
BROOKLYN KINDERGARTEN SOCIETY

Financial Statements and Single Audit Reports
(With New York City Division of Early Childhood
Education Supplementary Schedules)

For the year ended June 30, 2023
(with comparative totals for 2022)

Brooklyn Kindergarten Society

Financial Statements

June 30, 2023

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Independent Auditor’s Report

To the Board of Directors of
Brooklyn Kindergarten Society

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Brooklyn Kindergarten Society (“BKS”) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, including the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of BKS as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of BKS’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about BKS’s ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. New York City Division of Early Childhood Education (“DECE”) Program Supplementary Schedules on pages 28 – 49 are required by DECE who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2024 on our consideration of BKS’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 Brooklyn Kindergarten Society’s internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited BKS’s June 30, 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 30, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

NChing LLP

New York, New York
March 22, 2024

BROOKLYN KINDERGARTEN SOCIETY**Statement of Financial Position**

As of June 30, 2023

(with comparative totals for 2022)

	<u>2023</u>	<u>2022</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 4,783,814	\$ 1,273,784
Investments, at fair value	3,181,023	2,867,637
Due from NYC DOE	-	2,294,961
Other receivables	308,510	146,645
Prepaid expenses	62,325	31,153
Security Deposit	32,375	32,375
Right-of-Use Asset - operating leases	1,148,635	-
	<u> </u>	<u> </u>
Total assets	<u>\$ 9,516,682</u>	<u>\$ 6,646,555</u>
<u>Liabilities and Net Assets</u>		
<u>Liabilities</u>		
Accounts and accrued expenses payable	\$ 553,659	\$ 687,463
Government grants advances	2,124,572	-
Line of credit	-	500,130
Deferred rent payable	-	72,882
Lease liability - operating leases	1,234,895	-
	<u> </u>	<u> </u>
Total liabilities	<u>3,913,126</u>	<u>1,260,475</u>
<u>Net assets</u>		
Without donor restrictions	<u>5,603,556</u>	<u>5,386,080</u>
	<u> </u>	<u> </u>
Total net assets	<u>5,603,556</u>	<u>5,386,080</u>
	<u> </u>	<u> </u>
Total liabilities and net assets	<u>\$ 9,516,682</u>	<u>\$ 6,646,555</u>

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

BROOKLYN KINDERGARTEN SOCIETY

Statement of Activities

For the year ended June 30, 2023
(with comparative totals for 2022)

	Without donor restrictions	Without donor restrictions	2023	2022
	Government	Non-Government		
<u>Operating revenue and support</u>				
Government grants & contracts				
NYC DOE – Child Care and Head Start	\$ 6,099,771	\$ -	\$ 6,099,771	\$ 6,232,253
NYC DOE – Head Start COLA	60,251	-	60,251	-
NYC DOE – CRRSA stimulus	222,090	-	222,090	-
NYS DOE UPK Direct	74,190	-	74,190	-
USDA/CACFP	111,058	-	111,058	152,947
NYS OCFS	216,060	-	216,060	594,001
NYC DYCD	43,500	-	43,500	-
Total Government Grants	6,826,920	-	6,826,920	6,979,201
Contributions and grants	-	559,902	559,902	327,120
Parent Fees	-	3,011	3,011	11,955
Fundraising Event	-	255,822	255,822	338,605
Forgiveness of debt	-	-	-	1,254,900
Other Income	-	15,088	15,088	3,397
	-	833,823	833,823	1,935,977
Total support and revenue	6,826,920	833,823	7,660,743	8,915,178
<u>Operating expenses</u>				
Program services				
Child Care Centers	5,950,835	-	5,950,835	6,681,764
Food program	821,298	-	821,298	228,542
Total program services	6,772,133	-	6,772,133	6,910,306
Supporting services				
Management and general	-	753,448	753,448	412,227
Fundraising	-	231,072	231,072	323,068
Total supporting services	-	984,520	984,520	735,295
Total operating expenses	6,772,133	984,520	7,756,653	7,645,601
Increase(decrease) in net assets from operating activities	54,787	(150,697)	(95,910)	1,269,577
Nonoperating activities:				
Investment income(loss) - net	-	313,386	313,386	(428,596)
Change in net assets	54,787	162,689	217,476	840,981
Net Assets, Beginning of Year	159,444	5,226,636	5,386,080	4,545,099
Net assets, end of year	\$ 214,231	\$ 5,389,325	\$ 5,603,556	\$ 5,386,080

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

BROOKLYN KINDERGARTEN SOCIETY

Statement of Functional Expenses

For the year ended June 30, 2023

(with comparative totals for 2022)

	<u>Program Services</u>			<u>Supporting Services</u>			<u>Total Expenses</u> 06/30/23	<u>Total Expenses</u> 06/30/22
	<u>Child Care Centers</u>	<u>Food Program</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Supporting Services</u>		
Salaries	\$ 3,460,985	\$ 381,612	\$ 3,842,597	\$ 343,165	\$ 22,837	\$ 366,002	\$ 4,208,599	\$ 4,179,938
Employee benefits and payroll taxes	826,702	91,153	917,855	83,164	5,455	88,619	1,006,474	1,076,996
Total personnel costs	4,287,687	472,765	4,760,452	426,329	28,292	454,621	5,215,073	5,256,934
Other than personnel expenses								
Classroom Supplies and Equipment	112,841	-	112,841	-	-	-	112,841	228,530
Professional Fees	740,645	19,652	760,297	185,710	124,452	310,162	1,070,459	760,146
Food and Non-Food	18,450	218,113	236,563	-	-	-	236,563	228,542
Facility Cost	548,002	87,045	635,047	61,017	3,170	64,187	699,234	794,719
Information Technology	50,347	5,551	55,898	4,993	332	5,325	61,223	33,775
Office Supplies/Postage/Courier	52,050	5,666	57,716	5,169	339	5,508	63,224	133,293
Professional Development	8,293	-	8,293	-	-	-	8,293	20,265
Special Projects	-	-	-	-	73,739	73,739	73,739	76,725
Child and Parent Activities	4,680	-	4,680	-	-	-	4,680	5,403
Advertising	38,886	2,777	41,663	2,497	166	2,663	44,326	10,846
Telephone	54,886	6,052	60,938	5,442	362	5,804	66,742	37,597
Covid Expenses	-	-	-	-	-	-	-	10,490
Other	34,068	3,677	37,745	21,972	220	22,192	59,937	48,336
Bad Debt	-	-	-	40,319	-	40,319	40,319	-
Total Expenses	<u>\$ 5,950,835</u>	<u>\$ 821,298</u>	<u>\$ 6,772,133</u>	<u>\$ 753,448</u>	<u>\$ 231,072</u>	<u>\$ 984,520</u>	<u>\$ 7,756,653</u>	<u>\$ 7,645,601</u>

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

BROOKLYN KINDERGARTEN SOCIETY**Statement of Cash Flows**

For the year ended June 30, 2023

(with comparative totals for 2022)

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Changes in net assets	\$ 217,476	\$ 840,981
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Non-cash adjustment on operating leases	86,260	-
Net realized and unrealized (gains)/losses on Investment	(189,059)	419,588
Forgiveness of debt - PPP Loan	-	(1,254,900)
Change in due to/from NYC DOE	4,419,533	(279,613)
Change in other government grant receivables	(161,865)	256,704
Change in prepaid expenses and other expenses	(31,172)	327
Change in accounts payable and accrued expenses	(133,804)	101,034
Change in deferred rent payable	(72,882)	72,882
Net cash provided by operating activities	<u>4,134,487</u>	<u>157,003</u>
Cash flows from investing activities		
Purchases of investments (including reinvestment of income)	(1,151,503)	(425,915)
Sale of investments	1,027,176	434,924
Net cash (used in)/provided by investing activities	<u>(124,327)</u>	<u>9,009</u>
Cash flows from financing activities		
Payments on line of credit	(500,130)	-
Net cash (used in) financing activities	<u>(500,130)</u>	<u>-</u>
Net increase/(decrease) in cash	3,510,030	166,012
Cash, beginning of year	<u>1,273,784</u>	<u>1,107,772</u>
Cash, end of year	<u><u>\$ 4,783,814</u></u>	<u><u>\$ 1,273,784</u></u>

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

BROOKLYN KINDERGARTEN SOCIETY

Notes to the Financial Statements

June 30, 2023

Note 1 Organization and nature of activities

Founded in 1891, the Brooklyn Kindergarten Society (“BKS”) has dedicated itself to providing high-quality early childhood education to children from low-income families for more than a century. Since our founding, BKS has been committed to developing innovative solutions to the paradigm concerning NYC’s ever-changing population of poor children and their families.

BKS community-based preschools provide attentive, well-trained teachers, evidence-based curricula, classrooms designed for creative play, nutritious meals, parenting instruction, health services, safe outdoor play spaces, and English language instruction for immigrant parents. Our preschools serve more than 400 children, ages two to four years old, and are located in Crown Heights, Bedford-Stuyvesant, and Brownsville. BKS sets itself apart from other providers by offering children developmentally appropriate experiential activities including STEM education, Suzuki violin lessons and bi-lingual movement classes. BKS operates six early childhood education centers: Nat Azarow Children’s Center, Brevoort Children’s Center, Sumner Children’s Center, Edwards L. Cleaveland Children’s Center, Tompkins Children’s Center, and Howard Children’s Center. Additionally, BKS operates a 3K and UPK program on behalf of the Department of Education at Weeksville Garden Children’s Center.

BKS has strived to stop the cycle of poverty where it does the most damage - in early childhood. Although two out of three children enter BKS with environmentally-based developmental and language delays, BKS reverses these impediments. **91%** of BKS children met or exceeded age-appropriate levels in academic and social-emotional development by end of year, showing a growth of **35%** over the course of the program year.

BKS is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Note 2 Summary of significant accounting policies

Basis of accounting. The financial statements of Brooklyn Kindergarten Society have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Reclassifications. Certain prior year balances have been reclassified to be consistent with the current year financial statements presentation. The reclassifications have no effect in net assets or the operating results of the prior year.

Use of estimates. The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

BROOKLYN KINDERGARTEN SOCIETY
Notes to the Financial Statements
June 30, 2023

Note 2 Summary of significant accounting policies – (continued)

Financial statements presentation. BKS reports information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of BKS.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of BKS or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. There were no net assets with donor restrictions as of June 30, 2023.

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 statements of activities.

Revenue recognition. Contributions are recorded as with or without donor restrictions when received depending on the existence and/or nature of any donor restrictions. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are to be received. Amortization of the discount is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Revenue from cost reimbursement governmental grants is recognized as the expenditures for each grant are incurred. Revenue from fee for service programs is recognized when earned.

Each government grant is reviewed to determine if they contain traits more similar to contributions or exchange transactions. All government grants have been determined to be exchange transactions and have been recognized as income when earned, either based on performance of certain milestones or by incurring expenses that can be reimbursed under the terms of the grant agreement. Activity related to the government grants are classified separately from non-government activity on the statement of activities.

Concentrations of credit risk. BKS maintains cash in bank deposits which, at times, exceed the current insured amount under the Federal Deposit Insurance Corporation (FDIC). As of June 30, 2023, BKS's cash balance exceeded the current insured amount under FDIC by approximately \$4,724,050. BKS has not experienced any losses in such accounts and believes it is not exposed to any significant financial risk therein.

BROOKLYN KINDERGARTEN SOCIETY

Notes to the Financial Statements

June 30, 2023

Note 2 Summary of significant accounting policies – (continued)

Cash and cash equivalents. BKS considers all liquid investments with an initial maturity of three months or less to be cash and cash equivalents except for cash held with the investment custodian for long-term purposes.

Fair value measurements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the least priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that BKS has the ability to access.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the assets or liabilities;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Allowance for uncollectible accounts. Management has determined that no allowance for uncollectible accounts for receivables from NYC DOE or other government grants is necessary as of June 30, 2023 and 2022. Such estimate is based on management's assessments of the creditworthiness of its grantor, the aged basis of its receivables, as well as current economic conditions and historical information.

Fixed assets. Fixed assets are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which are as follows:

	Estimated useful life (years)
Furniture and fixtures	7 Years
Leasehold Improvements	Term of remaining lease
Equipment	5 Years

BROOKLYN KINDERGARTEN SOCIETY

Notes to the Financial Statements

June 30, 2023

Note 2 Summary of significant accounting policies – (continued)

Donated services and materials. BKS receives donated services from volunteers who support BKS's programs and activities. Donated services that require specialized skills are provided by individuals possessing those skills and would typically need to be purchased if not provided by contributions or which create or enhance non-financial assets are reported at fair value. No amounts have been reflected in the financial statements for donated services, as they do not meet the criteria for recognition under the accounting standards, although they constitute a significant factor in the operation of BKS.

Functional allocation of expenses. The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program and supporting services benefited. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of allocation</u>
Payroll and fringe benefits	Time and effort
Office expenses	Time and effort
Professional fees	Time and effort
Occupancy	Direct allocation; then time and effort

Comparative financial information. The amounts shown for the year ended June 30, 2022 in the accompanying financial statements are included to provide a basis for comparison with 2023 and present summarized totals only. Accordingly, the 2022 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with BKS's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

Income taxes. BKS is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and has been determined not to be a private foundation under Section 509(a)(1) of the Code. BKS has adopted the provisions pertaining to uncertain tax positions and has determine that there are no material uncertain tax positions and has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statement. Periods ending June 30, 2020 and after remain open to examination by applicable taxing authorities.

BROOKLYN KINDERGARTEN SOCIETY
Notes to the Financial Statements
June 30, 2023

Note 2 Summary of significant accounting policies – (continued)

Recently adopted accounting pronouncements. BKS adopted ASU 2016-02 (as amended), *Leases* ("Topic 842") on July 1, 2022. Topic 842 requires lessees to recognize a right-of-use asset and a corresponding lease liability for most leases. BKS elected and applied the practical expedients permitting BKS to not reassess (i) the lease classification of existing leases; (ii) whether existing and expired contracts are or contain leases; and (iii) initial direct costs for existing leases.

BKS recognized the following as of the adoption date in connection with transitioning to Topic 842:

	June 30, 2022 As Reported	ASC 842 Adjustment on July 1, 2022	July 1, 2022 As Adjusted
Assets			
Right-of-use assets - Operating leases (1)	\$ -	\$ 1,267,301	\$ 1,267,301
Liabilities			
Deferred rent payable (2)	\$ 72,882	\$ (72,882)	\$ -
Operating lease liabilities (3)	\$ -	\$ 1,341,968	\$ 1,341,968

(1) The adjustment represents the capitalization of right-of-use assets - operating leases

(2) The adjustment represents the reclassification of straight-line rent accruals

(3) The adjustment represents the recognition of operating lease liabilities

BKS's adoption of Topic 842 resulted in a decrease of \$72,882 in deferred rent which amount was reclassified to operating lease right-of-use assets at adoption. The adoption of Topic 842 did not have a material impact on BKS's change in net assets for the year ended June 30, 2023.

BKS leases office space and various office equipment under non-cancelable operating leases. Leases with an initial term of 12 months or less are not recorded on the statement of financial position and are expensed on a straight-line basis.

BKS presents its right-of-use assets and lease liabilities for operating leases separately on its statement of financial position. See Note 6 regarding BKS's right-of-use assets for operating leases and lease liabilities.

BROOKLYN KINDERGARTEN SOCIETY
Notes to the Financial Statements
June 30, 2023

Note 3 Investments

The following summarizes the composition of investments (all Level 1) at June 30,:

Description	2023	2022
Level 1		
Money Market Funds/Cash	\$ 244,409	\$ 123,739
Equities	1,822,876	1,969,911
Mutual Funds - Equities	311,842	146,235
Mutual Funds - Fixed Income	619,469	582,057
Mutual Funds - Government Bonds	182,427	45,695
Total	\$ 3,181,023	\$2,867,637

Investment income consists of the following:

	2023	2022
Dividends and interest	\$ 62,558	46,909
Realized/unrealized gains/(losses)	287,465	(435,144)
Investment fees	(36,637)	(40,361)
Net investment income/(loss)	\$ 313,386	\$ (428,596)

Note 4 Due From NYC DOE

The balance due from NYC DOE consists of the following:

	2023	2022
Beginning balance due from DOE	\$ 2,294,961	\$ 2,015,348
Funding based on actual expenses	6,099,771	6,232,253
Advances and payments received	(10,519,304)	(5,952,640)
Ending balance due (to)/from NYC DOE	\$ (2,124,572)	\$ 2,294,961

BROOKLYN KINDERGARTEN SOCIETY
Notes to the Financial Statements
June 30, 2023

Note 5 Fixed Assets

Fixed assets consist of the following:

	2023	2022
Furniture	\$ 118,110	\$ 118,110
Equipment	33,161	33,161
Leasehold Improvements	185,187	185,187
	<u>336,458</u>	<u>336,458</u>
Less: accumulated depreciation	<u>(336,458)</u>	<u>(336,458)</u>
Net	<u>\$ -</u>	<u>\$ -</u>

Note 6 Leases

BKS's leases office space in Brooklyn, NY for its head office under a lease agreement expiring November 30, 2031. BKS is required to pay all executory costs (utilities, property taxes, maintenance and insurance). Lease payments have an escalating fee schedule wherein the monthly payment increases approximately 1%-2% annually. Termination of the lease is generally prohibited unless there is a violation under the lease agreement. Any renewal options are excluded from the calculation of lease liabilities unless exercising the renewal option is reasonably assured. The lease agreements do not contain residual value guarantees or material restrictive covenants. As disclosed in Note 2, BKS adopted FASB ASC 842 as of July 1, 2022 as operating leases that had no impact to the prior year statement of financial position or its change in net assets. No comparative information is provided for the amounts reported on the statement of financial position as of June 30, 2023 since BKS used the modified retrospective method of transition that does not require restating the prior period.

As of June 30, 2023, the right-of-use assets represents the right to use of an underlying asset for the lease term and had a balance of \$1,148,635, as shown in the statements of financial position; the operating lease liabilities represent the obligation to make lease payments arising from the lease agreement which are discounted using the risk-free of 2.88%, as of June 30, 2023 and totaled \$1,234,895, as shown on the statement of financial position. Operating lease right-of-use assets and liabilities are recognized at the commencement date, or the date on which the lessor makes the underlying asset available for use, based upon present value of the lease payments over the respective lease term. Lease expense is recognized on a straight-line basis over the lease term. Variable lease costs such as common area maintenance and property taxes are expensed as incurred.

BROOKLYN KINDERGARTEN SOCIETY
Notes to the Financial Statements
June 30, 2023

Note 6 Leases – (continued)

Quantitative Disclosures. The lease cost and other required information for the year ended June 30, 2023 is as follows:

Lease cost		
	Operating lease cost	\$ 155,577
	Short-term lease cost	<u>139,633</u>
	Total lease cost	<u>\$ 295,210</u>
Other information		
	Cash paid for amounts included in the measurement of lease liabilities:	
	Operating cash flows from operations	\$ 143,985
	Weighted-average remaining lease term	
	Operating leases	8.2 years
	Weighted-average discount rate	
	Operating leases	2.88%

Future minimum lease payments under these leases are as follows:

Fiscal year ended June 30,		
	2024	\$ 148,304
	2025	152,753
	2026	157,336
	2027	162,056
	2028	166,918
	Thereafter	<u>608,334</u>
	Total future undiscounted lease payments	1,395,701
	Less: present value discount	<u>(160,806)</u>
	Lease liabilities	<u>\$ 1,234,895</u>

BROOKLYN KINDERGARTEN SOCIETY
Notes to the Financial Statements
June 30, 2023

Note 7 Retirement Plan

BKS has a retirement plan under Section 401(k) of the Internal Revenue Code. The plan covers all employees who are at least 21 years of age, have completed a 90-day waiting period with BKS, and are not part of a separate collective bargaining agreement ("Local 95"). Eligible employees voluntarily contribute up to the maximum allowable by law and the plan. BKS does not match employee contributions under this plan.

In addition, BKS employees participate in a defined benefit retirement plan (pension). The NYC ACS pension plan covers employees who are at least 21 years of age and are not part of Local 95. Local 95 has its own pension plan. Employees are not required to make contributions under either plan. Eligible employees are 100% vested in the plans upon completion of five years of service. BKS contributes the designated amounts for privately-funded employees under the ACS plan and all employees under Local 95. Combined amounts expensed were \$30,445 and \$7,908 in 2023 and 2022, respectively.

Note 8 Availability and liquidity

The following represents the BKS's financial assets at June 30, 2023:

Cash	\$ 4,783,814
Investments, at fair value	3,181,023
Other receivables	308,510
	<u>\$ 8,273,347</u>

BKS regularly monitors liquidity to meet its operating needs. BKS attempts to operate with a balanced budget and anticipates collecting sufficient revenue from current year and future year tuition fees to cover general expenditures not covered by donor-restricted resources. In addition, to manage liquidity, BKS develops and monitors operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due and closely monitors timing of grant payments and conducts periodic reviews of operating expenses to identify cost savings. To help manage unanticipated liquidity needs, BKS also has a line of credit in the total amount of \$1,000,000, which it could draw upon.

Note 9 Line of credit

BKS has a line of credit in the amount of \$1,000,000. The line bears an interest rate of 2.68% per annum plus adjusted London Interbank Offered Rate ("LIBOR"), which was 4.6705% at June 30, 2021. As of June 30, 2023 and 2022, the balance outstanding on the line of credit was \$0 and \$500,130, respectively. Interest expense on the line of credit for the years ended June 30, 2023 and 2022 amounted to \$16,657 and \$25,250, respectively.

BROOKLYN KINDERGARTEN SOCIETY
Notes to the Financial Statements
June 30, 2023

Note 10 Commitments & contingencies

Contingencies. Government contracts may be subject to audit by the funding source. Disallowances and adjustments, if any, resulting from such audits will be reflected in the financial statements when it is considered probable that such a liability has been incurred. Management does not anticipate any material disallowances.

Note 11 Significant concentrations

BKS derives its income primarily from reimbursements from government funding sources and from donations and grants. Approximately 84% and 70% of total support was derived from New York City Department of Education for the years ended June 30, 2023 and 2022, respectively.

Note 12 Fundraising events

Fundraising event held during the years ended June 30, 2023 and 2022 and its related income and expenses are summarized as follows:

<u>Yuletide Ball</u>	<u>2023</u>	<u>2022</u>
Gross revenue	\$ 255,822	\$ 338,605
Less: Indirect expense	(45,616)	(39,971)
Total	<u>\$ 210,206</u>	<u>\$ 298,634</u>

The indirect expenses allocable to the special events are included in fundraising activities in the statement of activities.

Note 13 Subsequent events

Management has evaluated subsequent events through March 22, 2024, the date on which the financial statements were available to be issued. Based on this evaluation, management has determined that no subsequent events have occurred which require recognition or disclosure in the financial statements.

BROOKLYN KINDERGARTEN SOCIETY
Schedule of Expenditures of Federal Awards
For the year ended June 30, 2023

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures(\$)</i>
Head Start Cluster			
Department of Health and Human Services			
Head Start			
Head Start	93.600	NYC Department of Education,9250690	\$ 35,048
Head Start	93.600	NYC Department of Education,9251150	447,119
Head Start	93.600	NYC Department of Education,9251165	622,212
Head Start	93.600	NYC Department of Education,9251182	253,510
Head Start	93.600	NYC Department of Education,9251210	196,952
Head Start	93.600	NYC Department of Education,9251270	350,962
COVID-19 - Head Start (ARP)	93.600	NYC Department of Education,9251150	23,332
COVID-19 - Head Start (ARP)	93.600	NYC Department of Education,9251182	16,153
COVID-19 - Head Start (ARP)	93.600	NYC Department of Education,9251210	13,461
COVID-19 - Head Start (ARP)	93.600	NYC Department of Education,9251270	64,486
COVID-19 - Head Start (CRRSA)	93.600	NYC Department of Education, CRRSA	222,090
Total Head Start			<u>2,245,325</u>
<i>Total Department of Health and Human Services</i>			<u>2,245,325</u>
Total Head Start Cluster			<u>2,245,325</u>
Other Programs			
Department of Education			
Education Stabilization Fund			
COVID-19 - Education Stabilization Fund	84.425	NYC Department of Education,9250310	33,787
COVID-19 - Education Stabilization Fund	84.425	NYC Department of Education,9250610	77,566
COVID-19 - Education Stabilization Fund	84.425	NYC Department of Education,9250689	128,788
COVID-19 - Education Stabilization Fund	84.425	NYC Department of Education,9250690	12,390
COVID-19 - Education Stabilization Fund	84.425	NYC Department of Education,9251165	45,802
COVID-19 - Education Stabilization Fund	84.425	NYC Department of Education,9251270	37,281
Total Education Stabilization Fund			<u>335,614</u>
<i>Total Department of Education</i>			<u>335,614</u>
United States Department of Agriculture			
Child and Adult Care Food Program			
Child and Adult Care Food Program	10.558	NYS Department of Health,03070	<u>111,058</u>
Total Child and Adult Care Food Program			<u>111,058</u>
<i>Total United States Department of Agriculture</i>			<u>111,058</u>
Total Other Programs			<u>446,672</u>
Total Expenditures of Federal Awards			<u>\$ 2,691,997</u>

The accompanying notes are an integral part of this schedule.

BROOKLYN KINDERGARTEN SOCIETY
Notes to the Schedule of Expenditures of Federal Awards
For the year ended June 30, 2023

Note 1 Basis of presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of Brooklyn Kindergarten Society (“BKS”) under programs of the federal government for the year ended June 30, 2023. 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 BKS, it is not intended to and does not present the financial position, change in net assets or cash flows of BKS.

Note 2 Summary of significant accounting policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursements. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3 Indirect cost rate

BKS has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4 Subrecipients

No federal expenditures presented in this Schedule were provided to subrecipients.

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*

To the Board of Directors of
Brooklyn Kindergarten Society

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 Brooklyn Kindergarten Society (“BKS”) (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 22, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the BKS'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 BKS’s internal control. Accordingly, we do not express an opinion on the effectiveness of BKS’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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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.

Report on Compliance and Other Matters

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

New York, New York
March 22, 2024

NCheng LLP

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

To the Board of Directors of
Brooklyn Kindergarten Society

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Brooklyn Kindergarten Society’s (“BKS”) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of BKS’s major federal programs for the year ended June 30, 2023 BKS’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, BKS complied, in all material respects, with the 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, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor’s Responsibilities for the Audit of Compliance

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

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

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

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

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

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

NChang, LLP

New York, New York
March 22, 2024

BROOKLYN KINDERGARTEN SOCIETY
Schedule of Findings and Questioned Costs
 For the year ended June 30, 2023

Section I – Summary of auditor’s results

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?
- Significant deficiency(ies) identified?

___ yes X no
 ___ yes X none reported

Noncompliance material to financial statements noted?

___ yes X no

Federal awards

Internal control over major federal programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

___ yes X no
 ___ yes X 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 X no

Identification of major federal programs:

CFDA number(s)	Name of federal program or cluster
	Head Start Cluster
93.600	Head Start
84.425	Education Stabilization Fund

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

\$750,000

Auditee qualified as low-risk auditee?

X yes ___ no

BROOKLYN KINDERGARTEN SOCIETY
Schedule of Findings and Questioned Costs
For the year ended June 30, 2023

Section II – Financial statement findings

None

Section III - Federal award findings and questioned costs

None

BROOKLYN KINDERGARTEN SOCIETY
Summary Schedule of Prior Audit Findings
For the year ended June 30, 2023

Financial statement findings

None

Federal award findings and questioned costs

None

BROOKLYN KINDERGARTEN SOCIETY
25 Chapel Street, Suite #900
Brooklyn, NY 11201
(718)623-9803

NYC DECE Contract No. 9527212

DECE Program Schedules

Budget period – July 1, 2022 to June 30, 2023
Audit period – July 1, 2022 to June 30, 2023

Starting date of audit – January 15, 2024
Ending date of audit – March 22, 2024

NCheng LLP
40 Wall Street, Suite 3222
New York, NY 10005
(212) 785-0100

BROOKLYN KINDERGARTEN SOCIETY
Schedule 1A: Statement of Revenue and Expenditures: DECE Funded
For the year ended June 30, 2023

BUDGET CATEGORIES	SCHEDULE 1A													
	Budget	DECE												
	DECE	Child Care	CRRSA Stimulus	FCCN Child Care	FCCN CTL	CDBG	Early Head Start	Head Start	Head Start COVID Cares	Head Start UPK	CTL	Total DECE (A)	Variance	Questioned Cost
Revenue:														
DECE revenue	\$ 7,877,519.00	\$ 2,598,022.25	\$ 29,779.08	\$ -	\$ -	\$ -	\$ -	\$ 2,881,998.55	\$ -	\$ -	\$ 590,115.64	\$ 6,099,915.51	\$ 1,777,603.49	\$ -
Other revenue (disability, interest, etc.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CACFP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parent Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
In-kind contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sponsor's contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other funding source revenue ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	\$ 7,877,519.00	\$ 2,598,022.25	\$ 29,779.08	\$ -	\$ -	\$ -	\$ -	\$ 2,881,998.55	\$ -	\$ -	\$ 590,115.64	\$ 6,099,915.51	\$ 1,777,603.49	\$ -
Expenditures														
Personnel cost														
Salaries	\$ 5,107,138.09	\$ 1,422,701.29	\$ 16,307.30	\$ -	\$ -	\$ -	\$ -	\$ 1,578,209.37	\$ -	\$ -	\$ 323,152.85	\$ 3,340,370.81	\$ 1,766,767.28	\$ -
Salaries - COLA	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FICA	408,060.33	151,386.82	1,735.23	-	-	-	-	167,934.13	-	-	34,386.05	355,442.23	52,618.10	-
FICA - COLA	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FICA - Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Workers compensation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unemployment insurance	153,214.14	57,030.58	653.70	-	-	-	-	63,264.30	-	-	12,953.94	133,902.52	19,311.62	-
Pension	102,142.76	37,893.97	434.35	-	-	-	-	42,035.96	-	-	8,607.25	88,971.53	13,171.23	-
Welfare fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health Insurance	613,367.28	227,364.44	2,606.10	-	-	-	-	252,216.46	-	-	51,643.63	533,830.64	79,536.65	-
Substitutes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total personnel cost	6,383,922.61	1,896,377.11	21,736.67	-	-	-	-	2,103,660.22	-	-	430,743.73	4,452,517.73	1,931,404.88	-
Facilities cost														
Rent	336,450.00	119,456.04	1,369.23	-	-	-	-	132,513.16	-	-	27,133.28	280,471.71	55,978.29	-
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licensing and permits	26,949.00	1,791.10	20.53	-	-	-	-	1,986.87	-	-	406.83	4,205.33	22,743.67	-
Insurance	152,767.00	44,358.16	508.44	-	-	-	-	49,206.72	-	-	10,075.53	104,148.84	48,618.16	-
Custodial services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Alarm	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Telecommunications	36,666.25	83,440.29	956.41	-	-	-	-	92,560.72	-	-	18,952.66	195,910.08	(159,243.83)	-
Utilities	34,207.00	14,805.74	169.71	-	-	-	-	16,424.08	-	-	3,362.98	34,762.51	(555.51)	-
Maintenance and repairs	35,532.00	115,713.35	1,326.33	-	-	-	-	128,361.38	-	-	26,283.17	271,684.23	(236,152.23)	-
Capital expenditures and renovations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other facilities costs	59,456.15	22,038.06	252.60	-	-	-	-	24,446.92	-	-	5,005.73	51,743.32	7,712.83	-
Total facilities cost	682,027.40	401,602.74	4,603.25	-	-	-	-	445,499.85	-	-	91,220.18	942,926.02	(260,898.62)	-
Family Child Care Stipend	-	-	-	-	-	-	-	-	-	-	-	-	-	-

BROOKLYN KINDERGARTEN SOCIETY
Schedule 1A: Statement of Revenue and Expenditures: DECE Funded – (continued)
For the year ended June 30, 2023

BUDGET CATEGORIES	SCHEDULE 1A													
	Budget	DECE												
	DECE	Child Care	CRRSA Stimulus	FCCN Child Care	FCCN CTL	CDBG	Early Head Start	Head Start	Head Start COVID Cares	Head Start UPK	CTL	Total DECE (A)	Variance	Questioned Cost
Other than personnel services (OTPS)														
Supplies	86,636.49	31,986.53	366.64	-	-	-	-	35,482.81	-	-	7,265.43	75,101.40	11,535.09	-
Equipment over \$5,000 - Head Start	18,554.00	9,901.01	113.49	-	-	-	-	10,983.24	-	-	2,248.92	23,246.65	(4,692.65)	-
Equipment over \$5,000 - Child Care	36,533.75	23,703.18	271.69	-	-	-	-	26,294.06	-	-	5,383.95	55,652.88	(19,119.13)	-
Postage	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertising	17,501.00	7,690.71	88.15	-	-	-	-	8,531.34	-	-	1,746.87	18,057.07	(556.07)	-
Instructional Field Trips	85,230.00	-	-	-	-	-	-	-	-	-	-	-	85,230.00	-
Training/Staff Development	24,000.00	1,160.50	13.30	-	-	-	-	1,287.35	-	-	263.60	2,724.75	21,275.25	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food - CACFP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parent Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consultant - programmatic	279,953.75	108,358.73	1,242.03	-	-	-	-	120,202.86	-	-	24,612.64	254,416.25	25,537.50	-
Consultant - administrative	249,400.00	97,812.28	1,121.14	-	-	-	-	108,503.64	-	-	22,217.11	229,654.18	19,745.82	-
Indirect cost - Head Start	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other OTPS	13,760.00	101.29	1.16	-	-	-	-	112.37	-	-	23.01	237.83	13,522.17	-
Total OTPS	<u>811,568.99</u>	<u>280,714.23</u>	<u>3,217.61</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>311,397.65</u>	<u>-</u>	<u>-</u>	<u>63,761.52</u>	<u>659,091.01</u>	<u>152,477.98</u>	<u>-</u>
TOTAL DECE COST	<u>\$ 7,877,519.00</u>	<u>\$ 2,578,694.08</u>	<u>\$ 29,557.53</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,860,557.72</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 585,725.43</u>	<u>\$ 6,054,534.76</u>	<u>\$ 1,822,984.24</u>	<u>\$ -</u>
Excess (deficiency) of revenue over (under) expenditures	<u>\$ (0.00)</u>	<u>\$ 19,328.17</u>	<u>\$ 221.54</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,440.83</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,390.21</u>	<u>\$ 45,380.75</u>	<u>\$ (45,380.75)</u>	<u>\$ -</u>

See accompanying notes to financial statements.

BROOKLYN KINDERGARTEN SOCIETY

Schedule 1B: Statement of Revenues and Expenditures: Other than DECE Funded

For the year ended June 30, 2023

BUDGET CATEGORIES	SCHEDULE 1B					
	Other Than DECE					[A+B] Total DECE Funded (C)
	DECE CC UPK Enhancement	DECE HS UPK Enhancement	Health & Safety	Other Funding use for DECE	Total Other Than DECE (B)	
Revenue:						
DECE revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,099,915.51
Other revenue (disability, interest, etc.)	-	-	-	-	-	-
Teacher's incentive fund	-	-	-	-	-	-
HRA Voucher	-	-	-	-	-	-
CACFP	-	-	-	-	-	-
Parent Fees	-	-	-	-	-	-
In-kind contribution	-	-	-	-	-	-
Sponsor's contribution	-	-	-	-	-	-
Other funding source revenue ¹	-	-	-	-	-	-
Total Revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,099,915.51</u>
Expenditures						
Personnel cost						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	3,340,370.81
Salaries - COLA	-	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-	-
Accrued Vacation	-	-	-	-	-	-
FICA	-	-	-	-	-	355,442.23
FICA - COLA	-	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-	-
FICA - Accrued Vacation	-	-	-	-	-	-
Workers compensation	-	-	-	-	-	-
Unemployment insurance	-	-	-	-	-	133,902.52
Pension	-	-	-	-	-	88,971.53
Welfare fund	-	-	-	-	-	-
Health Insurance	-	-	-	-	-	533,830.64
Substitutes	-	-	-	-	-	-
Total personnel cost	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,452,517.73</u>
Facilities cost						
Rent	-	-	-	-	-	280,471.71
Property Taxes	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-
Licensing and permits	-	-	-	-	-	4,205.33
Insurance	-	-	-	-	-	104,148.84
Custodial services	-	-	-	-	-	-
Alarm	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	195,910.08
Utilities	-	-	-	-	-	34,762.51
Maintenance and repairs	-	-	-	-	-	271,684.23
Capital expenditures and renovations	-	-	-	-	-	-
Other facilities costs	-	-	-	-	-	51,743.32
Total facilities cost	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>942,926.02</u>
Family Child Care Stipend	-	-	-	-	-	-

BROOKLYN KINDERGARTEN SOCIETY

Schedule 1B: Statement of Revenues and Expenditures: Other than DECE Funded – (continued)

For the year ended June 30, 2023

BUDGET CATEGORIES	Other Than DECE					SCHEDULE 1B	
	DECE CC UPK Enhancement	DECE HS UPK Enhancement	Health & Safety	Other Funding use for DECE	Total Other Than DECE (B)	[A+B] Total DECE Funded (C)	
	Other than personnel services (OTPS)						
Supplies	-	-	-	-	-	-	75,101.40
Equipment over \$5,000 - Head Start	-	-	-	-	-	-	23,246.65
Equipment over \$5,000 - Child Care	-	-	-	-	-	-	55,652.88
Postage	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	18,057.07
Instructional Field Trips	-	-	-	-	-	-	-
Training/Staff Development	-	-	-	-	-	-	2,724.75
Transportation	-	-	-	-	-	-	-
Food - CACFP	-	-	-	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	-	-	-
Audit	-	-	-	-	-	-	-
Parent Services	-	-	-	-	-	-	-
Consultant - programmatic	-	-	-	-	-	-	254,416.25
Consultant - administrative	-	-	-	-	-	-	229,654.18
Indirect cost - Head Start	-	-	-	-	-	-	-
Other OTPS	-	-	-	-	-	-	237.83
Total OTPS	-	-	-	-	-	-	659,091.01
TOTAL DECE COST	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,054,534.76</u>
Excess (deficiency) of revenue over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,380.75</u>

See accompanying notes to financial statements.

BROOKLYN KINDERGARTEN SOCIETY
Schedule 1Ci: CCBG - Statement of Revenues and Expenditures
For the year ended June 30, 2023

SCHEDULE 1Ci

BUDGET CATEGORIES	Budget		CCBG Funded			
	CCBG	Child Care	FCCN	Total CCBG	Variance	Questioned Cost
Revenue:						
DECE revenue	\$ 3,355,123.46	\$ 2,598,022.25	\$ -	\$ 2,598,022.25	\$ 757,101.21	\$ -
Other revenue (disability, interest, etc.)	-	\$ -	-	-	-	-
Parent Fees	-	\$ -	-	-	-	-
Other funding source revenue PLEASE DESCRIBE	-	-	-	-	-	-
Total Revenue	<u>\$ 3,355,123.46</u>	<u>\$ 2,598,022.25</u>	<u>\$ -</u>	<u>\$ 2,598,022.25</u>	<u>\$ 757,101.21</u>	<u>\$ -</u>
Expenditures						
Personnel cost						
Salaries	\$ 2,175,187.24	\$ 1,422,701.29	\$ -	\$ 1,422,701.29	\$ 752,485.95	\$ -
Salaries - COLA	-	-	-	-	-	-
Accrued Vacation	-	-	-	-	-	-
FICA	173,797.46	151,386.82	-	151,386.82	22,410.64	-
FICA - COLA	-	-	-	-	-	-
FICA - Accrued Vacation	-	-	-	-	-	-
Workers compensation	-	-	-	-	-	-
Unemployment insurance	65,255.62	57,030.58	-	57,030.58	8,225.04	-
Pension	43,503.74	37,893.97	-	37,893.97	5,609.77	-
Welfare fund	-	-	-	-	-	-
Health Insurance	261,239.99	227,364.44	-	227,364.44	33,875.55	-
Substitutes	-	-	-	-	-	-
Total personnel cost	<u>2,718,984.05</u>	<u>1,896,377.11</u>	<u>-</u>	<u>1,896,377.11</u>	<u>822,606.94</u>	<u>-</u>
Facilities cost						
Rent	143,297.82	119,456.04	-	119,456.04	23,841.78	-
Property Taxes	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-
Licensing and permits	11,477.88	1,791.10	-	1,791.10	9,686.78	-
Insurance	65,065.17	44,358.16	-	44,358.16	20,707.02	-
Custodial services	-	-	-	-	-	-
Alarm	-	-	-	-	-	-
Telecommunications	15,616.57	83,440.29	-	83,440.29	(67,823.73)	-
Utilities	14,569.14	14,805.74	-	14,805.74	(236.60)	-
Maintenance and repairs	15,133.48	115,713.35	-	115,713.35	(100,579.88)	-
Capital expenditures and renovations	-	-	-	-	-	-
Other facilities costs	25,323.04	22,038.06	-	22,038.06	3,284.98	-
Total facilities cost	<u>290,483.10</u>	<u>401,602.74</u>	<u>-</u>	<u>401,602.74</u>	<u>(111,119.64)</u>	<u>-</u>
Family Child Care Stipend	-	-	-	-	-	-

BROOKLYN KINDERGARTEN SOCIETY
Schedule 1Ci: CCBG - Statement of Revenues and Expenditures – (continued)
For the year ended June 30, 2023

SCHEDULE 1Ci

BUDGET CATEGORIES	Budget	CCBG Funded				
	CCBG	Child Care	FCCN	Total CCBG	Variance	Questioned Cost
Other than personnel services (OTPS)						
Supplies	36,899.45	31,986.53	-	31,986.53	4,912.92	-
Equipment over \$5,000 - Head Start	7,902.36	9,901.01	-	9,901.01	(1,998.65)	-
Equipment over \$5,000 - Child Care	15,560.13	23,703.18	-	23,703.18	(8,143.05)	-
Postage	-	-	-	-	-	-
Advertising	7,453.87	7,690.71	-	7,690.71	(236.84)	-
Instructional Field Trips	36,300.41	-	-	-	36,300.41	-
Training/Staff Development	10,221.87	1,160.50	-	1,160.50	9,061.37	-
Transportation	-	-	-	-	-	-
Audit	-	-	-	-	-	-
Parent Services	-	-	-	-	-	-
Consultant - programmatic	119,235.43	108,358.73	-	108,358.73	10,876.71	-
Consultant - administrative	106,222.25	97,812.28	-	97,812.28	8,409.97	-
Other OTPS	5,860.54	101.29	-	101.29	5,759.24	-
Total OTPS	<u>345,656.31</u>	<u>280,714.23</u>	<u>-</u>	<u>280,714.23</u>	<u>64,942.08</u>	<u>-</u>
TOTAL DECE CCBG EXPENSES	<u>\$ 3,355,123.46</u>	<u>\$ 2,578,694.08</u>	<u>\$ -</u>	<u>\$ 2,578,694.08</u>	<u>\$ 776,429.38</u>	<u>\$ -</u>
Excess (deficiency) of revenue over (under) expenditures	<u>\$ (0.00)</u>	<u>\$ 19,328.17</u>	<u>\$ -</u>	<u>\$ 19,328.17</u>	<u>\$ (19,328.17)</u>	<u>\$ -</u>

See accompanying notes to financial statements.

BROOKLYN KINDERGARTEN SOCIETY
Schedule 1Cii: CCBG - Quantitative Program results
For the year ended June 30, 2023

SCHEDULE 1Cii

ENROLLMENT

1	Contracted slots per site	
	a) KASC B5	29
	b) KASC HS	18
	c) KASG B5	39
	d) KASG HS	35
	e) KBAZ B5	66
	f) KBJW B5	33
	g) KBLS B5	19
	h) KBLS HS	26
	i) KBLT B5	38
	j) KBLT HS	66
	k) KCHP B5	35
	l) KCHP HS	15
	Total	<u>419</u>
2	Number of classrooms per site	
	a) KASC B5	1
	b) KASC HS	2
	c) KASG B5	3
	d) KASG HS	2
	e) KBAZ B5	2
	f) KBJW B5	2
	g) KBLS B5	3
	h) KBLS HS	2
	i) KBLT B5	4
	j) KBLT HS	3
	k) KCHP B5	2
	l) KCHP HS	1
	Total	<u>27</u>
3	Number of children enrolled by site	
	a) KASC B5	6
	b) KASC HS	6
	c) KASG B5	6
	d) KASG HS	21
	e) KBAZ B5	20
	f) KBJW B5	7
	g) KBLS B5	11
	h) KBLS HS	24
	i) KBLT B5	10
	j) KBLT HS	41
	k) KCHP B5	10
	l) KCHP HS	7
	Total	<u>169</u>
4	Number of children in attendance by site	
	a) KASC B5	5
	b) KASC HS	4
	c) KASG B5	6
	d) KASG HS	18
	e) KBAZ B5	19
	f) KBJW B5	7
	g) KBLS B5	9
	h) KBLS HS	20
	i) KBLT B5	36
	j) KBLT HS	7
	k) KCHP B5	8
	l) KCHP HS	8
	Total	<u>147</u>
5	The average attendance for contract by site (#4 divided by #3)	
	a) KASC B5	83%
	b) KASC HS	67%
	c) KASG B5	100%
	d) KASG HS	86%
	e) KBAZ B5	95%
	f) KBJW B5	100%
	g) KBLS B5	82%
	h) KBLS HS	83%
	i) KBLT B5	360%
	j) KBLT HS	17%
	k) KCHP B5	80%
	l) KCHP HS	114%
	Total Average	87%

BROOKLYN KINDERGARTEN SOCIETY
Schedule 1Cii: CCBG - Quantitative Program results – (continued)
For the year ended June 30, 2023

COST		
1	Total expense for the contract. (Total EL expense in Schedule 1-A)	\$ 6,054,535
2	Total expense by site	
	a) KASC B5	\$ 392,240
	b) KASC HS	\$ 328,134
	c) KASG B5	\$ 483,604
	d) KASG HS	\$ 556,039
	e) KBAZ B5	\$ 721,421
	f) KBJW B5	\$ 675,234
	g) KBLS B5	\$ 382,778
	h) KBLS HS	\$ 574,076
	i) KBLT B5	\$ 460,583
	j) KBLT HS	\$ 823,579
	k) KCHP B5	\$ 400,355
	l) KCHP HS	<u>\$ 256,492</u>
	Total	<u>\$ 6,054,534</u>
3	Average cost slots (Total expenses/Total attendance by sites)	41,187
4	Average cost per site/Total cost per site/Attendance by site)	
	a) KASC B5	\$ 78,448
	b) KASC HS	\$ 82,033
	c) KASG B5	\$ 80,601
	d) KASG HS	\$ 30,891
	e) KBAZ B5	\$ 37,970
	f) KBJW B5	\$ 96,462
	g) KBLS B5	\$ 42,531
	h) KBLS HS	\$ 28,704
	i) KBLT B5	\$ 12,794
	j) KBLT HS	\$ 117,654
	k) KCHP B5	\$ 50,044
	l) KCHP HS	\$ 32,061

BROOKLYN KINDERGARTEN SOCIETY
Schedule 1Ciii: CCBG - Accrued Vacation
 For the year ended June 30, 2023

SCHEDULE 1Ciii

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

<u>Payroll Date</u>	<u>Employee # or position</u>	<u>Accrued Vacation</u>	<u>FICA - Accrued Vacation</u>	<u>Total as at 6/30/2023</u>
		\$ -	\$ -	\$ -
		-	-	-
		-	-	-

Total Accrued Vacation and FICA - Accrued Vacation \$ -

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

BROOKLYN KINDERGARTEN SOCIETY

Schedule 1D: Statement of Revenues and Expenditures: Not DECE Funded

For the year ended June 30, 2023

SCHEDULE 1D

BUDGET CATEGORIES	NOT DOE FUNDED				
	Actual				
	CACFP	Cash Contribution (Head Start)	In-kind Contribution (Head Start)	Sponsor's Contribution (Other than Head Start)	Other Funding Source
Revenue:					
DECE revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue (disability, interest, etc.)	-	-	-	-	-
HRA Voucher	-	-	-	-	-
CACFP	-	-	-	-	-
Parent Fees	-	-	-	-	-
In-kind contribution	-	-	-	-	-
Sponsor's contribution	-	-	-	-	-
Other funding source revenue ¹	-	-	-	-	-
Total Revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures					
Personnel cost					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries - COLA	-	-	-	-	-
Accrued Vacation	-	-	-	-	-
FICA	-	-	-	-	-
FICA - COLA	-	-	-	-	-
FICA - Accrued Vacation	-	-	-	-	-
Workers compensation	-	-	-	-	-
Unemployment insurance	-	-	-	-	-
Pension	-	-	-	-	-
Welfare fund	-	-	-	-	-
Health Insurance	-	-	-	-	-
Substitutes	-	-	-	-	-
Total personnel cost	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Family Child Care Stipend	-	-	-	-	-

BROOKLYN KINDERGARTEN SOCIETY

Schedule 1D: Statement of Revenues and Expenditures: Not DECE Funded – (continued)

For the year ended June 30, 2023

SCHEDULE 1D

BUDGET CATEGORIES	NOT DOEFUNDED				
	Actual				
	CACFP	Cash Contribution (Head Start)	In-kind Contribution (Head Start)	Sponsor's Contribution (Other than Head Start)	Other Funding Source
Other than personnel services (OTPS)					
Supplies	-	-	-	-	-
Equipment over \$5,000 - Head Start	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-
Postage	-	-	-	-	-
Advertising	-	-	-	-	-
Instructional Field Trips	-	-	-	-	-
Training/Staff Development	-	-	-	-	-
Transportation	-	-	-	-	-
Food - CACFP	-	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	-
Audit	-	-	-	-	-
Parent Services	-	-	-	-	-
Consultant - programmatic	-	-	-	-	-
Consultant - administrative	-	-	-	-	-
Indirect cost - Head Start	-	-	-	-	-
Other OTPS	-	-	-	-	-
Total OTPS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL DECE COST	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenue over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

BROOKLYN KINDERGARTEN SOCIETY**Schedule 2: Statement of Head Start Expenditures by Program Year**

For the year ended June 30, 2023

SCHEDULE 2

<u>Category</u>	<u>Program Year 04</u> <u>7/1/22-12/31/22</u>	<u>Program Year 05</u> <u>1/1/23-6/30/23</u>	<u>Total Head Start</u> <u>Expenses</u>
Personnel and fringe cost			
Salaries	\$ 598,030.07	\$ 549,878.91	\$ 1,147,908.98
FICA	62,265.13	110,575.35	172,840.47
Unemployment insurance	23,349.42	41,465.75	64,815.18
Pension	15,566.28	27,643.84	43,210.12
Welfare fund	-	-	-
Health insurance	93,397.69	165,863.02	259,260.71
Worker's compensation	-	-	-
Substitute staff	-	-	-
Total personnel and fringe cost	<u>792,608.59</u>	<u>895,426.86</u>	<u>1,688,035.46</u>
Facilities cost			
Rent (Delegate Agency Administered Costs)	70,865.50	65,072.68	135,938.18
Property taxes	-	-	-
Licensing and permits	1,868.18	-	1,868.18
Water/sewer	-	-	-
Utilities (Delegate Agency Administered Costs)	9,769.79	15,025.36	24,795.15
Insurance	9,538.32	66,460.34	75,998.66
Telecommunications	63,941.06	52,395.70	116,336.76
Maintenance and repairs	133,614.51	24,649.05	158,263.56
Other facilities cost	<u>13,575.41</u>	<u>16,101.21</u>	<u>29,676.62</u>
Total facilities cost	<u>303,172.77</u>	<u>239,704.34</u>	<u>542,877.11</u>

BROOKLYN KINDERGARTEN SOCIETY

Schedule 2: Statement of Head Start Expenditures by Program Year – (continued)

For the year ended June 30, 2023

SCHEDULE 2

<u>Category</u>	<u>Program Year 04</u> <u>7/1/22-12/31/22</u>	<u>Program Year 05</u> <u>1/1/23-6/30/23</u>	<u>Total Head Start</u> <u>Expenses</u>
Other than personnel services (OTPS)			
Supplies	18,531.34	15,139.02	33,670.36
Equipment over \$5,000	14,167.66	18,058.47	32,226.13
Advertising	3,364.14	4,478.64	7,842.78
Training	810.85	30.29	841.14
Parent services/family involvement	-	-	-
Programmatic consultants	63,039.90	49,129.48	112,169.38
Administrative consultants	66,685.37	53,855.71	120,541.08
Transportation	-	-	-
Audit	-	-	-
Food (not funded by CACFP)	-	-	-
Other OTPS	3.50	112.66	116.16
Total OTPS	<u>166,602.76</u>	<u>140,804.27</u>	<u>307,407.03</u>
Indirect cost	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	\$ 1,262,384.12	\$ 1,275,935.47	\$ 2,538,319.60
Health and Safety	-	-	-
Less: Program Income	-	-	-
Total Head Start Funded Expenses	<u>\$ 1,262,384.12</u>	<u>\$ 1,275,935.47</u>	<u>\$ 2,538,319.60</u>
Non-Federal Share (NFS) Expenses			
Head Start UPK	\$ -	\$ -	\$ -
DOE HS UPK Enhancement	-	-	-
Cash Contributions - Head Start	-	-	-
In-kind Contributions - Head Start	-	-	-
Total NFS Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Head Start Program Expenses	<u>\$ 1,262,384.12</u>	<u>\$ 1,275,935.47</u>	<u>\$ 2,538,319.60</u>
NFS Program Percentage	0.0%	0.0%	0.0%
Administrative Expenses			
Personnel and fringe cost	\$ -	\$ -	\$ -
Facilities cost	-	-	-
OTPS	-	-	-
Indirect cost	-	-	-
NFS expenses	-	-	-
Total Administrative Expenses	-	-	-
Total Head Start Program Expenses	1,262,384.12	1,275,935.47	2,538,319.60
Administrative Expense Percentage	0.0%	0.0%	0.0%
Special Reporting:			
CACFP Funded Expenses	\$ -	\$ -	\$ -

BROOKLYN KINDERGARTEN SOCIETY

Schedule 2A: Statement of Early Head Start Expenditures by Program Year

For the year ended June 30, 2023

SCHEDULE 2A

<u>Category</u>	<u>Program Year 04</u> <u>7/1/22-12/31/22</u>	<u>Program Year 05</u> <u>1/1/23-6/30/23</u>	<u>Total Early Head</u> <u>Start Expenses</u>
Personnel and fringe cost			
Salaries			\$ -
FICA			-
Unemployment insurance			-
Pension			-
Welfare fund			-
Health insurance			-
Worker's compensation			-
Substitute staff			-
Total personnel and fringe cost	-	-	-
Facilities cost			
Rent (Delegate Agency Administered Costs)			-
Property taxes			-
Licensing and permits			-
Water/sewer			-
Utilities (Delegate Agency Administered Costs)			-
Insurance			-
Telecommunications			-
Maintenance and repairs			-
Other facilities cost			-
Total facilities cost	-	-	-
Other than personnel services (OTPS)			
Supplies			-
Equipment over \$5,000			-
Advertising			-
Training			-
Parent services/family involvement			-
Programmatic consultants			-
Administrative consultants			-
Transportation			-
Audit			-
Food (not funded by CACFP)			-
Other OTPS			-
Total OTPS	-	-	-
Indirect cost	-	-	-

BROOKLYN KINDERGARTEN SOCIETY

Schedule 2A: Statement of Early Head Start Expenditures by Program Year – (continued)

For the year ended June 30, 2023

SCHEDULE 2A

<u>Category</u>	<u>Program Year 04</u> <u>7/1/22-12/31/22</u>	<u>Program Year 05</u> <u>1/1/23-6/30/23</u>	<u>Total Early Head</u> <u>Start Expenses</u>
Total Expenses	\$ -	\$ -	\$ -
Health and Safety	-	-	-
Less: Program Income	-	-	-
Total Early Head Start Funded Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Non-Federal Share (NFS) Expenses			
Cash Contributions - Early Head Start	\$ -	\$ -	\$ -
In-kind Contributions - Early Head Start	-	-	-
Total NFS Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Early Head Start Program Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NFS Program Percentage	0.0%	0.0%	0.0%
Administrative Expenses			
Personnel and fringe cost	\$ -	\$ -	\$ -
Facilities cost	-	-	-
OTPS	-	-	-
Indirect cost	-	-	-
NFS expenses	-	-	-
Total Administrative Expenses	-	-	-
Total Early Head Start Program Expenses	-	-	-
Administrative Expense Percentage	0.0%	0.0%	0.0%
Special Reporting:			
CACFP Funded Expenses	\$ -	\$ -	\$ -

BROOKLYN KINDERGARTEN SOCIETY
Schedule 3: Statement of Non-Federal Share Expenses by Program Year
For the year ended June 30, 2023

Category	HS UPK			DOEHS UPK Enhancement			Cash Contributions - Head Start			SCHEDULE 3 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 02	Program Year 03	Total
	7/1/22-12/31/22	1/1/23-6/30/23		7/1/22-12/31/23	1/1/23-6/30/23		7/1/22-12/31/22	1/1/23-6/30/23		7/1/20-12/31/20	1/1/21-6/30/21	
Personnel and fringe cost												
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FICA	-	-	-	-	-	-	-	-	-	-	-	-
Unemployment insurance	-	-	-	-	-	-	-	-	-	-	-	-
Pension	-	-	-	-	-	-	-	-	-	-	-	-
Welfare fund	-	-	-	-	-	-	-	-	-	-	-	-
Health insurance	-	-	-	-	-	-	-	-	-	-	-	-
Worker's compensation	-	-	-	-	-	-	-	-	-	-	-	-
Substitute staff	-	-	-	-	-	-	-	-	-	-	-	-
Total personnel and fringe cost	-	-	-	-	-	-	-	-	-	-	-	-
Facilities cost												
Rent (Delegate Agency Administered Costs)	-	-	-	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-	-	-	-
Water/sewer	-	-	-	-	-	-	-	-	-	-	-	-
Utilities (Delegate Agency Administered Costs)	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-	-	-	-	-	-	-	-
Other facilities cost	-	-	-	-	-	-	-	-	-	-	-	-
Total facilities cost	-	-	-	-	-	-	-	-	-	-	-	-
Other than personnel services (OTPS)												
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Equipment over \$5,000	-	-	-	-	-	-	-	-	-	-	-	-
Training	-	-	-	-	-	-	-	-	-	-	-	-
Parent services/family involvement	-	-	-	-	-	-	-	-	-	-	-	-
Programmatic consultants	-	-	-	-	-	-	-	-	-	-	-	-
Administrative consultants	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Audit	-	-	-	-	-	-	-	-	-	-	-	-
Food (not funded by CACFP)	-	-	-	-	-	-	-	-	-	-	-	-
Other OTPS	-	-	-	-	-	-	-	-	-	-	-	-
Total OTPS	-	-	-	-	-	-	-	-	-	-	-	-
Indirect cost	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Breakdown by funding source:												
State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City	-	-	-	-	-	-	-	-	-	-	-	-
Private/Third-Party	-	-	-	-	-	-	-	-	-	-	-	-
Delegate Agency	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BROOKLYN KINDERGARTEN SOCIETY
Schedule 4: Schedule of Equipment Inventory
 For the year ended June 30, 2023

SCHEDULE 4

Current Year Purchases (with total acquisition cost per unit of at least \$5,000 or above and purchased between 7/1/22 to 6/30/23):

Description	Quantity	Serial # or Asset Tag #	Date Purchased or Acquired	Date Sold or Disposed	Funding Source (either GP or ACQ)	Acquisition cost allocated to Child Care	Acquisition cost allocated to Head Start	Acquisition cost allocated to Health & Safety	Acquisition cost allocated to Sandy Relief	Total Cost
						\$ -	\$ -	\$ -	\$ -	\$ -
						\$ -	\$ -	\$ -	\$ -	\$ -
						\$ -	\$ -	\$ -	\$ -	\$ -
						\$ -	\$ -	\$ -	\$ -	\$ -

Grand Total \$ -

Prior Years Purchases (with total acquisition cost per unit of at least \$5,000 or above and purchased between 7/1/21 to 6/30/22):

Description	Quantity	Serial # or Asset Tag #	Date Purchased or Acquired	Date Sold or Disposed	Funding Source (either GP or ACQ)	Acquisition cost allocated to Child Care	Acquisition cost allocated to Head Start	Acquisition cost allocated to Health & Safety	Acquisition cost allocated to Sandy Relief	Total Cost
						\$ -	\$ -	\$ -	\$ -	\$ -
						\$ -	\$ -	\$ -	\$ -	\$ -
						\$ -	\$ -	\$ -	\$ -	\$ -
						\$ -	\$ -	\$ -	\$ -	\$ -

Grand Total \$ -

Note:

The schedule must only disclose equipment with acquisition cost per unit of at least \$5,000 or above.

GP - item which is Federally-owned property

ACQ - item acquired with awards funds

BROOKLYN KINDERGARTEN SOCIETY
Schedule 5: Schedule of Due to or Due from DECE
For the year ended June 30, 2023

SCHEDULE 5

Due To or (Due From) DOE at 6/30/2022		\$ (2,294,961)
Cash received/advances from DOE		10,519,304
Plus other funds collected:		
Parent Fees		-
Other revenue (disability, interest, etc.)		-
Total funds available		<u>\$ 8,224,343</u>
Less claimable expenditures:		
Expenditures	\$ (6,099,771)	
Less: Accrued Vacation		-
Less: FICA - Accrued Vacation		-
Less: Questioned Costs		<u>- \$ (6,099,771)</u>
Due To or (Due From) DOE at 6/30/2023		<u><u>\$ 2,124,572</u></u>

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

BROOKLYN KINDERGARTEN SOCIETY
Schedule 6: Schedule of Accrued Vacation
 For the year ended June 30, 2023

SCHEDULE 6

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

<u>Payroll Date</u>	<u>Employee # or position</u>	<u>Accrued Vacation</u>	<u>FICA - Accrued Vacation</u>	<u>Total as at 6/30/2023</u>
		\$ -	\$ -	\$ -
		-	-	-
		-	-	-

Total Accrued Vacation and FICA - Accrued Vacation \$ -

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

BROOKLYN KINDERGARTEN SOCIETY
Schedule 7: Schedule of Pay Parity
 For the year ended June 30, 2023

BROOKLYN KINDERGARTEN SOCIETY		SCHEDULE 7
SCHEDULE OF PAY PARITY		
FOR THE YEAR ENDED JUNE 30, 2023		
Titles of staff who received ratification bonuses	Number of staff	
Title 1	#	
Title 2	#	
Title 3	#	
Title 4	#	
Title 5	#	
etc.	#	
Titles of staff who received salary increases	Number of staff	
Title 1	#	
Title 2	#	
Title 3	#	
Title 4	#	
Title 5	#	
etc.	#	
Total amount paid out in ratification bonuses for eligible staff		
####		
Total amount paid out in salary increases for eligible staff		
####		

BROOKLYN KINDERGARTEN SOCIETY
Schedule 8: Schedule of COVID Expenses
 For the year ended June 30, 2023

SCHEDULE 8

Schedule of COVID Expenses charged to DOE Funded Programs **including DOE FCCN** :

<u>Object of Expenditure</u>	<u>Explanation of COVID Response</u>	<u>Total Expense</u>	<u>% Attributable to COVID Response</u>	<u>COVID Expense</u>
		\$ -		\$ -
		-		-
		-		-