

Independent Auditors' Reports as Required by Title 2 U.S. *Code of Federal Regulations Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and *Government Auditing Standards* and Related Information

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES**

June 30, 2020 and 2019

# HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

To the Board of Directors of  
Homes for the Homeless, Inc. and Affiliates:

**Report on the consolidated financial statements**

We have audited the accompanying consolidated financial statements of Homes for the Homeless, Inc. and Affiliates (collectively, the "Agency"), which comprise the consolidated statements of financial position as of June 30, 2020 and 2019, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

**Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency's preparation and fair presentation of the consolidated 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 Agency'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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Homes for the Homeless, Inc. and Affiliates, as of June 30, 2020 and 2019, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Supplementary information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The schedule of expenditures of federal awards for the year ended June 30, 2020, as required by the Title 2 *U.S. Code of Federal Regulations (CFR) 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 2019 consolidated financial statements. Schedule 1-A through Schedule 7 on pages 22 through 34 are required by New York City, Administration for Children's Services. Such supplementary 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 consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information 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. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

**Other reporting required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report, dated November 25, 2020, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.



New York, New York  
November 25, 2020

**HOMES FOR THE HOMELESS, INC. AND AFFILIATES**  
**Consolidated Statements of Financial Position**  
**As of June 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,046,122	\$ 1,963,449
Government grants and other receivables	1,067,416	448,658
Prepaid expenses and other assets	302,794	417,321
Investments	9,784,026	12,883,839
457(b) plan assets	2,501,928	2,284,140
Property and equipment, net	<u>60,324,854</u>	<u>57,402,965</u>
Total assets	<u>\$ 75,027,140</u>	<u>\$ 75,400,372</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 4,221,887	\$ 8,793,590
Mortgage payable	20,050,042	14,359,780
Deferred rent liability	249,437	181,898
457(b) plan liability	<u>2,501,928</u>	<u>2,284,140</u>
Total liabilities	<u>27,023,294</u>	<u>25,619,408</u>
Commitments and contingencies (see Note 4 and 6)		
<b>NET ASSETS</b>		
Net assets without donor restrictions		
Available for operations	7,729,034	6,737,779
Invested in property and equipment	<u>40,274,812</u>	<u>43,043,185</u>
Total net assets	<u>48,003,846</u>	<u>49,780,964</u>
Total liabilities and net assets	<u>\$ 75,027,140</u>	<u>\$ 75,400,372</u>

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

**HOMES FOR THE HOMELESS, INC. AND AFFILIATES**  
**Consolidated Statements of Activities**  
**For the years ended June 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>PUBLIC SUPPORT AND REVENUE</b>		
Government grants	\$ 29,950,612	\$ 25,682,161
Contributions and foundation grants (including in-kind contributions of \$255,361 and \$420,597 in 2020 and 2019, respectively)	350,563	542,162
Residency income	4,059,215	4,121,874
Rental income	562,412	475,490
Net investment income	616,584	1,202,684
Other income	111,163	134,243
	<u>35,650,549</u>	<u>32,158,614</u>
<b>EXPENSES</b>		
<b>Program services</b>		
Residential facilities	26,456,370	25,032,767
Summer camps	584,812	928,442
Operating foundation	5,205,659	4,049,048
	<u>32,246,841</u>	<u>30,010,257</u>
Administrative and general	5,180,826	3,915,396
	<u>37,427,667</u>	<u>33,925,653</u>
	(1,777,118)	(1,767,039)
Net assets, beginning of year	49,780,964	51,548,003
Net assets, end of year	<u>\$ 48,003,846</u>	<u>\$ 49,780,964</u>

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

**HOMES FOR THE HOMELESS, INC. AND AFFILIATES**  
**Consolidated Statement of Functional Expenses**  
**For the year ended June 30, 2020**

	Program Services			Total Program Services	Administrative and General	2020 Total	2019 Total
	Residential Facilities	Summer Camps	Operating Foundation				
Salaries	\$ 14,097,471	\$ 187,763	\$ 1,173,872	\$ 15,459,106	\$ 1,868,804	\$ 17,327,910	\$ 14,789,139
Payroll taxes and employees benefits	3,644,797	20,359	261,796	3,926,952	528,523	4,455,475	3,864,701
Occupancy	2,162,726	44,005	694,803	2,901,534	570,303	3,471,837	4,360,589
Food	2,535,467	116,083	4,474	2,656,024	7,251	2,663,275	2,646,521
Office, supplies and other	831,229	60,529	42,414	934,172	368,293	1,302,465	1,269,077
Furnishing and equipment	713,343	18,624	84,583	816,550	109,986	926,536	724,521
Professional fees	212,127	14,982	161,031	388,140	371,022	759,162	885,169
Postage, printing and advertising	272,030	3,265	58,563	333,858	8,902	342,760	1,130,644
Insurance	23,639	-	1,331	24,970	496,282	521,252	458,922
Vehicle rental	47,311	3,607	264	51,182	30,357	81,539	73,990
Travel	133,602	29,258	27,568	190,428	11,259	201,687	276,745
Training and recruiting	118,375	77,734	377,572	573,681	23,592	597,273	532,443
Telephone	226,678	8,603	28,059	263,340	34,344	297,684	236,070
Interest	-	-	684,504	684,504	-	684,504	-
Depreciation and amortization	1,437,575	-	1,604,825	3,042,400	751,908	3,794,308	2,677,122
<b>Total expenses</b>	<b>\$ 26,456,370</b>	<b>\$ 584,812</b>	<b>\$ 5,205,659</b>	<b>\$ 32,246,841</b>	<b>\$ 5,180,826</b>	<b>\$ 37,427,667</b>	<b>\$ 33,925,653</b>

*The accompanying notes are an integral part of this consolidated financial statement.*

**HOMES FOR THE HOMELESS, INC. AND AFFILIATES**  
**Consolidated Statement of Functional Expenses**  
**For the year ended June 30, 2019**

	Program Services			Total Program Services	Administrative and General	2019 Total
	Residential Facilities	Summer Camps	Operating Foundation			
Salaries	\$ 12,027,573	\$ 237,102	\$ 1,179,223	\$ 13,443,898	\$ 1,345,241	\$ 14,789,139
Payroll taxes and employees benefits	3,158,074	26,895	262,485	3,447,454	417,247	3,864,701
Occupancy	2,356,577	67,210	696,683	3,120,470	1,240,119	4,360,589
Food	2,480,092	159,841	692	2,640,625	5,896	2,646,521
Office, supplies and other	816,610	236,404	94,803	1,147,817	121,260	1,269,077
Furnishing and equipment	502,341	29,655	81,898	613,894	110,627	724,521
Professional fees	331,075	15,773	67,291	414,139	471,030	885,169
Postage, printing and advertising	922,349	7,685	193,351	1,123,385	7,259	1,130,644
Insurance	416,758	13,420	7,423	437,601	21,321	458,922
Vehicle rental	37,624	9,320	-	46,944	27,046	73,990
Travel	211,049	28,615	23,209	262,873	13,872	276,745
Training and recruiting	219,297	87,779	200,583	507,659	24,784	532,443
Telephone	160,277	8,743	28,153	197,173	38,897	236,070
Depreciation and amortization	1,393,071	-	1,213,254	2,606,325	70,797	2,677,122
<b>Total expenses</b>	<b>\$ 25,032,767</b>	<b>\$ 928,442</b>	<b>\$ 4,049,048</b>	<b>\$ 30,010,257</b>	<b>\$ 3,915,396</b>	<b>\$ 33,925,653</b>

*The accompanying notes are an integral part of this consolidated financial statement.*

**HOMES FOR THE HOMELESS, INC. AND AFFILIATES**  
**Consolidated Statements of Cash Flows**  
**For the years ended June 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (1,777,118)	\$ (1,767,039)
Adjustments to reconcile (decrease) increase in net assets to net cash (used in) provided by operating activities		
Depreciation	3,794,308	2,677,122
Realized and unrealized gains on investments	(616,584)	(1,202,684)
Changes in		
Government grants and other receivables	(618,758)	187,827
Prepaid expenses and other assets	114,527	(211,112)
457(b) plan assets	(217,788)	(220,656)
Accounts payable and accrued expenses	(4,571,703)	2,572,272
Deferred rent liability	67,539	76,108
457(b) plan liability	217,788	220,656
	<u>(3,607,789)</u>	<u>2,332,494</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sales of investments	3,725,000	8,000,000
Purchases of investments	(8,603)	(700,000)
Purchases of property and equipment	<u>(6,716,197)</u>	<u>(23,431,350)</u>
	<u>(2,999,800)</u>	<u>(16,131,350)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from mortgage payables	<u>5,690,262</u>	<u>14,359,780</u>
	<u>5,690,262</u>	<u>14,359,780</u>
(Decrease) increase in cash and cash equivalents	(917,327)	560,924
Cash and cash equivalents, beginning of year	<u>1,963,449</u>	<u>1,402,525</u>
Cash and cash equivalents, end of year	<u>\$ 1,046,122</u>	<u>\$ 1,963,449</u>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid for taxes	<u>\$ 101,336</u>	<u>\$ 147,110</u>

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

# **HOMES FOR THE HOMELESS, INC. AND AFFILIATES**

## **Consolidated Notes to Financial Statement**

**June 30, 2020 and 2019**

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### **1. AGENCY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **The Agency**

Homes for the Homeless, Inc. and Affiliates (collectively the “Agency”) is comprised of Homes for the Homeless, Inc. (“HFH”), Homes for the Homeless Institute, Inc. (“HFH Institute”), Homes for the Homeless Summer Camps, Inc. (“Camps”) and Senior Isle Inn, Inc. (“SII”), which were incorporated in New York in 1986, 1997, 1990, and 1999, respectively, as not-for-profit corporations. HFH, Camps and SII have been determined to be publicly supported organizations that are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (the “IRC”) and from state and local taxes under comparable law. HFH Institute is a private operating foundation qualifying as a tax-exempt charitable organization under the IRC.

HFH provides transitional housing and social services to homeless parents and their children. These services include comprehensive education programs for adults and children, daycare, job training and placement, family literacy programs, family preservation programs, substance abuse and domestic violence counseling, recreational and afterschool programs, and housing placement assistance. HFH serves families in New York City through family shelters located in the Bronx (“Prospect”, “Williamsbridge”, and “Allie’s Place”) and Queens (“Saratoga”).

HFH Institute conducts policy research on the causes and implications of homelessness and child poverty and provides training and guidance on the operations of other entities providing transitional housing and social services.

Camps operates summer camp programs for children who are homeless or at risk of homelessness in New York City. The program provides recreational, cultural, educational, and physical activities. The program operates from two campsites, Camp Lanowa and Camp Wakonda, both of which are located in Harriman State Park, New York.

SII operates two senior residences, called Island Shores Senior Residences (“Island Shores”) and Riverview Senior Independent Living (“Riverview”), that provide an independent-living residence and other supporting services, including meals, housekeeping, and various recreational and educational amenities. As necessary, SII also assists residents in obtaining easily accessible medical and pharmaceutical services.

The accompanying consolidated financial statements include the respective financial position, changes in net assets, and cash flows of HFH, HFH Institute, Camps, and SII. All significant intercompany accounts and transactions have been eliminated in consolidation.

#### **Basis of Accounting**

The accompanying consolidated financial statements of the Agency are prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (“U.S. GAAP”), as applicable to not-for-profit organizations.

# HOMES FOR THE HOMELESS, INC. AND AFFILIATES

## Consolidated Notes to Financial Statement

### June 30, 2020 and 2019

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Accordingly, the Agency's resources are classified and reported based upon the existence or absence of donor-imposed restrictions, as follows:

*Without Donor Restrictions* - net assets that are not subject to donor-imposed restrictions and, therefore, are available to meet the Agency's objectives. Net assets without donor restrictions may also be designated by the Agency's Board of Directors.

*With Donor Restrictions* - net assets that are subject to donor-imposed restrictions that either expire with the passage of time or, can be fulfilled and removed by the actions of the Agency pursuant to those restrictions, or which may be perpetual. The Agency did not have any net assets with donor restrictions as of June 30, 2020 and June 30, 2019.

#### **Use of Estimates**

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect (i) the reported amounts of assets, liabilities, revenues, and expenses, and (ii) the disclosures of contingencies at the date of the consolidated financial statements. Actual results could differ from those estimates.

#### **Functional Allocation of Expenses**

The Agency's various programs and supporting services are summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, certain costs are allocated among the programs and supporting services using appropriate measurement methodologies.

Fundraising costs are insignificant to the consolidated financial statements.

#### **Cash and Cash Equivalents**

For financial reporting purposes, the Agency considers all highly liquid investments, with original maturities of three months or less when purchased, to be cash equivalents, except for those cash equivalents that are part of its investment portfolio. At June 30, 2020 and 2019 the cash and cash equivalents balances includes approximately \$135,400 and \$1,512,000, respectively of restricted cash, provided by the TD Bank mortgage (see Note 8).

#### **Investments**

Investments are measured and reported at fair value. Changes in fair value are reported as net investment income in the accompanying consolidated statement of activities.

Fair value of equity and fixed-income securities with a readily determinable fair value is based on quotation obtained from national security exchanges. The Agency's management reviews and evaluates the values provided by the custodian who obtains such values from national security exchanges and agrees with the valuation method used in determining the related fair value.

Investment transactions are recorded on a trade-date basis. Realized gains or losses on investments are determined by comparison of the average cost of acquisition to proceeds at the time of disposition. The earnings from dividends and interest are recognized when earned.

# HOMES FOR THE HOMELESS, INC. AND AFFILIATES

## Consolidated Notes to Financial Statement

### June 30, 2020 and 2019

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#### **Property and Equipment**

Property and equipment are reported at their original costs if purchased, or at their fair values on the dates of donation. The Agency capitalizes as an asset each item of property and equipment that has a cost of \$5,000 or more and a useful life greater than one year. The costs of repairs and maintenance are expensed as incurred. Depreciation is provided using the straight-line method, applied over the estimated useful lives of the assets, which range from 5 to 40 years. Land is not depreciated.

There may be instances where certain expenditures for property and equipment are reported in the consolidated financial statements as expenses, because (i) the costs of these items were reimbursed by governmental funding sources and (ii) the contractual agreement specifies that the titles to these assets rest with the various funding sources, rather than with the Agency.

The Agency's management evaluates the recoverability of the investment in long-lived assets on an on-going basis and recognizes any impairment in the year of determination. Long-lived assets were tested for impairment as of June 30, 2020 and 2019, respectively, and, in the opinion of management, there were no impairments. However, it is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

#### **Revenue Recognition**

##### *(i) Contributions and Government Grant Revenue*

During the year ended June 30, 2020, the Agency adopted Accounting Standards Update ("ASU") 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. ASU 2018-08 clarifies and improves the scope and the accounting guidance for contributions received and made, including guidance to help an entity evaluate whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions and determine whether a contribution is conditional.

For contributions, revenue is recognized when a contribution becomes unconditional, that is, when the conditions on which they depend are substantially met. Grants are evaluated as to whether they qualify as exchange transactions or contributions. If a contract or grant agreement contains a right of return or right of release from the respective obligation provision on the part of the grantor, and the agreement also contains a barrier to be overcome, the Agency recognizes revenue for these conditional contributions when the related barrier to entitlement has been overcome.

Contributions to support the Agency's operations are recognized as net assets without donor restrictions. Pledges received for contributions that support future operations or donor-restricted purposes are reported as net assets with donor restrictions in the consolidated statements of activities. All contributions are recognized at their fair values at the dates they are paid or pledged. Contributions to be received over periods longer than a single year are discounted at an interest rate commensurate with the risk involved. When the requirements of contributions that are at first considered to be net assets with donor restrictions are met in the year of donation, such contributions are reported as net assets without donor restrictions.

# **HOMES FOR THE HOMELESS, INC. AND AFFILIATES**

## **Consolidated Notes to Financial Statement**

### **June 30, 2020 and 2019**

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Per diem revenue, which is included in government grant revenue in the consolidated statements of activities, is recorded based on room occupancy at rates submitted to and approved by the New York City Department of Homeless Services (“DHS”). As part of its annual closeout, HFH files with DHS its reports of operations for each of its family shelters. HFH is to be reimbursed a total amount not to exceed the budget approved annually by DHS. Payments are received by HFH on an agreed-upon or contractual per diem basis. The per diem calculation and/or the total annual budget may be adjusted by DHS to recognize any additional costs incurred. This amount is included as part of grants receivable in the consolidated statement of financial position. Conversely, HFH must return to DHS any revenue received in excess of the actual operating expenses incurred. HFH received an excess in cash of \$0 and \$815,144, payable to DHS for the years ended June 30, 2020 and 2019, respectively.

#### *(ii) Residency and Rental Revenue*

Residency revenue is received from independent-living residents, who are charged a fee on a month-to-month basis. The resident fee is subject to change, therefore, fluctuations in residency revenue may occur from month to month.

Rental revenue is received from commercial tenants, under lease agreements with terms of up to 5 years. Rental income relating to the current year is recognized as revenue in that year, while the recognition of revenue related to rents received in advance is deferred until the following year.

#### *(iii) Donated Goods*

Those donated goods that meet the requirements for recognition under U.S. GAAP are recorded as revenue and corresponding expense in the accompanying consolidated statements of activities, at amounts determined by management to be reasonable for obtaining such goods. For fiscal years 2020 and 2019, the Agency received donated goods for its programs in the amounts of \$255,361 and \$420,597, respectively.

### **Deferred Rent Liability**

The Agency leases property under operating leases that will expire at various dates in the future. Because the rent payments increase over time, the Agency records an adjustment to rent expense each year to reconcile to its policy of recording rent expense on a straight-line basis. This treatment of rent expense results in a timing difference that is reported as a rent liability in the consolidated statements of financial position. At June 30, 2020 and 2019, the amount of the deferred rent liability was approximately \$249,000 and \$182,000, respectively.

### **Income Tax Obligations**

The Agency follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the consolidated financial statements if the position is “more-likely-than-not” to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

# HOMES FOR THE HOMELESS, INC. AND AFFILIATES

## Consolidated Notes to Financial Statement

### June 30, 2020 and 2019

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HFH, Camps, and SII are exempt from federal income tax under IRC section 501(c)(3), though they are subject to tax on income unrelated to their exempt purpose, unless that income is otherwise excluded by the IRC. HFH, Camps, and SII have processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated business income; to determine its filing and tax obligations in jurisdictions for which it was nexus; and to identify and evaluate other matters that may be considered tax positions. HFH, Camps, and SII have determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. In addition, HFH, Camps, and SII have not recorded a provision for income taxes as it has no material tax liability from unrelated business income activities.

In addition, HFH Institute, as a private operating foundation, is subject to a federal excise tax, at a rate not to exceed 2%, on its net investment income; the Institute's excise tax liability was approximately \$26,500 and \$119,300 for the years ended June 30, 2020 and 2019, respectively.

#### **New Accounting Pronouncement**

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*, which supersedes most of the current revenue recognition requirements. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The guidance provides a five-step analysis of transactions to determine when and how revenue is recognized. Other major provisions include capitalization of certain contract costs, consideration of time value of money in the transaction price, and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires organizations that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the statements of financial position for leases with terms exceeding 12 months. ASU No. 2016-02 defines a lease as a contract or part of a contract that conveys the right to control the use of identified assets for a period of time in exchange for consideration. The lessee in a lease will be required to initially measure the right-of-use asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the right-of-use asset.

In June 2020, the FASB issued ASU No. 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842)*, which deferred the effective dates of ASU 2014-09 and ASU 2016-02. The guidance permits eligible entities to defer the adoption of Topic 606 until the period beginning after December 15, 2019 (i.e. the Agency's fiscal year 2021) and Topic 842 until the period beginning after December 15, 2021 (i.e. the Agency's fiscal year 2023). The Agency has elected to defer the implementation of Topic 606 and Topic 842 and is currently evaluating the new guidance and has not determined the impact this standard may have on the consolidated financial statements nor decided upon the method of adoption.

#### **Subsequent Events**

The Agency evaluated its June 30, 2020 financial statements for subsequent events through November 25, 2020, the date the consolidated financial statements were available to be issued.

# **HOMES FOR THE HOMELESS, INC. AND AFFILIATES**

## **Consolidated Notes to Financial Statement**

### **June 30, 2020 and 2019**

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The Agency decided to end its operation of programs at the Riverview Senior Independent Living Facility as of September 15, 2020. The Agency is currently in the process of selling the building.

In accordance with NYS and DOH guidelines, the Agency made the decision to suspend operations of its Summer Camps for the summer of 2020.

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The extent of the impact of COVID-19 on the Agency's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impact on funding agencies, donors, employees and vendors, all of which at present cannot be determined. Accordingly, the extent of which COVID-19 may impact the Agency's consolidated financial position and changes in net assets and cash flows in the future is uncertain.

The Agency is not aware of any material subsequent events, besides the events noted above, which would require recognition or disclosure in the accompanying consolidated financial statements.

## **2. GOVERNMENT GRANTS RECEIVABLE AND OTHER RECEIVABLE**

Government grants receivable at June 30, 2020 and 2019 of \$1,067,416 and \$448,658, respectively, consist of balances due to the Agency from government subsidies and tenant rents subsidized by government grants and other non-governmental entities. All amounts are due within one year. Management has evaluated the collectability of the grants made and believes, based on its history of collections that no provision for uncollectible receivables is necessary.

## **3. INVESTMENTS**

Accounting Standards Codification ("ASC") Topic 820, Fair Value Measurements and Disclosures establishes a three-level valuation hierarchy of fair-value measurements. These valuation techniques are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair value hierarchy:

- Level 1 - Valuations are based on observable inputs that reflect quoted market prices in active markets for those investments, or similar investments, at the reporting date.
- Level 2 - Valuations are based on (i) quoted prices for similar investments, in active markets, or (ii) quoted prices for those investments, or similar investments, in markets that are not active, or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date. Level 2 assets include those investments that are redeemable at or near the fiscal year-end and for which a model was derived for valuation.
- Level 3 - Valuations are based on pricing inputs that are unobservable and includes situations where there is little, if any, market activity for the asset or liability, or the underlying investments of which cannot be independently valued.

**HOMES FOR THE HOMELESS, INC. AND AFFILIATES**  
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**June 30, 2020 and 2019**

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The Agency's investments are subject to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of those securities could occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

The availability of market data is monitored by the Agency's management, to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or valuation techniques may require the transfer of financial instruments from one level to another.

The following table summarizes the fair values of the Agency's assets at each fiscal year-end, in accordance with the ASC Topic 820 valuation levels:

	<u>June 30, 2020</u>	
	<u>Fair Value Hierarchy</u>	
	<u>Level 1</u>	<u>Total</u>
Mutual fund	<u>\$ 9,784,026</u>	<u>\$ 9,784,026</u>

	<u>June 30, 2019</u>	
	<u>Fair Value Hierarchy</u>	
	<u>Level 1</u>	<u>Total</u>
Mutual fund	<u>\$ 12,883,839</u>	<u>\$ 12,883,839</u>

**4. PROPERTY AND EQUIPMENT, NET**

At each year-end, property and equipment consisted of the following:

	<u>2020</u>	<u>2019</u>
Land	\$ 7,396,669	\$ 7,396,669
Building and improvements	95,352,540	67,590,393
Furniture and equipment	<u>8,247,976</u>	<u>7,647,618</u>
	110,997,185	82,634,680
Less accumulated depreciation	<u>(51,525,171)</u>	<u>(47,729,745)</u>
	59,472,014	34,904,935
Construction-in-progress	<u>852,840</u>	<u>22,498,030</u>
	<u>\$ 60,324,854</u>	<u>\$ 57,402,965</u>

**HOMES FOR THE HOMELESS, INC. AND AFFILIATES**  
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**June 30, 2020 and 2019**

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Included in construction-in-progress at June 30, 2020 and 2019 is approximately \$853,000 and \$22,500,000, respectively of costs related to elevator modernization, façade repair, and the construction of the Agency’s residential resource center located in the Bronx.

**5. RETIREMENT PLANS**

The Agency maintains a defined contribution Section 403(b) retirement plan for its eligible non-union employees. Eligible employees can make pre-tax salary reduction contributions up to the maximum amount allowed by the Internal Revenue Service (“IRS”). In addition, the Agency may make discretionary contributions to the plan.

The Agency also maintains a deferred-compensation plan for the benefit of key employees under Section 457(b) of the IRC. The Agency is not required to match any employee contributions to the plan and will only make contributions based on availability of funds in any given year. Plan assets, at fair value, at June 30, 2020 and 2019 totaled \$2,501,928 and \$2,284,140, respectively. At June 30, 2020 and 2019, the Level 1 assets were invested in equities, money markets and multi-asset funds and the Level 3 assets were invested in insurance company guaranteed rate contracts.

	<b>June 30, 2020</b>		
	<b>Fair Value Hierarchy</b>		
	<b>Level 1</b>	<b>Level 3</b>	<b>Total</b>
Beginning Balance, July 1, 2019	\$ 846,450	\$ 1,437,690	\$ 2,284,140
Employee contributions, payouts, and transfers, net	2,317	116,103	118,420
Investment Return	51,146	48,222	99,369
Ending Balance, June 30, 2020	<u>\$ 899,913</u>	<u>\$ 1,602,015</u>	<u>\$ 2,501,928</u>
	<b>June 30, 2019</b>		
	<b>Fair Value Hierarchy</b>		
	<b>Level 1</b>	<b>Level 3</b>	<b>Total</b>
Beginning Balance, July 1, 2018	\$ 721,635	\$ 1,341,849	\$ 2,063,484
Employee contributions, payouts, and transfers, net	79,000	51,160	130,160
Investment Return	45,815	44,681	90,496
Ending Balance, June 30, 2019	<u>\$ 846,450</u>	<u>\$ 1,437,690</u>	<u>\$ 2,284,140</u>

Contributions to all plans by the Agency for fiscal years 2020 and 2019, were approximately \$448,500 and \$456,000, respectively.

**HOMES FOR THE HOMELESS, INC. AND AFFILIATES**  
**Consolidated Notes to Financial Statement**  
**June 30, 2020 and 2019**

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**6. COMMITMENTS AND CONTINGENCIES**

**Lease Commitments**

The Agency is obligated under various non-cancellable operating leases relating to office space and campsites. In April 2017, the Agency entered into a lease agreement for its new office facilities, commencing in August 2017 and expiring in August 2027. The minimum annual future rental commitments under the lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ 836,800
2022	861,151
2023	886,211
2024	911,999
2025	938,538
Thereafter	<u>2,126,250</u>
	<u>\$ 6,560,950</u>

Rent expense for fiscal years 2020 and 2019 was approximately \$885,000 and \$870,000, respectively.

The Agency entered into commercial leases for up to 5 years. Rental income from the commercial leases totaled \$562,412 and \$475,490 for the years ended June 30, 2020 and 2019, respectively. Estimated future minimum receipts due under the terms of the leases is as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ 459,567
2022	397,215
2023	319,500
2024	258,380
2025	227,388
Thereafter	<u>1,824,609</u>
	<u>\$ 3,486,659</u>

# **HOMES FOR THE HOMELESS, INC. AND AFFILIATES**

## **Consolidated Notes to Financial Statement**

### **June 30, 2020 and 2019**

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#### **Government-Funded Activities**

Government-funded activities are subject to audit by the applicable funding agencies. During fiscal year 2020 and 2019, the Agency recovered approximately \$211,019 and \$431,000 from governmental sources, respectively, which is included in the accompanying consolidated statements of activities as part of grant revenue.

#### **Union Employees**

Approximately 50% and 60% of the Agency's full-time employees were covered by collective bargaining agreements for both fiscal years 2020 and 2019, respectively. Collective bargaining agreements, stipulate (i) wage levels and differentials, (ii) participation in group health and dental plans, (iii) certain accords with regard to paid time-off, leave policies, and work hours and schedules, and (iv) personnel policies (including those related to grievance, discharge, and disciplinary procedures). All Collective bargaining agreements ("CBAs") agreements are signed and active. There are no pending renewals until 2022.

#### **Other Contracts**

In the normal course of business, the Agency enters into various contracts for professional and other services, which are typically renewable on a year-to-year basis.

#### **Asserted Claims**

The Agency is a defendant with respect to various claims involving issues arising in the normal course of business. In the opinion of management and its legal counsel, the resolution of these complaints will not have a material impact on either the financial position or operations of the Agency.

## **7. CONCENTRATIONS OF SUPPORT AND RISK**

The Agency received grants from the United States Department of Health and Human Services in the amount of approximately \$28,741,400 and \$23,883,000 for the fiscal years ended June 30, 2020 and 2019, respectively. Such grants represent approximately 80% and 74% of total public support and revenue for fiscal years 2020 and 2019, respectively.

Financial instruments that potentially subject the Agency to concentrations of credit risk consist principally of cash and cash equivalent accounts that are deposited in financial institutions in amounts which, from time to time, may exceed federal insurance limits. However, management believes that the Agency does not face a significant risk of loss on these accounts related to the possible failure of these financial institutions.

## **8. MORTGAGE PAYABLE**

#### **TD Bank**

On July 3, 2018, the Agency entered into a convertible interest only balloon loan with TD Bank. The loan allowed for borrowing up to \$23,400,000. Borrowings are to be used for construction costs at 1600 Randall Avenue, Bronx, NY 10473. Until conversion, the interest on the loan is variable at LIBOR + 2%. During 2020 the interest rate ranged from 2.17% to 4.39%.

**HOMES FOR THE HOMELESS, INC. AND AFFILIATES**  
**Consolidated Notes to Financial Statement**  
**June 30, 2020 and 2019**

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The monthly payments are computed by TD Bank so that the monthly payments shall be a constant amount sufficient to fully amortize the loan over a 25-year schedule. The entire balance and principal and all accrued interest thereon, and all other fees, costs, and charges, if any, shall be due and payable on July 31, 2028. The loan is secured by the Agency's property at 519 West 49<sup>th</sup> Street, New York, NY 10019. The outstanding balance was \$20,05,042 and \$14,359,750 as of June 30, 2020 and 2019, respectively.

The terms of the loan require maintenance of covenants, including financial reporting requirements. As of June 30, 2020 and 2019, the Agency was in compliance with all financial and operating covenants.

**9. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES**

The Agency regularly monitors the availability of resources required to meet its operating needs and other contractual commitments.

For purposes of analyzing resources available to meet general expenditures over a twelve month period, the Agency considers all expenditures related to its ongoing activities of providing shelter, programing and research as well as the conduct of services undertaken to support those activities to be general expenditures.

The following table represents financial assets available within one year for general expenditures at June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 1,046,122	\$ 1,963,449
Government grants and other receivables	1,067,416	448,658
Investments	<u>9,784,026</u>	<u>12,883,839</u>
	11,897,564	15,295,946
Less:		
Cash and cash equivalents - restricted by mortgage	<u>135,443</u>	<u>1,512,274</u>
Total financial assets available for general expenditure within one year	<u>\$ 11,762,121</u>	<u>\$ 13,783,672</u>

**SUPPLEMENTARY SCHEDULES**

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES**  
**Schedule of Expenditures of Federal Awards**  
**For the year ended June 30, 2020**

Federal Agency Grantor/Program or Cluster Title	Federal CFDA#	Contract/Pass- through Number	Federal Expenditures
<b>TANF Cluster</b>			
<b>U.S. Department of Health and Human Services:</b>			
Prospect Family Residence	93.558	20200000292	\$ 3,064,625
Saratoga Family Residence	93.558	20200000049	7,177,604
Williamsbridge Family Residence	93.558	20190004025	3,231,870
Allie's Place Family Residence	93.558	20201403754	<u>961,301</u>
Subtotal TANF Cluster			14,435,400
Total U.S. Department of Health and Human Services			<u>14,435,400</u>
<b>U.S. Department of Agriculture:</b>			
Passed through from New York State Department of Education - Administration - Summer Food Service Program for Children Summer Camps, Food Service Program	10.559	55550	35,018
Passed through from State of New York Department of Health - Child and Adult Care Food Program	10.558	4180	<u>24,249</u>
Total U.S. Department of Agriculture			<u>59,267</u>
Total Expenditures of Federal Awards			<u>\$ 14,494,667</u>

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the year ended June 30, 2020**

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**1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of Homes for the Homeless, Inc. and Affiliates (collectively, the “Agency”), under programs of the federal government for the year ended June 30, 2020 and is prepared on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Agency, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Agency.

**2. INDIRECT COST**

The Agency has elected not to utilize the 10% de minimis cost rate allowed covered in Uniform Guidance.

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES**  
**Statement of Revenues and Expenditures - Budgeted and Actual - Prospect Daycare -**  
**For the year ended June 30, 2020**

BUDGET CATEGORIES	DOE FUNDED											
	Budget		EarlyLearn							Total EarlyLearn (A)	Variance	Questioned Cost
	EarlyLearn	Child Care	Child Care UPK	FCCN	CDBG	Head Start	Head Start UPK	CTL				
<b>Revenue:</b>												
EarlyLearn revenue	\$ 371,641	\$ 223,481	\$ 100,405	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 323,886	\$ 47,755	\$ -	
Other revenue (disability, interest, etc.)	-	-	-	-	-	-	-	-	-	-	-	
Teacher's incentive fund	-	-	-	-	-	-	-	-	-	-	-	
HRA Voucher	-	-	-	-	-	-	-	-	-	-	-	
CACFP	-	-	-	-	-	-	-	-	-	-	-	
Parent Fees	10,000	1,583	711	-	-	-	-	-	2,294	7,706	-	
In-kind contribution	-	-	-	-	-	-	-	-	-	-	-	
Sponsor's contribution	-	-	-	-	-	-	-	-	-	-	-	
Other funding source revenue <sup>1</sup>	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Revenue</b>	<b>\$ 381,641</b>	<b>\$ 225,064</b>	<b>\$ 101,116</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 326,180</b>	<b>\$ 55,461</b>	<b>\$ -</b>	
<b>Expenditures</b>												
<b>Personnel cost</b>												
Salaries	245,029	154,945	69,612	-	-	-	-	-	224,557	20,472	-	
Salaries - COLA	-	-	-	-	-	-	-	-	-	-	-	
Teacher's Incentive	-	-	-	-	-	-	-	-	-	-	-	
Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-	
FICA	23,374	11,892	5,343	-	-	-	-	-	17,235	6,139	-	
FICA - COLA	-	-	-	-	-	-	-	-	-	-	-	
FICA - Teacher's Incentive	-	-	-	-	-	-	-	-	-	-	-	
FICA - Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-	
Workers compensation	11,271	4,410	1,981	-	-	-	-	-	6,391	4,880	-	
Unemployment insurance	2,501	615	276	-	-	-	-	-	891	1,610	-	
Pension	5,999	4,139	1,860	-	-	-	-	-	5,999	-	-	
Welfare fund	-	-	-	-	-	-	-	-	-	-	-	
Health Insurance	22,334	13,279	5,966	-	-	-	-	-	19,245	3,089	-	
Substitutes	8,135	3,788	1,702	-	-	-	-	-	5,490	2,645	-	
<b>Total personnel cost</b>	<b>318,643</b>	<b>193,068</b>	<b>86,740</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>279,808</b>	<b>38,835</b>	<b>-</b>	
<b>Facilities cost</b>												
Rent	16,593	11,449	5,144	-	-	-	-	-	16,593	-	-	
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	
Water and sewer	-	-	-	-	-	-	-	-	-	-	-	
Licensing and permits	-	-	-	-	-	-	-	-	-	-	-	
Insurance	3,550	2,429	1,092	-	-	-	-	-	3,521	29	-	
Custodial services	-	-	-	-	-	-	-	-	-	-	-	
Alarm	-	-	-	-	-	-	-	-	-	-	-	
Telecommunications	1,000	515	232	-	-	-	-	-	747	253	-	
Utilities	1,000	690	310	-	-	-	-	-	1,000	-	-	
Maintenance and repairs	450	225	101	-	-	-	-	-	326	124	-	
Capital expenditures and renovations	-	-	-	-	-	-	-	-	-	-	-	
Other facilities costs	-	-	-	-	-	-	-	-	-	-	-	
<b>Total facilities cost</b>	<b>22,593</b>	<b>15,308</b>	<b>6,879</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,187</b>	<b>406</b>	<b>-</b>	
Family Child Care Stipend	-	-	-	-	-	-	-	-	-	-	-	
<b>Other than personnel services (OTPS)</b>												
Supplies	25,105	6,733	3,024	-	-	-	-	-	9,757	15,348	-	
Equipment over \$5,000 - Head Start	-	-	-	-	-	-	-	-	-	-	-	
Equipment over \$5,000 - Child Care	-	-	-	-	-	-	-	-	-	-	-	
Postage	-	-	-	-	-	-	-	-	-	-	-	
Advertising	1,000	644	290	-	-	-	-	-	934	66	-	
Instructional Field Trips	4,000	2,524	1,133	-	-	-	-	-	3,657	343	-	
Training/Staff Development	3,900	2,403	1,080	-	-	-	-	-	3,483	417	-	
Transportation	1,750	1,207	543	-	-	-	-	-	1,750	-	-	
Food - CACFP	-	-	-	-	-	-	-	-	-	-	-	
Non-food related cost - CACFP	-	-	-	-	-	-	-	-	-	-	-	
Audit	4,000	2,760	1,240	-	-	-	-	-	4,000	-	-	
Parent Services	-	-	-	-	-	-	-	-	-	-	-	
Consultant - programmatic	-	-	-	-	-	-	-	-	-	-	-	
Consultant - administrative	-	-	-	-	-	-	-	-	-	-	-	
Indirect cost - Head Start	-	-	-	-	-	-	-	-	-	-	-	
Other OTPS	650	417	187	-	-	-	-	-	604	46	-	
<b>Total OTPS</b>	<b>40,405</b>	<b>16,688</b>	<b>7,497</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,185</b>	<b>16,220</b>	<b>-</b>	
<b>TOTAL EARLYLEARN COST</b>	<b>\$ 381,641</b>	<b>\$ 225,064</b>	<b>\$ 101,116</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 326,180</b>	<b>\$ 55,461</b>	<b>\$ -</b>	
<b>Excess (deficiency) of revenue over (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 consolidated financial statements.

# HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES

## Statement of Revenues and Expenditures - Budgeted and Actual - Prospect Daycare - For the year ended June 30, 2020

BUDGET CATEGORIES	Other Than EarlyLearn					[A+B] Total DECE Funded (C)
	DECE CC UPK Enhancement	DECE HS UPK Enhancement	Health & Safety	Other Funding use for EarlyLearn	Total Other Than EarlyLearn (B)	
<b>Revenue:</b>						
EarlyLearn revenue	\$ 8,574	\$ -	\$ -	\$ -	\$ 8,574	\$ 332,460
Other revenue (disability, interest, etc.)	-	-	-	-	-	-
Teacher's incentive fund	-	-	-	-	-	-
HRA Voucher	-	-	-	-	-	-
CACFP	-	-	-	-	-	-
Parent Fees	-	-	-	-	-	2,294
In-kind contribution	-	-	-	-	-	-
Sponsor's contribution	-	-	-	-	-	-
Other funding source revenue <sup>1</sup>	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 8,574</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,574</b>	<b>\$ 334,754</b>
<b>Expenditures</b>						
<b>Personnel cost</b>						
Salaries	5,761	-	-	-	5,761	230,318
Salaries - COLA	-	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-	-
Accrued Vacation	-	-	-	-	-	-
FICA	406	-	-	-	406	17,641
FICA - COLA	-	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-	-
FICA - Accrued Vacation	-	-	-	-	-	-
Workers compensation	-	-	-	-	-	6,391
Unemployment insurance	-	-	-	-	-	891
Pension	-	-	-	-	-	5,999
Welfare fund	-	-	-	-	-	-
Health Insurance	-	-	-	-	-	19,245
Substitutes	2,407	-	-	-	2,407	7,897
Total personnel cost	8,574	-	-	-	8,574	288,382
<b>Facilities cost</b>						
Rent	-	-	-	-	-	16,593
Property Taxes	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-
Licensing and permits	-	-	-	-	-	-
Insurance	-	-	-	-	-	3,521
Custodial services	-	-	-	-	-	-
Alarm	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	747
Utilities	-	-	-	-	-	1,000
Maintenance and repairs	-	-	-	-	-	326
Capital expenditures and renovations	-	-	-	-	-	-
Other facilities costs	-	-	-	-	-	-
Total facilities cost	-	-	-	-	-	22,187
Family Child Care Stipend	-	-	-	-	-	-
<b>Other than personnel services (OTPS)</b>						
Supplies	-	-	-	-	-	9,757
Equipment over \$5,000 - Head Start	-	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-	-
Postage	-	-	-	-	-	-
Advertising	-	-	-	-	-	934
Instructional Field Trips	-	-	-	-	-	3,657
Training/Staff Development	-	-	-	-	-	3,483
Transportation	-	-	-	-	-	1,750
Food - CACFP	-	-	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	-	-
Audit	-	-	-	-	-	4,000
Parent Services	-	-	-	-	-	-
Consultant - programmatic	-	-	-	-	-	-
Consultant - administrative	-	-	-	-	-	-
Indirect cost - Head Start	-	-	-	-	-	-
Other OTPS	-	-	-	-	-	604
Total OTPS	-	-	-	-	-	24,185
<b>TOTAL EARLYLEARN COST</b>	<b>\$ 8,574</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,574</b>	<b>\$ 334,754</b>
<b>Excess (deficiency) of revenue over (under) expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See accompanying notes to consolidated financial statements.

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES****Statement of Revenues and Expenditures - Budgeted and Actual - Prospect Daycare -  
For the year ended June 30, 2020**

BUDGET CATEGORIES	NOT DECE FUNDED				
	Actual				
	CACFP	Cash Contribution (Head Start)	In-kind Contribution (Head Start)	Sponsor's Contribution (Other than Head Start)	Other Funding Source
<b>Revenue:</b>					
EarlyLearn revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue (disability, interest, etc.)	-	-	-	-	-
Teacher's incentive fund	-	-	-	-	-
HRA Voucher	-	-	-	-	-
CACFP	9,695	-	-	-	-
Parent Fees	-	-	-	-	-
In-kind contribution	-	-	-	-	-
Sponsor's contribution	-	-	-	-	-
Other funding source revenue <sup>1</sup>	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 9,695</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenditures</b>					
<b>Personnel cost</b>					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries - COLA	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-
Accrued Vacation	-	-	-	-	-
FICA	-	-	-	-	-
FICA - COLA	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-
FICA - Accrued Vacation	-	-	-	-	-
Workers compensation	-	-	-	-	-
Unemployment insurance	-	-	-	-	-
Pension	-	-	-	-	-
Welfare fund	-	-	-	-	-
Health Insurance	-	-	-	-	-
Substitutes	-	-	-	-	-
<b>Total personnel cost</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Facilities cost</b>					
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	-	-	-	-	-
<b>Total facilities cost</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Family Child Care Stipend	-	-	-	-	-

See accompanying notes to consolidated financial statements.

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES****Statement of Revenues and Expenditures - Budgeted and Actual - Prospect Daycare -  
Continued**

For the year ended June 30, 2020

BUDGET CATEGORIES	NOT DECE FUNDED				
	Actual				
	CACFP	Cash Contribution (Head Start)	In-kind Contribution (Head Start)	Sponsor's Contribution (Other than Head Start)	Other Funding Source
<b>Other than personnel services (OTPS)</b>					
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment over \$5,000 - Head Start	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-
Postage	-	-	-	-	-
Advertising	-	-	-	-	-
Instructional Field Trips	-	-	-	-	-
Training/Staff Development	-	-	-	-	-
Transportation	-	-	-	-	-
Food - CACFP	9,695	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	-
Audit	-	-	-	-	-
Parent Services	-	-	-	-	-
Consultant - programmatic	-	-	-	-	-
Consultant - administrative	-	-	-	-	-
Indirect cost - Head Start	-	-	-	-	-
Other OTPS	-	-	-	-	-
Total OTPS	<u>9,695</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL EARLYLEARN COST</b>	<u>\$ 9,695</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Excess (deficiency) of revenue over (under) expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to consolidated financial statements.

# HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES

## Statement of Revenues and Expenditures - Budgeted and Actual - Saratoga Daycare - For the year ended June 30, 2020

BUDGET CATEGORIES	DOE FUNDED											
	Budget	EarlyLearn									Variance	Questioned Cost
	EarlyLearn	Child Care	Child Care UPK	FCCN	CDBG	Head Start	Head Start UPK	CTL	Total EarlyLearn (A)			
<b>Revenue:</b>												
EarlyLearn revenue	\$ 636,590	\$ 350,698	\$ 157,560	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 508,258	\$ 128,332	\$ -
Other revenue (disability, interest, etc.)	-	-	-	-	-	-	-	-	-	-	-	-
Teacher's incentive fund	-	-	-	-	-	-	-	-	-	-	-	-
HRA Voucher	-	-	-	-	-	-	-	-	-	-	-	-
CACFP	-	-	-	-	-	-	-	-	-	-	-	-
Parent Fees	2,000	57	25	-	-	-	-	-	82	1,918	-	-
In-kind contribution	-	-	-	-	-	-	-	-	-	-	-	-
Sponsor's contribution	-	-	-	-	-	-	-	-	-	-	-	-
Other funding source revenue <sup>1</sup>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 638,590</b>	<b>\$ 350,755</b>	<b>\$ 157,585</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 508,340</b>	<b>\$ 130,250</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenditures</b>												
<b>Personnel cost</b>												
Salaries	364,450	211,449	94,998	-	-	-	-	-	306,447	58,003	-	-
Salaries - COLA	-	-	-	-	-	-	-	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-	-
FICA	31,189	15,905	7,146	-	-	-	-	-	23,051	8,138	-	-
FICA - COLA	-	-	-	-	-	-	-	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-	-	-	-	-	-	-	-
FICA - Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-	-
Workers compensation	10,815	5,223	2,346	-	-	-	-	-	7,569	3,246	-	-
Unemployment insurance	4,104	663	298	-	-	-	-	-	961	3,143	-	-
Pension	5,152	3,558	1,599	-	-	-	-	-	5,157	(5)	-	-
Welfare fund	-	-	-	-	-	-	-	-	-	-	-	-
Health Insurance	46,749	32,338	14,529	-	-	-	-	-	46,867	(118)	-	-
Substitutes	11,785	3,189	1,433	-	-	-	-	-	4,622	7,163	-	-
Total personnel cost	474,244	272,325	122,349	-	-	-	-	-	394,674	79,570	-	-
<b>Facilities cost</b>												
Rent	58,530	40,385	18,144	-	-	-	-	-	58,529	1	-	-
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-	-	-
Licensing and permits	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	12,700	8,098	3,638	-	-	-	-	-	11,736	964	-	-
Custodial services	-	-	-	-	-	-	-	-	-	-	-	-
Alarm	-	-	-	-	-	-	-	-	-	-	-	-
Telecommunications	1,000	605	272	-	-	-	-	-	877	123	-	-
Utilities	5,750	3,968	1,782	-	-	-	-	-	5,750	-	-	-
Maintenance and repairs	2,500	-	-	-	-	-	-	-	-	2,500	-	-
Capital expenditures and renovations	-	-	-	-	-	-	-	-	-	-	-	-
Other facilities costs	-	-	-	-	-	-	-	-	-	-	-	-
Total facilities cost	80,480	53,056	23,836	-	-	-	-	-	76,892	3,588	-	-
Family Child Care Stipend	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other than personnel services (OTPS)</b>												
Supplies	37,166	10,491	4,714	-	-	-	-	-	15,205	21,961	-	-
Equipment over \$5,000 - Head Start	-	-	-	-	-	-	-	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-	-	-	-	-	-	-	-
Postage	-	-	-	-	-	-	-	-	-	-	-	-
Advertising	1,200	-	-	-	-	-	-	-	-	1,200	-	-
Instructional Field Trips	6,000	2,476	1,112	-	-	-	-	-	3,588	2,412	-	-
Training/Staff Development	25,000	5,357	2,407	-	-	-	-	-	7,764	17,236	-	-
Transportation	3,500	966	434	-	-	-	-	-	1,400	2,100	-	-
Food - CACFP	-	-	-	-	-	-	-	-	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	-	-	-	-	-	-	-	-
Audit	8,000	5,520	2,480	-	-	-	-	-	8,000	-	-	-
Parent Services	2,000	-	-	-	-	-	-	-	-	2,000	-	-
Consultant - programmatic	-	-	-	-	-	-	-	-	-	-	-	-
Consultant - administrative	-	-	-	-	-	-	-	-	-	-	-	-
Indirect cost - Head Start	-	-	-	-	-	-	-	-	-	-	-	-
Other OTPS	1,000	564	253	-	-	-	-	-	817	183	-	-
Total OTPS	83,866	25,374	11,400	-	-	-	-	-	36,774	47,092	-	-
<b>TOTAL EARLYLEARN COST</b>	<b>\$ 638,590</b>	<b>\$ 350,755</b>	<b>\$ 157,585</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 508,340</b>	<b>\$ 130,250</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess (deficiency) of revenue over (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>	<b>\$ -</b>

See accompanying notes to consolidated financial statements.

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES****Statement of Revenues and Expenditures - Budgeted and Actual - Saratoga Daycare -  
For the year ended June 30, 2020**

BUDGET CATEGORIES	Other Than EarlyLearn					[A+B] Total DECE Funded (C)
	DECE CC UPK Enhancemnt	DECE HS UPK Enhancement	Health & Safety	Other Funding use for EarlyLearn	Total Other Than EarlyLearn (B)	
<b>Revenue:</b>						
EarlyLearn revenue	10,468	\$ -	\$ -	\$ -	10,468	518,726
Other revenue (disability, interest, etc.)	-	-	-	-	-	-
Teacher's incentive fund	-	-	-	-	-	-
HRA Voucher	-	-	-	-	-	-
CACFP	-	-	-	-	-	-
Parent Fees	-	-	-	-	-	82
In-kind contribution	-	-	-	-	-	-
Sponsor's contribution	-	-	-	-	-	-
Other funding source revenue <sup>1</sup>	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 10,468</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,468</b>	<b>\$ 518,808</b>
<b>Expenditures</b>						
<b>Personnel cost</b>						
Salaries	6,875	\$ -	\$ -	\$ -	6,875	313,322
Salaries - COLA	-	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-	-
Accrued Vacation	-	-	-	-	-	-
FICA	2,766	-	-	-	2,766	25,817
FICA - COLA	-	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-	-
FICA - Accrued Vacation	-	-	-	-	-	-
Workers compensation	-	-	-	-	-	7,569
Unemployment insurance	-	-	-	-	-	961
Pension	-	-	-	-	-	5,157
Welfare fund	-	-	-	-	-	-
Health Insurance	-	-	-	-	-	46,867
Substitutes	827	-	-	-	827	5,449
Total personnel cost	<b>\$ 10,468</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,468</b>	<b>\$ 405,142</b>
<b>Facilities cost</b>						
Rent	-	-	-	-	-	58,529
Property Taxes	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-
Licensing and permits	-	-	-	-	-	-
Insurance	-	-	-	-	-	11,736
Custodial services	-	-	-	-	-	-
Alarm	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	877
Utilities	-	-	-	-	-	5,750
Maintenance and repairs	-	-	-	-	-	-
Capital expenditures and renovations	-	-	-	-	-	-
Other facilities costs	-	-	-	-	-	-
Total facilities cost	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 76,892</b>
Family Child Care Stipend	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other than personnel services (OTPS)</b>						
Supplies	-	-	-	-	-	15,205
Equipment over \$5,000 - Head Start	-	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-	-
Postage	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Instructional Field Trips	-	-	-	-	-	3,588
Training/Staff Development	-	-	-	-	-	7,764
Transportation	-	-	-	-	-	1,400
Food - CACFP	-	-	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	-	-
Audit	-	-	-	-	-	8,000
Parent Services	-	-	-	-	-	-
Consultant - programmatic	-	-	-	-	-	-
Consultant - administrative	-	-	-	-	-	-
Indirect cost - Head Start	-	-	-	-	-	-
Other OTPS	-	-	-	-	-	817
Total OTPS	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,774</b>
<b>TOTAL EARLYLEARN COST</b>	<b>\$ 10,468</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,468</b>	<b>\$ 518,808</b>
<b>Excess (deficiency) of revenue over (under) expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See accompanying notes to consolidated financial statements.

# HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES

## Statement of Revenues and Expenditures - Budgeted and Actual - Saratoga Daycare - For the year ended June 30, 2020

BUDGET CATEGORIES	NOT DECE FUNDED				
	Actual				
	CACFP	Cash Contribution (Head Start)	In-kind Contribution (Head Start)	Sponsor's Contribution (Other than Head Start)	Other Funding Source
<b>Revenue:</b>					
Early Learn revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue (disability, interest, etc.)	-	-	-	-	-
Teacher's incentive fund	-	-	-	-	-
HRA Voucher	-	-	-	-	-
CACFP	16,500	-	-	-	-
Parent Fees	-	-	-	-	-
In-kind contribution	-	-	-	-	-
Sponsor's contribution	-	-	-	-	-
Other funding source revenue <sup>1</sup>	-	-	-	-	-
<b>Total Revenue</b>	<u>\$ 16,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Expenditures</b>					
<b>Personnel cost</b>					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries - COLA	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-
Accrued Vacation	-	-	-	-	-
FICA	-	-	-	-	-
FICA - COLA	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-
FICA - Accrued Vacation	-	-	-	-	-
Workers compensation	-	-	-	-	-
Unemployment insurance	-	-	-	-	-
Pension	-	-	-	-	-
Welfare fund	-	-	-	-	-
Health Insurance	-	-	-	-	-
Substitutes	-	-	-	-	-
Total personnel cost	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Facilities cost</b>					
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	-	-	-	-	-
<b>Other than personnel services (OTPS)</b>					
Supplies	-	-	-	-	-
Equipment over \$5,000 - Head Start	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-
Postage	-	-	-	-	-
Advertising	-	-	-	-	-
Instructional Field Trips	-	-	-	-	-
Training/Staff Development	-	-	-	-	-
Transportation	-	-	-	-	-
Food - CACFP	16,500	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	-
Audit	-	-	-	-	-
Parent Services	-	-	-	-	-
Consultant - programmatic	-	-	-	-	-
Consultant - administrative	-	-	-	-	-
Indirect cost - Head Start	-	-	-	-	-
Other OTPS	-	-	-	-	-
Total OTPS	<u>16,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL EARLYLEARN COST</b>	<u>\$ 16,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Excess (deficiency) of revenue over (under) expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to consolidated financial statements.

# HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES

## Statement of Revenues and Expenditures - Budgeted and Actual - Combined Daycare - For the year ended June 30, 2020

BUDGET CATEGORIES	DOE FUNDED											
	Budget	EarlyLearn									Variance	Questioned Cost
	EarlyLearn	Child Care	Child Care UPK	FCCN	CDBG	Head Start	Head Start UPK	CTL	Total EarlyLearn (A)			
<b>Revenue:</b>												
EarlyLearn revenue	\$ 1,008,231	\$ 574,179	\$ 257,965	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 832,144	\$ 176,087	\$ -	
Other revenue (disability, interest, etc.)	-	-	-	-	-	-	-	-	-	-	-	
Teacher's incentive fund	-	-	-	-	-	-	-	-	-	-	-	
HRA Voucher	-	-	-	-	-	-	-	-	-	-	-	
CACFP	-	-	-	-	-	-	-	-	-	-	-	
Parent Fees	12,000	1,640	736	-	-	-	-	-	2,376	9,624	-	
In-kind contribution	-	-	-	-	-	-	-	-	-	-	-	
Sponsor's contribution	-	-	-	-	-	-	-	-	-	-	-	
Other funding source revenue <sup>1</sup>	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Revenue</b>	<b>\$ 1,020,231</b>	<b>\$ 575,819</b>	<b>\$ 258,701</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 834,520</b>	<b>\$ 185,711</b>	<b>\$ -</b>	
<b>Expenditures</b>												
<b>Personnel cost</b>												
Salaries	\$ 609,479	\$ 366,394	\$ 164,610	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 531,004	\$ 78,475	\$ -	
Salaries - COLA	-	-	-	-	-	-	-	-	-	-	-	
Teacher's Incentive	-	-	-	-	-	-	-	-	-	-	-	
Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-	
FICA	54,563	27,797	12,489	-	-	-	-	-	40,286	14,277	-	
FICA - COLA	-	-	-	-	-	-	-	-	-	-	-	
FICA - Teacher's Incentive	-	-	-	-	-	-	-	-	-	-	-	
FICA - Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-	
Workers compensation	22,086	9,633	4,327	-	-	-	-	-	13,960	8,126	-	
Unemployment insurance	6,605	1,278	574	-	-	-	-	-	1,852	4,753	-	
Pension	11,151	7,697	3,459	-	-	-	-	-	11,156	(5)	-	
Welfare fund	-	-	-	-	-	-	-	-	-	-	-	
Health Insurance	69,083	45,617	20,495	-	-	-	-	-	66,112	2,971	-	
Substitutes	19,920	6,977	3,135	-	-	-	-	-	10,112	9,808	-	
Total personnel cost	\$ 792,887	\$ 465,393	\$ 209,089	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 674,482	\$ 118,405	\$ -	
<b>Facilities cost</b>												
Rent	75,123	51,834	23,288	-	-	-	-	-	75,122	1	-	
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	
Water and sewer	-	-	-	-	-	-	-	-	-	-	-	
Licensing and permits	-	-	-	-	-	-	-	-	-	-	-	
Insurance	16,250	10,527	4,730	-	-	-	-	-	15,257	993	-	
Custodial services	-	-	-	-	-	-	-	-	-	-	-	
Alarm	-	-	-	-	-	-	-	-	-	-	-	
Telecommunications	2,000	1,120	504	-	-	-	-	-	1,624	376	-	
Utilities	6,750	4,658	2,092	-	-	-	-	-	6,750	-	-	
Maintenance and repairs	2,950	225	101	-	-	-	-	-	326	2,624	-	
Capital expenditures and renovations	-	-	-	-	-	-	-	-	-	-	-	
Other facilities costs	-	-	-	-	-	-	-	-	-	-	-	
Total facilities cost	\$ 103,073	\$ 68,364	\$ 30,715	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,079	\$ 3,994	\$ -	
Family Child Care Stipend	-	-	-	-	-	-	-	-	-	-	-	
<b>Other than personnel services (OTPS)</b>												
Supplies	62,271	17,224	7,738	-	-	-	-	-	24,962	37,309	-	
Equipment over \$5,000 - Head Start	-	-	-	-	-	-	-	-	-	-	-	
Equipment over \$5,000 - Child Care	-	-	-	-	-	-	-	-	-	-	-	
Postage	-	-	-	-	-	-	-	-	-	-	-	
Advertising	2,200	644	290	-	-	-	-	-	934	1,266	-	
Instructional Field Trips	10,000	5,000	2,245	-	-	-	-	-	7,245	2,755	-	
Training/Staff Development	28,900	7,760	3,487	-	-	-	-	-	11,247	17,653	-	
Transportation	5,250	2,173	977	-	-	-	-	-	3,150	2,100	-	
Food - CACFP	-	-	-	-	-	-	-	-	-	-	-	
Non-food related cost - CACFP	-	-	-	-	-	-	-	-	-	-	-	
Audit	12,000	8,280	3,720	-	-	-	-	-	12,000	-	-	
Parent Services	2,000	-	-	-	-	-	-	-	-	2,000	-	
Consultant - programmatic	-	-	-	-	-	-	-	-	-	-	-	
Consultant - administrative	-	-	-	-	-	-	-	-	-	-	-	
Indirect cost - Head Start	-	-	-	-	-	-	-	-	-	-	-	
Other OTPS	1,650	981	440	-	-	-	-	-	1,421	229	-	
Total OTPS	\$ 124,271	\$ 42,062	\$ 18,897	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,959	\$ 63,312	\$ -	
<b>TOTAL EARLYLEARN COST</b>	<b>\$ 1,020,231</b>	<b>\$ 575,819</b>	<b>\$ 258,701</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 834,520</b>	<b>\$ 185,711</b>	<b>\$ -</b>	
<b>Excess (deficiency) of revenue over (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 consolidated financial statements.

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES****Statement of Revenues and Expenditures - Budgeted and Actual - Combined Daycare -  
For the year ended June 30, 2020**

BUDGET CATEGORIES	Other Than EarlyLearn					[A+B] DECE Funded (C)
	DECE CC UPK Enhancemnt	DECE HS UPK Enhancement	Health & Safety	Other Funding use for EarlyLearn	Total Other Than EarlyLearn (B)	
<b>Revenue:</b>						
EarlyLearn revenue	\$ 19,042	\$ -	\$ -	\$ -	\$ 19,042	\$ 851,186
Other revenue (disability, interest, etc.)	-	-	-	-	-	-
Teacher's incentive fund	-	-	-	-	-	-
HRA Voucher	-	-	-	-	-	-
CACFP	-	-	-	-	-	-
Parent Fees	-	-	-	-	-	2,376
In-kind contribution	-	-	-	-	-	-
Sponsor's contribution	-	-	-	-	-	-
Other funding source revenue <sup>1</sup>	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 19,042</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,042</b>	<b>\$ 853,562</b>
<b>Expenditures</b>						
<b>Personnel cost</b>						
Salaries	\$ 12,636	\$ -	\$ -	\$ -	\$ 12,636	\$ 543,640
Salaries - COLA	-	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-	-
Accrued Vacation	-	-	-	-	-	-
FICA	3,172	-	-	-	3,172	43,458
FICA - COLA	-	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-	-
FICA - Accrued Vacation	-	-	-	-	-	-
Workers compensation	-	-	-	-	-	13,960
Unemployment insurance	-	-	-	-	-	1,852
Pension	-	-	-	-	-	11,156
Welfare fund	-	-	-	-	-	-
Health Insurance	-	-	-	-	-	66,112
Substitutes	3,234	-	-	-	3,234	13,346
Total personnel cost	\$ 19,042	\$ -	\$ -	\$ -	\$ 19,042	\$ 693,524
<b>Facilities cost</b>						
Rent	-	-	-	-	-	75,122
Property Taxes	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-
Licensing and permits	-	-	-	-	-	-
Insurance	-	-	-	-	-	15,257
Custodial services	-	-	-	-	-	-
Alarm	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	1,624
Utilities	-	-	-	-	-	6,750
Maintenance and repairs	-	-	-	-	-	326
Capital expenditures and renovations	-	-	-	-	-	-
Other facilities costs	-	-	-	-	-	-
Total facilities cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,079
Family Child Care Stipend	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other than personnel services (OTPS)</b>						
Supplies	-	-	-	-	-	24,962
Equipment over \$5,000 - Head Start	-	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-	-
Postage	-	-	-	-	-	-
Advertising	-	-	-	-	-	934
Instructional Field Trips	-	-	-	-	-	7,245
Training/Staff Development	-	-	-	-	-	11,247
Transportation	-	-	-	-	-	3,150
Food - CACFP	-	-	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	-	-
Audit	-	-	-	-	-	12,000
Parent Services	-	-	-	-	-	-
Consultant - programmatic	-	-	-	-	-	-
Consultant - administrative	-	-	-	-	-	-
Indirect cost - Head Start	-	-	-	-	-	-
Other OTPS	-	-	-	-	-	1,421
Total OTPS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,959
<b>TOTAL EARLYLEARN COST</b>	<b>\$ 19,042</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,042</b>	<b>\$ 853,562</b>
<b>Excess (deficiency) of revenue over (under) expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See accompanying notes to consolidated financial statements.

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES**  
**Statement of Revenues and Expenditures - Budgeted and Actual - Combined Daycare -**  
**For the year ended June 30, 2020**

BUDGET CATEGORIES	NOT DECE FUNDED				
	Actual				
	CACFP	Cash Contribution (Head Start)	In-kind Contribution (Head Start)	Sponsor's Contribution (Other than Head Start)	Other Funding Source
<b>Revenue:</b>					
EarlyLearn revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue (disability, interest, etc.)	-	-	-	-	-
Teacher's incentive fund	-	-	-	-	-
HRA Voucher	-	-	-	-	-
CACFP	26,195	-	-	-	-
Parent Fees	-	-	-	-	-
In-kind contribution	-	-	-	-	-
Sponsor's contribution	-	-	-	-	-
Other funding source revenue <sup>1</sup>	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 26,195</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenditures</b>					
<b>Personnel cost</b>					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries - COLA	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-
Accrued Vacation	-	-	-	-	-
FICA	-	-	-	-	-
FICA - COLA	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-
FICA - Accrued Vacation	-	-	-	-	-
Workers compensation	-	-	-	-	-
Unemployment insurance	-	-	-	-	-
Pension	-	-	-	-	-
Welfare fund	-	-	-	-	-
Health Insurance	-	-	-	-	-
Substitutes	-	-	-	-	-
Total personnel cost	-	-	-	-	-
<b>Facilities cost</b>					
Rent	-	-	-	-	-
Property Taxes	-	-	-	-	-
Water and sewer	-	-	-	-	-
Licensing and permits	-	-	-	-	-
Insurance	-	-	-	-	-
Custodial services	-	-	-	-	-
Alarm	-	-	-	-	-
Telecommunications	-	-	-	-	-
Utilities	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-
Capital expenditures and renovations	-	-	-	-	-
Other facilities costs	-	-	-	-	-
Total facilities cost	-	-	-	-	-
Family Child Care Stipend	-	-	-	-	-
<b>Other than personnel services (OTPS)</b>					
Supplies	-	-	-	-	-
Equipment over \$5,000 - Head Start	-	-	-	-	-
Equipment over \$5,000 - Child Care	-	-	-	-	-
Postage	-	-	-	-	-
Advertising	-	-	-	-	-
Instructional Field Trips	-	-	-	-	-
Training/Staff Development	-	-	-	-	-
Transportation	-	-	-	-	-
Food - CACFP	26,195	-	-	-	-
Non-food related cost - CACFP	-	-	-	-	-
Audit	-	-	-	-	-
Parent Services	-	-	-	-	-
Consultant - programmatic	-	-	-	-	-
Consultant - administrative	-	-	-	-	-
Indirect cost - Head Start	-	-	-	-	-
Other OTPS	-	-	-	-	-
Total OTPS	26,195	-	-	-	-
<b>TOTAL EARLYLEARN COST</b>	<b>\$ 26,195</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess (deficiency) of revenue over (under) expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See accompanying notes to consolidated financial statements.

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES**  
**Schedule of Equipment Inventory**  
**For the year ended June 30, 2020**

Current Year Purchases (with total acquisition cost per unit of at least \$5,000 or above and purchased between 7/1/19 to 6/30/20):

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

Grand Total \$ -

Prior Years Purchases (with total acquisition cost per unit of at least \$5,000 or above and purchased between 7/1/12 to 6/30/19):

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

Grand Total \$ -

**Note:**

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

GP - item which is Federally-owned property

ACQ - item acquired with awards funds

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES**  
**Schedule of Quantitative Program Results**  
**For the year ended June 30, 2020**

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**ENROLLMENT**

1	Contracted slots per site	
	a) Prospect Daycare	20
	b) Saratoga Daycare	<u>35</u>
	Total	<u>55</u>
2	Number of classrooms per site	
	a) Prospect Daycare	1
	b) Saratoga Daycare	<u>2</u>
	Total	<u>3</u>
3	Number of children enrolled by site	
	a) Prospect Daycare	170
	b) Saratoga Daycare	<u>392</u>
	Total	<u>562</u>
4	Number of children in attendance by site	
	a) Prospect Daycare	169
	b) Saratoga Daycare	<u>344</u>
	Total	<u>513</u>
5	The average attendance for contract by site (#4 divided by #3)	
	a) Prospect Daycare	99%
	b) Saratoga Daycare	<u>88%</u>
	Total Average	<u>187%</u>

**COST**

1	Total expense for the contract. (Total EL expense in Schedule 1-A)	\$ 834,520
2	Total expense by site	
	a) Prospect Daycare	\$ 334,754
	b) Saratoga Daycare	<u>\$ 518,808</u>
	Total	<u>\$ 853,562</u>
3	Average cost slots (Total expenses/Total attendance by sites)	1664
4	Average cost per site/Total cost per site/Attendance by site)	
	a) Prospect Daycare	\$ 1,981
	b) Saratoga Daycare	\$ 1,508
	Total	<u>\$ 3,489</u>

See accompanying notes to financial statements.

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES****Schedule of Due to or Due from DECE****For the year ended June 30, 2020**

<b>Due To or Due From DECE at 6/30/2019</b>		<b>\$ -</b>
<b>Cash received/advances from DECE</b>		<b>851,186</b>
<b>Plus other funds collected:</b>		
<b>Parent Fees</b>		<b>2,376</b>
<b>Other revenue (disability, interest, etc.)</b>		<b>-</b>
<b>Total funds available</b>		<b>\$ 853,562</b>
<b>Less claimable expenditures:</b>		
<b>Expenditures</b>	<b>\$ (853,562)</b>	
<b>Less: Accrued Vacation</b>	<b>-</b>	
<b>Less: FICA - Accrued Vacation</b>	<b>-</b>	
<b>Less: Questioned Costs</b>	<b>-</b>	<b>\$ (853,562)</b>
<b>Due To or Due From DECE at 6/30/2020</b>		<b>\$ -</b>

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

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES****Schedule of Accrued Vacation****For the year ended June 30, 2020**

<u>Payroll Date</u>	<u>Employee # or position</u>	<u>Accrued Vacation</u>	<u>FICA - Accrued Vacation</u>	<u>Total as at 6/30/2020</u>
NA		\$ -	\$ -	\$ -
NA		-	-	-
NA		-	-	-

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

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

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES**

**Schedule of Pay Parity**

**For the year ended June 30, 2020**

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<b>Titles of staff who received ratification bonuses</b>	<b>Number of staff</b>
NA	NA

<b>Titles of staff who received salary increases</b>	<b>Number of staff</b>
Program Director	1
Secretary/Enrollment Specialist	1
Assistant Administrator/Program Coordinator	1
Custodial Service	2

**Total amount paid out in ratification bonuses for eligible staff**  
 NA

**Total amount paid out in salary increases for eligible staff**  
 \$ 9,752

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## **REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of  
Homes for the Homeless, Inc. and Affiliates:

We have audited, 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, the consolidated financial statements of Homes for the Homeless, Inc. and Affiliates (collectively, the "Agency"), which comprise the consolidated statements of financial position as of June 30, 2020 and 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated November 25, 2020.

### **Internal control over financial reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Agency's internal control over financial reporting ("internal control") to design audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Agency'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.

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 that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in the Agency's internal control that we consider to be material weaknesses.

**Compliance and other matters**

As part of obtaining reasonable assurance about whether the Agency's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated 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*.

**Intended purpose**

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 Agency's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



New York, New York  
November 25, 2020

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## **REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON COMPLIANCE FOR ITS MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of  
Homes for the Homeless, Inc. and Affiliates:

### **Report on compliance for each major federal program**

We have audited the compliance of Homes for the Homeless, Inc. and Affiliates (collectively, the “Agency”), with the types of compliance requirements described in the U.S. Office of Management and Budget’s *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended June 30, 2020. The Agency’s major federal program is identified in the summary of auditor’s results section of the accompanying Schedule of Findings and Questioned Costs.

#### **Management’s responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to the Agency’s federal program.

#### **Auditor’s responsibility**

Our responsibility is to express an opinion on compliance for the Agency’s major federal program 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 audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 the Agency’s 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 major federal program. However, our audit does not provide a legal determination of the Agency’s compliance.

#### **Opinion on each major federal program**

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2020.

**Report on internal control over compliance**

Management of the Agency 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 the Agency's internal control over compliance with the types of compliance requirements that could have a direct and material effect on its major federal program to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 the Agency's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the 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. Given these limitations, during our audit we did not identify any deficiencies in the Agency's internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.



New York, New York  
March 22, 2021

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES**  
**Schedule of Findings and Questioned Costs**  
**For the year ended June 30, 2020**

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**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements:**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  yes  no
- Significant deficiencies identified that are not considered to be material weakness(es)?  yes  none reported
- Noncompliance material to financial statements noted?  yes  no

**Federal Awards:**

Internal control over the major program:

- Material weakness(es) identified?  yes  no
- Significant deficiencies identified that are not considered to be material weakness(es)?  yes  none reported

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

Any audit findings disclosed that are required to be reported in accordance with Subpart F, section 200.516 of the Uniform Guidance?  yes  no

**Identification of the major program:**

<b>Federal Grantor/Program or Cluster Title</b>	<b>Federal Assistance Listing #</b>
<b>U.S. Department of Health and Human Services:</b>	
TANF Cluster	93.558
Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES**  
**Schedule of Findings and Questioned Costs**  
**For the year ended June 30, 2020**

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**SECTION II - FINANCIAL STATEMENT FINDING**

None noted.

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None noted.

**HOMES FOR THE HOMELESS, INC. AND ITS AFFILIATES**  
**Summary Schedule of Prior Audit Findings**  
For the year ended June 30, 2020

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<b>Finding #</b>	<b>Program Name</b>	<b>Summary of Findings</b>	<b>Status</b>
2019-001	N/A	Internal Controls Over Financial Reporting - Incomplete disclosure of the 457(b) plan	Corrected