



Gladys Carrión
Commissioner

Susan Nuccio
Deputy Commissioner/
Chief Financial Officer
Financial Services

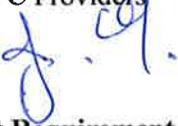
Jose Mercado
Assistant Commissioner
Budget, Claiming & Revenue
Financial Services

150 William Street
10th Floor
New York, NY 10038

MEMORANDUM

DATE: February 28, 2014

TO: Board of Directors and Executive Directors,
EarlyLearn NYC Providers

FROM: Jose Mercado 

SUBJECT: Revised Audit Requirement for Period Ending June 30, 2013
EL Numbered Memorandum #11

Please be reminded that Audited Financial Statements under the EarlyLearn contract should be based on allowable expenses, up to the budget, rather than enrollment, for Fiscal Year 2013 (October 1, 2012 through June 30, 2013).

ACS recognizes the implementation challenges presented by the EarlyLearn model during its first year, coupled with difficulties resulting from Hurricane Sandy. ACS is, therefore, implementing this revised audit requirement through the period ending June 30, 2013 **ONLY**. ACS expects full compliance to the audit requirement in subsequent periods.

Upon review of your Audited Financial Statements and Schedules for the period ending June 30, 2013, ACS will evaluate the reasonableness of the expenses reported to determine if further analysis is warranted to substantiate the allowable expenses.