



Financial Statements
(Together with Independent Auditors' Report)

Years Ended June 30, 2009 and 2010



LENOX HILL NEIGHBORHOOD HOUSE, INC.

FINANCIAL STATEMENTS
(Together with Independent Auditors' Report)

YEARS ENDED JUNE 30, 2009 AND 2010

CONTENTS

| | <u>Page</u> |
|---|--------------------|
| Independent Auditors' Report | 1 |
| The Financial Statements | |
| Statements of Financial Position | 2 |
| Statements of Activities | 3 |
| Statements of Functional Expenses | 4-5 |
| Statements of Cash Flows | 6 |
| Notes to Financial Statements | 7-16 |
| Supplementary Information | |
| Government Agencies | 17 |



INDEPENDENT AUDITORS' REPORT

Board of Directors
Lenox Hill Neighborhood House, Inc.

We have audited the accompanying statements of financial position of Lenox Hill Neighborhood House, Inc. (the "Neighborhood House" or "Organization") as of June 30, 2009 and 2010 and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Neighborhood House as of June 30, 2009 and 2010 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements of the Neighborhood House taken as a whole. The supplementary information (shown on page 17) is the responsibility of management and is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Marks Paneth & Shron LLP

New York, NY
November 18, 2010



LENOX HILL NEIGHBORHOOD HOUSE, INC.

STATEMENTS OF FINANCIAL POSITION

| | At June 30, | |
|--|----------------------|----------------------|
| | 2009 | 2010 |
| ASSETS | | |
| Cash and equivalents (Notes 1 and 12) | \$ 2,296,597 | \$ 1,957,053 |
| Accounts receivable, net (Notes 1, 2 and 8) | 840,017 | 1,149,045 |
| Pledges receivable (Notes 1 and 3) | 245,494 | 251,000 |
| Prepayments and other | 82,462 | 91,854 |
| Long-term investments (Notes 1 and 4) | 7,065,077 | 8,090,391 |
| Property and equipment, net (Notes 1 and 5) | <u>3,372,309</u> | <u>3,775,105</u> |
| TOTAL ASSETS | <u>\$ 13,901,956</u> | <u>\$ 15,314,448</u> |
| LIABILITIES | | |
| Accounts payable and accrued expenses | \$ 266,785 | \$ 197,733 |
| Accrued salaries | 251,510 | 269,199 |
| Accrued vacation | 270,275 | 250,245 |
| Government and other advances | <u>259,981</u> | <u>287,391</u> |
| Total | <u>1,048,551</u> | <u>1,004,568</u> |
| NET ASSETS | | |
| Unrestricted | | |
| Property and equipment | 3,372,309 | 3,775,105 |
| Operations | 1,362,316 | 1,628,156 |
| Unrestricted Endowment (Notes 4 and 10) | <u>5,921,705</u> | <u>6,604,079</u> |
| Total unrestricted | 10,656,330 | 12,007,340 |
| Temporarily restricted (Note 9) | 1,053,703 | 816,228 |
| Permanently restricted Endowment (Notes 4, 9 and 10) | <u>1,143,372</u> | <u>1,486,312</u> |
| TOTAL NET ASSETS | <u>12,853,405</u> | <u>14,309,880</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 13,901,956</u> | <u>\$ 15,314,448</u> |

The accompanying notes are an integral part of these statements.

LENOX HILL NEIGHBORHOOD HOUSE, INC.

STATEMENTS OF ACTIVITIES

Years Ended June 30,

| | 2009 | | | | 2010 | | | |
|--|---------------|--------------|--------------|---------------|---------------|-------------|--------------|---------------|
| | Unrestricted | Restricted | | Total | Unrestricted | Restricted | | Total |
| | | Temporarily | Permanently | | | Temporarily | Permanently | |
| Operating Revenue | | | | | | | | |
| Government agencies (Note 1) | \$ 8,828,907 | \$ - | \$ - | \$ 8,828,907 | \$ 9,569,560 | \$ - | \$ - | \$ 9,569,560 |
| Special events | 859,120 | - | - | 859,120 | 895,892 | - | - | 895,892 |
| Associated expenses | (155,565) | - | - | (155,565) | (162,590) | - | - | (162,590) |
| Special events, net | 703,555 | - | - | 703,555 | 733,302 | - | - | 733,302 |
| Contributions (Notes 1 and 7) | 482,224 | 1,475,150 | - | 1,957,374 | 849,095 | 1,277,585 | - | 2,126,680 |
| Net assets released from restrictions (Note 9) | 2,094,593 | (2,094,593) | - | - | 1,603,072 | (1,603,072) | - | - |
| Subtotal | 3,280,372 | (619,443) | - | 2,660,929 | 3,185,469 | (325,487) | - | 2,859,982 |
| Dues and fees (Notes 1 and 8) | 1,668,432 | - | - | 1,668,432 | 1,312,045 | - | - | 1,312,045 |
| Interest | 28,396 | - | - | 28,396 | 9,837 | - | - | 9,837 |
| Subtotal | 1,696,828 | - | - | 1,696,828 | 1,321,882 | - | - | 1,321,882 |
| Total Operating Revenue | 13,806,107 | (619,443) | - | 13,186,664 | 14,076,911 | (325,487) | - | 13,751,424 |
| Operating Expenses | | | | | | | | |
| Program services | 11,026,527 | - | - | 11,026,527 | 11,670,992 | - | - | 11,670,992 |
| Management and general | 1,450,612 | - | - | 1,450,612 | 1,448,618 | - | - | 1,448,618 |
| Fund raising | 362,140 | - | - | 362,140 | 288,594 | - | - | 288,594 |
| Total Operating Expenses | 12,839,279 | - | - | 12,839,279 | 13,408,204 | - | - | 13,408,204 |
| Operating Income (loss) | 966,828 | (619,443) | - | 347,385 | 668,707 | (325,487) | - | 343,220 |
| Non-Operating (Note 1) | | | | | | | | |
| Gifts to Endowment (Notes 1 and 7) | - | - | 128,250 | 128,250 | - | - | 211,200 | 211,200 |
| Bequests (Notes 1 and 7) | 3,500 | - | - | 3,500 | - | - | - | - |
| Foundation capital gifts (Note 7) | - | 64,469 | - | 64,469 | - | 88,012 | - | 88,012 |
| Investment income (Note 4) | (1,017,474) | - | (182,572) | (1,200,046) | 682,303 | - | 131,740 | 814,043 |
| Total Non-Operating (Loss) Income | (1,013,974) | 64,469 | (54,322) | (1,003,827) | 682,303 | 88,012 | 342,940 | 1,113,255 |
| Change in Net Assets - Before other items | (47,146) | (554,974) | (54,322) | (656,442) | 1,351,010 | (237,475) | 342,940 | 1,456,475 |
| Pension related changes other than net periodic pension costs (Note 6) | (140,089) | - | - | (140,089) | - | - | - | - |
| Change in Net Assets (Note 1) | (187,235) | (554,974) | (54,322) | (796,531) | 1,351,010 | (237,475) | 342,940 | 1,456,475 |
| Net Assets - Beginning of Year | 10,843,565 | 1,608,677 | 1,197,694 | 13,649,936 | 10,656,330 | 1,053,703 | 1,143,372 | 12,853,405 |
| Net Assets - End of Year | \$ 10,656,330 | \$ 1,053,703 | \$ 1,143,372 | \$ 12,853,405 | \$ 12,007,340 | 816,228 | \$ 1,486,312 | \$ 14,309,880 |

The accompanying notes are an integral part of these statements.

**LENOX HILL NEIGHBORHOOD HOUSE, INC.
STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended June 30, 2009

| | Program Services | | | | | | | Support Services | | | Total 2009 |
|---|--------------------------|-----------------|--------------------|----------------------------|----------------------------------|----------------------------------|-------------------------|------------------------------|---------------------------|-----------------|---------------|
| | Children and Families | Older Adults | Adult Education | Homeless and Housing | Legal Advocacy and Organizing | Visual and Performing Arts | Fitness and Aquatics | Total Program Services | Management and General | Fund Raising | |
| Personnel (Note 6) | \$ 1,873,960 | \$ 2,050,004 | \$ 185,761 | \$ 2,278,539 | \$ 522,882 | \$ 232,975 | \$ 341,034 | \$ 7,485,155 | \$ 878,425 | \$ 288,090 | \$ 8,651,670 |
| Professional fees | 8,222 | - | - | - | 431 | - | - | 8,653 | 61,073 | - | 69,726 |
| Value of pro-bono legal services (Note 1) | - | - | - | - | - | - | - | - | 140,752 | - | 140,752 |
| Services provided by non-agency personnel | 26,992 | 72,667 | 2,197 | 212,033 | 2,950 | 7,900 | 215 | 324,954 | 15,906 | - | 340,860 |
| Insurance | 43,519 | 22,609 | 3,029 | 20,683 | 7,786 | 2,482 | 12,164 | 112,272 | 19,985 | 5,501 | 137,758 |
| Program activities | 37,272 | 5,299 | 6,639 | 97,678 | 18,548 | 5,370 | 5,023 | 175,829 | 243 | 571 | 176,643 |
| Occupancy and supplies (Note 11) | 178,100 | 112,806 | 10,788 | 210,532 | 3,650 | 3,411 | 65,036 | 584,323 | 41,050 | 19,045 | 644,418 |
| Equipment (Note 1) | 25,988 | 7,352 | 1,734 | 26,769 | 5,281 | 2,485 | 7,792 | 77,401 | 25,060 | 1,690 | 104,151 |
| Telephone | 11,034 | 53,581 | 3,900 | 32,214 | 6,866 | 1,091 | 2,100 | 110,786 | 14,457 | 2,046 | 127,289 |
| Office supplies | 40,282 | 32,657 | 5,379 | 30,692 | 19,928 | 15,479 | 8,771 | 153,188 | 62,740 | 17,945 | 233,873 |
| Repairs and materials | 76,860 | 49,965 | 4,103 | 34,140 | 1,573 | 1,657 | 35,730 | 204,028 | 24,856 | 5,441 | 234,325 |
| Food | 112,330 | 178,064 | 8 | 220,340 | 314 | 226 | 210 | 511,492 | 21,951 | 1,133 | 534,576 |
| Transportation | 22,573 | 27,628 | 24 | 14,744 | 745 | 856 | 179 | 66,749 | 9,178 | 40 | 75,967 |
| Bad debt | 21,758 | - | - | - | - | - | - | 21,758 | - | - | 21,758 |
| Payments to subgrantees | - | 603,742 | - | 92,248 | - | - | - | 695,990 | - | - | 695,990 |
| Depreciation | 223,211 | 72,241 | 13,524 | 15,074 | 2,673 | 4,864 | 87,018 | 418,605 | 59,636 | 18,805 | 497,046 |
| Other | 23,444 | 13,314 | 3,017 | 16,097 | 4,386 | 4,832 | 10,254 | 75,344 | 75,300 | 1,833 | 152,477 |
| TOTAL EXPENSES | \$ 2,725,545 | \$ 3,301,929 | \$ 240,103 | \$ 3,301,783 | \$ 598,013 | \$ 283,628 | \$ 575,526 | \$ 11,026,527 | \$ 1,450,612 | \$ 362,140 | \$ 12,839,279 |

The accompanying notes are an integral part of these statements.

LENOX HILL NEIGHBORHOOD HOUSE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
(With Comparative Totals for 2009)

Year Ended June 30, 2010

| | Program Services | | | | | | | Support Services | | | Total 2010 | Year Ended June 30, 2009 |
|---|--------------------------|---------------------|--------------------|----------------------------|----------------------------------|----------------------------------|-------------------------|------------------------------|---------------------------|-------------------|----------------------|--------------------------------|
| | Children and Families | Older Adults | Adult Education | Homeless and Housing | Legal Advocacy and Organizing | Visual and Performing Arts | Fitness and Aquatics | Total Program Services | Management and General | Fund Raising | | |
| Personnel (Note 6) | \$ 1,653,885 | \$ 1,977,130 | \$ 133,984 | \$ 2,416,151 | \$ 573,526 | \$ 352,032 | \$ 389,321 | \$ 7,496,029 | \$ 828,597 | \$ 253,248 | \$ 8,577,874 | \$ 8,651,670 |
| Professional fees | 13,622 | - | - | - | 431 | - | - | 14,053 | 59,661 | - | 73,714 | 69,726 |
| Value of pro-bono legal services (Note 1) | - | - | - | - | - | - | - | - | 177,082 | - | 177,082 | 140,752 |
| Services provided by non-agency personnel | 22,675 | 60,777 | 3,734 | 207,224 | - | 7,800 | - | 302,210 | 110 | 2,163 | 304,483 | 340,860 |
| Insurance | 40,721 | 19,229 | 2,133 | 20,155 | 7,938 | 7,790 | 16,414 | 114,380 | 18,795 | 3,743 | 136,918 | 137,758 |
| Program activities | 30,536 | 7,590 | 3,915 | 51,046 | 36,832 | 16,032 | 3,326 | 149,277 | 4,318 | 1,789 | 155,384 | 176,643 |
| Occupancy and supplies (Note 11) | 204,140 | 83,310 | 5,985 | 208,374 | 4,617 | 20,882 | 59,218 | 586,526 | 24,412 | 1,740 | 612,678 | 644,418 |
| Equipment (Note 1) | 11,072 | 17,163 | 5,172 | 26,234 | 713 | 1,125 | 11,957 | 73,436 | 6,060 | 1,028 | 80,524 | 104,151 |
| Telephone | 11,695 | 44,911 | 3,514 | 32,226 | 6,340 | 2,587 | 1,955 | 103,228 | 13,380 | 2,104 | 118,712 | 127,289 |
| Office supplies | 32,381 | 43,235 | 7,860 | 50,523 | 22,301 | 20,038 | 8,456 | 184,794 | 55,116 | 15,409 | 255,319 | 233,873 |
| Repairs and materials | 289,886 | 86,263 | 12,497 | 145,592 | 10,037 | 57,020 | 174,181 | 775,476 | 82,256 | 1,828 | 859,560 | 234,325 |
| Food | 130,589 | 191,400 | 47 | 199,138 | 840 | 820 | 215 | 523,049 | 23,608 | 789 | 547,446 | 534,576 |
| Transportation | 2,608 | 31,362 | 15 | 14,590 | 2,486 | 3,737 | 204 | 55,002 | 9,282 | 83 | 64,367 | 75,967 |
| Bad debt | - | 9,200 | - | 6,825 | - | - | - | 16,025 | - | - | 16,025 | 21,758 |
| Payments to subgrantees | - | 555,082 | - | 157,125 | - | - | - | 712,207 | - | - | 712,207 | 695,990 |
| Depreciation | 228,963 | 44,613 | 9,955 | 4,720 | 6,798 | 46,620 | 131,568 | 473,237 | 59,530 | 1,463 | 534,230 | 497,046 |
| Other | 14,093 | 35,709 | 1,834 | 11,562 | 14,306 | 2,250 | 12,309 | 92,063 | 86,411 | 3,207 | 181,681 | 152,477 |
| TOTAL EXPENSES | \$ 2,686,866 | \$ 3,206,974 | \$ 190,645 | \$ 3,551,485 | \$ 687,165 | \$ 538,733 | \$ 809,124 | \$ 11,670,992 | \$ 1,448,618 | \$ 268,594 | \$ 13,408,204 | \$ 12,839,279 |

The accompanying notes are an integral part of these statements.

LENOX HILL NEIGHBORHOOD HOUSE, INC.

STATEMENTS OF CASH FLOWS

| | Years Ended June 30, | |
|--|----------------------|---------------------|
| | 2009 | 2010 |
| CASH FLOWS FROM OPERATIONS | | |
| Change in net assets | \$ (796,531) | \$ 1,456,475 |
| Adjustments to reconcile change in net assets to net cash provided by operations | | |
| Depreciation | 497,046 | 534,230 |
| Bad debt | 21,758 | 16,025 |
| Realized gain/(loss) on the sale of investments | 233,364 | (66,610) |
| Unrealized gain/(loss) on investments | 1,114,173 | (595,819) |
| Interest and dividends Income on investments | (195,802) | (210,181) |
| Management fees on investments | 48,311 | 58,568 |
| Contributions for capital expenditures | (64,469) | (88,012) |
| Contributions for endowment | (131,750) | (211,200) |
| Sub-total | 726,100 | 893,476 |
| Changes in operating assets and liabilities | | |
| Decrease or (increase) in assets | | |
| Accounts receivable | 606,447 | (325,053) |
| Pledges receivable | 42,531 | (5,506) |
| Prepayments and other | 33,497 | (9,392) |
| Increase or (decrease) in liabilities | | |
| Accounts payable and accrued expenses | (78,295) | (69,054) |
| Accrued salaries | 18,981 | 17,689 |
| Accrued vacation | (15,713) | (20,030) |
| Government and other advances | (201,124) | 27,409 |
| Net Cash Provided by Operations | 1,132,424 | 509,539 |
| CASH FLOWS FROM INVESTING | | |
| Purchase of property and equipment | (681,958) | (937,027) |
| Cash interest and dividend Income on investments | 164,137 | 214,504 |
| Management fees on investments | (48,311) | (58,568) |
| Purchase of investments | (9,192,522) | (7,171,105) |
| Net transfers (to)/from the endowment | (392,679) | (211,271) |
| Sale of investments | 9,076,696 | 7,015,172 |
| Net Cash Used by Investing | (1,074,637) | (1,148,295) |
| CASH FLOWS FROM FINANCING | | |
| Foundation capital gifts | 64,469 | 88,012 |
| Bequests | 3,500 | - |
| Gifts to permanently restricted endowment | 128,250 | 211,200 |
| Net Cash Provided by Financing | 196,219 | 299,212 |
| NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS | 254,006 | (339,544) |
| Cash and equivalents - beginning of the year | 2,042,591 | 2,296,597 |
| CASH AND EQUIVALENTS - END OF YEAR | \$ 2,296,597 | \$ 1,957,053 |

The accompanying notes are an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Lenox Hill Neighborhood House, Inc. (the "Neighborhood House" or "Organization") is a 116 year-old community service organization located in New York City. Each year, the Organization provides assistance to over 20,000 people in need who live, work or attend school on the East Side of Manhattan. The Neighborhood House is the oldest and largest social service and educational organization on the Upper East Side. Founded in 1894 to provide free kindergarten for immigrant children, the Organization has greatly expanded the range of services it provides. Throughout, it has sought to help people in its community gain the skills necessary to better themselves. The Organization's service area extends from Fifth Avenue to the East River and from 14th Street to 143rd Street, as well as Roosevelt Island. Its principal programs serve children and families, homeless and formerly homeless adults, older adults, disabled persons, immigrants and adult learners. The Neighborhood House is a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code.

Basis of Presentation

The Neighborhood House's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

Revenue Recognition

The Neighborhood House receives its funding from city, state and federal government agencies ("Government Funds") and from private donors including individuals, estates, corporations, foundations and other not-for-profit entities ("Gifts"). Other than in the case of performance based contracts, Government Funds are recorded as revenue once we incur the expense to which they are related. In the case of performance based government contracts, revenue is recognized when the service associated with the revenue has been completed. Gifts are recorded as revenue when they are reported to the Organization and their amount becomes reasonably certain. Gifts are recorded as restricted if donors stipulate their use. When restrictions expire, temporarily restricted assets are reclassified as unrestricted and reported in the statement of activities as Net Assets Released from Restrictions. Gifts received with stipulations that do not expire are recorded as permanently restricted. Gifts to the endowment received with donor stipulations that do not expire are recorded as permanently restricted endowment assets in the "Permanent Endowment." The Permanent Endowment is retained in perpetuity to support the Neighborhood House's mission.

Contributed items are recorded at fair value. During the years ended June 30, 2009 and 2010, donated food having values of \$2,920 and \$10,158, respectively, and contributed professional services of \$140,752 and \$177,082, respectively, were received. These contributions are reflected as revenue and an equal expense in the period received. The value of non-professional time is not reflected in the financial statements as it does not meet the criteria for recognition.

Reimbursements from government agencies for prior years are occasionally adjusted in subsequent years due to audit adjustments or the receipt of additional monies over and above contract amounts. Income for services rendered between programs is recorded as revenue in the program that provides the service and as an expense in the program using the service. Such amounts have been eliminated in the financial statements. Non-operating revenue consists of gifts to endowment, capital gifts, bequests and investment income.

Accounts and Pledges Receivable

Allowances for uncollectible amounts are provided on accounts and pledges receivable when management deems appropriate. These amounts are based on management's assessment that the amounts will not be collected. At June 30, 2009 and 2010, allowances of \$24,647 and \$16,025, respectively, were booked against accounts receivable. No allowance against pledges receivable was believed necessary. The Organization does not discount to present value contributions that will be received in more than one year because it has deemed that discount to be immaterial.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Equivalents

Cash and equivalents include highly liquid instruments having maturities of 90 days or less. Long-term investments are recorded at fair value. Cash and equivalents in the endowment are treated as long term investments.

Property and Equipment

Property and equipment is reported at cost less accumulated depreciation. Property and equipment with a cost of \$5,000 or more and a useful life greater than one year is capitalized and depreciated over its estimated useful life utilizing the straight-line method. The cost basis of the Neighborhood House's fixed assets is being depreciated over the following useful lives as of June 30, 2010: \$15,610 over 3 years, \$1,288,472 over 5 years, \$36,607 over 7 years, \$1,368,925 over 10 years, \$3,477,248 over 15 years and \$544,514 over 20 years. When assets are retired or disposed of, their cost and accumulated depreciation is removed from the accounts and any gain or loss is reflected in operations.

If the cost of purchasing property and equipment is reimbursed by a governmental source, the expenditure is reflected as an expense and is not capitalized. Maintenance and repairs are charged to operations as incurred. Costs of betterments, which are not from a government source and materially extend the useful lives of property and equipment, are capitalized.

Allocation of Expenses

Because the Organization is a multi-program/multi-funded organization, certain costs have been allocated among programs and supporting functions as determined by management. Such allocations conform to those made in seeking funds from third party sources.

Recent Accounting Standards

The Organization adopted, for use as of July 1, 2008, Statement No. 157, *Fair Value Measurements* ("SFAS No. 157"), FASB Accounting Standards Codification ("ASC") Topic 820, which provides a framework for measuring fair value under generally accepted accounting principles. ASC 820 applies to all financial instruments that are being measured and reported on a fair value basis.

As defined in ASC 820, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Organization uses various methods including market, income and cost approaches. Based on these approaches, the Organization often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the input to the valuation technique. Based on the observability of the inputs used in the valuation techniques the Organization is required to provide the following information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- Level 1 - Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.
- Level 2 - Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third-party pricing services for identical or similar assets or liabilities.
- Level 3 - Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models or similar techniques, and not based on market exchange, dealer, or broker-traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Organization has adopted FASB Staff Position No. FAS 117-1 ("FSP No. FAS 117-1"), incorporated into ASC Topic 958-205, which provides guidance on the net asset classifications of donor-restricted endowment funds for a not-for-profit organization that is subject to the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). FSP No. FAS 117-1 also improves disclosure about the organization's endowment funds, whether or not the organization is subject to UPMIFA. As of June 30, 2010, UPMIFA had not been enacted in New York State. Therefore, the Organization has implemented only the disclosure guidance provided for in FSP No. FAS 117-1. Subsequent to June 30, 2010, UPMIFA was enacted by New York State with certain modifications.

Effective July 1, 2009, the Organization adopted the provisions of FASB Interpretation No. 48 ("FIN 48"), "Accounting for Uncertainties in Income Taxes – an interpretation of FASB Statement No. 109," now incorporated in ASC topic 740, which provide standards for establishing and classifying any tax provisions for uncertain tax positions. The adoption of FIN 48 did not have an effect on the Organization's financial position as of July 1, 2009 or the Organization's results of operations and cash flows for the year ended June 30, 2010. The Organization is no longer subject to federal or state and local income tax examinations by tax authorities for years before 2007.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the statement of financial position through November 18, 2010, the date the financial statements were available to be issued. No events have occurred subsequent to the statement of financial position date through November 18, 2010 that would require adjustment to or disclosure in the financial statements.

Reclassifications

Certain line items in the 2009 financial statements have been reclassified to conform with the 2010 presentation.

NOTE 2 - ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

| | At June 30, | |
|-----------------------------------|-------------------|---------------------|
| | 2009 | 2010 |
| Due from government agencies | \$ 763,919 | \$ 1,142,981 |
| Due from related parties (Note 8) | 54,653 | 19,646 |
| Special events | 17,495 | - |
| Other | 28,597 | 2,443 |
| Sub-total | 864,664 | 1,165,070 |
| Allowance for doubtful accounts | (24,647) | (16,025) |
| | <u>\$ 840,017</u> | <u>\$ 1,149,045</u> |

All amounts due from related parties were collected by July 31, 2009 and August 25, 2010, respectively.

NOTES TO FINANCIAL STATEMENTS

NOTE 3 - PLEDGES RECEIVABLE

Pledges outstanding were as follows:

| | At June 30, | |
|-------------------------|-------------------|-------------------|
| | 2009 | 2010 |
| Due in less than a year | \$ 215,494 | \$ 251,000 |
| Due in one to two years | 30,000 | - |
| | <u>\$ 245,494</u> | <u>\$ 251,000</u> |

NOTE 4 - LONG-TERM INVESTMENTS

Long-term investments, referred to by the Organization as its Endowment, consist of the following:

| | At June 30, | |
|-------------------------|---------------------|---------------------|
| | 2009 | 2010 |
| Cash and equivalents | \$ 517,443 | \$ 535,843 |
| Equities | 2,662,096 | 3,522,872 |
| Fixed Income | 3,885,538 | 3,619,529 |
| Mortgage and Bond Funds | - | 412,147 |
| | <u>\$ 7,065,077</u> | <u>\$ 8,090,391</u> |

Investments are subject to market fluctuations that could substantially change their values. Permanently restricted net assets at June 30, 2009 and 2010 were \$1,143,372 and \$1,486,312, all of which were included in long-term investments.

Investment activity consisted of the following:

| | Years Ended June 30, | |
|---------------------------------------|-----------------------|-------------------|
| | 2009 | 2010 |
| Interest and dividends | \$ 195,802 | \$ 210,182 |
| Realized gain/(loss) on investments | (233,364) | 66,610 |
| Unrealized gain/(loss) on investments | (1,114,173) | 595,819 |
| | (1,151,735) | 872,611 |
| Less Management fees | (48,311) | (58,568) |
| | <u>\$ (1,200,046)</u> | <u>\$ 814,043</u> |

Financial assets carried at fair value at June 30, 2009 are classified in the table as follows:

| | Level 1 | Level 2 | Total |
|------------------------------------|---------------------|-------------------|---------------------|
| Assets Carried at Fair Value | | | |
| Long-term Investments | | | |
| Equities | \$ 2,662,096 | \$ - | \$ 2,662,096 |
| Fixed Income | 2,925,704 | 959,834 | 3,885,538 |
| Total Assets Carried at Fair Value | <u>\$ 5,587,800</u> | <u>\$ 959,834</u> | <u>\$ 6,547,634</u> |

Financial assets carried at fair value at June 30, 2010 are classified in the table as follows:

| | Level 1 | Level 2 | Total |
|------------------------------------|---------------------|---------------------|---------------------|
| Assets Carried at Fair Value | | | |
| Long-term Investments | | | |
| Equities | \$ 3,522,872 | \$ - | \$ 3,522,872 |
| Fixed Income | 1,094,056 | 2,525,473 | 3,619,529 |
| Mortgage and Bond Funds | - | 412,147 | 412,147 |
| Total Assets Carried at Fair Value | <u>\$ 4,616,928</u> | <u>\$ 2,937,620</u> | <u>\$ 7,554,548</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 4 - LONG-TERM INVESTMENTS (Continued)

Level 1 instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets. Assets held in corporate bonds are designated as Level 2 since the determination of fair value is obtained from third-party pricing services for identical or similar assets or liabilities. The carrying amount of all other financial instruments approximates fair value because of their short maturity. There are no Level 3 assets.

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

| | At June 30, | | Estimated |
|--------------------------------|--------------|--------------|--------------|
| | 2009 | 2010 | Useful Lives |
| Land | \$ 164,999 | \$ 164,999 | - |
| Building | 499,481 | 499,481 | 50 years |
| Improvements | 5,355,978 | 5,733,394 | 3-20 years |
| Furniture and equipment | 436,721 | 498,501 | 5 years |
| Construction in progress | - | 497,830 | |
| | 6,457,179 | 7,394,205 | |
| Less: Accumulated depreciation | (3,084,870) | (3,619,100) | |
| Net book value | \$ 3,372,309 | \$ 3,775,105 | |

The Organization's headquarters at 331 East 70th Street in Manhattan was built in 1928. The building is fully depreciated. The Organization began construction of a new elevator in fiscal year 2010 which is expected to be completed during fiscal year 2011. Expenditures as of November 18, 2010, the date the financial statements were available to be issued, were \$1,048,966 and the project is estimated to cost approximately \$1,200,000.

NOTE 6 - PENSION PLANS

Union Plans

The Neighborhood House participates in union-sponsored, multiemployer pension plans with 1199SEIU National Healthcare Workers East and DC 1707. These plans are administered by the unions and contributions to them are set pursuant to contracts. The Organization has no present intention of withdrawing from either plan, nor has it been informed that there is any intention to terminate them. Pension expense for these plans for the years ended June 30, 2009 and 2010 of \$150,495 and \$160,559, respectively, is included in personnel expense.

Terminated Defined Benefit Plan

Through 2002, the Neighborhood House maintained a qualified defined benefit pension plan (the "Plan") covering eligible employees, as well as those of The Caring Neighbor, Inc. (a related not-for-profit organization). Effective December 31, 2002, the Plan was "frozen" and no further benefits were accrued under it. However, the Plan continued to be managed by the Neighborhood House to meet previously incurred liabilities. The Plan was terminated in December 2008. It had no remaining assets at June 30, 2009 or 2010.

NOTES TO FINANCIAL STATEMENTS

NOTE 6 - PENSION PLANS (Continued)

The funded status of the Neighborhood House Plan as of June 30, 2009 and 2010 are as follows:

| | <u>2009</u> | <u>2010</u> |
|---------------------------------------|------------------|-------------|
| Change in benefit obligation | | |
| Benefit obligation, beginning of year | \$ 401,094 | \$ - |
| Interest cost | 7,343 | - |
| Actuarial loss | 167,814 | - |
| Benefits paid | <u>(576,251)</u> | <u>-</u> |
| Benefit obligation, end of year | - | - |
| Fair value of Plan assets | <u>-</u> | <u>-</u> |
| Funded status | <u>\$ -</u> | <u>\$ -</u> |

The components of net periodic cost for the years ended June 30, 2009 and 2010 were as follows:

| | <u>2009</u> | <u>2010</u> |
|------------------------------|------------------|-------------|
| Service cost | \$ - | \$ - |
| Interest cost | 7,343 | - |
| Actual return on plan assets | 10,949 | - |
| Amortization of loss | 52,835 | - |
| Recognized actuarial gain | <u>(25,110)</u> | <u>-</u> |
| Net benefits costs | <u>\$ 46,017</u> | <u>\$ -</u> |

The amount recognized in unrestricted net assets for the Plan for the years ended June 30, 2009 and 2010 were as follows:

| | <u>2009</u> | <u>2010</u> |
|---|---------------------|-------------|
| Pension related changes other than net periodic pension costs | <u>\$ (140,089)</u> | <u>\$ -</u> |

Defined Contribution Plan

Effective January 2003, the Neighborhood House implemented a defined contribution 403(b) thrift plan covering eligible employees. Contributions to the 403(b) plan for the years ended June 30, 2009 and 2010 amounted to \$82,434 and \$86,083, respectively, representing 3% of eligible employees' compensation. The Neighborhood House made additional deferred compensation contributions to the 403(b) plan for certain key employees. For the years ended June 30, 2009 and 2010, these contributions, excluding applicable fringe benefit costs, totaled \$49,347 and \$47,500, respectively, and were paid in the subsequent fiscal years. All of these contributions are included in personnel expense on the statement of functional expenses.

NOTE 7 - CONTRIBUTIONS

Contributions, one component of private revenue, consisted of the following:

| | <u>Years Ended June 30,</u> | <u>2009</u> | <u>2010</u> |
|--------------------------|-----------------------------|---------------------|-------------|
| <u>Operating</u> | | | |
| Foundations | \$ 1,096,321 | \$ 1,331,778 | |
| Individuals and others | 720,301 | 617,820 | |
| Contributed services | <u>140,752</u> | <u>177,082</u> | |
| Sub-total | <u>1,957,374</u> | <u>2,126,680</u> | |
| <u>Non-operating</u> | | | |
| Endowment gifts | 128,250 | 211,200 | |
| Bequests | 3,500 | - | |
| Foundation capital gifts | <u>64,469</u> | <u>88,012</u> | |
| Sub-total | <u>196,219</u> | <u>299,212</u> | |
| TOTAL | <u>\$ 2,153,593</u> | <u>\$ 2,425,892</u> | |

NOTE 8 - RELATED PARTY TRANSACTIONS

The Neighborhood House contracts with The Caring Neighbor, Inc. ("TCN"), a related not-for-profit organization, to provide rental space and management services. TCN is a related party in that the majority of TCN's Board are also members of the Neighborhood House's Board. The Neighborhood House is not required to consolidate TCN because it does not have an economic interest in the organization. At June 30, 2009 and 2010, the Neighborhood House was due \$52,686 and \$19,646, respectively, from TCN. These amounts were collected by July 31, 2009 and August 25, 2010, respectively. For the years ended June 30, 2009 and 2010, the Neighborhood House recognized revenue of \$292,566 and \$248,096, respectively, which is included in Dues and Fees in the accompanying financial statements, for space rental and services rendered. The Board of Directors of TCN, in consultation with the Board of Directors of Lenox Hill Neighborhood House, decided in December 2008 not to apply to renew TCN's contract with the New York City Human Resources Administration. TCN has ceased to provide home care services and continues to wind down its operations so that it can permanently close.

The Neighborhood House is also related to Casa Mutua Limited Partnership (the "Partnership") through a common board member and senior management who function as the Board of Casa Mutua, Inc. (the "General Partner" of the Partnership) and as the Board of 159-161 East 102nd Street Housing Development Fund Corporation (the corporation that owns all of the Casa Mutua, Inc.'s stock). The Partnership was formed to acquire, rehabilitate, own, operate and lease low-income housing, containing 54 units in two buildings located at 159-161 East 102nd Street, New York, NY (the "Properties"). The Neighborhood House operates the Properties and the Partnership under a management agreement, which expires December 31, 2010 and automatically renews unless earlier terminated by the members of the Partnership not less than sixty days prior to the renewal date or under certain other conditions. The Neighborhood House expects the management agreement to be automatically renewed when it expires on December 31, 2010. The Partnership cannot transfer, sell, assign or otherwise dispose of the Properties without first offering it to the Neighborhood House for a price equal to the principal amount of all outstanding indebtedness secured by the Project, including any accrued interest and federal, state and local taxes. The right of first refusal is conditioned upon the Neighborhood House's agreement to maintain the Project for low-income use for at least 15 years. As of June 30, 2009, the Neighborhood House was owed \$1,967 by the Partnership which was subsequently collected by July 31, 2009. As of June 30, 2010, the Neighborhood House owed the Partnership \$12,863 which was subsequently paid by September 30, 2010.

David Wirtz, a member of the Neighborhood House Board of Directors, is an attorney who for many years has advised the Neighborhood House on employment and labor law matters on a discounted basis as a way of supporting its charitable mission. He is currently a shareholder of the law firm of Littler Mendelson, P.C. For the years ended June 30, 2009 and 2010, Mr. Wirtz and the law firm of which he is a part provided legal services to the Neighborhood House that had a fair market value of \$69,613 and \$97,943, respectively. Of these amounts, \$59,450 and \$84,768 were contributed services and \$10,163 and \$13,176 were billed and paid by the Neighborhood House in 2009 and 2010, respectively.

NOTE 9 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets in the statement of financial position are comprised of assets that are subject to donor restrictions by time or purpose. Net assets of \$2,094,593 and \$1,603,072 were released from donor restrictions during the years ended June 30, 2009 and 2010, respectively.

Net assets are temporarily restricted in the following ways:

| | At June 30, | |
|-----------------------|---------------------|-------------------|
| | 2009 | 2010 |
| For specific programs | \$ 993,703 | \$ 636,228 |
| For time periods | 60,000 | 180,000 |
| | <u>\$ 1,053,703</u> | <u>\$ 816,228</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 10 - ENDOWMENT

As one of its major organizational objectives, the Neighborhood House has in recent years sought to establish a significant pool of financial assets to serve as an endowment (the "Endowment"). The Endowment is comprised of two parts: 1) amounts covered by permanent donor restrictions (the "Permanently Restricted Endowment") and 2) funds set aside by the Board which are unencumbered by donor restrictions (the "Unrestricted Endowment"). The Unrestricted Endowment is intended to provide sustainable financial support for the Organization and, if deemed necessary, in an emergency as determined by the Board to cover a budget shortfall. In combination, these funds are referred to as the Endowment.

Unrestricted Endowment totaled \$5,921,705 and \$6,604,078 at June 30, 2009 and 2010, respectively. The Permanently Restricted Endowment was \$1,143,372 and \$1,486,312 at June 30, 2009 and 2010, respectively. Therefore, total Endowment was \$7,065,077 and \$8,090,391 on those dates.

For fiscal year 2010, the Neighborhood House interprets state law to require preservation of an endowment gift's historic value measured as of the gift date, absent explicit donor stipulations to the contrary. The policy for valuing the Neighborhood House's investments is described in Note 1.

The Neighborhood House's current investment policy for the Endowment is to invest in a mix of equity and fixed income securities based on a target allocation set periodically by the Board's Finance Committee. The objective is to preserve the "real" or inflation adjusted principal of the Endowment, to obtain relatively stable returns and to achieve long-term growth. The Neighborhood House focuses on total return, (capital gains (or losses) combined with interest and dividends).

Changes In Endowment During Fiscal Year 2009

| | <u>Unrestricted</u> | <u>Permanently Restricted</u> | <u>Total</u> |
|---|---------------------|-----------------------------------|---------------------|
| Endowment, beginning of year | \$ <u>6,674,750</u> | \$ <u>1,197,694</u> | \$ <u>7,872,444</u> |
| Contributions | - | 128,250 | 128,250 |
| Transfers from operating accounts - net | 264,429 | - | 264,429 |
| Investment activity | | | |
| Interest and dividends | 166,013 | 29,789 | 195,802 |
| Realized gain/(loss) | (197,861) | (35,503) | (233,364) |
| Unrealized gain/(loss) | (944,665) | (169,508) | (1,114,173) |
| Management fees | <u>(40,961)</u> | <u>(7,350)</u> | <u>(48,311)</u> |
| Sub-total | <u>(1,017,474)</u> | <u>(182,572)</u> | <u>(1,200,046)</u> |
| Total Changes | <u>(753,045)</u> | <u>(54,322)</u> | <u>(807,367)</u> |
| Endowment, end of year | \$ <u>5,921,705</u> | \$ <u>1,143,372</u> | \$ <u>7,065,077</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 10 - ENDOWMENT NET ASSETS (Continued)

Changes In Endowment During Fiscal Year 2010

| | <u>Unrestricted</u> | <u>Permanently Restricted</u> | <u>Total</u> |
|---|---------------------|-----------------------------------|---------------------|
| Endowment, beginning of year | \$ 5,921,705 | \$ 1,143,372 | \$ 7,065,077 |
| Contributions | - | 211,200 | 211,200 |
| Transfers from operating accounts - net | 71 | - | 71 |
| Investment activity | | | |
| Interest and dividends | 176,168 | 34,014 | 210,182 |
| Realized gain/(loss) | 55,830 | 10,780 | 66,610 |
| Unrealized gain/(loss) | 499,395 | 96,424 | 595,819 |
| Management fees | <u>(49,090)</u> | <u>(9,478)</u> | <u>(58,568)</u> |
| Sub-total | <u>682,303</u> | <u>131,740</u> | <u>814,043</u> |
| Total Changes | <u>682,374</u> | <u>342,940</u> | <u>1,025,314</u> |
| Endowment, end of year | \$ <u>6,604,079</u> | \$ <u>1,486,312</u> | \$ <u>8,090,391</u> |

Endowment net assets of \$7,065,077 and \$8,090,391 as of June 30, 2009 and 2010, respectively, are included in long-term investments in the accompanying statements of financial position. The value of long-term investments as of November 18, 2010 was \$8,856,489.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Various government agencies have the right to examine the books and records of the Neighborhood House in regard to transactions relating to contracts with those agencies. As of June 30, 2009 and 2010, respectively, the accompanying financial statements made provisions for disallowances related to contracts with various government agencies of \$9,621 and \$16,025, respectively - amounts which, in the opinion of management, are immaterial.

The Neighborhood House was required by federal regulation to grant the United States Department of Health and Human Services a beneficial ownership interest ("Federal Interest") of \$375,000 in its property at 331 East 70th Street as a condition for receiving federal funds to renovate its children's play roof. The Federal Interest began on February 1, 2007 and will expire at the termination of the Neighborhood House's Head Start contract or January 31, 2015, whichever is earlier. In the event the property is encumbered or used as collateral in connection with a loan during this period, the Federal Interest will always be subordinated to the interest of the lender.

The Neighborhood House leases space for the Lenox Hill Neighborhood House Senior Center at Saint Peter's Church. Rent expense amounted to \$30,360 and \$34,905 for the years ended June 30, 2009 and 2010, respectively. The lease terminates on June 30, 2016. The Neighborhood House is obligated under its lease with Saint Peter's Church to make the following annual rental payments:

| | |
|-------|-------------------|
| 2011 | \$ 30,360 |
| 2012 | 30,815 |
| 2013 | 30,815 |
| 2014 | 30,815 |
| 2015 | 30,815 |
| 2016 | <u>30,815</u> |
| Total | \$ <u>184,435</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 11 - COMMITMENTS AND CONTINGENCIES (Continued)

The agreement to use and occupy space at Saint Peter's Church terminates immediately if any one of the following events takes place: (1) the termination or expiration of the service agreement between the Neighborhood House and Saint Peter's Church to operate a Senior Center at Saint Peter's Church; (2) in the event that the space is totally destroyed by fire or another casualty; (3) the space is partially destroyed by fire or other casualty provided that notice is given within 20 days of the partial destruction and not less than 10 days prior to the termination date; (4) written notice is given by either Lenox Hill Neighborhood House or Saint Peter's Church to the other party at least 30 days prior to the current renewal term that the notifying party does not wish to renew the agreement; or (5) funding from the City of New York to operate the Senior Center ceases.

The Neighborhood House has a collective bargaining agreement with 1199SEIU National Healthcare Workers East. In addition, it is a pass through entity for a collective bargaining agreement between the City of New York and DC 1707. These agreements call for the provision of various wage levels and benefits to their members.

NOTE 12 - CONCENTRATIONS

At June 30, 2010, the Organization had cash on deposit with Chase in excess of the Federal Deposit Insurance Corporation's ("FDIC") limit by approximately \$2,039,000.

Effective October 3, 2008, the basic limit on FDIC insurance coverage was increased from \$100,000 to \$250,000 for interest bearing accounts and unlimited for non-interest bearing accounts. The unlimited protection is only available at insured depository institutions that continue to participate in the Transaction Account Guarantee ("TAG") program. The program is temporary and will remain in effect through December 31, 2010, unless extended by the FDIC.

Effective January 1, 2010, Chase opted out of the TAG program and, as such, the Organization's funds held in non-interest bearing transaction accounts with the bank are no longer guaranteed in full under the TAG program, but will be insured up to \$250,000 under the FDIC's general deposit insurance rules. However, beginning December 31, 2010 through December 31, 2012, deposits held in non-interest bearing accounts will be fully insured, regardless of the amount in the account, at all FDIC insured institutions.

LENOX HILL NEIGHBORHOOD HOUSE, INC.

GOVERNMENT AGENCIES

| | Years Ended June 30, | |
|--|----------------------|---------------------|
| | 2009 | 2010 |
| <u>NEW YORK CITY</u> | | |
| Department of Homeless Services | | |
| Women's Shelter at the Park Avenue Armory | \$ 2,310,863 | \$ 2,282,465 |
| Manhattan Outreach | 326,200 | 287,705 |
| Total | 2,637,063 | 2,570,170 |
| Administration for Children's Services | | |
| Early Childhood Center - Head Start | 921,091 | 1,036,896 |
| Early Childhood Center - Child Care | 507,001 | 501,937 |
| Early Childhood Center - Universal Pre-K | - | 321,222 |
| After School - Voucher Payments | 188,181 | 48,249 |
| Total | 1,616,273 | 1,908,305 |
| Department for the Aging | | |
| Project SCOPE | | |
| East Side Case Management Consortium | 1,341,780 | 1,272,330 |
| 70th Street Senior Center | 424,155 | 454,965 |
| Senior Center at Saint Peter's Church | 383,458 | 376,128 |
| HEP Program | 109,500 | - |
| SIMS Program | - | 191,131 |
| Transportation Services | 215,962 | 208,001 |
| Legal Advocacy & Organizing | 2,500 | - |
| Total | 2,477,355 | 2,502,555 |
| Department of Health and Mental Hygiene | | |
| Casa Mutua | 608,031 | 603,355 |
| Women's Shelter at the Park Avenue Armory | 119,955 | 119,031 |
| Geriatric Mental Health Initiative | 100,000 | 100,000 |
| Graduate Housing | 13,675 | 13,570 |
| Total | 841,661 | 835,956 |
| Department of Education (Universal Pre-K) | 369,087 | - |
| Department of Youth and Community Development | 110,000 | 110,000 |
| Department of Housing Preservation and Development | 9,313 | 9,314 |
| TOTAL NEW YORK CITY | 8,060,752 | 7,936,300 |
| <u>NEW YORK STATE</u> | | |
| Department of Labor | - | 16,000 |
| Dormitory Authority | - | 500,000 |
| Department of Health | | |
| Child and Adult Care Food Program (CACFP) | 107,630 | 131,594 |
| Facilitated Enrollment | 74,335 | 80,129 |
| Total | 181,965 | 211,723 |
| Office for the Aging (CARE) | 81,485 | 68,637 |
| Office of Temporary and Disability Assistance | 28,648 | 129,665 |
| Nutrition Outreach and Education Program | 81,081 | 77,820 |
| Office of Children and Family Services | 66,774 | 217,274 |
| New York State Interest on Lawyer Account Fund (IOLA) | 75,000 | 56,250 |
| Office of Court Administration (Civic Legal Services) | 18,750 | - |
| TOTAL NEW YORK STATE | 533,703 | 1,277,370 |
| <u>UNITED STATES OF AMERICA</u> | | |
| Department of Housing and Urban Development (East Side Homeless Network) | 223,202 | 324,883 |
| Department of Homeland Security (Emergency Food and Shelter Program) | 11,250 | 31,008 |
| TOTAL UNITED STATES OF AMERICA | 234,452 | 355,891 |
| TOTAL GOVERNMENT AGENCIES | \$ 8,828,907 | \$ 9,569,560 |

See independent auditors' report.