

YORK STREET PROJECT
COMBINED FINANCIAL STATEMENTS
and
INDEPENDENT AUDITORS' REPORT
IN ACCORDANCE WITH THE UNIFORM GUIDANCE

FOR THE YEARS ENDING JUNE 30, 2020 & 2019

YORK STREET PROJECT
COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

INDEX

	<u>Page(s)</u>
Independent Auditors' Report on Financial Statements and on the Supplementary Schedule of Expenditures of Federal and State Awards Issued in a Single Audit	1 - 2
Combined Statements of Financial Position	3
Combined Statements of Activities	4
Combined Statements of Functional Expenses	5 - 6
Combined Statements of Cash Flows	7
Notes to the Combined Financial Statements	8 - 17
Schedule of Expenditures of Federal and State Awards	18
Notes to the Schedule of Expenditures of Federal and State Awards	19
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 <i>Government Auditing Standards</i>	20 - 21
Independent Auditors' Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.	22 - 23
Schedule of Findings and Questioned Costs	24 - 26
Schedule of Prior Year Findings	27
Schedule of Corrective Action Plan	None

Anzelone Associates, LLC

CERTIFIED PUBLIC ACCOUNTANTS

917 Mountain Avenue · Mountainside, New Jersey 07092 · Tel (908) 654-6150 · Fax (908) 654-6161

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
York Street Project
Jersey City, New Jersey

Report on the Financial Statements

We have audited the accompanying combined financial statements of York Street Project (a nonprofit organization), which comprise the combined statements of financial position as of June 30, 2020 and 2019, and the related combined statements of activities, functional expenses and cash flows for the years ended June 30, 2020 and 2019, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined 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 combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States, as well as the New Jersey Department of the Treasury *Circular Letter 15-08 OMB*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

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

Other Matters:**Effect of Adopting New Accounting Standard**

As discussed in Note 16, York Street Project adopted the provisions of Financial Accounting Standards Board Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)* and Financial Accounting Standards Board Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions made* as of and for the year ended June 30, 2020. The requirements of ASU 2014-09 and ASU 2018-08 have been retrospectively applied to all periods presented. Our opinion is not modified with respect to this matter.

Other Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying schedule of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards*, and the New Jersey Department of the Treasury *Circular Letter 15-08 OMB*, is presented for purposes of additional analysis and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined 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 March 15, 2021, on our consideration of York Street Project'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 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 internal control over financial reporting or on compliance. That report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering York Street Project's internal control over financial reporting and compliance.

Mountainside, New Jersey
March 15, 2021

YORK STREET PROJECT
COMBINED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

ASSETS

	2020	2019
Current assets:		
Cash and cash equivalents	\$ 1,188,226	\$ 508,512
Investments	2,291,369	2,184,203
Accounts receivable	135,241	46,929
Rent receivable	16,122	24,346
Due from government assistance agency	253,289	70,884
Security deposit	5,787	10,500
Total current assets	3,890,034	2,845,374
Fixed assets:		
Property and equipment, net of accumulated depreciation of \$904,475 and \$975,369 respectively	642,977	636,666
Total assets	\$ 4,533,011	\$ 3,482,040

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$ 78,246	\$ 79,957
Accrued payroll	52,589	58,565
Accrued expenses	67,500	84,404
Resident savings	142,775	79,043
Total current liabilities	341,110	301,969
Other liabilities:		
Loans payable	283,625	22,500
Security deposit	1,000	1,000
Total other liabilities	284,625	23,500
Net assets:		
Without donor restriction:		
Undesignated - YSP	1,351,006	632,928
Undesignated - Legacy	2,556,270	2,523,643
Total net assets	3,907,276	3,156,571
Total liabilities and net assets	\$ 4,533,011	\$ 3,482,040

The accompanying notes are an integral part of the financial statements.

YORK STREET PROJECT
COMBINED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020			2019		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
SUPPORT AND REVENUE						
Support						
Federal government grants	-	1,460,232	1,460,232	-	963,605	963,605
State government grants	-	7,500	7,500	-	7,500	7,500
Other grants	215,460	145,519	360,979	16,968	64,998	81,966
Contributions and bequests	978,513	-	978,513	750,520	5,000	755,520
Facilities contribution	1,570,027	-	1,570,027	1,137,090	-	1,137,090
Province direct subsidy	922,116	-	922,116	922,116	-	922,116
Total support	3,686,116	1,613,251	5,299,367	2,826,694	1,041,103	3,867,797
Revenue						
Tuition and residence fees	793,153	-	793,153	700,720	-	700,720
Rents	329,987	-	329,987	317,342	-	317,342
Investment income	43,197	-	43,197	49,326	-	49,326
Other revenue	50,063	-	50,063	45,668	-	45,668
Realized gain (loss) on securities	-	-	-	-	-	-
Change in unrealized appreciation/ depreciation on investments	68,559	-	68,559	94,174	-	94,174
Total revenue	1,284,959	-	1,284,959	1,207,230	-	1,207,230
Net assets released from restrictions: Satisfaction of usage restrictions	1,613,251	(1,613,251)	-	1,041,103	(1,041,103)	-
Total support and revenue	6,584,326	-	6,584,326	5,075,028	-	5,075,028
EXPENSES						
Shelter housing and rental assistance	2,269,289	-	2,269,289	1,782,499	-	1,782,499
Child development	889,645	-	889,645	807,429	-	807,429
Supportive services	738,236	-	738,236	520,737	-	520,737
Residency	877,374	-	877,374	897,721	-	897,721
Education	14,189	-	14,189	410,323	-	410,323
General and administrative - all programs	636,079	-	636,079	707,092	-	707,092
Fundraising and public relations - all programs	408,809	-	408,809	456,829	-	456,829
Total expenses	5,833,621	-	5,833,621	5,582,634	-	5,582,634
Change in net assets	750,705	-	750,705	(507,602)	-	(507,602)
Net assets, beginning of year	3,156,571	-	3,156,571	3,664,172	-	3,664,172
Net assets, end of year	<u>\$ 3,907,276</u>	<u>\$ -</u>	<u>\$ 3,907,276</u>	<u>\$ 3,156,571</u>	<u>\$ -</u>	<u>\$ 3,156,571</u>

The accompanying notes are an integral part of the financial statements.

YORK STREET PROJECT
COMBINED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	Program Services					Supporting Services		Total
	Housing	Child Development	Supportive Services	Residency	Education	General Administrative	Fundraising and Public Relations	
Salaries	\$ 582,354	\$ 469,979	\$ 260,205	\$ 228,104	\$ 7,408	\$ 156,884	\$ 205,790	\$ 1,910,724
Benefits and payroll taxes	146,549	160,511	128,528	60,818	5,720	65,508	45,667	613,301
Equipment	218	9,575	-	201	-	21,868	-	31,862
Repairs and maintenance	9,913	3,455	2,199	21,826	118	3,278	137	40,926
Supplies and materials	49,561	40,091	7,328	43,896	-	1,526	458	142,860
Rental assistance	774,319	-	-	-	-	42,268	-	816,587
Member benefits	-	4,116	-	468	-	-	-	4,584
Purchased services	15,292	5,261	27,394	100	-	19,026	27,790	94,863
Professional fees	-	-	-	-	-	71,659	-	71,659
Occupancy	671,326	186,198	312,582	518,826	-	84,886	19,536	1,793,354
Postage	403	55	-	-	-	439	6,912	7,809
Telephone	4,427	4,325	-	-	-	30,512	-	39,264
Office expenses	-	-	-	-	-	4,080	12,973	17,053
Other expenses	14,927	6,079	-	3,135	943	55,383	5,172	85,639
Fund raising activities	-	-	-	-	-	-	84,374	84,374
Depreciation	-	-	-	-	-	78,762	-	78,762
Total functional expenses	\$ 2,269,289	\$ 889,645	\$ 738,236	\$ 877,374	\$ 14,189	\$ 636,079	\$ 408,809	\$ 5,833,621

The accompanying notes are an integral part of the financial statements.

YORK STREET PROJECT
COMBINED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

	Program Services					Supporting Services		Total
	Housing	Child Development	Supportive Services	Residency	Education	General Administrative	Fundraising and Public Relations	
Salaries	\$ 550,340	\$ 511,962	\$ 258,346	\$ 222,040	\$ 186,645	\$ 176,538	\$ 241,213	\$ 2,147,084
Benefits and payroll taxes	142,444	179,827	85,083	62,759	48,376	65,636	45,590	629,715
Equipment	188	336	-	661	-	9,838	-	11,023
Repairs and maintenance	24,795	386	7,544	80,358	714	4,943	472	119,212
Supplies and materials	56,046	37,890	4,257	62,726	3,095	1,579	266	165,859
Rental assistance	522,761	-	-	-	-	33,278	-	556,039
Member benefits	-	3,951	-	-	-	-	-	3,951
Purchased services	17,215	1,904	35,120	495	15,277	91,247	27,252	188,510
Professional fees	-	-	-	-	-	73,400	-	73,400
Occupancy	447,219	59,105	130,387	466,616	150,800	88,888	8,149	1,351,164
Postage	460	198	-	-	-	3,005	6,020	9,683
Telephone	3,003	3,750	-	-	-	18,400	-	25,153
Office expenses	-	-	-	-	-	13,292	13,032	26,324
Other expenses	18,030	8,120	-	2,066	5,416	47,297	13,873	94,802
Fund raising activities	-	-	-	-	-	-	100,962	100,962
Depreciation	-	-	-	-	-	79,751	-	79,751
Total functional expenses	\$ 1,782,499	\$ 807,429	\$ 520,737	\$ 897,721	\$ 410,323	\$ 707,092	\$ 456,829	\$ 5,582,634

The accompanying notes are an integral part of the financial statements.

YORK STREET PROJECT
COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from grants	\$ 1,423,346	\$ 1,048,639
Cash received from rentals	241,770	208,494
Section 8 subsidy received	96,441	87,209
Cash received from residents and students	768,573	847,807
Cash received from other revenue	50,063	45,668
Subsidies received	922,116	922,116
Contributions received	978,513	755,520
Interest and dividends received	43,197	49,326
Cash paid for employee costs	(2,530,001)	(2,627,748)
Cash paid for operating expenses	<u>(1,670,121)</u>	<u>(1,742,395)</u>
Net cash provided by (used for) operating activities	<u>323,897</u>	<u>(405,364)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	(85,073)	-
Purchases of investments	(43,197)	(49,089)
Proceeds from sale of investments	<u>-</u>	<u>-</u>
Net cash provided by (used for) investing activities	<u>(128,270)</u>	<u>(49,089)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payroll Protection Program loan	<u>484,085</u>	<u>-</u>
Net cash provided by (used for) investing activities	<u>484,085</u>	<u>-</u>
Net increase (decrease) in cash	679,712	(454,453)
Cash and cash equivalents at beginning of year	<u>508,512</u>	<u>962,963</u>
Cash and cash equivalents at end of year	<u>\$ 1,188,226</u>	<u>\$ 508,512</u>

RECONCILIATION OF CHANGE IN NET ASSETS TO
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES

Change in net assets	\$ <u>750,705</u>	\$ <u>(507,602)</u>
Adjustment to reconcile change in net assets to net cash provided by (used for) operating activities:		
Depreciation expense	78,762	79,751
(Increase) decrease in accounts receivable	(88,312)	144,087
(Increase) decrease in rent receivables	8,224	(21,639)
(Increase) decrease in due from state agency	(182,405)	3,068
Increase (decrease) in accounts payable	(1,711)	(22,261)
Increase (decrease) in accrued payroll	(5,976)	(857)
Increase (decrease) in accrued expenses	(16,904)	20,154
Increase (decrease) in other liabilities	65,533	(5,096)
Increase (decrease) in deferred income	-	(796)
Forgiveness of loan	(215,460)	-
Change in unrealized appreciation/depreciation on investments	<u>(68,559)</u>	<u>(94,174)</u>
Total adjustments	<u>(426,808)</u>	<u>102,237</u>
Net cash provided by (used for) operating activities	<u>\$ 323,897</u>	<u>\$ (405,364)</u>

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

YORK STREET PROJECT
NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The York Street Project (YSP) is a non-profit corporation whose mission is to weave innovative programs that shelter, feed, educate and promote the healing and independence of persons in need, especially women and children.

York Street Project's programs include:

- Emergency shelter for homeless families
- Transitional housing for pregnant and/or parenting youth
- Hybrid transitional to rapid rehousing for homeless families
- Rapid rehousing for homeless families
- Transitional living for low-income working women
- Early childhood development

YSP works to break the cycle of poverty by providing those we serve with holistic, wrap around services designed to address the complex causes of poverty and homelessness. We clearly recognize and understand that a family's survival hangs in the balance if they have no home, no education, and no childcare – and that these issues cannot be viewed in isolation.

Our programs for homeless families provide a continuum of housing options, from shelter, transitional, and permanent housing, depending on a family's need. Our families participate in ongoing life skills and social support services, including counseling, case management, crisis intervention, family therapy, health education, employment readiness and job search, parenting and life skills, household management, and family budgeting. These services are crucial to their learning to support themselves successfully and develop the skills necessary to maintain a stable home once they transition to independent living.

Our child development center provides year-round licensed early childhood development and education for children (2 months to 5 years) while their parents are at work or school. This educational program, rated 4-stars by Grow NJ Kids, helps to facilitate increased language development, cognitive thinking, emotional stability, and to improve socialization, interpersonal development, problem-solving abilities, and motor skills. Most importantly, it helps children to acquire a love of learning and the ability to give and receive affection – lessons that can last a lifetime.

Basis of Combination

The combined financial statements are presented on an accrual basis and include the accounts of the York Street Project Legacy Fund, Inc ("Legacy Fund"). The Legacy Fund is a not-for-profit corporation exempt from income taxes under 501(c)(3) of the Internal Revenue Code. It was created in 2008 as a source of funding for the York Street Project. Combined financial statements are presented because of the common control of the York Street Project and the Legacy Fund by Peace Ministries Inc. All intercompany balances and transactions have been eliminated in the combination.

YORK STREET PROJECT
NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The York Street Project is a non-profit organization qualifying as tax-exempt organizations under 501(c)(3) of the Internal Revenue Code. Accordingly, the York Street Project is exempt from federal and state income taxes and therefore has made no provision for income taxes in the accompanying financial statements.

Generally accepted accounting principles require that organizations must recognize the tax impact of a tax position taken on a tax return when it is more likely than not that the position will not be sustained on audit, based on the technical merits of the uncertain tax position. York Street Project does not believe there are any material uncertain tax positions and, accordingly, has not recognized any liability for unrealizable tax benefits. York Street Project has filed Internal Revenue Form 990 tax returns, as required.

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting.

Property and Equipment

The York Street Project follows the practice of capitalizing expenditures in excess of \$1,000 for property and equipment at cost or at estimated fair value at date of gift, if donated. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis. Routine repairs and maintenance are expensed as incurred.

Reclassifications

Certain accounts in prior-year financial statements may have been reclassified for comparative purposes to conform with the presentation in current-year financial statements.

Cash and cash equivalents

Cash and cash equivalents consist of cash in banks, interest-bearing deposits and short-term highly liquid investments with original maturities of three months or less. Bank accounts are federally insured up to \$250,000 under FDIC. At times, account balances may be in excess of the insurable limit.

Public Support and Revenue

In accordance with current accounting pronouncements, contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions. Grants and other contributions of cash and other assets are reported as with donor restriction if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, with donor restriction net assets are reclassified to without donor restriction net assets and reported in the statement of activities as net assets released from restrictions. Donated noncash assets are recorded at their fair value in the period received. Donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

YORK STREET PROJECT
NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentrations of credit risk

Financial instruments which potentially subject the York Street Project to concentrations of credit risk consist principally of money market funds. At June 30, 2020, the York Street Project had no balances in excess of Securities Investor Protection Corporation insured limits.

Unearned Income

Income from special events is deferred and recognized in the periods to which the event occurs.

Basis of Presentation

Financial statement presentation follows the recommendations of current accounting pronouncements; the York Street Project is required to report information regarding its financial position and activities to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions

Net assets without donor restrictions represent resources whose use is not limited or restricted by donors. They generally arise as a result of exchange transactions (including contracts with government agencies), unrestricted contributions (including board designated contributions), or restricted contributions whose restrictions have expired.

Net assets with donor restrictions

Net assets with donor restrictions represent resources whose use is limited by donors for the purpose and/or time in which they may be expended. Eventually, some net assets with donor restrictions are reclassified to net assets without donor restrictions as their time and purpose requirements are met. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. These net assets generally are not reclassified since their restrictions never expire.

YORK STREET PROJECT
NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value of Financial Instruments

Investments consist of mutual funds investing in debt and equity securities. They are carried at fair value and any gain or loss on sale and change in unrealized appreciation/depreciation on investments is reported in the statement of activities as increases or decreases in unrestricted net assets.

The York Street Project adopted FASB Codification No 820 Fair Value Measurement. The Codification provides guidance on how to measure fair value, when required, under existing accounting standards. The Codification also establishes a fair value hierarchy that priorities the inputs to valuation techniques used to measure fair value into three levels ('Level 1,2,3').

The York Street Project's investment portfolio is held by a financial broker. Interest and dividends are reported as part of the investment income.

NOTE 2 - LIQUIDITY AND AVAILABILITY

York Street Project manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Project has \$3,884,247 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditure consisting of \$1,188,226 in cash, \$2,291,369 in investments, and \$404,652 in receivables. In fiscal year 2019 The Project had \$2,834,874 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditure consisting of \$508,512 in cash, \$2,184,203 in investments, and \$142,970 in receivables.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	<u>2020</u>	<u>2019</u>
Equipment and furniture	\$ 1,121,841	\$ 1,240,745
Leasehold Improvements	339,872	285,552
Vehicles	85,738	85,738
	<u>1,547,451</u>	<u>1,612,035</u>
Less - Accumulated Depreciation	<u>(904,475)</u>	<u>(975,369)</u>
	<u>\$ 642,977</u>	<u>\$ 636,666</u>

Depreciation expense for the years ended June 30, 2020 and 2019 amounted to \$78,762 and \$79,751, respectively.

YORK STREET PROJECT
NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 4 - FAIR VALUE MEASUREMENT

York Street Project states its investments at fair value using Level 1 fair value measures (quoted prices in active markets) and reflects unrealized changes appreciation/depreciation of investments in the Statement of Activities. None of the investments are Net assets with donor restrictions hence investment income is recorded as revenue in Net assets without donor restrictions classification. At June 30, 2020 and 2019, investments consisted of the following:

<u>Investments</u>	<u>June 30,2020</u> <u>Quoted Prices in</u> <u>Active Markets for</u> <u>Identical Assets</u> <u>(Level 1)</u>	<u>June 30, 2019</u> <u>Quoted Prices in</u> <u>Active Markets for</u> <u>Identical Assets</u> <u>(Level 1)</u>
Equity Mutual Funds	\$ 1,330,453	\$ 1,284,221
Bond Mutual Funds	960,916	899,982
Totals	<u>\$ 2,291,369</u>	<u>\$ 2,184,203</u>

A summary of the net return on investments consists of the following for the years ended June 30, 2020 and 2019, respectively:

	<u>2020</u>	<u>2019</u>
Interest and dividends	\$ 43,197	\$ 49,326
Net realized gain (loss)	-	-
Net change in unrealized appreciation/depreciation	68,559	94,172
Net return/(loss) on investments	<u>\$ 111,756</u>	<u>\$ 143,498</u>

YORK STREET PROJECT
NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets were released from donor restrictions by satisfying the purpose or time restrictions specified by donors as follows:

	<u>St. Joseph's Home</u>	<u>York St. Project</u>	<u>Total</u>	
			<u>June 30</u>	
			<u>2020</u>	<u>2019</u>
Purpose restriction accomplished:				
Foundation and government Grants	\$ -	\$ 267,359	\$ 267,359	\$ 102,498
HHS Transitional Living	178,289	-	178,289	-
HUD Hybrid	426,613	-	426,613	276,949
NJ Department of Agriculture	31,424	-	31,424	39,056
HUD Rapid Rehousing	<u>709,566</u>	<u>-</u>	<u>709,566</u>	<u>622,600</u>
Total net assets with donor restrictions released from restriction	<u>\$ 1,345,892</u>	<u>\$ 267,359</u>	<u>\$ 1,613,251</u>	<u>\$ 1,041,103</u>

NOTE 6 - HOUSING AND URBAN DEVELOPMENT GRANTS

York Street Project was awarded a grant from the U.S. Department of Housing and Urban Development ("HUD") in the amount of \$654,667 in 2017 to fund the Continuum of Care, Rapid Rehousing Program with the grant year ending September 30, 2018. HUD continued the funding in the subsequent years with a grant in the amount of \$649,464 for the grant year 2019 and a grant in the amount of \$679,092 for grant year 2020. It is expected this will be a continuing funding for homelessness prevention activities. In addition, HUD is also funding a second Hybrid program also for homeless. This grant for fiscal year 2019 was in the amount of \$425,348 and the grant for fiscal year 2020 was in the amount of \$437,096. Provisions of the grant agreements require York Street Project to obtain or provide matching funds for the project and operate the program in accordance with specific federal guidelines. During the years ended June 30, 2020 and 2019, York Street Project received \$1,136,179 and \$899,549, respectively from the grants.

YORK STREET PROJECT
NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 7 - RELATED PARTY TRANSACTIONS

For the years ended June 30, 2020 and 2019, The Sisters of St. Joseph of Peace provided direct financial support to the York Street Project in the amount of \$922,116 each year.

The Sisters of St. Joseph of Peace also provided the use of facilities in which the programs operate. Management estimates that the fair rental value amounted to \$1,570,027 and \$1,137,090 at June 30, 2020 and 2019, respectively, for the years ended. That amount is reported as support and occupancy expense in the financial statements.

NOTE 8 - LIEN SECURED GRANT

York Street Project obtained financing in the amount of \$30,000 in fiscal year 2018 from the New Jersey Department of Community Affairs in order to purchase a passenger van to provide transportation for its shelter residents. In connection with that financing the State of New Jersey secured the property with a lien and a promissory note. The note provides that no principal or interest will be due and the principal will be forgiven at the rate of 25% per year, provided the van is used as transportation for homeless families temporarily residing at the shelter. The outstanding principal balance will be due upon default on the terms of the note or upon sale of the van. Accordingly, \$7,500 is included in fiscal year 2020 and 2019 grant revenue.

NOTE 9 - PENSION PLAN

Beginning in 2019, York Street Project participates in a 401(k) plan established for its employees. Through the annual approval of the budget, the York Street Project Board of Trustees determines the contribution amount. YSP contributed 3% of each employee's calendar year wages, amounting to \$48,379 and \$64,073 for the years ended June 30, 2020 and 2019, respectively. Prior to 2019, York Street participated in a defined benefit pension plan established by the Sisters of St. Joseph of Peace for employees of its Ministries. The pension plan was frozen in 2018. During 2020, YSP was required to make a contribution to the pension plan of \$60,000.

NOTE 10 - COMPENSATED ABSENCES

York Street Project's liability for compensated absences was not significant and has not been recorded in these financial statements since it was not considered material to the financial statements taken as a whole.

NOTE 11 - CONCENTRATIONS

The York Street Project receives approximately 38% of its revenue and support from related organizations and approximately 23% from federal and local grants. The current level of the York Street Project's operations and program services may be negatively impacted if the current level of funding and support is not maintained.

YORK STREET PROJECT
NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 12 - DONATED SERVICES

For the years ended June 30, 2020 and 2019 the York Street Project received approximately 2,400 and 4,000 hours, respectively, of donated services from unpaid volunteers who assisted in the child development center. No amounts have been recognized in the statement of activities for the services donated by unpaid volunteers, because the criteria for recognition under generally accepted accounting principles have not been satisfied.

NOTE 13 - FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities by both natural and functional classification. Accordingly, certain costs have been allocated on a reasonable basis that is consistently applied among the programs and supporting services benefited. Costs are directly applied to the related program or supporting service category when identifiable and possible. General operating costs across nearly all natural categories are allocated on the basis of estimates of time and effort.

NOTE 14 – PAYROLL PROTECTION PROGRAM

Due to the COVID-19 pandemic the federal government instituted the Payroll Protection Program (PPP) to preserve jobs. The Project applied for and received a PPP loan in the amount of \$484,085. The loan is treated as a conditional contribution. When received, the loan proceeds are treated as a liability. The loan is forgiven to the extent used to pay qualifying payroll and certain other expenses. As these qualifying expenses are incurred an equal amount of the loan is reclassified as an unrestricted grant. As of June 30, 2020, York Street Project has incurred qualifying expenses totaling \$215,460 and that amount is reported as revenue. The remainder of \$268,625 is a liability at June 30, 2020 and has been reclassified as revenue as qualifying expenses were incurred in fiscal year 2021. Although the funding originates with the federal government it is not considered an expenditure of a federal award and consequently is not included on the Schedule of Expenditures of Federal Awards.

NOTE 15 – ESTIMATE OF THE VALUE OF CONTRIBUTED FACILITIES

The facilities the York Street Project uses for its programs for the current and past years is a contribution from the Sisters of St. Joseph of Peace. An appraisal was conducted in fiscal year 2020 to obtain a more accurate valuation of the in-kind contribution. The estimate of the fair market value of the rent of the facilities contribution for its current use is \$1,570,027. This results in an increase of the estimate of the contribution in the amount of \$432,937 from the prior year. Revenues and expenses have each been increased accordingly. There is no effect on net income as the increase in revenues is offset by the same increase in occupancy expense.

YORK STREET PROJECT
NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 16 - CHANGE IN ACCOUNTING PRINCIPLE

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU 2014-09 outlines a new, single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance

York Street Project has adopted ASU 2014-09 as of and for the year ended June 30, 2020, with retrospective application for the June 30, 2019 financial statements. The adoption of ASU 2014-09 resulted in no changes to the financial statements.

In June 2018, the Financial Accounting Standards Board (FASB) issued ASU 2018-08, *Not-for Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 clarifies and improves the scope and accounting guidance for contributions received and contributions made. The amendments in this Update assist entities in: (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. York Street Project has adopted ASU 2018-08 as of and for the year ended June 30, 2020, with retrospective application for the June 30, 2019 financial statements. The adoption of ASU 2018-08 resulted in no changes to the financial statements.

NOTE 17 - CHANGE IN OPERATIONS

In fiscal 2019, the York Street Project Board of Trustees, in collaboration with leadership staff, completed an assessment of its program offerings, undertaken to assure YSP was continuing to meet the critical needs of our client community in furtherance of our mission. After evaluating the needs of the community and the strengths of and value provided through YSP services, the Trustees, at a meeting on September 11, 2018, concluded that service to its client community would best be served by ending the high school diploma program and allocating those resources to its other programs. On December 6, 2018, a presentation which included the closing of the diploma program was made to the organizations sponsors, the Sisters of St. Joseph of Peace, their leadership council and other stakeholders within the congregation. The cessation of the high school diploma program was effective on July 31, 2019, following its final graduation. All actively engaged students received their diplomas from the Kenmare School prior to its closing. In September of 2019, a presentation on the assessment findings and an explanation on the decision to end the diploma program was made to community stakeholders and donors of York Street Project.

YORK STREET PROJECT
NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 18 - SUBSEQUENT EVENTS

The management of the York Street Project has evaluated events and transactions for potential recognition or disclosure through March 15, 2021, which is the date the financial statements were available to be issued.

Beginning in March 2020 the COVID-19 virus was declared a global pandemic. Executive Orders issued by the Mayor of Jersey City and the Governor of New Jersey, required the closing of our child development center for three months. The center was allowed to reopen on June 15, 2020, under strict guidelines issued by the New Jersey Division of Family Development and the Office of Licensing.

Our shelter and housing programs are considered essential services and there were no operational interruptions during this time. For the safety of staff and residents, staff were put on staggered schedules and split shifts, to minimize the risk of COVID-19 exposure onsite. Supportive services began to be delivered remotely. Restrictions on movement throughout the buildings were put in place for residents. All CDC recommendations and guidance to prevent the spread of COVID-19 have been followed.

Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of uncertainty. No other significant events have been identified that would require adjustment of or disclosure in the accompanying financial statements.

YORK STREET PROJECT
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Federal or State Grantor/Pass Through Grantor/ Program Title	Federal CFDA Number	Contract/ Account Number	Grant Amount	Grant Period	Receipts or Revenue Recognized	Total Expenditures
Federal:						
U.S. Department of Housing and Urban Development (HUD)						
Rapid Rehousing Program	14.267	NJ0429L2F061604	\$ 649,464	10/1/18 - 9/30/19	\$ 189,062	\$ 189,062
Rapid Rehousing Program	14.267	NJ0429L2F061805	\$ 679,092	10/1/19 - 9/30/20	\$ 520,504	\$ 520,504
Hybrid Program	14.267	NJ0549L2F061801	\$ 437,096	7/1/19 - 6/30/20	\$ 426,613	\$ 426,613
Pass through Hudson County, NJ						
Division of Housing and Community Development						
Emergency Solutions Grant Program	14.231	ESG-SJH-2019	\$ 35,000	7/1/19 - 6/30/20	\$ 35,000	\$ 35,000
Emergency Solutions Grant Program	14.231	SJHES-Supplemental	\$ 10,000	7/1/19 - 6/30/20	\$ 10,000	\$ 10,000
Pass through the City of Jersey City, NJ						
Division of Community Development						
Community Development Block Grant Public Service	14.218	59-200-56-909-956	\$ 40,000	4/1/19 - 3/31/20	\$ 40,000	\$ 40,000
Community Development Block Grant Rehabilitation	14.218	59-200-56-858-956	\$ 50,000	4/1/18 - 3/31/20	\$ 29,340	\$ 29,340
U.S. Department of Health and Human Services						
Transitional Living Program	93.55	90CX7296-01-00	\$ 239,277	9/30/19 - 9/29/20	\$ 178,289	\$ 178,289
U.S. Department of Agriculture (USDA)						
Pass through the New Jersey State						
Department of Agriculture - Division of Food and Nutrition						
Child and Adult Care Food Program	10.558	18-17-1379	\$ 9,780	10/1/18 - 9/30/19	\$ 9,780	\$ 9,780
Child and Adult Care Food Program	10.558	18-17-1379	\$ 21,644	10/1/19 - 9/30/20	\$ 21,644	\$ 21,644
State of New Jersey:						
Department of Community Affairs						
Division of Housing and Community Resources						
Shelter Support 2017		2017-02149-0079	\$ 215,677	11/1/16 - 6/15/18	\$ 7,500	\$ 0
Total Federal and State Expenditures					\$ 1,467,732	\$ 1,460,232

The accompanying notes are an integral part of the financial statements.

YORK STREET PROJECT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards (the "Schedule") includes the federal and state grant activity of York Street Project under programs for the federal and New Jersey state governments for the year ended June 30, 2020. 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* and the New Jersey department of the Treasury *Circular Letter 15-08 OMB*. Because the Schedule presents only a selected portion of the operations of York Street Project, it is not intended to and does not present the financial position, changes in net assets or cash flows of York Street Project.

Summary of significant accounting policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the New Jersey Department of the Treasury *Circular Letter 15-08 OMB*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Indirect costs

York Street Project elected not to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance.

Subrecipients

There were no amounts provided to subrecipients from federal or state awards received during the year ended June 30, 2020.

Reconciliation to Financial Statement:

Schedule of Expenditures of Federal and State Awards		\$	<u>1,460,232</u>
Federal Grants per Statement of Activities	\$ 1,460,232		
State Grants per Statement of Activities	<u>7,500</u>		
Total Federal and State Awards		\$	<u>1,467,732</u>

Anzelone Associates, LLC

CERTIFIED PUBLIC ACCOUNTANTS

917 Mountain Avenue · Mountainside, New Jersey 07092 · Tel (908) 654-6150 · Fax (908) 654-6161

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*

To the Board of Trustees
York Street Project
Jersey City, New Jersey

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, and the New Jersey Department of Treasury *Circular Letter 15-08 OMB*, the combined financial statements of York Street Project (a nonprofit organization), which comprise the combined statement of financial position as of June 30, 2020, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated March 15, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered York Street Project's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of York Street Project's internal control. Accordingly, we do not express an opinion on the effectiveness of York Street Project'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 entity'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 York Street Project's combined financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of combined financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

Mountainside, New Jersey
March 15, 2021

Anzelone Associates, LLC

CERTIFIED PUBLIC ACCOUNTANTS

917 Mountain Avenue · Mountainside, New Jersey 07092 · Tel (908) 654-6150 · Fax (908) 654-6161

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE AND NEW JERSEY DEPARTMENT OF THE TREASURY
CIRCULAR LETTER 15-08 OMB

To the Board of Trustees
York Street Project
Jersey City, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited York Street Project's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of York Street Project's major federal and state programs for the year ended June 30, 2020. York Street Project's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of York Street Project's major federal and state 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 Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the New Jersey Department of the Treasury *Circular Letter 15-08 OMB*. Those standards, the Uniform Guidance, and the New Jersey Department of the Treasury *Circular Letter 15-08 OMB* 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 or state program occurred. An audit includes examining, on a test basis, evidence about York Street Project'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 each major federal and state program. However, our audit does not provide a legal determination of York Street Project's compliance.

Opinion on Each Major Federal and State Program

In our opinion, York Street Project 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 and state programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of York Street Project 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 York Street Project's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the New Jersey Department of the Treasury *Circular Letter 15-08 OMB*, 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 York Street Project'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 or state 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 or state 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 or state 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.

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 and the New Jersey Department of the Treasury *Circular Letter 15-08 OMB* . Accordingly, this report is not suitable for any other purpose.

Mountainside, New Jersey
March 15, 2021

YORK STREET PROJECT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

Part I - Summary of Auditor's Results

Financial Statements:

- A) Type of auditors' report issued: Unmodified
- B) Internal control over financial reporting:
- 1) Material weakness(es) identified? ___ yes x no
- 2) Significant deficiencies identified? ___ yes x no
- C) Noncompliance material to general-purpose financial statements noticed? ___ yes x no ___ n/a

Federal and State Awards:

- D) Dollar threshold used to determine Type A programs \$750,000
- E) Auditee qualified as low-risk auditee? x yes ___ no
- F) Type of auditors' report on compliance for major programs: Unmodified
- G) Internal control over compliance:
- 1) Material weakness(es) identified? ___ yes x no
- 2) Significant deficiencies identified? ___ yes x no
- H) Any audit findings disclosed that are required to be reported in accordance with *Government Auditing Standards* and the New Jersey Department of the Treasury *Circular Letter 15-08 OMB*? ___ yes x no

I) Identification of major programs

Identifying number	Federal or State Grantor/Pass-Through Grant or/Program
14.267	<u>U.S. Department Of Housing and Urban Development (HUD)</u> Rapid Rehousing Program Hybrid Program

YORK STREET PROJECT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

Part II - Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements for which *Government Auditing Standards* require reporting in a Uniform Guidance and New Jersey Department of the Treasury Circular Letter 15-08 OMB audit.

None

YORK STREET PROJECT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

Part III - Schedule of Federal and State Awards Findings and Questioned Costs

This section identifies the audit findings required to be reported by the Uniform Guidance and New Jersey Department of the Treasury Circular Letter 15-08 OMB (significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs) as well as any abuse findings involving federal awards that are material to a major federal or state program.

None

YORK STREET PROJECT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS AS
PREPARED BY MANAGEMENT
FOR THE YEAR ENDED JUNE 30, 2020

This section identifies the status of prior year findings related to the financial statements and federal awards that are required to be reported in accordance with *Government Auditing Standards* the Uniform Guidance, and the New Jersey Department of the Treasury Circular Letter 15-08 OMB.

There were no prior year audit findings and questioned costs.