

ST. LAWRENCE COUNTY COMMUNITY  
DEVELOPMENT PROGRAM, INC.

Financial Statements

December 31, 2020 and 2019

(With Independent Auditors' Report Thereon)

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
St. Lawrence County Community  
Development Program, Inc.:

### Report on the Financial Statements

We have audited the accompanying financial statements of St. Lawrence County Community Development Program, Inc. (the Organization) (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Lawrence County Community Development Program, Inc. as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by 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 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 9, 2021, on our consideration of the Organization'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 Organization'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 Organization's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York  
August 9, 2021

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.  
 Statements of Financial Position  
 December 31, 2020 and 2019

	<u>Assets</u>	<u>2020</u>	<u>2019</u>
Current assets:			
Cash and equivalents		\$ 649,275	475,262
Receivables		538,625	267,904
Prepaid expenses		11,349	15,327
Inventory		48,193	48,266
Total current assets		1,247,442	806,759
Property and equipment		2,245,552	2,177,592
Less accumulated depreciation		(1,582,973)	(1,428,992)
Net property and equipment		662,579	748,600
Total assets		\$ 1,910,021	1,555,359
<u>Liabilities and Net Assets</u>			
Current liabilities:			
Accounts payable		169,697	105,697
Accrued payroll and taxes		19,698	158,170
Compensated absences		59,667	47,422
Deferred revenue		135,182	14,170
Other liabilities		116,484	86,148
Total current liabilities		500,728	411,607
Net assets without donor restrictions		1,409,293	1,143,752
Contingencies and commitments (note 11)			
Total liabilities and net assets		\$ 1,910,021	1,555,359

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Statements of Activities

Years ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenue:		
Grant income	\$ 4,660,077	4,917,305
Program income	570,742	487,931
In-kind donations	990,092	1,066,542
Local donations	256,058	103,468
Interest and dividend income	138	137
Net gain on sale/disposal of assets	-	50
Fundraising	-	2,148
Miscellaneous	26,815	11,779
	<u>6,503,922</u>	<u>6,589,360</u>
Total revenue		
Expenses:		
Program services:		
Head Start	4,395,655	4,373,850
Weatherization	569,312	775,976
Rental Assistance	316,954	277,175
Neighborhood Centers	589,664	577,423
	<u>5,871,585</u>	<u>6,004,424</u>
Total program services		
Management and general	366,796	405,550
	<u>6,238,381</u>	<u>6,409,974</u>
Total expenses		
Change in net assets without donor restrictions	265,541	179,386
Net assets without donor restrictions at beginning of year	<u>1,143,752</u>	<u>964,366</u>
Net assets without donor restrictions at end of year	<u>\$ 1,409,293</u>	<u>1,143,752</u>

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Statement of Functional Expenses

Year ended December 31, 2020

with comparative totals for 2019

	Program Services				Total Program Services	Management and general	Total	
	Head Start	Weatherization	Rental Assistance	Neighborhood Centers			2020	2019
Salaries and wages	\$ 2,026,270	245,300	216,006	147,730	2,635,306	180,521	2,815,827	2,843,247
Payroll taxes and employee benefits	709,467	118,026	66,791	47,300	941,584	64,761	1,006,345	971,626
Total salaries and related expenses	2,735,737	363,326	282,797	195,030	3,576,890	245,282	3,822,172	3,814,873
Office supplies	5,272	1,525	1,042	422	8,261	3,867	12,128	6,820
Consumable supplies	111,147	2,774	2,580	35,501	152,002	17,401	169,403	98,027
Space costs and utilities	96,802	3,851	-	24,683	125,336	15,244	140,580	146,415
Telephone	27,247	2,660	1,892	1,863	33,662	10,322	43,984	36,090
Advertising	2,923	-	124	-	3,047	10,998	14,045	5,062
Insurance	31,771	4,585	1,563	3,495	41,414	6,751	48,165	30,596
Postage	2,421	344	6,169	626	9,560	2,387	11,947	15,542
Transportation	215,277	18,341	1,633	3,800	239,051	1,530	240,581	265,093
Repairs and maintenance	44,214	-	781	2,820	47,815	10,720	58,535	30,574
Materials	-	79,930	-	-	79,930	-	79,930	114,459
Subcontractors	-	56,826	-	-	56,826	-	56,826	137,963
Tools and equipment	42,325	1,767	3,888	5,751	53,731	1,264	54,995	47,759
Staff training and recruitment	42,553	9,552	981	292	53,378	4,201	57,579	60,568
Professional fees	63,144	12,727	7,288	14,343	97,502	18,079	115,581	107,111
Parent activities	150	-	-	-	150	-	150	899
Nutrition services	67,247	-	-	55,892	123,139	-	123,139	204,652
Emergency housing and shelter	-	-	2,673	23,315	25,988	-	25,988	12,405
In-kind	787,032	-	-	203,060	990,092	-	990,092	1,066,542
Programs expenses funded locally	-	-	-	16,489	16,489	-	16,489	16,755
Miscellaneous	242	-	-	1,115	1,357	734	2,091	13,169
Total expenses before depreciation	4,275,504	558,208	313,411	588,497	5,735,620	348,780	6,084,400	6,231,374
Depreciation	120,151	11,104	3,543	1,167	135,965	18,016	153,981	178,600
Total expenses	\$ 4,395,655	569,312	316,954	589,664	5,871,585	366,796	6,238,381	6,409,974

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.  
Statement of Functional Expenses  
Year ended December 31, 2019

	Program Services				Total Program Services	Management and general	Total
	Head Start	Weatherization	Rental Assistance	Neighborhood Centers			
Salaries and wages	\$ 2,017,270	283,059	181,926	138,880	2,621,135	222,112	2,843,247
Payroll taxes and employee benefits	709,211	118,396	55,532	34,149	917,288	54,338	971,626
Total salaries and related expenses	2,726,481	401,455	237,458	173,029	3,538,423	276,450	3,814,873
Office supplies	1,313	1,226	616	142	3,297	3,523	6,820
Consumable supplies	54,241	3,493	3,725	17,883	79,342	18,685	98,027
Space costs and utilities	98,507	10,588	-	23,339	132,434	13,981	146,415
Telephone	17,867	2,785	1,647	2,605	24,904	11,186	36,090
Advertising	4,126	357	486	36	5,005	57	5,062
Insurance	17,956	3,950	645	2,121	24,672	5,924	30,596
Postage	3,165	940	7,477	694	12,276	3,266	15,542
Transportation	211,471	38,605	2,656	3,975	256,707	8,386	265,093
Repairs and maintenance	14,796	-	-	2,033	16,829	13,745	30,574
Materials	-	114,459	-	-	114,459	-	114,459
Subcontractors	-	137,963	-	-	137,963	-	137,963
Tools and equipment	5,177	20,541	8,938	11,984	46,640	1,119	47,759
Staff training and recruitment	39,311	7,601	4,124	3,803	54,839	5,729	60,568
Professional fees	49,069	12,120	5,860	27,172	94,221	12,890	107,111
Parent activities	899	-	-	-	899	-	899
Nutrition services	140,467	-	-	64,185	204,652	-	204,652
Emergency housing and shelter	-	-	-	12,405	12,405	-	12,405
In-kind	851,325	-	-	215,217	1,066,542	-	1,066,542
Programs expenses funded locally	-	-	-	14,751	14,751	2,004	16,755
Miscellaneous	1,699	-	-	882	2,581	10,588	13,169
Total expenses before depreciation	4,237,870	756,083	273,632	576,256	5,843,841	387,533	6,231,374
Depreciation	135,980	19,893	3,543	1,167	160,583	18,017	178,600
Total expenses	\$ 4,373,850	775,976	277,175	577,423	6,004,424	405,550	6,409,974

See accompanying notes to financial statements.



ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Statements of Cash Flows

Years ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Change in net assets	\$ 265,541	179,386
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	153,981	178,600
Net gain on sale/disposal of assets	-	(50)
Changes in:		
Receivables	(270,721)	25,415
Prepaid expenses	3,978	(7,389)
Inventory	73	(12,724)
Accounts payable	64,000	(6,028)
Accrued payroll and taxes	(138,472)	(32,916)
Compensated absences	12,245	(1,340)
Deferred revenue	121,012	10,795
Other liabilities	<u>30,336</u>	<u>(16,068)</u>
Net cash provided by operating activities	<u>241,973</u>	<u>317,681</u>
Cash flows from investing activities:		
Purchases of property and equipment	(67,960)	(119,923)
Proceeds from sale/disposal of equipment	<u>-</u>	<u>50</u>
Net cash used in investing activities	<u>(67,960)</u>	<u>(119,873)</u>
Change in cash and equivalents	174,013	197,808
Cash and equivalents at beginning of year	<u>475,262</u>	<u>277,454</u>
Cash and equivalents at end of year	<u>\$ 649,275</u>	<u>475,262</u>
Supplemental schedule of cash flow information - disposal of fully depreciated fixed assets	<u>\$ -</u>	<u>119,342</u>

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Notes to Financial Statements

December 31, 2020 and 2019

(1) Summary of Significant Accounting Policies

(a) Nature of Activities

St. Lawrence County Community Development Program, Inc. (the Organization) is a private non-profit corporation serving St. Lawrence County and is organized under the laws of the State of New York. The Organization's purpose is to initiate, strengthen, supplement and coordinate efforts to eliminate poverty by making opportunities available to the low-income for education and training, employment and other services designed to aid them in their struggle to attain self-sufficiency.

The Organization operates the following programs to aid the people of St. Lawrence County:

- Head Start is a comprehensive school readiness program providing education, health, mental health, nutrition, parent involvement and social services to preschool children in St. Lawrence County. This program helps the child and the family, economically disadvantaged families, rural families and families and children with special needs. The program derives most of its funding from government grants.
- Weatherization Program helps homeowners and renters make their homes more energy efficient. Some services provided by this program are as follows: furnace efficiency testing; distribution system balancing; weather-stripping; caulking; glass replacement; insulation; window and door replacement; and repairs to protect and preserve weatherization measures. The major source of revenue for this program is from government grants.
- Rental Assistance is provided through the U.S. Department of Housing and Urban Development's (HUD) Housing Choice Voucher Program. The program provides rental assistance to low-income renters to help them attain decent, safe and affordable housing. The Organization is the authorized administrator of this program for the County of St. Lawrence.
- Neighborhood Centers - Six major centers provide services and programs for low-income families and make referrals to other agencies as needed. These services are provided through an intake process to assess needs and then utilize a variety of funding sources to provide benefits. These benefits include assistance with food, fuel, utilities and shelter. The Neighborhood Centers are funded through local and governmental grants, as well as by donations at the local center level. These expenses primarily consist of food, client services, holiday expenses and transportation. The Organization works with families in the area of family development to assist them in attaining self-sufficiency.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(b) Basis of Accounting

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

(c) Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions represents resources available for the general support of the Organization's activities. Net assets with donor restrictions are those whose use has been limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled by actions of the Organization and donor restricted endowment funds. The Organization had only net assets without donor restrictions in 2020 and 2019.

(d) Estimates

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

(e) Cash and Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less, including overnight repurchase agreements, to be cash equivalents.

(f) Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash accounts in financial institutions. Although the accounts exceed the federally insured deposit amount, management does not anticipate nonperformance by the financial institution.

(g) Receivables

Receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to receivables. Changes in the valuation allowance have not been material to the financial statements.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(h) Capitalization and Depreciation

Property and equipment are recorded at cost or fair market value at the date of the gift in the case of donated property and equipment. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property and equipment, the appropriate property and equipment accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the financial statements.

(i) Contributions

Contributions are recognized when the donor makes an unconditional promise to give to the Organization. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

(j) Deferred Revenue and Revenue Recognition

Grant awards accounted for as exchange transactions are recorded as revenue when expenditures have been incurred in compliance with the grant restrictions. Amounts unspent are recorded in the statements of financial position as deferred revenue.

(k) Donated Materials, Food, Supplies and Personal Services

The Organization receives donations of various goods and services from outside parties. The donations include, but are not limited to, equipment, clothing, services, and food. All donations are unrestricted and used to support and further the Organization's objectives. The donations are reflected in the accompanying statements at their estimated fair market value at the date of receipt. In addition, many skilled and unskilled individuals have contributed significant amounts of time to the activities of the Organization without compensation. Contributed services are recognized as in-kind support and expense by the Organization when certain provisions are met. In-kind support and expenses of \$990,092 and \$1,066,542 for the years ended December 31, 2020 and 2019, respectively, have been recognized as in-kind support and expense by the Organization.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(l) Expense Allocation

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

(m) Advertising

The Organization follows the policy of charging the costs of advertising to expense as incurred. For the years ended December 31, 2020 and 2019, advertising costs amounted to \$14,045 and \$5,062, respectively.

(n) Compensated Absences

Compensated absences consist of unpaid accumulated vacation time. Employees are granted vacation in varying amounts, based primarily on length of service. Vacation time can be accrued up to thirty days and paid on resignation provided employees give a 14 day written notice. At December 31, 2020 and 2019, compensated absences amounted to \$59,667 and \$47,422, respectively.

(o) Subsequent Events

The Organization has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

(p) Risks and Uncertainties

The United States is presently in the midst of a national health emergency related to the COVID-19 virus. The overall consequences of the COVID-19 on a national, regional and local level are unknown, but has the potential to result in a significant economic impact. The impact of this situation on the Organization and its future results and financial position is not presently determinable.

(q) Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code), therefore, no provision for income taxes is reflected in the financial statements. The Organization has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code. The Organization presently discloses or recognizes income tax positions based on management's estimate of whether it is reasonably possible or probable that a liability has been incurred for unrecognized income taxes. Management has concluded that the Organization has taken no uncertain tax positions that require adjustment in its financial statements. U.S. Forms 990 filed by the Organization are subject to examination by taxing authorities.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Notes to Financial Statements, Continued

(2) Liquidity

The Organization has \$1,187,900 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of \$649,275 of cash and equivalents and \$538,625 of receivables. None of these financial assets are subject to donor or contractual restrictions that make them unavailable for general expenditure within one year of the 2020 statement of financial position.

(3) Receivables

Receivables consist of the following at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Accounts receivable:		
Weatherization	\$ 3,295	3,295
Housing Choice	32,521	31,549
Grants receivable:		
Weatherization	47,242	41,078
Head Start	376,245	88,684
Community Services Block Grant	79,322	62,502
Neighborhood Centers	-	10,000
Child and Adult Care Food Program	<u>-</u>	<u>30,796</u>
	\$ <u>538,625</u>	<u>267,904</u>

(4) Property and Equipment

Property and equipment at December 31, 2020 and 2019 is summarized as follows:

	<u>2020</u>	<u>2019</u>
Building	\$ 759,019	759,019
Land	48,815	48,815
Equipment	389,932	321,972
Vehicles	<u>1,047,786</u>	<u>1,047,786</u>
	2,245,552	2,177,592
Less accumulated depreciation	<u>(1,582,973)</u>	<u>(1,428,992)</u>
Net property and equipment	\$ <u>662,579</u>	<u>748,600</u>

Depreciation expense totaled \$153,981 and \$178,600 for the years ended December 31, 2020 and 2019, respectively.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Notes to Financial Statements, Continued

(5) Deferred Revenue

At December 31, 2020 and 2019, deferred revenue amounted to \$135,182 and \$14,170, respectively, consisting of grant funds received relating to the Weatherization Program.

(6) Grant Income

The Organization was primarily funded through the following grants during the years ended December 31, 2020 and 2019:

<u>Funding Source</u>	<u>Grant Name</u>	<u>2020</u>	<u>2019</u>
Development Authority of the North Country	HUD - HOME Program	\$ 31,444	140,767
NYS Housing and Community Renewal	Weatherization Assistance	500,456	680,217
NYS Department of State	CSBG	304,089	257,361
U.S. Department of Health and Human Services	Head Start	3,729,496	3,642,721
U.S. Department of Agriculture	CACFP	77,642	153,957
U.S. Department of Homeland Security	Emergency Food and Shelter Program	-	30,000
Food Bank of Central New York		<u>16,950</u>	<u>12,282</u>
		\$ <u>4,660,077</u>	<u>4,917,305</u>

(7) In-Kind Donations

The total value of donated services recognized for the years ended December 31, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Head Start - Professional fees and transportation	\$ 787,032	851,325
Neighborhood Centers - Services, food, supplies, clothing, etc.	<u>203,060</u>	<u>215,217</u>
Total in-kind donations	\$ <u>990,092</u>	<u>1,066,542</u>

(8) Employee Pension Plan

The Organization contributes to a defined contribution pension plan covering employees having completed at least one year of service and having attained twenty-one years of age. A monthly contribution of 6% of the participants' compensation is made. Contributions for the years ended December 31, 2020 and 2019 amounted to \$128,034 and \$96,753, respectively, and are included in other liabilities in the statements of financial position.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.  
Notes to Financial Statements, Continued

(9) Leases

The Organization leases various facilities and premises in Brasher Falls, Canton, Gouverneur, Massena, Potsdam, Ogdensburg and Norwood, New York. Total rent expense for the years ended December 31, 2020 and 2019 amounted to \$88,303 and \$102,366, respectively.

The following is a schedule of estimated future minimum rental payments required under the above operating leases at December 31:

2021	\$ 75,906
2022	56,550
2023	43,400
2024	32,400
2025	<u>18,700</u>
	\$ <u>226,956</u>

(10) Economic Dependency

A material part of the Organization's funding is dependent upon a few grants, the loss of any one would have a material adverse effect on the Organization. The U.S. Department of Health and Human Services accounted for 57% and 55% of the Organization's total revenue in 2020 and 2019, respectively.

(11) Contingencies and Commitments

The Organization has received grants which are subject to audit by agencies of the State and Federal government. Such audits may result in disallowances and a request for return of funds. Based on prior years' experience, the Organization's administration believes disallowances, if any, will be immaterial.



ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.  
Schedule of Expenditures of Federal Awards  
Year ended December 31, 2020

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
U.S. Department of Health and Human Services:				
Head Start (1)	93.600	02CH103105	\$ 3,638,710	-
Head Start (1)	93.600	02CH103104	90,786	-
Passed through New York State Department of State:				
Community Services Block Grant 19-20	93.569	C1000782	252,053	-
Community Services Block Grant - Discretionary Grant	93.569	T1001770	35,762	-
Community Services Block Grant - CARES	93.569	C1001820	16,274	-
Passed through New York State Division of Housing and Community Renewal:				
Low-Income Home Energy Assistance	93.568	C093600-20	229,025	-
Low-Income Home Energy Assistance	93.568	C093600-19	93,418	-
Total U.S. Department of Health and Human Services			4,356,028	-
U.S. Department of Agriculture - Child and Adult Care Food Program (1)	10.558		77,642	-
U.S. Department of Housing and Urban Development - passed through New York State Development Authority of the North County - HOME Investment Partnership Program	14.239		31,444	-
U.S. Department of Energy - passed through New York State Division of Housing and Community Renewal:				
Weatherization Assistance for Low-Income Persons	81.042	C092060-20	124,163	-
Weatherization Assistance for Low-Income Persons	81.042	C092060-19	53,850	-
Total Federal Awards			<u>\$ 4,643,127</u>	<u>-</u>

(1) Direct Federal Award

See accompanying notes to schedule of expenditures of federal awards.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Notes to Schedule of Expenditures of Federal Awards

December 31, 2020

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes all federal award programs administered by St. Lawrence County Community Development Program, Inc. 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).

(2) Basis of Accounting

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

St. Lawrence County Community Development Program, Inc. has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

(3) Matching Costs

Matching costs, i.e. St. Lawrence County Community Development Program, Inc.'s share of certain program costs, are not included in the reported expenditures.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Directors  
St. Lawrence County Community  
Development Program, Inc.:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of St. Lawrence County Community Development Program, Inc. (the Organization) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to financial statements, and have issued our report thereon dated August 9, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 Organization's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of 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 internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York  
August 9, 2021

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

The Board of Directors  
St. Lawrence County Community  
Development Program, Inc.:

Report on Compliance for Each Major Federal Program

We have audited St. Lawrence County Community Development Program, Inc.'s (the Organization) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the Organization's major federal programs for the year ended December 31, 2020. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) 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 Organization'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 programs. However, our audit does not provide a legal determination of the Organization's compliance.

### Opinion on Each Major Federal Program

In our opinion, St. Lawrence County Community Development Program, Inc. 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 programs for the year ended December 31, 2020.

### Report on Internal Control Over Compliance

Management of the Organization 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 Organization's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing 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 Organization'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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Purpose of this Report

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

EFPR Group, CPAs, PLLC

Williamsville, New York  
August 9, 2021

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Schedule of Findings and Questioned Costs

Year ended December 31, 2020

Part I - SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- |   |       |     |              |               |
|---|-------|-----|--------------|---------------|
| 1. Material weakness(es) identified?  | _____ | Yes | <u>  x  </u> | No            |
| 2. Significant deficiency(ies) identified not considered to be material weakness(es)? | _____ | Yes | <u>  x  </u> | None reported |
| 3. Noncompliance material to financial statements noted?                              | _____ | Yes | <u>  x  </u> | No            |

Federal Awards:

Internal control over major programs:

- |   |       |     |              |               |
|---|-------|-----|--------------|---------------|
| 4. Material weakness(es) identified?  | _____ | Yes | <u>  x  </u> | No            |
| 5. Significant deficiency(ies) identified not considered to be material weakness(es)? | _____ | Yes | <u>  x  </u> | None reported |

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

Unmodified

- |  |       |     |              |    |
|--|-------|-----|--------------|----|
| 6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) (Uniform Guidance)? | _____ | Yes | <u>  x  </u> | No |
|--|-------|-----|--------------|----|

7. The Organization's major program audited was:

<u>Name of Federal Program</u>	CFDA Number
Head Start	93.600

8. Dollar threshold used to distinguish between Type A and Type B programs.	\$750,000
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- |   |              |     |       |    |
|---|--------------|-----|-------|----|
| 9. Auditee qualified as low-risk auditee? | <u>  x  </u> | Yes | _____ | No |
|---|--------------|-----|-------|----|

Part II - FINANCIAL STATEMENT FINDINGS SECTION

No reportable findings.

Part III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

No reportable findings or questioned costs.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.  
Schedule of Prior Year Audit Findings  
December 31, 2020

There were no audit findings with regard to the prior year financial statements (December 31, 2019).