



**THE CITY OF NEW YORK
ADMINISTRATION FOR CHILDREN'S SERVICES
DIVISION OF FINANCIAL SERVICES,
AUDIT AND BANKING
EARLYLEARN CONTRACT AUDIT**

FY 2016 AUDIT INSTRUCTIONS

**INSTRUCTIONS FOR COMPLIANCE WITH
OFFICE OF MANAGEMENT AND BUDGET (OMB) UNIFORM
GUIDANCE**

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I. ACS Audit Requirements

A. New Single Audit Threshold Requirements

Effective December 26, 2014, for all audits beginning on or after December 26, 2014, the Federal award expenditure threshold for filing a Single Audit (formerly known as the A-133 Audit) for all non-federal entities **has been increased from \$500,000 to \$750,000**. A Federal program is defined as all Federal awards assigned a single Catalog of Federal Domestic Assistance (CFDA) number.

To determine if an agency is subject to a Single Audit, the total Federal award expenditures made for the fiscal year (FY) must be multiplied by the CFDA Federal percentage for the Federal program. If the result of the calculation of total Federal award expenditures for any single, or combination of Federal programs operated by an agency is \$750,000 or more, that agency must conduct a Single Audit.

The funding breakdown and CFDA numbers for Fiscal Year 2016 are as follows:

<u>EARLYLEARN</u>	<u>CFDA #</u>	<u>CTL</u>	<u>State</u>	<u>Federal</u>
Head Start	93.600	-	20%	80%
Child Care	93.575	37%	7%	56%
CDBG	14.228	-	-	100%

See *Examples 1-3* of Federal award expenditure calculations below:

Example 1

<u>Program Name</u>	<u>CFDA Federal Number</u>	<u>Total Expenditures</u>	<u>x Federal Percentage</u>	<u>Federal Expenditures</u>
Head Start	93.600	\$850,000	80%	\$680,000
	<u>Total</u>	<u>\$850,000</u>		<u>\$680,000</u>

A Single Audit is not required because the Federal award expenditures **are less than \$750,000** and the agency has no other Federal program.

Example 2

<u>Program Name</u>	<u>CFDA Federal Number</u>	<u>Total Expenditures</u>	<u>x Federal Percentage</u>	<u>Federal Expenditures</u>
Head Start	93.600	\$1,705,546	80%	\$1,364,437
	<u>Total</u>	<u>\$1,705,546</u>		<u>\$1,364,437</u>

A Single Audit is required because the Federal Expenditures **exceed \$750,000**.

Example 3

<u>Program Name</u>	<u>CFDA Federal Number</u>	<u>Total Expenditures</u>	x <u>Federal Percentage</u>	<u>Federal Expenditures</u>
Head Start	93.600	\$742,955	80%	\$594,364
General Preventive	93.667	\$650,000	44%	\$286,000
<u>Total</u>		<u>\$1,392,955</u>		<u>\$880,364</u>

* Single Audit is required because the combined Federal expenditures are over the \$750,000 threshold.

B. **Schedule of Expenditures of Federal Awards for FY Ended June 30, 2016**

The Schedule of Expenditures of Federal Awards should include a list of Federal programs by Federal agency, ACS name and pass-through number, CFDA number, the total amount provided by ACS and the total amount expended for each Federal award.

C. **Single Audit Exemption**

If an agency spends **less than \$750,000 in Federal awards in a year**, it is not required to have a Single audit but it is required that an audit be done. The agency must

- Maintain internal control over Federal programs.
- Manage Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on the Federal programs.
- Comply with the program's rules, regulations and contract or grant agreements.
- Provide ACS with an Attestation to that fact that the agency's Federal award expenditures were less than \$750,000 in the fiscal year ending June 30, 2016 which must be sent to the attention of the Assistant Commissioner of Finance Audit and Banking within nine months after the end of the fiscal year (by March 31, 2017).

In addition, the agency may be monitored for compliance with these requirements by appropriate officials of the Federal Agency, the General Accounting Office (GAO) and ACS.

II. Uniform Guidance, Code of Federal Regulations (CFR)

The Office of Management and Budget's (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (commonly called "Uniform Guidance") was officially implemented in December 2014 by the Council on Financial Assistance Reform (COFAR). **The Uniform Guidance – a "government-wide framework for grants management" – synthesizes and supersedes guidance from earlier OMB circulars.**

A. CFR §200.501 Audit Requirements

- (a) Audit required. A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of this part.
- (b) Single audit. A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted in accordance with §200.514 Scope of audit except when it elects to have a program-specific audit conducted in accordance with paragraph (c) of this section.
- (c) Program-specific audit election. When an auditee expends Federal awards under only one Federal program, excluding research and development (R&D) and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of the auditee, the auditee may elect to have a program-specific audit conducted in accordance with §200.507 Program-specific audits. A program-specific audit may not be elected for R&D unless all of the Federal awards expended were received from the same Federal agency, or the same Federal agency and the same pass-through entity, and that Federal agency, or pass-through entity in the case of a subrecipient, approves in advance a program-specific audit.
- (d) Exemption when Federal awards expended are less than \$750,000. A non-Federal entity that expends less than \$750,000 during the non-Federal entity's fiscal year in Federal awards is exempt from Federal audit requirements for that year, except as noted in §200.503 Relation to other audit requirements, but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and Government Accountability Office (GAO).

B. CFR §200.508 Auditee Responsibilities

The auditee must:

- (a) Procure or otherwise arrange for the audit required by this part in accordance with §200.509 Auditor selection, and ensure it is properly performed and submitted when due in accordance with §200.512 Report submission.
- (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with §200.510 Financial statements.
- (c) Promptly follow up and take corrective action on audit findings, including preparation of a summary schedule of prior audit findings and a corrective action plan in accordance with §200.511 Audit findings follow-up, paragraph (b) and §200.511 Audit findings follow-up, paragraph (c), respectively.
- (d) Provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by this part.

III. General Costs Principles for Non-Profit Agencies

Non-federal entities must comply with Uniform Guidance Subpart E- COST PRINCIPLES as specified in CFR §200.400 through §200.475 which establishes general provisions and special considerations for cost composition and allocation as they relate to the Federal award expenditures.

IV. Procurement of Audit

OMB Uniform Guidance requires the sub-recipient to contract for audit services. The City of New York Procurement Policy Board rule §3-10(k) states: “A Prequalified List (PQL) of auditors shall be maintained by the Comptroller in accordance with this section. An agency seeking to award an audit contract shall solicit only those suppliers that have been prequalified by the Comptroller.”

Please refer to NYC Comptroller approved CPA list at:

<http://comptroller.nyc.gov/general-information/prequalified-cpa-list/>

ACS recommends that each agency reach out to a minimum of 3 CPA firms when submitting request proposals for audit services.

V. Government Auditing Standards (GAS)

The Generally Accepted Government Auditing Standards (GAGAS), commonly referred to as the "Yellow Book", are produced in the United States by the Government

Accountability Office (GAO). The standards apply to both financial and performance audits of government agencies.

In conducting a single or program-specific audit, the auditors must follow GAS, which is promulgated by the Comptroller General of the United States. GAS includes general standards, fieldwork standards, and reporting standards.

A. General Standards contain the following requirements:

1. The audit firm and staff must be proficient and independent when performing Single Audit or other government audits;
2. The audit staff must maintain their proficiency by enrolling in a program of continuing education;
3. The audit organization must have a system of quality control in place and have undergone a recent peer review.

B. Field Work Standards

Under GAS, these are the same as the American Institute of Certified Public Accountants (AICPA) standards. They require the auditors performing financial statement audits to plan the audits, supervise the staff, and review the auditee's internal control. In addition, the auditors must gather sufficient and competent evidence to support their findings.

C. Reporting Standards on Financial Statements

When auditors issue a financial report on an agency, they must prepare the report in accordance with GAS, which incorporates the AICPA standards. GAS requires the auditors to state in the report whether or not the agency's financial statements are presented fairly in all material respects in accordance with Generally Accepted Accounting Principles (GAAP). For a Single Audit, the auditors must determine whether the schedule of expenditures of Federal awards is presented fairly in all material respects in relation to the financial statements taken as a whole.

D. AICPA Statements on Auditing Standards

The AICPA issues the Statements on Auditing Standards (SAS) to provide clarification on the application of the standards of field work and reporting. The auditors must refer to them when they are conducting audits.

E. Internal Control and Compliance

In addition to the requirements of GAS the auditors conducting Single Audit must evaluate the internal control over the agency's Federal awards and assess the level of control risk for the major programs. Likewise, the auditors must determine if the agency complied with laws, regulations and the provisions of contracts, or grant agreements.

VI. ACS Requirements Applicable to an Agency's Programs

ACS Audit Services has included with these instructions (see Schedules #1 - #5 and Attestation template) schedules to agencies with EarlyLearn programs that must be completed for the reporting of information that is necessary for ACS monitoring responsibility. As part of the Single Audit, the auditors must ensure that the agencies complied with ACS fiscal requirements.

When contracting for audit services, agencies must request that the auditors review these schedules as part of the complete audit report package. These schedules must be included in the audit report whether or not the EarlyLearn program and other ACS Federal Awarded programs are audited as a major program. These schedules can be shown in a separate section of the audit report as supplementary information to the report.

Agencies that are not subject to the Single Audit are required to prepare EarlyLearn Supplementary Schedules for final reconciliation of their fiscal year as well as submit their financial statements to ACS. The additional requirements will serve to provide accurate information to complete a final closeout process for the fiscal year and comply with New York State monitoring requirements. Also required is a signed attestation from the Chief Financial Officer stating that the agency expended less than \$750,000 in Federal funds and is therefore not required to conduct a Single Audit.

The Schedules and Attestation template are as follows:

1. Schedule 1A – Statement of Revenues and Expenditures Budgeted & Actual Consolidated: ACS Funded – EarlyLearn
2. Schedule 1B – Statement of Revenues and Expenditures Budgeted & Actual Consolidated: ACS Funded – Other Than EarlyLearn
3. Schedule 1C – Statement of Revenues and Expenditures Budgeted & Actual Consolidated: Not ACS Funded
4. Schedule 2 – Statement of Head Start Expenditures by Program Year (PY) – To be completed only by contractors' that are Head Start or Child Care/Head Start funded.
5. Schedule 3 – Non Federal Share
6. Schedule 4 – Schedule of Equipment Inventory
7. Schedule 5 – Schedule of Quantitative Program Results
8. Attestation (Sample)

The Statement of Revenue and Expenditures identify actual expenses. The final closeout will be computed from this schedule comparing the revenue to the total budget amount and actual expenditures. In addition, an analysis of the program results should be provided and the percentage of private share, if any, should be disclosed. **When an EarlyLearn contract has more than one funding source, it is required that the schedules be presented by funding source to facilitate the close out process.**

For Fiscal Year ended June 30, 2016 these schedules should be covered by an Auditor's Report on Supplementary Information concluding that "such information has been subjected to the auditing procedures applied in the audit of the basic

financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.”

Audit reports which do not contain the following required Opinions, Statements and Schedules will be classified as incomplete. This may affect a provider agency’s VENDEX evaluation.

1. Independent Auditors’ Report
2. Financial Statements
 - a. Statement of Financial Position
 - b. Statement of Activities
 - c. Statement of Cash Flows
 - d. Notes to Financial Statements
Preferred Notes to Financial Statements related to EarlyLearn program including:
 - i. Due To/Due From ACS by Fiscal Year
 - ii. Parent Fees (for Providers with Child Care funding)
 - iii. Prior year COLA Expenses
 - iv. Vacation accrual
3. Single Audit Subpart F Requirements (where applicable)
 - a. Schedule of Expenditures of Federal Awards
 - b. Report on compliance for each major program
 - c. Report on internal control over compliance
 - d. Report on schedule of expenditures of Federal awards required by Uniform Guidance Single Audit.
 - e. Notes to the Schedule of Expenditures of Federal Awards.
4. Auditors’ report on compliance and findings
5. Auditors’ report on internal controls over financial reporting and findings
6. Schedule of findings
7. Corrective Action Plan (where applicable)

VII. Cost Allocation Plan (CAP)

All agencies are required to have a cost allocation plan based on contractual agreement with ACS and in accordance with Federal regulations. The CAP should accurately and equitably allocate costs that are attributed to the operation of two or more programs or which are attributable to two or more funding sources. In addition the CAP shall allocate between direct and indirect costs by distributing costs between direct/programmatic and indirect/administrative funds which taken together equal the total cost of the program. For more detail on cost allocation please refer to the ACS Fiscal Manual

VIII. Interfund Activity

ACS EarlyLearn funds are to be expended solely towards EarlyLearn programs.

IX. Administrative Cost Limitations

The amount of funds that may be charged as development and administrative costs for the Head Start program is 15% and for Child Care is 25% of the total cost of the program. Administrative cost rate of 25% for Dual programs is to be allocated as 15% Head Start and 10% Child Care.

X. Contractor’s Contribution

All providers are required to contribute to the total cost of the Early Learn Program. The contractor contribution for all child care funded programs is 6.7% of the total cost of the program.

XI. Head Start Non Federal Share

CPA firms must test contractors’ compliance with non-federal share requirement.

Head Start is a federally funded and community supported program. The federal government award covers 80 percent of the program. The provider share is 20 percent. Examples of allowable non Federal Share (which includes UPK State funds and UPK Enhancement) can be found in the Early Learn contract and the Early Learn Fiscal Manual.

Non-Federal Share Waiver - If the provider is at risk of not meeting the share requirement, a request for a waiver must be submitted to ACS indicating the reason and a detailed corrective action plan. The waiver if approved by ACS is valid only for the specific fiscal year.

The waiver request should be sent via email to denise.borak@acs.nyc.gov.

XII. Parent Fees (Child Care)

All payments an agency received from ACS are net of parent fees. Agencies are required to collect parent fees weekly in advance for children whose program eligibility requires parent contribution. A fee collection policy must be in effect throughout the fiscal year. Parent fees must be recognized as revenue and collected within the fiscal year. Actual total parent fees collected should be included in the Notes to Financial Statements presented as follows:

	Current Year	Prior Year
Parent Fees Collected	\$XXX	\$XXX

Parent fees must be presented in a separate line of account under the ACS funded – EarlyLearn section of the Statement of Revenue and Expenditures of the audit report.

XIII. Vacation and Sick Leave

As per the below contract language included in all Early Learn contracts ACS will not pay any unused vacation time at year-end. Providers are encouraged to utilize all vacation benefits.

Contract Agreement Article III Section 3.03 K

The Contractor and not the Department (ACS) shall be responsible for the payment of any accrued vacation and sick leave for the Contractor’s staff during the term of their employment and upon termination of their employment.

If vacation time is accrued, it must be reported in both the notes to the financial statements as well as the specific line item on Schedule I – Revenues and Expenditures Budget and Actual Consolidated.

XIV. Universal Pre-Kindergarten (UPK)

Universal Pre-Kindergarten (UPK) funding is integrated into the EarlyLearn contracts and providers are expected to maximize the use of these funds for eligible expenditures. Child Care and Head Start UPK EL expenditures are to be reported separately.

XV. UPK Enhancement

UPK enhancement dollars, while paid through the ACS contract, are separate from UPK EarlyLearn dollars. As such UPK Enhancement revenues and associated expenditures must be reported separately from that of other ACS funding sources. These are **NOT** to be included with EarlyLearn UPK. **NOTE:** If a vendor received UPK enhancement funds for both Child Care and Head Start, the revenues and expenditures must be reported separately.

XVI. CACFP

A deficit in CACFP can be absorbed by EarlyLearn provided that adjustments are made before the year-end closing of the contractor’s general ledger and will form part of the financial statements of the final audit report. CACFP revenues and associated expenditures should be reported in schedule one under the appropriate column.

XVII. Prior Year COLA

Payments for prior year COLA are not included in payment confirmations and must not be included in the EarlyLearn Schedules for the current fiscal year. However expenditures made for prior year COLA must be disclosed in the Notes to Financial Statements as follows:

FY12 Pre-EL COLA	\$XXX
FY13 Pre-EL COLA	\$XXX
FY 13 EL COLA	\$XXX
FY14 EL COLA	\$XXX

XVIII. Teacher's Incentive Program

The Teacher's Incentive is a funding for salary increases commensurate with experience for UPK lead teachers funded at specified levels based on certifications as prescribed in the contract agreement. Teacher's incentive expenditures should be reported separately on schedule I.

XIX. Equipment

Equipment purchases over \$5,000 for Child Care and \$3,000 for Head Start are to be classified as Equipment and expensed in the period acquired. Depreciation expense from capitalization is not part of the EarlyLearn budget.

XX. Due to/Due From ACS

The notes to the Financial Statements should include the amounts Due to or Due from ACS for the current Fiscal Year. The amounts due should be presented in a format that allows for the calculation of that amount: all revenues received (including payments from ACS, parent fees (ACS EL only) and disability income disability) and expenditures made for the Fiscal Year should be itemized. See below for example.

Current year program	
ACS Advance/Payments	\$XXX
EL Parent Fees	\$XXX
Disability and Other Income	\$XXX
Expenditures	\$XXX
Due to/Due from ACS	\$XXX

XXI. Follow-up: Summary Schedule of Prior Audit Findings and Corrective Action Plan

The Single Audit requires agencies to follow-up and prepares a corrective action plan for all audit findings. The agency must prepare a summary schedule of prior audit findings and a corrective action plan for the current audit findings. Please include auditor reference numbers.

A. Summary Schedule of Prior Audit Findings

The summary schedule of prior audit findings should report the status of all audit findings and questioned costs related to the Federal awards. It should also include audit findings and questioned costs reported in prior summary schedules of audit findings and questioned costs, except findings that have been corrected.

If the prior audit findings are monitoring findings, they should also be included in the corrective action plan and summary schedule of prior audit findings and questioned costs. When corrective action taken is significantly different from corrective action previously reported in a corrective action plan, the summary schedule should provide an explanation.

B. Corrective Action Plan

At the completion of the audit, the sub-recipient should prepare the corrective action plan to address each finding. The corrective action plan should provide the name and title of the contact person responsible for the corrective action, the corrective action planned and the anticipated completion date. If an agency's officials do not agree with the findings or believe the corrective action is not required or warranted they should include an explanation and specific reasons for their belief. Documented corrective action should be taken on all audit findings. This includes a report on corrective action steps taken for prior audit findings. Please refer to §200.516 for Uniform Guidance on Audit Findings and §200.511 for Audit Follow up and Corrective Action.

XXII. Uniform Guidance Compliance Supplement

The Compliance Supplement of the Uniform Guidance identifies the compliance requirements that should be considered by the auditors when they are performing audits of Federal awards. The Supplement provides guidelines for determining audit objectives, suggested internal control audit procedures and suggested compliance audit procedures. In performing audits of an agency's Federal awards, the auditors must consider the specific requirements applicable to the agency's program in addition to the Compliance Supplement requirements.

The compliance supplement is available on the OMB Web site: https://www.whitehouse.gov/sites/default/files/omb/assets/omb/circulars/a133_compliance/2015/2015-compliance-supplement.pdf

XXIII. Report Submission

The Uniform Guidance provides that the reporting package including a data collection form shall be submitted to the Federal Clearing House designated by OMB within thirty (30) days of the receipt of the auditor's report, or nine months after the end of the audit period.

The reporting package as described in subpart "F" of the OMB Uniform Guidance comprises:

- Financial Statements and Schedules of Expenditures of Federal Awards
- Summary Schedule of Prior Audit Findings
- Auditor's Reports
- Corrective Action Plan

One (1) Bound copy and one (1) PDF of the Audit Report must be sent to the ACS Early Learn Contract Audit Unit. The bound copy must be addressed to:

Administration for Children's Services
Division of Financial Services, Audit and Banking
150 William Street, 10th floor
New York, New York 10038-2614
Attn: Marcia Gilliard, Assistant Commissioner

Please send the PDF to Denise.Borak@acs.nyc.gov

If an agency does not comply with the requirements, there may be a negative impact on the yearly Fiscal Administration rating.

ABC DAY CARE CENTER, INC.
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
ACS Funded - EarlyLearn
For the year ended June 30, 2016

BUDGET CATEGORIES	ACS FUNDED											
	Budget	EarlyLearn									Variance	Questioned Cost
	EarlyLearn	Child Care	Child Care UPK	FCCN	CDBG	Head Start	Head Start UPK	CTL	Total EarlyLearn (A)			
Revenue:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EarlyLearn revenue	-	-	-	-	-	-	-	-	-	-	-	-
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>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures												
Personnel cost												
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries - COLA	-	-	-	-	-	-	-	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-	-	-	-	-	-	-	-
Accrued vacation	-	-	-	-	-	-	-	-	-	-	-	-
FICA	-	-	-	-	-	-	-	-	-	-	-	-
FICA - COLA	-	-	-	-	-	-	-	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-	-	-	-	-	-	-	-
Accrued vacation - FICA	-	-	-	-	-	-	-	-	-	-	-	-
Workers compensation	-	-	-	-	-	-	-	-	-	-	-	-
Unemployment insurance	-	-	-	-	-	-	-	-	-	-	-	-
Pension	-	-	-	-	-	-	-	-	-	-	-	-
Welfare fund	-	-	-	-	-	-	-	-	-	-	-	-
Health Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Substitutes	-	-	-	-	-	-	-	-	-	-	-	-
Total personnel cost	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<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>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Family Child Care Stipend	-	-	-	-	-	-	-	-	-	-	-	-
Other than personnel services (OTPS)												
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Equipment over \$3,000 - Head Start	-	-	-	-	-	-	-	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-	-	-	-	-	-	-	-
Postage	-	-	-	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Instructional Field Trips	-	-	-	-	-	-	-	-	-	-	-	-
Training/Staff Development	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Food - CACFP	-	-	-	-	-	-	-	-	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	-	-	-	-	-	-	-	-
Asudit	-	-	-	-	-	-	-	-	-	-	-	-
Parent Services	-	-	-	-	-	-	-	-	-	-	-	-
Consultant - programmatic	-	-	-	-	-	-	-	-	-	-	-	-
Consultant - administrative	-	-	-	-	-	-	-	-	-	-	-	-
Indirect cost - Head Start	-	-	-	-	-	-	-	-	-	-	-	-
Other OTPS	-	-	-	-	-	-	-	-	-	-	-	-
Total OTPS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EARLYLEARN COST	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<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>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

ABC DAY CARE CENTER, INC.
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
ACS Funded - Other than EarlyLearn
For the year ended June 30, 2016

BUDGET CATEGORIES	Other Than EarlyLearn						[A+B] Total ACS Funded (C)
	DOE CC UPK Enhancemnt	DOEHS UPK Enhancement	Health & Safety	Sandy Relief Fund	Other Funding	Total Other Than EarlyLearn (B)	
Revenue:							
EarlyLearn revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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>\$ -</u>	<u>\$ -</u>
Expenditures							
Personnel cost							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries - COLA	-	-	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-	-	-
Accrued vacation	-	-	-	-	-	-	-
FICA	-	-	-	-	-	-	-
FICA - COLA	-	-	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-	-	-
Accrued vacation - FICA	-	-	-	-	-	-	-
Workers compensation	-	-	-	-	-	-	-
Unemployment insurance	-	-	-	-	-	-	-
Pension	-	-	-	-	-	-	-
Welfare fund	-	-	-	-	-	-	-
Health Insurance	-	-	-	-	-	-	-
Substitutes	-	-	-	-	-	-	-
Total personnel cost	<u>-</u>	<u>-</u>	<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>	<u>-</u>	<u>-</u>
Family Child Care Stipend	-	-	-	-	-	-	-
Other than personnel services (OTPS)							
Supplies	-	-	-	-	-	-	-
Equipment over \$3,000 - Head Start	-	-	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-	-	-
Postage	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-
Instructional Field Trips	-	-	-	-	-	-	-
Training/Staff Development	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Food - CACFP	-	-	-	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	-	-	-
Asudit	-	-	-	-	-	-	-
Parent Services	-	-	-	-	-	-	-
Consultant - programmatic	-	-	-	-	-	-	-
Consultant - administrative	-	-	-	-	-	-	-
Indirect cost - Head Start	-	-	-	-	-	-	-
Other OTPS	-	-	-	-	-	-	-
Total OTPS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EARLYLEARN COST	<u>\$ -</u>	<u>\$ -</u>	<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>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

ABC DAY CARE CENTER, INC.
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
Not ACS Funded
For the year ended June 30, 2016

BUDGET CATEGORIES	NOT ACS FUNDED				
	Actual				
	CACFP	Cash Contribution (Head Start)	In-kind Contribution (Head Start)	Sponsor's Contribution (Other than Head Start)	Other Funding Source
Revenue:					
EarlyLearn revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue (disability, interest, etc.)	-	-	-	-	-
Teacher's incentive fund	-	-	-	-	-
HRA Voucher	-	-	-	-	-
CACFP	-	-	-	-	-
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	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-
Accrued vacation	-	-	-	-	-
FICA	-	-	-	-	-
FICA - COLA	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-
Accrued vacation - FICA	-	-	-	-	-
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	-	-	-	-	-
Other than personnel services (OTPS)					
Supplies	-	-	-	-	-
Equipment over \$3,000 - Head Start	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-
Postage	-	-	-	-	-
Advertising	-	-	-	-	-
Instructional Field Trips	-	-	-	-	-
Training/Staff Development	-	-	-	-	-
Transportation	-	-	-	-	-
Food - CACFP	-	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	-
Asudit	-	-	-	-	-
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 EARLYLEARN 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.

ABC DAYCARE CENTER, INC.
STATEMENT OF HEAD START EXPENSES BY PROGRAM YEAR
For the year ended June 30, 2016

<u>Category</u>	<u>Program Year 02</u> <u>7/1/15-1/31/16</u>	<u>Program Year 03</u> <u>2/1/16-6/30/16</u>	<u>Total Head Start</u> <u>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	<u>-</u>	<u>-</u>	<u>-</u>
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	<u>-</u>	<u>-</u>	<u>-</u>
Other than personnel services (OTPS)			
Supplies	-	-	-
Equipment over \$3,000	-	-	-
Training	-	-	-
Parent services/family involvement	-	-	-
Programmatic consultants	-	-	-
Administrative consultants	-	-	-
Transportation	-	-	-
Audit	-	-	-
Food (not funded by CACFP)	-	-	-
Other OTPS	-	-	-
Total OTPS	<u>-</u>	<u>-</u>	<u>-</u>
Indirect cost	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	\$ -	\$ -	\$ -
Health and Safety	-	-	-
Less: Program Income	-	-	-
Total Head Start Funded Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NFS Program Percentage	0.0%	0.0%	0.0%

ABC DAYCARE CENTER, INC.
STATEMENT OF HEAD START EXPENSES BY PROGRAM YEAR
For the year ended June 30, 2016

<u>Category</u>	<u>Program Year 02</u> <u>7/1/15-1/31/16</u>	<u>Program Year 03</u> <u>2/1/16-6/30/16</u>	<u>Total Head Start</u> <u>Expenses</u>
Administrative Expenses			
Personnel and fringe cost	\$ -	\$ -	\$ -
Facilities cost	-	-	-
OTPS	-	-	-
Indirect cost	-	-	-
NFS expenses	-	-	-
Total Administrative Expenses	-	-	-
Total Head Start Program Expenses	-	-	-
Administrative Expense Percentage	0.0%	0.0%	0.0%
Special Reporting:			
CACFP Funded Expenses	\$ -	\$ -	\$ -

ABC DAY CARE CENTER, INC.
STATEMENT OF NON-FEDERAL SHARE EXPENSES BY PROGRAM YEAR
For the year ended June 30, 2016

SCHEDULE 3

Category	HS UPK			DOEHS UPK Enhancement			Cash Contributions - Head Start			In-kind Contributions - Head Start (Schedule 1)		
	Program Year 02 7/1/15-1/31/16	Program Year 03 2/1/16-6/30/16	Total	Program Year 02 7/1/15-1/31/16	Program Year 03 2/1/16-6/30/16	Total	Program Year 02 7/1/15-1/31/16	Program Year 03 2/1/16-6/30/16	Total	Program Year 02 7/1/15-1/31/16	Program Year 03 2/1/16-6/30/16	Total
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 \$3,000	-	-	-	-	-	-	-	-	-	-	-	-
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ABC DAY CARE CENTER, INC.
Schedule of Equipment Inventory
June 30, 2016

SCHEDULE 4

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

ABC DAY CARE CENTER, INC.
Schedule of Quantitative Program Results
For the year ended June 30, 2016

SCHEDULE 5

ENROLLMENT

1	Contracted slots per site	
	a) Name of sites	-
	b)	-
	c)	-
	d)	-
	Total	<u>-</u>
2	Number of classrooms per site	
	a)	-
	b)	-
	c)	-
	d)	-
	Total	<u>-</u>
3	Number of children enrolled by site	
	a)	-
	b)	-
	c)	-
	d)	-
	Total	<u>-</u>
4	Number of children in attendance by site	
	a)	-
	b)	-
	c)	-
	d)	-
	Total	<u>-</u>
5	The average attendance for contract by site (#4 divided by #3)	
	a)	-
	b)	-
	c)	-
	d)	-
	Total Average	<u>0%</u>

COST

1	Total expense for the contract. (Total EL expense in Schedule 1-A)	\$ -
2	Total expense by site	
	a)	\$ -
	b)	-
	c)	-
	d)	-
	Total	<u>\$ -</u>
3	Average cost slots (Total expenses/Total attendance by sites)	
4	Average cost per site/Total cost per site/Attendance by site)	
	a)	
	b)	
	c)	
	d)	
	Total	<u>\$ -</u>

ATTESTATION

Date

Marcia Gilliard, Assistant Commissioner
Financial Services, Audit and Banking
Administration for Children's Services
150 William Street, Rm 10-Q3
New York, NY 10038

Dear Ms. Gilliard,

The (Contractor) attest that we have expended less than \$750,000 of combined Federal awards for Fiscal Year 2016 and are therefore not required to complete a Single Audit.

Signature:

Print Name:

Title: