30	31-60	61-90	OVER 90
ACCT #	AVR PROJECT								
01-1100-00000	150 NON-ALLOC			-	-	-	-	-	-
01-1100-00000	1040 FISCAL			-	-	-	-	-	-
01-1100-00000	1700 PICKARD DRIVE			-	-	-	-	-	-
01-1100-00000	2098 CACFP			-	-	-	-	-	-
01-1100-00000	2099 CACFP			61,434.15	61,434.15	-	-	-	-
01-1100-00000	2207 HS COVID 19			-	-	-	-	-	-
01-1100-00000	2208 HS CRRSA			105,841.30	105,841.30	-	-	-	-
01-1100-00000	2209 HS ARP			80,045.81	80,045.81	-	-	-	-
01-1100-00000	2210 HS COVID19 CARRYOVER			-	-	-	-	-	-
01-1100-00000	2409 HS			636,302.36	636,302.36	-	-	-	-
01-1100-00000	2410 HEAD START			268,810.38	268,810.38	-	-	-	-
01-1100-00000	2458 HS T&TA			-	-	-	-	-	-
01-1100-00000	2460 HS T&TA			646.78	646.78	-	-	-	-
01-1100-00000	2558 EHS T&TA			-	-	-	-	-	-
01-1100-00000	2560 EHS T&TA			34.95	34.95	-	-	-	-
01-1100-00000	2609 SYRACUSE UPK			280,589.57	280,589.57	-	-	-	-
01-1100-00000	2709 B'VILLE UPK			5,069.88	5,069.88	-	-	-	-
01-1100-00000	2909 LIVERPOOL UPK			8,643.84	8,643.84	-	-	-	-
01-1100-00000	3003 ALLIANCE FOR ECONOMIC INCLUSION			-	-	-	-	-	-
01-1100-00000	3004 ALLIANCE FOR ECONOMIC INCLUSION			37,021.36	37,021.36	-	-	-	-
01-1100-00000	3102 HTFC - WX ARPA			262,762.60	262,762.60	-	-	-	-
01-1100-00000	3103 ONONDAGA COUNTY AGING IN PLACE			1.97	1.97	-	-	-	-

ACCOUNTS RECEIVABLE
AS OF MARCH 31, 2023

INCLUDE IN		ACCT DESCRIPTION		BALANCE AT 3/31/23		CURRENT	1-30	31-60	61-90	OVER 90
ACCT #	A/R	PROJECT								
01-1100-00000		3187 HCR		-						
01-1100-00000		3189 HCR 4/21 - 3/22		-						
01-1100-00000		3192 HCR		201,060.92		201,060.92				
01-1100-00000		3239 OFA		-						
01-1100-00000		3241 OFA		103,175.51		93,336.28	9,839.23			
01-1100-00000		3329 FGP		-						
01-1100-00000		3328 CNCS		-						
01-1100-00000		3329 CNCS FGP		28,014.39		28,014.39				
01-1100-00000		3366 ELMCREST CHILDREN'S CENTER		-						
01-1100-00000		3485 NEIGHBORHOOD ADVISOR		-						
01-1100-00000		3486 EISEP		-						
01-1100-00000		3487 NEIGHBORHOOD ADVISOR		-						
01-1100-00000		3488 EISEP		-						
01-1100-00000		3496 OFFICE FOR AGING		-						
01-1100-00000		3497 NEIGHBORHOOD ADVISOR		2,495.47		2,495.47				
01-1100-00000		3498 EISEP		3,731.35		3,731.35				
01-1100-00000		3499 OFFICE FOR AGING		1,036.97		1,036.97				
01-1100-00000		3470 OSWEGO COUNTY		-						
01-1100-00000		3497 NEIGHBORHOOD ADV		-						
01-1100-00000		3498 PROJ ROSE - EISEP		-						
01-1100-00000		3499 OFFICE FOR AGING		-						

ACCOUNTS RECEIVABLE
AS OF MARCH 31, 2023

INCLUDE IN				BALANCE AT					
ACCT # A/R PROJECT		ACCT DESCRIPTION	3/31/23	CURRENT	1-30	31-60	61-90	OVER 90	
01-1100-00000	3570	OSWEGO COUNTY	-	-	-	-	-	-	
01-1100-00000	3572	OSWEGO COUNTY	2,360.48	2,360.48	-	-	-	-	
01-1100-00000	3631	BBBS BNY MELON	-	-	-	-	-	-	
01-1100-00000	3660	ONONDAGA COUNTY OFA	-	-	-	-	-	-	
01-1100-00000	3661	BBBS SUMMIT FCU	-	-	-	-	-	-	
01-1100-00000	3662	ONONDAGA COUNTY OFA BBBS	45.80	45.80	-	-	-	-	
01-1100-00000	3665	BBBS ARBY'S	-	-	-	-	-	-	
01-1100-00000	3756	OPWDD	-	-	-	-	-	-	
01-1100-00000	3758	OPWDD PROJ CONNECTION	12,165.45	12,165.45	-	-	-	-	
01-1100-00000	3759	OPWDD	-	-	-	-	-	-	
01-1100-00000	3902	ONONDAGA COUNTY OFA	-	-	-	-	-	-	
01-1100-00000	3903	COUNTY OF ONONDAGA OFA	-	-	-	-	-	-	
01-1100-00000	3904	ECC OFA	3,200.62	3,200.62	-	-	-	-	
01-1100-00000	4018	CSBG	-	-	-	-	-	-	
01-1100-00000	4019	CSBG	-	-	-	-	-	-	
01-1100-00000	4167	CSBG RE-ENTRY	-	-	-	-	-	-	
01-1100-00000	4169	ESPRI/HOPE DUNK YOUR JUNK	-	-	-	-	-	-	
01-1100-00000	4169	ESPRI/HOPE DESFRC DUNK JUNK	-	-	-	-	-	-	
01-1100-00000	4185	CDBG DUNK YOUR JUNK	-	-	-	-	-	-	
01-1100-00000	4191	HPNAP	-	-	-	-	-	-	
01-1100-00000	4194	SCSD ESFRC	-	-	-	-	-	-	
01-1100-00000	4196	UNITED WAY EITC	-	-	-	-	-	-	

ACCOUNTS RECEIVABLE
AS OF MARCH 31, 2023

INCLUDE IN			BALANCE AT					
ACCT #	A/R PROJECT	ACCT DESCRIPTION	3/31/23	CURRENT	1-30	31-60	61-90	OVER 90
01-1100-00000	4198 HOUSING VISIONS		-	-	-	-	-	-
01-1100-00000	4199 VERA HOUSE		3,572.27	3,572.27	-	-	-	-
01-1100-00000	4202 ECC DEFRANCISCO		26,575.00	26,575.00	-	-	-	-
01-1100-00000	4204 MAGNARELLI		20,000.00	-	-	20,000.00	-	-
01-1100-00000	4206 ONONDAGA COUNTY GUN VIOLENCE		-	-	-	-	-	-
01-1100-00000	4208 UNITED WAY EITC		-	-	-	-	-	-
01-1100-00000	4209 SAVE THE RAIN		-	-	-	-	-	-
01-1100-00000	4210 ONONDAGA CNTY-HEALTH DEPT		-	-	-	-	-	-
01-1100-00000	4211 HOUSING VISIONS		-	-	-	-	-	-
01-1100-00000	4212 HPNAP		-	-	-	-	-	-
01-1100-00000	4214 ALLYN FOUNDATION SUMMER PROG		-	-	-	-	-	-
01-1100-00000	4215 CSBG DISCRETIONARY		-	-	-	-	-	-
01-1100-00000	4216 ESFRC SCSD ALTERN PROGRAM		43,838.76	13,977.30	5,822.80	9,023.45	15,015.21	-
01-1100-00000	4219 VERA HOUSE DEPT JUSTICE		1,211.59	1,211.59	-	-	-	-
01-1100-00000	4221 COM. FOUND WSFRC		-	-	-	-	-	-
01-1100-00000	4225 UNITED WAY EITC		8,667.35	8,667.35	-	-	-	-
01-1100-00000	4999 COVID-19		-	-	-	-	-	-
01-1100-00000	5106 KRESGE		3,280.16	3,280.16	-	-	-	-
01-1100-00000	7020 TULLY		-	-	-	-	-	-
01-1100-00000	7070 ESFRC BABY BACK		-	-	-	-	-	-
01-1100-00000	9082 CENTRO		63,864.58	20,533.22	43,331.36	-	-	-

ACCOUNTS RECEIVABLE
AS OF MARCH 31, 2023

INCLUDE IN		ACCT DESCRIPTION		BALANCE AT 3/31/23				
ACCT #	A/R PROJECT			CURRENT	1-30	31-60	61-90	OVER 90
01-1100-00000	9125 EMPOWER			4,484.80	-	-	-	-
01-1100-00000	9143 UNITED WAY			-	-	-	-	-
01-1100-00000	9144 UNITED WAY			-	-	-	-	-
01-1100-00000	9310 DEHS FEE FOR SERVICE			-	-	-	-	-
01-1100-00000	9380 FOOD SERVICE DIVISON			7,266.75	-	-	-	-
01-1100-00000	9820 Y/E ACCRUALS 1/31/23			(670,703.15)	-	-	-	-
01-1100-00000	10882 VOLL FOUND			7,000.00	-	-	-	-
01-1100-00930	2409 A/R - HS			39,807.88	-	-	-	-
01-1101-00000	RESERVE			(7,000.00)	-	-	-	-
				1,656,357.90	-	1,553,325.85	58,993.39	29,023.45
				1,656,358.00	-	-	-	-
				(0.10)	-	-	-	-