

## **Association to Benefit Children and Affiliate**

**Audit of Combining Financial Statements,  
Supplemental Schedule of Expenditures  
of Federal Awards and Supplementary  
Information  
Year Ended June 30, 2020**

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Supplemental Schedule of Expenditures of Federal Awards  
and Supplementary Information  
Year Ended June 30, 2020

# Association to Benefit Children and Affiliate

## Contents

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<b>Independent Auditor’s Report</b>	3-5
<b>Combining Financial Statements</b>	
Statement of Financial Position as of June 30, 2020	6
Statement of Activities for the Year Ended June 30, 2020	7
Statement of Functional Expenses for the Year Ended June 30, 2020	8
Statement of Cash Flows for the Year Ended June 30, 2020	9
Notes to Combining Financial Statements	10-23
<b>Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2020</b>	24
Notes to Schedule of Expenditures of Federal Awards	25
<b>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 <i>Government Auditing Standards</i></b>	26-27
<b>Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance</b>	28-29
<b>Schedule of Findings and Questioned Costs for the Year Ended June 30, 2020</b>	30
<b>Supplementary Information</b>	
Budget ID Number: 19-GP-ABC-M:	
Schedule of Revenues and Expenditures (Actual vs. Budget) for the Year Ended June 30, 2020	32
Schedules of Salaries for the Year Ended June 30, 2020	33-36
Schedule of Fringe Benefits for the Year Ended June 30, 2020	37
Schedule of Fixed Assets Inventory for the Year Ended June 30, 2020	38
Schedule of Questioned Costs for the Year Ended June 30, 2020	39
Schedule of Quantitative Program Results for the Year Ended June 30, 2020	40



## Independent Auditor's Report

The Board of Directors  
Association to Benefit Children and Affiliate  
New York, New York

### Report on the Financial Statements

We have audited the accompanying combining financial statements of Association to Benefit Children and Affiliate (ABC and Affiliate), which comprise the combining statement of financial position as of June 30, 2020, and the related combining statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combining financial statements.

### *Management's Responsibility for the Combining Financial Statements*

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

### *Auditor's Responsibility*

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

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

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



### ***Opinion***

In our opinion, the combining financial statements referred to above present fairly, in all material respects, the combining financial position of Association to Benefit Children and Affiliate as of June 30, 2020, and the change in its net assets and their cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### **Report on Summarized Comparative Information**

We have previously audited the combining financial statements of ABC and Affiliate as of and for the year ended June 30, 2019 and our report, dated December 13, 2019, expressed an unmodified opinion on those audited combining financial statements. In our opinion, the summarized comparative information presented herein is consistent, in all material respects, with the audited combining financial statements from which it has been derived.

### ***Other Matters***

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the combining financial statements as a whole. The accompanying supplementary information presented on pages 32 to 40 of this report is presented for purposes of additional analysis and is not a required part of the combining financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the combining financial statements. The accompanying Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combining financial statements. The information has been subjected to the auditing procedures applied in the audit of the combining financial statements, and to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combining financial statements or to the combining financial statements themselves, and to other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combining 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 March 31, 2021 on our consideration of ABC and Affiliate's internal control over financial reporting and on our tests of their 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 ABC and Affiliate'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 ABC and Affiliate's internal control over financial reporting and compliance.

BDO USA, LLP

March 31, 2021

# Association to Benefit Children and Affiliate

## Combining Statement of Financial Position (with comparative totals for 2019)

June 30,

	ABC	HDFC	Eliminations	Combined Totals	
				2020	2019
<b>Assets</b>					
<b>Current</b>					
Cash and cash equivalents (Notes 3 and 4)	\$ 3,835,475	\$ 55,845	\$ -	\$ 3,891,320	\$ 3,310,245
Restricted cash (Note 3)	-	2,480	-	2,480	11,237
Investments, at fair value (Note 3 and 5)	8,036,337	-	-	8,036,337	7,427,242
Accounts receivable, net (Note 3)	5,389,376	10,224	-	5,399,600	4,113,780
Due from affiliate (Note 7)	581,157	-	(581,157)	-	-
Rent receivable, net	-	2,820	-	2,820	15,238
Prepaid expenses and other assets	218,953	1,142	-	220,095	275,153
<b>Total Current Assets</b>	<b>18,061,298</b>	<b>72,511</b>	<b>(581,157)</b>	<b>17,552,652</b>	<b>15,152,895</b>
Cash Surrender Value of Life Insurance Policy (Note 9)	708,077	-	-	708,077	708,077
<b>Other Assets</b>	<b>75,406</b>	<b>-</b>	<b>-</b>	<b>75,406</b>	<b>75,406</b>
<b>Fixed Assets, Net (Notes 3 and 6)</b>	<b>4,579,341</b>	<b>217,831</b>	<b>-</b>	<b>4,797,172</b>	<b>5,491,948</b>
	<b>\$ 23,424,122</b>	<b>\$ 290,342</b>	<b>\$ (581,157)</b>	<b>\$ 23,133,307</b>	<b>\$ 21,428,326</b>
<b>Liabilities and Net Assets</b>					
<b>Current Liabilities</b>					
Accounts payable and accrued expenses	\$ 371,652	\$ 186,700	\$ -	\$ 558,352	\$ 408,354
Accrued compensation	795,922	-	-	795,922	497,200
Due to affiliate (Note 7)	-	581,157	(581,157)	-	-
Deferred tuition revenue (Note 3)	408,328	-	-	408,328	1,031,726
<b>Total Current Liabilities</b>	<b>1,575,902</b>	<b>767,857</b>	<b>(581,157)</b>	<b>1,762,602</b>	<b>1,937,280</b>
Deferred Compensation (Note 9)	708,077	-	-	708,077	708,077
<b>Long-Term Debt (Note 8)</b>	<b>-</b>	<b>877,240</b>	<b>-</b>	<b>877,240</b>	<b>877,240</b>
<b>Total Liabilities</b>	<b>2,283,979</b>	<b>1,645,097</b>	<b>(581,157)</b>	<b>3,347,919</b>	<b>3,522,597</b>
<b>Commitments and Contingencies</b> (Notes 3, 4, 8, 9 and 10)					
<b>Net Assets (Notes 3 and 11)</b>					
Without donor restrictions:					
General	15,486,093	(1,354,755)	-	14,131,338	12,121,108
Land, building and equipment	4,579,341	-	-	4,579,341	5,245,828
<b>Total Without Donor Restrictions</b>	<b>20,065,434</b>	<b>(1,354,755)</b>	<b>-</b>	<b>18,710,679</b>	<b>17,366,936</b>
With donor restrictions	1,074,709	-	-	1,074,709	538,793
<b>Total Net Assets</b>	<b>21,140,143</b>	<b>(1,354,755)</b>	<b>-</b>	<b>19,785,388</b>	<b>17,905,729</b>
	<b>\$ 23,424,122</b>	<b>\$ 290,342</b>	<b>\$ (581,157)</b>	<b>\$ 23,133,307</b>	<b>\$ 21,428,326</b>

*See accompanying notes to combining financial statements.*

## Association to Benefit Children and Affiliate

### Combining Statement of Activities (with comparative totals for 2019)

Year ended June 30,

	ABC			HDFC		Combined Totals	
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Eliminations	2020	2019
<b>Operating Revenues</b>							
Government grants	\$ 16,412,292	\$ -	\$ 16,412,292	\$ 136,201	\$ -	\$ 16,548,493	\$ 14,565,073
Contributions and private grants	2,229,249	3,389,694	5,618,943	-	-	5,618,943	5,089,826
Tuition and client fees	1,674,300	-	1,674,300	-	-	1,674,300	1,488,910
Rental income (Note 3)	-	-	-	143,697	(19,918)	123,779	113,118
Other program income	2,447,965	-	2,447,965	-	-	2,447,965	1,792,997
Other income	121,492	-	121,492	-	-	121,492	31,343
Net assets released from restrictions (Note 11)	2,853,778	(2,853,778)	-	-	-	-	-
<b>Total Operating Revenues</b>	<b>25,739,076</b>	<b>535,916</b>	<b>26,274,992</b>	<b>279,898</b>	<b>(19,918)</b>	<b>26,534,972</b>	<b>23,081,267</b>
<b>Operating Expenses</b>							
Program services:							
Early childhood programs	13,097,403	-	13,097,403	-	(19,918)	13,077,485	12,240,302
Wrap-around services	9,443,523	-	9,443,523	-	-	9,443,523	8,516,640
Other programs	-	-	-	365,313	-	365,313	430,419
<b>Total Program Services</b>	<b>22,540,926</b>	<b>-</b>	<b>22,540,926</b>	<b>365,313</b>	<b>(19,918)</b>	<b>22,886,321</b>	<b>21,187,361</b>
Supporting services:							
Management and general	1,809,253	-	1,809,253	-	-	1,809,253	1,740,852
Development and fundraising	341,624	-	341,624	-	-	341,624	449,569
<b>Total Supporting Services</b>	<b>2,150,877</b>	<b>-</b>	<b>2,150,877</b>	<b>-</b>	<b>-</b>	<b>2,150,877</b>	<b>2,190,421</b>
<b>Total Operating Expenses</b>	<b>24,691,803</b>	<b>-</b>	<b>24,691,803</b>	<b>365,313</b>	<b>(19,918)</b>	<b>25,037,198</b>	<b>23,377,782</b>
<b>Change in Net Assets from Operations</b>	<b>1,047,273</b>	<b>535,916</b>	<b>1,583,189</b>	<b>(85,415)</b>	<b>-</b>	<b>1,497,774</b>	<b>(296,515)</b>
<b>Nonoperating Activities</b>							
Unrealized gain on investments	370,411	-	370,411	-	-	370,411	138,335
Realized gain (loss) on investments	(196,057)	-	(196,057)	-	-	(196,057)	95,868
Interest income	207,531	-	207,531	-	-	207,531	175,230
<b>Total Nonoperating Activities</b>	<b>381,885</b>	<b>-</b>	<b>381,885</b>	<b>-</b>	<b>-</b>	<b>381,885</b>	<b>409,433</b>
<b>Change in Net Assets</b>	<b>1,429,158</b>	<b>535,916</b>	<b>1,965,074</b>	<b>(85,415)</b>	<b>-</b>	<b>1,879,659</b>	<b>112,918</b>
<b>Net Assets, beginning of year</b>	<b>18,636,276</b>	<b>538,793</b>	<b>19,175,069</b>	<b>(1,269,340)</b>	<b>-</b>	<b>17,905,729</b>	<b>17,792,811</b>
<b>Net Assets, end of year</b>	<b>\$ 20,065,434</b>	<b>\$ 1,074,709</b>	<b>\$ 21,140,143</b>	<b>\$ (1,354,755)</b>	<b>\$ -</b>	<b>\$ 19,785,388</b>	<b>\$ 17,905,729</b>

*See accompanying notes to combining financial statements.*



**Association to Benefit Children and Affiliate**

**Combining Statement of Functional Expenses  
(with comparative totals for 2019)**

Year ended June 30,

	Program Services			Supporting Services			Total	Program Services			Combined Totals	
	Early Childhood Programs	Wrap-Around Services	Total	Management and General	Program Development and Fundraising	Total	ABC	HDFC	Eliminations	2020	2019	
<b>Expenses</b>												
Salaries and wages	\$ 6,441,690	\$ 5,220,929	\$ 11,662,619	\$ 1,017,404	\$ 212,995	\$ 1,230,399	\$ 12,893,018	\$ 80,927	\$ -	\$ -	\$ 12,973,945	\$ 11,556,949
Payroll taxes and employee benefits	1,873,503	1,518,449	3,391,952	368,064	61,948	430,012	3,821,964	23,536	-	-	3,845,500	3,831,839
<b>Total Salaries and Related Expenses</b>	<b>8,315,193</b>	<b>6,739,378</b>	<b>15,054,571</b>	<b>1,385,468</b>	<b>274,943</b>	<b>1,660,411</b>	<b>16,714,982</b>	<b>104,463</b>	<b>-</b>	<b>-</b>	<b>16,819,445</b>	<b>15,388,788</b>
Transportation	194,724	169,911	364,635	28,522	16,655	45,177	409,812	5,528	-	-	415,340	449,593
Client assistance and activities	85,356	60,165	145,521	41,313	9,200	50,513	196,034	-	-	-	196,034	208,290
Purchase of services	1,496,198	560,971	2,057,169	30,871	10,683	41,554	2,098,723	4,473	-	-	2,103,196	2,102,224
Food and clothing	515,568	60,076	575,644	12,686	9,122	21,808	597,452	-	-	-	597,452	436,680
Bedding, linen and supplies	341,726	116,288	458,014	11,868	2,234	14,102	472,116	723	-	-	472,839	691,870
Rent (Notes 3 and 10)	171,977	446,788	618,765	20,581	-	20,581	639,346	14,397	(19,918)	-	633,825	456,372
Utilities	147,485	58,290	205,775	9,265	-	9,265	215,040	16,171	-	-	231,211	245,989
Repairs and maintenance	836,931	485,275	1,322,206	25,639	1,225	26,864	1,349,070	135,213	-	-	1,484,283	1,459,607
Telephone/fax	183,326	143,069	326,395	41,953	-	41,953	368,348	2,871	-	-	371,219	377,753
Office and medical supplies	100,454	21,794	122,248	40,345	4,365	44,710	166,958	504	-	-	167,462	141,292
Professional fees	55,820	58,097	113,917	115,849	10,382	126,231	240,148	11,371	-	-	251,519	253,768
Insurance	94,158	76,827	170,985	3,569	1,871	5,440	176,425	3,243	-	-	179,668	173,532
Real estate water and sewer taxes	36,749	1,251	38,000	1,591	-	1,591	39,591	6,270	-	-	45,861	69,601
Depreciation	521,738	104,525	626,263	39,280	944	40,224	666,487	28,289	-	-	694,776	706,968
Interest expense	-	56	56	453	-	453	509	8,772	-	-	9,281	8,773
Bad debt expenses	-	340,762	340,762	-	-	-	340,762	23,025	-	-	363,787	206,682
<b>Total Expenses</b>	<b>\$ 13,097,403</b>	<b>\$ 9,443,523</b>	<b>\$ 22,540,926</b>	<b>\$ 1,809,253</b>	<b>\$ 341,624</b>	<b>\$ 2,150,877</b>	<b>\$ 24,691,803</b>	<b>\$ 365,313</b>	<b>\$ (19,918)</b>	<b>\$ -</b>	<b>\$ 25,037,198</b>	<b>\$ 23,377,782</b>

*See accompanying notes to combining financial statements.*

## Association to Benefit Children and Affiliate

### Combining Statement of Cash Flows (with comparative totals for 2019)

*Year ended June 30,*

				Combined Totals	
	ABC	HDFC	Eliminations	2020	2019
<b>Cash Flows from Operating Activities</b>					
Change in net assets	\$ 1,965,074	\$ (85,415)	\$ -	\$ 1,879,659	\$ 112,918
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:					
Depreciation	666,487	28,289	-	694,776	706,968
Bad debt expenses	340,762	23,025	-	363,787	206,682
Donated securities	(425,713)	-	-	(425,713)	(79,833)
Realized loss (gain) on investments	196,057	-	-	196,057	(95,868)
Unrealized gain on investments	(370,411)	-	-	(370,411)	(138,335)
Decrease (increase) in:					
Accounts receivable	(1,626,582)	-	-	(1,626,582)	(1,330,695)
Due from affiliate	254,839	-	(254,839)	-	-
Rent receivable	-	(10,607)	-	(10,607)	(15,238)
Prepaid expenses and other assets	56,200	(1,142)	-	55,058	(33,225)
Other assets	-	-	-	-	(52,060)
Increase (decrease) in:					
Accounts payable and accrued expenses	149,978	20	-	149,998	(419,167)
Accrued compensation	298,722	-	-	298,722	37,382
Due to affiliate	-	(254,839)	254,839	-	-
Deferred tuition revenue	(623,398)	-	-	(623,398)	93,649
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>882,015</b>	<b>(300,669)</b>	<b>-</b>	<b>581,346</b>	<b>(1,006,822)</b>
<b>Cash Flows from Investing Activities</b>					
Proceeds from sale of investments	1,763,992	-	-	1,763,992	1,301,368
Purchases of investments	(1,773,020)	-	-	(1,773,020)	(1,186,728)
<b>Net Cash (Used in) Provided by Investing Activities</b>	<b>(9,028)</b>	<b>-</b>	<b>-</b>	<b>(9,028)</b>	<b>114,640</b>
<b>Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash</b>	<b>872,987</b>	<b>(300,669)</b>	<b>-</b>	<b>572,318</b>	<b>(892,182)</b>
<b>Cash, Cash Equivalents and Restricted Cash, beginning of year</b>	<b>2,962,488</b>	<b>358,994</b>	<b>-</b>	<b>3,321,482</b>	<b>4,213,664</b>
<b>Cash, Cash Equivalents and Restricted Cash, end of year</b>	<b>\$ 3,835,475</b>	<b>\$ 58,325</b>	<b>\$ -</b>	<b>\$ 3,893,800</b>	<b>\$ 3,321,482</b>

*See accompanying notes to combining financial statements.*

# Association to Benefit Children and Affiliate

## Notes to Combining Financial Statements

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### 1. Nature of the Organization

Association to Benefit Children (ABC), a not-for-profit organization, provides services to children and families in the New York Metropolitan area. ABC was founded as a force to challenge and change the myriad of assaults to children, including, but not limited to, hunger, poverty, homelessness, physical and emotional abuse, abandonment, substandard housing, failing schools and substance abuse, which endanger their welfare and undermine their future. These perils have shaped ABC's course, spurring the formation of humane, cost-effective, replicable model programs that help children and families reach their fullest potential.

ABC is qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (the Code) and, accordingly, is not subject to federal income taxes.

Association to Benefit Children - Housing Development Fund Corporation (HDFC) (a not-for-profit corporation) was organized to operate a low-income housing project. HDFC acquired and renovated a building located at 318 East 116<sup>th</sup> Street in New York City, named the ABC-HDFC Apartments. The funds to finance the project were received under a mortgage with the City of New York Department of Housing Preservation and Development (HPD) for the needy and persons of low income.

### 2. Principles of Combination

The accompanying combining financial statements include the accounts of ABC and HDFC (collectively, ABC and Affiliate), which are related by certain common members of the Board of Trustees and identical management.

All intercompany balances and transactions have been eliminated in combination.

### 3. Summary of Significant Accounting Policies

#### *Basis of Presentation*

The combining financial statements of ABC and Affiliate have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (U.S. GAAP). In the combining statement of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

#### *Financial Statement Presentation*

The classification of a not-for-profit organization's net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of two classes of net assets—with donor restrictions and without donor restrictions—be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

Income from investment gains and losses, including unrealized gains and losses, dividends, interest and other investments, should be reported as increases (or decreases) in net assets without donor restrictions, unless the use of the income received is limited by donor-imposed restrictions.

# Association to Benefit Children and Affiliate

## Notes to Combining Financial Statements

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These classes are defined as follows:

*Net Assets Without Donor Restrictions* - This class consists of net assets that are not subject to donor-imposed stipulations and are, therefore, available for general operations. The Board of Directors of ABC and Affiliate includes within its net assets without donor restrictions the amount invested in land, building and equipment of ABC and Affiliate of \$4,579,341 as of June 30, 2020.

*Net Assets with Donor Restrictions* - Net assets with donor restrictions consists of assets whose use is limited by donor-imposed, time and/or purpose restrictions. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the combining statement of activities.

As of June 30, 2020, ABC and Affiliate had no net assets with donor restriction that are perpetual in nature.

### ***Cash and Cash Equivalents***

In November 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash (ASU 2016-18)*. ASU 2016-18 requires entities to show the changes in the total of cash, cash equivalents, restricted cash and restricted cash equivalents in the combined statement of cash flows. As a result, entities will no longer present transfers between cash and cash equivalents and restricted cash and restricted cash equivalents in the combining statement of cash flows. The standard is effective for fiscal years beginning after December 15, 2018. ABC and Affiliate has adopted this ASU and has applied the retrospective transition method for each period presented.

For the purposes of the combining statement of cash flows, ABC and Affiliate considers all highly liquid instruments purchased with a maturity of three months or less, to be cash equivalents. At various times during the year, ABC and Affiliate may have deposits at financial institutions that exceed federally insured limits. These financial institutions have strong credit ratings and management believes credit risks related to these deposits are minimal. Cash, cash equivalents and restricted cash consist of the following:

<i>June 30,</i>	<b>2020</b>	<b>2019</b>
Cash and cash equivalents	\$ 3,891,320	\$ 3,310,245
Restricted cash	2,480	11,237
<b>Total</b>	<b>\$ 3,893,800</b>	<b>\$ 3,321,482</b>

### ***Revenue Recognition***

Revenue from governmental grants, primarily from the U.S. Department of Health and Human Services and New York City Department of Health and Mental Hygiene, is recognized as the expenditures for each contract are incurred. All grant monies received in excess of revenue earned are recorded as deferred revenue. Revenue from fee-for-service programs, primarily from the New York City Administration for Children's Services and the New York City Department of Education, is recognized as it is earned.

# Association to Benefit Children and Affiliate

## Notes to Combining Financial Statements

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Reimbursements are subject to audit and retroactive adjustment by the respective third-party fiscal intermediary. Revenue from retroactive adjustments is recognized in the year the adjustments are known.

### ***Government Contracts***

ABC and Affiliate are being funded by various government agencies, under contracts, which generally cover a three-year period, subject to renewal on an annual basis. The terms of these contracts give the grantor the right to audit the costs incurred thereunder and adjust contract funding based upon the amount of funding received. Any costs disallowed by the grantor would be absorbed by ABC and Affiliate, and adjustments by the grantors would be recorded when amounts are known; however, in the opinion of management, disallowances and adjustments, if any, would be immaterial and would not have an adverse effect on the financial position of ABC and Affiliate.

### ***Contributions***

Contributions are recorded as revenue when unsolicited cash is received. Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a donor restriction expires—that is, when a stipulated time restriction ends or purpose restriction is accomplished—net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combining statement of activities as net assets released from restrictions.

### ***Investments***

Investments primarily consist of marketable equity securities, mutual funds and fixed-income funds. Investments are adjusted to their fair market value at the combining statement of financial position date, resulting in either an unrealized gain or loss. Investments donated to ABC and Affiliate are recorded at fair market value at the date of receipt. Gains and losses on investments are recognized on disposal at the trade date.

ABC and Affiliate's investments consist of a variety of investment securities. Investments in general are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that change in the value of ABC and Affiliate's investments will occur in the near-term and that such changes could materially affect the amounts reported in the accompanying combining financial statements.

### ***Fair Value Measurements***

The FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurement*, establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that inputs that are most observable be used when available. Observable inputs are inputs that market participants operating within the same marketplace would use in the pricing of ABC and Affiliate's assets or liabilities based on independently derived and objectively determined market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of ABC and Affiliate are traded. ABC and Affiliate estimate the price of any assets for which there are only unobservable inputs by using assumptions that market participants who have investments in the same or similar assets would use, as determined by the money managers administering each investment based on the best information available in the circumstances. The

# Association to Benefit Children and Affiliate

## Notes to Combining Financial Statements

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input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable, as follows:

*Level 1* - Valuation is based on quoted market prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

*Level 2* - Valuation is based on quoted market prices of investments that are not actively traded or for which certain significant inputs are not observable, either directly or indirectly.

*Level 3* - Valuation is based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value.

### ***Allowance for Doubtful Accounts***

ABC and Affiliate provide an allowance for doubtful accounts for accounts receivable, which is their best estimate of the amount of probable credit losses in existing accounts receivable. Such estimate is based on management's assessments of the creditworthiness for its donors, tenants and funding sources, as well as on current economic conditions and historical information. The allowance for doubtful accounts for receivables from private insurance and rent receivables was \$512,899 and \$57,570, respectively, at June 30, 2020.

### ***Fixed Assets***

The cost of fixed assets is depreciated over the estimated useful lives of the assets using the straight-line method. Leasehold and building improvements are amortized over the lesser of the life of the lease or asset.

Equipment purchases are capitalized if the cost, or fair value at date of donation, is \$1,000 or more and the useful life is greater than one year. The cost of equipment and leasehold improvements financed by government funding sources is expensed when incurred if the contractual agreement specifies that the title to these assets rests with the governmental funding source rather than ABC and Affiliate. The estimated useful lives of the assets are as follows:

	Years
Building	25-40
Building improvements	10-20
Furniture and equipment	3-10

Leasehold improvements are amortized over the term of the lease or the life of the improvement, whichever is less.

### ***Impairment of Long-Lived Assets***

Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such assets are deemed to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. There were no impairment losses for the year ended June 30, 2020.

# Association to Benefit Children and Affiliate

## Notes to Combining Financial Statements

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### *Income Taxes*

ABC and Affiliate are exempt from federal, state and local income taxes under Section 501(c)(3) of the Code and, therefore, have made no provision for income taxes in the accompanying combining financial statements. In addition, ABC and Affiliate have been determined by the Internal Revenue Service (IRS) not to be a “private foundation” within the meaning of Section 509(a) of the Code. There was no unrelated business income for the year ended June 30, 2020.

Under ASC 740, *Income Taxes*, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not that the position will not be sustained upon examination by a taxing authority. ABC and Affiliate do not believe they have taken any material uncertain tax positions and, accordingly, they have not recorded any liability for unrecognized tax benefits. ABC and Affiliate have filed for and received income tax exemptions in the jurisdictions where they are required to do so. Additionally, ABC and Affiliate have filed IRS Form 990 information returns, as required, and all other applicable returns in jurisdictions where so required. For the year ended June 30, 2020, there was no interest or penalties recorded or included in the combining statement of activities. ABC and Affiliate are subject to routine audits by a taxing authority. As of June 30, 2020, ABC and Affiliate were not subject to any examination by a taxing authority.

### *Use of Estimates*

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the combining financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates.

### *Rental Income*

HDFC receives apartment rent from various individual tenants and from ABC, for the use of office and school space in its building located at 318 East 116<sup>th</sup> Street, New York. Rental income is recognized as earned on a straight-line basis over the term that HDFC provides occupancy to the tenants. Total rental income for the year ended June 30, 2020 amounted to \$143,697 and the amount pertaining to ABC’s rent is \$19,918, which is eliminated in the combining financial statements.

### *Functional Allocation of Expenses*

The costs of providing the various programs and other activities have been summarized on a functional basis and by natural classification in the combining statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited based upon the rates listed in the chart below. Management and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of ABC and HDFC. A portion of the management and general costs have been allocated to housing and education programs in the combining statement of functional expenses. The amount of the administrative expense allocated from management and general to the programs represents the portion of administration costs funded by the ABC’s contracts. Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. ABC generally does not conduct its fundraising activities in conjunction with its other activities.

# Association to Benefit Children and Affiliate

## Notes to Combining Financial Statements

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A majority of expenses are directly charged to programs based on time incurred. Salaries and fringe of certain personnel who work on multiple programs are allocated. Such allocations are determined by management on an equitable basis and are disclosed to and audited by program funders. Costs that are allocated include the following:

Expense	Allocation Methodology
Salaries and wages	Based on the actual amount of time worked
Fringe	Based on the total salary and wages for each program/cost center
Rent and utilities	Based on square footage occupied by program as percent of total rental space occupied
Insurance	Based on the total number of full-time equivalents in the program as percentage of the total full-time equivalents for the applicable agency
Administrative costs	Based on the total expenses of each program in relation to the total expenses of ABC

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### ***Concentration of Credit Risk***

Financial instruments that potentially subject ABC and Affiliate to concentration of credit risk consist primarily of cash and cash equivalents and investments. At various times, ABC and Affiliate have cash deposits at financial institutions, which exceed the Federal Depository Insurance Coverage (FDIC) insurance limits. These financial institutions have strong credit ratings and management believes that credit risk related to these accounts is minimal.

### ***Comparative Financial Information***

The combining financial statements include certain prior-year summarized comparative information. With respect to the combining statement of financial position, combining statement of activities and combining statement of cash flows, the prior-year amounts are presented on a combined basis rather than by entity. With respect to the combining statement of functional expenses, the prior-year expenses are presented by expense classification in total rather than functional category. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with ABC and Affiliate's combining financial statements for the year ended June 30, 2019, from which the summarized information was derived.

### ***Recently Adopted Accounting Pronouncement***

#### ***Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)***

In June 2018, the FASB issued Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The update clarifies and improves current guidance by providing criteria for determining whether the resource provider is receiving commensurate value in return for the resources transferred, which, depending on the outcome, determines whether ABC and Affiliate follow contribution guidance or exchange transactions guidance in the revenue recognition and other applicable standards. The ASU also provides a more robust framework for determining whether



# Association to Benefit Children and Affiliate

## Notes to Combining Financial Statements

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a contribution is conditional or unconditional, and for distinguishing a donor-imposed condition from a donor-imposed restriction. The ASU is effective for transactions in which the entity serves as the resource recipient. Management has adopted the ASU as of and for the year ended June 30, 2020 for all periods presented. There was no significant impact on the combining financial statements.

### *Statement of Cash Flows (Topic 230): Restricted Cash*

As discussed further above in Note 3, within cash and cash equivalents, ABC and Affiliate has adopted ASU 2016-18 for all periods presented.

### *Accounting Pronouncements Issued but Not Yet Adopted*

#### *Revenue from Contracts with Customers (Topic 606)*

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which is a comprehensive new revenue recognition standard that will supersede existing revenue recognition guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The FASB issued ASU 2020-05, which deferred the effective date for the ABC and Affiliate until annual periods beginning after December 15, 2019. This ASU is required to be applied retrospectively to each prior reporting period presented or with the cumulative effect being recognized at the date of initial application. Management is currently evaluating the impact of this ASU on its combining financial statements.

#### *Leases (Topic 842)*

On February 25, 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which will require lessees to recognize a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis, and to recognize a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The FASB issued ASU 2020-05, which deferred the effective date for the ABC and Affiliate until annual periods beginning after December 15, 2021. Management is currently evaluating the impact of this ASU on its combining financial statements.

#### *Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*

ASU 2018-13, *Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*, was issued as part of the FASB disclosure framework project to improve the effectiveness of disclosures about fair value measurements required under ASC 820. The ASU amends the disclosure requirements for recurring and non-recurring fair value measurements by removing, modifying and adding certain disclosures. The ASU is effective for fiscal years beginning after December 15, 2019. Management is currently evaluating the impact of this ASU on its combining financial statements.

# Association to Benefit Children and Affiliate

## Notes to Combining Financial Statements

### 4. Liquidity and Availability of Resources

The ABC and Affiliate's financial assets available within one year of the combining statement of financial position for general expenditure are as follows:

*Year ended June 30, 2020*

Cash and cash equivalents	\$	3,891,320
Investments, at fair value		8,036,337
Accounts receivable, net of allowance of uncollectable accounts		5,399,600
Rent receivables, net of allowance for uncollectable accounts		2,820
<b>Total Financial Assets Available to Meet General Expenditure Within One Year</b>	<b>\$</b>	<b>17,330,077</b>

### *Liquidity Management*

As part of ABC and Affiliate's liquidity management, they have a policy to structure their financial assets to be available as their general expenditures, liabilities and other obligations come due. ABC and Affiliate's goal is to maintain liquid net assets without donor restrictions of ABC and Affiliate to meet 90 days of their expenses.

ABC and Affiliate's assets whose use is limited by donor-imposed, time and/or purpose restrictions are expected to satisfy the imposed restrictions and to be released within 12 months. Investments, further discussed in Note 5, include equity securities mutual funds, bonds, indexed securities and exchange-traded funds, all of which can be liquidated within 12 months.

### 5. Investments and Fair Value Measurements

The following table shows, by level within the fair value hierarchy, ABC and Affiliate's financial assets that are accounted for at fair value on a recurring basis as of June 30, 2020. The financial assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. ABC and Affiliate's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy levels.

	Fair Value Measurement Using			Balance, June 30, 2020
	Level 1	Level 2	Level 3	
Equities	\$ 1,102,356	\$ -	\$ -	\$ 1,102,356
Equity mutual funds	-	1,318,826	-	1,318,826
Fixed-income mutual funds	-	206,941	-	206,941
Fixed-income corporate bonds	-	2,410,396	-	2,410,396
Inflation indexed securities	967,681	-	-	967,681
Exchange-traded funds	-	1,959,721	-	1,959,721
Preferred stocks	-	70,416	-	70,416
<b>Total</b>	<b>\$ 2,070,037</b>	<b>\$ 5,966,300</b>	<b>\$ -</b>	<b>\$ 8,036,337</b>

In addition to the above investments, the investment portfolio included \$342,603 of cash equivalents grouped under cash and cash equivalents as of June 30, 2020.

# Association to Benefit Children and Affiliate

## Notes to Combining Financial Statements

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ABC and Affiliate's assets, recorded at fair value, have been categorized based upon a fair value hierarchy, in accordance with ASC 820. See Note 3 for a discussion of ABC and Affiliate's policies regarding this hierarchy. A description of the valuation techniques applied to ABC and Affiliate's major categories of assets measured at fair value are as follows:

### *Equities*

ABC and Affiliate's holdings in equity securities are determined by quoted market prices. Each of these investments can be liquidated daily. The valuation is based on Level 1 inputs within the hierarchy used in measuring fair value.

### *Equity Mutual Funds*

ABC and Affiliate have investments in mutual funds, which are primarily in investment-grade bonds and large- and mid-capitalization equity securities. For these investments, ABC and Affiliate have ownership interest in the mutual fund but not in the individual securities held by the fund. The assets of each mutual fund consist primarily of shares of the underlying holdings. Each mutual fund net asset value is the value of a single share that is actively traded on national securities exchanges. The mutual funds are valued on a daily basis at the close of the business day. These funds are valued primarily on the basis of market quotation or on the basis of information furnished by a nationally recognized pricing service based on observable market data and are classified as Level 2 within the fair value hierarchy.

### *Fixed-Income Corporate Bonds and Mutual Funds*

ABC and Affiliate have investments in fixed-income corporate bonds and equities. ABC and Affiliate's custodian prices these investments using nationally recognized pricing services. Since fixed-income securities other than U.S. Treasury securities generally do not trade on a daily basis, the pricing services prepare estimates of fair value measurements for these securities using their proprietary pricing applications, which include available relevant market information, bench curves, benchmarking or similar securities, sector groupings and matrix pricing. These investments are classified as Level 2.

### *Inflation Indexed Securities*

ABC and Affiliate's holdings in inflation-indexed securities are determined by quoted market prices. Each of these investments can be liquidated daily. The valuation is based on Level 1 inputs within the hierarchy used in measuring fair value.

### *Exchange-Traded Funds*

ABC and Affiliate's holdings in exchange-traded funds are determined by quoted market prices. These investments can be liquidated daily. The valuation of these investments is based on Level 2 inputs within the fair value hierarchy.

ABC and Affiliate's investment holdings are made up entirely of Level 1 and Level 2 securities. ABC and Affiliate do not invest in any Level 3 securities.

# Association to Benefit Children and Affiliate

## Notes to Combining Financial Statements

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### *Preferred Stocks*

ABC and Affiliate are invested in preferred stock of a privately held company. The preferred stocks are valued at the outstanding principal balance, which approximates fair value. Both observable and unobservable inputs were employed in the fair value measurement of the privately held company. Inputs are classified within Level 2 of the fair value hierarchy.

Investment income consists of the following:

*June 30, 2020*

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Unrealized gains	\$	370,411
Realized losses		(196,057)
Interest income		207,531
	\$	381,885

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

### **6. Fixed Assets, Net**

Fixed assets, net, stated at cost consist of the following:

*June 30, 2020*

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	ABC	HDFC	Total
Land	\$ 305,000	\$ 13,500	\$ 318,500
Building	18,218,889	840,563	19,059,452
Building improvements	1,110,614	385,980	1,496,594
Furniture and equipment	601,271	9,800	611,071
<b>Total Fixed Assets</b>	<b>20,235,774</b>	<b>1,249,843</b>	<b>21,485,617</b>
Less: accumulated depreciation	(15,656,433)	(1,032,012)	(16,688,445)
<b>Fixed Assets, Net</b>	<b>\$ 4,579,341</b>	<b>\$ 217,831</b>	<b>\$ 4,797,172</b>

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Depreciation expense for the year ended June 30, 2020 was \$694,776.

### **7. Transactions with Affiliate**

ABC is affiliated with HDFC through certain common Board members and management. As of June 30, 2020, ABC advanced HDFC \$581,157. This amount has been eliminated on the combining statement of financial position.

Management believes that all of these transactions were conducted at arm's length.

# Association to Benefit Children and Affiliate

## Notes to Combining Financial Statements

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### 8. Long-Term Debt

HDFC obtained a mortgage pursuant to Article XI of the Private Housing Finance Law of the State of New York from the City of New York through the Department of Housing Development. As of June 30, 2020, the amount of the mortgage proceeds drawn down to rehabilitate the ABC and Affiliate apartment building amounted to \$877,240.

The mortgage note dated November 20, 1997 for \$883,113 bears interest of 1% per annum, to be accrued to maturity in 30 years, and is secured by the building. The mortgage note matures on the 30<sup>th</sup> anniversary of the debt service date, which is 270 days after the receipt of a certificate of occupancy. Interest shall begin to accrue on the first calendar month following the debt service date. Accrued interest was \$184,220 as of June 30, 2020 and is included within accounts payable and accrued expenses in the combining statement of financial position.

At the closing for the mortgage, HDFC acquired the land for the project from the New York City Department of Housing Preservation and Development (HPD) for \$1.

### 9. Retirement Plans

#### *Pension Plan*

ABC and Affiliate have adopted a Section 403(b) tax sheltered annuity plan effective March 1, 2000. Any employee shall be eligible to participate in salary reduction contributions on the date of their employment with ABC and Affiliate. However, with respect to non-salary reduction contributions, any employee who has completed a one-year period of service shall be eligible to participate as of the date that they have satisfied such requirement. Employees may contribute up to the maximum permitted by law. ABC and Affiliate will match 50% of the employee's contributions, limited to the first 2% of the employee's gross compensation. ABC and Affiliate made contributions to the plan on behalf of their employees of \$255,710 for the year ended June 30, 2020, which is included in ABC and Affiliate's combining statement of functional expenses under payroll taxes and employee benefits.

#### *Deferred Compensation Plan*

ABC and Affiliate have a nonqualified deferred compensation plan for a certain key employee. The plan assets are held in accordance with a Rabbi Trust and are to be considered temporary assets of the employer, therefore, they are accessible to general and secured creditors of the employer in the event of bankruptcy or insolvency. As of June 30, 2020, the asset and the related liability amounted to \$708,077. The asset and related liability, respectively, are shown in cash surrender value of life insurance policy and deferred compensation in the combining statement of financial position.

# Association to Benefit Children and Affiliate

## Notes to Combining Financial Statements

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### 10. Commitments and Contingencies

#### *Operating Leases*

ABC and Affiliate occupy certain of their premises under an operating lease expiring on August 20, 2027. Future minimum annual lease payments are as follows:

#### *Year ending June 30,*

2021	\$	345,948
2022		328,278
2023		274,769
2024		220,217
2025		225,722
Thereafter		733,923
<b>Total</b>	<b>\$</b>	<b>2,128,857</b>

Total rent expense for the year ended June 30, 2020 amounted to \$537,089.

#### *Contingencies*

Certain grants and contracts may be subject to audit by the funding sources. Such audits might result in disallowances of costs submitted for reimbursements. Management is of the opinion that such cost disallowances, if any, will not have a material effect on the accompanying financial statements. Accordingly, no amounts have been provided in the accompanying combining financial statements for such potential claims and any retroactive adjustments are recognized in the year the adjustments are known.

#### *Litigation*

ABC and Affiliate are, from time-to-time, subject to legal actions in the normal course of business. In the opinion of ABC and Affiliate's management, as of December 31, 2020, the eventual resolution of these matters will not materially affect the financial position, cash flows or change in net assets of ABC and Affiliate.

#### *Third-Party Vendor Ransomware Attack*

On July 16, 2020, ABC and Affiliate was notified by its third-party vendor that manages its donor information that a ransomware attack occurred in May 2020 on the third-party vendor's back-up system in which certain data was exfiltrated. The third-party vendor took immediate and decisive action to address the incident. The vendor does not receive or store any donor-protected information (such as credit card or social security numbers). This incident has had no impact on the ABC and Affiliate's operations or the data on the ABC and Affiliate's system. As of the date of this report, ABC and Affiliate cannot estimate the financial impact this event will have on its combining financial position, if any, and as a result, ABC and Affiliate has not accrued any liability.

# Association to Benefit Children and Affiliate

## Notes to Combining Financial Statements

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### 11. Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following:

*June 30, 2020*

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Director's Discretion	\$	30,723
Echo Park "Greenhouse"		52,977
All Childrens House		125,250
Fast Break Mental Health		250,000
COVID-19/Disaster Relief		615,759
	\$	1,074,709

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Net assets with donor restrictions released from restrictions consist of the following:

*June 30, 2020*

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Cassidy's Place	\$	28,161
Cody House		20,302
COVID-19		963,459
Fast Break/MH Clinic		616,375
Graham School		711,513
Keith Haring		75,000
Merricat's		128,713
Study Buddies		87,900
Study Buddies Connect		14,188
Summer Camp		95,963
Youth Services/Afterschool		112,204
	\$	2,853,778

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### 12. Risks and Uncertainties - COVID-19 and CARES Act

#### **COVID-19**

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

ABC and Affiliate's operations are heavily dependent on grants and contracts from federal, state and local governments to provide services to the public. Additionally, funding from governmental sources may be subject to budget modifications depending on appropriations by the source. ABC and Affiliate have incurred, and they are expected to incur for the foreseeable future, incremental and other COVID-19 pandemic-related expenses.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full impact that the pandemic will have on ABC and Affiliate's combining financial condition, liquidity and future results of operations. Management is actively monitoring the global situation on their financial condition, liquidity, operations, suppliers, industry and

# Association to Benefit Children and Affiliate

## Notes to Combining Financial Statements

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workforce. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the COVID-19 outbreak. Nevertheless, the COVID-19 outbreak presents material uncertainty and risk with respect to ABC and Affiliate, their performance and their financial results.

Although ABC and Affiliate cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, it may have an adverse effect on ABC and Affiliate's results of future operations, financial position and liquidity in fiscal year 2021.

### ***CARES Act***

On March 27, 2020, the President signed into law the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act). The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions and technical corrections to tax depreciation methods for qualified improvement property.

ABC and Affiliate did not receive CARES Act funding for fiscal year 2020. In addition, ABC and Affiliate did not defer or delay any timely payment of payroll taxes during the quarter April 1, 2020 through June 30, 2020. Management continues to examine the impact that the COVID-19 outbreak and CARES Act may have on their business.

### **13. Subsequent Events**

ABC and Affiliate's management has performed subsequent events procedures through March 31, 2021, which is the date the combining financial statements were available to be issued. There were no subsequent events requiring adjustment to the combining financial statements or disclosures as a result of these procedures, except for the following:

On December 27, 2020, the President signed the Consolidated Appropriations Act, 2021, which includes \$900 billion in stimulus relief as a result of the COVID-19 pandemic.

On March 10, 2021, the President signed the \$1.9 trillion American Rescue Plan Act into law.

ABC and Affiliate are currently evaluating the impact of these new regulations.



# Association to Benefit Children and Affiliate

## Schedule of Expenditures of Federal Awards

*Year ended June 30, 2020*

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Pass-Through to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Health and Human Services</b>				
Head Start:				
Head Start Echo Park	93.600	Not Applicable	\$ -	\$ 980,844
Head Start Cassidy's Place	93.600	Not Applicable	-	944,319
Early Head Start	93.600	Not Applicable	-	869,049
<b>Subtotal CFDA #93.600</b>			-	<b>2,794,212</b>
Passed-through NYC Department of Health and Mental Hygiene:				
Block Grant for Community Mental Health Services:				
School Response Team	93.958	0098	-	66,634
Early Childhood Mental Hygiene	93.958	0047	-	118,185
<b>Subtotal CFDA #93.958</b>			-	<b>184,819</b>
<b>Total U.S. Department of Health and Human Services</b>			-	<b>2,979,031</b>
<b>U.S. Department of Agriculture</b>				
Passed-through New York State Department of Health:				
Child and Adult Care Food Program (CACFP)	10.558	3473	-	205,886
<b>U.S. Department of Education</b>				
Passed-through NYC Department of Education:				
Special Education Cluster (IDEA):				
Special Education Grants to States (IDEA Part B):				
IDEA program	84.027	310200880357	-	14,635
Special Education - Preschool Grants (IDEA Preschool):				
IDEA program	84.173	310200880357	-	62,197
<b>Subtotal Special Education Cluster (IDEA)</b>			-	<b>76,832</b>
Passed-through New York State Education Department:				
Twenty-First Century Community Learning Centers	84.287C	C403016	-	95,998
<b>Total U.S. Department of Education</b>			-	<b>172,830</b>
<b>Total Expenditures of Federal Awards</b>			\$ -	<b>\$ 3,357,747</b>

*The accompanying notes are an integral part of this schedule.*

**Association to Benefit Children and Affiliate**  
**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2020**

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**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Association to Benefit Children (ABC) under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of ABC, it is not intended to and does not present the financial position, changes in net assets or cash flows of ABC.

**2. Summary of Significant Accounting Policies**

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

**3. Indirect Cost Rate**

ABC has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



## **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***

The Board of Directors  
Association to Benefit Children and Affiliate  
New York, New York

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 combining financial statements of Association to Benefit Children and Affiliate (ABC and Affiliate), which comprise the combining statement of financial position as of June 30, 2020, and the related combining statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combining financial statements, and have issued our report thereon dated March 31, 2021.

### ***Internal Control Over Financial Reporting***

In planning and performing our audit of the combining financial statements, we considered ABC and Affiliate’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 combining financial statements, but not for the purpose of expressing an opinion on the effectiveness of ABC and Affiliate’s internal control. Accordingly, we do not express an opinion on the effectiveness of ABC and Affiliate’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 combining 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 have not been identified.



### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether ABC and Affiliate's combining 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, LLP

March 31, 2021



## **Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance**

The Board of Directors  
Association to Benefit Children and Affiliate  
New York, New York

### **Report on Compliance for Each Major Federal Program**

We have audited Association to Benefit Children's (ABC) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of ABC's major federal programs for the year ended June 30, 2020. ABC's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of ABC's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about ABC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of ABC's compliance.

#### ***Opinion on Each Major Federal Program***

In our opinion, ABC complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.



## Report on Internal Control Over Compliance

Management of ABC is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered ABC's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of ABC's internal control over compliance.

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

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

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

BDO USA, LLP

March 31, 2021

# Association to Benefit Children and Affiliate

## Schedule of Findings and Questioned Costs Year Ended June 30, 2020

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### Section 1. Summary of Auditor's Results

#### *Combining Financial Statements*

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported
- Noncompliance material to financial statements noted?  Yes  No

#### *Federal Awards*

Internal control over major federal programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported

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

CFDA Number	Name of Federal Program
93.600	Head Start

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

\$750,000

Auditee qualified as low-risk auditee?

Yes  No

### Section 2. Financial Statement Findings

There were no findings related to the financial statements that are required to be reported, in accordance with generally accepted government auditing standards.

### Section 3. Federal Award Findings and Questioned Costs

There were no findings and questioned costs for federal awards (as defined in 2 CFR 200.516 (a)) that are required to be reported.

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## Supplementary Information

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# Association to Benefit Children and Affiliate

## Preventive Services Program Schedule of Revenues and Expenditures Budget ID Number: 19-GP-ABC-M

Year ended June 30, 2020

	CAPS Approved Budget	CAPS Actual Amount	CAPS Variance	Questioned Costs
<b>Revenues</b>				
ACS Annual	\$ 4,636,072	\$ 4,227,938	\$ 408,134	\$ -
Other income	463,609	380,752	82,857	-
COVID-19	-	2,635	(2,635)	-
<b>Total Revenues</b>	<b>5,099,681</b>	<b>4,611,325</b>	<b>488,356</b>	<b>-</b>
<b>Expenditures</b>				
Personnel costs:				
Salaries	2,854,862	2,653,295	201,567	-
COVID-19: personnel	-	1,400	(1,400)	-
Fringe benefits	942,105	771,537	170,568	-
COVID-19: fringe benefits	-	448	(448)	-
Fringe percentage	33.00%	29.08%	3.92%	-
<b>Total Personnel Costs</b>	<b>3,796,967</b>	<b>3,426,680</b>	<b>370,287</b>	<b>-</b>
OTPS expenditures:				
Office supplies	27,500	27,500	-	-
Facilities repairs and maintenance	85,837	79,484	6,353	-
Waste and recycling removal	30,782	29,994	788	-
Staff transportation	36,223	36,056	167	-
Staff training	7,725	4,816	2,909	-
Postage	1,660	1,660	-	-
Liability, property and other insurance	42,900	42,900	-	-
Client transportation	1,395	1,395	-	-
Client supplies and activities	13,200	13,200	-	-
Equipment technology	45,151	22,143	23,008	-
Copier rental	14,924	12,867	2,057	-
Rent	295,024	295,024	-	-
Contracted services	51,000	51,000	-	-
Other OTPS	185,784	185,067	717	-
<b>Total OTPS Expenditures</b>	<b>839,105</b>	<b>803,106</b>	<b>35,999</b>	<b>-</b>
<b>COVID-19 OTPS Expenses</b>				
Supplies	-	787	(787)	-
<b>Total COVID-19 OTPS Expenses</b>	<b>-</b>	<b>787</b>	<b>(787)</b>	<b>-</b>
<b>Total Personnel Costs and OTPS Expenditures</b>	<b>4,636,072</b>	<b>4,230,573</b>	<b>405,499</b>	<b>-</b>
Administrative overhead (10%)	463,609	380,752	82,857	-
<b>Total Expenditures</b>	<b>5,099,681</b>	<b>4,611,325</b>	<b>488,356</b>	<b>-</b>
<b>Overhead Percentage</b>	<b>9.09%</b>	<b>8.26%</b>	<b>0.83%</b>	<b>-</b>
<b>ICR: 10% de minimis</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(Less) Questioned Costs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Allowable Costs</b>	<b>5,099,681</b>	<b>4,611,325</b>	<b>488,356</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# Association to Benefit Children and Affiliate

## Preventive Services Program Schedule of Salaries - Manhattan CPP Budget ID Number: 19-GP-ABC-M

Year ended June 30, 2020

Employee ID Code	Titles	FTE	Budgeted					Actual			Variance
			Salaries	Salary Increase	Career Ladder	COVID-19 Salary	Total Salary	Salary	COVID-19 Salary	Total Salary Paid	
1614	Case Aide	0.94	\$ 48,730	\$ -	\$ -	\$ -	\$ 48,730	\$ 48,730	\$ -	\$ 48,730	\$ -
1946	Case Aide	0.74	30,428	-	-	-	30,428	30,428	-	30,428	-
N/A	Case Aide	0.00	50,957	-	-	-	50,957	-	-	-	50,957
1881	Therapist - Clinician	0.83	56,015	-	-	-	56,015	56,015	-	56,015	-
1861	Therapist - Clinician	0.77	37,634	-	-	-	37,634	37,634	-	37,634	-
1908	Therapist - Clinician	0.64	31,307	-	-	-	31,307	31,307	-	31,307	-
1885	Therapist - Clinician	0.81	39,134	-	-	-	39,134	39,134	-	39,134	-
1995	Therapist - Clinician	0.73	35,878	-	-	-	35,878	35,778	100	35,878	-
1837	Therapist - Clinician	1.00	75,220	-	-	-	75,220	75,120	100	75,220	-
1959	Therapist - Clinician	1.00	61,762	-	-	-	61,762	61,762	-	61,762	-
1836	Therapist - Clinician	1.00	64,861	-	-	-	64,861	64,861	-	64,861	-
1975	Therapist - Clinician	0.63	32,538	-	-	-	32,538	32,538	-	32,538	-
1977	Therapist - Clinician	0.97	66,888	-	-	-	66,888	66,888	-	66,888	-
1978	Therapist - Clinician	0.95	46,295	-	-	-	46,295	46,295	-	46,295	-
N/A	Therapist - Clinician	0.00	36,267	-	-	-	36,267	-	-	-	36,267
1987	HR Generalist	0.21	14,477	-	-	-	14,477	14,477	-	14,477	-
1156	Operations Specialist	0.14	14,477	-	-	-	14,477	14,477	-	14,477	-
2022	Conference Facilitator	0.03	28,094	-	-	-	28,094	1,185	-	1,185	26,909
1996	Intern	0.03	14,318	-	-	-	14,318	1,311	-	1,311	13,007
1065	QA Manager	0.32	23,862	-	-	-	23,862	23,862	-	23,862	-
1557	Program/Clinical Co-Director	0.45	37,889	-	-	-	37,889	37,889	-	37,889	-
1833	Clinical Supervisor	0.31	19,586	-	-	-	19,586	19,586	-	19,586	-
1596	Clinical Supervisor	0.58	38,801	-	-	-	38,801	38,801	-	38,801	-
1734	Assistant Program Director	0.24	14,428	-	-	-	14,428	14,428	-	14,428	-
1890	Assistant Program Director	0.12	17,850	-	-	-	17,850	15,909	-	15,909	1,941
1802	Clinical Supervisor	1.00	80,305	-	-	-	80,305	80,305	-	80,305	-
N/A	Clinical Supervisor	0.00	67,591	-	-	-	67,591	-	-	-	67,591
<b>Total</b>		<b>14.44</b>	<b>\$ 1,085,592</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,085,592</b>	<b>\$ 888,720</b>	<b>\$ 200</b>	<b>\$ 888,920</b>	<b>\$ 196,672</b>
<b>Total FTE of Case Planners</b>		<b>9.33</b>									
<b>Total FTE of Supervisors</b>		<b>2.71</b>									
<b>Supervisory Ratio</b>		<b>0.29</b>									
<b>Total FTE of QA/QI on staff</b>		<b>0.32</b>									
<b>Total FTE of Case Aides</b>		<b>1.68</b>									

## Association to Benefit Children and Affiliate

### Preventive Services Program Schedule of Salaries - Bronx CPP Budget ID Number: 19-GP-ABC-M (continued)

Year ended June 30, 2020

Employee ID Code	Titles	Budgeted						Actual			Variance
		FTE	Salaries	Salary Increase	Career Ladder	COVID Salary	Total Salary	Salary	COVID Salary	Total Salary Paid	
1957	Case Aide	0.29	\$ 14,214	\$ -	\$ -	\$ -	\$ 14,214	\$ 14,214	\$ -	\$ 14,214	\$ -
1899	Case Aide	0.10	2,078	-	-	-	2,078	2,078	-	2,078	-
1878	Therapist - Clinician	0.04	1,957	-	-	-	1,957	1,957	-	1,957	-
1723	Therapist - Clinician	1.00	76,778	-	-	-	76,778	76,478	300	76,778	-
1877	Therapist - Clinician	0.74	41,438	-	-	-	41,438	41,438	-	41,438	-
1976	Therapist - Clinician	0.96	55,750	-	-	-	55,750	55,750	-	55,750	-
1973	Therapist - Clinician	0.95	59,798	-	-	-	59,798	59,798	-	59,798	-
1875	Therapist - Clinician	0.69	37,176	-	-	-	37,176	37,176	-	37,176	-
1958	Therapist - Clinician	0.07	6,304	-	-	-	6,304	6,304	-	6,304	-
1856	Conference Facilitator	1.00	53,906	-	-	-	53,906	53,906	-	53,906	-
1987	HR Generalist	0.08	5,306	-	-	-	5,306	5,306	-	5,306	-
1156	Operations Specialist	0.10	10,341	-	-	-	10,341	10,341	-	10,341	-
1672	HR Generalist	0.06	5,035	-	-	-	5,035	5,035	-	5,035	-
1996	Intern	0.07	3,409	-	-	-	3,409	3,409	-	3,409	-
1065	QA Manager	0.23	17,151	-	-	-	17,151	17,151	-	17,151	-
1557	Program/Clinical Co-Director	0.46	37,889	-	-	-	37,889	37,789	100	37,889	-
1665	Clinical Supervisor	1.00	68,623	-	-	-	68,623	68,623	-	68,623	-
1734	Assistant Program Director	0.17	10,306	-	-	-	10,306	10,306	-	10,306	-
1845	Clinical Supervisor	1.00	52,885	-	-	-	52,885	52,885	-	52,885	-
1890	Assistant Program Director	0.09	12,750	-	-	-	12,750	11,364	-	11,364	1,386
<b>Total</b>		<b>9.10</b>	<b>\$ 573,094</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 573,094</b>	<b>\$ 571,308</b>	<b>\$ 400</b>	<b>\$ 571,708</b>	<b>\$ 1,386</b>
	<b>Total FTE of Case Planners</b>	<b>4.44</b>									
	<b>Total FTE of Supervisors</b>	<b>2.72</b>									
	<b>Supervisory Ratio</b>	<b>0.61</b>									
	<b>Total FTE of QA/QI on staff</b>	<b>0.23</b>									
	<b>Total FTE of Case Aides</b>	<b>0.39</b>									

## Association to Benefit Children and Affiliate

### Preventive Services Program Schedule of Salaries - Manhattan COS Budget ID Number: 19-GP-ABC-M (continued)

Year ended June 30, 2020

Employee ID Code	Titles	Budgeted						Actual			Variance
		FTE	Salaries	Salary Increase	Career Ladder	COVID Salary	Total Salary	Salary	COVID Salary	Total Salary Paid	
1950	Case Aide	0.98	\$ 43,064	\$ -	\$ -	\$ -	\$ 43,064	\$ 42,964	\$ 100	\$ 43,064	\$ -
1947	Case Aide	0.98	38,400	-	-	-	38,400	38,400	-	38,400	-
1955	Therapist - Clinician	1.00	56,015	-	-	-	56,015	55,915	100	56,015	-
1974	Therapist - Clinician	0.68	34,388	-	-	-	34,388	34,388	-	34,388	-
1972	Therapist - Clinician	0.79	41,497	-	-	-	41,497	41,497	-	41,497	-
1927	Therapist - Clinician	1.00	55,881	-	-	-	55,881	55,781	100	55,881	-
1964	Therapist - Clinician	1.00	50,730	-	-	-	50,730	50,730	-	50,730	-
1920	Therapist - Clinician	0.14	9,151	-	-	-	9,151	9,151	-	9,151	-
1898	Therapist - Clinician	0.21	7,728	-	-	-	7,728	7,728	-	7,728	-
1970	Therapist - Clinician	0.94	57,100	-	-	-	57,100	56,900	200	57,100	-
1922	Therapist - Clinician	0.20	11,185	-	-	-	11,185	11,185	-	11,185	-
1973	Therapist - Clinician	0.01	400	-	-	-	400	400	-	400	-
1965	Therapist - Clinician	1.00	51,530	-	-	-	51,530	51,530	-	51,530	-
1851	Therapist - Clinician	1.00	45,007	-	-	-	45,007	45,007	-	45,007	-
1916	Therapist - Clinician	0.04	2,034	-	-	-	2,034	2,034	-	2,034	-
1987	HR Generalist	0.20	13,788	-	-	-	13,788	13,788	-	13,788	-
1156	Operations Specialist	0.14	13,788	-	-	-	13,788	13,788	-	13,788	-
1065	QA Manager	0.30	22,371	-	-	-	22,371	22,371	-	22,371	-
1258	Program/Co-Clinical Director	0.67	57,388	-	-	-	57,388	57,388	-	57,388	-
1734	Assistant Program Director	0.23	13,741	-	-	-	13,741	13,741	-	13,741	-
1890	Assistant Program Director	0.11	17,000	-	-	-	17,000	15,152	-	15,152	1,848
1889	Clinical Supervisor	0.57	32,803	-	-	-	32,803	32,803	-	32,803	-
1730	Clinical Supervisor	0.67	40,930	-	-	-	40,930	40,930	-	40,930	-
<b>Total</b>		<b>12.86</b>	<b>\$ 715,919</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 715,919</b>	<b>\$ 713,571</b>	<b>\$ 500</b>	<b>\$ 714,071</b>	<b>\$ 1,848</b>
<b>Total FTE of Case Planners</b>		<b>8.00</b>									
<b>Total FTE of Supervisors</b>		<b>2.25</b>									
<b>Supervisory Ratio</b>		<b>0.28</b>									
<b>Total FTE of QA/QI on staff</b>		<b>0.30</b>									
<b>Total FTE of Case Aides</b>		<b>1.96</b>									

## Association to Benefit Children and Affiliate

### Preventive Services Program Schedule of Salaries - Bronx COS Budget ID Number: 19-GP-ABC-M (continued)

Year ended June 30, 2020

Employee ID Code	Titles	Budgeted						Actual			Variance
		FTE	Salaries	Salary Increase	Career Ladder	COVID Salary	Total Salary	Salary	COVID Salary	Total Salary Paid	
1994	Case Aide	0.67	\$ 25,897	\$ -	\$ -	\$ -	\$ 25,897	\$ 25,697	\$ 200	\$ 25,897	\$ -
1951	Case Aide	0.72	27,231	-	-	-	27,231	27,231	-	27,231	-
1968	Therapist - Clinician	1.00	52,130	-	-	-	52,130	52,130	-	52,130	-
1967	Therapist - Clinician	0.78	38,503	-	-	-	38,503	38,503	-	38,503	-
1918	Therapist - Clinician	0.18	7,387	-	-	-	7,387	7,387	-	7,387	-
1919	Therapist - Clinician	1.00	57,311	-	-	-	57,311	57,311	-	57,311	-
1969	Therapist - Clinician	0.67	36,166	-	-	-	36,166	36,166	-	36,166	-
1966	Therapist - Clinician	1.00	61,587	-	-	-	61,587	61,487	100	61,587	-
2009	Therapist - Clinician	0.43	52,031	-	-	-	52,031	52,031	-	52,031	-
1987	HR Generalist	0.10	6,894	-	-	-	6,894	6,894	-	6,894	-
1156	Operations Specialist	0.07	6,894	-	-	-	6,894	6,894	-	6,894	-
1996	Intern	0.05	2,273	-	-	-	2,273	2,273	-	2,273	-
1065	QA Manager	0.15	11,185	-	-	-	11,185	11,185	-	11,185	-
1258	Program/Co-Clinical Director	0.33	28,266	-	-	-	28,266	28,266	-	28,266	-
1734	Assistant Program Director	0.12	6,870	-	-	-	6,870	6,870	-	6,870	-
1890	Assistant Program Director	0.02	2,401	-	-	-	2,401	2,140	-	2,140	261
1839	Clinical Supervisor	0.90	57,231	-	-	-	57,231	57,231	-	57,231	-
<b>Total</b>		<b>8.19</b>	<b>\$ 480,257</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 480,257</b>	<b>\$ 479,696</b>	<b>\$ 300</b>	<b>\$ 479,996</b>	<b>\$ 261</b>
<b>Total FTE of Case Planners</b>		<b>5.05</b>									
<b>Total FTE of Supervisors</b>		<b>1.36</b>									
<b>Supervisory Ratio</b>		<b>0.27</b>									
<b>Total FTE of QA/QI on staff</b>		<b>0.15</b>									
<b>Total FTE of Case Aides</b>		<b>1.39</b>									

## Association to Benefit Children and Affiliate

### Preventive Services Program Schedule of Fringe Benefits Budget ID Number: 19-GP-ABC-M

Year ended June 30, 2020

Description	Budgeted			Actual			Fringe % of the Total Salary Cost (%)	Variance
	Approved	COVID-19	Total Approved	Regular	COVID-19	Total Paid		
FICA	\$ 237,523	\$ -	\$ 237,523	\$ 194,557	\$ 103	\$ 194,660	7.333	\$ 42,863
Workers' compensation	43,855	-	43,855	35,922	19	35,941	1.354	7,914
Unemployment insurance	8,016	-	8,016	6,566	3	6,569	0.247	1,447
NYS short-term disability	5,345	-	5,345	4,378	2	4,380	0.165	965
NYC MTA tax	10,319	-	10,319	8,452	4	8,456	0.319	1,863
Health insurance - medical	542,832	-	542,832	444,490	276	444,766	16.758	98,066
Pension (403(b))	64,245	-	64,245	52,623	28	52,651	1.983	11,594
Other employee benefits	29,970	-	29,970	24,549	13	24,562	0.925	5,408
<b>Total Fringe Benefits</b>	<b>\$ 942,105</b>	<b>\$ -</b>	<b>\$ 942,105</b>	<b>\$ 771,537</b>	<b>\$ 448</b>	<b>\$ 771,985</b>	<b>29.08</b>	<b>\$ 170,120</b>

## Association to Benefit Children and Affiliate

### Preventive Services Program Schedule of Fixed Assets Inventory Budget ID Number: 19-GP-ABC-M

*Current year purchases purchased between June 30, 2019 to June 30, 2020*

Description	Quantity	Serial Number	Date Purchased with ACS Funds	Condition	Date Sold or Disposed	Total Cost	% Allocated to the CT	% Allocated to Other ACS CTs	% Allocated to Non-ACS ACS CTs	This CT Cost	COVID-19 Related Y/N
<b>Grand Total</b>											
										\$	

*Prior years purchases purchased from the beginning of the contract purchased between 4/23/2001 to 6/30/2019*

Description	Quantity	Serial Number	Date Purchased with ACS Funds	Condition	Date Sold or Disposed	% Allocated to the CT	% Allocated to Other ACS CTs	% Allocated to Non-ACS ACS CTs	Total Cost
Dell File Server	1.00	3QQVJ01	April 23, 2001	S	April 23, 2006	100%	-	-	\$ 5,224
Dell Optiplex-GX110	1.00	CHYXJ01	April 24, 2001	S	April 24, 2004	100%	-	-	1,296
Dell Optiplex-GX110	1.00	7HYXJ01	April 24, 2001	S	April 24, 2004	100%	-	-	1,296
Dell Optiplex-GX110	1.00	9HYXJ01	April 24, 2001	S	April 24, 2004	100%	-	-	1,296
Dell Optiplex-GX110	1.00	FHYXJ01	April 24, 2001	S	April 24, 2004	100%	-	-	1,214
Gateway Laptop - SOCO 5300	2.00	BQB01130295	April 25, 2001	S	April 25, 2004	100%	-	-	2,490
HP LaserJet 8150DN Tabloid	2.00	VSBL07941	April 24, 2001	S	April 24, 2004	100%	-	-	2,891
									<b>\$ 15,707</b>

**Association to Benefit Children and Affiliate**

**Preventive Services Program  
Schedule of Questioned Costs  
Budget ID Number: 19-GP-ABC-M**

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*Year ended June 30, 2020*

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Detailed Explanation of Questioned Costs	Questioned Costs
<b>Budget Line Category</b>	
NONE	
	\$ -

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# Association to Benefit Children and Affiliate

## Preventive Services Program Schedule of Quantitative Program Results Budget ID Number: 19-GP-ABC-M

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*Year ended June 30, 2020*

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Cases

a. Number of open cases, July 1, 2019	191
b. Number of new cases during audit period	106
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c. <b>Total Number of Cases Serviced During the Audit Period</b>	297
d. Cases terminated	100
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e. <b>Total Cases Open, June 30, 2020</b>	197
<hr/>	
f. Case-to-case worker ratio	3.41
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