

Finance/Audit Committee Meeting Minutes
Thursday, May 14, 2026
(via zoom/telephone/in person)

MEMBERS PRESENT: Robert T. Tackman (Chair), Eric J.T. Caballero, Mitayah Donerlson

MEMBERS EXCUSED: Patricia Usherwood Fitzpatrick, Michael W. LaFlair

MEMBERS ABSENT: none

GUESTS PRESENT: Keeley Hines and Shelby Reeves of The Bonadio Group

STAFF PRESENT: Nancy Turo, Kathleen O'Brien, Brenda Curinga, Carolyn Brown

CALL TO ORDER

The May 14, 2026 Finance/Audit Committee Meeting was called to order at 12:16 PM by Committee Chair Robert Tackman. It was noted for the record that a quorum was present.

APPROVAL OF PREVIOUS MINUTES

Eric Caballero made a motion to approve the April 2026 Finance/Audit Committee Meeting minutes; the motion was seconded by Robert Tackman, and unanimously approved.

FINANCE REPORT

CFO Nancy Turo discussed the monthly financial statements for April 30, 2026.

Ms. Turo stated that net income before depreciation year to date presented on page 3 is \$4,967 vs a budget of \$99,175. The net income after depreciation is (\$135,152).

The current ratio as of April 30, 2026 is 164% which equates to current assets of \$1,346,700 higher than current liabilities.

The net income from normal operations presented on page 7 is \$99,291. This number is the net of "timing differences" of fixed asset purchases, revenue recognition grants, grants with revenue based on head count and donation cost centers.

It was stated that the Fundraising Income is due to the receipt of COD Dinner revenue and Special Account Donations.

Ms. Turo stated that the indirect rate is 23.6%. We are approved for 26.

The line of credit balance as of April 30, 2026 is \$0.

The Supplemental Financial Information will be forwarded to the Finance Committee when completed.

CAPTIVE HEALTH INSURANCE

Ms. Turo reminded the committee that as approved from April 2026 Finance Committee meeting we transferred all funds from the Capital Improvement bank account to the general operating account in April 2026 and the balance is zero. The CFO will proceed with closing out this account with Key Bank.

Ms. Turo reviewed the status of the Captive Reserve as of April 30, 2026. The actuary reserve target is \$523,000 and the actual as of April 30, 2026 is \$544,126. Ms. Turo mentioned that there was a non-claims expense for April 2026 that did not hit the bank until May 2026 due to a technology issue with MVP that would have decreased that reserve balance as of April 30, 2026.

AUDIT RFP

Ms. Turo reminded the group that a final firm selection is set to be made by the Finance Committee at the June 9th meeting.

INSURANCE RFP

Ms. Turo noted that we narrowed down the Insurance Broker RFPs to 4 Finalists. Finalists are doing in-person presentations the week of May 11th and we are on target to make a final decision by May 29, 2026.

OLD BUSINESS

Executive Director Carolyn Brown reminded the Committee about Champions of Diversity Celebration on May 20, 2026 at the Zoo.

NEW BUSINESS

Carolyn Brown reported that Head Start Review went well.

THE AUDITORS (THE BONADIO GROUP) PRESENTATION OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDING JANUARY 31, 2026

Keeley Hines and Shelby Reeves of Bonadio Group, presented the audited financial statements for the fiscal year ending January 31, 2026.

There were no findings, and no Management Letter Comment.

A motion, to accept and approve the draft of the Audited Financial Statement FYE 1/31/2026 was made by Robert Tackman, seconded by Eric Caballero. The motion passed.

A copy of the approved audit will be provided to the entire Board of Directors. The Auditors will present it at the Board Meeting on May 18, 2026.

COMMITTEE EXECUTIVE SESSION

After the Auditors presentation and in accordance with the GAAP standards, staff were excused from the meeting so the Finance/Audit Committee could meet privately with the Auditors.

At 12:45PM, the motion to go into Executive Session was made by Robert Tackman, seconded by Eric Caballero. The motion passed.

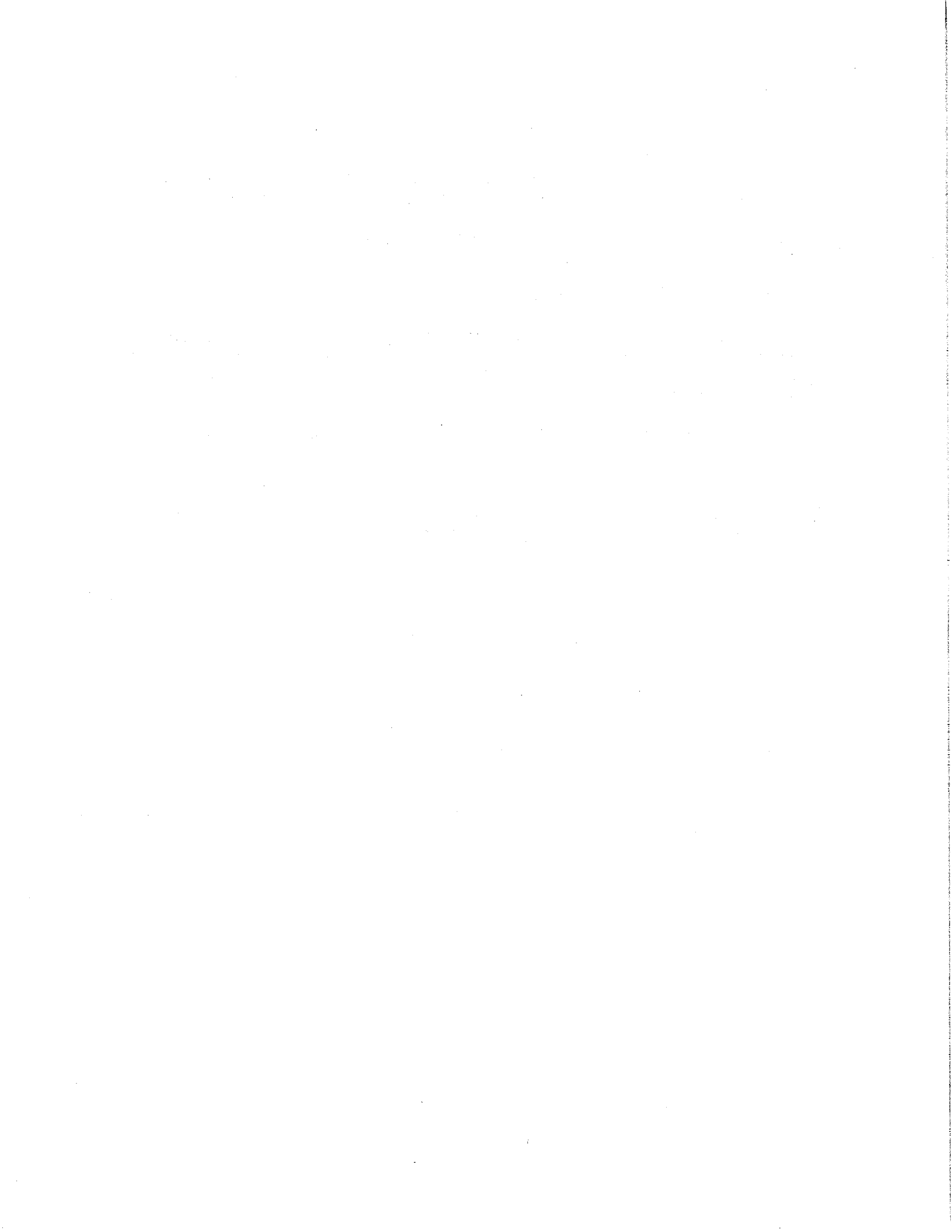
Brief notes from the Chair, Mr. Tackman:

Committee had a brief discussion with auditors to review their experience with audit process. Overall, all was as expected, and no action or items were needed from conversation. We are very proud of our PEACE Inc staff team, they work hard daily to not only serve our clients but do it in a very fiscal responsible method.

At 12:56 PM, the motion to adjourn the Executive Session was made by Robert Tackman, seconded by Eric Caballero. The motion passed..

ADJOURNMENT

The Finance/Audit Committee meeting was adjourned at 12:57PM.



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FILE: CONTROLLER/CAPTIVE HEALTH 1025-0926/ANALYSIS OF #01-2009-00000

PEACE CFO
12 MTH AVG PREMIUM
USE CURRENT RATES

PEACE, INC.
ANALYSIS OF SELF INSURANCE RESERVE
#01-2009-00000
ESTIMATE FOR: 10/25-9/26

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

RESERVE CALCULATION:
X 3 MONTHS PER ANNUAL
ADM FEE MWP 3 MO @ 9,000
415,755.80
523,000.00
PROJECTED

TARGET REVEALED BY ACTUARY 1/26

0

NOTE: SHADED AMOUNTS ARE PROJECTIONS FOR FUTURE MONTHS

55,607.00
62,811.00
150,894.00

VARIANCE OVER (UNDER)

DATE	PREMIUM	TRE FROM DSRIP/WBP	CLAIMS & NON-CLAIMS	STOP LOSS	MWP TPAREE	#01-2009-00000	VARIANCE OVER (UNDER)
10/25	(182,858.00)		127,564.00	35,320.00	9,900.00	(317,453)	(154,026.31) ACTUAL
11/25	(182,858.00)		127,564.00	35,320.00	9,900.00	(327,527)	(212,045.84) ACTUAL
12/25	(182,858.00)		127,564.00	35,320.00	9,900.00	(337,601)	(253,241.41) ACTUAL
1/26	(182,858.00)	(329,156)	285,244	34,326	10,097	(459,759)	(63,240.86) ACTUAL
2/26	(182,858.00)		127,564.00	35,320.00	9,900.00	(357,749)	(87,969.58) ACTUAL
3/26	(182,858.00)		127,564.00	35,320.00	9,900.00	(377,823)	(62,318.32) ACTUAL
4/26	(182,858.00)		127,564.00	35,320.00	9,900.00	(387,897)	21,235.61 ACTUAL
5/26	(182,858.00)		127,564.00	35,320.00	9,900.00	(397,971)	(53,632.86) PROJECTED
6/26	(182,858.00)		127,564.00	35,320.00	9,900.00	(408,045)	(63,580.27) PROJECTED

NOTE: INCLUDES \$36,482 OF CLAIM REFUNDS
ONE NON CLAIM FROM APRIL IN MAY OF \$62,811

USED AVERAGE PLAN YEAR TO DATE FOR CLAIMS/NON CLAIMS

BALANCE AT 9/30/25:

FILE: CONTROLLER/CAPTIVE HEALTH 1025-0828/ANALYSIS OF #01-2009-00000

PEACE, INC.
ANALYSIS OF SELF INSURANCE RESERVE
#01-2009-00000
ESTIMATE FOR: 10/25-9/26

PEACE CFO
12 MTH AVG PREMIUM
USE CURRENT RATES

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

RESERVE CALCULATION:
X 3 MONTHS PER HPSC
ADM FEE MVP 3 MO @ 9.876
TARGET

55,697.00
62,811.00
150,894.00

397,201.10
18,554.70
415,755.80

TARGET REVISED BY ACTUARY 1/26
523,000.00
PROJECTED

0

NOTE: SHADED AMOUNTS ARE PROJECTIONS FOR
FUTURE MONTHS

	PROJECTED				ACTUAL				VARIANCE OVER (UNDER)				
	PREMIUM	CLAIMS & NON-CLAIMS	STOP LOSS	MVP TPA FEES	PCORI HAYLOR FEE	#01-2009-00000	TRF FROM DSRIF/WBP & NON-CLAIMS	PREMIUM		CLAIMS & NON-CLAIMS	STOP LOSS	MVP TPA FEE	#01-2009-00000
7/26	(182,858.00)	127,564.00	35,320.00	9,900.00		(418,199)	(182,992)	150,894	150,894	34,130	9,876	(445,472)	(77,577.68) PROJECTED
8/26	(182,858.00)	127,564.00	35,320.00	9,900.00		(428,267)	(182,992)	150,894	150,894	34,130	9,876	(433,525)	(69,475.09) PROJECTED
9/26	(182,858.00)	127,564.00	35,320.00	9,900.00		(438,341)	(182,992)	150,894	150,894	34,130	9,876	(421,578)	(101,422.50) PROJECTED

P.E.A.C.E., INC.
MONTHLY FINANCIAL STATEMENTS
APRIL 2026

PAGE #	
1	Statement of Financial Position
3	Statement of Activities
6	Current Ratio
7	Comments
11	Comparative Information By Program

People's Equal Action and Community Effort, Inc.
Statement of Financial Position
As of April 30, 2026

As of
April 30, 2026

ASSETS	
CURRENT ASSETS	
Cash	167,390
Receivables	2,543,713
Prepaid Expenses	478,876
Inventory	244,489
Other Assets	5,165
Total CURRENT ASSETS	<u><u>3,439,633</u></u>
LONG TERM ASSETS	
Long Term Deposits	86,585
Long Term Right of Use Leases	2,104,066
Total LONG TERM ASSETS	<u><u>2,190,651</u></u>
PROPERTY	
Land	352,153
Buildings	3,138,059
Leasehold Improvements	6,299,000
Vehicles	3,230,821
Equipment	1,447,553
Construction in Progress	31,245
Accumulated Depreciation	(11,414,690)
Total LONG TERM ASSETS	<u><u>3,084,141</u></u>
Total ASSETS	<u><u>\$ 8,714,425</u></u>

People's Equal Action and Community Effort, Inc.
Statement of Financial Position
As of April 30, 2026

As of
April 30, 2026

LIABILITIES & NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable Trade	169,967
Short Term Borrowings	
Accrued Payroll & Related Liabilities	564,026
Accrued Compensated Absences	207,260
Accrued Expenses	238
Deferred Revenue	627,428
Short Term Lease Liability	523,614
Deposits	400
TOTAL CURRENT LIABILITIES	2,092,933
LONG TERM LIABILITIES	
Lease Liability	1,590,740
	1,590,740
NET ASSETS	
Without Donor Restrictions	4,867,031
With Donor Restrictions	163,720
Total LONG TERM ASSETS	5,030,751
Total LIABILITIES AND NET ASSETS	8,714,425

People's Equal Action and Community Effort, Inc.
 Statement of Activities
 For Three Months Ending April 30, 2026

	Annual Budget	Year To Date Budget	Current Year Year To Date	Prior Year Actual Year To Date
REVENUE:				
Direct Contributions & Fundraising	\$ 202,112	\$ 50,528	\$ 74,901	\$ 71,861
Government Agencies	24,914,452	6,228,608	4,992,080	4,812,230
Rental Income	4,800	1,200	1,200	1,200
Service Fees	100,000	25,000	17,269	23,912
Service Fees - Energy & Housing Fee for Service	112,890	28,223	9,198	12,867
In-Kind Revenue	3,585,117	921,279	1,256,296	1,222,707
Dividend, Interest & Other Income			9,401	425
Total	28,119,351	7,254,838	6,360,345	6,145,202
EXPENSES				
Salaries	13,571,371	3,392,843	2,788,399	2,709,542
Payroll Taxes & Fringe Benefits	4,055,249	1,016,312	970,460	878,561
Professional Fees & Contract Services	1,809,108	452,277	136,081	143,883
Conferences & Travel	285,157	71,289	30,974	68,331
Occupancy Costs	1,793,413	448,353	445,456	443,096
Consumable Supplies	2,374,081	593,520	472,090	437,982
Equipment Expense	299,877	74,969	38,137	90,500
Insurance	401,779	100,445	117,733	107,263
Telephone	169,840	42,460	31,842	40,608
Printing, Postage & Dues	98,778	24,694	13,347	35,228
Vehicle Maintenance	170,400	42,600	37,190	44,518
Interest Expense				
Other Costs & Loss on Disposals	(101,518)	(25,379)	17,374	14,271
In-Kind	3,685,117	921,279	1,256,296	1,222,707
Total	28,622,652	7,155,663	6,355,378	6,236,488
NET SURPLUS (DEFICIT)	396,699	99,175	4,967	(91,286)
DEPRECIATION				
Buildings & Leasehold Improvements	(290,438)	(72,610)	(72,584)	(78,535)
Equipment, Vehicles, 1	(281,806)	(70,452)	(67,535)	(70,514)
Total	(572,244)	(143,061)	(140,118)	(149,049)
CHANGE IN NET ASSETS	\$(175,545)	\$(43,886)	\$(135,152)	\$(240,335)

People's Equal Action and Community Effort, Inc.

For Three Months Ending April 30, 2026

	Fundraising	Non-Allocable	Indirect Pool	Trans & Maint
REVENUE:				
Direct Contributions & Fundraising	36,566			
Government Agencies				
Rental Income				
Service Fees				
Service Fees - Energy & Housing Fee for Service			8,909	11,940
In-Kind Revenue			185	
Dividend, Interest & Other Income			9,094	
Total	36,566		9,094	11,940
EXPENSES				
Salaries			332,592	
Payroll Taxes & Fringe Benefits			98,111	
Professional Fees & Contract Services			4,260	667
Conferences & Travel			11,091	201
Occupancy Costs			32,885	(1,716)
Consumable Supplies	2,000	13	3,626	2,075
Equipment Expense			16,646	1,061
Insurance			6,269	6,284
Telephone			3,788	1,364
Printing, Postage & Dues			1,735	703
Vehicle Maintenance			557	(12,563)
Interest Expense				
Other Costs & Loss on Disposals	106	270	(511,560)	(24)
In-Kind			8,909	11,940
Total	2,106	283	8,909	9,990
NET SURPLUS (DEFICIT)	34,460	(283)	185	1,950
DEPRECIATION				
Buildings & Leasehold Improvements		(57,740)		(1,950)
Equipment, Vehicles, and Software		(64,208)		
Total		(121,948)		(1,950)
CHANGE IN NET ASSETS	34,460	(122,232)	185	-

People's Equal Action and Community Effort, Inc.
Statement of Activities
For Three Months Ending April 30, 2026

	Grants	Rental Properties	Other
REVENUE:			
Direct Contributions & Fundraising	33,340		4,995
Government Agencies	4,992,080	1,200	
Rental Income			17,269
Service Fees			9,198
Service Fees - Energy & Housing Fee for Service	1,230,514		4,933
In-Kind Revenue	18		9,198
Dividend, Interest & Other Income	6,255,951	1,200	45,594
Total			
EXPENSES			
Salaries	2,332,027	20	123,761
Payroll Taxes & Fringe Benefits	804,555	10	67,784
Professional Fees & Contract Services	131,116		38
Conferences & Travel	18,175		1,507
Occupancy Costs	382,658	884	30,744
Consumable Supplies	697,498		(233,123)
Equipment Expense	19,073		1,357
Insurance	99,511	185	5,484
Telephone	25,832		859
Printing, Postage & Dues	10,884		25
Vehicle Maintenance	39,518		9,679
Interest Expense			
Other Costs & Loss on Disposals	499,381	5	29,197
In-Kind	1,230,514		4,933
	6,290,741	1,104	42,245
NET SURPLUS (DEFICIT)			
	(34,790)	96	3,349
DEPRECIATION			
Buildings & Leasehold Improvements			(12,893)
Equipment, Vehicles, and Software			(3,326)
Total			(16,220)
CHANGE IN NET ASSETS			
	(34,790)	96	(12,871)

PEACE, INC.
CURRENT RATIO
AS OF APRIL 30, 2026

AS OF:	CURRENT ASSETS	CURRENT LIABILITIES	CURRENT RATIO	DIFFERENCE IN DOLLARS
1/31/05	2,029,803	2,184,993	92.90%	(155,190)
1/31/10	3,286,876	3,284,011	100.09%	2,865
1/31/15 FINAL	2,879,027	2,135,917	125.43%	543,110
1/31/20 FIRST CLOSE	2,283,412	1,826,420	125.02%	456,992
1/31/21 - FIRST CLOSE	2,684,357	1,566,977	173.05%	1,137,380
1/31/22 - FIRST CLOSE	3,062,677	2,139,931	143.19%	923,746
1/31/23 FIRST	4,155,698	1,678,201	247.63%	2,477,497
1/31/24 FIRST	3,560,291	2,379,027	149.65%	1,181,264
1/31/25 FIRST CLOSE	3,330,748	2,183,416	152.55%	1,147,333
2/28/25				
3/31/25	3,724,407	2,049,601	181.71%	1,674,806
4/30/25	3,559,695	1,982,580	178.65%	1,567,105
5/31/25	3,022,885	1,722,234	175.62%	1,300,651
6/30/25	3,067,768	1,836,996	167.00%	1,230,772
7/31/25	2,878,759	1,712,046	168.21%	1,167,713
8/31/25	3,240,013	2,131,050	152.04%	1,108,963
9/30/25	3,623,550	2,360,672	153.50%	1,262,878
10/31/25	3,360,869	2,041,695	164.61%	1,319,174
11/30/25	3,483,002	2,098,510	166.98%	1,384,492
12/31/25	3,410,010	2,098,510	176.35%	1,485,330
1/31/26 FIRST	3,423,294	2,227,485	153.68%	1,195,809
NOTE: TRANSFERRED \$329,156 FROM DSRIPVBP CNVCC GRANT TO CAPTIVE RESERVE				
2/26				
3/26	3,591,368	2,102,179	167.98%	1,429,189
4/26	3,439,633	2,092,933	164.35%	1,346,700

NOT COMPLETED AS 1/31/25 NOT CLOSED AS YET

NOT COMPLETED AS 1/31/26 IS NOT CLOSED AS YET

PEACE, INC.
 FINANCIAL STATEMENT NOTES AND COMMENTS
 AS OF APRIL 30, 2026

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, 2026 is 164%, which equates to current assets \$1,346,700, higher than current liabilities.

NET SURPLUS (DEFICIT) BEFORE DEPRECIATION

The budgeted net income before depreciation year to date is \$99,175 and actual is \$4,967. The change in net assets after depreciation is (\$135,152). The Ordinary Operating Income is \$99,291.

An overview of the components making up this \$4,967 is:

From Normal Operations:

- Senior Nutrition
- Fundraising
- Transportation & Maintenance
- Rental Properties
- Energy & Housing Fee for Service
- Other
- Indirect Cost not allowed on grant
- Non Allocable

From "Timing Differences" (over period of more than one year the net effect is \$0)

- Fixed Asset Purchases
- Revenue Recognition
- Revenue Based on Head Count
- Special Donation Accounts
- Expenses to be allocated next month

4/30/26	68,103 34,460 1,950 96 9,198 (4,179) (10,054) (283) <hr/> 99,291 <hr/> 73,752 (161,530) (6,546) <hr/> (94,324) <hr/> 4,967
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(7)

**TOTAL FUNDRAISING/DONATION REVENUE:
COST CENTER #100 FUNDRAISING (WITH TRANSFERS)
SPECIAL DONATION ACCOUNTS**

38,586
4,992
41,578

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

NOTE: On January 6, 2026 \$200,000 was transferred from the Capital Improvement/Repair Account to the Key Bank Operating Account to cover temporary cash shortage.

On 4/27/26 the balance of \$89,430.04 was transferred to the Key operating account.

Balance at Beginning of Month

\$

Balance at End of Month

\$

8

INDIRECT RATE

The final rate for year ending 1/31/24 is 23.3%
 The provisional rate for 2/1/24 - 1/31/27 is 26.00%

4/30/2025
 4/30/2026

22.8%
 23.6%

ANALYSIS OF IN-KIND

Unless otherwise stated, this 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
2413 Head Start	1,297,411	2,988,502	0.43	0.25
8184 CSBG	2,481,042	881,380	2.79	NOT REQUIRED

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

NOTE: RECEIVED \$1,625,616 DONATIONS FROM CARTERS AND MCLANE

WEATHERIZATION FEE FOR SERVICE PROGRAMS

Net Income for Fee for Service programs is:

	Current Month	Year To Date
9125 Empower New York	9,188	9,188
8310 DEHS Fee for Service	9,188	9,188

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".

PEACE, INC.
 COMPARATIVE INFORMATION BY PROGRAM
 AS OF APRIL 30, 2026

CC	REVENUE		NET	
	BUDGET	YTD ACTUAL	BUDGET	YTD ACTUAL
6194-502 CSBG				
6192-513 CSBG		179,730		
6193-513 CSBG		16		
6194-513 CSBG				
6192-530 CSBG				
6193-530 CSBG				
6194-530 CSNG		1		
6192-532 CSBG				
6193-532 CSBG				
6194-532 CSBG		48,027		
6192-533 CSBG				
6193-533 CSBG				
6194-533 CSBG		15,326		
6192-534 CSBG				
6193-534 CSBG				
6194-534 CSBG		42,881		
6192-535 CSBG				
6193-535 CSBG				
6194-535 CSBG		139		
6192-536 CSBG				
6193-536 CSBG				
6194-536 CSBG		44,480		
6192-537 CSBG				
6193-537 CSBG				
6194-537 CSBG		113,326		
6192-544 CSBG				
6193-544 CSBG				
6194-544 CSBG				

(10)

PEACE, INC.
 COMPARATIVE INFORMATION BY PROGRAM
 AS OF APRIL 30, 2026

CC

- 4219 VERA HOUSE DOJ
- 4228 ESFRC AMERICAN HEART
- 4239 FREE TAX PREP BERKSHIRE
- 4240 FREE TAX PREP UNITED WAY
- 4247 GIFFORD FOUND FATHERHOOD
- 4249 SSFRC SAVE THE RAIN
- 4254 FTO HIGB BEN SNOW
- 4255 KRESGE
- 4258 FOOD BANK FRC'S
- 4259 FTP MAGNARELLI
- 4260 FTP HUNTER
- 4261 MAGNARELLI IT
- 4262 SCSD ESFRC
- 4264 REENTRY
- 4265 FREE TAX PREP UNITED WAY
- 4266 REISMAN FOUND
- 4267 KEY BANK FREE TAX PREP
- 4268 DASNY NICIP WSFRC
- 4269 ESFRC CONNECT KIDS
- 4270 KEY BANK FTP
- 4271 CSBG DISCRETIONARY
- 4272 DASNY CREST
- 4273 COMMUNITY FOUND ESFRC
- 4274 CDBG ESFRC
- 4275 M&T BANK WSFRC
- 4276 JOHN BEN SNOW WSFRC
- 4277 HPNAP
- 4278 FOCUS COMM ENG

REVENUE

YTD
ACTUAL

3,000
 8,578
 3,920
 63,653
 3,800
 22,950

NET

YTD
ACTUAL

3,000
 3,920
 63,032
 3,800
 (1,181)

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PEACE, INC.
 COMPARATIVE INFORMATION BY PROGRAM
 AS OF APRIL 30, 2026

CC	REVENUE	YTD ACTUAL	NET	YTD ACTUAL
4280	FTP BERKSHIRE BANK			
4281	SOFSA CS & CW	27,808		
4282	SCSD ESFRC	28,000		
4283	ALLYN FOUNDATION FTP	15,818		
4284	REENTRY			
4285	DOT FOODS ESFRC	2,500		
4288	KEY BANK FTP SUPER SAT	227		
4290	INTERFAITH BEC F&CD	6,050		
4291	ESFRC CONNECT KIDS	78,588		
4292	CDBG FTP	200		
4294	COMMUNITY FOUND NETWORKING			
5105	***DSRIP/VBP			
5109	***CNYCC.FFPP COVID			
5110	***ARISE FOOD INSEC			
5111	COMM FOUND			
6000	ECCPP MICRON	34,945		
		743,963		72,572
	DONATIONS			
9015	CEFRC			
9260	FGP RECOGNITION			
9500	MISC - HS	1,000		(39)
9503	MISC - CWFRC XMAS & RENT			1,000
9506	FOOD PANTRY	100		70
10801	HS ADMINISTRATION			
10802	HS B'VILLE			
10803	HS JAMES ST.			
10804	HS JORDAN			

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PEACE, INC.
 COMPARATIVE INFORMATION BY PROGRAM
 AS OF APRIL 30, 2026

CC	BUDGET	YTD ACTUAL	BUDGET	YTD ACTUAL
	REVENUE		NET	
10854	BBBS OTHER			(1,779)
10855	BERSKSHIRE BANK TRAIN			(4,692)
10856	CSFRC			
10857	IT TECH PROGRAM			
10858	MAINT. DONATIONS			
10860	GIVE A HOLIDAY			
10861	CAMP FUND/SUMMER ACTIV			
10863	WSFRC YTH ADV COUNCIL			(1,522)
10864	DONATION PROG/KIDS			(148)
10867	FSD LUNCH & LEARN			(300)
10868	EMPLOYEE EMERGENCY FUND			625
10869	EITC PROGRAM			
10860	GIVE A HOLIDAY	625		
10861	CAMP FUND/SUMMER ACT			
10864	DONATION PROG/KIDS			
10866	TRANSPORTATION			
10867	FSD LUNCH & LEARN			
10868	EMPLOYEE EMERG			
10869	EITC PROGRAM			
10871	SSFRC YOUTH ADVISORY			
10875	SSFRC SENIORS			
10876	HOLIDAY APPEAL			
10877	BBBS COUNTRY RUN			(1,191)
10878	BBBS SCHOLARSHIP			
10879	CSFRC DOMESTIC VIOL			
10880	CWFRC COORD SPECIAL			(250)
10881	A CAUSE TO CELEBRATE			14
10882	VOLL FOUND			

PEACE, INC.
COMPARATIVE INFORMATION BY PROGRAM
AS OF APRIL 30, 2026

CC	REVENUE	YTD ACTUAL	NET	YTD ACTUAL
10883	BBBS GOLF TOURN			822
10884	GEAR FOR GOOD F&CD			(1,383)
10885	BBBS BACK TO SCHOOL			(7,929)
10886	COMMUNITY ENGAGE	840		
10887	MERRICK GENERAL	4,995		
E&H FEE FOR SERVICE				
3131	DHCR LANDLORD CONTR	4,853		
9125	EMPOWER	9,198		9,198
9310	DEHS FEE FOR SERVICE	14,051		9,198
EASTWOOD				
3906	ECC OFA			
3907	ECC OFA	21,293		
4279	ECC ONONDAGA COUN TY			
6192-584	CSBG	39,585		
6193-584	CSBG	60,877		
6194-584	CSBG			
FOSTER GRANDPARENTS				
3349	FGP CNCS			
3367	NYS OFFICE FOR THE AGING	285		
3368	NYS OFFICE FOR THE AGING	90,040		
3410	FGP CNCS			

PEACE, INC.
 COMPARATIVE INFORMATION BY PROGRAM
 AS OF APRIL 30, 2026

CC	REVENUE		NET	
	YTD ACTUAL	17	YTD ACTUAL	YTD ACTUAL
3515 CNYCF LITERACY INITIATIVE				
FOOD SERVICE				
1700 FOOD SERVICES		4,933		
3243 FSD OFA		326,491		67,406
3244 FSD OFA		21,615		
9380 FSD CATERING		353,039		67,406
FUNDRAISING				
100 FUNDRAISING				
		36,566		34,460
		36,566		34,460
ENERGY & HOUSING				
3101 HTFC - P PLUS		32,184		3,765
3104 HTFC		212,740		(12,638)
3110 HCR DOE		1,195		500
3193 HCR		258,361		2,000
3196 HCR		504,480		(6,373)
3197 HCR				
HEAD START				
2302 CACFP		149,615		
2303 CACFP		3,981,504		
2413 HEAD START		3,210		
2463 HS T&TA				

PEACE, INC.
 COMPARATIVE INFORMATION BY PROGRAM
 AS OF APRIL 30, 2026

CC	REVENUE	YTD ACTUAL	NET	YTD ACTUAL
2563 EHS T&TA		3,404		(105,878)
2611 SYRACUSE UPK		286,117		(12,309)
2612 SYRACUSE UPK		53,757		(43,343)
2812 N SYR UPK		27,300		(161,530)
2911 ***LIVERPOOL UPK		4,504,907		(52,579)
2912 LIVERPOOL UPK		7,783		(61,900)
INDIRECT POOL		1,311		(108,820)
1010 MAIN OFFICE		9,094		(174,937)
1014 SUPPLEMENTAL COSTS				(61,827)
1020 EXECUTIVE OFFICE				(66,816)
1030 HR				(53)
1040 FISCAL				527,117
1070 MIS				185
1080 PROGRAM OVERSIGHT				(283)
1090 BOARD OF DIRECTORS				(121,948)
1095 INDIRECT POOL ALLOCATION				(122,232)
NON-ALLOCABLE				
150 NON-ALLOCABLE				
153 NON-ALLOCABLE DEPREC				
PROJECT CONNECTION				
3760 OPWDD				
3761 OPWDD				

PEACE, INC.
 COMPARATIVE INFORMATION BY PROGRAM
 AS OF APRIL 30, 2026

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CC	REVENUE		YTD ACTUAL	NET		YTD ACTUAL
	BUDGET	ACTUAL		BUDGET	ACTUAL	
3762 OPWDD			26,140			
6192-552 CSBG			6,244			
6193-552 CSBG			32,384			
6194-552 CSBG						
SENIOR SERVICES						
3504 OFA EISEP			9,894			
3505 OFA EISEP			1,764			
3506 OFA EISEP						
6192-311 CSBG			4			
6193-311 CSBG			11,662			
6194-311 CSBG						
RENTALS						
7020 TULLY			1,200			96
7042 TULLY - ARISE			1,200			96
TRANSPORTATION AND MAINTENANCE						
1500 TRANSPORTATION			11,940			
1600 MAINTENANCE			11,940			
SALE AND PURCHASE PROPERTIES						

PEACE, INC.
 COMPARATIVE INFORMATION BY PROGRAM
 AS OF APRIL 30, 2026

CC

3199 PURCHASE 717 ERIE BLVD W

INSURANCE PROCEEDS
 9951 INSURANCE PROCEEDS

YEAR END ACCRUALS
 9823 YEAR END ACCRUALS

EARNED TIME OFF
 9802 EARNED TIME OFF

MINOR DIFF

	REVENUE	NET
	YTD ACTUAL	YTD ACTUAL
3199 PURCHASE 717 ERIE BLVD W		(12,304)
INSURANCE PROCEEDS		(12,304)
9951 INSURANCE PROCEEDS		(1,836)
YEAR END ACCRUALS		(1,836)
9823 YEAR END ACCRUALS	(99,708)	(6,864)
EARNED TIME OFF	(99,708)	(6,864)
MINOR DIFF	6,360,345	(135,152)

PEACE, INC.
SUPPLEMENTAL FINANCIAL INFORMATION
PREPARED FOR FINANCE COMMITTEE
AS OF APRIL 30, 2026

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 members can attend meetings either via zoom or in person.

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 REVENUE

6,360,345

GUIDE - % OF ALL REVENUE

16% - 30%

BANK ACCOUNTS

BANK	DESCRIPTION	G/L ACCT #	BALANCE AT MONTH END	MONTH LAST RECONCILED
KEY BANK	Operating DHCR Landlord Cont.	01-1000-00000	13,588	4/26
KEY BANK		01-1004-00000	42,832	4/26
M&T	Operating for HS	01-1010-00000	23,019	4/26
KEY BANK	Capital Improvement/Repair Account	01-1012-00000	80,624	4/26
KEY BANK	Health Captive Account	01-1015-00000	7,525	4/26
All Petty Cash			<u>167,590</u>	

NOTE: The main operating account for Key Bank is 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.

CREDIT CARD STATEMENTS:

THE FOLLOWING ACCOUNT RECONCILIATIONS ARE REVIEWED BY A FINANCE COMMITTEE MEMBER AS AVAILABLE

**KEY BANK - OPERATING
GENERAL PURCHASES**

**HOME DEPOT
USED BY E&H, MAINTENANCE**

**WEGMANS
USED BY HEAD START, FOOD SERVICES** **VARIOUS**

**WEX
USED BY VARIOUS DIRECTORS - OIL CHANGES**

The above credit card statements are signed by a Finance Committee member when available. The credit card statements are for the prior month as we close the books quickly.

AGED ACCOUNTS RECEIVABLE AS OF MARCH 31, 2026

	TOTAL	1-30	31-60	61-90	OVER 90
See statement attached.	2,059,824 100%	3,707 0%	0 0%	0 0%	282,889 14%

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 APRIL 30, 2026:

KEY BANK
FOOD ACCRUALS, FROM 1/31/26 ACCRUALS,
AND UNCASHED CHECKS

	TOTAL	1-30	31-60	61-90	OVER 90
%	169,967	169,967	0	0	0

Description of items over 90 days old:

None

of Invoices over 90 days old _____ 0

ACCOUNTING AND FINANCIAL POLICIES AND PROCEDURES MANUAL and TRAINING

Bonadio & Co. presented the audited financial statements for the fiscal year ending January 31, 2026. PEACE, Inc. received an Unmodified Opinion with no material weaknesses or deficiencies. PEACE, Inc. is a low-risk auditee.

The CFO presented an update on the status of the insurance RFP.

LEGAL

On November 7, 2025 we received a complaint filed by Stanley Robinson that alleged discrimination. The complaint was filed with NYS Division of Human Rights. Our attorney was notified on November 11, 2025. Our attorney is preparing a response. The response was submitted on 12/9/25.

On 10/20/25 there was a notice only claim reported to our insurance company regarding an incident at Merrick Head Start. Two children jumped onto a table. As the teacher helped the first child, the second jumped off of the table and hit his mouth on the carpet. This caused his mouth to bleed from a tooth that was bumped. His mother called an ambulance. The paramedic told the mother the child should see a dentist, not go to the ER, but the mom insisted on the ER. The loose tooth was pulled at the ER. We reported to Haylor on 12/22/25 that we received a certified letter from the child's attorney. We received an affidavit of service through NYS Secretary of State on 4/3/26 and 4/17/26.

In October 2024 a child fell on the playground and received stitches. We received a proposed settlement for \$27,500, and would be covered by insurance.

TRIAL BALANCE AS OF APRIL 30, 2026

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, , 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

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CASH FORECAST

There is a biweekly meeting held to discuss cash position and issued.
Standing Attendees are:

- Executive Director
- CFO
- VP Finance
- HR Director
- Deputy Director
- Controller

MEAL COUNTS -PRELIMINARY FOR APRIL 2026

	<u>MARCH 2026</u>
Breakfast	6,353
Lunch	6,576
Snack	6,535
Total Attended	7,181

ADMINISTRATIVE RATE

2413 Head Start	12.01%	(NOT TO EXCEED)	15.00%
ADMIN, RATE		REQUIRED	

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PEACE, INC.
ACCOUNTS RECEIVABLE
AS OF MARCH 31, 2026

ACCT #	INCLUDE IN A/R PROJECT	ACCT DESCRIPTION	BALANCE AT 3/31/26	CURRENT	1-30	31-60	61-90	OVER 90
01-1100-00000	150	NON-ALLOC	200.00	50.00				160.00
01-1100-00000	1040	FISCAL						
01-1100-00000	1700	FOOD SERVICE						
01-1100-00000	2302	CACFP						
01-1100-00000	2303	CACFP	93,630.31	93,630.31				
01-1100-00000	2412	HEAD START	880.00	880.00				
01-1100-00000	2413	HEAD START	73,857.26	73,857.26				
01-1100-00000	2463	HS T&TA	260.09	260.09				
01-1100-00000	2562	EHS T&TA						
01-1100-00000	2563	EHS T&TA	105.45	105.45				
01-1100-00000	2611	SYRACUSE UPK						
01-1100-00000	2612	SYRACUSE UPK	95,127.50	95,127.50				
01-1100-00000	2612	N SYR UPK	17,278.50	17,278.50				
01-1100-00000	2612	LIVERPOOL EPK	8,700.00	8,700.00				
01-1100-00000	3006	ALLIANCE FOR ECON INCLUSION						
01-1100-00000	3101	HTFC P PLUS						
01-1100-00000	3104	HTFC P PLUS	22,160.50	22,160.50				
01-1100-00000	3110	NYS HCR - DOE	95,060.86	95,060.86				
01-1100-00000	3193	HCR	740,702.94	459,098.47				
01-1100-00000	3197	HCR	628,481.83	628,481.83				
01-1100-00000	3242	OFA						
01-1100-00000	3243	OFA						
01-1100-00000	3244	OFA						
01-1100-00000	3349	FGP CNCS	92,117.34	92,117.34				
01-1100-00000	3368	OFFICE FOR THE AGING						
01-1100-00000	3410	CNCS/AMERICORPS SENIORS	305.52	305.52				
01-1100-00000	3503	OFA NEIGHBORHOOD ADV	8,385.41	8,385.41				
01-1100-00000	3505	PROJ ROSE - EISEP						
01-1100-00000	3506	ONONDAGA COUNTY EISEP	3,785.43	3,785.43				
01-1100-00000	3674	BBBS OSWEGO	36.22	36.22				
01-1100-00000	3675	BBBS OSWEGO						
01-1100-00000	3664	ONONDAGA COUNTY	4,166.04	4,166.04				
								281,608.47
								GRANTOR SLOW PRODUCTION

PEACE, INC.
 ACCOUNTS RECEIVABLE
 AS OF MARCH 31, 2026

BALANCE AT 3/31/26

ACCT #	AIR PROJECT	ACCT DESCRIPTION	CURRENT	1-30	31-60	61-90	OVER 90
01-1100-00000	3874 ONONDAGA COUNTY OFA BBBS		3,914.81				
01-1100-00000	3760 OPWDD						
01-1100-00000	3761 OPWDD		20,911.00				
01-1100-00000	3906 ECC OFA						
01-1100-00000	3807 ONONDAGA COUNTY OFA		14,448.68	3,707.14			
01-1100-00000	4218 VERA HOUSE DEPT JUSTICE						
01-1100-00000	4240 UNITED WAY ETC						
01-1100-00000	4249 SSFRC SAVE THE RAIN		5,000.00				
01-1100-00000	4258 HPNAP						
010-1100-00000	4258 MAGNARELLI FREE TAX PREP						
01-1100-00000	4260 FTP HUNTER		6,781.27				
01-1100-00000	4261 MAGNARELLI TECHNOLOGY						
01-1100-00000	4262 ESFRC SCSD ALTERN PROGRAM						
01-1100-00000	4265 FREE TAX PREP UNITED WAY						
01-1100-00000	4267 KEY BANK FREE TAX PREP						
01-1100-00000	4268 WSFRC DASNY NICIP FUNDS		6,945.00				
01-1100-00000	4269 CONNECT KIDS FIELD TRIP						
01-1100-00000	4271 CSBG DISCRETIONARY						
01-1100-00000	4272 MANNION CREST/DASNY VEHICLE		42,842.00				
01-1100-00000	4274 ESFRC CDBG LET ME BE GREAT SUMMER						
01-1100-00000	4277 HPNAP		6,041.05				
01-1100-00000	4278 FOCUS SYRACUSE						
01-1100-00000	4279 ECC ONONDAGA CNTY						
01-1100-00000	4282 ESFRC SCSD ALTERNATIVE PROGRAM						
01-1100-00000	4282 CDBG FREE TAX PREP		48,060.04				
01-1100-00000	6184 CSBG						
01-1100-00000	7020 TENANT - TULLY						
01-1100-00000	9125 EMPOWER NY						
01-1100-00000	9146 UNITED WAY						
01-1100-00000	9147 BBBS UNITED WAY						
01-1100-00000	9148 UNITED WAY		48.69				





PEACE, INC.
 ACCOUNTS RECEIVABLE
 AS OF MARCH 31, 2026

ACCT #	AIR PROJECT	ACCT DESCRIPTION	BALANCE AT 3/31/26						
			CURRENT	1-30	31-60	61-90	OVER 90		
01-1100-0000		9310 DEHS FEE FOR SERVICE	6,068.83					842.60	GRANTOR WORKING ON DEEMED COLLECTIBLE
01-1100-00000		9380 FOOD SERVICE DIVISION	7,943.84						
01-1100-00000		9822 INV ACCRUAL FOR 1/31/25							
01-1100-00000		10938 SENIOR SERVICES							
01-1100-00930		2411 HEAD START							
01-1100-00935		2411 HEAD START							
01-1100-00935		2461 HS T&TA							
01-1100-00935		2661 EHS T&TA							
01-1100-00000		1040 AIR MISC FISCAL							
01-1215-00000		PAYROLL SUSPENSE							
			2,059,824.13	3,707.14	1,773,418.02			282,686.87	
			2,059,824.00						
									0.13

Audit Practice

**Report to the Finance Committee
2026 Audit Results**

*People's Equal Action and
Community Effort, Inc.*

877.917.3077 | bonadio.com |    

Bonadio & Co., LLP
Accounting, Consulting & More

Bonadio & Co., LLP

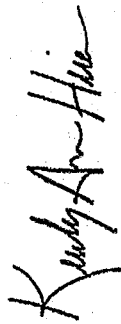
May 14, 2026

Dear Members of the Finance Committee:

We are pleased to submit our Report to the Finance Committee related to the results of our 2026 audit of People's Equal Action and Community Effort, Inc. (or the "Organization"). Our report includes a summary of the results of our audit work and other required communications. We have also included sections on trending topics.

We look forward to presenting this report, addressing your questions and discussing any other matters of interest. Please feel free to contact me at 315-214-2769.

Very truly yours,



Keeley Hines, CPA

Engagement Partner

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*Provide
Opportunity
strengthen
Community*

*Inspire
Growth*



The

01

Executive Summary

Executive Summary

Audit Results

Financial Statement Audit

- Pending your acceptance and receipt of signed rep letter related to the audit of the fiscal year ending January 31, 2026.
- Auditor's Results (page 26):
 - Unmodified opinion on F/S
 - No material weaknesses or significant deficiencies

Single Audit

- Qualified as a low-risk Auditee
- Major Programs:
 - 93.600 (Head Start)
- Auditor's Results (page 26):
 - No material weaknesses or significant deficiencies
 - No findings under 2CFR 200.516(a)
 - No non-compliance / unmodified opinion

Executive Summary (Cont'd)

The following table includes observations from our audit

Observation	Context and Causes	Suggested Action
<ul style="list-style-type: none"> Reduction in Net Assets <ul style="list-style-type: none"> \$285k FYE 2025 \$615k FYE 2026 	<ul style="list-style-type: none"> General economic pressures of rising costs Government agency revenue pressures and reductions PEACE has been faced with increased health insurance costs (higher premiums and increased volume in services) causing an increase in payroll taxes and fringe benefits in 2026 from prior year of 10%+ despite reduction in salaries expenses 	<ul style="list-style-type: none"> Management to continue course of action – shopping alternative solutions Management to continue course of action – monitoring self-insurance reserve and adjust accordingly

Identified Misstatements, Recorded and Unrecorded

- Uncorrected misstatement: None
- Adjustments proposed by Bonadio and recorded by management: None

Internal Control Findings

- None

Our Continued Commitment

- Proactively advised management on new accounting pronouncements
- Executed audit procedures timely
- Utilized innovative technology, including SafeSend and MyPortal



02

**Audit
Results**

Audit Results

Status of Our Audit

Remaining Items To Complete

We are in the process of completing the audit procedures in accordance with our audit plan to address the identified risks. The key remaining items to complete are:

- Receipt of signed management representation letter
- Preparation of Federal Form 990

We expect to issue our unmodified report on the financial statements of People's Equal Action and Community Effort, Inc. on May 14, 2026.

Significant Changes To The Audit Plan

We presented our planned audit approach, including our preliminary risk assessment, and related scoping considerations for 2026 on December 10, 2025. Throughout the audit, we continuously evaluated the appropriateness of our audit strategy. Changes to the initial plan communicated were not deemed necessary.

Bonadio & Co., LLP

Audit Risks and Results

Fraud And Significant Risks

Risk	Significant Findings
Fraud Risk—Fraud in management override of controls	No exceptions noted
Fraud Risk—Fraud in revenue recognition ¹	No exceptions noted
1 – Presumed fraud risk	
▲ Low Risk	
▲ Moderate Risk	
▲ Significant Risk	

Significant Accounting Policies and Practices

The following table summarizes the Organization's significant accounting policies or practices:

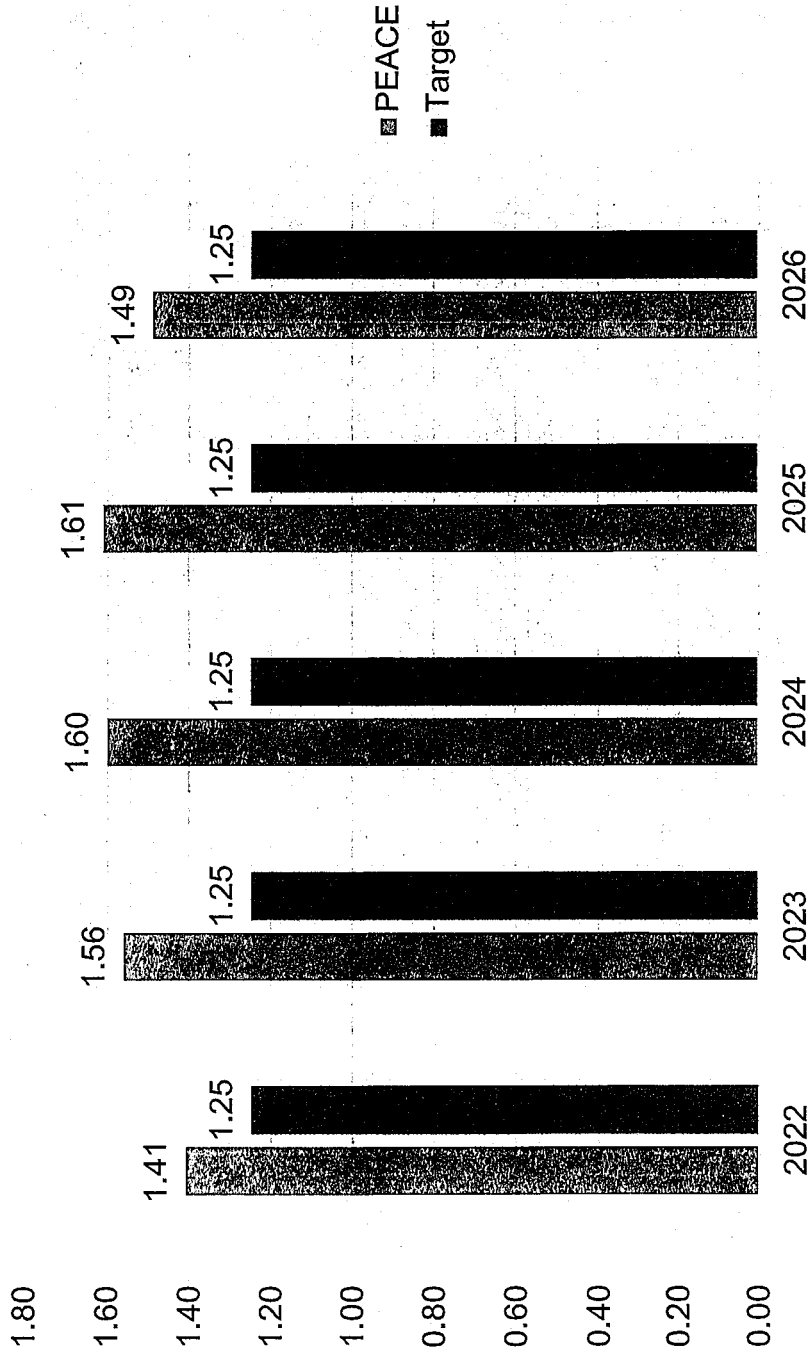
Significant Accounting Policy or Practice	Effect On Financial Statements or Disclosures	Audit Result
Liquidity	Footnote 3	We believe the disclosure is neutral, consistent and clear
Self-Insurance	Footnote 2	We believe the disclosure is neutral, consistent and clear and estimates associated with this should continue to be monitored and changes measured using approved methodology from an actuary.

Statement of Financial Position

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Cash	\$ 1,104,230	\$ 2,358,050	\$ 1,575,216	\$ 1,063,517	\$ 766,760
Fees and grants receivable	2,100,794	2,220,554	2,854,981	3,024,288	3,177,025
Property and equipment, net	2,606,364	3,407,469	3,735,821	3,494,436	3,152,547
Right-of-use asset	-	-	-	2,508,544	2,104,066
Other assets	-	1,911,254	2,097,746	404,982	442,096
Total assets	5,133,094	9,897,327	10,263,764	10,495,767	9,642,494
Accounts payable	\$ 288,756	642,520	611,320	279,254	388,963
Accrued payroll and compensated absences	1,087,510	1,140,474	1,147,990	1,323,736	1,291,143
Deferred revenue	1,048,402	717,366	670,836	499,388	681,010
Lease liabilities	-	-	-	2,518,198	2,114,354
Other liabilities	5,307	1,655,256	1,767,238	93,254	1,122
Total liabilities	2,429,975	4,155,616	4,197,384	4,713,830	4,476,590
Net assets	\$ 3,703,119	\$ 5,741,712	\$ 6,066,380	\$ 5,781,936	\$ 5,165,902

- Cash decreased \$297k due to general timing of cash disbursements and cash receipts as well as a direct correlation to the reduction in net assets due to expenses > revenues.
- ROU Asset and Liabilities decreased \$400k due primarily to annual amortization of previous lease arrangements
- Accounts Payables increased \$110k due to year-end accruals for multiple in-progress vendor projects under the DEHS program.

Current Ratio

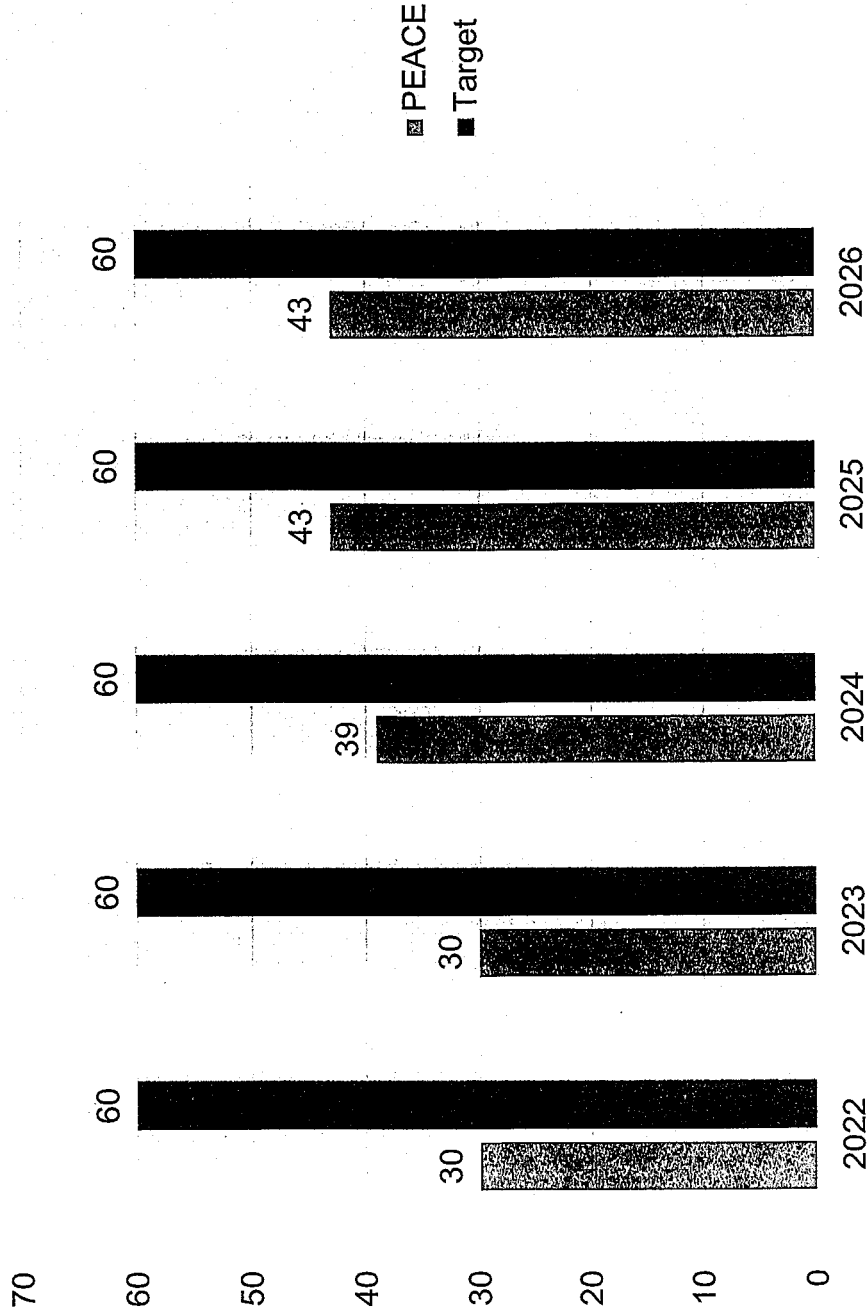


Description

Target: > 1.25

- The current ratio is calculated by dividing current assets by current liabilities.
- This ratio is a measure of liquidity – the Organization’s ability to pay current liabilities utilizing current assets.

Days' Revenue in Accounts Receivable

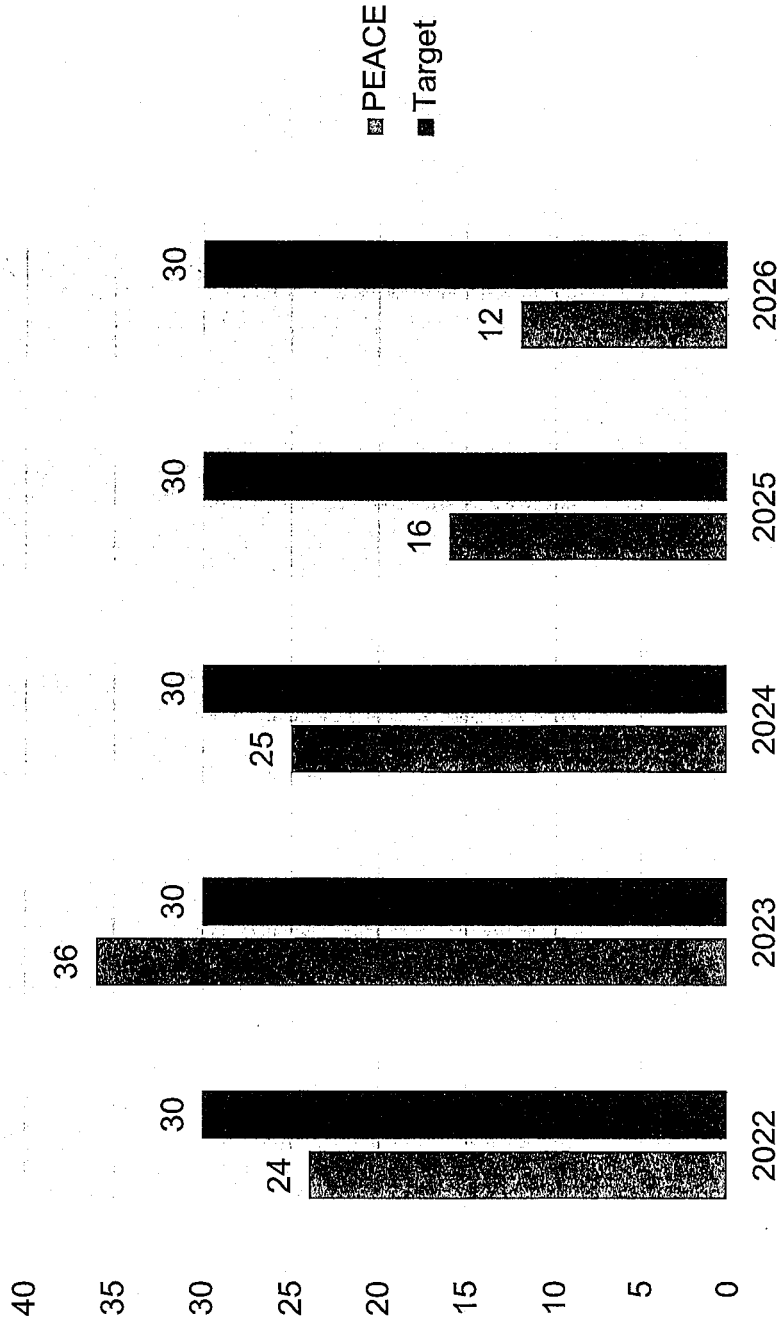


Description

Target: < 60 Days

Days' revenue in accounts receivable is a measure of the effectiveness in collection of accounts receivable.

Days' Operating Cash on Hand

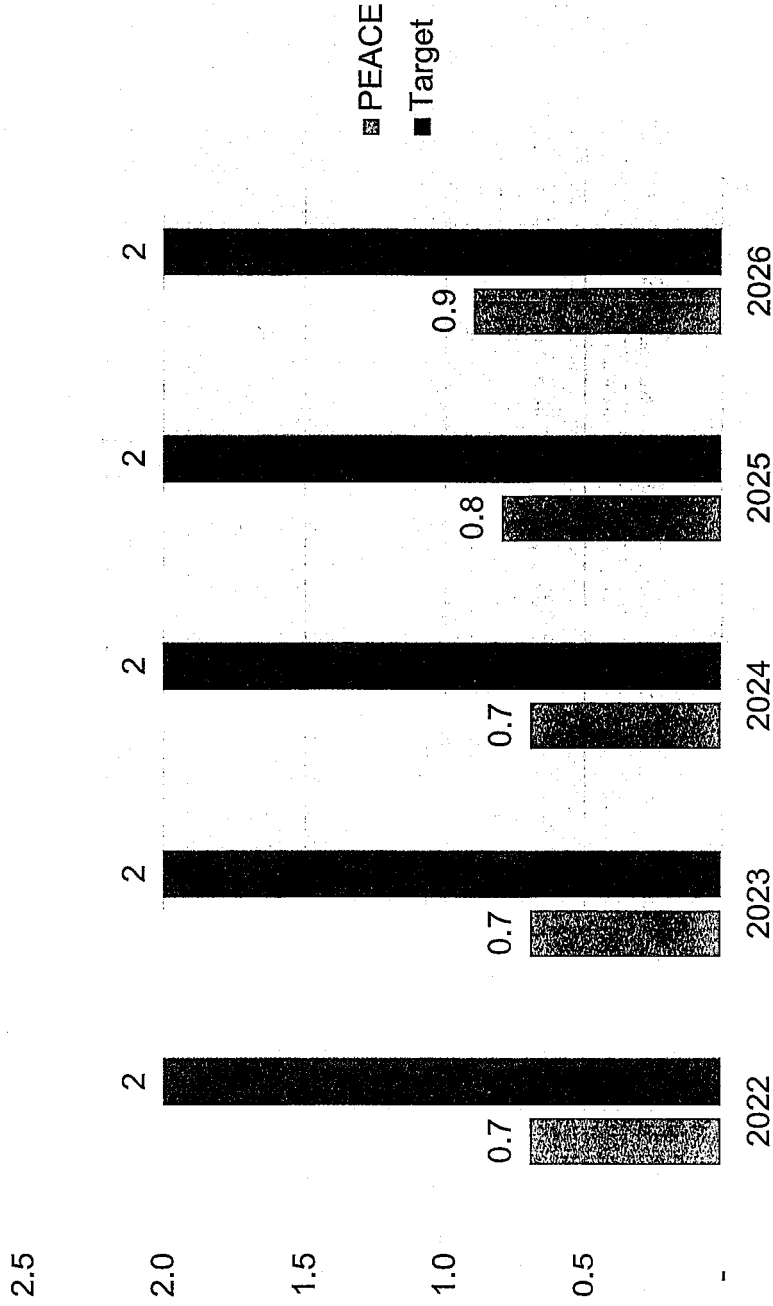


Description

Target: > 30 Days

Days' cash and investments on hand is a measure of how many days the Organization can operate without converting other assets to cash.

Total Liabilities to Net Assets



Description

Target: < 2:1

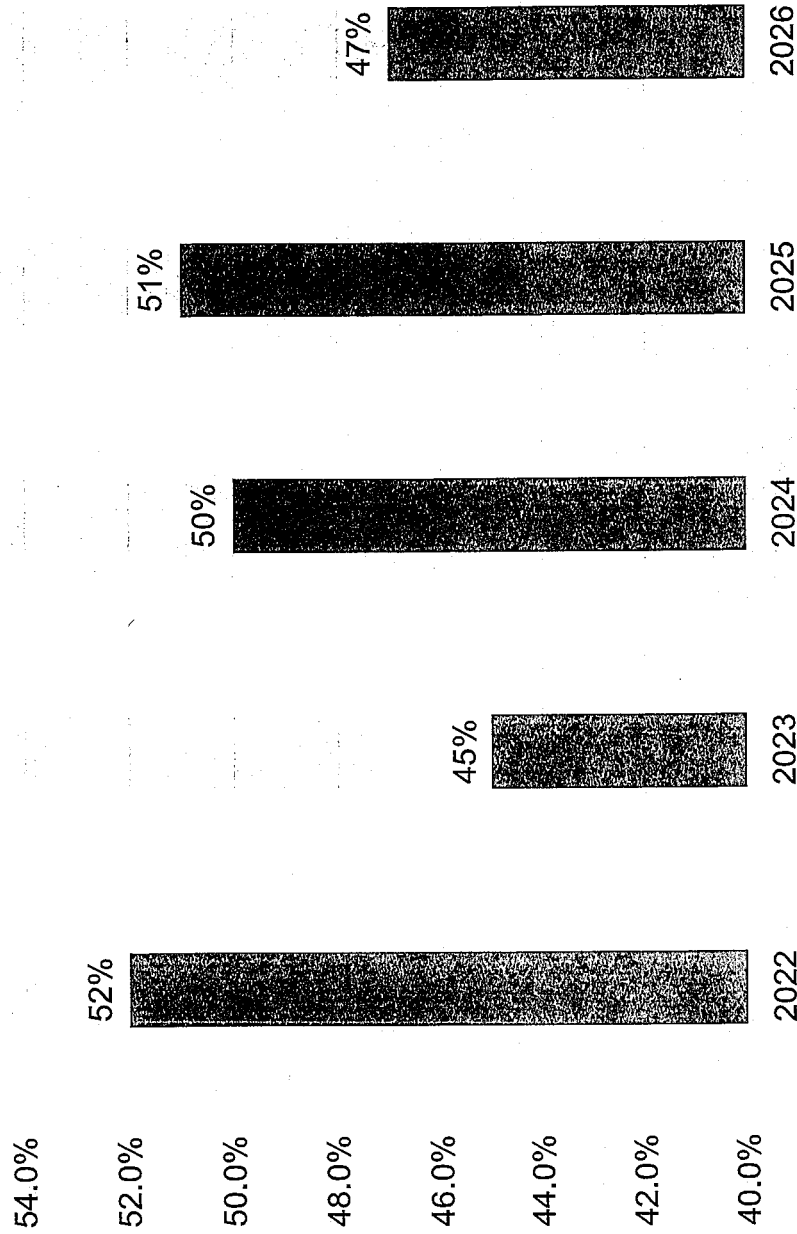
Total liabilities to net assets is a measure of how assets have been acquired and an indication of capacity to incur additional debt.

Statement of Activities

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Revenue:					
Direct contributions	\$ 116,361	\$ 149,614	\$ 192,226	\$ 176,223	\$ 218,614
In-kind contributions	4,961,985	1,705,729	1,827,278	1,349,716	3,333,784
Fundraising	58,923	54,579	31,112	97,685	111,907
Governmental agencies	20,055,480	22,392,228	23,889,014	23,556,779	23,185,334
Program service fees	727,234	772,477	478,470	506,124	322,556
Other income	12,630	2,285,157	25,816	37,029	18,639
Total revenue and support	<u>25,932,613</u>	<u>27,359,784</u>	<u>26,443,916</u>	<u>25,723,556</u>	<u>27,190,834</u>
Expenses -					
Program services	19,601,831	23,258,093	22,343,252	22,485,049	24,543,311
Management and general	2,783,424	2,912,883	2,967,436	3,488,733	3,234,134
Fundraising	6,218	9,416	10,503	34,217	29,421
Total expenses	<u>22,391,473</u>	<u>26,180,392</u>	<u>25,321,191</u>	<u>26,007,999</u>	<u>27,806,866</u>
Change in net assets	<u>\$ 3,541,140</u>	<u>\$ 1,179,392</u>	<u>\$ 1,122,725</u>	<u>\$ (284,443)</u>	<u>\$ (616,032)</u>

- In-kind contributions increased 2M as PEACE joined Delivering Good, and received roughly 1.2M in pallets of donated Carters clothing that was distributed across PEACE outreach sites and HS centers.
- Governmental agencies revenue decreased \$371k due to lower Senior Nutrition grant funding, driven by a reduced per-meal rate and fewer meals served compared to the prior year.
- Overall expenses increased \$1.8M due to higher health insurance and commercial insurance costs, along with a significant one-time increase in donated goods, partially offset by reductions in certain program and operational expenses.

Salaries and Fringe Expenses to Total Expenses

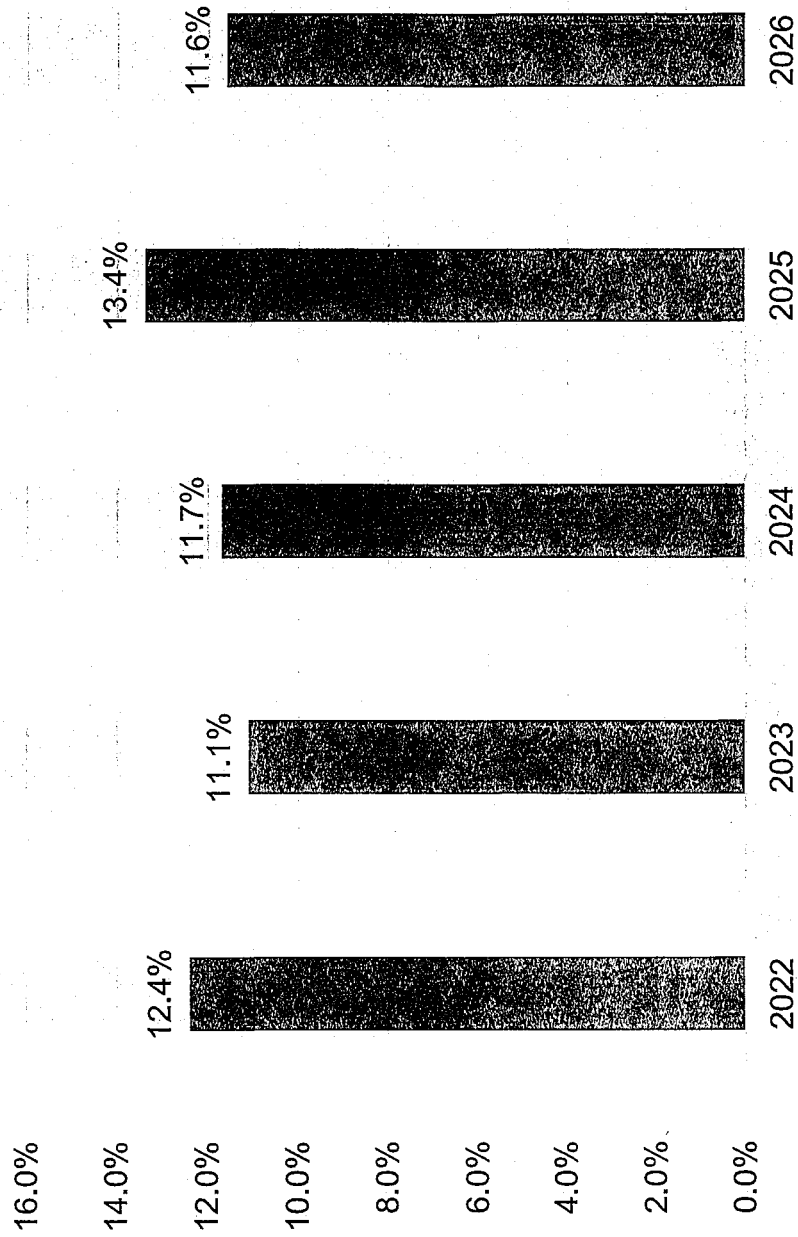


Description

The above percentages show the percentage of the Organization's expenses that were paid in salaries and related fringes.

NOTE: Although salaries decreased approximately 1%, payroll tax and fringe increased approximately 10%.

Administrative Percentage of Expenses



Our target is 10 to 12% of every dollar spent on administrative expenses. The above percentages were calculated from the Organization's financial statements. It should be noted, however, that there are various ways to compute administrative expenses. Three of those methods are as follows:

- > Financial Statements
- > Form 990
- > Consolidated Fiscal Report

Description

03

Other Required Communications

Bonadio & Co., LLP

Other Required Communications

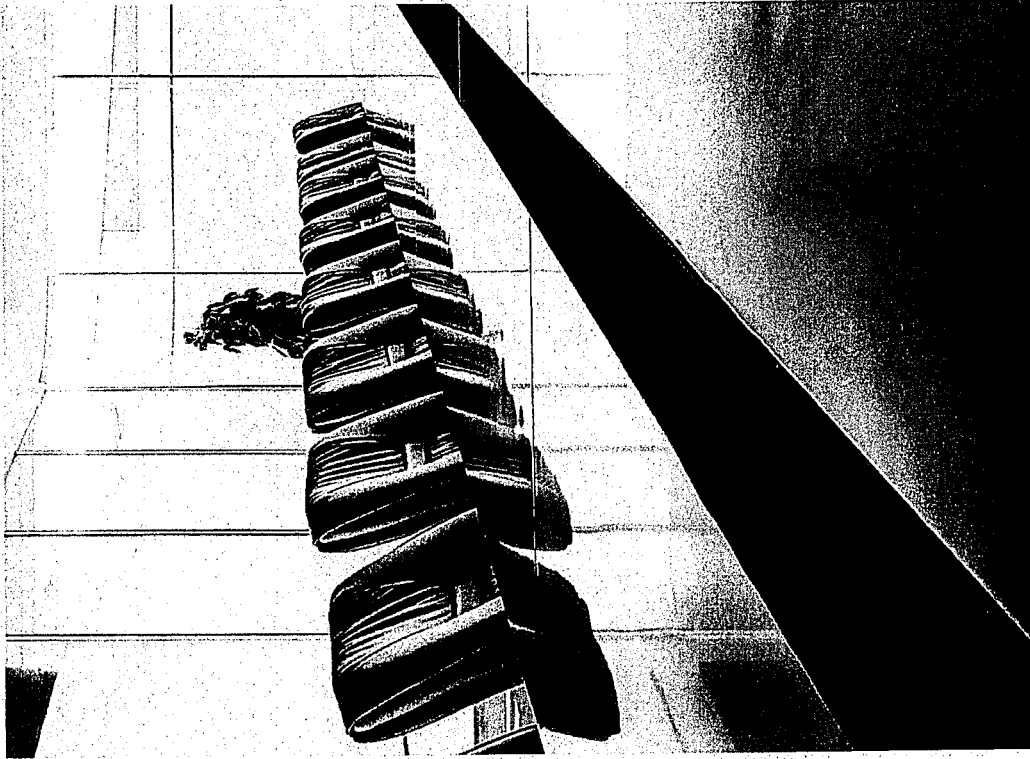
Quality of Financial Reporting

We have performed an evaluation of whether the presentation of the financial statements and the related disclosures are in conformity with the applicable financial reporting framework, including our consideration of the form, arrangement and content of the financial statements (including the accompanying notes). We did not identify any instances of non-conformity.

We have evaluated whether the difference between estimates best supported by the audit evidence and estimates included in the financial statements, which are individually reasonable, indicate a possible bias on the part of the Organization's management. We did not identify any areas of possible bias. In our judgment, management's accounting estimates are appropriate and reasonable.

Related Parties

We noted no related parties or related-party relationships or transactions that were previously undisclosed to us or lack business purpose.



04

Other Information

Bonadio & Co., LLP

We recognize that Board members and organization leaders have tremendous responsibilities today, facing increasingly complex demands in all areas of their operations as well as navigating uncertain futures. The Bonadio Group offers a broad range of consulting solutions to help Board Members and Leadership Teams achieve their organizations' goals. From analysis to execution, we deliver focused advisory services that drive growth and profitability and mitigate risk. The following are a few select areas for which we have provided advisory services to organizations just like yours.

Operational Efficiencies: An efficiency study provides the insight to achieve goals; whether increasing profitability, mitigating risk, updating policies and procedures or analyzing cash flow.

Profitability Analysis: Our analysis helps stabilize revenues and identify new growth opportunities to increase profitability. It often provides a new perspective and encourages development of even stronger relationships with your A-list customers and your service lines.

Cash Flow Management: We calculate and review targeted forecasts, cash ratios, quick ratios, and current ratios to create various scenarios to provide the business intelligence to make strategic decisions.

Compliance Requirements: We review, assess, train and develop compliance programs in accordance with the regulations of your industry, from HIPAA to corporate compliance, including a virtual Compliance Officer for your entity.

Outsource Accounting & Finance: Our Outsource Accounting Team has helped hundreds of businesses across multiple industries achieve their goals and financial peace of mind. Take the weight of finance and accounting off your team's shoulders and give it to us, connect with me today. For assistance please contact [Gregg Genovese](mailto:Gregg.Genovese), Partner, at 585.249.2878.

Fraud and Forensics: Our certified fraud examiners help businesses and organizations protect themselves against, or identify, quantify, and mitigate fraud and white-collar crime through our forensic accounting, fraud investigations and risk mitigation services.

Our team collaborates with you to develop tailored strategies that improve your operational performance, mitigate risk and deliver actionable insights to accomplish your strategic initiatives. If you would like a 30-minute, complimentary, confidential consultation or assistance of any nature with these or related topics please contact your Bonadio relationship manager, or Tim Ball, Executive Vice President tball@bonadio.com or call 585.249.2756.

Penetration and Vulnerability Testing: The testing team "acts" as a malicious individual simulating sophisticated real-world attacks. This identifies and remediates weaknesses by hunting and uncovering hidden threats and risks.

Cybersecurity / IT / Audit / Risk Assessment: Our cybersecurity / IT / Audit/Risk Assessment projects range from comprehensive assessments to auditing and testing of the complete infrastructure. We also offer virtual Chief Information Security Officers (vCISO). For assistance with cybersecurity, please contact [Charlie Wood](mailto:Charlie.Wood), Executive Vice President, 585.249.2757.

Bonadio Advisory & Consulting

Focused on Your Success.

Bonadio & Co., LLP
Accounting, Consulting & More

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

**Financial Statements as of
January 31, 2026 and 2025
Together with
Independent Auditor's Report
and Single Audit Reports**

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

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INDEPENDENT AUDITOR'S REPORT

May 14, 2026

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. (the Agency) (a New York nonprofit organization), which comprise the statements of financial position as of January 31, 2026 and 2025, 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, 2026 and 2025, 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.

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.

(Continued)

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 14, 2026 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, 2026 AND 2025**

	<u>2026</u>	<u>2025</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 766,760	\$ 1,063,517
Grants receivable	3,159,781	3,003,164
Program service fees receivable	17,243	20,509
Inventory	139,546	139,713
Other current assets	<u>215,966</u>	<u>168,472</u>
Total current assets	<u>4,299,296</u>	<u>4,395,375</u>
DEPOSITS	<u>86,585</u>	<u>97,413</u>
OPERATING LEASE RIGHT-OF-USE ASSETS	<u>2,104,066</u>	<u>2,508,544</u>
PROPERTY:		
Land	352,153	352,153
Buildings	3,138,059	3,138,059
Leasehold improvements	6,299,000	6,274,496
Vehicles	3,162,609	3,204,498
Equipment	1,447,553	1,444,689
Construction in progress	<u>27,745</u>	<u>2,500</u>
Total	14,427,119	14,416,395
Less: Accumulated depreciation	<u>(11,274,572)</u>	<u>(10,921,960)</u>
Property, net	<u>3,152,547</u>	<u>3,494,435</u>
Total assets	<u>9,642,494</u>	<u>10,495,767</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	388,964	279,254
Accrued payroll and related liabilities	1,083,883	1,097,395
Accrued compensated absences	207,260	226,341
Deferred revenue	681,011	499,388
Operating lease liability - current portion	523,614	541,350
Custodial accounts, deposits, and other current liabilities	<u>1,120</u>	<u>93,258</u>
Total current liabilities	2,885,852	2,736,986
OPERATING LEASE LIABILITY, net of current portion	<u>1,590,740</u>	<u>1,976,847</u>
Total liabilities	<u>4,476,592</u>	<u>4,713,833</u>
NET ASSETS:		
Without donor restrictions	4,997,831	5,603,773
With donor restrictions	<u>168,071</u>	<u>178,161</u>
Total net assets	<u>5,165,902</u>	<u>5,781,934</u>
Total liabilities and net assets	<u>\$ 9,642,494</u>	<u>\$ 10,495,767</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, 2026**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT:			
Direct contributions	\$ 119,642	\$ 98,972	\$ 218,614
Contribution of nonfinancial assets	3,333,784	-	3,333,784
Fundraising	111,907	-	111,907
Net assets released from restrictions	<u>109,062</u>	<u>(109,062)</u>	<u>-</u>
Total support	<u>3,674,395</u>	<u>(10,090)</u>	<u>3,664,305</u>
-REVENUE:			
Governmental agencies	23,185,334	-	23,185,334
Program service fees	322,556	-	322,556
Rental income	4,800	-	4,800
Other	<u>13,839</u>	<u>-</u>	<u>13,839</u>
Total revenue	<u>23,526,529</u>	<u>-</u>	<u>23,526,529</u>
Total support and revenue	<u>27,200,924</u>	<u>(10,090)</u>	<u>27,190,834</u>
EXPENSES:			
Program services	24,543,311	-	24,543,311
Management and general	3,234,134	-	3,234,134
Fundraising	<u>29,421</u>	<u>-</u>	<u>29,421</u>
Total expenses	<u>27,806,866</u>	<u>-</u>	<u>27,806,866</u>
CHANGE IN NET ASSETS	(605,942)	(10,090)	(616,032)
NET ASSETS - beginning of year	<u>5,603,773</u>	<u>178,161</u>	<u>5,781,934</u>
NET ASSETS - end of year	<u>\$ 4,997,831</u>	<u>\$ 168,071</u>	<u>\$ 5,165,902</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, 2025**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT:			
Direct contributions	\$ 113,097	\$ 63,126	\$ 176,223
Contribution of nonfinancial assets	1,349,716	-	1,349,716
Fundraising	71,554	26,131	97,685
Net assets released from restrictions	<u>106,230</u>	<u>(106,230)</u>	<u>-</u>
Total support	<u>1,640,597</u>	<u>(16,973)</u>	<u>1,623,624</u>
REVENUE:			
Governmental agencies	23,555,479	1,300	23,556,779
Program service fees	506,124	-	506,124
Rental income	11,328	-	11,328
Other	<u>25,701</u>	<u>-</u>	<u>25,701</u>
Total revenue	<u>24,098,632</u>	<u>1,300</u>	<u>24,099,932</u>
Total support and revenue	<u>25,739,229</u>	<u>(15,673)</u>	<u>25,723,556</u>
EXPENSES:			
Program services	22,485,049	-	22,485,049
Management and general	3,488,733	-	3,488,733
Fundraising	<u>34,217</u>	<u>-</u>	<u>34,217</u>
Total expenses	<u>26,007,999</u>	<u>-</u>	<u>26,007,999</u>
CHANGE IN NET ASSETS	(268,770)	(15,673)	(284,443)
NET ASSETS - beginning of year	<u>5,872,543</u>	<u>193,834</u>	<u>6,066,377</u>
NET ASSETS - end of year	<u>\$ 5,603,773</u>	<u>\$ 178,161</u>	<u>\$ 5,781,934</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, 2026**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 11,329,236	\$ 1,736,323	\$ 4,497	\$ 13,070,056
Payroll taxes and fringe benefits	3,878,852	458,040	635	4,337,527
Consumable supplies	4,832,723	26,704	19,075	4,878,502
Occupancy costs	1,638,468	166,971	-	1,805,439
Professional fees and contract services	1,332,507	71,886	800	1,405,193
Depreciation	68,061	507,768	-	575,829
Equipment expense	279,088	40,381	3,600	323,069
Insurance	459,658	38,141	-	497,799
Telephone	120,532	16,203	-	136,735
Conferences and travel	200,013	41,067	-	241,080
Vehicle maintenance	287,717	2,489	-	290,206
Advertising, printing, postage, and dues	77,508	33,948	372	111,828
Other	28,474	94,213	442	123,129
Program service fee overhead	10,474	-	-	10,474
	<u>\$ 24,543,311</u>	<u>\$ 3,234,134</u>	<u>\$ 29,421</u>	<u>\$ 27,806,866</u>
Total expenses				

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, 2025**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 11,466,115	\$ 1,762,348	\$ 3,154	\$ 13,231,617
Payroll taxes and fringe benefits	3,325,995	613,237	515	3,939,747
Consumable supplies	3,189,627	35,956	26,919	3,252,502
Occupancy costs	1,667,211	158,611	-	1,825,822
Professional fees and contract services	1,394,717	80,695	-	1,475,412
Depreciation	64,345	510,808	-	575,153
Equipment expense	256,952	44,592	3,000	304,544
Insurance	418,039	35,710	-	453,749
Telephone	81,960	15,344	-	97,304
Conferences and travel	272,386	34,786	-	307,172
Vehicle maintenance	242,989	4,999	-	247,988
Advertising, printing, postage, and dues	83,053	35,036	138	118,227
Other	7,144	156,611	491	164,246
Program service fee overhead	14,516	-	-	14,516
Total expenses	<u>\$ 22,485,049</u>	<u>\$ 3,488,733</u>	<u>\$ 34,217</u>	<u>\$ 26,007,999</u>

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, 2026 AND 2025**

	<u>2026</u>	<u>2025</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (616,032)	\$ (284,443)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	575,829	575,153
Loss on disposal of property	1,779	25,852
Changes in operating assets and liabilities:		
Grants receivable	(156,617)	(181,319)
Program service fees receivable	3,266	11,503
Inventory	167	(6,681)
Other current assets	(47,494)	(17,745)
Long term deposits	10,828	-
Accounts payable	109,710	(332,066)
Accrued payroll and related liabilities	(13,512)	191,507
Accrued compensated absences	(19,081)	(15,763)
Deferred revenue	181,623	(171,448)
Lease liability	635	(2,220)
Custodial accounts, deposits, and other current liabilities	(92,138)	55,591
	<u>(61,037)</u>	<u>(152,079)</u>
Net cash from operating activities		
CASH FLOW FROM INVESTING ACTIVITIES:		
Acquisitions of property	(239,564)	(359,620)
Proceeds from sale of property	3,844	-
	<u>(235,720)</u>	<u>(359,620)</u>
Net cash flow from investing activities		
CHANGE IN CASH	(296,757)	(511,699)
CASH - beginning of year	1,063,517	1,575,216
CASH - end of year	\$ 766,760	\$ 1,063,517

The accompanying notes are an integral part of these statements.

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

NOTES TO FINANCIAL STATEMENTS JANUARY 31, 2026 AND 2025

1. THE ORGANIZATION

People's Equal Action and Community Effort, Inc. (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; 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).

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. The satisfaction of time and purpose restrictions is reflected as net assets released from restrictions in the statements of activities. Donor restricted contributions whose restrictions are met within the same year as received are reflected as contributions without donor restrictions in the financial statements.

Cash

Cash includes bank 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 revenue in the period in which all barriers to revenue recognition are overcome. 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. If amounts become uncollectable, 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. Grants Receivable amounted to \$2,821,845 as of January 31, 2024.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants Receivable and Revenue (Continued)

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

	<u>2026</u>	<u>2025</u>
Federal grants	\$ 13,238,360	\$ 12,321,947
Other than federal grants	<u>1,939,121</u>	<u>1,910,208</u>
	<u>\$ 15,177,481</u>	<u>\$ 14,232,155</u>

Program Service Fees Receivable and Revenue

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. Program service fees receivable amounted to \$32,012 of January 31, 2024. Management has determined there are no allowance for expected credit losses associated with the program service fees receivable at January 31, 2026, 2025 and 2024.

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, 2026 and 2025.

Inventory

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

Property and Depreciation

Property additions in excess of \$5,000 are 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.

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 \$1,646,664 and \$1,881,804 as of January 31, 2026 and 2025, respectively.

Leases

The Agency determines if an arrangement is a lease at inception. Right-of-use (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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Lease (Continued)

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.

Deferred Revenue

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

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 claimant through policy years ended June 30, 2016 through September 30, 2021, and \$75,000 per claimant through policy years ended September 30, 2026. 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 date, as well as an estimated liability for future claims incurred but not reported. The total accrued liability for self-insurance costs was \$459,759 and \$444,850 as of January 31, 2026 and 2025 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.

Contributed Nonfinancial Assets

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 \$3,799,553 and \$4,119,881 for the years ended January 31, 2026 and 2025, 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributed Nonfinancial Assets (Continued)

In-kind contribution 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). Managements' 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, the U.S. Department of Health and Human Services, to apply a provisional indirect cost rate not to exceed 26.0% for the years ended January 31, 2026 and 2025. 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.

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 Agency's financial assets available within one year of the statements of financial position date for general expenditures are as follows at January 31:

	<u>2026</u>	<u>2025</u>
Cash	\$ 766,760	\$ 1,063,517
Grants receivable	3,159,781	3,003,164
Program service fees receivable	17,243	20,509
Other receivables	<u>10,297</u>	<u>15,025</u>
	3,954,081	4,102,215
Less: Those unavailable for general expenditure within one year, due to donor restrictions	<u>(168,071)</u>	<u>(178,161)</u>
	<u>\$ 3,786,010</u>	<u>\$ 3,924,054</u>

3. LIQUIDITY (CONTINUED)

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. As disclosed in Note #6, as part of its liquidity management, the Agency has a line of credit of \$2,000,000, which it could draw upon in the event of an unanticipated liquidity need.

4. CONTRIBUTED NONFINANCIAL ASSETS

Contributed nonfinancial assets consisted of the following for the years ended January 31:

	<u>2026</u>	<u>2025</u>
Family services:		
Donated space	\$ 74,287	\$ 57,735
Donated supplies	2,733,039	789,658
Head start and early head start:		
Donated space	177,829	198,550
Donated professional and contracted services	269,450	231,376
Donated supplies	9,620	14,053
Senior services:		
Donated space	23,166	19,863
Free tax prep:		
Donated space	6,059	5,603
Fundraising:		
Donated supplies	23	-
Big Brothers Big Sisters		
Donated supplies	695	645
Energy and housing services:		
Donated space	3,728	165
Donated supplies	200	-
Management and general:		
Donated space	35,638	31,459
Donated supplies	50	609
	<u>\$ 3,333,784</u>	<u>\$ 1,349,716</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>2026</u>	<u>2025</u>
Head Start/Early Head Start	\$ 34,614	\$ 21,793
Family Resource Centers	37,447	29,719
Big Brothers Big Sisters	57,880	82,585
Foster Grandparents	6,381	6,969
Community Development	3,046	3,576
Senior Services	-	450
Employee emergency	1,600	1,600
Food services	8,414	5,327
Weatherization	2,667	2,667
Frank DeFrancisco Eastwood Community Center	-	225
Foundation for the future	1,500	1,500
Maintenance	30	30
Camp fund	3,791	8,094
Free Tax Prep	634	-
Donation Program	5,000	-
Give-a-holiday	5,067	13,626
	<u>\$ 168,071</u>	<u>\$ 178,161</u>

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

	<u>2026</u>	<u>2025</u>
Head Start/Early Head Start	\$ 16,024	\$ 6,048
Family Resource Centers	13,430	20,657
Big Brothers Big Sisters	45,442	66,976
Foster Grandparents	1,698	1,626
Community Development	530	1,646
Food services	781	1,355
Senior Services	470	-
Camp fund	4,303	-
Give-a-holiday	12,346	3,390
Free Tax Prep	292	-
Frank DeFrancisco Eastwood Community Center	3,746	4,498
Donation Program	10,000	-
Crop walk	-	34
	<u>\$ 109,062</u>	<u>\$ 106,230</u>

6. LINE OF CREDIT

The Agency has a \$2,000,000 revolving line of credit with a bank. Borrowings bear interest at the prime rate (6.75% and 7.50% as of January 31, 2026 and 2025, respectively) and are not collateralized. There were no borrowings on the line of credit as of January 31, 2026 and 2025.

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, 2026 and 2025.

Retirement plan expense was \$261,307 and \$290,380 for 2026 and 2025, respectively.

8. LEASES

The Agency leases certain buildings and equipment under operating leases that expire between April 2026 and August 2034. 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.

The components of total lease cost were as follows for the years ended January 31:

	<u>2026</u>	<u>2025</u>
Operating lease cost	\$ 690,886	\$ 597,721
Variable lease expense	<u>55,852</u>	<u>121,208</u>
	<u>\$ 746,738</u>	<u>\$ 718,929</u>

Supplemental cash flow information related to operating leases were as follows for the years ended January 31:

	<u>2026</u>	<u>2025</u>
Cash paid for amounts included in the measurement of operating lease liabilities	<u>\$ 687,061</u>	<u>\$ 591,494</u>
ROU assets obtained in exchange for operating lease obligations	<u>\$ 66,361</u>	<u>\$ 1,319,099</u>

Other information related to operating leases were as follows as of January 31:

	<u>2026</u>	<u>2025</u>
Weighted-average remaining lease term	5.10 years	5.86 years
Weighted-average discount rate	3.43%	3.31%

8. LEASES (CONTINUED)

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

2027	585,976
2028	557,541
2029	438,344
2030	209,599
2031	111,014
Thereafter	<u>413,401</u>
	2,315,875
Less: Present value discount	<u>(201,521)</u>
Total present value of lease liability	2,114,354
Less: Current portion	<u>(523,614)</u>
	<u>\$ 1,590,740</u>

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 have 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 \$14,533,000 and \$14,671,000 for the years ended January 31, 2026 and 2025, respectively. Grants receivable related to this grant were approximately \$893,940 and \$1,404,000 at January 31, 2026 and 2025, respectively.

10. CONTINGENCIES

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 require 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 to the accompanying financial statements.

11. SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 14, 2026, 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 14, 2026

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 (the Agency) (a nonprofit organization), which comprise the statement of financial position as of January 31, 2026, 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 14, 2026.

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.

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

May 14, 2026

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 each of the Agency's major federal programs for the year ended January 31, 2026. The Agency's major federal programs are 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 each of its major federal programs for the year ended January 31, 2026.

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 each 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.

(Continued)

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.

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JANUARY 31, 2026**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Health and Human Services</u>		
Head Start Cluster:		
Head Start	93.600	\$ 14,533,048
Total Head Start Cluster		<u>14,533,048</u>
Pass-through from:		
New York State Department of State Community Services Block Grant	93.569	<u>1,667,018</u>
Total Community Services Block Grant		<u>1,667,018</u>
NYS Division of Housing and Community Renewal Low-Income Home Energy Assistance	93.568	<u>1,666,862</u>
Total Low-Income Home Energy Assistance		<u>1,666,862</u>
Aging Cluster:		
Onondaga County Department of Aging and Youth Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	<u>25,186</u>
Total Special Programs for the Aging - Title III, Part B		<u>25,186</u>
Onondaga County Department of Aging and Youth Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	<u>889,224</u>
Total Special Programs for the Aging - Title III, Part C		<u>889,224</u>
Total Aging Cluster		<u>914,410</u>
Total - U.S. Department of Health and Human Services		<u>18,781,338</u>
<u>The Corporation for National Service</u>		
Foster Grandparent/Senior Companion Cluster:		
Foster Grandparent Program	94.011	<u>327,320</u>
Total - The Corporation for National Service, Total Foster Grandparent/Senior Companion Cluster		<u>327,320</u>

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JANUARY 31, 2026 (Continued)**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>		
Pass-through from:		
NYS Department of Health Child and Adult Care Food Program	10.558	<u>468,312</u>
Total - U.S. Department of Agriculture, Total NYS Department of Health		<u>468,312</u>
<u>U.S. Department of Energy</u>		
Pass-through from:		
NYS Division of Housing & Community Renewal Weatherization Assistance for Low-Income Persons	81.042	<u>1,034,354</u>
Total - U.S. Department of Energy		<u>1,034,354</u>
<u>U.S. Department of Housing & Urban Renewal</u>		
Pass-through from:		
City of Syracuse Department of Neighborhood and Business Development Community Development Block Grant/Entitlement Grant	14.218	<u>31,091</u>
Subtotal - U.S. Department of Housing & Urban Renewal		<u>31,091</u>
		<u>\$ 20,642,415</u>

The accompanying notes are an integral part of these statements.

PEOPLE'S EQUAL ACTION AND COMMUNITY EFFORT, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JANUARY 31, 2026

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activity of federal financial assistance programs administered by People's Equal Action and Community Efforts, Inc. (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 15% 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, 2026**

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 Cluster

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

\$1,000,000

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.

