WESTCHESTER COMMUNITY OPPORTUNITY PROGRAM, INC. AND AFFILIATES

Consolidated Financial Statements and Audit Reports and Supplementary Information Related to Title 2 U.S. Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards For the Years Ended July 31, 2018 and 2017 With Independent Auditor’s Report
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Westchester Community Opportunity Program, Inc. and Affiliates

Report on the financial statements

We have audited the accompanying consolidated financial statements of Westchester Community Opportunity Program, Inc. and Affiliates (hereinafter collectively referred to as WestCOP and Affiliates), which comprise the consolidated statement of financial position as of July 31, 2018 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of WestCOP and Affiliates as of July 31, 2018, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other matters**

The consolidated financial statements of WestCOP and Affiliates for the year ended July 31, 2017 were audited by another auditor who expressed an unmodified opinion on those statements on April 11, 2018.

**Other information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information shown on pages 23 to 25, and the accompanying Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis, and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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, except for that portion marked “unaudited”, on which we express no opinion, is fairly stated, in all material respects, in relation to the consolidated 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 April 30, 2019 on our consideration of WestCOP and Affiliates’ internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of WestCOP and Affiliates’ internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering WestCOP and Affiliates’ internal control over financial reporting and compliance.

April 30, 2019
WESTCHESTER COMMUNITY OPPORTUNITY
PROGRAM, INC. AND AFFILIATES
Consolidated Statements of Financial Position
As of July 31, 2018 and 2017

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents (Notes 2 and 3)</td>
<td>$1,152,098</td>
<td>$798,101</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and contracts (Note 4)</td>
<td>2,582,748</td>
<td>2,546,163</td>
</tr>
<tr>
<td>Note receivable (Note 5)</td>
<td>315,100</td>
<td>335,341</td>
</tr>
<tr>
<td>Other</td>
<td>122,845</td>
<td>54,783</td>
</tr>
<tr>
<td>Pledges receivable</td>
<td>36,300</td>
<td>69,600</td>
</tr>
<tr>
<td>Prepaid expenses and security deposits</td>
<td>254,753</td>
<td>207,889</td>
</tr>
<tr>
<td>Property and equipment, net (Note 6)</td>
<td>2,749,591</td>
<td>3,004,207</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$7,213,435</strong></td>
<td><strong>$7,016,084</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued expenses (Note 7)</td>
<td>$2,131,486</td>
<td>$1,560,250</td>
</tr>
<tr>
<td>Accrued salaries, vacation and related payables (Note 8)</td>
<td>882,818</td>
<td>625,351</td>
</tr>
<tr>
<td>Due to Westchester County</td>
<td>-</td>
<td>48,440</td>
</tr>
<tr>
<td>Refundable advances (Note 9)</td>
<td>250,794</td>
<td>856,195</td>
</tr>
<tr>
<td>Line of credit payable (Note 10)</td>
<td>402,591</td>
<td>300,000</td>
</tr>
<tr>
<td>Mortgage payable (Note 11)</td>
<td>593,051</td>
<td>647,268</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>4,260,740</strong></td>
<td><strong>4,037,504</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net assets</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>2,911,382</td>
<td>2,878,461</td>
</tr>
<tr>
<td>Temporarily restricted (Note 14)</td>
<td>41,313</td>
<td>100,119</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>2,952,695</strong></td>
<td><strong>2,978,580</strong></td>
</tr>
</tbody>
</table>

| **Total liabilities and net assets** | **$7,213,435** | **$7,016,084** |

The accompanying notes are an integral part of these consolidated financial statements.
WESTCHESTER COMMUNITY OPPORTUNITY PROGRAM, INC. AND AFFILIATES
Consolidated Statements of Activities
For the Years Ended July 31, 2018 and 2017

<table>
<thead>
<tr>
<th>Revenue and income</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unrestricted</td>
<td>Temporarily Restricted</td>
</tr>
<tr>
<td><strong>Revenue and support</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$123,040</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Grants</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal</td>
<td>21,463,140</td>
<td>$ -</td>
</tr>
<tr>
<td>State</td>
<td>5,796,800</td>
<td>$ -</td>
</tr>
<tr>
<td>Local</td>
<td>6,633,009</td>
<td>$ -</td>
</tr>
<tr>
<td>Parents’ fees</td>
<td>251,422</td>
<td>$ -</td>
</tr>
<tr>
<td>Rental income</td>
<td>133,979</td>
<td>$ -</td>
</tr>
<tr>
<td>In-kind contributions (Note 2)</td>
<td>3,681,977</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Net assets released from restrictions</strong></td>
<td>$58,806</td>
<td>$(58,806)</td>
</tr>
<tr>
<td><strong>Total revenue and support</strong></td>
<td>38,142,173</td>
<td>$(58,806)</td>
</tr>
<tr>
<td><strong>Income from other sources</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>12,897</td>
<td>$ -</td>
</tr>
<tr>
<td>Special event (net of direct benefit to donor expenses of $36,583 and $47,545, respectively)</td>
<td>59,819</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Total income from other sources</strong></td>
<td>72,716</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Total revenue, support and income from other sources</strong></td>
<td>38,214,889</td>
<td>$(58,806)</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Early childhood</td>
<td>25,063,022</td>
<td>$ -</td>
</tr>
<tr>
<td>Foster grandparents</td>
<td>961,106</td>
<td>$ -</td>
</tr>
<tr>
<td>Victims assistance services</td>
<td>1,169,791</td>
<td>$ -</td>
</tr>
<tr>
<td>Energy</td>
<td>1,450,712</td>
<td>$ -</td>
</tr>
<tr>
<td>Community action partnerships</td>
<td>2,540,769</td>
<td>$ -</td>
</tr>
<tr>
<td>Employment and training</td>
<td>568,713</td>
<td>$ -</td>
</tr>
<tr>
<td>Veterans program</td>
<td>1,721,310</td>
<td>$ -</td>
</tr>
<tr>
<td>Other program</td>
<td>982,958</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Total program expenses</strong></td>
<td>34,458,381</td>
<td>$ -</td>
</tr>
<tr>
<td>Management and general</td>
<td>3,723,587</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>38,181,968</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Change in net assets</strong></td>
<td>32,921</td>
<td>$(58,806)</td>
</tr>
<tr>
<td><strong>Net assets, beginning of year</strong></td>
<td>$2,878,461</td>
<td>$100,119</td>
</tr>
<tr>
<td><strong>Net assets, end of year</strong></td>
<td>$2,911,382</td>
<td>$41,313</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.
WESTCHESTER COMMUNITY OPPORTUNITY
PROGRAM, INC. AND AFFILIATES
Consolidated Statements of Functional Expenses
For the Year Ended July 31, 2018

<table>
<thead>
<tr>
<th>Program Services</th>
<th>Early Childhood</th>
<th>Foster Grandparents</th>
<th>Victims Assistance Services</th>
<th>Community Action Partnerships</th>
<th>Employment and Training</th>
<th>Veterans Program</th>
<th>Other Programs</th>
<th>Total Program Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$12,182,560</td>
<td>$160,029</td>
<td>$820,797</td>
<td>$489,289</td>
<td>$696,974</td>
<td>$354,018</td>
<td>$627,652</td>
<td>$624,062</td>
</tr>
<tr>
<td>Participants' salaries and benefits</td>
<td>-</td>
<td>642,802</td>
<td>650</td>
<td>-</td>
<td>2,750</td>
<td>38,240</td>
<td>-</td>
<td>3,916</td>
</tr>
<tr>
<td>Payroll taxes and employee benefits</td>
<td>2,991,979</td>
<td>31,068</td>
<td>164,178</td>
<td>124,940</td>
<td>123,497</td>
<td>46,339</td>
<td>102,060</td>
<td>100,083</td>
</tr>
<tr>
<td>Total salaries and related expenses</td>
<td>15,174,539</td>
<td>833,899</td>
<td>985,625</td>
<td>614,229</td>
<td>823,221</td>
<td>438,597</td>
<td>729,712</td>
<td>728,061</td>
</tr>
<tr>
<td>Other than personnel cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional services (in-kind) (Note 2)</td>
<td>2,506,568</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Travel expenses</td>
<td>17,488</td>
<td>69,303</td>
<td>15,624</td>
<td>2,159</td>
<td>8,642</td>
<td>13,873</td>
<td>6,492</td>
<td>1,103</td>
</tr>
<tr>
<td>Training and conferences</td>
<td>109,694</td>
<td>14,396</td>
<td>23,054</td>
<td>24,399</td>
<td>25,290</td>
<td>11,900</td>
<td>13,800</td>
<td>1,545</td>
</tr>
<tr>
<td>Contractual fees and payments</td>
<td>1,619,584</td>
<td>-</td>
<td>50</td>
<td>-</td>
<td>1,358</td>
<td>44,063</td>
<td>83,761</td>
<td>19,845</td>
</tr>
<tr>
<td>Delegate contracts</td>
<td>1,700,868</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Space costs</td>
<td>1,826,719</td>
<td>12,074</td>
<td>71,481</td>
<td>81,152</td>
<td>291,779</td>
<td>3,500</td>
<td>78,093</td>
<td>44,329</td>
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<tr>
<td>Office supplies</td>
<td>111,637</td>
<td>938</td>
<td>19,869</td>
<td>5,272</td>
<td>38,825</td>
<td>1,163</td>
<td>16,924</td>
<td>42</td>
</tr>
<tr>
<td>Other program expenses</td>
<td>596,974</td>
<td>18,195</td>
<td>16,089</td>
<td>35,867</td>
<td>38,291</td>
<td>49,226</td>
<td>711,558</td>
<td>33,676</td>
</tr>
<tr>
<td>Weatherization materials/Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>82,043</td>
</tr>
<tr>
<td>Food</td>
<td>996,546</td>
<td>8,570</td>
<td>140</td>
<td>-</td>
<td>4,327</td>
<td>461</td>
<td>-</td>
<td>13,459</td>
</tr>
<tr>
<td>Equipment rental, maintenance and repairs</td>
<td>236,650</td>
<td>393</td>
<td>1,608</td>
<td>35,989</td>
<td>48,554</td>
<td>6,000</td>
<td>54,976</td>
<td>24,112</td>
</tr>
<tr>
<td>Communication</td>
<td>64,770</td>
<td>-</td>
<td>24,481</td>
<td>12,017</td>
<td>48,161</td>
<td>469</td>
<td>15,820</td>
<td>22,259</td>
</tr>
<tr>
<td>Insurance</td>
<td>151,005</td>
<td>1,756</td>
<td>1127</td>
<td>31,886</td>
<td>32,803</td>
<td>215</td>
<td>10,353</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interests expenses</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bad debt expense</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>19,580</td>
<td>1,582</td>
<td>10,643</td>
<td>2,474</td>
<td>6,109</td>
<td>-</td>
<td>21</td>
<td>12,382</td>
</tr>
<tr>
<td>Total expenses</td>
<td>$25,063,022</td>
<td>$961,106</td>
<td>$1,169,791</td>
<td>$1,450,712</td>
<td>$2,540,769</td>
<td>$568,713</td>
<td>$1,721,310</td>
<td>$982,958</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.
## Westchester Community Opportunity Program, Inc. and Affiliates

### Consolidated Statements of Functional Expenses

For the Year Ended July 31, 2018

<table>
<thead>
<tr>
<th>Support Services</th>
<th>Westchester Community Opportunity Program, Inc.</th>
<th>New Rochelle-Winthrop Housing Development Fund Corporation and 95 Winthrop Avenue Corporation</th>
<th>Westchester Community Support Services</th>
<th>Aunt Bessle’s Open Door, Inc.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Management and General</td>
<td>Total support</td>
<td>Total</td>
<td>Management and General</td>
<td>Management and General</td>
</tr>
<tr>
<td>Salaries</td>
<td>$1,904,154</td>
<td>$1,904,154</td>
<td>$17,859,535</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Participants’ salaries and benefits</td>
<td>3,100</td>
<td>3,100</td>
<td>691,458</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Payroll taxes and employee benefits</td>
<td>419,130</td>
<td>419,130</td>
<td>4,103,274</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total salaries and related expenses</strong></td>
<td>2,326,384</td>
<td>2,326,384</td>
<td>22,654,267</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other than personnel cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional services (in-kind) (Note 2)</td>
<td>-</td>
<td>-</td>
<td>3,681,977</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Travel expenses</td>
<td>1,528</td>
<td>1,528</td>
<td>136,212</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Training and conferences</td>
<td>34,899</td>
<td>34,899</td>
<td>258,977</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Contractual fees and payments</td>
<td>300,092</td>
<td>300,092</td>
<td>2,068,873</td>
<td>5,795</td>
<td>500</td>
</tr>
<tr>
<td>Delegate contracts</td>
<td>-</td>
<td>-</td>
<td>1,700,868</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Space costs</td>
<td>193,054</td>
<td>193,054</td>
<td>2,602,181</td>
<td>22,523</td>
<td>-</td>
</tr>
<tr>
<td>Office supplies</td>
<td>123,925</td>
<td>123,925</td>
<td>318,795</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other program expenses</td>
<td>49,057</td>
<td>49,057</td>
<td>1,457,935</td>
<td>491</td>
<td>-</td>
</tr>
<tr>
<td>Weatherization and materials/services</td>
<td>-</td>
<td>-</td>
<td>687,329</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Food</td>
<td>5,433</td>
<td>5,433</td>
<td>1,028,936</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Equipment rental, maintenance and repairs</td>
<td>63,252</td>
<td>63,252</td>
<td>469,534</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Communication</td>
<td>37,553</td>
<td>37,553</td>
<td>245,756</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Insurance</td>
<td>71,534</td>
<td>71,534</td>
<td>300,661</td>
<td>1,942</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>270,143</td>
<td>270,143</td>
<td>270,143</td>
<td>15,189</td>
<td>6,354</td>
</tr>
<tr>
<td>Interest expense</td>
<td>61,304</td>
<td>61,304</td>
<td>61,304</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bad debt expense</td>
<td>65,318</td>
<td>65,318</td>
<td>65,318</td>
<td>2,505</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>54,156</td>
<td>54,156</td>
<td>106,947</td>
<td>4,719</td>
<td>50</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>$3,657,632</td>
<td>$3,657,632</td>
<td>$38,116,014</td>
<td>$53,164</td>
<td>$12,791</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.
Westchester Community Opportunity Program, Inc.

Consolidated Statements of Functional Expenses
For the Year Ended July 31, 2017

<table>
<thead>
<tr>
<th>Program Services</th>
<th>Early Childhood</th>
<th>Foster Grandparents</th>
<th>Victims Assistance Services</th>
<th>Energy</th>
<th>Community Action Partnerships</th>
<th>Employment and Training</th>
<th>Veterans Program</th>
<th>Other Programs</th>
<th>Total Program Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Program Services</td>
<td>25,761,775</td>
<td>973,661</td>
<td>1,094,456</td>
<td>1,656,587</td>
<td>2,353,590</td>
<td>633,762</td>
<td>1,821,478</td>
<td>946,995</td>
<td>35,242,304</td>
</tr>
<tr>
<td>Salaries</td>
<td>12,254,073</td>
<td>172,663</td>
<td>762,428</td>
<td>539,994</td>
<td>790,802</td>
<td>319,469</td>
<td>608,368</td>
<td>531,440</td>
<td>15,979,237</td>
</tr>
<tr>
<td>Participants' salaries</td>
<td>-</td>
<td>658,624</td>
<td>350</td>
<td>-</td>
<td>300</td>
<td>55,655</td>
<td>-</td>
<td>6,940</td>
<td>721,869</td>
</tr>
<tr>
<td>Payroll taxes and</td>
<td>3,016,070</td>
<td>37,649</td>
<td>148,512</td>
<td>145,891</td>
<td>143,743</td>
<td>48,698</td>
<td>108,103</td>
<td>124,511</td>
<td>3,773,177</td>
</tr>
<tr>
<td>Other than personnel cost</td>
<td>2,802,981</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>901,549</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,704,530</td>
</tr>
<tr>
<td>Travel expenses</td>
<td>17,219</td>
<td>44,956</td>
<td>13,223</td>
<td>131</td>
<td>5,538</td>
<td>11,866</td>
<td>-</td>
<td>8,828</td>
<td>132,908</td>
</tr>
<tr>
<td>Training and conferences</td>
<td>120,608</td>
<td>8,978</td>
<td>32,304</td>
<td>18,943</td>
<td>19,592</td>
<td>-</td>
<td>17,240</td>
<td>7,826</td>
<td>225,491</td>
</tr>
<tr>
<td>Contractual fees and</td>
<td>1,852,052</td>
<td>-</td>
<td>803</td>
<td>1,843</td>
<td>3,919</td>
<td>125,000</td>
<td>137,325</td>
<td>11,197</td>
<td>1,932,139</td>
</tr>
<tr>
<td>Delegate contracts</td>
<td>1,701,544</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,701,544</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Space costs</td>
<td>1,800,522</td>
<td>17,443</td>
<td>63,259</td>
<td>90,761</td>
<td>222,680</td>
<td>500</td>
<td>79,648</td>
<td>83,667</td>
<td>2,358,480</td>
</tr>
<tr>
<td>Office supplies</td>
<td>60,174</td>
<td>5,494</td>
<td>6,908</td>
<td>7,833</td>
<td>103,517</td>
<td>492</td>
<td>11,282</td>
<td>2,193</td>
<td>197,893</td>
</tr>
<tr>
<td>Other program expenses</td>
<td>718,333</td>
<td>15,636</td>
<td>7,858</td>
<td>233</td>
<td>17,371</td>
<td>69,801</td>
<td>758,476</td>
<td>58,106</td>
<td>1,645,814</td>
</tr>
<tr>
<td>Weatherization and</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>764,664</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>776,100</td>
</tr>
<tr>
<td>Food</td>
<td>971,514</td>
<td>63</td>
<td>157</td>
<td>-</td>
<td>1,284</td>
<td>85</td>
<td>-</td>
<td>33,889</td>
<td>1,006,992</td>
</tr>
<tr>
<td>Equipment rental,</td>
<td>301,969</td>
<td>724</td>
<td>4,296</td>
<td>39,155</td>
<td>47,965</td>
<td>200</td>
<td>58,881</td>
<td>4,913</td>
<td>458,105</td>
</tr>
<tr>
<td>maintenance and repairs</td>
<td>113,458</td>
<td>2,571</td>
<td>27,974</td>
<td>13,692</td>
<td>46,279</td>
<td>415</td>
<td>17,067</td>
<td>18,993</td>
<td>241,492</td>
</tr>
<tr>
<td>Communication</td>
<td>188,151</td>
<td>4,227</td>
<td>1,554</td>
<td>32,096</td>
<td>43,632</td>
<td>538</td>
<td>16,206</td>
<td>1,101</td>
<td>287,504</td>
</tr>
<tr>
<td>Depreciation and</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>amortization</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interests expenses</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bad debt expense</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>43,107</td>
<td>4,633</td>
<td>24,828</td>
<td>1,351</td>
<td>5,420</td>
<td>54</td>
<td>19,636</td>
<td>99,029</td>
<td>99,029</td>
</tr>
<tr>
<td>Total expenses</td>
<td>$ 25,761,775</td>
<td>$ 973,661</td>
<td>$ 1,094,456</td>
<td>$ 1,656,587</td>
<td>$ 2,353,590</td>
<td>$ 633,762</td>
<td>$ 1,821,478</td>
<td>$ 946,995</td>
<td>$ 35,242,304</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.
WESTCHESTER COMMUNITY OPPORTUNITY PROGRAM, INC. AND AFFILIATES
Consolidated Statements of Functional Expenses (continued)
For the Year Ended July 31, 2017

<table>
<thead>
<tr>
<th>Management and General</th>
<th>Total support Services</th>
<th>Total</th>
<th>New Rochelle-Winthrop Housing Development Fund Corporation and 95 Winthrop Avenue Corporation Management and General</th>
<th>Westchester Community Holding Corporation Management and General</th>
<th>Aunt Bessle's Open Door, Inc.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries $1,808,894</td>
<td>$1,808,894</td>
<td>$17,788,131</td>
<td>$45,040</td>
<td>-</td>
<td>-</td>
<td>$17,833,171</td>
</tr>
<tr>
<td>Participants' salaries and benefits</td>
<td>-</td>
<td>-</td>
<td>721,869</td>
<td>-</td>
<td>-</td>
<td>721,869</td>
</tr>
<tr>
<td>Payroll taxes and employee benefits 371,380</td>
<td>371,380</td>
<td>4,144,557</td>
<td>-</td>
<td>-</td>
<td>4,144,557</td>
<td></td>
</tr>
<tr>
<td>Total salaries and related expenses 2,180,274</td>
<td>2,180,274</td>
<td>22,654,557</td>
<td>45,040</td>
<td>-</td>
<td>-</td>
<td>22,699,597</td>
</tr>
<tr>
<td>Professional services (in-kind) (Note 2)</td>
<td>-</td>
<td>-</td>
<td>3,704,530</td>
<td>-</td>
<td>-</td>
<td>3,704,530</td>
</tr>
<tr>
<td>Travel expenses 1,419</td>
<td>1,419</td>
<td>134,327</td>
<td>-</td>
<td>-</td>
<td>134,327</td>
<td></td>
</tr>
<tr>
<td>Training and conferences</td>
<td>-</td>
<td>-</td>
<td>225,491</td>
<td>-</td>
<td>-</td>
<td>225,491</td>
</tr>
<tr>
<td>Contractual fees and payments 292,688</td>
<td>292,688</td>
<td>2,224,827</td>
<td>15,457</td>
<td>1,700</td>
<td>-</td>
<td>2,241,984</td>
</tr>
<tr>
<td>Delegate contracts</td>
<td>-</td>
<td>-</td>
<td>1,701,544</td>
<td>-</td>
<td>-</td>
<td>1,701,544</td>
</tr>
<tr>
<td>Space costs 156,254</td>
<td>156,254</td>
<td>2,514,734</td>
<td>25,684</td>
<td>3,029</td>
<td>-</td>
<td>2,543,447</td>
</tr>
<tr>
<td>Office supplies 52,364</td>
<td>52,364</td>
<td>250,257</td>
<td>-</td>
<td>-</td>
<td>250,257</td>
<td></td>
</tr>
<tr>
<td>Other program expenses</td>
<td>-</td>
<td>-</td>
<td>1,645,814</td>
<td>-</td>
<td>-</td>
<td>1,645,814</td>
</tr>
<tr>
<td>Weatherization and materials/services</td>
<td>-</td>
<td>-</td>
<td>776,100</td>
<td>-</td>
<td>-</td>
<td>776,100</td>
</tr>
<tr>
<td>Food</td>
<td>-</td>
<td>-</td>
<td>1,006,992</td>
<td>-</td>
<td>-</td>
<td>1,006,992</td>
</tr>
<tr>
<td>Equipment rental, maintenance and repairs 62,201</td>
<td>62,201</td>
<td>520,306</td>
<td>-</td>
<td>-</td>
<td>520,306</td>
<td></td>
</tr>
<tr>
<td>Communication 17,877</td>
<td>17,877</td>
<td>259,369</td>
<td>-</td>
<td>-</td>
<td>259,369</td>
<td></td>
</tr>
<tr>
<td>Insurance 43,154</td>
<td>43,154</td>
<td>330,658</td>
<td>2,773</td>
<td>1,330</td>
<td>-</td>
<td>334,761</td>
</tr>
<tr>
<td>Depreciation and amortization 287,517</td>
<td>287,517</td>
<td>15,189</td>
<td>6,215</td>
<td>-</td>
<td>-</td>
<td>308,921</td>
</tr>
<tr>
<td>Interests expenses 61,893</td>
<td>61,893</td>
<td>61,893</td>
<td>-</td>
<td>-</td>
<td>61,893</td>
<td></td>
</tr>
<tr>
<td>Bad debt expense 65,235</td>
<td>65,235</td>
<td>65,235</td>
<td>-</td>
<td>-</td>
<td>65,235</td>
<td></td>
</tr>
<tr>
<td>Other 9,082</td>
<td>9,082</td>
<td>108,111</td>
<td>8,375</td>
<td>903</td>
<td>-</td>
<td>117,389</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>$3,229,958</strong></td>
<td><strong>$3,229,958</strong></td>
<td><strong>$38,472,262</strong></td>
<td><strong>$112,518</strong></td>
<td><strong>$13,177</strong></td>
<td><strong>$38,597,957</strong></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.
WESTCHESTER COMMUNITY OPPORTUNITY
PROGRAM, INC. AND AFFILIATES
Consolidated Statements of Cash Flows
Years Ended July 31, 2018 and 2017

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOWS FROM OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$(25,885)</td>
<td>$67,724</td>
</tr>
<tr>
<td>Adjustment to reconcile change in net assets to net cash provided by operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bad debt expense</td>
<td>67,823</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>291,686</td>
<td>308,921</td>
</tr>
<tr>
<td>(Increase) decrease in assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and contracts receivable</td>
<td>(71,108)</td>
<td>225,751</td>
</tr>
<tr>
<td>Note receivable</td>
<td>20,241</td>
<td>22,222</td>
</tr>
<tr>
<td>Accounts receivable - others</td>
<td>(68,062)</td>
<td>(17,835)</td>
</tr>
<tr>
<td>Pledges receivable</td>
<td>-</td>
<td>13,500</td>
</tr>
<tr>
<td>Prepaid expenses and security deposits</td>
<td>(46,864)</td>
<td>123,439</td>
</tr>
<tr>
<td><strong>Increase (decrease) in liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>571,236</td>
<td>(49,450)</td>
</tr>
<tr>
<td>Accrued salaries, vacation and related payables</td>
<td>257,467</td>
<td>(217,830)</td>
</tr>
<tr>
<td>Due to Westchester County</td>
<td>(48,440)</td>
<td>(58,128)</td>
</tr>
<tr>
<td>Refundable advances</td>
<td>(605,401)</td>
<td>79,072</td>
</tr>
<tr>
<td><strong>Net cash provided by operating activities</strong></td>
<td>342,693</td>
<td>497,386</td>
</tr>
</tbody>
</table>

| **CASH FLOWS FROM INVESTING ACTIVITIES** |             |            |
| Property and equipment acquisitions   | (37,070)    | (63,690)   |
| **Net cash used in investing activities** | (37,070)    | (63,690)   |

| **CASH FLOWS FROM FINANCING ACTIVITIES** |             |            |
| Receipt of loan proceeds from line of credit payable | 552,591 | (120,000) |
| Payment of line of credit payable          | (450,000)  | -          |
| Payments of mortgage principal            | (54,217)   | (51,546)   |
| **Net cash provided by (used in) financing activities** | 48,374    | (171,546) |

Net increase in cash and cash equivalents 353,997 262,150

Cash and cash equivalents, beginning of year 798,101 535,951

**Cash and cash equivalents, end of year**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$ 1,152,098</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest paid</td>
<td>$61,304</td>
<td>$61,893</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.
NOTE 1  NATURE OF THE ORGANIZATIONS

Westchester Community Opportunity Program, Inc. (WestCOP) was originally founded in the County of Westchester in 1965. WestCOP's mission is to mobilize and efficiently manage resources through partnerships and collaborations to help the low-income and at-risk populations in the Hudson Valley region to achieve greater self-sufficiency.

New Rochelle-Winthrop Housing Development Fund Corporation and 95 Winthrop Avenue Corporation (NR-Winthrop) were both incorporated in 1994. The principal purpose of NR-Winthrop is to develop a non-profit housing project for low-income persons.

Westchester Community Holding Corporation (Holding) was incorporated on November 13, 1979, under the Not-For-Profit Corporation Law of the State of New York and was formed solely to purchase and hold real estate for use by WestCOP.

Aunt Bessie's Open Door, Inc. (ABOD) was formed to hold and maintain real and personal property for the benefit of WestCOP. Properties obtained by ABOD are intended to be used as locations for the operations of WestCOP's various programs. A certificate of amendment filed on October 10, 1972, changed the name of Aunt Bessie's Open Door, Inc., to Aunt Bessie's Open Door Day Care Center, Inc. (also referred to herein as ABOD).

All entities are referred to as WestCOP and Affiliates.

NOTE 2  SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements as of July 31, 2018 and 2017 include the accounts of WestCOP and Affiliates. All intercompany transactions have been eliminated.

Basis of Presentation

The consolidated financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

WestCOP and Affiliates are required to report information regarding their consolidated financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, which are discussed below:
NOTE 2  SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation (continued)

_Unrestricted net assets_ - Consists of net assets that are neither permanently nor temporarily restricted by donor-imposed stipulations.

_Temporarily restricted net assets_ - Consists of net assets whose use by the organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the organization. The temporarily restricted assets include all revenues and contributions designated by donors for program activities.

_Permanently restricted net assets_ - Consists of net assets whose use by the organization is subject to donor-imposed stipulations that the funds be maintained in perpetuity and only the income earned from the investment of such funds be released from restrictions and used in WestCOP’s operations.

As of July 31, 2018, WestCOP and Affiliates have no permanently restricted net assets.

Revenue and Support

WestCOP and Affiliates receive federal, state and local government grants when eligible costs to be reimbursed are incurred and claimed in compliance with grantors’ requirements or when performance requirements stipulated in the grants and contracts are achieved and the related amounts are claimed by WestCOP and Affiliates. Under certain government grants, WestCOP and Affiliates are reimbursed based on units of service multiplied by an established billing rate. Such rates are subject to change and adjustment based on review by the government agencies responsible for such funding. Refundable advances represent advances received for future services. Estimates of any potential audit disallowances or other funding adjustments are reflected as liabilities due to the funders.

Parents’ fees and rental income are recorded as revenue in the period earned.

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending upon the existence and/or nature of any donor restrictions. Temporarily restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions.

Unconditional promises to give cash or other assets that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. At July 31, 2018 and 2017, pledges receivable are expected to be collected within the next fiscal year.
NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributed Services and Property

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, that 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 services are provided.

In-Kind Contributions

In-kind contributions represent contributed services, goods or property from non-federal sources, required as matches under government contracts. These contributions are recorded at their estimated fair value and are reflected in the consolidated financial statements as revenues and expenses in the period received. For the years ended July 31, 2018 and 2017, additional in-kind contributions for volunteer services totaling $615,040 and $1,030,424, respectively, were not reflected in the consolidated financial statements because they did not satisfy the recognition criteria in accordance with U.S. GAAP requirements.

Cash and Cash Equivalents

For financial statement purposes, WestCOP and Affiliates consider all cash and other highly liquid instruments with original maturities of three months or less to be cash equivalents.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is recorded on the straight-line method over their estimated useful lives. Building and leasehold improvements are amortized over the shorter of the estimated useful lives of the improvements or the terms of the leases.

Functional Expenses Allocation

The costs of providing for WestCOP and Affiliates' programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services that benefited.
NOTE 2  SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Vacation and Sick Leaves

Employees are granted vacation leave as per the policy of the WestCOP or as per the provisions of the grant agreements. WestCOP recognizes vacation pay when earned and sick pay when used as an expenditure.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

WestCOP, NR-Winthrop and ABOD are not-for-profit entities that are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Holding is a not-for-profit entity that is exempt from income taxes under Section 501(c)(2) of the Internal Revenue Code.

WestCOP and Affiliates have evaluated the recognition requirements for uncertain income tax positions as required by U.S. GAAP, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. Accordingly, WestCOP and Affiliates have not recorded any reserves or related accruals for interest and penalties for uncertain income tax positions at July 31, 2018 and 2017.

WestCOP and Affiliates are subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Periods ended July 31, 2014 and subsequent years remain open to examination to applicable taxing authorities.
NOTE 2  SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recently Issued Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities. The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled “net assets without donor restrictions” and "net assets with donor restrictions," (b) modifying the presentation of endowment funds and related disclosures, (c) requiring the use of the placed in service approach to recognize the expirations of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, (d) requiring that all nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (f) presenting investment return net of external and direct internal expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. The ASU is effective for WestCOP and Affiliates’ consolidated financial statements for the year ending July 31, 2019. The provisions of the ASU must be applied on a retrospective basis for all years presented although certain optional practical expedients are available for periods prior to adoption. Management is currently evaluating the impact of this ASU on the consolidated financial statements.

The FASB issued its new lease accounting guidance in ASU No. 2016-02, Leases (Topic 842). Under the new guidance, lessees will be required to recognize the following for all leases (with the exception of short-term leases) at the commencement date: (a) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and (b) a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. Under the new guidance, lessor accounting is largely unchanged. Certain targeted improvements were made to align, where necessary, lessor accounting with the lessee accounting model and ASU 2014-09, Revenue from Contracts with Customers (Topic 606). The amendments are effective for WestCOP and Affiliates’ fiscal year ending July 31, 2021, with early adoption permitted. This ASU will impact the accounting for lease arrangements when adopted.
NOTE 2  SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recently Issued Accounting Pronouncements (continued)

The FASB also issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606), which requires additional disclosures pertaining to qualitative and quantitative disaggregation of revenue into categories that explain how revenue and cash flows are impacted by economic factors, information about contract balances and discussion of remaining performance obligations. The scope of this ASU excludes contributions and collaborative arrangements since they are not viewed to be contracts with customers. The key principle of the guidance is to recognize revenue to reflect the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The amendments are effective for WestCOP and Affiliates’ fiscal year ending July 31, 2020, with early adoption permitted. This ASU is relevant the accounting for WestCOP and Affiliates’ revenue other than contributions and investment income when it is adopted.

The FASB also issued ASU 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made, which provides a more robust framework for determining whether a transaction should be accounted for as a contribution or exchange transaction. Organizations would have to evaluate whether the resource provider is receiving value in return for the resources transferred. If the resource provider is not itself receiving commensurate value for the resources provided, the organization would have to determine whether a transfer of assets represents a payment from a third-party payer on behalf of an existing exchange transaction between the recipient and an identified customer. In such circumstances, other guidance, such as the revenue recognition standard (Accounting Standards Codification 606) would apply. The amendments are effective for WestCOP and Affiliates’ fiscal year ending July 31, 2020, with early adoption permitted.

NOTE 3  CASH AND CASH EQUIVALENTS

As of July 31, the account consists of:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petty cash</td>
<td>$7,940</td>
<td>$5,990</td>
</tr>
<tr>
<td>Checking and operating accounts</td>
<td>805,188</td>
<td>513,890</td>
</tr>
<tr>
<td>Other program cash accounts</td>
<td>338,970</td>
<td>278,221</td>
</tr>
<tr>
<td></td>
<td>$1,152,098</td>
<td>$798,101</td>
</tr>
</tbody>
</table>
NOTE 3  CASH AND CASH EQUIVALENTS (continued)

As of July 31, 2018 and 2017, WestCOP and Affiliates maintained cash balances with financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) limit of $250,000 per bank, per depositor. Uninsured bank account cash balances as at July 31, 2018 and 2017 amounted to $500,516 and $154,111, respectively.

NOTE 4  ACCOUNTS RECEIVABLE - GRANTS AND CONTRACTS

As of July 31, the account consisted of:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government agencies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal agencies</td>
<td>$232,307</td>
<td>$615,763</td>
</tr>
<tr>
<td>State of New York</td>
<td>612,123</td>
<td>352,864</td>
</tr>
<tr>
<td>Counties and municipalities</td>
<td>1,725,300</td>
<td>1,565,476</td>
</tr>
<tr>
<td>Subtotal</td>
<td>2,569,730</td>
<td>2,534,103</td>
</tr>
<tr>
<td>Parent’s fees</td>
<td>13,018</td>
<td>12,060</td>
</tr>
<tr>
<td></td>
<td>$2,582,748</td>
<td>$2,546,163</td>
</tr>
</tbody>
</table>

NOTE 5  NOTE RECEIVABLE

Note receivable represents a term loan receivable from the Hispanic Resource Center of Larchmont/Mamaroneck Inc. The borrower shall pay interest on the outstanding principal balance of this note at the rate per annum equal to 4%. Commencing on July 1, 2015 and continuing on the 1st day of each consecutive month, the borrower shall make 59 consecutive monthly payments of interest and principal in the amount of $2,773.83, with the then entire unpaid principal balance of this loan plus accrued interest due at maturity date of May 29, 2020.
NOTE 6  PROPERTY AND EQUIPMENT

As of July 31, the account consisted of:

<table>
<thead>
<tr>
<th>Estimated Useful Lives</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>-</td>
<td>$285,400</td>
</tr>
<tr>
<td>Buildings</td>
<td>30 to 40 years</td>
<td>3,521,492</td>
</tr>
<tr>
<td>Building improvements</td>
<td>30 to 40 years</td>
<td>731,070</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>Lease terms</td>
<td>843,817</td>
</tr>
<tr>
<td>Vehicles</td>
<td>5 years</td>
<td>1,364,541</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>5 years</td>
<td>5,400</td>
</tr>
<tr>
<td>Equipment and computers</td>
<td>5 years</td>
<td>1,052,847</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>7,804,567</td>
</tr>
<tr>
<td>Less: Accumulated depreciation</td>
<td>(5,054,976)</td>
<td>(4,763,290)</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>$2,749,591</td>
<td>$3,004,207</td>
</tr>
</tbody>
</table>

NOTE 7  ACCOUNTS PAYABLE AND ACCRUED EXPENSES

This account represents unpaid obligations from operations as of July 31, 2018 and 2017 of $2,131,486 and $1,560,250, respectively. These obligations represent goods or services billed to and received by WestCOP and Affiliates as of the end of the fiscal years.

As of the date of this report, $1,755,123 and $1,201,140 of the liabilities as of July 31, 2018 and 2017 have been paid.

NOTE 8  ACCRUED SALARIES, VACATION AND RELATED PAYABLES

As of July 31, the account consisted of:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued compensation</td>
<td>$641,018</td>
<td>$388,545</td>
</tr>
<tr>
<td>Accrued vacation</td>
<td>240,250</td>
<td>231,081</td>
</tr>
<tr>
<td>Pension contributions</td>
<td>1,550</td>
<td>646</td>
</tr>
<tr>
<td>Other payroll liabilities</td>
<td>-</td>
<td>5,079</td>
</tr>
<tr>
<td>Total</td>
<td>$882,818</td>
<td>$625,351</td>
</tr>
</tbody>
</table>
NOTE 9  REFUNDABLE ADVANCES

WestCOP is the recipient of grants that require expenditure for specified activities before the organization is reimbursed by the grantor for the costs incurred. Documentation showing actual costs expended is included when submitting a monthly or quarterly report for reimbursement. Certain grantors pay in advance of incurring the specified costs. In those cases, the amount received in excess of amounts spent on reimbursable costs is reported as refundable costs. As at July 31, 2018 and 2017, respectively, refundable advances totaled $250,794 and $856,195, respectively.

NOTE 10  LINE OF CREDIT PAYABLE

As at July 31, 2018 and 2017, WestCOP had a business revolving line of credit of $800,000 with TD Bank. During the years ended July 31, 2018 and 2017, there were drawdowns made against the revolving credit line with TD Bank. The outstanding line of credit drawn with TD Bank as of July 31, 2018 and 2017 amounted to $402,591 and $300,000, respectively.

The terms under the TD Bank credit facility are as follows:

- Proceeds from credit line will be used to provide additional working capital. The facility is renewable each April with interest only due monthly. The interest rate shall be based on the Wall Street Journal Prime Rate.

- The first UCC-1 filing on the Business Assets of the Borrower, excluding all assets and equipment belonging to or associated with the Federal Head Start Program, was given as collateral to secure the performance and payment of all obligations respecting the Credit Accommodations.

- There were no required financial covenants with regards to the credit facility.

NOTE 11  MORTGAGES PAYABLE

On August 1, 2009, WestCOP obtained a mortgage on its Toddlers Park property in the amount of $361,353. The mortgage with Helen Belton is payable in monthly installments, which commenced September 1, 2009, with the final payment due on August 31, 2019. Monthly installments are applied first to interest at the rate of 4.5% and the balance thereof on the account of principal. As of July 31, 2018 and 2017, the outstanding mortgage balance was $47,431 and $89,211, respectively.
NOTE 11  MORTGAGES PAYABLE (continued)

On March 7, 2008, WestCOP obtained a mortgage on its Mount Vernon property in the amount of $640,000. The mortgage with the Community Preservation Corporation is payable in 360 monthly installments which commenced on May 1, 2008, with the final payment due on April 1, 2038. Monthly installments are applied first to interest calculated on the outstanding principal balance at the per annum rate of 6.97% and the remainder is applied toward the principal. As of July 31, 2018, and 2017, the outstanding mortgage balance was $545,620 and $558,057, respectively.

Principal payments remaining for the mortgages payable are as follows:

<table>
<thead>
<tr>
<th>Year Ending July 31,</th>
<th>Toddler’s Park Property</th>
<th>Mount Vernon Property</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$ 43,700</td>
<td>$ 13,331</td>
<td>$ 57,031</td>
</tr>
<tr>
<td>2020</td>
<td>3,731</td>
<td>14,291</td>
<td>18,022</td>
</tr>
<tr>
<td>2021</td>
<td>-</td>
<td>15,319</td>
<td>15,319</td>
</tr>
<tr>
<td>2022</td>
<td>-</td>
<td>16,422</td>
<td>16,422</td>
</tr>
<tr>
<td>2023</td>
<td>-</td>
<td>17,604</td>
<td>17,604</td>
</tr>
<tr>
<td>2024 and thereafter</td>
<td>-</td>
<td>468,653</td>
<td>468,653</td>
</tr>
<tr>
<td></td>
<td>$ 47,431</td>
<td>$ 545,620</td>
<td>$ 593,051</td>
</tr>
</tbody>
</table>

NOTE 12  PENSION PLAN

WestCOP has a defined contribution pension plan covering those full-time employees 21 years of age and older who have completed at least one year of service. WestCOP’s employer contribution to the plan was 4% of eligible salaries for the years ended July 31, 2018 and 2017. Pension expense for the years ended July 31, 2018 and 2017 was $356,739 and $374,185, respectively.

NOTE 13  OPERATING LEASE COMMITMENTS

WestCOP leases buildings for use in their programs under operating leases. Rental expense for the years ended July 31, 2018 and 2017 was $1,530,508 and $1,505,581, respectively.
NOTE 13 OPERATING LEASE COMMITMENTS (continued)

The minimum rental payments for leases expiring at various dates are as follows:

<table>
<thead>
<tr>
<th>Year Ending July 31,</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$1,328,586</td>
</tr>
<tr>
<td>2020</td>
<td>617,117</td>
</tr>
<tr>
<td>2021</td>
<td>504,280</td>
</tr>
<tr>
<td>2022</td>
<td>325,795</td>
</tr>
<tr>
<td>2023</td>
<td>307,890</td>
</tr>
<tr>
<td>2024 and thereafter</td>
<td>267,394</td>
</tr>
<tr>
<td></td>
<td>$3,351,062</td>
</tr>
</tbody>
</table>

NOTE 14 TEMPORARILY RESTRICTED NET ASSETS

As of July 31, temporarily restricted net assets are available for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community action program activities</td>
<td>$0</td>
<td>$13,528</td>
</tr>
<tr>
<td>Early childhood activities</td>
<td>-</td>
<td>$4,167</td>
</tr>
<tr>
<td>Victims' assistance</td>
<td>-</td>
<td>$10,173</td>
</tr>
<tr>
<td>Various programs</td>
<td>41,313</td>
<td>72,251</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$41,313</strong></td>
<td><strong>$100,119</strong></td>
</tr>
</tbody>
</table>

NOTE 15 CONTINGENT LIABILITIES

Potential for Government Reviews and Audits

Grants and revenues from services rendered are subject to audit by the government agencies.

In the past, WestCOP has been audited by the Department of Health and Human Services (DHHS), the New York State Department of State and the New York State Division of Housing and Community Renewal. Management indicated that there have been no reportable liabilities brought to its attention and that there exists no material liabilities outstanding at the current time. No provision for potential allowances is reflected in the accompanying consolidated financial statements.
NOTE 15  CONTINGENT LIABILITIES  (continued)

Litigation

WestCOP and Affiliates are involved in several legal proceedings arising in the ordinary course of its business for which there is insurance coverage. Management believes that these legal proceedings will not have a material adverse effect on WestCOP and Affiliates’ consolidated financial position, changes in net assets, or cash flows.

NOTE 16  CONCENTRATIONS OF CREDIT RISKS

Financial instruments that potentially subject WestCOP to a concentration of credit risk are cash accounts with major financial institutions in excess of FDIC insurance limits. These financial institutions have strong credit ratings and management believes that credit risk related to these accounts is minimal.

WestCOP receives a substantial portion of its revenue from the U.S. Department of Health and Human Services. If for any reason this grantor discontinues funding, there is a risk that WestCOP will not be able to continue operations and provide the services that it currently does.

NOTE 17  SUBSEQUENT EVENTS

WestCOP and Affiliates have evaluated subsequent events through April 30, 2019, the date the consolidated financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the accompanying financial statements.
SUPPLEMENTARY INFORMATION AND
INDEPENDENT AUDITOR'S REPORTS
## WESTCHESTER COMMUNITY OPPORTUNITY PROGRAM, INC. AND AFFILIATES

Schedule of Revenues and Expenses
Westchester Weatherization
Contract No. C093550 For 4/1/17 – 3/31/18
For the Year Ended July 31, 2018

<table>
<thead>
<tr>
<th>Budgeted Amounts 4/1/17–3/31/18 (Unaudited)</th>
<th>Actual 4/1/17 - 3/31/18</th>
<th>Total Revenues and Expenses</th>
<th>Comparison to Budget (Over Under)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant income</td>
<td>$ 2,073,234</td>
<td>$ 270,350</td>
<td>$ 1,306,025</td>
</tr>
<tr>
<td>Total revenues</td>
<td>2,073,234</td>
<td>270,350</td>
<td>1,306,025</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agency</td>
<td>50,000</td>
<td>4,866</td>
<td>27,195</td>
</tr>
<tr>
<td>Subcontracted</td>
<td>482,564</td>
<td>175</td>
<td>276,104</td>
</tr>
<tr>
<td>Subtotal</td>
<td>532,564</td>
<td>5,041</td>
<td>303,299</td>
</tr>
<tr>
<td><strong>Labor</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries/Wages</td>
<td>553,302</td>
<td>163,566</td>
<td>340,796</td>
</tr>
<tr>
<td>Fringe benefits</td>
<td>141,578</td>
<td>41,384</td>
<td>99,561</td>
</tr>
<tr>
<td>Subcontracted</td>
<td>327,178</td>
<td>225</td>
<td>249,037</td>
</tr>
<tr>
<td>Subtotal</td>
<td>1,022,058</td>
<td>205,175</td>
<td>689,394</td>
</tr>
<tr>
<td><strong>Program support</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building maintenance</td>
<td>8,000</td>
<td>1,291</td>
<td>4,977</td>
</tr>
<tr>
<td>Office equipment</td>
<td>5,500</td>
<td>1,676</td>
<td>3,987</td>
</tr>
<tr>
<td>Office space</td>
<td>89,976</td>
<td>27,166</td>
<td>48,304</td>
</tr>
<tr>
<td>Utilities</td>
<td>5,500</td>
<td>513</td>
<td>3,218</td>
</tr>
<tr>
<td>Other allowances</td>
<td>112,296</td>
<td>16,279</td>
<td>50,087</td>
</tr>
<tr>
<td>Subtotal</td>
<td>221,272</td>
<td>46,925</td>
<td>110,573</td>
</tr>
<tr>
<td><strong>Health and safety</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liability/vehicle insurance</td>
<td>61,491</td>
<td>10,661</td>
<td>23,107</td>
</tr>
<tr>
<td><strong>Financial audit</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Training and technical assistance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Administration</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries/Wages</td>
<td>61,827</td>
<td>26,922</td>
<td>44,785</td>
</tr>
<tr>
<td>Fringe benefits</td>
<td>15,439</td>
<td>1,476</td>
<td>6,457</td>
</tr>
<tr>
<td>Other allowances</td>
<td>1,083</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Subtotal</td>
<td>78,349</td>
<td>28,398</td>
<td>51,242</td>
</tr>
<tr>
<td><strong>Capital equipment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>2,073,234</td>
<td>297,345</td>
<td>1,261,034</td>
</tr>
</tbody>
</table>

**Revenues over (under) expenditures**

| $ -                                           | $ (26,995)               | $ 44,991                     | $ 17,996                        | $ (17,996)                     |
WESTCHESTER COMMUNITY OPPORTUNITY PROGRAM, INC. AND AFFILIATES

Schedule of Revenues and Expenses
Westchester Weatherization
Contract No. C0093550 For 4/1/18 – 3/31/19
For the Year Ended July 31, 2018

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts 4/1/18–3/31/19 (Unaudited)</th>
<th>Actual Revenues/Expenses 4/1/18–7/31/18</th>
<th>Comparison to Budget (Over) Under</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant income</td>
<td>$2,107,684</td>
<td>$293,616</td>
<td>$1,814,068</td>
</tr>
<tr>
<td>Total revenues</td>
<td>$2,107,684</td>
<td>$293,616</td>
<td>$1,814,068</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
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</tr>
<tr>
<td>Agency</td>
<td>20,000</td>
<td>4,866</td>
<td>15,134</td>
</tr>
<tr>
<td>Subcontracted</td>
<td>601,171</td>
<td>175</td>
<td>600,996</td>
</tr>
<tr>
<td>Subtotal</td>
<td>621,171</td>
<td>5,041</td>
<td>616,130</td>
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<tr>
<td><strong>Labor</strong></td>
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<td></td>
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<tr>
<td>Salaries/Wages</td>
<td>555,177</td>
<td>163,566</td>
<td>391,611</td>
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<tr>
<td>Fringe benefits</td>
<td>142,198</td>
<td>41,384</td>
<td>100,814</td>
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<tr>
<td>Subcontracted</td>
<td>397,790</td>
<td>225</td>
<td>397,565</td>
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<tr>
<td>Subtotal</td>
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<td>205,175</td>
<td>889,990</td>
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<td><strong>Program support</strong></td>
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<tr>
<td>Building maintenance</td>
<td>5,000</td>
<td>1,291</td>
<td>3,709</td>
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<td>3,500</td>
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<td>1,824</td>
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<tr>
<td>Office space</td>
<td>86,976</td>
<td>27,166</td>
<td>59,810</td>
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<tr>
<td>Utilities</td>
<td>5,500</td>
<td>513</td>
<td>4,987</td>
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<tr>
<td>Other allowances</td>
<td>27,200</td>
<td>16,279</td>
<td>10,921</td>
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<tr>
<td>Subtotal</td>
<td>128,176</td>
<td>46,925</td>
<td>81,251</td>
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<tr>
<td>Health and safety</td>
<td>50,000</td>
<td>-</td>
<td>50,000</td>
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<tr>
<td>Liability/Vehicle insurance</td>
<td>59,491</td>
<td>10,661</td>
<td>48,830</td>
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<td>17,500</td>
<td>750</td>
<td>16,750</td>
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<td>Training and technical assistance</td>
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<td>395</td>
<td>31,093</td>
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<td><strong>Administration</strong></td>
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<tr>
<td>Salaries/Wages</td>
<td>82,887</td>
<td>26,922</td>
<td>55,965</td>
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<tr>
<td>Fringe benefits</td>
<td>20,723</td>
<td>1,476</td>
<td>19,247</td>
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<tr>
<td>Other allowances</td>
<td>1,083</td>
<td>-</td>
<td>1,083</td>
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<tr>
<td>Subtotal</td>
<td>104,693</td>
<td>28,398</td>
<td>76,295</td>
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<td><strong>Capital equipment</strong></td>
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<td><strong>Total expenditures</strong></td>
<td>$2,107,684</td>
<td>$297,345</td>
<td>$1,810,339</td>
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<tr>
<td><strong>Revenues over (under) expenditures</strong></td>
<td>-</td>
<td>(3,729)</td>
<td>3,729</td>
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</table>
## WESTCHESTER COMMUNITY OPPORTUNITY PROGRAM, INC. AND AFFILIATES

Schedule of Budgeted and Incurred Costs

New York State Department of State
Division of Community Services, Contract No. C1000791

Year Ended September 30, 2017

<table>
<thead>
<tr>
<th>Budget categories</th>
<th>2017 Federal Expenses</th>
<th>2017 Nonfederal Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Approved</td>
<td>Total</td>
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<tr>
<td>Budget expenses</td>
<td>Federal</td>
<td>(Over)</td>
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<tr>
<td>(Unaudited)</td>
<td>Expenses</td>
<td>Expenses</td>
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<td>Personnel services</td>
<td>$1,063,384</td>
<td>$847,439</td>
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<td>Delegate agencies</td>
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<tr>
<td>Contractual service/audit</td>
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<td>1,831</td>
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<tr>
<td>Equipment purchase/lease</td>
<td>51,606</td>
<td>30,801</td>
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<tr>
<td>Other direct costs</td>
<td>469,249</td>
<td>302,730</td>
</tr>
<tr>
<td>Total expenses</td>
<td>$1,601,053</td>
<td>$1,182,801</td>
</tr>
</tbody>
</table>

**Note:** Total grant of $1,601,053 was for the period of October 1, 2016 to September 30, 2017.

During the year ended July 31, 2017, $1,182,801 was expensed. The balance of $418,252 was expensed in the year ended July 31, 2018.
### Schedule of Expenditures of Federal Awards

**For the Year Ended July 31, 2018**

<table>
<thead>
<tr>
<th>Federal Grantor/Pass-through</th>
<th>CFDA Number</th>
<th>Pass-Through Entity</th>
<th>Identifying Number</th>
<th>Subrecipients</th>
<th>Total Federal Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>U.S. Department of Health and Human Services</strong></td>
<td></td>
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</tr>
<tr>
<td>Head Start Program</td>
<td>93.600</td>
<td></td>
<td></td>
<td>$1,700,868</td>
<td>$15,089,535</td>
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<td>Early Head Start Child Care Partnership/ Babies Step Forward</td>
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<td></td>
<td>2,325,861</td>
<td>$17,415,396</td>
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<td>National Council on Aging</td>
<td></td>
<td></td>
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<tr>
<td>Medicare Enrollment Assistance</td>
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<td>NCOA 1223</td>
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<td>6,867</td>
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<td><strong>477 Cluster:</strong></td>
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<tr>
<td>New York State Department of State</td>
<td></td>
<td></td>
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<tr>
<td>Community Services Block Grant</td>
<td>93.569</td>
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<td>C0000893</td>
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<td>70,041</td>
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<tr>
<td>Community Services Block Grant</td>
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<td>C1000791</td>
<td></td>
<td>1,684,738</td>
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<td>New York State Office of Temporary &amp; Disability Assistance</td>
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<tr>
<td>Temporary Assistance for Needy Families</td>
<td>93.558</td>
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<td>C 021735</td>
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<td>19,642</td>
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<tr>
<td>Temporary Assistance for Needy Families</td>
<td>93.558</td>
<td></td>
<td>C00021GG</td>
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<td>60,311</td>
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<tr>
<td>Putnam County Department of Social Services</td>
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<tr>
<td>Temporary Assistance for Needy Families</td>
<td>93.558</td>
<td></td>
<td>TANF 2017 &amp; 2018</td>
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<td>DSS 623.17/DSS 625.18</td>
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<td>New York State Office of Temporary &amp; Disability Assistance</td>
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<tr>
<td>Low Income Home Energy Assistance - Cooling Assistance</td>
<td>93.568</td>
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<td>WestCOP-2018 Cooling</td>
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<td><strong>Westchester County Department of Social Services</strong></td>
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<td>Low-Income Home Energy Assistance</td>
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<td>DSS64317/DSS6516</td>
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<td>New York State Division of Housing and Community Renewal</td>
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<td>Low-Income Home Energy Assistance</td>
<td>93.568</td>
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<td>C093550-17</td>
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<td>964,154</td>
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<tr>
<td>Low-Income Home Energy Assistance</td>
<td>93.568</td>
<td></td>
<td>C093550-18</td>
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<td>187,092</td>
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<td><strong>Aging Cluster:</strong></td>
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<tr>
<td>Westchester County Department of Senior Programs and Services</td>
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<td></td>
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<tr>
<td>Special Programs for Aging, Title III, Part B, Grants for Supportive Services and Senior Centers</td>
<td>93.044</td>
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<td>AGET</td>
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<td><strong>Total U.S. Department of Health and Human Services</strong></td>
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<td>20,548,391</td>
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</table>

See accompanying notes.
## Schedule of Expenditures of Federal Awards

### For the Year Ended July 31, 2018

<table>
<thead>
<tr>
<th>Federal Grantor/Pass-through Grantor/Program or Cluster Title</th>
<th>Federal CFDA Number</th>
<th>Pass-Through Entity Identifying Number</th>
<th>Pass-Through to Subrecipients</th>
<th>Total Federal Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>U.S. Department of Labor</strong></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Pass-through programs from:</td>
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<td></td>
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<tr>
<td>Westchester and Putnam Workforce Investment Board</td>
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<tr>
<td>YouthBuild</td>
<td>17.274</td>
<td>WIA DSS48715</td>
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<td>WIOA Cluster:</td>
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<tr>
<td>Westchester and Putnam Workforce Investment Board</td>
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<td></td>
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<tr>
<td>WIOA Youth Activities</td>
<td>17.259</td>
<td>DSS 40818/ 41717</td>
<td>$</td>
<td>39,146</td>
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<td>City of Yonkers</td>
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<td>WIOA Youth Activities</td>
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<td>Westcop 2017 WIOA</td>
<td>87,862</td>
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<td>City of Mount Vernon</td>
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<td>WIOA Youth Activities</td>
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<td>AC295-458</td>
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<td>Total U.S. Department of Labor</td>
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<td>167,921</td>
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<td><strong>Corporation for National and Community Service</strong></td>
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<tr>
<td>Foster Grandparent / Senior Companion Cluster:</td>
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<td>Foster Grandparent Program</td>
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<tr>
<td>Pass-through program from:</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>United Way of Westchester and Putnam</td>
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<td></td>
<td></td>
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<tr>
<td>Emergency Food and Shelter National Board</td>
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<td>629600-001</td>
<td>4,280</td>
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<td>Emergency Food and Shelter National Board</td>
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<td>623600-004</td>
<td>1,793</td>
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<td>Total U.S. Department of Homeland Security</td>
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<td>6,073</td>
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<td><strong>U.S. Department of Agriculture</strong></td>
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<td>Pass-through program from:</td>
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<td><strong>U.S. Department of Education</strong></td>
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<tr>
<td>Pass-through programs from:</td>
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<tr>
<td>New York State Education Department</td>
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<tr>
<td>Special Education Cluster (IDEA):</td>
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<td>Special Education - Grants to States</td>
<td>84.027</td>
<td>611</td>
<td>2,818</td>
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<td>619</td>
<td>80,062</td>
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<td>Total U.S. Department of Education</td>
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<td></td>
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<td>82,880</td>
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</table>

See accompanying notes.
<table>
<thead>
<tr>
<th>Federal Grantor/Pass-through Grantor/Program or Cluster Title</th>
<th>Federal CFDA Number</th>
<th>Pass-Through Entity Identifying Number</th>
<th>Pass-Through to Subrecipients</th>
<th>Total Federal Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Department of Energy</td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Pass-through program from:</td>
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<td></td>
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<tr>
<td>New York State Division of Housing and Community Renewal</td>
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<tr>
<td>Weatherization Assistance for Low-Income Persons</td>
<td>81.042</td>
<td>C093550-17</td>
<td>$296,881</td>
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<tr>
<td>Weatherization Assistance for Low-Income Persons</td>
<td>81.042</td>
<td>C093550-18</td>
<td>101,112</td>
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</tr>
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<td>Total U.S. Department of Energy</td>
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<td>$397,993</td>
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<tr>
<td>U.S. Department of Justice</td>
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<td></td>
</tr>
<tr>
<td>Pass-through programs from:</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>New York State Crime Victims Board</td>
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<tr>
<td>Crime Victim Assistance</td>
<td>16.575</td>
<td>C-100015</td>
<td>522,537</td>
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<td>Westchester County Office for Women</td>
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<tr>
<td>Crime Victim Assistance</td>
<td>16.575</td>
<td>OFWFJCVAS14A</td>
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<tr>
<td>New York State Division of Criminal Justice Services</td>
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<tr>
<td>Violence Against Women Formula Grants</td>
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<td>C65270</td>
<td>41,541</td>
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<tr>
<td>Violence Against Women Formula Grants</td>
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<td>C652119</td>
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<td>79,399</td>
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<tr>
<td>New York State Coalition Against Domestic Violence</td>
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<tr>
<td>Sexual Assault Services Formula Program</td>
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<td>RCP44</td>
<td>8,729</td>
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<td>Total U.S. Department of Justice</td>
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<tr>
<td>U.S. Department of Housing and Urban Development</td>
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<td>CDBG - Entitlement Grants Cluster:</td>
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</tr>
<tr>
<td>Pass-through program from:</td>
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<tr>
<td>City of New Rochelle</td>
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<tr>
<td>Community Development Block Grants/Entitlement Grants</td>
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<td>2017-0121</td>
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<tr>
<td>Total U.S. Department of Housing and Urban Development</td>
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<tr>
<td>U.S. Department of Veterans Affairs</td>
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<td>VA Supportive Services for Veteran Families Program</td>
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<td>1,896,825</td>
<td></td>
</tr>
<tr>
<td>Total Expenditures of Federal Awards</td>
<td></td>
<td></td>
<td>$1,700,868</td>
<td>$26,061,816</td>
</tr>
</tbody>
</table>

See accompanying notes.
NOTE 1  BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Westchester Community Opportunity Program, Inc. and Affiliates (hereinafter referred to as "WestCOP and Affiliates") under programs of the federal government for the year ended July 31, 2018. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of Westchester Community Opportunity Program, Inc. and Affiliates, it is not intended to and does not present the financial position, changes in net assets or cash flows of WestCOP and Affiliates.

NOTE 2  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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3  INDIRECT COST RATE

WestCOP and Affiliates has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.
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

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Westchester Community Opportunity Program, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the consolidated financial statements of Westchester Community Opportunity Program, Inc. and Affiliates (hereinafter referred to as "WestCOP and Affiliates"), which comprise the consolidated statement of financial position as of and for the year then ended July 31, 2018, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated April 30, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered WestCOP and Affiliates' 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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of WestCOP and Affiliates' internal control. Accordingly, we do not express an opinion on the effectiveness of WestCOP and Affiliates' 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 over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2018-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether WestCOP and Affiliates' consolidated 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 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.

WestCOP and Affiliates' Responses to Findings

WestCOP and Affiliates' responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. WestCOP and Affiliates' responses were not subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mitchell & Titus, LLP

April 30, 2019
REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Westchester Community Opportunity Program, Inc.

Report on Compliance for Each Major Federal Program

We have audited Westchester Community Opportunity Program, Inc. and Affiliates' (hereinafter referred to as "WestCOP and Affiliates") compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of WestCOP and Affiliates' major federal programs for the year ended July 31, 2018. WestCOP and Affiliates' major federal 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of WestCOP and Affiliates’ major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about WestCOP and Affiliates' 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 program. However, our audit does not provide a legal determination of WestCOP and Affiliates’ compliance.

**Opinion on Each Major Federal Program**

In our opinion, WestCOP and Affiliates complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended July 31, 2018.

**Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2018-002 and 2018-003 for Reporting. Our opinion on each major federal program is not modified with respect to these matters.

WestCOP and Affiliates’ responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and corrective action plan. WestCOP and Affiliates’ responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

**Report on Internal Control over Compliance**

Management of WestCOP and Affiliates 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 WestCOP and Affiliates’ internal control over compliance with the types of requirements that could have a direct and material effect on each major federal 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 program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of WestCOP and Affiliates’ internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance...
requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2018-003 for Reporting that we consider to be a significant deficiency.

WestCOP and Affiliates’ responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and corrective action plan. WestCOP and Affiliates’ responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no such opinion on the responses.

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

April 30, 2019
WESTCHESTER COMMUNITY OPPORTUNITY PROGRAM, INC. AND AFFILIATES
Schedule of Findings and Questioned Costs
For the Year Ended July 31, 2018

SECTION 1–SUMMARY OF AUDITOR’S RESULTS

Financial Statements
Type of auditor’s report issued: __________________________ U nmodified __________________

Internal control over financial reporting:

▪ Material weakness(es) identified? X Yes ___ No
▪ Significant deficiency (ies) identified ___ Yes ___ None reported

Non-compliance material to financial statements noted ___ Yes ___ No

Federal Awards

Internal control over major programs:

▪ Material weakness (es) identified? ___ Yes ___ No
▪ Significant deficiency (ies) identified X Yes ___ No

Type of auditor’s report issued on compliance for major programs: __________________________ U nmodified __________________

Type of auditor’s report issued that are required to be reported in accordance with Section 2CFR 200.516(a)? ___ Yes X No

Identification of Major Programs

<table>
<thead>
<tr>
<th>CFDA No.</th>
<th>Name of Federal Program or Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>93.600</td>
<td>U.S. Department of Health and Human Services</td>
</tr>
<tr>
<td></td>
<td>Head Start Program</td>
</tr>
<tr>
<td></td>
<td>Early Head Start Child Care Partnership/Babies Step Forward</td>
</tr>
<tr>
<td>10.558</td>
<td>U.S. Department of Agriculture</td>
</tr>
<tr>
<td></td>
<td>Child and Adult Care Food Program</td>
</tr>
<tr>
<td>93.568</td>
<td>U.S. Department of Health and Human Services</td>
</tr>
<tr>
<td></td>
<td>Low-Income Home Energy Assistance Program</td>
</tr>
<tr>
<td>81.042</td>
<td>U.S. Department of Energy</td>
</tr>
<tr>
<td></td>
<td>Weatherization Assistance for Low-Income Persons</td>
</tr>
<tr>
<td>93.569/93.558</td>
<td>U.S. Department of Health and Human Services</td>
</tr>
<tr>
<td></td>
<td>477 Cluster</td>
</tr>
</tbody>
</table>

Dollar threshold used to distinguish between Type A and Type B programs: $781,854

Auditee qualified as a low-risk auditee? X Yes ___ No
SECTION II–FINANCIAL STATEMENT FINDINGS

Finding 2018-001: Account Maintenance, Administration and Review

Refer to the Summary Schedule of Prior Audit Findings, Audit Finding Number 2017-001, for a status update on this matter. This matter was partially corrected in the current fiscal year. However, there continues to be a significant deficiency in internal controls associated with significant delays in the year-end financial statement close process.

SECTION III–FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

2018-002 Late Quarterly Reporting

Federal program information: U.S. Department of Health and Human Services, CFDA Number 93.600, Head Start Program; U.S. Department of Justice, passed through New York State Crime Victims Board, CFDA Number 16.575, Crime Victims Assistance

Criteria: As per the contracts for these funding arrangements, quarterly fiscal reports are due thirty (30) after the end of the quarter to both the New York State Crime Victims Board and the U.S. Department of Health and Human Services.

Condition and Context: We noted that required quarterly reports were not submitted to the funding sources in a timely manner during the fiscal year.

<table>
<thead>
<tr>
<th>Report</th>
<th>Period</th>
<th>Due Date for Report</th>
<th>Date Submitted</th>
<th>Number of Days Late</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFDA Number 16.575</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quarterly Fiscal Report</td>
<td>10/01/17 - 12/31/17</td>
<td>01/31/18</td>
<td>04/05/18</td>
<td>64</td>
</tr>
<tr>
<td>Quarterly Fiscal Report</td>
<td>07/01/18 - 09/30/18</td>
<td>10/31/18</td>
<td>11/28/18</td>
<td>28</td>
</tr>
</tbody>
</table>

CFDA Number 93.600

SF 425 04/2018 - 06/2018 07/31/18 08/14/18 14

Questioned Costs: There are no questioned costs associated with this finding.

Effect: The reports submitted to the funding sources were late.

Cause: A significant factor in the late submission of these reports was turnover in personnel and transition of responsibilities for completion of the reports from one staff to another.

Recommendation: Management should implement a schedule or a database of all grants and the applicable reporting requirements, deadlines for submission and individuals responsible for timely preparation, review and submission of required reports.
WESTCHESTER COMMUNITY OPPORTUNITY PROGRAM, INC. AND AFFILIATES
Schedule of Findings and Questioned Costs (continued)
For the Year Ended July 31, 2018

2018-002 Late Quarterly Reporting (continued)

*Views of responsible officials and planned corrective actions:* Management has created a grant management and tracking system. The goals of this system are to ensure that vouchers are submitted by the due date; to give program staff up to date information; and to ensure that we collect from funding sources in a timely manner.

2018-003 Late and Inaccurate Cumulative Financial Reports

*Federal program information:* U.S. Department of Health and Human Services, CFDA Number 93.568, Low-Income Home Energy Assistance; U.S. Department of Energy, passed through New York State Division of Housing and Community Renewal, CFDA Number 81.042, Weatherization Assistance for Low-Income Persons

*Criteria:* The Cumulative Financial Report ("CFR") should report cumulative expenditures plus accounts payable and accruals for the budget period as of the last business day of the month, within 20 days after month-end.

*Condition and Context:* Differences were noted between the cumulative expenses reported on certain CFR filings and general ledger balances and certain CFR filings were not submitted on time. The differences and instances of late filings are summarized as follows:

<table>
<thead>
<tr>
<th>Month Ending</th>
<th>CFR Accumulated Expenses</th>
<th>Accumulated Expenses per General Ledger</th>
<th>Difference</th>
<th>Date Due</th>
<th>Date Submitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 31, 2017</td>
<td>$383,263</td>
<td>$365,730</td>
<td>$17,533</td>
<td>09/20/17</td>
<td>10/02/17</td>
</tr>
<tr>
<td>September 30, 2017</td>
<td>507,834</td>
<td>466,490</td>
<td>41,344</td>
<td>10/20/17</td>
<td>11/06/17</td>
</tr>
<tr>
<td>October 31, 2017</td>
<td>495,532</td>
<td>536,385</td>
<td>(40,853)</td>
<td>11/20/17</td>
<td>11/22/17</td>
</tr>
<tr>
<td>November 30, 2017</td>
<td>617,272</td>
<td>624,841</td>
<td>(7,569)</td>
<td>12/20/17</td>
<td>12/22/17</td>
</tr>
<tr>
<td>December 31, 2017</td>
<td>838,104</td>
<td>838,104</td>
<td>-</td>
<td>01/20/18</td>
<td>01/29/18</td>
</tr>
<tr>
<td>January 31, 2018</td>
<td>894,679</td>
<td>1,230,697</td>
<td>(336,018)</td>
<td>02/20/18</td>
<td>03/02/18</td>
</tr>
<tr>
<td>April 30, 2018</td>
<td>31,822</td>
<td>31,822</td>
<td>-</td>
<td>05/20/18</td>
<td>06/05/18</td>
</tr>
</tbody>
</table>

*Effect:* Expenses reported in the CFR filings did not agree to the expenses recorded in the general ledger and CFR filings were inaccurate. In addition, the reports were submitted late to the funding sources. Late submissions could also result in delayed reimbursements.

*Cause:* A significant factor contributing to inaccuracies and late submissions of the reports was turnover in personnel and transition of responsibilities for completion and review of the reports.

*Recommendation:* Management should implement a process to ensure that expenses are captured on a timely basis in the general ledger and that such expenses are reconciled to the CFR filings before submitted. Management should also ensure that a process is in place to review the filings before submitted and establish timelines for completion.

*Views of responsible officials and planned corrective actions:* We have reworked our processes related to submission of claims. We have also been working with our funder in this area. In addition, we are evaluating the staffing supporting our grant claiming and will potentially also ensure that there is better staffing to support this function.
FINANCIAL STATEMENT FINDINGS

2017-001 Account Maintenance, Administration and Review

Status of Prior Finding: This matter has been partially addressed. Complete and accurate account reconciliations, including bank reconciliations, were prepared to facilitate the year-end financial statement close process for the fiscal year ended June 30, 2018. There were fewer adjustments made to account balances during the audit process. Vacant positions in the finance department have also been filled. However, due to turnover in personnel, as well as ongoing challenges associated with the organization’s accounting system implemented in fiscal year 2017, there continue to be significant delays in the year-end financial statement close process. Management will continue to focus on implementing a detailed closing checklist and timelines to facilitate a more timely year-end financial statement close process. Management also continues to focus on accurate and timely interim closings, which mitigates the need for significant efforts to close the books at year-end.

FEDERAL AWARD FINDINGS

2017-002 Reporting

Status of Prior Year Finding: This matter has not been addressed. Finding Number 2018-002 resulting from the fiscal year 2018 audit indicates continued delayed quarterly reporting for certain federal award programs. Management has created a grant management and tracking system. The goals of this system are to ensure that vouchers are submitted by the due date; to give program staff up to date information; and to ensure that we collect from funding source in a timely manner.

2017-003 Reporting

Status of Prior Year Finding: This matter has not been addressed. Finding Number 2018-003 resulting from the fiscal year 2018 audit indicates continued delays and inaccuracies in the Cumulative Financial Reports submitted for certain programs. The finance staff will continue to work with the Weatherization Program Director to ensure that accurate reports are submitted to the funding sources in a timely manner. As part of this, the finance department will ensure that expense amounts reported agree with the organization’s general ledger and that the reports are reviewed by the finance department prior to submission.

2017-004 Liquidation of Funds

Status of Prior Year Finding: These matters were addressed during the fiscal year ended June 30, 2018. Management now has a process in place to ensure that obligations incurred under federal awards are liquidated no later than 90 calendar days after the end date of the period of performance specified in the terms and conditions of the associated federal award. The CFO will continue to ensure that funds are liquidated within the specified timeframes pursuant to the Federal Guidelines.
WESTCHESTER COMMUNITY OPPORTUNITY PROGRAM, INC. AND AFFILIATES
Summary Schedule of Prior Audit Findings (continued)
For the Year Ended July 31, 2018

FEDERAL AWARD FINDINGS (continued)

2017-005 Inventory Count

Status of Prior Year Finding: This matter has been corrected. The finding does not exist anymore. The fiscal year 2018 physical inventory was performed and all related reporting of inventory results was completed as of the end of October 2018.

2017-006 Eligibility

Status of Prior Year Finding: This finding has been addressed. Each department has an established procedure manual addressing eligibility requirements. This manuals detail the processes involved for each program, the funding specific requirements and steps needed to comply with the requirements. To ensure compliance, WestCOP and Affiliates program personnel have implemented quarterly sampling to test compliance and ongoing training of staff.
Finding 2018-001: Account Maintenance, Administration and Review

The organization needs to improve the timeliness of the year-end financial statement close process. Due to turnover in personnel, as well as ongoing challenges associated with the organization’s accounting system implemented in fiscal year 2017, there continue to be significant delays in the year-end financial statement close process. Management will continue to focus on implementing a detailed closing checklist and timelines to facilitate a more timely year-end financial statement close process. Management also continues to focus on accurate and timely interim closings, which mitigates the need for significant efforts to close the books at year-end.

2018-002 Late Quarterly Reporting

Management has created a grant management and tracking system. The goals of this system are to ensure that vouchers are submitted by the due date; to give program staff up to date information; and to ensure that we collect from funding sources in a timely manner.

2018-003 Late and Inaccurate Cumulative Financial Reports

We have reworked our processes related to submission of claims. We have also been working with our funder in this area. In addition, we are evaluating the staffing supporting our grant claiming and will potentially also ensure that there is better staffing to support this function.