

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK**

**AUDIT OF THE FINANCIAL STATEMENTS
AND OTHER SUPPLEMENTARY INFORMATION**

JUNE 30, 2018

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK

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THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK

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INDEPENDENT AUDITORS' REPORT

To The Board of Directors
The Young Women's Christian Association
of the City of New York
New York, New York

Report on the Financial Statements

We have audited the accompanying financial statements of The Young Women's Christian Association of the City of New York, which comprise the statement of financial position at June 30, 2018, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Young Women's Christian Association of the City of New York at June 30, 2018, and the changes in its net assets, functional expenses and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 11, 2019 on our consideration of the Association'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 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 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 Association's internal control over financial reporting and compliance.

Grassi & Co., CPAs, P.C.

GRASSI & CO., CPAs, P.C.

New York, New York
February 11, 2019

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2018

ASSETS

Cash	\$ 602,179
Investments	5,838,447
Contribution receivable, net	24,957
Government and other contract receivable	1,143,047
Prepaid expenses and other assets	130,280
Beneficial interest in perpetual trust	1,226,613
Fixed assets, net	<u>281,187</u>
 TOTAL ASSETS	 <u><u>\$ 9,246,710</u></u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable and accrued expenses	\$ 697,419
Deferred revenue	13,111
Deferred rent payable	775,120
Line of credit payable	<u>2,395,237</u>
 TOTAL LIABILITIES	 <u>3,880,887</u>
 Commitments and Contingencies	
Net Assets:	
Unrestricted:	
Operating	(4,017,859)
Board designated	6,290,267
Investment in fixed assets	<u>281,187</u>
Total unrestricted	2,553,595
Temporarily restricted	747,398
Permanently restricted	<u>2,064,830</u>
 TOTAL NET ASSETS	 <u>5,365,823</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 9,246,710</u></u>

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
OPERATING PUBLIC SUPPORT AND REVENUE:				
Public Support:				
Contributions				
Individuals	\$ 418,434	\$ 1,500	\$ -	\$ 419,934
Corporations	43,167	-	-	43,167
Foundations	123,960	197,500	-	321,460
Special events net of direct costs of \$38,000	161,000	-	-	161,000
Total Public Support	746,561	199,000	-	945,561
Revenue:				
Government contracts	5,052,072	-	-	5,052,072
Program service fees	176,921	-	-	176,921
Investment return designated for operations	2,650,000	-	-	2,650,000
Investment income	111,216	-	-	111,216
Change in beneficial interest in perpetual trust	-	-	48,380	48,380
Other revenue	52,936	-	-	52,936
Total Revenue	8,043,145	-	48,380	8,091,525
Net assets released from restriction	364,045	(364,045)	-	-
TOTAL OPERATING PUBLIC SUPPORT AND REVENUE	\$ 9,153,751	\$ (165,045)	\$ 48,380	\$ 9,037,086

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
OPERATING EXPENSES:				
Program Services:				
Youth Services	\$ 2,674,794	\$ -	\$ -	\$ 2,674,794
Girls Initiative	369,730	-	-	369,730
Early Learn Centers	3,059,264	-	-	3,059,264
Total Program Services	<u>6,103,788</u>	<u>-</u>	<u>-</u>	<u>6,103,788</u>
Support Services:				
Management and General	1,287,726	-	-	1,287,726
Development	758,932	-	-	758,932
Total Support Services	<u>2,046,658</u>	<u>-</u>	<u>-</u>	<u>2,046,658</u>
Total Operating Expenses	<u>8,150,446</u>	<u>-</u>	<u>-</u>	<u>8,150,446</u>
CHANGE IN NET ASSETS FROM OPERATIONS	1,003,305	(165,045)	48,380	886,640
Investment return in excess of amounts designated for operations	<u>(2,344,360)</u>	<u>107,507</u>	<u>-</u>	<u>(2,236,853)</u>
CHANGE IN NET ASSETS (DEFICIT)	(1,341,055)	(57,538)	48,380	(1,350,213)
NET ASSETS, BEGINNING OF YEAR	<u>3,894,650</u>	<u>804,936</u>	<u>2,016,450</u>	<u>6,716,036</u>
NET ASSETS, END OF YEAR	<u>\$ 2,553,595</u>	<u>\$ 747,398</u>	<u>\$ 2,064,830</u>	<u>\$ 5,365,823</u>

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018

	Program Services				Support Services				
	Youth Services	Girls Initiative	Early Learn Centers	Total Program Services	Management and General	Development	Total Support Services	Direct Cost of Special Events	Total
Salaries, Wages and Instructors' Fees	\$ 1,923,795	\$ 231,578	\$ 1,702,193	\$ 3,857,566	\$ 349,792	\$ 387,188	\$ 736,980	\$ -	\$ 4,594,546
Employee Benefits and Payroll Taxes	403,316	41,191	374,282	818,789	74,563	81,105	155,668	-	974,457
Occupancy	-	32,604	212,642	245,246	150,635	127,081	277,716	-	522,962
Professional Fees	66,009	7,873	370,127	444,009	355,783	88,805	444,588	-	888,597
Equipment and Software	11,234	18,910	66,063	96,207	28,720	5,223	33,943	-	130,150
Supplies and Services	61,633	3,315	103,345	168,293	14,752	7,942	22,694	-	190,987
Printing and Artwork	30	-	819	849	-	26,496	26,496	-	27,345
Advertising	-	-	188	188	180	20,256	20,436	-	20,624
Telephone	5,262	14,726	17,356	37,344	39,326	577	39,903	-	77,247
Postage and Shipping	3,104	397	1,056	4,557	3,761	5,844	9,605	-	14,162
Food and Beverage	18,906	4,867	167,064	190,837	2,758	815	3,573	-	194,410
Conference, Conventions and Meetings	425	-	2,025	2,450	9,049	5,753	14,802	-	17,252
Travel and Admission	146,513	6,361	5,569	158,443	3,731	1,249	4,980	-	163,423
Permits and Fees	1,311	516	6,015	7,842	6,692	-	6,692	-	14,534
Interest Expense and Bank Fees	-	-	-	-	78,641	-	78,641	-	78,641
Depreciation and Amortization	-	-	7,967	7,967	74,083	-	74,083	-	82,050
Other	33,256	7,392	22,553	63,201	95,260	598	95,858	-	159,059
Direct Cost of Special Events	-	-	-	-	-	-	-	38,000	38,000
Total Expenses	2,674,794	369,730	3,059,264	6,103,788	1,287,726	758,932	2,046,658	38,000	8,188,446
Less: Direct Cost of Special Events	-	-	-	-	-	-	-	(38,000)	(38,000)
Total Expenses Reported by Function on the Statement of Activities	\$ 2,674,794	\$ 369,730	\$ 3,059,264	\$ 6,103,788	\$ 1,287,726	\$ 758,932	\$ 2,046,658	\$ -	\$ 8,150,446

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	\$ (1,350,213)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation and amortization	82,050
Bad debt expense	25,910
Realized gains on sale of investments	(544,667)
Unrealized losses on investments	267,766
Change in beneficial interest in perpetual trust	(48,380)
Deferred rent payable	(110,490)
Changes in assets (increase) decrease:	
Contribution receivable	8,028
Government and other contract receivable	(628,446)
Prepaid expenses and other assets	(67,611)
Changes in liabilities increase (decrease):	
Accounts payable and accrued expenses	(20,053)
Deferred revenue	1,337
Due to governmental agency	(4,260)
Net Cash Used in Operating Activities	<u>(2,389,029)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Proceeds from sale of investments	2,672,089
Purchase of investments	(265,871)
Purchase of fixed assets	(100,215)
Net Cash Provided by Investing Activities	<u>2,306,003</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from line of credit payable	<u>78,640</u>
Net Cash Provided by Financing Activities	<u>78,640</u>
NET DECREASE IN CASH	(4,386)
CASH, BEGINNING OF YEAR	<u>606,565</u>
CASH, END OF YEAR	<u><u>\$ 602,179</u></u>
SUPPLEMENTAL INFORMATION:	
Cash paid during the year for interest	<u><u>\$ 78,641</u></u>

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 1 - Nature of Organization

The Young Women's Christian Association of the City of New York (the "Association") is a not-for-profit women's membership organization that strives to create opportunities for women's growth, leadership and power.

The Association is dedicated to eliminating racism, empowering women and promoting peace, justice, freedom and dignity for all. The Association focuses on under-served women through job training and support services for women; educational child care and after-school programs implemented through partnership with business, government agencies and other not-for-profits; and advocacy on behalf of the clients they serve. The Association is primarily funded by government grants, non-government grants and investment income.

The Association is incorporated as a not-for-profit organization, and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state and local taxes under comparable laws.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To increase the comparability of fair value measurements, a three-tier fair value hierarchy, which prioritizes the inputs used in the valuation methodologies, is as follows:

Level 1 - Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 - Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Fair Value of Financial Instruments (cont'd.)

Level 3 - Valuations based on unobservable inputs reflecting the Association's own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

At June 30, 2018, the fair value of the Association's financial instruments, including cash, contribution receivable, government and other contract receivable, accounts payable and accrued expenses, and deferred revenue, approximated book value due to the short maturity of these instruments.

Refer to Note 4 - Fair Value Measurements for assets measured at fair value.

Investments

Investments are reported at fair value, with gains and losses included in the accompanying statement of activities. Net investment income is recorded as unrestricted unless specifically restricted by the donors. Contributions of marketable securities are recorded at their market values at the date of donation.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation or depreciation includes gains and losses on investments bought and sold as well as held during the year.

Beneficial Interest in Perpetual Trust

The Association is a beneficiary of a perpetual trust held by another entity as trustee. The Association's beneficial interest in this trust is recorded at the fair value of the assets underlying the trust at the statement of financial position date.

Fixed Assets

Fixed assets are stated at cost. The Association capitalizes all purchases of property and equipment equal to or in excess of \$5,000. Repairs and maintenance are charged to expense in the period incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

Equipment and software	5 to 10 years
Furniture	5 to 10 years

Leasehold improvements are amortized on a straight-line basis over the estimated useful life of the improvement or the term of the lease, whichever is less.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Net Assets

The net assets of the Association and changes therein are classified and reported as follows:

Unrestricted Net Assets - Unrestricted net assets represent those resources that have no donor restrictions as to their use. The following "categories of funds" are represented as unrestricted:

- Operating - used to account for the general activity of the Association.
- Board-designated - established with net proceeds from the sale of its building at 610 Lexington Avenue, New York, New York and subject to investment and spending policies which require approval by the board of directors related to the use of these funds.
- Investment in fixed assets - represents the net book value of fixed assets.

Temporarily Restricted Net Assets - Temporarily restricted net assets represent those resources whose use has been restricted by donors to specific purposes or the passage of time. Net assets released from restrictions represent the satisfaction of the restricted purposes specified by the donor.

Permanently Restricted Net Assets - Permanently restricted net assets represent resources with donor-imposed restrictions that stipulate that the resources be maintained in perpetuity. Related investment income from these resources that is restricted by donors is included in temporarily restricted net assets until the restrictions are satisfied.

Government Contracts and Non-Government Grants

The Association records revenue from government and other contracts as the underlying work is performed, as these contracts are structured as exchange transactions and not as restricted or unrestricted grants.

Contributions

Contributions received and unconditional promises to give are recorded as public support at fair value in the period received and are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions are recorded net of estimated uncollectible amounts. Conditional contributions are recognized as revenue when the conditions on which they depend have been substantially met.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Contributions (cont'd.)

The Association records contributions as temporarily restricted if they are received with donor stipulations that limit their use either through purpose or time restrictions. When donor restrictions expire, that is, when a time restriction ends or a purpose restriction is fulfilled, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restricted contributions received and expended in the same fiscal year are reflected as unrestricted revenues.

Allowance for Doubtful Accounts

The Association determines whether an allowance for doubtful accounts should be provided for contributions receivable and for government and other contracts receivable. Such estimates are based on management's assessment of the aged basis of the receivables, current economic conditions and historical information. Contributions receivable are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. Interest is not charged on outstanding receivables. Bad debt expense is charged if the receivable is determined to be uncollectible based on periodic review by management. The Association has established an allowance for doubtful accounts only for contributions of \$31,300 at June 30, 2018.

Deferred Revenue

Contract and other revenue received in advance is deferred and recorded as revenues when the expenditures are incurred and revenue is earned.

Functional Allocation of Expenses

The cost of providing the various programs and other activities has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Operating Measure

Operating revenues and expenses reflect the activities in which the Association engages in order to fulfill its mission. Investment income in excess of amounts designated for operations is considered non-operating.

Accounting for Uncertainty in Income Taxes

The Association applies the provisions pertaining to uncertain tax provisions under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 740 and has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. The Association believes it is no longer subject to income tax examinations for years prior to 2015.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 2 - Summary of Significant Accounting Policies (cont'd.)

New Accounting Pronouncements

ASU No. 2016-14

In August 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities*. This ASU is a result of the recommendations developed by FASB's Not-for-Profit Advisory Committee and FASB's ongoing review of Generally Accepted Accounting Principles (GAAP) standards to improve existing standards to meet the evolving needs of a dynamic financial reporting environment.

The ASU provides for changes in financial statement presentation that affect classification of net assets, presentation of expenses, investment returns and presentation of operating cash flows. It also calls for enhanced disclosures of board designated funds, underwater endowment funds, methods used to allocate costs among functions, and liquidity and availability of resources. The ASU affects all not-for-profit organizations including charities, foundations, colleges and universities, health care providers, religious organizations, trade associations, and cultural institutions, among others.

The amendments of ASU No. 2016-14 are effective for annual financial statements issued for periods beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018.

ASU No. 2016-02

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This ASU is the result of a joint project of the FASB and the International Accounting Standards Board ("IASB") to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements for U.S. GAAP and International Financial Reporting Standards ("IFRS"). The guidance in this ASU affects any entity that enters into a lease (as that term is defined in this ASU), with some specified scope exemptions. The guidance in this ASU will supersede FASB ASC Topic 840, *Leases*.

The ASU provides that lessees should recognize lease assets and lease liabilities on the balance sheet for leases previously classified as operating leases that exceed 12 months, including leases existing prior to the effective date of this ASU. It also calls for enhanced leasing arrangement disclosures.

For nonpublic entities, the amendments of ASU No. 2016-02 are effective for annual reporting periods beginning after December 15, 2019, and interim periods within annual periods beginning after December 15, 2020. Early application is permitted for all entities.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 2 - Summary of Significant Accounting Policies (cont'd.)

New Accounting Pronouncements (cont'd.)

ASU No. 2014-09

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU is the result of a joint project of the FASB and the IASB to clarify the principles for recognizing revenue and to develop a common revenue standard for U.S. GAAP and IFRS. The guidance in this ASU affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets unless those contracts are within the scope of other standards.

The ASU provides 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. An entity should apply the following five-step process to recognize revenue:

- Step 1: Identify the contract with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

For nonpublic entities, the amendments of ASU No. 2014-09 are effective for annual reporting periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Early application is permitted under certain circumstances.

The Association has not yet determined if these ASUs will have a material effect on its financial statements.

Note 3 - Investments

Investments are reported at fair value and are comprised of the following at June 30, 2018:

	Fair Value	Cost
Cash and money market	\$ 240,771	\$ 240,771
Mutual funds	5,597,676	4,731,301
	<u>\$ 5,838,447</u>	<u>\$ 4,972,072</u>

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 3 - Investments (cont'd.)

Investment returns for the year ended June 30, 2018 are calculated as follows:

Interest and dividends from investments	\$ 155,064
Investment advisory and custodian fees	(18,818)
Realized gains on sale of investments	544,667
Unrealized losses on investments	<u>(267,766)</u>
Total return on investments	<u>\$ 413,147</u>
Investment return designated for current operations	\$ 2,650,000
Investment return in excess of amounts designated for current operations	<u>(2,236,853)</u>
	<u>\$ 413,147</u>

The Board of Directors has authorized the Association to recognize as income for operating purposes a spending rate (or specified amount) that is approved by the Board. This amount is classified as investment return designated for current operations in the statement of activities. The spending policy is reviewed and adjusted annually by the Board as it deems appropriate and in keeping with the investment objectives and needs of the Association.

The Association has established the following objectives for its investments: (1) maintain, and if possible increase, the purchasing power of current assets and all future contributions; (2) maintain a constant funding-support-ratio; (3) apply a smoothing rule to mitigate the effect of short-term market volatility on spending; (4) maximize return within reasonable and prudent levels of risk; and (5) maintain an appropriate asset allocation based on a total return policy.

Note 4 - Fair Value Measurements

The Association measures its investments at fair value. Fair value is an exit price, representing the amount that would be received on the sale of an asset or that would be paid to transfer a liability in an orderly transaction between market participants. As a basis for considering such assumptions, a three-tier fair value hierarchy is used which prioritizes the inputs in the valuation methodologies in measuring fair value.

Fair Value Hierarchy

The methodology for measuring fair value specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (observable inputs) or reflect the Association's own assumptions of market participant valuation (unobservable inputs).

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 4 - Fair Value Measurements (cont'd.)

Fair Value Hierarchy (cont'd.)

Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Association are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value ("NAV") and to transact at that price. The mutual funds held by the Association are deemed to be actively traded.

Assets using Level 3 inputs consist of the Association's beneficial interest in perpetual trust. The beneficial interest in perpetual trust is valued utilizing the net asset value of the Association's interest in the trust. The underlying holdings of the trust are primarily marketable securities which are valued based on quoted prices for identical assets and liabilities in active markets.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Association believes its 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.

The summary of inputs used to value the Association's investments at June 30, 2018 is as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash and money market	\$ 240,771	\$ 240,771	\$ -	\$ -
Mutual funds	5,597,676	5,597,676	-	-
Subtotal	<u>5,838,447</u>	<u>5,838,447</u>	-	-
Beneficial interest in perpetual trust	<u>1,226,613</u>	<u>-</u>	<u>-</u>	<u>1,226,613</u>
 Totals	 <u>\$ 7,065,060</u>	 <u>\$ 5,838,447</u>	 <u>\$ -</u>	 <u>\$ 1,226,613</u>

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 4 - Fair Value Measurements (cont'd.)

The following is a reconciliation of the beginning and ending balances for assets measured at fair value using significant unobservable inputs (Level 3) as follows:

Balance, beginning of year	\$ 1,178,233
Unrealized gain	<u>48,380</u>
Balance, end of year	<u><u>\$ 1,226,613</u></u>

Note 5 - Beneficial Interest in Perpetual Trust

The Association is the beneficiary of the Ruby B. Fleming perpetual trust held by a third party. The income generated on the trust is payable annually at 11.11% of the corpus to the Association. The contribution is classified as permanently restricted support, and the annual distributions are reported as unrestricted interest and dividends.

Note 6 - Endowment Fund

General

The Association's endowment consists of a donor restricted fund established primarily to provide long-term support for its charitable programs. As required by U.S. GAAP, net assets associated with the endowment fund are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

On September 17, 2010, the State of New York enacted the New York Prudent Management of Institutional Funds Act ("NYPMIFA"), a modified version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). The Association has evaluated the effect of NYPMIFA on the investments, appropriation and management of institutional funds and is establishing procedures to comply with its provisions.

The Association interprets state law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Association classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment. Currently, there are no provisions in donor gift instruments that provide for any other accumulations to the permanent endowments.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 6 - Endowment Fund (cont'd.)

In accordance with FASB ASC Subtopic 958-205, *Not-for-Profit Entities* (formerly FSP FAS No. 117-1), upon the passage of NYPMIFA, the Association is required to determine if there are any nonappropriated endowed investment earnings, and if so, it would need to reclassify them as temporarily restricted net assets. There were no nonappropriated, endowed investment earnings that have to be reclassified.

It is the Association's policy that any remaining portion of the donor-restricted endowment funds, if any, that is not classified in permanently restricted net assets, is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by NYPMIFA. The amounts appropriated for expenditure represent amounts that were spent within the year in satisfying the purpose restriction.

The Association has considered the following factors in making a determination to appropriate or calculate donor-restricted endowment funds:

1. Duration of the fund
2. General purposes of the organization and the donor-restricted endowment funds
3. General economic conditions
4. Possible effect of inflation or deflation
5. Expected total return from income and appreciation of investments
6. Other resources of the organization
7. Investment policy of the organization

Return Objectives, Strategies Employed and Spending Policy

Subject to any restrictions imposed by the donor of a gift on expenditure of principal, income or use of the donated assets, the Association utilizes a total return investment approach with its asset allocation diversified over multiple asset classes. Target allocation percentages are established for various asset classes and are modified over time. Performance is measured against a composite benchmark of investment indices reflecting the target asset allocation. In recent years, the Association has followed a policy of budgeting the spending of 4% of the trailing three-year average of its endowment funds, subject to abiding by the purpose and other restrictions of certain of the funds. Under this policy, as approved by the Association's Board, the endowment assets are invested in a number of different asset classes and investment strategies to diversify the investments to provide a balance that will enhance the long-term total return of the overall investment portfolio while avoiding undue risk or concentration in any single asset class or investment category.

Endowment assets include those assets of certain donor-restricted funds contributed prior to September 17, 2010 which the Association must hold in perpetuity, preserving the original principal amount and, in some cases, spending only the income generated by such assets in accordance with the donor's instructions. Where the gifts have been so restricted, while assets are invested in accordance with the above philosophy of diversification and asset allocation, only the net appreciation and income are utilized for Association programs and, in some cases, only the income is utilized.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 6 - Endowment Fund (cont'd.)

The following is a reconciliation of the activity in the donor-restricted endowment funds for the year ended June 30, 2018:

	Temporarily Restricted	Permanently Restricted	Total
Balance, July 1, 2017	\$ 416,498	\$ 838,217	\$ 1,254,715
Unrealized gains	95,693	-	95,693
Dividends and interest, net of management fees	<u>11,814</u>	<u>-</u>	<u>11,814</u>
Balance, June 30, 2018	<u>\$ 524,005</u>	<u>\$ 838,217</u>	<u>\$ 1,362,222</u>

Note 7 - Fixed Assets

Fixed assets, net consist of the following:

Leasehold improvements	\$ 725,098
Equipment and software	124,936
Furniture	<u>18,888</u>
	868,922
Less: Accumulated depreciation and amortization	<u>587,735</u>
	<u>\$ 281,187</u>

Depreciation and amortization expense related to fixed assets totaled \$82,050 for the year ended June 30, 2018.

Note 8 - Line of Credit

The Association has available a \$5,000,000 line of credit with its investment manager. The line of credit has an interest rate equal to the 30-day LIBOR plus 1.25% (totaling 3.34% at June 30, 2018) and is collateralized by the investment accounts of the Association. At June 30, 2018, the Association had outstanding balances of \$2,395,237. Interest expense for the year ended June 30, 2018 was \$78,641. Subsequent to year end, the Association made a payment to reduce its line of credit by \$375,000.

Note 9 - Concentration of Credit Risk

The Association maintains cash balances in several financial institutions, which are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to \$250,000 per institution. From time to time, the Association's balances may exceed these limits.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 10 - Temporarily Restricted Net Assets

The following is a summary of the net assets that were added and released from donor restrictions during the year ended June 30, 2018:

	Beginning Balance	Additions	Releases	Ending Balance
Day Care	\$ 11,505	\$ -	\$ (11,505)	\$ -
Early Learn	100,096	-	(100,096)	-
Youth Services	40,846	-	(10,830)	30,016
Women's Employment, Family Resource Center and Wellness	19,395	-	(19,395)	-
Geek Girls	181,628	72,500	(181,628)	72,500
Summer Soiree	500	-	(500)	-
ETO	24,468	-	(24,468)	-
High School Program	10,000	-	(10,000)	-
Development & Communications	-	126,500	(5,623)	120,877
Investment Earnings on the Girls Program Endowment Fund	416,498	107,507	-	524,005
	<u>\$ 804,936</u>	<u>\$ 306,507</u>	<u>\$ (364,045)</u>	<u>\$ 747,398</u>

Note 11 - Retirement Plans

The Association contributes to YWCA Retirement Fund, Inc., a multiemployer defined benefit pension plan, under the terms of a participation agreement for its employees. The risks of participating in this multiemployer plan are different from a single-employer plan in the following aspects:

- a. Assets contributed to the plan by one employer may be used to provide benefits to employees of other participating employers.
- b. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- c. If the Association chooses to stop participating in its multiemployer plan, then it may be required to pay an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Association's participation in this plan for the annual period ended June 30, 2018, is outlined in the table below. The "EIN/Pension Plan Number" column provides the Employer Identification Number ("EIN") and the three-digit plan number, if applicable. The most recent Pension Protection Act ("PPA") zone status available in 2018 is for the plan's year-end at December 31, 2017.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 11 - Retirement Plans (cont'd.)

The zone status is based on information that the Association received from the plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65 percent funded, plans in the yellow zone are 65 percent to 80 percent funded, and plans in the green zone are at least 80 percent funded.

The "FIP/RP Status Pending/Implemented" column indicates plans for which a financial improvement plan ("FIP") or a rehabilitation plan ("RP") is either pending or has been implemented. The last column lists the expiration date of the collective-bargaining agreement to which the plan is subject. Finally, the number of employees covered by the YWCA multiemployer plan decreased by approximately 40 employees from 2017 to 2018, affecting the year over year comparability of the contributions. The significant reduction in covered employees corresponds to a reduction in overall business.

Pension Fund	EIN/ Pension Plan Number	Pension Protection Act Zone Status	FIP/RP Status Pending / Implemented	Contributions for the Year Ended June 30, 2018	Surcharge Imposed	Expiration Date of Collective - Bargaining Agreement
YWCA Retirement Fund, Inc.	13-1624231	Green	N/A	<u>\$ 66,426</u>	N/A	N/A

The Association also offers a retirement plan, YWCA NYC 403 (b) Plan for eligible participants to contribute their own money to the plan on a tax deferred basis through payroll deductions.

Note 12 - Commitments and Contingencies

Lease Commitment

On February 16, 2007, the Association entered into a new lease agreement for office space at 50 Broadway which expires May 31, 2022, and terminated the prior lease at 52 Broadway. The new base rent including electricity for the first year is \$309,536 per annum with annual increases thereafter. Rent expense is being recognized on a straight-line basis over the life of the lease. The Association has a standby letter of credit in the amount of \$427,158 in lieu of a security deposit, which is collateralized by the cash accounts of the Association. The lease includes a lease incentive of \$532,015 for leasehold improvements which has been recorded as a deferred credit and is being amortized on a straight-line basis over the life of the lease. In addition, since both of the lease agreements are with the same landlord, the deferred rent credit of approximately \$846,000 for the lease holiday on the prior lease at 52 Broadway is being amortized over the life of the new lease at 50 Broadway. The Association also leases equipment under various cancellable operating leases.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 12 - Commitments and Contingencies (cont'd.)

Lease Commitment (cont'd.)

Minimum annual future cash rental commitments under the office space lease, for years subsequent to June 30, 2018, are as follows:

Years Ending June 30:

2019	\$ 484,933
2020	498,610
2021	512,698
2022	<u>482,136</u>
	<u>\$ 1,978,377</u>

Total rent expense was \$423,914 for the year ended June 30, 2018.

Government Grants

The Association has contracted with various funding agencies to perform services and receives reimbursements from state and city governments. Reimbursements received under these contracts and payments are subject to audit by the city and state governments. Upon audit, if discrepancies are discovered, the Association could be held responsible for refunding the amounts in question. The Association records such adjustments when the final audit amount is determined. At June 30, 2018, there were no material obligations as a result of such audits, and the Association's management believes that unaudited activities will not result in any material obligations. In the opinion of the Association's management, any liabilities that might be incurred would not have a material effect on the Association's financial position or results of operations.

Note 13 - Management's Plans and Intentions for Future Operations

The Association incurred a deficit for the year ended June 30, 2018 of \$1,350,213. Losses in its programs with The City of New York Administration for Children's Services ("ACS") were a significant factor contributing to the deficit. Accordingly, the Association terminated its programs with ACS effective June 30, 2018. Subsequent to year-end, the Association also terminated the existing lease agreement and entered into a new lease agreement at a substantially reduced rent. Management will continue to explore all opportunities to improve operating results, reduce operating costs, increase working capital and repay its obligations. Management believes that it is taking the appropriate and corrective actions to remedy the aforementioned deficits.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Note 14 - Subsequent Events

The Association has evaluated all events or transactions that occurred after June 30, 2018 through February 11, 2019, which is the date that the financial statements were available to be issued. Except as described in Notes 8 and 13, there have been no other material subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITORS' 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

To The Board of Directors
The Young Women's Christian Association
of the City of New York
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 financial statements of The Young Women's Christian Association of the City of New York (the "Association"), which comprise the statement of financial position as of June 30, 2018, 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 February 11, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Association's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association'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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Association'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The 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 Association'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 Association's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Grassi & Co., CPAs, P.C.

GRASSI & CO., CPAs, P.C.

New York, New York
February 11, 2019

SUPPLEMENTARY INFORMATION REQUIRED IN
ACCORDANCE WITH *THE CITY OF NEW YORK ADMINISTRATION*
FOR CHILDREN'S SERVICES EARLYLEARN



INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION REQUIRED IN
ACCORDANCE WITH *THE CITY OF NEW YORK ADMINISTRATION*
FOR CHILDREN'S SERVICES EARLYLEARN

To The Board of Directors
The Young Women's Christian Association
of the City of New York
New York, New York

We have audited the financial statements of The Young Women's Christian Association of the City of New York as of and for the year ended June 30, 2018, and have issued our report thereon dated July 18, 2019, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary schedules are presented for purposes of additional analysis as required by *The City of New York Administration for Children's Services EarlyLearn: Statement of Revenues and Expenditures Budgeted and Actual ACS Funded - EarlyLearn, Statement of Revenues and Expenditures Budgeted and Actual ACS Funded - Other than EarlyLearn, Statement of Revenues and Expenditures Budgeted and Actual Not ACS Funded, Statement of Head Start Expenses By Program Year, Statement of Non-Federal Share Expenses By Program Year, Schedule of Equipment Inventory, Schedule of Quantitative Program Results, Schedule of Due to or Due from ACS, and Schedule of Accrued Vacation*, are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information required by *The City of New York Administration for Children's Services EarlyLearn for Statement of Revenues and Expenditures Budgeted and Actual - EarlyLearn, Statement of Revenues and Expenditures Budgeted and Actual ACS Funded - Other than EarlyLearn, Statement of Revenues and Expenditures Budgeted and Actual Not ACS Funded, Statement of Head Start Expenses By Program Year, Statement of Non-Federal Share Expenses By Program Year, Schedule of Equipment Inventory, Schedule of Quantitative Program Results, Schedule of Due to or Due from ACS, and Schedule of Accrued Vacation*, are fairly stated, in all material respects, in relation to the financial statements as a whole.

Grassi & Co., CPAs, P.C.

GRASSI & CO., CPAs, P.C.

New York, New York
July 18, 2019

YWCA of the City of New York
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL ACS Funded - EarlyLearn
For the year ended June 30, 2018

BUDGET CATEGORIES	ACS FUNDED												
	Budget		EarlyLearn								Total EarlyLearn (A)	Variance	Questioned Cost
	EarlyLearn	Child Care	Child Care UPK	FCCN	CDBG	Head Start	Head Start UPK	CTL					
Revenue:													
EarlyLearn revenue	\$ 1,995,718	\$ 1,369,353	\$ 254,049	\$ -	\$ -	\$ 333,535	\$ 143,470	\$ -	\$ 2,100,407	\$ (104,689)	\$ -		
Other revenue (disability, interest, etc.)	125,282	-	-	-	-	-	-	-	125,282	-	-		
Teacher's incentive fund	10,300	-	-	-	-	2,366	-	-	2,366	7,934	-		
HRA Voucher	-	-	-	-	-	-	-	-	-	-	-		
CACFP	-	-	-	-	-	-	-	-	-	-	-		
Parent Fees	143,857	143,857	-	-	-	-	-	-	143,857	-	-		
In-kind contribution	-	-	-	-	-	-	-	-	-	-	-		
Sponsor's contribution	-	-	-	-	-	-	-	-	-	-	-		
Other funding source revenue ¹	-	-	-	-	-	-	-	-	-	-	-		
Total Revenue	\$ 2,275,157	\$ 1,513,210	\$ 254,049	\$ -	\$ -	\$ 335,901	\$ 143,470	\$ -	\$ 2,246,630	\$ 28,527	\$ -		
Expenditures													
Personnel cost													
Salaries	\$ 1,406,730	\$ 1,052,909	\$ 116,490	\$ -	\$ -	\$ 175,377	\$ 87,881	\$ -	\$ 1,432,657	\$ (25,927)	\$ -		
Salaries - COLA	-	-	-	-	-	-	-	-	-	-	-		
Teacher's Incentive	-	-	-	-	-	-	-	-	-	-	-		
Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-		
FICA	127,863	79,068	8,766	-	-	13,181	6,597	-	107,612	20,251	-		
FICA - COLA	-	-	-	-	-	-	-	-	-	-	-		
FICA - Teacher's Incentive	-	-	-	-	-	-	-	-	-	-	-		
FICA - Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-		
Workers compensation	16,409	17,016	1,833	-	-	2,734	1,369	-	22,952	(6,543)	-		
Unemployment insurance	26,496	19,372	2,199	-	-	3,282	1,643	-	26,496	-	-		
Pension	20,778	15,404	1,659	-	-	2,475	1,239	-	20,777	1	-		
Welfare fund	-	16,293	1,754	-	-	2,618	1,311	-	21,976	(21,976)	-		
Health Insurance	163,331	55,705	9,071	-	-	42,028	7,473	-	114,277	49,054	-		
Substitutes	38,145	-	-	-	-	-	-	-	-	38,145	-		
Total personnel cost	1,799,752	1,255,767	141,772	-	-	241,695	107,513	-	1,746,747	53,005	-		
Facilities cost													
Rent	75,000	65,250	9,750	-	-	-	-	-	75,000	-	-		
Property Taxes	-	-	-	-	-	-	-	-	-	-	-		
Water and sewer	-	-	-	-	-	-	-	-	-	-	-		
Licensing and permits	-	4,495	501	-	-	644	324	-	5,964	(5,964)	-		
Insurance	63,732	34,881	3,849	-	-	5,966	2,753	-	47,449	16,283	-		
Custodial services	-	-	-	-	-	-	-	-	-	-	-		
Alarm	3,240	2,895	355	-	-	298	150	-	3,698	(458)	-		
Telecommunications	17,086	13,354	1,555	-	-	1,622	825	-	17,356	(270)	-		
Utilities	-	-	-	-	-	-	-	-	-	-	-		
Maintenance and repairs	11,505	17,983	1,988	-	-	2,485	1,281	-	23,737	(12,232)	-		
Capital expenditures and renovations	-	-	-	-	-	-	-	-	-	-	-		
Other facilities costs	-	-	-	-	-	-	-	-	-	-	-		
Total facilities cost	170,563	138,858	17,998	-	-	11,015	5,333	-	173,204	(2,641)	-		
Family Child Care Stipend	-	-	-	-	-	-	-	-	-	-	-		
Other than personnel services (OTPS)													
Supplies	31,265	70,258	7,966	-	-	14,369	8,041	-	100,634	(69,369)	-		
Equipment over \$3,000 - Head Start	-	-	-	-	-	-	-	-	-	-	-		
Equipment over \$5,000 - Child Care	-	-	-	-	-	-	-	-	-	-	-		
Postage	-	793	80	-	-	119	65	-	1,057	(1,057)	-		
Advertising	-	142	14	-	-	21	11	-	188	(188)	-		
Instructional Field Trips	-	2,823	243	-	-	468	273	-	3,807	(3,807)	-		
Training/Staff Development	4,313	-	-	-	-	-	-	-	-	4,313	-		
Transportation	7,866	1,291	67	-	-	241	163	-	1,762	6,104	-		
Food - CACFP	-	-	-	-	-	-	-	-	-	-	-		
Non-food related cost - CACFP	-	-	-	-	-	-	-	-	-	-	-		
Audit	9,424	51,758	5,426	-	-	7,799	4,095	-	69,078	(59,654)	-		
Parent Services	4,125	-	-	-	-	-	-	-	-	4,125	-		
Consultant - programmatic	50,140	75,831	10,581	-	-	13,984	7,924	-	108,320	(58,180)	-		
Consultant - administrative	188,210	141,279	17,939	-	-	44,147	11,564	-	214,929	(26,719)	-		
Indirect cost - Head Start	-	-	-	-	-	-	-	-	-	-	-		
Other OTPS	9,500	14,683	1,806	-	-	2,044	928	-	19,461	(9,961)	-		
Total OTPS	304,843	358,858	44,122	-	-	83,192	33,064	-	519,236	(214,393)	-		
TOTAL EARLYLEARN COST	2,275,158	1,753,483	203,892	-	-	335,902	145,910	-	2,439,187	(164,029)	-		
Excess (deficiency) of revenue over (under) expenditures	\$ (1)	\$ (240,273)	\$ 50,157	\$ -	\$ -	\$ (1)	\$ (2,440)	\$ -	\$ (192,557)	\$ 192,556	\$ -		

YWCA of the City of New York
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL ACS Funded - Other than EarlyLearn
For the year ended June 30, 2018

BUDGET CATEGORIES	Other Than EarlyLearn						[A+B] Total ACS Funded (C)
	DOE CC UPK Enhancemnt	DOE HS UPK Enhancement	Health & Safety	Sandy Relief Fund	Other Funding	Total Other Than EarlyLearn (B)	
Revenue:							
EarlyLearn revenue	\$ -	\$ -	\$ 12,111	\$ -	\$ -	\$ 12,111	\$ 2,112,518
Other revenue (disability, interest, etc.)	-	-	-	-	-	-	-
Teacher's incentive fund	-	-	-	-	-	-	2,366
HRA Voucher	-	-	-	-	-	-	-
CACFP	-	-	-	-	-	-	-
Parent Fees	-	-	-	-	-	-	143,857
In-kind contribution	-	-	-	-	-	-	-
Sponsor's contribution	-	-	-	-	-	-	-
Other funding source revenue ¹	-	-	-	-	-	-	-
Total Revenue	\$ -	\$ -	\$ 12,111	\$ -	\$ -	\$ 12,111	\$ 2,258,741
Expenditures							
Personnel cost							
Salaries	\$ 26,330	\$ -	\$ -	\$ -	\$ -	\$ 26,330	\$ 1,458,987
Salaries - COLA	-	-	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-	-	-
Accrued Vacation	-	-	-	-	-	-	-
FICA	2,469	-	-	-	-	2,469	110,081
FICA - COLA	-	-	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-	-	-
FICA - Accrued Vacation	-	-	-	-	-	-	-
Workers compensation	-	-	-	-	-	-	22,952
Unemployment insurance	1,050	-	-	-	-	1,050	27,546
Pension	-	-	-	-	-	-	20,777
Welfare fund	-	-	-	-	-	-	21,976
Health Insurance	5,863	-	-	-	-	5,863	120,140
Substitutes	5,798	-	-	-	-	5,798	5,798
Total personnel cost	41,510	-	-	-	-	41,510	1,788,257
Facilities cost							
Rent	-	-	-	-	-	-	75,000
Property Taxes	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-
Licensing and permits	-	-	-	-	-	-	5,964
Insurance	-	-	-	-	-	-	47,449
Custodial services	-	-	-	-	-	-	-
Alarm	-	-	-	-	-	-	3,698
Telecommunications	-	-	-	-	-	-	17,356
Utilities	-	-	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-	-	23,737
Capital expenditures and renovations	-	-	-	-	-	-	-
Other facilities costs	-	-	-	-	-	-	-
Total facilities cost	-	-	-	-	-	-	173,204
Family Child Care Stipend	-	-	-	-	-	-	-
Other than personnel services (OTPS)							
Supplies	16,472	-	-	-	-	16,472	117,106
Equipment over \$3,000 - Head Start	-	-	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-	-	-
Postage	-	-	-	-	-	-	1,057
Advertising	-	-	-	-	-	-	188
Instructional Field Trips	-	-	-	-	-	-	3,807
Training/Staff Development	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	1,762
Food - CACFP	-	-	-	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	-	-	-
Audit	-	-	-	-	-	-	69,078
Parent Services	-	-	-	-	-	-	-
Consultant - programmatic	28,473	-	-	-	-	28,473	136,793
Consultant - administrative	-	-	-	-	-	-	214,929
Indirect cost - Head Start	-	-	-	-	-	-	-
Other OTPS	-	-	-	-	-	-	19,461
Total OTPS	44,945	-	-	-	-	44,945	564,181
TOTAL EARLYLEARN COST	86,455	-	-	-	-	86,455	2,525,642
Excess (deficiency) of revenue over (under) expenditures	\$ (86,455)	\$ -	\$ 12,111	\$ -	\$ -	\$ (74,344)	\$ (266,901)

See independent auditors' report on supplementary information.

YWCA of the City of New York
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
Not ACS Funded
For the year ended June 30, 2018

BUDGET CATEGORIES	NOT ACS FUNDED				
	Actual				
	CACFP	Cash Contribution (Head Start)	In-kind Contribution (Head Start)	Sponsor's Contribution (Other than Head Start)	Other Funding Source
Revenue:					
EarlyLearn revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue (disability, interest, etc.)	-	-	-	-	-
Teacher's incentive fund	-	-	-	-	-
HRA Voucher	-	-	-	-	-
CACFP	122,718	-	-	-	-
Parent Fees	-	-	-	-	-
In-kind contribution	-	-	-	-	-
Sponsor's contribution	-	-	-	-	-
Other funding source revenue ¹	-	-	-	-	121,493
Total Revenue	\$ 122,718	\$ -	\$ -	\$ -	\$ 121,493
Expenditures					
Personnel cost					
Salaries	\$ 849	\$ -	\$ -	\$ -	\$ 21,341
Salaries - COLA	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-
Accrued Vacation	-	-	-	-	-
FICA	64	-	-	-	1,619
FICA - COLA	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-
FICA - Accrued Vacation	-	-	-	-	-
Workers compensation	14	-	-	-	342
Unemployment insurance	30	-	-	-	411
Pension	12	-	-	-	310
Welfare fund	-	-	-	-	-
Health Insurance	57	-	-	-	1,709
Substitutes	-	-	-	-	-
Total personnel cost	1,026	-	-	-	25,732
Facilities cost					
Rent	-	-	-	-	-
Property Taxes	-	-	-	-	-
Water and sewer	-	-	-	-	-
Licensing and permits	-	-	-	-	-
Insurance	-	-	-	-	-
Custodial services	-	-	-	-	-
Alarm	-	-	-	-	-
Telecommunications	-	-	-	-	-
Utilities	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-
Capital expenditures and renovations	-	-	-	-	-
Other facilities costs	-	-	-	-	-
Total facilities cost	-	-	-	-	-
Family Child Care Stipend	-	-	-	-	-
Other than personnel services (OTPS)					
Supplies	18,415	-	-	-	1,007
Equipment over \$3,000 - Head Start	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-
Postage	-	-	-	-	-
Advertising	-	-	-	-	-
Instructional Field Trips	-	-	-	-	-
Training/Staff Development	-	-	-	-	-
Transportation	-	-	-	-	-
Food - CACFP	155,247	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	955
Audit	-	-	-	-	-
Parent Services	-	-	-	-	-
Consultant - programmatic	-	-	-	-	655
Consultant - administrative	-	-	-	-	1,292
Indirect cost - Head Start	-	-	-	-	-
Other OTPS	-	-	-	-	3,988
Total OTPS	173,662	-	-	-	7,897
TOTAL EARLYLEARN COST	174,688	-	-	-	33,629
Excess (deficiency) of revenue over (under) expenditures	\$ (51,970)	\$ -	\$ -	\$ -	\$ 87,864

See independent auditors' report on supplementary information.

YWCA of the City of New York
STATEMENT OF HEAD START EXPENSES BY PROGRAM YEAR
For the year ended June 30, 2018

<u>Category</u>	<u>Program Year 04</u> <u>7/1/17-1/31/18</u>	<u>Program Year 05</u> <u>2/1/18-6/30/18</u>	<u>Total Head Start</u> <u>Expenses</u>
Personnel and fringe cost			
Salaries	\$ 85,120	\$ 90,257	\$ 175,377
FICA	6,376	6,805	13,181
Unemployment insurance	1,280	2,002	3,282
Pension	2,475	-	2,475
Welfare fund	276	2,342	2,618
Health insurance	2,496	39,532	42,028
Worker's compensation	1,418	1,316	2,734
Substitute staff	-	-	-
Total personnel and fringe cost	<u>99,441</u>	<u>142,254</u>	<u>241,695</u>
Facilities cost			
Rent (Delegate Agency Administered Costs)	-	-	-
Property taxes	-	-	-
Water/sewer	-	-	-
Utilities (Delegate Agency Administered Costs)	-	-	-
Insurance	5,331	635	5,966
Telecommunications	789	833	1,622
Maintenance and repairs	1,160	1,325	2,485
Other facilities cost	94	848	942
Total facilities cost	<u>7,374</u>	<u>3,641</u>	<u>11,015</u>
Other than personnel services (OTPS)			
Supplies	6,934	7,435	14,369
Equipment over \$3,000	-	-	-
Training	-	-	-
Parent services/family involvement	-	-	-
Programmatic consultants	3,370	10,614	13,984
Administrative consultants	21,709	22,438	44,147
Transportation	185	56	241
Audit	7,799	-	7,799
Food (not funded by CACFP)	89	1,001	1,090
Other OTPS	1,247	315	1,562
Total OTPS	<u>41,333</u>	<u>41,859</u>	<u>83,192</u>
Indirect cost	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	148,148	187,754	335,902
Health and Safety	-	-	-
Less: Program Income	-	-	-
Total Head Start Funded Expenses	<u>\$ 148,148</u>	<u>\$ 187,754</u>	<u>\$ 335,902</u>

See independent auditors' report on supplementary information.

YWCA of the City of New York
STATEMENT OF HEAD START EXPENSES BY PROGRAM YEAR
For the year ended June 30, 2018

<u>Category</u>	<u>Program Year 04</u> <u>7/1/17-1/31/18</u>	<u>Program Year 05</u> <u>2/1/18-6/30/18</u>	<u>Total Head Start</u> <u>Expenses</u>
Non-Federal Share (NFS) Expenses			
Head Start UPK	\$ 75,324	\$ 70,586	\$ 145,910
DOE HS UPK Enhancement	-	-	-
Cash Contributions - Head Start	-	-	-
In-kind Contributions - Head Start	-	-	-
Total NFS Expenses	<u>75,324</u>	<u>70,586</u>	<u>145,910</u>
Total Head Start Program Expenses	<u>\$ 223,472</u>	<u>\$ 258,340</u>	<u>\$ 481,812</u>
NFS Program Percentage	34%	27%	30%
Administrative Expenses			
Personnel and fringe cost	\$ 6,445	\$ 5,848	\$ 12,293
Facilities cost	901	-	901
OTPS	1,070	2,924	3,994
Indirect cost	-	-	-
NFS expenses	-	-	-
Total Administrative Expenses	<u>\$ 8,416</u>	<u>\$ 8,772</u>	<u>\$ 17,188</u>
Total Head Start Program Expenses	<u>\$ 223,472</u>	<u>\$ 258,340</u>	<u>\$ 481,812</u>
Administrative Expense Percentage	4%	3%	4%

See independent auditors' report on supplementary information.

YWCA of the City of New York
STATEMENT OF NON-FEDERAL SHARE EXPENSES BY PROGRAM YEAR
For the year ended June 30, 2018

Category	HS UPK			DOE HS UPK Enhancement			Cash Contributions - Head Start			In-kind Contributions - Head Start		
	Program Year 04	Program Year 05	Total	Program Year 04	Program Year 05	Total	Program Year 04	Program Year 05	Total	Program Year 04	Program Year 05	Total
	7/1/17-1/31/18	2/1/18-6/30/18		7/1/17-1/31/18	2/1/18-6/30/18		7/1/17-1/31/18	2/1/18-6/30/18		7/1/17-1/31/18	2/1/18-6/30/18	
Personnel and fringe cost												
Salaries	\$ 42,473	\$ 45,408	\$ 87,881	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FICA	3,172	3,425	6,597	-	-	-	-	-	-	-	-	-
Unemployment insurance	636	1,007	1,643	-	-	-	-	-	-	-	-	-
Pension	1,239	-	1,239	-	-	-	-	-	-	-	-	-
Welfare fund	138	1,173	1,311	-	-	-	-	-	-	-	-	-
Health insurance	1,381	6,092	7,473	-	-	-	-	-	-	-	-	-
Worker's compensation	707	662	1,369	-	-	-	-	-	-	-	-	-
Substitute staff	-	-	-	-	-	-	-	-	-	-	-	-
Total personnel and fringe cost	<u>49,746</u>	<u>57,767</u>	<u>107,513</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Facilities cost												
Rent (Delegate Agency Administered Costs)	-	-	-	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-	-	-	-
Water/sewer	-	-	-	-	-	-	-	-	-	-	-	-
Utilities (Delegate Agency Administered Costs)	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	2,690	63	2,753	-	-	-	-	-	-	-	-	-
Telecommunications	395	430	825	-	-	-	-	-	-	-	-	-
Maintenance and repairs	558	723	1,281	-	-	-	-	-	-	-	-	-
Other facilities cost	47	427	474	-	-	-	-	-	-	-	-	-
Total facilities cost	<u>3,690</u>	<u>1,643</u>	<u>5,333</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other than personnel services (OTPS)												
Supplies	3,892	4,149	8,041	-	-	-	-	-	-	-	-	-
Equipment over \$3,000	-	-	-	-	-	-	-	-	-	-	-	-
Training	-	-	-	-	-	-	-	-	-	-	-	-
Parent services/family involvement	-	-	-	-	-	-	-	-	-	-	-	-
Programmatic consultants	1,765	6,159	7,924	-	-	-	-	-	-	-	-	-
Administrative consultants	11,325	239	11,564	-	-	-	-	-	-	-	-	-
Transportation	126	37	163	-	-	-	-	-	-	-	-	-
Audit	4,095	-	4,095	-	-	-	-	-	-	-	-	-
Food (not funded by CACFP)	44	419	463	-	-	-	-	-	-	-	-	-
Other OTPS	641	173	814	-	-	-	-	-	-	-	-	-
Total OTPS	<u>\$ 21,888</u>	<u>\$ 11,176</u>	<u>\$ 33,064</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Indirect cost	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	<u>\$ 75,324</u>	<u>\$ 70,586</u>	<u>\$ 145,910</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Breakdown by funding source:												
State	\$ 75,324	\$ 70,586	\$ 145,910	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City	-	-	-	-	-	-	-	-	-	-	-	-
Private/Third-Party	-	-	-	-	-	-	-	-	-	-	-	-
Delegate Agency	-	-	-	-	-	-	-	-	-	-	-	-
Total	<u>\$ 75,324</u>	<u>\$ 70,586</u>	<u>\$ 145,910</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report on supplementary information.

YWCA of the City of New York
 Schedule of Equipment Inventory
 June 30, 2018

SCHEDULE 4

<u>Description</u>	<u>Quantity</u>	<u>Serial Number</u>	<u>Date Purchased</u>	<u>Cost</u>
<u>Current Year Purchases</u>				\$ -
				-
				-
				-
Total				<u>\$ -</u>
<u>Prior Year Inventory</u>				\$ -
Total Equipment Inventory				<u><u>\$ -</u></u>

See independent auditors' report on supplementary information.

**YWCA of the City of New York
Schedule of Quantitative Program Results
For the year ended June 30, 2018**

SCHEDULE 5

ENROLLMENT

1	Contracted slots per site	
	a) Polly Dodge	50
	b) Roberta Bright	65
	c) Brownsville	30
	Total	<u>145</u>
2	Number of classrooms per site	
	a) Polly Dodge	3
	b) Roberta Bright	5
	c) Brownsville	2
	Total	<u>10</u>
3	Number of children enrolled by site	
	a) Polly Dodge	44
	b) Roberta Bright	49
	c) Brownsville	25
	Total	<u>118</u>
4	Number of children in attendance by site	
	a) Polly Dodge	43
	b) Roberta Bright	49
	c) Brownsville	25
	Total	<u>117</u>
5	The average attendance for contract by site (#4 divided by #3)	
	a) Polly Dodge	98%
	b) Roberta Bright	100%
	c) Brownsville	100%
	Total Average	<u>99%</u>

COST

1	Total expense for the contract. (Total EL expense in Schedule 1-A)	\$ 2,439,187
2	Total expense by site	
	a) Polly Dodge	\$ 776,906
	b) Roberta Bright	1,032,701
	c) Brownsville	629,580
	Total	<u>\$ 2,439,187</u>
3	Average cost slots (Total expenses/Total attendance by sites)	<u>\$ 20,848</u>
4	Average cost per site (Total cost per site/Attendance by site)	
	a) Polly Dodge	\$ 18,068
	b) Roberta Bright	21,076
	c) Brownsville	25,183
	Total	<u>\$ 64,327</u>

See independent auditors' report on supplementary information.

**YWCA of the City of New York
 SCHEDULE OF DUE TO OR DUE FROM ACS
 FOR THE YEAR ENDED JUNE 30, 2018**

SCHEDULE 6

(Due To) or Due From ACS at 6/30/2017	\$ 43,018
Cash received/advances from ACS	2,114,884
Plus other funds collected:	
Parent Fees	143,857
Other revenue (disability, interest, etc.)	-
Total funds available	<u>2,301,759</u>
Less claimable expenditures:	
Expenditures	(2,525,642)
Less: Accrued Vacation	-
Less: FICA - Accrued Vacation	-
Less: Questioned Costs	- (2,525,642)
	<u><u>\$ (223,883)</u></u>

Note: Claimable expenditures should be reported net of Accrued Vacation, FICA - Accrued Vacation (charged to ACS Funded Programs) and Questioned Costs.

YWCA of the City of New York
SCHEDULE OF ACCRUED VACATION
FOR THE YEAR ENDED JUNE 30, 2018

SCHEDULE 7

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

<u>Payroll Date</u>	<u>Employee # or position</u>	<u>Accrued Vacation</u>	<u>FICA - Accrued Vacation</u>	<u>Total as at 6/30/2018</u>
		\$ -	\$ -	\$ -
		-	-	-
		-	-	-

Total Accrued Vacation and FICA - Accrued Vacation \$ -

Note: The total Accrued Vacation and FICA - Accrued Vacation charged to ACS Funded Programs must agree per the Schedule 1A - Statements of Revenues and Expenditures: ACS Funded - EarlyLearn.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
NOTES TO SUPPLEMENTARY INFORMATION
JUNE 30, 2018

Note 1 - Parent Fees

Parents Fees collected for the year ended June 30, 2018 is as follows:

	<u>2018</u>
Parent Fees Collected	<u>\$ 143,857</u>

Note 2 - 2018 Teacher's Incentive Payments

Teacher's Incentive payments for the year ended June 30, 2018 totaled \$2,366.

Note 3 - Vacation and Sick Leave Policy

The Association's vacation and sick leave policy allows employees to earn 20 days of paid vacation and 9 days of sick leave per year. Up to 10 accrued, but unused vacation days may be carried over into the next fiscal year to be used by December 31 of that year.

As of June 30, 2018, amount charged to EarlyLearn for accrued vacation is \$0.