# ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Financial Statements and
Supplementary Information

December 31, 2024 and 2023

(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 Audit of the Financial Statements

### Opinion

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, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Lawrence County Community Development Program, Inc. as of December 31, 2024 and 2023, 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.

### Basis for Opinion

We conducted our audits 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

Other Matters

Supplementary 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 audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 28, 2025 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 28, 2025

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.
Statements of Financial Position
December 31, 2024 and 2023

| Assets | 2024 | 2023 |
|---|---|---|
| Current assets: | | |
| Cash and equivalents | $ 786,260 | 776,105 |
| Certificate of deposit | 155,602 | 100,227 |
| Receivables | 259,673 | 382,226 |
| Prepaid expenses | 16,804 | 28,912 |
| Inventory | 25,411 | 52,527 |
| Total current assets | 1,243,750 | 1,339,997 |
| Property and equipment, at cost | 3,129,284 | 2,865,845 |
| Less accumulated depreciation | (2,035,352) | (1,964,370) |
| Net property and equipment | 1,093,932 | 901,475 |
| Right-of-use asset - operating leases | 124,604 | 197,949 |
| Total assets | $ 2,462,286 | 2,439,421 |
| Liabilities and Net Assets | | |
| Current liabilities: | | |
| Accounts payable | 332,305 | 199,083 |
| Accrued payroll and taxes | 120,172 | 64,909 |
| Compensated absences | 56,473 | 56,848 |
| Deferred revenue | 143,570 | 186,864 |
| Other liabilities | 126,272 | 141,325 |
| Current installments of operating leases | 40,174 | 63,049 |
| Total current liabilities | 818,966 | 712,078 |
| Operating lease liabilities, less current installments | 85,107 | 135,305 |
| Total liabilities | 904,073 | 847,383 |
| Net assets without donor restrictions | 1,558,213 | 1,592,038 |
| Contingencies (note 11) | | |
| Total liabilities and net assets | $ 2,462,286 | 2,439,421 |

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.
Statements of Activities
Years ended December 31, 2024 and 2023

| | 2024 | 2023 |
|---|---|---|
| Revenue: | | |
| Grant income | $ 5,411,305 | 5,452,079 |
| Program income | 374,870 | 325,523 |
| Administrative fees | 420,755 | 455,591 |
| Contributed nonfinancial assets | 1,595,910 | 1,391,153 |
| Local donations | 137,774 | 130,328 |
| Interest and dividend income | 10,093 | 2,809 |
| Net gain (loss) on sale/disposal of assets | (9,295) | 10,150 |
| Miscellaneous | 3,083 | 113 |
| Total revenue | 7,944,495 | 7,767,746 |
| Expenses: | | |
| Program services: | | |
| Head Start | 4,767,139 | 5,217,017 |
| Weatherization | 1,140,688 | 804,082 |
| Rental Assistance | 304,680 | 362,576 |
| Neighborhood Centers | 1,185,116 | 920,066 |
| Total program services | 7,397,623 | 7,303,741 |
| Management and general | 580,697 | 466,764 |
| Total expenses | 7,978,320 | 7,770,505 |
| Change in net assets without donor restrictions | (33,825) | (2,759) |
| Net assets without donor restrictions at beginning of year | 1,592,038 | 1,594,797 |
| Net assets without donor restrictions at end of year | $ 1,558,213 | 1,592,038 |

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.
Statement of Functional Expenses
Year ended December 31, 2024
with comparative totals for 2023

| | Program Services | | | | Total Program Services | Management and General | Total | |
|---|---|---|---|---|---|---|---|---|
| | Head Start | Weatherization | Rental Assistance | Neighborhood Centers | | | 2024 | 2023 |
| Salaries and wages | $ 2,121,611 | 325,118 | 191,335 | 165,051 | 2,803,115 | 296,303 | 3,099,418 | 3,120,230 |
| Payroll taxes and employee benefits | 549,712 | 174,940 | 44,132 | 46,724 | 815,508 | 82,444 | 897,952 | 966,539 |
| Total salaries and related expenses | 2,671,323 | 500,058 | 235,467 | 211,775 | 3,618,623 | 378,747 | 3,997,370 | 4,086,769 |
| Office supplies | 10,697 | 1,142 | 666 | 1,404 | 13,909 | 5,145 | 19,054 | 10,680 |
| Consumable supplies | 79,791 | 5,233 | 6,611 | 17,156 | 108,791 | 25,572 | 134,363 | 224,565 |
| Space costs and utilities | 111,149 | 24,214 | - | 34,214 | 169,577 | - | 169,577 | 162,341 |
| Telephone | 24,743 | 1,266 | 793 | 3,688 | 30,490 | 11,907 | 42,397 | 38,958 |
| Advertising | 47,490 | 1,341 | 570 | - | 49,401 | 2,652 | 52,053 | 70,847 |
| Insurance | 33,883 | 5,674 | 1,706 | 5,423 | 46,686 | 11,462 | 58,148 | 47,000 |
| Postage | 2,682 | 792 | 6,911 | 1,168 | 11,553 | 3,367 | 14,920 | 14,942 |
| Transportation | 240,159 | 23,978 | 4,756 | 14,134 | 283,027 | 2,323 | 285,350 | 276,195 |
| Repairs and maintenance | 28,029 | 953 | - | 4,095 | 33,077 | 58,983 | 92,060 | 53,895 |
| Materials | - | 205,265 | - | - | 205,265 | - | 205,265 | 160,702 |
| Subcontractors | - | 310,856 | - | - | 310,856 | - | 310,856 | 122,124 |
| Tools and equipment | 54,384 | 6,764 | 3,002 | 15,128 | 79,278 | 11,229 | 90,507 | 237,359 |
| Staff training and recruitment | 43,082 | 12,693 | 16,210 | 6,350 | 78,335 | 20,512 | 98,847 | 60,995 |
| Professional fees | 132,608 | 11,477 | 13,103 | 18,169 | 175,357 | 32,715 | 208,072 | 212,475 |
| Parent activities | 128 | - | - | - | 128 | - | 128 | 453 |
| Nutrition services | 135,109 | 138 | - | 101,151 | 236,398 | 645 | 237,043 | 241,504 |
| Emergency housing and shelter | - | 42 | 11,232 | 11,113 | 22,387 | - | 22,387 | 62,920 |
| Contributed nonfinancial assets | 896,228 | - | - | 699,682 | 1,595,910 | - | 1,595,910 | 1,391,153 |
| Programs expenses funded locally | - | - | - | 8,502 | 8,502 | - | 8,502 | 16,537 |
| Miscellaneous | 34,107 | 869 | 1,613 | 8,260 | 44,849 | 3,130 | 47,979 | 43,255 |
| Total expenses before depreciation | 4,545,592 | 1,112,755 | 302,640 | 1,161,412 | 7,122,399 | 568,389 | 7,690,788 | 7,535,669 |
| Depreciation | 221,547 | 27,933 | 2,040 | 23,704 | 275,224 | 12,308 | 287,532 | 234,836 |
| Total expenses | $ 4,767,139 | 1,140,688 | 304,680 | 1,185,116 | 7,397,623 | 580,697 | 7,978,320 | 7,770,505 |

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.
Statement of Functional Expenses
Year ended December 31, 2023

| | Program Services | | | | Total Program Services | Management and General | Total |
|---|---|---|---|---|---|---|---|
| | Head Start | Weatherization | Rental Assistance | Neighborhood Centers | | | |
| Salaries and wages | $ 2,221,886 | 301,176 | 204,384 | 145,600 | 2,873,046 | 247,184 | 3,120,230 |
| Payroll taxes and employee benefits | 668,180 | 123,126 | 56,651 | 47,339 | 895,296 | 71,243 | 966,539 |
| Total salaries and related expenses | 2,890,066 | 424,302 | 261,035 | 192,939 | 3,768,342 | 318,427 | 4,086,769 |
| Office supplies | 4,774 | 1,604 | 438 | - | 6,816 | 3,864 | 10,680 |
| Consumable supplies | 174,423 | 2,516 | 5,716 | 26,699 | 209,354 | 15,211 | 224,565 |
| Space costs and utilities | 104,572 | 19,368 | - | 38,401 | 162,341 | - | 162,341 |
| Telephone | 25,146 | 1,264 | 781 | 2,265 | 29,456 | 9,502 | 38,958 |
| Advertising | 66,179 | 966 | 44 | - | 67,189 | 3,658 | 70,847 |
| Insurance | 29,613 | 4,795 | 1,345 | 4,177 | 39,930 | 7,070 | 47,000 |
| Postage | 2,618 | 303 | 8,233 | 600 | 11,754 | 3,188 | 14,942 |
| Transportation | 228,239 | 23,049 | 4,109 | 16,406 | 271,803 | 4,392 | 276,195 |
| Repairs and maintenance | 29,872 | - | - | 3,218 | 33,090 | 20,805 | 53,895 |
| Materials | - | 160,702 | - | - | 160,702 | - | 160,702 |
| Subcontractors | - | 122,124 | - | - | 122,124 | - | 122,124 |
| Tools and equipment | 203,366 | 7,541 | 4,912 | 755 | 216,574 | 20,785 | 237,359 |
| Staff training and recruitment | 32,020 | 7,716 | 7,158 | 2,565 | 49,459 | 11,536 | 60,995 |
| Professional fees | 141,622 | 13,810 | 15,294 | 17,902 | 188,628 | 23,847 | 212,475 |
| Parent activities | 453 | - | - | - | 453 | - | 453 |
| Nutrition services | 133,466 | - | - | 108,014 | 241,480 | 24 | 241,504 |
| Emergency housing and shelter | - | - | 49,179 | 13,741 | 62,920 | - | 62,920 |
| Contributed nonfinancial assets | 927,115 | - | - | 464,038 | 1,391,153 | - | 1,391,153 |
| Programs expenses funded locally | - | - | - | 16,537 | 16,537 | - | 16,537 |
| Miscellaneous | 30,112 | 228 | 789 | 3,130 | 34,259 | 8,996 | 43,255 |
| Total expenses before depreciation | 5,023,656 | 790,288 | 359,033 | 911,387 | 7,084,364 | 451,305 | 7,535,669 |
| Depreciation | 193,361 | 13,794 | 3,543 | 8,679 | 219,377 | 15,459 | 234,836 |
| Total expenses | $ 5,217,017 | 804,082 | 362,576 | 920,066 | 7,303,741 | 466,764 | 7,770,505 |

See accompanying notes to financial statements.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.
Statements of Cash Flows
Years ended December 31, 2024 and 2023

| | 2024 | 2023 |
|---|---|---|
| Cash flows from operating activities: | | |
| Change in net assets | $ (33,825) | (2,759) |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation | 287,532 | 234,836 |
| Net (gain) loss on sale/disposal of assets | 9,295 | (10,150) |
| Net amortization of right of use asset/liability | 272 | 405 |
| Changes in: | | |
| Receivables | 122,553 | (159,153) |
| Prepaid expenses | 12,108 | (26,722) |
| Inventory | 27,116 | 7,534 |
| Accounts payable | 221,792 | (26,402) |
| Accrued payroll and taxes | 55,263 | 2,285 |
| Compensated absences | (375) | 4,300 |
| Deferred revenue | (43,294) | 186,864 |
| Other liabilities | (15,053) | 23,151 |
| Net cash provided by operating activities | 643,384 | 234,189 |
| Cash flows from investing activities: | | |
| Purchases of property and equipment | (577,854) | (176,885) |
| Purchase of certificate of deposit | (55,375) | (100,227) |
| Proceeds from sale of equipment | - | 10,150 |
| Total cash flows used in investing activities | (633,229) | (266,962) |
| Change in cash and equivalents | 10,155 | (32,773) |
| Cash and equivalents at beginning of year | 776,105 | 808,878 |
| Cash and equivalents at end of year | $ 786,260 | 776,105 |
| Supplemental schedule of cash flow information: | | |
| Disposal of fully depreciated furniture and equipment | $ 216,550 | 110,056 |
| Purchase of property and equipment financed through accounts payable | $ - | 88,570 |
| Cash paid for amounts included in measurement of lease liabilities - operating lease payments | $ 73,073 | 51,194 |
| Lease assets obtained in exchange for lease liabilities - operating leases | $ - | 63,917 |

See accompanying notes to financial statements.

## (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.

(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 2024 and 2023.

(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. At December 31, 2024 and 2023, the Organization had $7,671 and $338,752 in excess of federally insured limits.

(g) Investments

A framework has been established for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The Organization holds a certificate of deposit with an interest rate of 4.85% maturing in March 2025. The certificate of deposit amounted to $155,602 and $100,227 at December 31, 2024 and 2023, respectively, and is considered a Level 2 asset.

(1) Summary of Significant Accounting Policies, Continued

(h) Receivables and Bad Debts

The Organization's accounts receivable are primarily derived from program services. At each statement of financial position date, the Organization recognizes an expected allowance for credit losses. This estimate is calculated on a pooled basis where similar characteristics exist and individually when there are no shared characteristics.

The allowance method is derived from a review of the Organization's historical losses based on an aging of receivables. Historical losses have been consistent. This estimate is adjusted for management's assessment of current conditions, forecasts of future events, and other factors deemed relevant risk factors. As a result, management has determined that the allowance for credit losses is adequate.

The Organization writes off receivables when there is information that indicates that there is no possibility of collection. If any recoveries are made from any accounts receivable previously written off, they will be recognized in revenue. There were no write-offs for the years ended December 31, 2024 and 2023.

(i) 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.

(j) Long-Lived Assets

The Agency reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. In determining whether there is an impairment of long-lived assets, the Agency compares the sum of the expected future net cash flows (undiscounted and without interest charges) to the carrying amount of the assets. At December 31, 2024 and 2023, no impairment in value has been recognized.

(k) Program Advances and Revenue Recognition

The Organization recognizes conditional grants, typically from government sources, as revenue when qualifying expenses have been incurred in compliance with the grant requirements. The Organization recognizes conditional contributions as revenue, when the underlying conditions of the agreement have been met. Amounts unspent at the end of the period and funds received in advance of their use, are recorded as deferred revenue in the statements of financial position.

(1) Summary of Significant Accounting Policies, Continued

(k) Program Advances and Revenue Recognition, Continued

The Organization recognizes unconditional contributions as revenue when they are received or unconditionally pledged and records these revenues as unrestricted or restricted contributions according to donor stipulations that limit the use of these assets due to time or purpose restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization accounts for all program services revenue received via exchange transactions in the statements of activities to the extent that performance obligations have been satisfied during the period. In applying this concept, the legal and contractual requirements of each program are used as guidance. Funds received in advance of satisfying performance obligations are recorded as deferred revenue in the statements of financial position.

(l) 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.

(m) Revenue Recognition and Deferred Revenue

Under Accounting Standards Update (ASU) No. 2014-09 (Topic 606) - Revenue from Contracts with Customers, revenue is recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which the Associations expects to be entitled in exchange for these goods or services. The Association utilizes a five-step framework as identified in ASU No. 2014-09.

Program revenue, is recognized upon sale or as earned. Deferred revenue is principally comprised of fees collected in advance for services and activities for which the Organization will incur expenses in the next fiscal year.

(n) Contributed Nonfinancial Assets

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.

(1) Summary of Significant Accounting Policies, Continued

(o) 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.

(p) Advertising

The Organization follows the policy of charging the costs of advertising to expense as incurred. For the years ended December 31, 2024 and 2023, advertising costs amounted to $52,053 and $70,847, respectively.

(q) 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, 2024 and 2023, compensated absences amounted to $56,473 and $56,848, respectively.

(r) 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.

(s) 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.

(2) Liquidity

The Organization has $1,201,535 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of $786,260 of cash and equivalents, $155,602 in a certificate of deposit and $259,673 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 2024 statement of financial position.

(3) Receivables

Receivables consist of the following at December 31, 2024 and 2023:

| | 2024 | 2023 |
|---|---|---|
| Accounts receivable: | | |
| Weatherization | $ 5,697 | 5,008 |
| Housing Choice | 29,272 | 29,087 |
| Grants receivable: | | |
| Head Start | 224,704 | 284,863 |
| Community Services Block Grant | - | 60,746 |
| Neighborhood Centers | - | 2,522 |
| | $ 259,673 | 382,226 |

(4) Property and Equipment

Property and equipment at December 31, 2024 and 2023 is summarized as follows:

| | 2024 | 2023 |
|---|---|---|
| Land | $ 801,119 | 48,815 |
| Building | 48,815 | 765,719 |
| Equipment | 606,008 | 569,842 |
| Vehicles | 1,673,342 | 1,481,469 |
| | 3,129,284 | 2,865,845 |
| Less accumulated depreciation | (2,035,352) | (1,964,370) |
| Net property and equipment | $ 1,093,932 | 910,475 |

Depreciation expense totaled $287,532 and $234,836 for the years ended December 31, 2024 and 2023, respectively.

(5) Right-of-Use Assets - Lease Liabilities

The Organization presently leases multiple facilities under operating leases and has elected the practical expedient not to separate lease and nonlease components for all lease transactions. Some leases include options to extend the lease term and options to terminate the lease. The Organization only includes these options in the measurement of the lease assets and liabilities when it believes these options are reasonably certain of being exercised. The lease assets and liabilities were calculated using the risk-free discount rate at the later of lease inception or period of adoption, unless explicitly stated, in accordance with the Organization's accounting policies.

(5) Right-of-Use Assets - Lease Liabilities, Continued

Additional information about the Organization's leases are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Operating lease expense - program services | $ | 69,814 | 57,814 |
| Weighted averages: | | | |
| Remaining lease terms - operating leases - rent | | 3.3 years | 2.5 years |
| Discount rates - operating leases - rent | | 4% | 4% |

The aggregate maturity of the lease payments under ASC 842 for the five years following December 31, 2024 and thereafter is as follows:

| | | Operating |
|---|---|---|
| 2025 | $ | 44,248 |
| 2026 | | 25,684 |
| 2027 | | 25,721 |
| 2028 | | 25,959 |
| 2029 | | 14,099 |
| | | 135,711 |
| Less unamortized discount | | (10,430) |
| Total lease liabilities | $ | 125,281 |

Lease liabilities:

| | | 2024 | 2023 |
|---|---|---|---|
| Operating leases: | | | |
| Current installments | $ | 40,174 | 63,049 |
| Noncurrent installments | | 85,107 | 135,305 |
| Total lease liabilities | $ | 125,281 | 198,354 |

(6) Deferred Revenue

Deferred revenue amounted to $143,570 and $186,864 for the years ended December 31, 2024, and 2023, respectively, consisting of grant funds received in advance of expenditures relating to the Weatherization Program.

(7) Grant Income

The Organization was primarily funded through the following grants during the years ended December 31, 2024 and 2023:

| Funding Source | Grant Name | 2024 | 2023 |
|---|---|---|---|
| NYS Division of Housing and Community Renewal | Weatherization Assistance Program | $ 989,460 | 614,276 |
| NYS Department of State | Community Services Block Grant | 209,042 | 231,332 |
| NYS Office of Child and Family Services | Child Care Stabilization Grants | - | 61,900 |
| U.S. Department of Health and Human Services | Head Start | 4,083,911 | 4,391,258 |
| U.S. Department of Agriculture | Child and Adult Care Food Program | 128,892 | 153,313 |
| | | $ 5,411,305 | 5,452,079 |

(8) Contributed Nonfinancial Assets

The total value of contributed nonfinancial assets recognized for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Head Start - Professional fees and transportation | $ 896,228 | 927,116 |
| Neighborhood Centers - Services, food, supplies, clothing, etc. | 699,682 | 464,037 |
| | $ 1,595,910 | 1,391,153 |

Contributed services recognized are compromised of professional services related to the operations of the Head Start Program. Amounts represent time worked in the classrooms. Food, supplies and clothing represent items received by the Organization at an estimated fair value.

(9) 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 contribution of 6% of the participants' compensation is made. Contributions for the years ended December 31, 2024 and 2023 amounted to $60,615 and $128,542, respectively, and are included in other liabilities in the statements of financial position.

(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 65% of the Organization's total revenue in 2024 and 2023, respectively.

(11) Contingencies

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, 2024

| Program Title | Assistance Listing Number | Grant Number | Federal Expenditures | Expenditures to Subrecipients |
|---|---|---|---|---|
| U.S. Department of Health and Human Services - | | | | |
| Head Start (1) | 93.600 | 02CH011880-04 | $ 4,083,911 | - |
| Passed through New York State Department of State - | | | | |
| Community Services Block Grant 23-24 | 93.569 | C1001487 | 209,042 | - |
| Passed through New York State Division of Housing and Community Renewal - | | | | |
| Low-Income Home Energy Assistance 23-24 | 93.568 | C093600-23 | 256,775 | - |
| Total U.S. Department of Health and Human Services | | | 4,549,728 | - |
| U.S. Department of Agriculture - Child and Adult Care Food Program (1) | 10.558 | - | 128,892 | - |
| U.S. Department of Housing and Urban Development - passed through New York State Division of Housing and Community Renewal: | | | | |
| Housing Choice Voucher Program | 14.871 | - | 415,755 | - |
| Housing Choice Voucher Program - CARES | 14.871 | - | 5,000 | - |
| Total U.S. Department of Housing and Urban Development | | | 420,755 | - |
| U.S. Department of Energy - passed through New York State Division of Housing and Community Renewal: | | | | |
| Weatherization Assistance for Low-Income Persons | 81.042 | C092060-24 | 177,364 | - |
| Weatherization Assistance for Low-Income Persons (BIL) | 81.042 | C0966060-1170000 | 329,390 | - |
| Weatherization Assistance for Low-Income Persons | 81.042 | C092060-23 | 74,731 | - |
| Weatherization Assistance for Low-Income Persons (WRF) | 81.042 | C092060-24 | 16,400 | - |
| Weatherization Assistance for Low-Income Persons (WRF) | 81.042 | C092060-23 | 134,800 | - |
| | | | 732,685 | - |
| Total Federal Awards | | | $ 5,832,060 | - |

(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, 2024

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs administered by St. Lawrence County Community Development Program, Inc. (the Organization). Federal awards received directly from federal agencies, as well as federal awards passed through from other government agencies, are included on the schedule of expenditures of federal awards.

(2) Basis of Accounting

The information is presented 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 (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

(3) Indirect Costs

Indirect costs are included in the reported expenditures to the extent that such costs are included in the Federal financial reports used as the source for the data presented. The de minimis election allows the Organization to allocate 10% of indirect costs to grants with periods ending on or before September 30, 2024 and 15% of indirect costs to grants with periods after September 30, 2024. The Organization does not use the de minimis election.

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# 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, 2024, 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 28, 2025.

## Report on 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. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001 that we consider to be a material weakness.

Report on 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.

Organization's Response to Finding

The Organization's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we express no opinion on it.

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 28, 2025

EFPR GROUP, CPAs PLLC
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# 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

### Opinion on Each Major Federal Program

We have audited St. Lawrence County Community Development Program, Inc.'s (the Organization) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2024. The Project's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, St. Lawrence County Community Development Program, Inc.'s complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

### Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 28, 2025

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Schedule of Findings and Questioned Costs

Year ended December 31, 2024

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? | x | Yes | | No |
| 2. Significant deficiency(ies) identified? | | Yes | x | None reported |
| 3. Noncompliance material to financial statements noted? | | Yes | x | No |

Federal Awards:

| | | | | |
|---|---|---|---|---|
| Internal control over major programs: | | | | |
| 4. Material weakness(es) identified? | | Yes | x | No |
| 5. Significant deficiency(ies) identified? | | Yes | x | 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 | x | No |

7. The Organization's major programs audited were:

| Names of Federal Programs | Assistance Listing Number |
|---|---|
| Head Start | 93.600 |
| Community Services Block Grant | 93.569 |

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

Part II - FINANCIAL STATEMENT FINDINGS SECTION

See finding 2024-001.

Part III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

No reportable findings or questioned costs.

Internal Control Finding:

Finding Reference: (2024-001) Material Weakness

Criteria - Management is responsible for establishing and maintaining effective internal controls and for the fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America.

Condition - The financial statements of St. Lawrence County Community Development Program, Inc. were materially misstated at December 31, 2024.

Cause - The material misstatements resulted from a lack of internal controls over financial reporting.

Effect - A total of nine adjusting journal entries were recorded to correct misstatements in the consolidated financial statements as of December 31, 2024 in the amount of $531,907.

Questioned Costs - None identified.

Recommendation - St. Lawrence County Community Development Program, Inc. should establish accounting procedures to review monthly financial information by comparing it to historical financial data and tying information back to supporting documentation and subsidiary schedules.

Management's Response - See Corrective Action Plan on page 28.

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Schedule of Prior Year Audit Findings

December 31, 2024

There were no audit findings with regard to the prior year financial statements (December 31, 2023).

ST. LAWRENCE COUNTY COMMUNITY DEVELOPMENT PROGRAM, INC.

Corrective Action Plan

December 31, 2024

| | |
|---|---|
| Name of auditee: | St. Lawrence County Community Development Program, Inc |
| TIN: | 14-1492922 |
| Name of audit firm: | EFPR Group, CPAs, PLLC |
| Period covered by audit: | January 1, 2024 - December 31, 2024 |
| CAP prepared by: | Katelyn Autry-Agen<br>cfo@slccdp.org |

Finding 2024-001

1. Strengthen Monthly Financial Reviews

   Goal: Review for errors in real time.

   Actions:
   - Implement a monthly close checklist covering reconciliations, variance analysis, and supporting documentation.
   - Perform monthly variance analysis comparing current month to prior year and budget.
   - Agree general ledger balances to supporting schedules for major accounts (payables, receivables, deferred revenue).
   - Require independent review and sign-off before closing the month.

2. Improve Year-End Preparation

   Goal: Ensure financials are audit-ready before the audit begins.

   Actions:
   - Conduct a year-end 'pre-audit' reconciliation for all major accounts.
   - Review unusual or large transactions for proper recording.
   - Prepare an organized digital audit binder with trial balance, reconciliations, grant schedules, leases, contracts, and board minutes.

3. Formalize Internal Controls

Goal: Create sustainable processes that reduce dependency on any one person's judgment.

Actions:

- Update policies for monthly close, grant accounting, and adjusting journal entries.
- Ensure segregation of duties or compensating controls if staffing is limited.
- Hold quarterly finance reviews with the board to monitor accuracy.
- Provide annual accounting and compliance training to finance staff.

Priority Timeline

Next 30 days: Draft monthly close checklist, begin variance analysis, identify reviewer.

Next quarter: Complete documentation for all procedures, run first full 'pre-audit' close at quarter-end.

By next year-end: All reconciliations completed and reviewed monthly; reconciled trial balance delivered to auditors with minimal adjustments.