

**Jewish Community Council
of Greater Coney Island, Inc.**

Independent Auditor's Report and Financial Statements

June 30, 2018



Jewish Community Council of Greater Coney Island, Inc.

June 30, 2018

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Independent Auditor's Report

Board of Directors
Jewish Community Council of Greater Coney Island, Inc.
Brooklyn, New York

Report on the Financial Statement

We have audited the accompanying financial statements of Jewish Community Council of Greater Coney Island, Inc., which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements referred to above present fairly, in all material respects, the financial position of Jewish Community Council of Greater Coney Island, Inc. as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion based on our audit, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we also have issued our report dated March 28, 2019, on our consideration of Jewish Community Council of Greater Coney Island, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Jewish Community Council of Greater Coney Island, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Jewish Community Council of Greater Coney Island, Inc.'s internal control over financial reporting and compliance.

Prior Year Audited by Other Auditors

The 2017 financial statements were audited by other auditors, and their report thereon, dated December 27, 2017, expressed an unmodified opinion. The summarized comparative information presented herein as of and for the year ended June 30, 2017 is consistent with the audited financial statements from which it has been derived.

BKD, LLP

New York, New York
January 23, 2019, except for the schedule of expenditures
of federal awards, as to which the date is March 28, 2019

Jewish Community Council of Greater Coney Island, Inc.
Statement of Activities
Year Ended June 30, 2018
(With Summarized Financial Information for the Year Ended June 30, 2017)

	Unrestricted	Temporarily Restricted	Total	
			2018	2017
Revenues and Other Support				
Grants				
Government	\$ 12,457,397	\$ -	\$ 12,457,397	\$ 9,588,433
Corporate and foundation	14,229,316	-	14,229,316	18,873,360
Contributions				
Corporate and foundation	101,052	510,586	611,638	564,438
General public	20,048	834	20,882	46,429
Participant contributions	189,513	19,567	209,080	208,915
Participant fees	48,421	-	48,421	15,033
In-kind contribution	440,326	-	440,326	425,484
Other income	37,561	-	37,561	34,969
Interest income (net of fees of \$7,599 and \$7,391 in 2018 and 2017, respectively)	24,828	-	24,828	20,911
Net assets released from restrictions	482,445	(482,445)	-	-
Total revenues and other support	<u>28,030,907</u>	<u>48,542</u>	<u>28,079,449</u>	<u>29,777,972</u>
Expenses				
Program services	25,756,909	-	25,756,909	28,126,039
Supporting services	2,266,781	-	2,266,781	2,185,641
Total expenses	<u>28,023,690</u>	<u>-</u>	<u>28,023,690</u>	<u>30,311,680</u>
Change in Net Assets	7,217	48,542	55,759	(533,708)
Net Assets, Beginning of Year	<u>2,431,304</u>	<u>494,298</u>	<u>2,925,602</u>	<u>3,459,310</u>
Net Assets, End of Year	<u>\$ 2,438,521</u>	<u>\$ 542,840</u>	<u>\$ 2,981,361</u>	<u>\$ 2,925,602</u>

Jewish Community Council of Greater Coney Island, Inc.
Statement of Functional Expenses
Year Ended June 30, 2018
(With Summarized Financial Information for the Year Ended June 30, 2017)

	Program Services														Supporting Services			Total				
	Adult Literacy	Education/ Youth Services	Financial Assistance to Indigent Clients	Other Social Assistance	Senior Citizen Homecare	Senior Citizen Transportation/ Community Shuttle Bus	Vocational Services	Senior Center	Home Delivered Meals	Technical Assistance	Homebound Senior Visitation Services	Gun Violence Prevention	Urban Neighborhood Multi-Service Center	Domestic Violence	Storm Recovery and Disaster Prevention	Total	Management and General	Fund Raising	Other Superstorm Sandy	Total	2018	2017
Salaries	\$ 361,581	\$ 861,436	\$ 150	\$ 662,474	\$ 544,490	\$ 804,729	\$ 1,630,493	\$ 1,190,314	\$ 397,702	\$ 35,980	\$ 228,981	\$ 538,112	\$ 66,981	\$ 18,499	\$ 140,437	\$ 7,482,359	\$ 1,332,693	\$ 43,659	\$ -	\$ 1,376,352	\$ 8,858,711	\$ 7,286,956
Payroll taxes and employee benefits	50,372	114,083	17	160,893	107,676	165,276	242,078	300,309	106,076	15,835	55,583	88,035	16,637	4,845	23,525	1,451,240	268,713	9,066	-	277,779	1,729,019	1,451,357
Occupancy	18,388	53,999	-	5,399	10,798	2,699	285,989	440,325	7,182	-	5,399	55,176	11,053	3,166	-	899,573	86,049	-	-	86,049	985,622	822,108
Program supplies and expenses	16,329	99,986	208	3,447	73	694	2,651	193,728	25,871	420	19,974	180,427	324	498	144	544,774	-	-	-	-	544,774	418,793
Office supplies and expenses	2,982	1,373	1,329	137	100	2,888	34,302	45,763	777	44	318	11,874	383	881	248	103,399	49,752	5,576	2,400	57,728	161,127	160,376
Equipment rental and maintenance	6,731	2,156	892	470	1,440	13,898	43,597	76,338	-	270	2,824	16,144	-	3,030	839	168,629	79,840	850	3,717	84,407	253,036	283,508
Telephone and postage	70	883	-	163	1,700	8,792	10,051	23,727	19	381	1,398	8,773	26	2,634	-	58,617	26,883	6,222	8	33,113	91,730	87,919
Automotive expense	-	-	-	-	-	91,241	-	85	25,876	-	-	-	-	-	-	117,213	201	-	-	201	117,414	100,428
Printing and advertising	1,600	1,539	-	969	68	947	2,713	-	2,630	4,718	2,175	8,129	-	-	2,137	27,625	1,548	10,338	-	11,886	39,511	41,814
Participant stipends	-	-	-	-	-	-	-	-	-	-	-	32,704	-	-	-	32,704	-	-	-	-	32,704	30,395
Recreational and educational consultants	-	-	-	-	-	-	-	284,349	-	-	1,240	6,850	-	-	-	292,439	-	-	-	-	292,439	269,565
Professional fees	-	12,400	-	550	50	977	387,113	36,010	4,800	46,485	896	8,728	45	109	24,926	523,089	78,387	114,697	-	193,084	716,173	715,584
Food/congregate food expense	-	-	2,000	-	-	-	-	821,125	252,107	-	13,295	-	-	-	-	1,088,527	-	-	-	-	1,088,527	1,114,588
Transportation services	-	37,775	-	-	-	-	303	-	-	-	65	-	-	-	-	38,143	-	-	-	-	38,143	29,634
Senior citizen transportation services	-	-	302	-	-	1,545,588	-	3,278	-	-	485	-	-	-	-	1,549,653	-	-	-	-	1,549,653	1,617,560
Senior citizen homecare	-	-	-	-	10,367,174	-	-	-	-	-	-	-	-	-	-	10,367,174	-	-	-	-	10,367,174	14,956,376
Staff travel	4,645	88	-	203	30	113	1,765	167	-	326	1,022	1,122	45	36	6	9,568	1,179	108	-	1,287	10,855	11,897
Insurance	-	-	-	-	-	-	-	-	-	2,357	-	1,474	-	-	-	3,831	59,330	-	-	59,330	63,161	60,303
Dues, fees, subscriptions, honoraria and workshop registration	614	924	703	147	132	530	704	13,981	41	1,048	790	1,379	-	-	191	21,184	46,427	7,730	-	54,157	75,341	82,164
Camp scholarships	-	-	8,700	8,700	-	-	-	-	-	-	-	-	-	-	-	17,400	-	-	-	-	17,400	10,000
Depreciation and amortization	6,510	16,673	470	11,853	155,032	37,661	44,720	48,187	11,565	1,516	4,699	13,484	1,342	473	2,704	356,889	28,537	2,785	86	31,408	388,297	384,573
Vocational training	-	-	-	-	-	-	540,916	-	-	-	-	-	-	-	-	540,916	-	-	-	-	540,916	345,911
Subcontracting	-	-	-	-	-	41,968	-	-	-	-	-	-	-	-	-	41,968	-	-	-	-	41,968	-
Emergency relief distribution	-	-	19,166	-	-	-	-	-	-	-	-	829	-	-	-	19,995	-	-	-	-	19,995	29,871
Investment fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,599	-	-	7,599	7,599	7,391
Total expenses	469,822	1,203,315	33,948	855,405	11,188,763	2,718,001	3,227,395	3,477,686	834,646	109,380	339,144	973,240	96,836	34,171	195,157	25,756,909	2,067,138	201,031	6,211	2,274,380	28,031,289	30,319,071
Less expenses deducted directly from revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,599)	-	-	(7,599)	(7,599)	(7,391)
Total expenses reported on the statement of activities	\$ 469,822	\$ 1,203,315	\$ 33,948	\$ 855,405	\$ 11,188,763	\$ 2,718,001	\$ 3,227,395	\$ 3,477,686	\$ 834,646	\$ 109,380	\$ 339,144	\$ 973,240	\$ 96,836	\$ 34,171	\$ 195,157	\$ 25,756,909	\$ 2,059,539	\$ 201,031	\$ 6,211	\$ 2,266,781	\$ 28,023,690	\$ 30,311,680

Jewish Community Council of Greater Coney Island, Inc.
Statement of Financial Position
June 30, 2018
(With Summarized Financial Information for June 30, 2017)

	2018	2017
Assets		
Current Assets		
Cash	\$ 3,722,834	\$ 1,079,385
Cash, board-designated	77,843	77,254
Investment, FJC Agency Loan Fund	772,922	748,984
Grants receivable	3,959,676	7,696,476
Contributions receivable	22,000	-
Prepaid and other current assets	132,338	113,280
Total current assets	8,687,613	9,715,379
Fixed assets, net	1,460,153	1,428,446
Total assets	\$ 10,147,766	\$ 11,143,825
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	\$ 4,758,963	\$ 8,026,700
Accrued vacation	218,943	187,071
Grant advances	2,188,499	4,452
Total liabilities	7,166,405	8,218,223
Net Assets		
Unrestricted	2,438,521	2,431,304
Temporarily restricted	542,840	494,298
Total net assets	2,981,361	2,925,602
Total liabilities and net assets	\$ 10,147,766	\$ 11,143,825

Jewish Community Council of Greater Coney Island, Inc.
Statement of Cash Flows
Year Ended June 30, 2018
(With Summarized Financial Information for the Year Ended June 30, 2017)

	2018	2017
Operating Activities		
Change in net assets	\$ 55,759	\$ (533,708)
Items not requiring (providing) operating cash flows		
Depreciation and amortization	388,297	384,573
Changes in		
Grants receivable	3,736,800	(4,158,795)
Contributions receivable	(22,000)	8,000
Prepaid and other assets	(19,058)	3,428
Accounts payable and accrued expenses	(3,267,737)	4,326,620
Accrued vacation	31,872	42,787
Grant advances	2,184,047	(13,417)
Net cash provided by operating activities	3,087,980	59,488
Investing Activities		
Capital expenditures	(420,004)	(176,913)
Purchase of investments	(23,938)	(19,492)
Net cash used in investing activities	(443,942)	(196,405)
Financing Activities		
Proceeds from line of credit	400,000	500,000
Payments on line of credit	(400,000)	(500,000)
Net cash provided by financing activities	-	-
Net Change in Cash	2,644,038	(136,917)
Cash, Beginning of Year	1,156,639	1,293,556
Cash, End of Year	\$ 3,800,677	\$ 1,156,639
Supplemental Cash Flows Information		
Cash paid during the year for interest	\$ 5,871	\$ 1,816
Reconciliation of Cash, End of Year		
Cash	\$ 3,722,834	\$ 1,079,385
Cash, board designated	77,843	77,254
	\$ 3,800,677	\$ 1,156,639

Jewish Community Council of Greater Coney Island, Inc.

Notes to Financial Statements

June 30, 2018

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Jewish Community Council of Greater Coney Island, Inc. (JCCGCI) is a community-based organization with a citywide scope, providing a wide-spectrum of senior citizen, vocational, educational, crime-reduction, community revitalization and related services benefiting all segments of the population. JCCGCI is also a technical assistance provider, offering capacity building services to nonprofits in all five boroughs through its NonProfit HelpDesk division. With 35 program sites throughout New York City staffed by almost 350 social service professionals, JCCGCI assists an average of upwards of 2,500 needy individuals and families each day.

JCCGCI's revenues and other support are derived principally from contributions and grants from various government agencies, foundations and corporations, and its activities are conducted in the New York City area.

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment – FJC Agency Loan Fund

The investment in the FJC Agency Loan Fund is recorded at fair value. Investments, in general, are exposed to various risks such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, based on the markets' fluctuations, and that such changes could materially affect the amounts reported in JCCGCI's financial statements.

Grants Receivable

Grants receivable from contracting agencies are recorded when earned and stated at the amount billed. Interest is not charged or accrued on outstanding receivables.

Jewish Community Council of Greater Coney Island, Inc.

Notes to Financial Statements

June 30, 2018

Contributions Receivable

Unconditional promises to give 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 on those are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. Interest is not charged or accrued on outstanding receivables.

Allowance for Doubtful Accounts

JCCGCI has determined that no allowance for uncollectible accounts for grants or contributions receivable is necessary as of June 30, 2018 and 2017. Such estimate is based on management's assessment of the creditworthiness of its donors, the aged basis of its receivables, as well as current economic conditions, subsequent receipts and historical information.

Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is charged to expense using the straight-line method over the estimated useful life of each asset. Assets under capital lease obligations and leasehold improvements are depreciated over the shorter of the lease term or their respective estimated useful lives. It is JCCGCI's policy to capitalize assets with a cost in excess of \$1,000 and an estimated useful life of greater than one year.

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Furniture and equipment	3-10 years
Leasehold improvements	5-20 years

Long-Lived Asset Impairment

JCCGCI evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the year ended June 30, 2018.

Grant Advances

Advance payments from contracting agencies that are not yet earned are recorded as liabilities until earned.

Jewish Community Council of Greater Coney Island, Inc.

Notes to Financial Statements

June 30, 2018

Net Assets

Unrestricted net assets include funds having no restrictions as to use or purpose imposed by donors. In addition, resources which are set aside for board-designated purposes are unrestricted. Temporarily restricted net assets are those whose use by JCCGCI has been limited by donors to a specific time period or purpose.

Grants

Expense-based grants are recognized into revenue as allowable expenses are incurred. Performance-based grants are recognized into revenue as milestones are achieved. Revenues from contracting agencies are subject to audit by the agencies. No provision for any disallowance is reflected in the financial statements, since management does not anticipate any material adjustments.

Contributions

Gifts of cash and other assets received without donor stipulations are reported as unrestricted revenue and net assets. Gifts received with a donor stipulation that limits their use are reported as temporarily or permanently restricted revenue and net assets. When a donor stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Gifts having donor stipulations which are satisfied in the period the gift is received are reported as temporarily restricted and then released from restriction.

In-Kind Contributions

In addition to receiving cash contributions, JCCGCI receives in-kind contributions of donated rent and utilities and donated food from various donors. It is the policy of JCCGCI to record the estimated fair value of certain in-kind donations as an expense in its financial statements, and similarly increase contribution revenue by a like amount. For the year ended June 30, 2018, donated rent and utilities of \$391,099 and donated food of \$49,227 was received in in-kind contributions.

Income Taxes

JCCGCI is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law. However, JCCGCI is subject to federal income tax on any unrelated business taxable income. JCCGCI files tax returns in the U.S. federal jurisdiction.

Jewish Community Council of Greater Coney Island, Inc.
Notes to Financial Statements
June 30, 2018

Functional Allocation of Expenses

The costs of supporting the various programs and other activities have been summarized on a functional basis in the statement of activities. Certain costs have been allocated among the program, management and general and fund raising categories based on the square footage and other methods. Expenses incurred as a result of Superstorm Sandy, which are not directly related to program services, have been included as other supporting services in the statement of functional expenses.

Rent Expense

JCCGCI leases space at various locations. All leases are operating leases, and the expense is recognized on the first day of each month for the current month's rent. All leases are reflected on the straight-line basis. Deferred rent is recorded when there is a material difference between the fixed payment and the straight-line rent expense.

Advertising

Advertising costs are expensed as incurred. Advertising expense for the year ended June 30, 2018 was \$19,963.

Fair Value Measurements

Fair Value Measurements establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below. Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that JCCGCI has the ability to access. Level 2 inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Jewish Community Council of Greater Coney Island, Inc.
Notes to Financial Statements
June 30, 2018

The following is a description of the valuation methodology used for assets measured at fair value. There has been no change in the methodology used at June 30, 2018 as compared to that used at June 30, 2017.

FJC Agency Loan Fund: Valued based upon the cash liquidation value as provided by the manager of the fund.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while JCCGCI believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the assets at fair value as of June 30, 2018 and 2017. The 2017 fair value level has been revised from Level 3 to Level 2 to conform to the current year presentation.

	2018	2017
FJC Agency Loan Fund - Level 2	\$ 772,922	\$ 748,984

Level 2 Gains and Losses

The table below sets forth a summary of changes in the fair value of JCCGCI's Level 2 assets for the years ended June 30, 2018 and 2017.

	2018	2017
FJC Agency Loan Fund		
Balance, beginning of year	\$ 748,984	\$ 729,492
Interest income (reinvested)	31,537	26,883
Fees	(7,599)	(7,391)
Balance, end of year	\$ 772,922	\$ 748,984

Agency Loan Fund

Participation in a pool of loans made to not-for-profit entities providing interest income on a quarterly basis.

Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
\$ 772,922	\$ -	N/A	5 days

Jewish Community Council of Greater Coney Island, Inc.

Notes to Financial Statements

June 30, 2018

Comparative Totals

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended June 30, 2017, from which the summarized information was derived.

Subsequent Events

Subsequent events have been evaluated through January 23, 2019, which is the date the financial statements were available to be issued.

Note 2: Corporate and Foundation Grants

Included in corporate and foundation grants are amounts received from the Conference on Jewish Material Claims Against Germany, Inc. for Holocaust-related programs including the German Government Grant. Amounts for the year ended June 30, 2018 and 2017 totaled \$12,959,461 and \$17,992,194, respectively.

Note 3: Occupancy

JCCGCI occupies a portion of an office building, which includes its main office along with one of its senior centers without incurring rent and related costs. The building is rented by the City of New York Department of Citywide Administrative Services, which donates the space to JCCGCI. The lease between the City of New York and the landlord expires on May 31, 2022. \$201,559 of rent and utilities paid by the City of New York has been included in these financial statements as an in-kind contribution for the period that JCCGCI occupied the facilities for each of the years ended June 30, 2018 and 2017.

Additionally, two of JCCGCI's senior centers receive donated space, at an estimated value of \$189,540, in buildings owned by the New York City Housing Authority (NYCHA). This amount has been included in these financial statements as an in-kind contribution for each of the years ended June 30, 2018 and 2017.

In addition to multiple short-term operating leases (less than one year), JCCGCI has eight operating lease agreements extending beyond the fiscal year end. One is for the remaining portion of its main office, the second is for the Jay-Harama Senior Center program site, the third for its Ocean Parkway Senior Center program site, the fourth for its Cure Violence program site, the fifth for its Intern Placement Service – Brooklyn program site, the sixth for its Intern Placement Services – Manhattan program site, the seventh is for its Intern Placement Services – Bronx program site, and the eighth is for its Crown Heights Career Hub program site. These leases expire at various dates from 2019 through 2023.

Jewish Community Council of Greater Coney Island, Inc.
Notes to Financial Statements
June 30, 2018

The following are the total future minimum rental payments required under the operating leases:

<u>Year Ending</u> <u>June 30</u>		
2019	\$	491,747
2020		244,299
2021		148,049
2022		68,967
2023		<u>30,389</u>
	<u>\$</u>	<u>983,451</u>

Total rent expense for the years ended June 30, 2018 and 2017 was \$948,911 and \$771,146, respectively.

Note 4: Fixed Assets

	<u>2018</u>	<u>2017</u>
Furniture and equipment	\$ 2,360,703	\$ 2,075,747
Leasehold improvements	1,535,446	1,483,133
Construction in progress	<u>69,260</u>	<u>-</u>
	<u>3,965,409</u>	<u>3,558,880</u>
Accumulated depreciation	(1,419,661)	(1,150,672)
Accumulated amortization	<u>(1,085,595)</u>	<u>(979,762)</u>
	<u>(2,505,256)</u>	<u>(2,130,434)</u>
	<u>\$ 1,460,153</u>	<u>\$ 1,428,446</u>

Included in furniture and equipment is \$407,393 of vehicles, which are subject to a lien from the Department for the Aging (DFTA) and \$115,766 of equipment, which is subject to a lien from the Department of Design and Construction (DDC). These liens state that, in the event of program termination, the assets purchased from grant funds will be returned to the funding source.

Note 5: Concentrations and Contingencies

Financial instruments which potentially subject the organization to a concentration of credit risk are cash accounts with financial institutions in New York City which during the year had balances in excess of FDIC insurance limits.

Jewish Community Council of Greater Coney Island, Inc.

Notes to Financial Statements

June 30, 2018

Grant revenues are primarily from the Conference on Jewish Material Claims Against Germany, Inc. (49% and 63% for the years ended June 30, 2018 and 2017, respectively), and New York City agencies (40% and 29% for the years ended June 30, 2018 and 2017, respectively). Grant receivables are primarily from New York City agencies (65% and 22% as of June 30, 2018 and 2017, respectively), and the conference on Jewish Material Claims Against Germany, Inc. (0% and 59% as of June 30, 2018 and 2017, respectively).

JCCGCI receives grants from various state and city government agencies performed under contracts. Such contracts are subject to governmental compliance audits from the granting agencies, as well as the New York State Office of the Attorney General, the Internal Revenue Service and the New York State Department of Charities Registration, and may, from time to time, result in adjustments to fees and grants received. In the opinion of JCCGCI, the disposition of all such matters should not have a material effect on JCCGCI's financial position or change in net assets.

JCCGCI is subject to claims and lawsuits that arose primarily in the ordinary course of its activities. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position, change in net assets and cash flows of JCCGCI. Events could occur that would change this estimate materially in the near term.

Note 6: Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

	<u>2018</u>	<u>2017</u>
After school programs	\$ 6,492	\$ -
Camp scholarships	10,127	8,289
Capacity building	31,425	50,000
Emergency Relief	18	2,400
Food pantry	121	121
Food pantry - Passover	14,299	15,029
Friendly visiting	5,017	14,597
Homecare	30,236	8,531
Horizons academy	109,035	1,847
Matching for Claims Conference/Holocaust services	127,178	149,359
Sunday program	24,089	29,929
Technical assistance	-	16,081
Transportation	2,219	-
Urban Neighborhood Services	459	-
Hurricane Sandy - Victim Assistance	2,948	11,648
Hurricane Sandy - Rebuilding	179,177	186,467
	<u>\$ 542,840</u>	<u>\$ 494,298</u>

Jewish Community Council of Greater Coney Island, Inc.
Notes to Financial Statements
June 30, 2018

During 2018, net assets were released from donor restrictions by incurring expenses satisfying the following restricted purposes:

	2018
After school programs	\$ 8,508
Camp scholarships	14,140
Capacity building	68,575
Emergency relief	6,400
Food pantry - Passover	19,531
Friendly visiting	9,718
Homecare	91,386
Horizons academy	5,330
Matching for Claims Conference/Holocaust services	153,813
Senior programs	2,000
Sunday program	35,340
Technical assistance	16,081
Transportation	35,092
Urban Neighborhood Services	541
Hurricane Sandy - Victim Assistance	8,700
Hurricane Sandy - Rebuilding	7,290
	\$ 482,445

Note 7: Retirement Plan

JCCGCI has a 403(b) plan for employees. JCCGCI does not contribute to the plan.

Note 8: Line of Credit

JCCGCI maintains a \$400,000 line of credit, bearing interest at 10.023% plus the British Bankers Association (BBA) LIBOR, for an effective interest rate of 12.05261% as of June 30, 2018. Interest expense for the year ended June 30, 2018 was \$5,871 and is recorded as dues, fees, subscriptions, honoraria and workshops in the statement of functional expenses. The line was secured by all business assets, inventory, equipment, general intangibles, chattel paper, documents, instruments and letter of credit rights of JCCGCI, as applicable. The line expires on March 1, 2019, and all fees for maintaining the open line were waived. All balances were paid off prior to June 30, 2018.

Jewish Community Council of Greater Coney Island, Inc.
Notes to Financial Statements
June 30, 2018

Note 9: Future Change in Accounting Principles

NFP Accounting Standard for Financial Reporting

Accounting Standards Update (ASU) 2016-14 changes requirements for financial statements and notes of all not-for-profit (NFP) entities and is effective for fiscal years beginning after December 15, 2017. Early adoption is permitted and should be applied on a retrospective basis; however, NFPs have the option in the year adopted to omit certain disclosures shown in comparative financials.

A summary of the changes by financial statement area is as follows:

Statement of financial position:

- The NFP statement of financial position will distinguish between two new classes of net assets those with donor-imposed restrictions and those without. The ASU retains the current requirements to provide information on the nature and amount of different types of donor restrictions in the notes to the financial statements.
- Underwater donor-restricted endowment funds are to be shown within the donor-restricted fund class. This is a change from the previously required classification as unrestricted.

Statement of activities:

- The standard requires NFPs to report expenses by both nature and function, either on the face of the statement of activities, as a separate statement or within the notes.
- NFPs are required to use the placed-in-service approach for reporting expirations of restrictions on gifts of cash or other assets to be used to acquire or construct a long-lived asset, in the absence of explicit donor stipulations. This eliminates the option to release the donor-imposed restriction over the estimated useful life of the acquired asset.
- Investment income will be shown net of external and direct internal investment expenses. There is no longer a requirement to include a disclosure of those netted expenses.

Statement of cash flows:

- An NFP can continue to choose to either use the indirect or direct method of reporting to present operating cash flows. If the direct method is used, there is no longer a requirement to present or disclose cash flows using the indirect (reconciliation) method.

Notes to the financial statements:

- The standard requires enhanced quantitative and qualitative disclosures to provide additional information useful in assessing liquidity and cash flows.
- Provide disclosures on amounts and purposes of governing board or self-imposed designations and appropriations as of the end of the period.

Jewish Community Council of Greater Coney Island, Inc.

Notes to Financial Statements

June 30, 2018

Revenue Recognition

The Financial Accounting Standards Board amended its standards related to revenue recognition. This amendment replaces all existing revenue recognition guidance and provides a single, comprehensive revenue recognition model for all contracts with customers. The guidance provides a five-step analysis of transactions to determine when and how revenue is recognized. Other major provisions include capitalization of certain contract costs, consideration of the time value of money in the transaction price and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments and assets recognized from costs incurred to fulfill a contract. The standard allows either full or modified retrospective adoption effective for annual periods beginning after December 15, 2018, for nonpublic entities, and any interim periods within annual reporting periods that begin after December 15, 2019, for nonpublic entities. JCCGCI is in the process of evaluating the impact the amendment will have on the financial statements.

Accounting for Leases

The Financial Accounting Standards Board amended its standard related to the accounting for leases. Under the new standard, lessees will now be required to recognize substantially all leases on the balance sheet as both a right-of-use asset and a liability. The standard has two types of leases for income statement recognition purposes: operating leases and finance leases. Operating leases will result in the recognition of a single lease expense on a straight-line basis over the lease term similar to the treatment for operating leases under existing standards. Finance leases will result in an accelerated expense similar to the accounting for capital leases under existing standards. The determination of lease classification as operating or finance will be done in a manner similar to existing standards. The new standard also contains amended guidance regarding the identification of embedded leases in service contracts and the identification of lease and nonlease components in an arrangement. The new standard is effective for annual periods beginning after December 15, 2019 and any interim periods within annual reporting periods that begin after December 15, 2020. JCCGCI is evaluating the impact the standard will have on the financial statements; however, the standard is expected to have a material impact on the financial statements due to the recognition of additional assets and liabilities for operating leases.

Supplementary Information

Jewish Community Council of Greater Coney Island, Inc.
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2018

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-through Identifying Number	2017-18 Federal Expenditures
U.S. Department of Agriculture			
Passed through NYC HRA/Family Independence Administration:			
State Administrative Grants for the Supplemental Nutrition Assistance Program	10.561	20171411676	\$ 806,184
SNAP Cluster Subtotal			<u>806,184</u>
Passed through NYC Food Bank:			
Emergency Food Assistance Program (Food Commodities)	10.569	A57884213	49,227
Food Distribution Cluster Subtotal			<u>49,227</u>
U.S. Department of Agriculture Total			<u>855,411</u>
U.S. Department of Housing and Urban Development			
Passed through NYC Department of Youth and Community Development			
Office of Community Planning and Development CDBG - Entitlement Grants Cluster			
Community Development Block Grants/Entitlement Grants	14.218	766607-9917/6780	69,941
CDBG - Entitlement Grants Cluster Subtotal			<u>69,941</u>
Passed through Governor's Office of Storm Recovery			
CDBG - Disaster Recovery Grants - Pub. L. No. 113-2 Cluster/ Hurricane Sandy Community Development Block (CDBG-DR)			
Grant Disaster Recovery Grants	14.269	B-13-DS-36-001	198,857
CDBG - Disaster Recovery Grants - Pub. L. No. 113-2 Cluster			<u>198,857</u>
U.S. Department of Housing and Urban Development Total			<u>268,798</u>
U.S. Department of Labor			
Passed through NYC Department of Youth and Community Development			
WIOA Cluster - Employment Training Administration			
WIA/WIOA Youth Activities	17.259	90313A 20131407503 - 4345	4,747
		90313A 20171408328 - 4561	37,557
		90338 2017408328 - 4655	166,505
WIOA Cluster Subtotal			<u>208,809</u>
U.S. Department of Labor Total			<u>208,809</u>
U.S. Department of Transportation			
Passed through NYS Department of Transportation			
Federal Transit Administration (FTA)			
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	C035150	519,414
Transit Services Programs Cluster Subtotal			<u>519,414</u>
U.S. Department of Transportation Total			<u>519,414</u>
U.S. Department of Education			
Passed through NYS Education Department:			
Office of Vocational and Adult Education			
Adult Education - Basic Grants to States	84.002	C402164	93,566
Office of Vocational and Adult Education			
Title IV, Part B: 21st Century Community Learning Center	84.287C	C403031	158,846
U.S. Department of Education Total			<u>252,412</u>

Jewish Community Council of Greater Coney Island, Inc.
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2018

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-through Identifying Number	2017-18 Federal Expenditures
U.S. Department of Health and Human Services			
Passed through NYC Department for the Aging:			
Special Programs for the Aging - Title III, Part D			
Grants for Disease Prevention and Health Promotion Services	93.043	20160001492	2,604
Special Programs for the Aging - Title III, Part D Subtotal			<u>2,604</u>
Administration for Community Living Aging Cluster			
Special Programs for the Aging - Title III, Part B			
Grants for Supportive Services and Senior Centers	93.044	20171400351	4,251
		20171400339 - 26T	5,381
		20160001492	3,783
		20171400340	4,231
		20171400331	6,119
		20171400332	250
Special Programs for the Aging - Title III, Part B Subtotal			<u>24,015</u>
Special Programs for the Aging - Title III, Part C			
Nutrition Services			
	93.045	20171400351	26,781
		20171400339 - 26T	44,511
		20160001492	82,197
		20171400340	35,276
		20171400331	96,851
		20160001051	40,315
Special Programs for the Aging - Title III, Part C Subtotal			<u>325,931</u>
Nutrition Services Incentive Program			
	93.053	20171400351	36,470
		20171400339 - 26T	21,953
		20160001492	60,816
		20171400340	22,777
		20171400331	37,707
		20160001051	41,397
Nutrition Services Incentive Program Subtotal			<u>221,120</u>
Aging Cluster Subtotal			<u>571,066</u>
Medicare Enrollment Assistance Program			
	93.071	20171407296	17,505
Passed through NYC HRA/Family Independence Administration			
Administration for Children and Families			
Temporary Assistance for Needy Families (TANF)	93.558	20171407296	1,122,507
Passed through NYS Office of Temporary Disability Assistance			
Administration for Children and Families			
Temporary Assistance for Needy Families (TANF)	93.558	C021730	203,250
TANF Cluster Subtotal			<u>1,325,757</u>
Community Services Block Grant			
	93.569	76607-9920/6780	86,664
		821304-9805/6780	250,763
Community Services Block Grant Subtotal			<u>337,427</u>
Passed through NYC Department for the Aging			
Social Services Block Grant			
	93.667	20171400351	64,852
		201740339 - 26T	33,189
		20160001492	83,278
		20171400340	46,113
		20171400331	57,823
		20160001051	202,090
		20171400332	169,158
Social Services Block Grant Subtotal			<u>656,503</u>
U.S. Department of Health and Human Services Total			<u>2,910,862</u>
Total Federal Expenditures			<u>\$ 5,015,706</u>

Jewish Community Council of Greater Coney Island, Inc.
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2018

Notes to Schedule

1. The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Jewish Community Council of Greater Coney Island, Inc. under programs of the federal government for the year ended June 30, 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 Jewish Community Council of Greater Coney Island, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of Jewish Community Council of Greater Coney Island, Inc.
2. 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.
3. JCCGCI has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.
4. There were no payments made to subrecipients for federal awards received during the year ended June 30, 2018.

Jewish Community Council of Greater Coney Island, Inc.
Notes to Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2018

5. New York City Department Of Youth and Community Development – WIA Programs

<u>Federal Grantor/Pass-through Grantor/Program</u>	<u>Contract Period</u>	<u>CFDA Number</u>	<u>Pass-through Number</u>	<u>Program Amount or Award</u>	<u>Expenditures</u>
United States Department of Labor Employment Training Administration WIA/WIOA Youth Activities Passed through New York City Department of Youth and Community Development					
Out of School Youth	September 1, 2015 - August 31, 2016	17.259	20131407503/4345 Year 7	\$ 159,000	\$ 4,747*
Out of School Youth	September 1, 2016 - August 31, 2017	17.259	20171408328/4561 Year 8	231,560	37,557**
Out of School Youth	September 1, 2017 - August 31, 2018	17.259	20171408328-4655 Year 9	218,328	166,505

* These expenditures represent amounts spent in the follow-up period.

** A portion of these expenditures represents amounts spent in the follow-up period.

**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

Board of Directors
Jewish Community Council of Greater Coney Island, Inc.
Brooklyn, New York

We have audited, 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, the financial statements of Jewish Community Council of Greater Coney Island, Inc., which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 23, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Jewish Community Council of Greater Coney Island, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jewish Community Council of Greater Coney Island, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Jewish Community Council of Greater Coney Island, Inc.'s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jewish Community Council of Greater Coney Island, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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.

BKD, LLP

New York, New York
January 23, 2019

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance

Independent Auditor's Report

Board of Directors
Jewish Community Council of Greater Coney Island, Inc.
Brooklyn, New York

Report on Compliance for Each Major Federal Program

We have audited Jewish Community Council of Greater Coney Island, Inc.'s compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of Jewish Community Council of Greater Coney Island, Inc.'s major federal programs for the year ended June 30, 2018. Jewish Community Council of Greater Coney Island, Inc.'s 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 Jewish Community Council of Greater Coney Island, Inc.'s 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 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 Jewish Community Council of Greater Coney Island, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Jewish Community Council of Greater Coney Island, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Jewish Community Council of Greater Coney Island, Inc. 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 June 30, 2018.

Report on Internal Control over Compliance

Management of Jewish Community Council of Greater Coney Island, Inc. 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 Jewish Community Council of Greater Coney Island, Inc.'s 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 Jewish Community Council of Greater Coney Island, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

BKD, LLP

New York, New York
March 28, 2019

Jewish Community Council of Greater Coney Island, Inc.
Schedule of Findings and Questioned Costs
June 30, 2018

Section I – Summary of Auditor’s Results

Financial Statements

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) was:

Unmodified *Qualified* *Adverse* *Disclaimer*

2. The independent auditor’s report on internal control over financial reporting disclosed:

Significant deficiency(ies)? *Yes* *None reported*

Material weakness(es)? *Yes* *No*

3. Noncompliance considered material to the financial statements was disclosed by the audit?

Yes *No*

Federal Awards

4. The independent auditor’s report on internal control over compliance for major federal awards programs disclosed:

Significant deficiency(ies)? *Yes* *None reported*

Material weakness(es)? *Yes* *No*

5. The opinion(s) expressed in the independent auditor’s report on compliance for major federal awards was (were):

Unmodified *Qualified* *Adverse* *Disclaimer*

6. The audit disclosed findings required to be reported by 2 CFR 200.516(a)?

Yes *No*

Jewish Community Council of Greater Coney Island, Inc.
Schedule of Findings and Questioned Costs (continued)
June 30, 2018

7. The District's major programs were:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
10.561	SNAP Cluster
93.558	TANF Cluster

8. The threshold used to distinguish between Type A and Type B programs was \$750,000.

9. The District qualified as a low-risk auditee? *Yes* *No*

Section II – Financial Statement Findings

<u>Reference Number</u>	<u>Finding</u>
No matters are reportable.	

Section III – Federal Award Findings and Questioned Costs

<u>Reference Number</u>	<u>Finding</u>
No matters are reportable.	

Jewish Community Council of Greater Coney Island, Inc.
Status of Prior Audit Findings
June 30, 2018

**Reference
Number**

Finding

No matters are reportable.