



Finance Committee Minutes May 23, 2013

MEMBERS PRESENT: Dwight L. Hicks, Rachel Galusha, Richard W. Baker,
David A. Scharoun

MEMBERS EXCUSED: George W. Chapman

MEMBERS ABSENT: None

STAFF PRESENT: Joseph E. O'Hara, Kathleen O'Brien

GUEST PRESENT: Gail Kinsella, Jaimee L. Ashe, and Michael Mokrzycki
from Testone, Marshall and Discenza

CALL TO ORDER

The May 23, 2013 Finance Committee Meeting was called to order at 4:45 pm by Chair Dwight Hicks. It was noted for the record that a quorum was present.

Moment of Silence:

At the request of Chairman Hicks, the Committee Members observed a moment of silence.

APPROVAL OF PREVIOUS MINUTES

Dwight Hicks requested a motion to approve the April 2013 Finance Committee Meeting minutes. The motion was moved by Rachel Galusha, seconded by Richard Baker, and unanimously approved.

FINANCE REPORT

CFO Kathleen O'Brien handed out the April 2013 Financial Statements and Supplemental Financial Information (see attachments). The April 2013 Financial Statements were reviewed at the May 20, 2013 the Board Meeting.

DRAFT OF AUDITED FINANCIAL STATEMENTS FOR YEAR ENDING 1/31/2013

Chairman Hicks then introduced Gail Kinsella and Jaimee L. Ashe from Testone, Marshall and Discenza to presented the audited financial statement draft for fiscal year February 1, 2012 to January 31, 2013.

During the presentation of the audited financial statements by Testone, Marshall and Discenza it was noted that there are no material weaknesses, no comments,

and no findings. PEACE, Inc. again qualifies as a low-risk auditee which is the best audit rating an organization can receive.

The Executive Director and the CFO excused themselves from the meeting, so the Finance Committee and the auditors could meet to determine if there are any other issues for discussion.

Dwight Hicks requested a motion for the Finance Committee to vote and approve the draft of the Audited Financial Statement for FY 2/1/12 – 1/31/13. The motion was made by Rachel Galusha, seconded by Richard Baker, and unanimously approved.

A copy of the complete audit will be mailed to the entire Board on May 24, 2013, and it will be voted on at the Annual Board of Directors meeting scheduled for June 24, 2013.

990

A draft of the 990 will be emailed/mailed to the Finance Committee as soon as it is completed. The final draft form will be presented to the Finance Committee at their June 10, 2013 meeting for discussion and approval, and will require the signature of the Board President. Once approved, it will be filed before the June 15, 2013 due date.

OLD BUSINESS:

No old business.

New Business:

No new Business.

ADJOURNMENT

The meeting concluded at 5:39 pm, on a motion by Rachel Galusha, seconded by Richard Baker, and unanimously approved.

**FILE: CONTROLLER/FINANCIALS/SUPPLEMENTAL
FINANCIAL INFORMATION**

**P.E.A.C.E., INC.
SUPPLEMENTAL FINANCIAL INFORMATION
PREPARED FOR FINANCE COMMITTEE
AS OF APRIL 30, 2013**

**NOTE: All cost center Statement of Activities are available for all Finance Committee and Board Meetings
A copy of the Fiscal Policy and Procedure manuals is present at all Finance Committee and Board Meetings.
The 2 main operating cash account reconciliations are available at all Finance Committee meetings.**

UNRELATED BUSINESS INCOME (TO BE UPDATED PERIODICALLY)

OUTSIDE OF COUNTY:

**BBBS OSWEGO CO. GRANT
MULTIFAMILY PERFORMANCE PROGRAM**

NOT UNRELATED BUSINESS PER AUDITORS

OUTSIDE OF LOW INCOME GUIDE:

ASSISTED HOME PERFORMANCE

TOTAL	<u><u> -</u></u>	0%
TOTAL REVENUE	<u><u>5,417,504</u></u>	15% - 30%
%		
GUIDE - % OF ALL REVENUE		

BANK ACCOUNTS

BANK	DESCRIPTION	G/L ACCT #	BALANCE AT MONTH END	MONTH LAST RECONCILED
FIRST NIAGARA	Operating	01-1000-00000	54,905.96	4/13
M&T	Tully Mortg. Pmt	01-1002-00000	2,182.96	4/13
KEY BANK	DHCR Landlord Contr.	01-1004-00000	3,526.25	3/13
SYRACUSE CREDIT UNION	Indiv. Devel. Acct.	01-1007-00000	7,249.72	3/13 Qtrly Statements
M&T	Operating for HS	01-1010-00000	1,491.18	4/13
FIRST NIAGARA	Capital Improvement/Repair Account	01-1012-00000	64,803.16	3/13
M&T	DHCR ARRA CHECKING	01-1013-00000	813.26	3/13
M&T	DHCR ARRA INTEREST	01-1014-00000	22,538.20	3/13
All Petty Cash			7,290.00	
			<u>164,800.69</u>	

NOTE: The two main operating accounts for First Niagara and M&T are reconciled before statements are released for the month. The remaining account reconciliations are due by the end of the subsequent month, with the exception of Syracuse Credit Union who changed to quarterly statements. The reconciliation for the quarterly statement is due at the end of the subsequent month.

OTHER TO REVIEW:

	FINANCE COMMITTEE REVIEW
Cost Allocation - annual review	1/14/13
NYS Vendor Responsibility Questionnaire Copy available for review	10/15/2012
Cash Receipts - periodic	1/14/13
Cash Disbursements - periodic	1/14/13

AGED ACCOUNTS RECEIVABLE AS OF 3/31/13:

	TOTAL	CURRENT	1-30	31-60	61-90	90 +
See statement Attached.	1,065,282 100%	935,384 88%	46,689 4%	11,075 1%	1,040 0%	71,093 7%

Description of items over 90 days old - see attached.

Note: The amounts shown are for the prior month, as the reconciliations are not due until the end of the month after the month reported.

AGED ACCOUNTS PAYABLE AS OF 4/30/13

	TOTAL	CURRENT	1-30	31-60	61-90	90 +
M&T BANK	3,899.20 N/A	3,819.88 N/A	79.32 N/A	N/A	N/A	N/A

Description of items over 90 days old:

None _____
of invoices over 90 days old _____ 0

FIRST NIAGARA

	738,336.86 100%	227,449.94 31%	483,991.49 66%	26,895.43 4%	0 0%	0 0%
--	--------------------	-------------------	-------------------	-----------------	---------	---------

Description of items over 90 days old:

None _____
of invoices over 90 days old _____ 0

ACCOUNTING AND FINANCIAL POLICIES AND PROCEDURES MANUAL and TRAINING

No separate information is presented, as the auditors are in attendance to present the audited financial statements for the year ending 1/31/13.

LEGAL ACTIONS

We have received a vehicle insurance summons for a prior reported insurance claim for \$2,101 for a weatherization vehicle. As of now the Philadelphia Insurance attorney is waiting for a plaintiff response to a question.

We received a general liability summons regarding a St. Brigids lead case. This pertains to two children enrolled in St. Brigids Head Start 1995 - 1999. As of May 6, 2013 the plaintiffs have made a settlement demand totalling \$65,000. This will be reviewed by CAN's attorney for his recommendation. Per our legal counsel, this current demand is within our existing CAN insurance coverage.

TRIAL BALANCE AS OF APRIL 30, 2013

Balance of Trial Balance at month end (should be \$0)

Verified by CFO is \$0

Note: The report is long, so the CFO views the report online and verifies the balance is \$0. This report may be printed at any time if directed by the Board. There will be a copy presented periodically. The CFO prints the final preview page, reflecting the \$0 balance.

Presented: 9/14/09 FOR 8/31/09
3/8/10 FOR 2/28/10
1/10/11 FOR 12/10
10/17/11 FOR 9/11
3/12/12 for 2/12
9/10/12 for 8/12
2/11/13 FOR 1/31/13 - FIRST CLOSES

VOUCHERING FOR ALL GRANTS

The CFO maintains a list of due dates for all grant vouchers.

All grant vouchers have been sent during the month

Yes _____

If not, explain:

VOUCHERING FOR ALL OTHER BILLINGS (RENTS, CENTRO, ETC)

The CFO maintains a list of due dates for all vouchers.

All other vouchers have been sent during the month _____

Yes

If not, explain:

REQUIRED TAX FILINGS

The CFO has reviewed that all required tax filings have been submitted on time (payroll and corporate)

Yes

CASH FORECAST

We prepare as needed.

As of April 30, 2013 the line of credit balance is \$0.

CORPORATE CREDIT CARDS

A copy of 2 of the First Niagara corporate credit cards is available for review at the Finance Committee meeting. This includes the main account and the account used for vehicle registrations

The Head Start/Early Head Start meal counts.

	4/13 Quantity
Breakfast	7,791
Lunch	10,428
Snack	6,676
Total Attended	10,554

PEACE, INC.
A/R
AS OF 3/31/13

OVER
90

61-90

31-60

1-30

CURRENT

BALANCE
AT 3/31/13

ACCT #	PROJECT CCT DESCRIPTION	BALANCE AT 3/31/13	CURRENT	1-30	31-60	61-90	OVER 90
01-1100-00000	1040 FISCAL	46.51	46.51				
01-1100-00000	2089 CACFP	126,666.54	126,666.54				
01-1100-00000	2149 N SYR UPK	1,522.08	1,522.08				
01-1100-00000	2169 SYR CITY UPK	189,266.10	152,306.10	36,960.00			
01-1100-00000	2179 LAFAYETTE UPK	790.53	790.53				
01-1100-00000	2189 SOLVAY UPK	705.33	705.33				
01-1100-00000	2400 HS	91,471.19	91,471.19				
01-1100-00000	2500 EHS	43,754.53	43,754.53				
01-1100-00000	3167 DHCR	960.00					960.00
01-1100-00000	3168 HCR	119,722.28	119,722.28				
01-1100-00000	3175 HCR WX 2013	16,445.86	16,445.86				
01-1100-00000	3183 OSWEGO DSS ALTERNATE	346.06	313.96	(0.40)	32.50		
01-1100-00000	3230 OFA FOOD SERVICES	34,774.65	34,774.65				
01-1100-00000	3308 FGP	3,795.28	3,795.28				
01-1100-00000	3338 FGP CNYDSD	372.48	372.48				
01-1100-00000	3378 ELMCREST	110.90	110.90				
01-1100-00000	3397 FGP NYSOFA	1,727.09	1,727.09				
01-1100-00000	3451 ROSE ELBRIDGE	2,781.36	2,781.36				
01-1100-00000	3469 OFA NEIGHBORHOOD ADV	3,203.87	3,123.87				80.00
01-1100-00000	3470 EISEP OFA	5,000.74	5,000.74				
01-1100-00000	3471 OFA NEIGH. ADV	33.50	33.50				
01-1100-00000	3472 OFA EISEP	33.50	33.50				
01-1100-00000	3552 BBBS OSWEGO CTY	1,651.11	1,651.11				
01-1100-00000	3649 BBBS ONONDAGA CNTY	3,468.59	3,468.59				
01-1100-00000	3748 OPWDD	33,671.00	33,671.00				
01-1100-00000	3749 POWDD	6,211.94	6,211.94				
01-1100-00000	3809 ECC OFA	5,211.01	5,211.01				
01-1100-00000	3940 BBBS CICERO N SYR	400.00	400.00				

PEACE, INC.
 AIR
 AS OF 3/31/73

ACCT #	PROJECT DESCRIPTION	BALANCE AT 3/31/73	CURRENT	1-30	31-60	61-90	OVER 90
01-1100-0000	9082 CENTRO	129,258.75	129,258.75				
01-1100-0000	9120 ASSISTED HOME PERF	8,100.81	7,392.66	708.15			
01-1100-0000	9125 EMPOWER	68,237.10	49,023.16	8,671.52	10,542.42		
01-1100-0000	9134 BBBB UNITED WAY	1,060.39	1,060.39				
01-1100-0000	9310 DEHS FEE FOR SERVICE	1,050.00	700.00	350.00			
01-1100-0000	9600 MULTIFAMILY PERFORMANCE PROGRAM	72,093.00	500.00		500.00		71,093.00
							\$115,936 - PLEASANT CREEK - TO RECEIVE IN MAY \$5,157 - LAKE VILLAGE - WE ARE NOT SUBMITTING PHASE 4 UNTIL CUSTOMER PAYS US (INCENTIVE TO CUSTOMER TO SUBMIT IF OVER \$5,157) (\$50,000) - DEPOSITS
01-1100-0000	9809 YEAR END ACCRUALS 1/31/73	72,687.05	72,687.05				
01-1100-00935	2400 ACCOUNTS RECEIVABLE	150.00	150.00				
01-1101-00000	9600 RESERVE FOR BAD DEBTS	15,688.00	15,688.00				
01-1217-00000	AIR COBRA	523.52	523.52				
01-1220-000	AIR SALES & EXCISE TAX REFUND	2,288.94	2,288.94				
		<u>1,065,281.69</u>	<u>935,384.40</u>	<u>46,689.27</u>	<u>11,074.92</u>	<u>1,040.00</u>	<u>71,093.00</u>
	CONTROL	1,065,282.00					

**P.E.A.C.E., INC.
MONTHLY FINANCIAL STATEMENTS
FOR APRIL 2013**

PAGE #

1	Statement of Financial Position
3	Statement of Activities
6	Current Ratio
7	Comments

People's Equal Action and Community Effort, Inc.
Statement of Financial Position
AS OF APRIL 30, 2013

11

AS OF
APRIL 30, 2013

ASSETS

CURRENT ASSETS

Cash 164,801

Receivables 1,329,060

Prepaid Expenses 7,000

Inventory 343,378

Other Assets 18,691

Total CURRENT ASSETS 1,862,930

PROPERTY

Land 200,500

Buildings 2,742,270

Leasehold Improvements 4,280,479

Vehicles 2,671,238

Equipment 823,147

Construction In Progress 0

Accumulated Depreciation (785,354)

Total LONG TERM ASSETS 2,932,280

Total ASSETS 4,795,209

People's Equal Action and Community Effort, Inc.
Statement of Financial Position
AS OF APRIL 30, 2013

5/10/2013 1:49:20 PM

AS OF
APRIL 30, 2013

LIABILITIES & NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable Trade	532,808
Short Term Borrowings	9,464
Accrued Payroll & Related Liabilities	39,304
Accrued Compensated Absences	297,536
Accrued Expenses	212,359
Deferred Revenue	165,984
Custodial Accounts	589
Deposits	1,437
Total	<u>1,259,481</u>
LONG TERM LIABILITIES	
Long Term Mortgage Payable	11,164
Total LONG TERM MORTGAGE PAYABLE	<u>11,164</u>
NET ASSETS	
Unrestricted	3,529,016
Temporarily Restricted	(4,451)
Total NET ASSETS	<u>3,524,565</u>
Total LIABILITIES	<u>4,795,209</u>

2

People's Equal Action and Community Effort, Inc.
Statement of Activities
For Three Months Ending April 30, 2013

	Annual Budget	Year To Date Budget	Current Year Actual Year To Date	Prior Year Actual Year To Date
REVENUE:				
Direct Contributions & Fundraising	\$ 253,616.44	\$ 44,212	\$ 87,050	\$ 89,533
Government Agencies	17,643,933	4,133,280	4,142,066	4,249,853
Rental Income	57,846	14,555	14,701	14,321
Service Fees	770,475	152,362	245,694	173,664
Service Fees - Energy & Housing Fee for Service	1,190,510	183,471	129,892	281,920
In-Kind Revenue	3,170,872	792,718	798,048	1,006,449
Dividend, Interest & Other Income	305	75	54	12
Total	23,087,557	5,320,673	5,417,504	5,815,753
EXPENSES				
Salaries	11,170,650	2,330,831	2,277,321	2,362,350
Payroll Taxes & Fringe Benefits	3,206,086	775,224	792,373	828,022
Professional Fees & Contract Services	909,323	297,114	276,666	172,941
Conferences & Travel	275,753	70,983	50,811	68,690
Occupancy Costs	1,146,302	328,862	336,719	318,481
Consumable Supplies	2,092,300	552,314	678,992	666,322
Equipment Expense	209,819	45,698	52,817	51,229
Insurance	277,205	69,062	63,617	62,835
Telephone	138,981	36,400	25,610	14,832
Printing, Postage & Dues	99,484	24,962	20,488	23,372
Vehicle Maintenance	221,643	49,549	47,983	56,353
Interest Expense	4,249	812	314	631
Other Costs & Loss on Disposals	57,285	17,378	16,346	407
In-Kind	3,170,872	792,718	798,048	1,006,449
Total	22,979,953	5,391,907	5,438,105	5,632,914
NET SURPLUS (DEFICIT)	107,604	(71,233)	(20,601)	182,839
DEPRECIATION				
Buildings & Leasehold Improvements	(296,804)	(74,352)	(74,866)	(82,881)
Equipment, Vehicles, and Software	(292,137)	(75,478)	(86,594)	(87,578)
Total	(588,941)	(149,830)	(161,460)	(170,459)
CHANGE IN NET ASSETS	\$ (481,337) \$	(221,063) \$	(182,060) \$	12,380

9

People's Equal Action and Community Effort, Inc.
Statement of Activities
For Three Months Ending April 30, 2013

	Fundraising	Non-Allocable	Indirect Pool	Trans & Maint
REVENUE:				
Direct Contributions & Fundraising	5,675			
Government Agencies				
Rental Income				
Service Fees			4,756	8,597
Service Fees - Energy & Housing Fee for Service				
In-Kind Revenue	7			
Dividend, Interest & Other Income	7		4,756	8,597
Total	5,675		4,756	8,597
EXPENSES				
Salaries	51		283,830	
Payroll Taxes & Fringe Benefits	6		72,134	230
Professional Fees & Contract Services			7,341	1,187
Conferences & Travel			10,908	(10,322)
Occupancy Costs		5,253	32,892	1,228
Consumable Supplies			6,991	4,368
Equipment Expense	3		9,462	2,622
Insurance			3,524	2,881
Telephone			6,776	475
Printing, Postage & Dues	1,893		6,012	(4,368)
Vehicle Maintenance			367	
Interest Expense				
Other Costs & Loss on Disposals	18	3,511	(440,237)	8,597
In-Kind	1,972	8,764	4,756	6,897
NET SURPLUS (DEFICIT)	3,703	(8,757)	(0)	1,700
DEPRECIATION				
Buildings & Leasehold Improvements		(73,061)		(1,700)
Equipment, Vehicles, and Software		(86,546)		(1,700)
Total	-	(159,606)	-	(1,700)
CHANGE IN NET ASSETS	3,703	(168,364)	(0)	-

People's Equal Action and Community Effort, Inc.
Statement of Activities
For Three Months Ending April 30, 2013

	Grants	Rental Properties	Other	
REVENUE:				
Direct Contributions & Fundraising				81,375
Government Agencies	4,142,066			
Rental Income		14,701		245,694
Service Fees				129,892
Service Fees - Energy & Housing Fee for Service	784,695			
In-Kind Revenue				
Dividend, Interest & Other Income	32			15
Total	4,928,793	14,701	456,976	
EXPENSES				
Salaries	1,754,479	1,822		237,139
Payroll Taxes and Fringe Benefits	639,071	600		80,561
Professional Fees & Contract Services	237,153			31,942
Conferences & Travel	35,993			2,723
Occupancy Costs	253,758	9,209		51,181
Consumable Supplies	743,917			(78,398)
Equipment Expense	32,611	167		6,209
Insurance	52,554	1,016		3,898
Telephone	14,572	19		1,362
Printing, Postage & Dues	8,160			3,948
Vehicle Maintenance	44,139			7,845
Interest Expense	314			
Other Costs & Loss on Disposals	396,300	412		56,342
In-Kind	784,695			
Total	4,997,718	13,245	404,753	
NET SURPLUS (DEFICIT)	(70,925)	1,456	52,222	
DEPRECIATION				
Buildings & Leasehold Improvements		(105)		
Equipment, Vehicles, and Software		(48)		
Total	-	(153)	-	
CHANGE IN NET ASSETS	(70,925)	1,303	52,222	

PEACE, INC.
CURRENT RATIO
AS OF APRIL 30, 2013

AS OF:

	CURRENT ASSETS	CURRENT LIABILITIES	CURRENT RATIO	DIFFERENCE IN DOLLARS
1/31/05	2,029,803	2,184,993	92.90%	(155,190)
1/31/06	1,589,391	1,792,909	88.65%	(203,518)
1/31/07	1,775,617	1,891,171	93.89%	(115,554)
1/31/08	2,321,076	2,355,826	98.52%	(34,750)
1/31/09	1,576,343	1,754,019	89.87%	(177,676)
1/31/10	3,286,876	3,284,011	100.09%	2,865
1/31/11	3,744,177	3,531,750	106.01%	212,427
1/31/12	2,306,292	1,886,324	122.26%	419,968
2/29/12	NOT CALCULATED DUE TO 1/31/12 NOT CLOSED FOR FISCAL YEAR END			
3/31/12	1,541,801	1,043,299	147.78%	498,502
4/30/12	1,703,285	1,107,324	153.82%	595,961
5/31/12	2,073,409	1,445,737	143.42%	627,672
6/30/12	2,489,193	1,849,637	134.58%	639,556
7/31/12	1,936,797	1,309,033	147.96%	627,764
8/31/12	1,987,957	1,343,037	148.02%	644,920
9/30/12	1,641,618	1,048,337	156.59%	593,281
10/31/12	1,849,637	1,212,027	152.61%	637,610
11/30/12	2,452,698	1,806,838	135.75%	645,860
12/31/12	2,030,893	1,368,436	148.41%	662,457
1/31/13-FIRST CLOSE	1,949,478	1,278,319	152.50%	671,159
2/28/13	NOT CALCULATED DUE TO 1/31/12 NOT CLOSED FOR FISCAL YEAR END			
3/31/13	1,879,956	1,273,111	147.67%	606,845
4/30/13	1,862,930	1,259,481	147.91%	603,449

PEACE, INC.
FINANCIAL STATEMENT NOTES AND COMMENTS
AS OF APRIL 30, 2013

CURRENT RATIO STATUS

The current ratio is an analysis of current assets divided by current liabilities. The goal is to have at least 100%, to ensure we have enough current assets to cover our current liabilities.

The current ratio as of April 30, 2013 is 147.91%, which equates to current assets \$603,449 higher than current liabilities.

NET SURPLUS (DEFICIT) BEFORE DEPRECIATION

The budgeted net loss before depreciation year to date is (\$71,233) and actual is (\$20,601). The change in net assets after depreciation is (\$182,060).

The major component of this loss before depreciation is a result of HCR indirect cost higher than allowable by the grantor.

An overview of the components making up this (\$20,601) is:

From Normal Operations:	16,160
Food Services - in process of allocation revisions	(8,757)
Non-Allocable	15,375
CENTRO	1,456
Rental Properties	(9,015)
Energy & Housing Fee for Service	1,700
Transportation & Maint. (due to deprec)	3,703
Fundraising	6,796
Other (includes Temporarily Restricted)	(48,019)
HCR Grant Indirect Cost not allowed on grant	
	<u>(20,601)</u>

LINE OF CREDIT

BALANCE BEGINNING OF MONTH

\$

-

BALANCE AT END OF MONTH

\$

-

Current month interest expense

\$0.00

Date interest paid

N/A

CAPITAL IMPROVEMENT/REPAIR ACCOUNT

Balance at Beginning of Month

\$

64,795.44

Interest

7.72

Balance at Month End

\$

64,803.16

INDIRECT RATE

Our provisional rate for the year ending 1/31/14 is 24.7%.

4/30/2013

4/30/2012

4/30/2011

22.59%

22.34%

20.17%

ANALYSIS OF IN-KIND AND HEAD START ADMINISTRATIVE RATES:

Unless otherwise stated, the booked In-Kind includes entries are through the previous month, due to the quick close of financial statements each month. Therefore, the In-Kind below includes an estimate for the current month based on actual for the prior month.

<u>IN-KIND (MAJOR GRANTS)</u>	<u>IN-KIND</u>	<u>EXPENDITURES</u>	<u>%</u>	<u>REQUIRED</u>
2400 Head Start (2/12 - 1/13)	534,294	1,854,005		
2500 Early Head Start (2/12 - 1/13)	217,546	600,149	0.31	0.25
TOTAL HS & EHS	751,840	2,454,154		
4009 CSBG (10/12-9/13)	959,577	788,265	1.22	0.25

ADMINISTRATIVE RATE

	<u>HEAD START ADMIN. RATE</u>	<u>(NOT TO EXCEED) REQUIRED</u>
2400 Head Start (2/12 - 1/13)	0.10	0.15
2500 Early Head Start (2/12 - 1/13)	0.11	0.15

WEATHERIZATION FEE FOR SERVICE PROGRAMS

Net income for Fee for Service programs is:

	<u>Current Month</u>	<u>Year To Date</u>
9120 Assisted Home Performance	11,798	11,582
9125 Empower New York	(18,496)	(19,784)
9310 DEHS Fee for Service	244	1,765
9600 Multifamily Performance	(2,439)	(2,578)
	<u>(8,892)</u>	<u>(9,015)</u>

#9125 - Empower New York - reported that losses are due to:

We have been handling larger jobs than normal. The staff has been completing work outside of the job scope and this work has not been covered by the grantor.

Energy & Housing has corrected this problem with meetings to train the staff. If crews uncover additional work that is needed and not in the job scope, they will contact their supervisors. The Program Administrator will be contacted to determine if we would be paid for the additional work. If so, the crew can proceed. If not, we will not complete this additional work.

#9600 Multifamily Performance - reported that there were few job closing during the month.

ACCRUAL ACCOUNTING

We are accruing invoices for not only the indirect pool, but also any projects that are not cash basis. This includes projects such as the rental locations and temporarily restricted accounts. This change will give a more precise picture each month of out financial status, rather than waiting for year end.

DEPRECIATION

Purchases with grant funds - we recognize the revenue when we purchase the fixed asset. Then in subsequent years, we must reflect the depreciation as an expense that hits our "Change in Net Assets".

Purchases made with unrestricted funds or from non grant sources are analyzed to determine how much of the depreciation expense can be covered by the grants. Because the grant resources are so tight, this is not always accomplished.

(10)