



**BROOKLYN  
KINDERGARTEN  
SOCIETY**

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EARLY CHILDHOOD EDUCATION  
SINCE 1891

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## **BROOKLYN KINDERGARTEN SOCIETY**

**Audited Financial Statements and  
Single Audit Reports  
(With Supplemental ACS Schedules)**

**June 30, 2019**

**JOHN, JACOB & VAYALUMKAL, LLP  
CERTIFIED PUBLIC ACCOUNTANTS**

# BROOKLYN KINDERGARTEN SOCIETY

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**JOHN, JACOB & VAYALUMKAL, LLP**  
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**11 Broadway, Suite # 1166**  
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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Brooklyn Kindergarten Society

**Report on the Financial Statements**

We have audited the accompanying financial statements of Brooklyn Kindergarten Society ("BKS"), which comprise the statement of financial position as of June 30, 2019, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the organization'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 organization'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 Brooklyn Kindergarten Society as of June 30, 2019, 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.

### Report on Summarized Comparative Information

In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019 is consistent, in all material respects, with the audited financial statements for the year ended June 30, 2018.

### Other Matters

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards for BKS for the year ended June 30, 2019, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information

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directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards 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 January 30, 2020 on our consideration of BKS' 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 BKS' internal control over financial reporting and compliance.

*John, Jacob & Vayalumkal, LLP*

John, Jacob & Vayalumkal, LLP  
Certified Public Accountants

January 30, 2020  
New York, NY 10004

**BROOKLYN KINDERGARTEN SOCIETY**  
**STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2019**  
(With comparative totals for the year ended June 30, 2018)

	<u>6/30/2019</u>	<u>6/30/2018</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 42,553	\$ 323,892
Investments (Note 3)	2,478,753	2,217,912
Unconditional promises to give	-	113,031
Due from NYC ACS (Note 4)	2,238,004	1,235,821
Other government grants receivables	65,015	52,671
Prepaid expenses and other assets	65,194	83,907
Security deposit	32,375	9,332
	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 4,921,894</u>	<u>\$ 4,036,566</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$ 502,207	\$ 334,059
Other government grant advances	841	841
Deferred Revenue	-	15,000
Line of Credit - JPMorgan Chase Bank (Note 11)	1,000,000	500,000
Total liabilities	<u>1,503,048</u>	<u>849,900</u>
<b>Net assets:</b>		
Unrestricted	3,418,846	3,057,712
Temporarily restricted (Note 5)	-	128,954
Total net assets	<u>3,418,846</u>	<u>3,186,666</u>
Total liabilities and net assets	<u>\$ 4,921,894</u>	<u>\$ 4,036,566</u>

The attached notes and auditors' report are an integral part of these financial statements.

**BROOKLYN KINDERGARTEN SOCIETY**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2019**  
(With comparative totals for the year ended June 30, 2018)

	Unrestricted			Temporarily		
	Government	Non Government	Total Unrestricted	Restricted (Note 5)	Total 6/30/2019	Total 6/30/2018
Operating:						
Public support and revenue:						
Government grants:						
NYC ACS - Child Care and Head Start	\$ 6,269,556	\$ -	\$ 6,269,556	\$ -	\$ 6,269,556	\$ 4,826,425
USDA/CACFP	258,308	-	258,308	-	258,308	268,459
NYC ACS - Health & Safety	9,353	-	9,353	-	9,353	127,663
NYC ACS - DOE UPK Enhancement	313,862	-	313,862	-	313,862	191,641
NYS DOE Weeksville	383,880	-	383,880	-	383,880	-
Total government grants	7,234,959	-	7,234,959	-	7,234,959	5,414,188
Contributions	-	238,875	238,875	-	238,875	562,773
In-kind donations	-	104,983	104,983	-	104,983	41,688
Parent fees	204,094	-	204,094	-	204,094	163,933
Private tuition	-	29,395	29,395	-	29,395	39,880
Fundraising event (net of direct benefit to donors) (Note 10)	-	301,880	301,880	-	301,880	314,360
Interest and other income	-	52,094	52,094	-	52,094	48,166
Net assets released from restrictions	-	128,954	128,954	(128,954)	-	-
Total support and revenue	7,439,053	856,181	8,295,234	(128,954)	8,166,280	6,584,988
Expenses:						
Program services:						
Child Care Centers	7,037,241	231,254	7,268,495	-	7,268,495	5,948,002
USDA/CACFP Food Program	258,308	-	258,308	-	258,308	268,459
	7,295,549	231,254	7,526,803	-	7,526,803	6,216,461
Supporting services:						
Management and general	126,270	429,591	555,861	-	555,861	689,907
Fundraising	-	85,460	85,460	-	85,460	78,990
Total supporting services	126,270	515,051	641,321	-	641,321	768,897
Total expenses	7,421,819	746,305	8,168,124	-	8,168,124	6,985,358
Change in net assets from operations	17,234	109,876	127,110	(128,954)	(1,844)	(400,370)
Non-operating:						
Net gain/(loss) on investments (Note 3)	-	234,024	234,024	-	234,024	122,858
Change in net assets	17,234	343,900	361,134	(128,954)	232,180	(277,512)
Net assets - beginning of year	(110,337)	3,168,047	3,057,712	128,954	3,186,666	3,464,178
Net assets - end of year	\$ (93,103)	\$ 3,511,947	\$ 3,418,846	\$ -	\$ 3,418,846	\$ 3,186,666

The attached notes and auditors' report are an integral part of these financial statements.

**BROOKLYN KINDERGARTEN SOCIETY**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2019**  
(With comparative totals for the year ended June 30, 2018)

	Program Services			Supporting Services				
	Child Care Center	Food Program	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses 6/30/2019	Total Expenses 6/30/2018
Salaries	\$ 4,436,039	\$ -	\$ 4,436,039	\$ 217,877	\$ 25,228	243,105	\$ 4,679,144	\$ 4,159,652
Payroll taxes and fringe benefits	1,172,691	-	1,172,691	41,395	1,930	43,325	1,216,016	1,119,367
Total personnel	5,608,730	-	5,608,730	259,272	27,158	286,430	5,895,160	5,279,019
Other than personnel expenses:								
Classroom supplies and equipment	276,264	-	276,264	-	-	-	276,264	298,853
Program enhancements	313,862	-	313,862	-	-	-	313,862	136,080
Professional fees	378,814	-	378,814	53,168	-	53,168	431,982	182,463
Food and kitchen supplies	-	258,308	258,308	-	-	-	258,308	210,878
In-kind volunteer services	104,983	-	104,983	-	-	-	104,983	41,668
Facilities Cost	347,422	-	347,422	127,823	1,677	129,500	476,922	339,000
Information technology	93,634	-	93,634	14,517	-	14,517	108,151	155,094
Office supplies/Postage/Courier	28,795	-	28,795	98,264	-	98,264	127,059	95,160
Professional development	26,925	-	26,925	621	-	621	27,546	73,949
Special projects	-	-	-	-	56,553	56,553	56,553	31,421
Child and parent activities	5,454	-	5,454	-	-	-	5,454	51,605
Travel and meetings	7,743	-	7,743	458	-	458	8,201	14,481
Telephone	22,421	-	22,421	1,501	-	1,501	23,922	18,176
UPK fee waived	45,630	-	45,630	-	-	-	45,630	50,437
Printing	7,818	-	7,818	237	72	309	8,127	7,074
Total OTPS	1,659,765	258,308	1,918,073	296,589	58,302	354,891	2,272,964	1,706,339
Total expenses before depreciation	7,268,495	258,308	7,526,803	555,861	85,460	641,321	8,168,124	6,985,358
Depreciation	-	-	-	-	-	-	-	-
Total expenses	\$ 7,268,495	\$ 258,308	\$ 7,526,803	\$ 555,861	\$ 85,460	\$ 641,321	\$ 8,168,124	\$ 6,985,358
Expenses- Percentage	88.99%	3.16%	92.15%	6.81%	1.05%	7.85%	100.00%	100.00%

The attached notes and auditors' report are an integral part of these financial statements.



**BROOKLYN KINDERGARTEN SOCIETY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2019**  
(With comparative totals for the year ended June 30, 2018)

	<u>6/30/2019</u>	<u>6/30/2018</u>
Cash flows from operating activities:		
Change in net assets	\$ 232,180	\$ (277,512)
Adjustment to reconcile change in net assets to net cash used for operating activities:		
Depreciation	-	-
Net realized and unrealized (gain)/loss on investments	(234,024)	(122,858)
Changes in assets and liabilities:		
Unconditional promises to give	113,031	339,859
Due to/from NYC ACS	(1,002,183)	(1,229,919)
Other government grant receivable	(12,344)	75,148
Security Deposit	(23,043)	-
Prepaid expenses and other assets	18,713	(10,508)
Accounts payable and accrued expenses	168,148	(22,434)
Deferred Revenue	(15,000)	(100)
Total adjustments	<u>(986,702)</u>	<u>(970,812)</u>
Net cash provided/( used) for operating activities	<u>(754,522)</u>	<u>(1,248,324)</u>
Cash flows from investing activities:		
Purchase of investments (including reinvestment of income)	(668,252)	(388,760)
Proceeds from sale of investments	641,435	364,264
Net cash provided/(used) for investing activities	<u>(26,817)</u>	<u>(24,496)</u>
Cash flows from financing activities:		
Working Capital Line of Credit	500,000	500,000
Net cash provided/(used) for financing activities	<u>500,000</u>	<u>500,000</u>
Net increase/(decrease) in cash and cash equivalents	(281,339)	(772,820)
Cash and cash equivalents - beginning of year	<u>323,892</u>	<u>1,096,712</u>
Cash and cash equivalents - end of year	<u>\$ 42,553</u>	<u>\$ 323,892</u>
Interest and taxes paid	<u>\$ 45,959</u>	<u>\$ -</u>

The attached notes and auditors' report are an integral part of these financial statements.

**BROOKLYN KINDERGARTEN SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 1 - Nature of the Organization**

Founded in 1891, the Brooklyn Kindergarten Society 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 pursuant to Section 501(c)(3) of the Internal Revenue Code. They have not been designated as a private foundation.

**Note 2 - Summary of Significant Accounting Policies**

a. Basis of Presentation

The financial statements have been prepared using the accrual basis of accounting which is the process of recognizing revenue and expenses when earned or incurred rather than when received or paid.

Net assets are classified based upon the existence or absence of donor-imposed restrictions as follows:

- *Unrestricted*-represents all activity without donor imposed restrictions.

**BROOKLYN KINDERGARTEN SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 2 - Summary of Significant Accounting Policies -Cont.**

- *Temporarily restricted* -represent those resources, the uses of which have been restricted by donors to specific purposes or the passage of time. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor.
- *Permanently restricted* - accounts for activity restricted by donors that must remain intact in perpetuity. BKS did not have any permanently restricted net assets at June 30, 2019 or June 30, 2018.

**b. Revenue Recognition**

Contributions are recorded as revenue at the earlier of the receipt of cash or at the time a pledge is considered unconditional. Contributions received with specific donor restrictions are recorded in the temporarily restricted class of net assets. All other contributions are recorded as unrestricted. When the restrictions from temporarily restricted contributions have been met in the year of donation, they are reported as unrestricted.

Contributions expected to be received within one year are recorded at their net realizable value. Conditional contributions are recognized as income when the conditions have been substantially met.

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.

The difference between cash received and government grant income recognized is reflected as government grants receivable or government grants advance.

**c. 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.

**d. Concentration of Credit Risk**

Financial instruments which potentially subject BKS to concentration of credit risk consist of cash, money market accounts, and investment securities which are placed with financial institutions that management deems to be creditworthy. At times, balances may exceed

**BROOKLYN KINDERGARTEN SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 2 - Summary of Significant Accounting Policies -Cont.**

federally insured limits. At year-end, there were material uninsured balances; however, BKS has not experienced any losses due to failure of a financial institution. The market value of investments is subject to fluctuation; however, management believes that the investment policy is prudent for the long-term welfare of BKS.

e. Allowance for Doubtful Accounts

At June 30, 2019, all pledges and grants receivable are due within one year. Management reviews receivables that are unlikely to be collected based on historical experience and a review of activity subsequent to the balance sheet date. No allowance for doubtful accounts exists as of June 30, 2019, Write-offs will be made directly to operations in the period the receivable is deemed to be uncollected.

f. Investments

Investments are recorded at fair value, which refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Realized and unrealized gains and losses are recognized in the statement of activities.

g. Fixed Assets

Fixed assets that BKS retains title to and capital items purchased which benefit future periods are capitalized based on cost if purchased or at the fair value at the date of the gift. Office equipment and furniture are carried at cost and depreciated over their useful lives (generally five to seven years) using the straight-line method. Leasehold improvements are depreciated over the lease term.

h. Donated Services and Materials

Contributed 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.

BKS received in-kind volunteer services of \$ 104,983 and \$41,688 during the years ended June 30, 2019 and 2018 respectively. Individuals volunteer their time and perform a variety of tasks that assist BKS. These services have been recorded in the financial statements.

i. 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 FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 2 - Summary of Significant Accounting Policies -Cont.**

j. Functional Allocation of Expenses

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

k. Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with BKS' financial statements for the year ended June 30, 2018, from which the summarized information was derived.

l. Accounting for Uncertainty in Income Taxes

BKS does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending June 30, 2016 and later are subject to examination by applicable taxing authorities.

m. Subsequent Events

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through January 30, 2020, the date the financial statements were available to be issued. No events have occurred subsequent to the statement of financial position date through our evaluation date that would require adjustment to or disclosure in the financial statements.

**BROOKLYN KINDERGARTEN SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2019**

**Note 3 - Investments**

Fair Value Measurement

Accounting standards have established a fair value hierarchy giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data. The fair value hierarchy is categorized into three levels based on the inputs as follows:

- Level 1- Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that BKS has the ability to access.
- Level 2- Valuations based on quoted prices in markets that are not active or for which all significant inputs are not observable, either directly or indirectly.
- Level 3- Valuations based on inputs that are unobserved and significant to the overall fair value measurement.

The following summarizes the composition of investments at June 30, 2019:

Description	Total	Level 1	Level 2
Money market funds/cash	\$83,239	\$83,239	\$ -
Equities	1,520,042	1,520,042	-
Mutual Funds - equities	37,684	37,684	-
Mutual Funds - fixed income	641,602	641,602	-
Mutual Funds - government bonds	196,186	196,186	-
Total	<u>\$2,478,753</u>	<u>\$2,478,753</u>	<u>\$ -</u>

The following summarizes the composition of investments at June 30, 2018:

Description	Total	Level 1	Level 2
Money market funds/cash	\$126,810	\$126,810	\$ -
Equities	1,341,745	1,341,745	-
Mutual Funds - equities	38,754	38,754	-
Mutual Funds - fixed income	628,989	628,989	-
Mutual Funds - government bonds	81,614	81,614	-
Total	<u>\$2,217,912</u>	<u>\$2,217,912</u>	<u>\$ -</u>

**BROOKLYN KINDERGARTEN SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2019**

**Note 3 - Investments Cont.**

Net gains on investments consist of:

Description	6/30/2019	6/30/2018
Unrealized (losses)/gains	\$251,902	\$89,903
Realized gains on sales	(17,878)	32,955
Total	<u>\$234,024</u>	<u>\$122,858</u>

Level 1 securities are valued at the closing price reported on the active market they are traded on. Level 2 securities are valued using observable market inputs for securities that are similar to those owned. This method produces a fair value calculation that may not be indicative of net realizable value or reflective of future values. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements.

**Note 4 - Due To/From NYC/ACS**

The balance due from NYC/ ACS consists of the following:

	6/30/2019	6/30/2018
Beginning balance due from ACS	\$1,235,821	\$5,902
Funding based on actual expenses	6,796,866	5,145,729
Prior year adjustments-2015 Health & Safety Expenses	-	-
Prior year net payments	-	-
Prior year adjustments-2015 Health & Safety Payments/Fees	-	(1,807)
Advances received	<u>(5,794,683)</u>	<u>(3,914,003)</u>
Ending balance due from ACS	<u>\$2,238,004</u>	<u>\$1,235,821</u>

**Break-down of balance due to/from ACS**

Early Learn - Due To/From	2,238,004	1,147,979
UPK Enhancement - Due From	-	87,842
Health & Safety	-	-
	<u>\$2,238,004</u>	<u>\$1,235,821</u>

**BROOKLYN KINDERGARTEN SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2019**

**Note 5 - Temporarily Restricted Net Assets**

The following summarizes the changes in temporarily restricted net assets:

	June 30, 2019			
	Balance 7/1/18	Additions	Released from Restrictions	Balance 6/30/19
Program restrictions:				
Educational Endowment	\$ -	\$ -	\$ -	\$ -
Social Work	128,954	-	(128,954)	-
General Program Support	-	-	-	-
Classroom Enhancements	-	-	-	-
Total	<u>\$128,954</u>	<u>-</u>	<u>(\$128,954)</u>	<u>-</u>

	June 30, 2018			
	Balance 7/1/17	Additions	Released from Restrictions	Balance 6/30/18
Program restrictions:				
Educational Endowment	\$ -	\$ -	\$ -	\$ -
Social Work	162,254	300,000	(333,300)	128,954
General Program Support	250,000	10,000	(260,000)	-
Classroom Enhancements	-	15,000	(15,000)	-
Total	<u>\$412,254</u>	<u>\$325,000</u>	<u>(\$608,300)</u>	<u>\$128,954</u>

**Note 6 - Fixed Assets**

Fixed assets consist of the following:

Assets	6/30/2019	6/30/2018
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	<u>(336,458)</u>	<u>(336,458)</u>
Total	<u>-</u>	<u>-</u>



**BROOKLYN KINDERGARTEN SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**Note 7 - Retirement Plan**

BKS has a defined contribution 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 \$19,995 and \$45,052 in 2019 and 2018, respectively.

**Note 8 - Commitments & Contingencies**

Commitments

BKS occupies space of its home office under a lease agreement that expires in November, 2030. BKS has a lease with NYCHA for children's centers under a lease agreement that expires in August, 2021. Future minimum payments are as follows:

For the fiscal year ending:	NYCHA	Home Office	Total
June 30, 2020	\$91,253	\$133,385	\$224,638
June 30, 2021	31,157	137,387	168,544
June 30, 2022	-	141,508	141,508
June 30, 2023	-	145,753	145,753
June 30, 2024	-	150,126	150,126
July 1, 2024 to November, 2030	-	1,184,845	1,184,845
Total	<u>\$ 122,410</u>	<u>\$ 1,893,004</u>	<u>\$ 2,015,414</u>

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.

**BROOKLYN KINDERGARTEN SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2019**

**Note 9 - Significant Concentrations**

BKS derives its income primarily from reimbursements from government funding sources and from donations and grants. Approximately 79% and 79% of total support was derived from NYC/ACS for the year ended June 30, 2019 and June 30, 2018, respectively.

**Note 10 - Fundraising Event**

Fundraising event income is summarized as follows:

	6/30/2019			
	Yuletide	Marathon	Bike	Total
Gross Revenue	\$359,275	\$15,866	\$6,280	\$381,421
Less: expenses with a direct benefit to donor	(79,541)	-	-	(79,541)
	279,734	15,866	6,280	301,880
Less: indirect expenses	(50,543)	(3,116)	(2,893)	(56,552)
Total	<u>\$229,191</u>	<u>\$12,750</u>	<u>\$3,387</u>	<u>\$245,328</u>
	6/30/2018			
	Yuletide	Marathon	Turkey	Total
Gross Revenue	\$364,225	\$24,293	\$ -	\$388,518
Less: expenses with a direct benefit to donor	(74,158)	-	-	(74,158)
	290,067	24,293	-	314,360
Less: indirect expenses	(18,492)	(4,471)	-	(22,963)
Total	<u>\$271,575</u>	<u>\$19,822</u>	<u>\$ -</u>	<u>\$291,397</u>

**Note 11 - Line of Credit**

In November 2015, BKS entered into a \$1,000,000 line of credit agreement with JPMorgan Chase Bank. The line bears interest at 3.25% annum plus adjusted London Interbank Offered Rate ("LIBOR"), which was 2.398% at June 30, 2019. Outstanding borrowings were \$1,000,000 and \$500,000 as of June 30, 2019 and 2018, respectively.

**Note 12 - Expenses**

Below are total expenses and percentage of total expenses charged to program and supporting services for the years ended June 30, 2019 and June 30, 2018:

	June 30, 2019		June 30, 2018	
	Amount	Percentage	Amount	Percentage
Program expenses	\$7,526,803	92.15%	\$6,216,461	88.99%
Management and general	555,861	6.81%	689,907	9.88%
Fundraising	85,460	1.05%	78,990	1.13%
Total	<u>\$8,168,124</u>	<u>100.00%</u>	<u>\$6,985,358</u>	<u>100.00%</u>

**BROOKLYN KINDERGARTEN SOCIETY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019**

<u>Grantor</u>	<u>Federal CFDA #</u>	<u>Pass-Through Number</u>	<u>Federal Expenditures</u>
<b><u>*U.S. Department of Health and Human Services:</u></b>			
Passed Through New York City Administration for Children's Services:			
Head Start Program	93.600	20171403648	2,126,838 *
Child Care and Development Block Grant	93.575	20171403648	1,524,227 *
Total U.S. Department of Health and Human Services, Passed Through New York City Administration for Children's Services			<u>3,651,065</u>
<b><u>U.S. Department of Agriculture:</u></b>			
Passed Through New York State Department of Health:			
Child and Adult Care Food Program	10.558		<u>258,308</u>
Total U.S. Department of Agriculture, Passed Through New York State Department of Health			<u>258,308</u>
Total Federal Expenditures			<u><u>\$ 3,909,373</u></u>

**\* Indicates a major program**

**BROOKLYN KINDERGARTEN SOCIETY**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2019**

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards ("the Schedule") includes the federal award activity of Brooklyn Kindergarten Society ("BKS") under programs of the federal government for the year ended June 30, 2019. The information in this schedule is presented in accordance with the requirements of the *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, changes 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 or other applicable cost principles, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3 - Indirect Cost Rates**

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

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**REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY  
THE UNIFORM GUIDANCE**

To the Board of Directors of  
Brooklyn Kindergarten Society

We have audited the financial statements of Brooklyn Kindergarten Society as of and for the year ended June 30, 2019, and have issued our report thereon dated January 30, 2020, which contained an unmodified opinion on those financial statements. 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 is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedure, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

*John, Jacob & Vayalumkal, LLP*

John, Jacob & Vayalumkal, LLP  
Certified Public Accountants

January 30, 2020  
New York, NY 10004

**JOHN, JACOB & VAYALUMKAL, LLP**  
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**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

**Report on the Financial Statements**

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") (collectively, the "Agency"), which comprise the statements of financial position as of June 30, 2019 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 January 30, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control (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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated 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.

## JOHN, JACOB & VAYALUMKAL, LLP

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting 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 Agency's financial statements are free of 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 Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*John, Jacob & Vayalumkal, LLP*

John, Jacob & Vayalumkal, LLP  
Certified Public Accountants

January 30, 2020  
New York, NY 10004

**JOHN, JACOB & VAYALUMKAL, LLP**  
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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND  
REPORT 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**

We have audited Brooklyn Kindergarten Society's ("BKS") ("the Agency") compliance with the types of compliance requirements described in OMB *Compliance Supplement* that could have a direct and material effect on each of BKS' major federal programs for the year ended June 30, 2019. BKS' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditors' Responsibility**

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

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



## JOHN, JACOB & VAYALUMKAL, LLP

### Opinion on Each Major Federal Program

In our opinion, BKS complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

### Report on Internal Control over Compliance

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

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

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

## JOHN, JACOB & VAYALUMKAL, LLP

### Purpose of this Report

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.

*John, Jacob & Vayalumkal, LLP*

John, Jacob & Vayalumkal, LLP  
Certified Public Accountants

January 30, 2020  
New York, NY 10004

**BROOKLYN KINDERGARTEN SOCIETY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of Auditors' report issued: UNMODIFIED

Internal control over financial reporting:

Material weaknesses identified?	_____ Yes	_____ X No	
Significant deficiency identified not considered to be material weaknesses?	_____ Yes	_____ X	None Reported
Noncompliance material to financial statements noted?	_____ Yes	_____ X	No

**Federal Awards**

Internal control over major programs:

Material weaknesses identified?	_____ Yes	_____ X No	
Significant deficiency identified not considered to be material weaknesses?	_____ Yes	_____ X	None Reported

Type of auditors' report issued on compliance for major programs: UNMODIFIED

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	_____ Yes	_____ X No	
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Identification of Major programs:

U.S. Department of Health and Human Services  
Passes through the New York City Administration for Children's Services  
Head Start Program (CFDA # 93.600)

U.S. Department of Health and Human Services  
Passes through the New York City Administration for Children's Services  
Child Care and Development Block Grant (CFDA # 93.575)

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?	_____ X Yes	_____ No	
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**BROOKLYN KINDERGARTEN SOCIETY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**Section II -Financial Statement Findings**

**Current Year:**

None

**Prior Year Follow-Up:**

None - There were no findings in the prior year.

**Section III -Federal Award Findings and Questioned Costs**

**Current Year:**

None

**Prior Year Follow-Up:**

None

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**REPORT OF INDEPENDENT AUDITORS' ON OTHER FINANCIAL INFORMATION**

To the Board of Directors of  
Brooklyn Kindergarten Society

We have audited the financial statements of Brooklyn Kindergarten Society as of and for the year ended June 30, 2019, and have issued our report thereon dated January 30, 2020 which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on those financial statements as a whole. The ACS schedules on pages 28 to 35 are presented for purposes of additional analysis and 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 information is fairly stated in all material respects in relation to the financial statements taken as a whole.

*John, Jacob & Vayalumkal, LLP*

John, Jacob & Vayalumkal, LLP  
Certified Public Accountants

January 30, 2020  
New York, NY 10004

**BROOKLYN KINDERGARTEN SOCIETY**  
**STATEMENT OF REVENUES AND EXPENDITURES -BUDGETED AND ACTUAL**  
**ACS Funded -EarlyLearn**  
**For the year ended June 30, 2019**

Budget Categories	ACS Funded										
	Budget	Actual - Early Learn									
	Early Learn	Child Care	Child Care UPK	FCCN	CDBG	Head Start	Head Start UPK	CTL	Total Early Learn (A)	Variance	Questioned Cost
<b>Revenues:</b>											
EarlyLearn revenue	\$ 6,592,772	\$ 3,717,628	\$ 157,664	\$-	\$-	\$ 2,117,485	\$ 276,779	\$-	\$6,269,556	\$323,216	
Other revenue (disability, interest, etc.)	-	-	-	-	-	-	-	-	-	-	-
Teacher's incentive fund	-	-	-	-	-	-	-	-	-	-	-
HRA Voucher	-	-	-	-	-	-	-	-	-	-	-
CACFP	-	-	-	-	-	-	-	-	-	-	-
Parent Fees	-	204,094	-	-	-	-	-	-	204,094	(204,094)	-
In-kind contribution	-	-	-	-	-	-	-	-	-	-	-
Sponsor's contribution	-	-	-	-	-	-	-	-	-	-	-
Other funding source revenue	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>6,592,772</b>	<b>3,921,722</b>	<b>157,664</b>	<b>-</b>	<b>-</b>	<b>2,117,485</b>	<b>276,779</b>	<b>-</b>	<b>6,473,650</b>	<b>119,122</b>	<b>-</b>
<b>Expenditures:</b>											
<b>PERSONNEL COSTS:</b>											
Salaries	3,898,737	2,545,304	64,269	-	-	1,285,092	69,937	-	3,964,602	(65,865)	-
Salaries - COLA	72,696	-	-	-	-	72,696	-	-	72,696	-	-
Teacher's Incentive	8,500	1,931	-	-	-	6,569	-	-	8,500	-	-
Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-
FICA	313,590	202,773	5,256	-	-	100,116	5,769	-	313,914	(324)	-
FICA - COLA	6,109	-	-	-	-	6,109	-	-	6,109	-	-
FICA - Teacher's Incentive	650	148	-	-	-	502	-	-	650	-	-
FICA - Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-
Workers compensation	117,680	43,590	3,350	-	-	22,780	4,194	-	73,914	43,766	-
Unemployment insurance	37,205	24,146	1,695	-	-	11,808	2,195	-	39,844	(2,639)	-
Pension	19,226	8,694	596	-	-	5,770	997	-	16,057	3,169	-
Welfare fund	570,086	400,048	29,847	-	-	205,944	35,331	-	671,170	(101,084)	-
Health Insurance	206,861	6,825	560	-	-	2,766	395	-	10,546	196,315	-
Substitutes	271,113	94,213	7,071	-	-	54,195	9,944	-	165,423	105,690	-
<b>Total Personnel Costs</b>	<b>5,522,453</b>	<b>3,327,672</b>	<b>112,644</b>	<b>-</b>	<b>-</b>	<b>1,774,347</b>	<b>128,762</b>	<b>-</b>	<b>5,343,425</b>	<b>179,028</b>	<b>-</b>
<b>FACILITIES COSTS:</b>											
Rent	183,510	125,523	9,369	-	-	60,052	9,434	-	204,378	(20,868)	-
Property Taxes	-	2,157	167	-	-	1,181	193	-	3,698	(3,698)	-
Water and sewer	-	-	-	-	-	-	-	-	-	-	-
Licensing & Permits	1,276	2,077	159	-	-	1,009	161	-	3,406	(2,130)	-
Insurance	47,487	29,179	2,186	-	-	14,697	2,370	-	48,432	(945)	-
Custodial services	-	-	-	-	-	-	-	-	-	-	-
Alarm	8,158	7,527	645	-	-	3,229	494	-	11,895	(3,737)	-
Telecommunications	77,839	32,593	2,261	-	-	15,194	2,435	-	52,483	25,356	-
Utilities	-	5,028	384	-	-	2,621	423	-	8,456	(8,456)	-
Maintenance & Repair	76,557	46,753	3,574	-	-	66,746	2,640	-	119,713	(43,156)	-
Capital expenditures and renovations	-	-	-	-	-	-	-	-	-	-	-
Other facilities costs	-	5,633	284	-	-	1,621	280	-	7,818	(7,818)	-
<b>Total Facilities Costs</b>	<b>394,827</b>	<b>256,470</b>	<b>19,029</b>	<b>-</b>	<b>-</b>	<b>166,350</b>	<b>18,430</b>	<b>-</b>	<b>460,279</b>	<b>(65,452)</b>	<b>-</b>
<b>Family Child Care Stipend</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other than personnel services (OTPS)</b>											
Supplies	324,992	121,067	9,052	-	-	60,241	39,125	-	229,485	95,507	-
Equipment over \$3,000 - Head Start	-	-	-	-	-	-	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-	-	-	-	-	-	-
Postage	1,153	464	37	-	-	249	42	-	792	361	-
Advertising	-	6,819	525	-	-	3,566	575	-	11,485	(11,485)	-
Instructional Field Trips	36,864	1,695	114	-	-	1,239	441	-	3,489	33,375	-
Training/Staff Development	68,016	15,926	1,192	-	-	7,884	1,271	-	26,273	41,743	-
Transportation	2,500	2,370	184	-	-	1,228	196	-	3,978	(1,478)	-
Food - CACFP	-	-	-	-	-	-	-	-	-	-	-
Non-Food related cost - CACFP	-	-	-	-	-	-	-	-	-	-	-
Audit	13,775	10,081	793	-	-	5,439	878	-	17,191	(3,416)	-
Parent Services	42,792	3,053	242	-	-	1,787	317	-	5,399	37,393	-
Consultant - programmatic	119,542	61,403	4,644	-	-	33,281	76,615	-	175,943	(56,401)	-
Consultant - administrative	65,858	114,652	9,205	-	-	61,828	10,119	-	195,804	(129,946)	-
Indirect cost - Head Start	-	-	-	-	-	-	-	-	-	-	-
Office Equipment/Furniture	-	-	-	-	-	-	-	-	-	-	-
Instructional Equipment	-	-	-	-	-	-	-	-	-	-	-
Other OTPS	-	50	3	-	-	46	8	-	107	(107)	-
<b>Total OTPS Costs</b>	<b>675,492</b>	<b>337,580</b>	<b>25,991</b>	<b>-</b>	<b>-</b>	<b>176,788</b>	<b>129,587</b>	<b>-</b>	<b>669,946</b>	<b>5,546</b>	<b>-</b>
<b>TOTAL EARLYLEARN COST</b>	<b>6,592,772</b>	<b>3,921,722</b>	<b>157,664</b>	<b>-</b>	<b>-</b>	<b>2,117,485</b>	<b>276,779</b>	<b>-</b>	<b>6,473,650</b>	<b>119,122</b>	<b>-</b>
<b>Excess or (Deficiency) of Revenue Over or (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

See accompanying notes to financial statements.

**BROOKLYN KINDERGARTEN SOCIETY**  
**STATEMENT OF REVENUES AND EXPENDITURES - ACTUAL**  
**ACS Funded - Other than EarlyLearn**  
**For the year ended June 30, 2019**

Schedule 1B

Budget Categories	ACS Funded							(A+B) Total ACS Funded (C)
	Other Than EarlyLearn							
	DOE CC UPK Enhancement	DOE HS UPK Enhancement	Health & Safety	Sandy Relief Fund	Other Funding	Total Other Than EarlyLearn (B)		
Revenues:								
EarlyLearn revenue	\$ 140,516	\$ 173,346	\$ 9,353	\$ -	\$ -	\$323,215	\$6,592,771	
Other revenue (disability, interest, etc.)	-	-	-	-	-	-	-	
Teacher's incentive fund	-	-	-	-	-	-	-	
HRA Voucher	-	-	-	-	-	-	-	
CACFP	-	-	-	-	-	-	-	
Parent Fees	-	-	-	-	-	-	204,094	
In-kind contribution	-	-	-	-	-	-	-	
Sponsor's contribution	-	-	-	-	-	-	-	
UPK Enhancement	-	-	-	-	-	-	-	
Total Revenue	140,516	173,346	9,353	-	-	323,215	6,796,865	
Expenditures:								
PERSONNEL COSTS:								
Salaries	130,531	161,028	-	-	-	291,559	4,256,161	
Salaries - COLA	-	-	-	-	-	-	72,696	
Teacher's Incentive	-	-	-	-	-	-	8,500	
Accrued Vacation	-	-	-	-	-	-	-	
FICA	9,985	12,318	-	-	-	22,303	336,217	
FICA - COLA	-	-	-	-	-	-	6,109	
FICA - Teacher's Incentive	-	-	-	-	-	-	650	
FICA - Accrued Vacation	-	-	-	-	-	-	-	
Workers compensation	-	-	-	-	-	-	73,914	
Unemployment insurance	-	-	-	-	-	-	39,844	
Pension	-	-	-	-	-	-	16,057	
Welfare fund	-	-	-	-	-	-	671,170	
Health Insurance	-	-	-	-	-	-	10,546	
Substitutes	-	-	-	-	-	-	165,423	
Total Personnel Costs	140,516	173,346	-	-	-	313,862	5,657,287	
FACILITIES COSTS:								
Rent	-	-	-	-	-	-	204,378	
Property Taxes	-	-	-	-	-	-	3,698	
Water and sewer	-	-	-	-	-	-	-	
Licensing and permits	-	-	-	-	-	-	3,406	
Insurance	-	-	-	-	-	-	48,432	
Custodial services	-	-	-	-	-	-	-	
Alarm	-	-	-	-	-	-	11,895	
Telecommunications	-	-	-	-	-	-	52,483	
Utilities	-	-	-	-	-	-	8,456	
Maintenance and repairs	-	-	9,353	-	-	9,353	129,066	
Capital expenditures and renovations	-	-	-	-	-	-	-	
Other facilities costs	-	-	-	-	-	-	7,818	
Total Facilities Costs	-	-	9,353	-	-	9,353	469,632	
Family Child Care Stipend	-	-	-	-	-	-	-	
Other than personnel services (OTPS)								
Supplies	-	-	-	-	-	-	229,485	
Equipment over \$3,000 - Head Start	-	-	-	-	-	-	-	
Equipment over \$5,000 - Child Care	-	-	-	-	-	-	-	
Postage	-	-	-	-	-	-	792	
Advertising	-	-	-	-	-	-	11,485	
Instructional Field Trips	-	-	-	-	-	-	3,489	
Training/Staff Development	-	-	-	-	-	-	26,273	
Transportation	-	-	-	-	-	-	3,978	
Food - CACFP	-	-	-	-	-	-	-	
Non-Food related cost - CACFP	-	-	-	-	-	-	-	
Audit	-	-	-	-	-	-	17,191	
Parent Services	-	-	-	-	-	-	5,399	
Consultant - programmatic	-	-	-	-	-	-	175,943	
Consultant - administrative	-	-	-	-	-	-	195,804	
Indirect cost - Head Start	-	-	-	-	-	-	-	
Office Equipment/Furniture	-	-	-	-	-	-	-	
Instructional Equipment	-	-	-	-	-	-	-	
Other OTPS	-	-	-	-	-	-	107	
Total OTPS Costs	-	-	-	-	-	-	669,946	
Total Expenditures	\$ 140,516	\$ 173,346	\$ 9,353	\$ -	\$ -	\$ 323,215	\$ 6,796,865	
Excess or (Deficiency) of Revenue Over or (Under) Expenditures	-	-	-	-	-	-	-	

See accompanying notes to financial statements.

**BROOKLYN KINDERGARTEN SOCIETY**  
**STATEMENT OF REVENUES AND EXPENDITURES - ACTUAL**  
**Not ACS Funded**  
**For the year ended June 30, 2019**

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 Sources	Total Not ACS Funded
Revenues:						
EarlyLearn revenue	\$ -	-	\$ -	\$ -	-	\$ -
Other revenue (disability, Interest, etc.)	-	-	-	-	-	-
Teacher's incentive fund	-	-	-	-	-	-
HRA Voucher	-	-	-	-	-	-
CACFP	258,308	-	-	-	-	258,308
Parent Fees	-	-	-	29,395	-	29,395
In-kind contribution	-	-	104,983	-	-	104,983
Sponsor's contribution	-	-	-	710,123	-	710,123
Private Tuition	-	-	-	-	-	-
Fundraising Event	-	-	-	-	-	-
Other funding source revenue	-	-	-	-	500,630	500,630
Total Revenue	258,308	-	104,983	739,518	500,630	1,603,439
Expenditures:						
PERSONNEL COSTS:						
Salaries	-	-	104,983	186,580	281,343	572,906
Salaries - COLA	-	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-	-
Accrued Vacation	-	-	-	-	-	-
FICA	-	-	-	13,124	22,281	35,405
FICA - COLA	-	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-	-
FICA - Accrued Vacation	-	-	-	-	-	-
Workers compensation	-	-	-	4,772	3,160	7,932
Unemployment insurance	-	-	-	1,220	2,310	3,530
Pension	-	-	-	-	3,936	3,936
Welfare fund	-	-	-	170	31,561	31,731
Health Insurance	-	-	-	315	1,133	1,448
Substitutes	-	-	-	-	-	-
Total Personnel Costs	-	-	104,983	206,181	345,724	656,888
FACILITIES COSTS:						
Rent	-	-	-	15,669	22,334	38,003
Property Taxes	-	-	-	1,585	-	1,585
Water and sewer	-	-	-	-	213	213
Licensing and permits	-	-	-	-	495	495
Insurance	-	-	-	6,219	1,736	7,955
Custodial services	-	-	-	-	-	-
Alarm	-	-	-	136	4,278	4,414
Telecommunications	-	-	-	4,874	6,138	11,012
Utilities	-	-	-	1,658	4,239	5,897
Maintenance and repairs	-	-	-	344	4,093	4,437
Capital expenditures and renovations	-	-	-	-	-	-
Other facilities costs	-	-	-	309	640	949
Total Facilities Costs	-	-	-	30,794	44,166	74,960
Family Child Care Stipend	-	-	-	-	-	-
Other than personnel services (OTPS)						
Supplies	-	-	-	34,682	62,922	97,604
Equipment over \$3,000 - Head Start	-	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-	-
Postage	-	-	-	238	20	258
Advertising	-	-	-	4,448	498	4,936
Instructional Field Trips	-	-	-	-	-	-
Training/Staff Development	-	-	-	621	652	1,273
Transportation	-	-	-	458	277	735
Food - CACFP	220,768	-	-	-	-	220,768
Non-Food related cost - CACFP	37,540	-	-	-	-	37,540
Audit	-	-	-	9,070	14	9,084
Parent Services	-	-	-	-	55	55
Consultant - programmatic	-	-	-	31,524	10,065	41,589
Consultant - administrative	-	-	-	38,181	36,247	74,428
Indirect cost - Head Start	-	-	-	-	-	-
Office Equipment/Furniture	-	-	-	-	-	-
Instructional Equipment	-	-	-	-	-	-
Other OTPS/Fees Waived/Bad Debts	-	-	-	151,141	-	151,141
Total OTPS Costs	258,308	-	-	270,363	110,740	639,411
TOTAL EARLYLEARN COST	258,308	-	104,983	507,338	500,630	1,371,259
Excess or (Deficiency) of Revenue Over or (Under) Expenditures	-	-	-	232,180	-	232,180

See accompanying notes to financial statements.



**BROOKLYN KINDERGARTEN SOCIETY**  
**ACS Contract No. 20171406835**  
**STATEMENT OF HEAD START EXPENSES BY PROGRAM YEAR**  
**For the year ended June 30, 2019**

<u>Category</u>	<b>Program Year 05</b> <b>7/1/18 -1/31/19</b>	<b>Program Year 06</b> <b>2/1/19 - 6/30/19</b>	<b>Total Head Start</b> <b>Expenses</b>
Personnel and fringe cost:			
Salaries	\$ 712,405	\$ 651,952	\$ 1,364,357
FICA	56,514	50,213	106,727
Unemployment insurance	7,331	4,477	11,808
Pension	3,140	2,630	5,770
Welfare fund	124,045	81,899	205,944
Health insurance	1,611	1,155	2,766
Worker's compensation	13,295	9,484	22,779
Substitute staff	31,593	22,601	54,194
Total personnel and fringe cost	<u>949,934</u>	<u>824,411</u>	<u>1,774,345</u>
Facilities cost			
Rent (Delegate Agency Administered Costs)	31,405	28,647	60,052
Property taxes	1,181	-	1,181
Water/sewer	-	-	-
Utilities (Delegate Agency Administered Costs)	1,682	939	2,621
Insurance	8,643	6,054	14,697
Telecommunications	8,487	6,707	15,194
Maintenance and repairs	7,650	59,096	66,746
Licensing & Permits	-	-	-
Other facilities cost	173	5,687	5,860
Total facilities cost	<u>59,221</u>	<u>107,130</u>	<u>166,351</u>
Other than personnel services (OTPS)			
Supplies	43,746	16,495	60,241
Equipment over \$3,000	-	-	-
Postage	141	108	249
Instructional Field Trips	1,191	48	1,239
Training	2,508	5,376	7,884
Parent Services/Family Involvement	1,267	520	1,787
Programmatic Consultants	23,212	10,069	33,281
Administrative Consultants	29,547	32,282	61,829
Transportation	286	942	1,228
Audit	2,113	3,325	5,438
Food (not funded by CACFP)	-	-	-
OtherOTPS	754	2,858	3,612
Total OTPS	<u>104,765</u>	<u>72,023</u>	<u>176,788</u>
Indirect cost	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	\$ 1,113,920	\$ 1,003,564	\$ 2,117,484
Health and Safety	9,353	-	9,353

Contd...

**BROOKLYN KINDERGARTEN SOCIETY**  
**ACS Contract No. 20171406835**  
**STATEMENT OF HEAD START EXPENSES BY PROGRAM YEAR**  
**For the year ended June 30, 2019**

<u>Category</u>	<b>Program Year 05</b> <b>7/1/18 -1/31/19</b>	<b>Program Year 06</b> <b>2/1/19 - 6/30/19</b>	<b>Total Head Start</b> <b>Expenses</b>
Less: Program Income	-	-	-
Total Head Start Funded Expenses	<u>\$ 1,123,273</u>	<u>\$ 1,003,564</u>	<u>\$ 2,126,837</u>
Non-Federal Share (NFS) Expenses			
Head Start UPK	\$ 161,454	\$ 115,325	\$ 276,779
DOE HS UPK Enhancement	84,455	88,891	173,346
Cash Contributions -Head Start	-	-	-
In-kind Contributions -Head Start	51,744	53,240	104,984
Total NFS Expenses	<u>\$ 297,653</u>	<u>\$ 257,456</u>	<u>\$ 555,109</u>
Total Head Start Program Expenses	<u>\$ 1,420,926</u>	<u>\$ 1,261,020</u>	<u>\$ 2,681,946</u>
NFS Program Percentage	20.95%	20.42%	20.70%
Administrative Expenses			
Personnel and fringe cost	94,994	82,441	177,435
Facility cost	5,922	10,713	16,635
OTPS	10,477	7,202	17,679
Indirect cost	-	-	-
NFS expenses	38,089	27,207	65,296
Total Administrative Expenses	<u>149,482</u>	<u>127,563</u>	<u>277,045</u>
Total Head Start Program Expenses	1,420,926	1,261,020	2,681,946
Administrative Expense Percentage	10.52%	10.12%	10.33%
Special Reporting:			
CACFP Funded Expenses	<u>\$ 170,790</u>	<u>\$ 87,518</u>	<u>\$ 258,308</u>

**BROOKLYN KINDERGARTEN SOCIETY**  
**ACS Contract No. 20171406835**  
**STATEMENT OF NON-FEDERAL SHARE EXPENSES BY PROGRAM YEAR**  
**For the year ended June 30, 2019**

Schedule 3

	HS UPK			DOE HS UPK Enhancement			Cash Contributions- Head Start			In-kind Contributions- Head Start		
	Program Year 05 7/1/18-1/31/19	Program Year 06 2/1/19-6/30/19	Total	Program Year 05 7/1/18-1/31/19	Program Year 06 2/1/19-6/30/19	Total	Program Year 05 7/1/18-1/31/19	Program Year 06 2/1/19-6/30/19	Total	Program Year 05 7/1/18-1/31/19	Program Year 06 2/1/19-6/30/19	Total
<b>Personnel and fringe cost:</b>												
Salaries	\$ 31,950	\$ 37,987	\$ 69,937	\$ 78,222	\$ 82,806	\$ 161,028	\$ -	\$ -	\$ -	\$ 51,744	\$ 53,240	\$ 104,984
FICA	2,546	3,222	5,768	6,234	6,085	12,319	-	-	-	-	-	-
Unemployment Insurance	1,185	1,010	2,195	-	-	-	-	-	-	-	-	-
Pension	553	444	997	-	-	-	-	-	-	-	-	-
Welfare fund	19,814	15,520	35,334	-	-	-	-	-	-	-	-	-
Health Insurance	224	171	395	-	-	-	-	-	-	-	-	-
Worker's compensation	2,181	2,013	4,194	-	-	-	-	-	-	-	-	-
Substitute staff	5,428	4,516	9,944	-	-	-	-	-	-	-	-	-
UPK Teacher Incentive	-	-	-	-	-	-	-	-	-	-	-	-
Total personnel and fringe cost	<u>63,891</u>	<u>64,883</u>	<u>128,774</u>	<u>84,456</u>	<u>88,891</u>	<u>173,347</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,744</u>	<u>53,240</u>	<u>104,984</u>
<b>Facilities cost</b>												
Rent (Delegate Agency Administered Costs)	4,910	4,524	9,434	-	-	-	-	-	-	-	-	-
Property taxes	193	-	193	-	-	-	-	-	-	-	-	-
Water/sewer	-	-	-	-	-	-	-	-	-	-	-	-
Utilities (Delegate Agency Administered Costs)	271	152	423	-	-	-	-	-	-	-	-	-
Insurance	1,409	961	2,370	-	-	-	-	-	-	-	-	-
Telecommunications	1,344	1,091	2,435	-	-	-	-	-	-	-	-	-
Maintenance and repairs	1,081	1,559	2,640	-	-	-	-	-	-	-	-	-
Other facilities cost	472	464	936	-	-	-	-	-	-	-	-	-
Alarm/Licensing & Permits	-	-	-	-	-	-	-	-	-	-	-	-
Total Facilities Costs	<u>9,680</u>	<u>8,751</u>	<u>18,431</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other than personnel services (OTPS)</b>												
Supplies	6,484	32,641	39,125	-	-	-	-	-	-	-	-	-
Equipment over \$3,000	-	-	-	-	-	-	-	-	-	-	-	-
Training	395	876	1,271	-	-	-	-	-	-	-	-	-
Parent services/family involvement	222	94	316	-	-	-	-	-	-	-	-	-
Programmatic consultants	4,066	72,549	76,614	-	-	-	-	-	-	-	-	-
Administrative consultants	4,763	5,357	10,120	-	-	-	-	-	-	-	-	-
Instructional Field Trips	206	235	441	-	-	-	-	-	-	-	-	-
Audit	349	530	879	-	-	-	-	-	-	-	-	-
Food (not funded by CACFP)	-	-	-	-	-	-	-	-	-	-	-	-
Postage	25	17	42	-	-	-	-	-	-	-	-	-
Transportation	45	150	195	-	-	-	-	-	-	-	-	-
Other OTPS	123	461	584	-	-	-	-	-	-	-	-	-
Office Equipment/Furniture/Instructional	-	-	-	-	-	-	-	-	-	-	-	-
Total OTPS Costs	<u>16,678</u>	<u>112,909</u>	<u>129,587</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Indirect Cost</b>												
	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses</b>	<u>\$ 90,239</u>	<u>\$ 186,543</u>	<u>\$ 276,782</u>	<u>\$ 84,456</u>	<u>\$ 88,891</u>	<u>\$ 173,347</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,744</u>	<u>\$ 53,240</u>	<u>\$ 104,984</u>
<b>Breakdown by funding source:</b>												
State	\$ 90,239	\$ 186,543	\$ 276,782	\$ 84,456	\$ 88,891	\$ 173,347	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City	-	-	-	-	-	-	-	-	-	-	-	-
Private/Third-Party	-	-	-	-	-	-	-	-	-	-	-	-
Delegate Agency	-	-	-	-	-	-	-	-	-	51,744	53,240	104,984
<b>Total</b>	<u>\$ 90,239</u>	<u>\$ 186,543</u>	<u>\$ 276,782</u>	<u>\$ 84,456</u>	<u>\$ 88,891</u>	<u>\$ 173,347</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,744</u>	<u>\$ 53,240</u>	<u>\$ 104,984</u>

**SCHEDULE 4**

**BROOKLYN KINDERGARTEN SOCIETY  
ACS CONTRACT NO. 20171406835  
SCHEDULE OF FIXED ASSETS INVENTORY  
FOR THE YEAR ENDED JUNE 30, 2019**

**- N O N E -**

**BROOKLYN KINDERGARTEN SOCIETY**  
**ACS Contract No. 20171406835**  
**Schedule of Quantitative Program Results**  
**For the year ended June 30, 2019**

Schedule 5

**Enrollment**

**1. Contracted slots per site**

a) Brevoort Childrens Center	47
b) Sumner Childrens Center	54
c) Edwards L. Cleveland Childrens Center	74
d) Tompkins Childrens Center	82
e) Nat Azarow Childrens Center	88
f) Howard Children's Center	30
Total Slots	375

**2. Number of classrooms per site**

a) Brevoort Childrens Center	3
b) Sumner Childrens Center	3
c) Edwards L. Cleveland Childrens Center	5
d) Tompkins Childrens Center	5
e) Nat Azarow Childrens Center	5
f) Howard Children's Center	2
Total	23

**3. Number of children enrolled by site**

a) Brevoort Childrens Center	33
b) Sumner Childrens Center	57
c) Edwards L. Cleveland Childrens Center	54
d) Tompkins Childrens Center	81
e) Nat Azarow Childrens Center	83
f) Howard Children's Center	25
Total	333

**4. Number of children who actually attend by site**

a) Brevoort Childrens Center	33
b) Sumner Childrens Center	56
c) Edwards L. Cleveland Childrens Center	54
d) Tompkins Childrens Center	81
e) Nat Azarow Childrens Center	83
f) Howard Children's Center	22
Total	329

**5. The average attendance for contract by site (number 4 divided by number 3)**

a) Brevoort Childrens Center	100%
b) Sumner Childrens Center	98%
c) Edwards L. Cleveland Childrens Center	100%
d) Tompkins Childrens Center	100%
e) Nat Azarow Childrens Center	100%
f) Howard Children's Center	88%
Total	99%

**Cost**

**1. Total expense for the contract. (Total EL expense in Schedule 1-A) \$ 6,473,650**

**2. Total expense by site**

a) Brevoort Childrens Center	\$ 930,459
b) Sumner Childrens Center	936,726
c) Edwards L. Cleveland Childrens Center	1,095,687
d) Tompkins Childrens Center	1,358,793
e) Nat Azarow Childrens Center	1,478,872
f) Howard Children's Center	673,113
Total	\$ 6,473,650

**3. Average cost/ slot (Total expenses/attendance by site) \$ 19,677**

**4. Average cost per site (Total cost per site/Attendance by site)**

a) Brevoort Childrens Center	\$ 28,196
b) Sumner Childrens Center	16,727
c) Edwards L. Cleveland Childrens Center	20,291
d) Tompkins Childrens Center	16,775
e) Nat Azarow Childrens Center	17,818
f) Howard Children's Center	30,596
	\$ 19,677

**BROOKLYN KINDERGARTEN SOCIETY**  
**ACS Contract No. 20171406835**  
**Schedule of due to or due from ACS**  
**For the year ended June 30, 2019**

**SCHEDULE 6**

Due To or (Due From) ACS at 6/30/2018	\$ (1,235,821)
Cash received/advances from ACS	5,590,589
Plus other funds collected:	
Parent Fees	204,094
Other revenue (disability, interest, etc.)	-
Total funds available	<u>\$ 5,794,683</u>
Less claimable expenditures:	
Expenditures	(6,796,866)
Less: Accrued Vacation	-
Less: Accrued Vacation - FICA	-
Less: Questioned Costs	-
Total Allowable Expense	<u>(6,796,866)</u>
Due To or (Due From) ACS at 6/30/2019	<u>(2,238,004)</u>

**BROOKLYN KINDERGARTEN SOCIETY  
SCHEDULE OF ACCRUED VACATION  
For the year ended June 30, 2019**

**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 6/30/19</u>
-	-	-	-	-

**Total Accrued Vacation and FICA - Accrued Vacation**      \$       -

**\*BKS did not charge accrued vacation or FICA to the EarlyLearn Contract.**

**BROOKLYN KINDERGARTEN SOCIETY  
NOTE TO SUPPLEMENTAL ACS SCHEDULES  
JUNE 30, 2019**

**Note 1 - Mayoral Wages Adjustments**

Brooklyn Kindergarten Society ("BKS") incurred \$79,462 COLA funds for the Head Start component in FY ended June 30, 2019