ASJ

ALLAN S. JOSEPH, CPA
Certified Public Accountants

December 15, 2017

Board of Directors
Sharon Baptist Board of Directors, Inc.
1925 Bathgate Avenue
Bronx, New York 10457

Dear Board of Directors:

Enclosed are one (1) Original and five (5) copies of the Sharon Baptist Board of Directors, Inc.'s Audit Report for the period ended June 30, 2017.

Sincerely,

....
Allan S. Joseph
Certified Public Accountants

ALLAN S. JOSEPH, CPA • Certified Public Accountants • 5 Hanover Square, Suite 1902• New York, NY 10004
Telephone: (212) 766-0797 • Facsimile: (212) 619-4985. Email: mail@asjcpa.com

SHARON BAPTIST BOARD OF DIRECTORS, INC.

FINANCIAL STATEMENTS

JUNE 30, 2017

SHARON BAPTIST BOARD OF DIRECTORS, INC.
1925 BATHGATE AVENUE
BRONX, NEW YORK 10457
TEL (718) 466-1604

FINANCIAL STATEMENTS
WITH
SUPPLEMENTAL SCHEDULES

BUDGET PERIOD: JULY 1, 2016 TO JUNE 30, 2017

AUDIT PERIOD: - JULY 1, 2016 TO JUNE 30, 2017

STARTING DATE OF AUDIT: OCTOBER 2, 2017

ENDING DATE OF AUDIT: DECEMBER 14, 2017

ALLAN S. JOSEPH
CERTIFIED PUBLIC ACCOUNTANTS
5 HANOVER SQUARE, SUITE 1902
NEW YORK, NY 10004

SHARON BAPTIST BOARD OF DIRECTORS, INC.

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**REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Board of Directors
Sharon Baptist Board of Directors, Inc.
1925 Bathgate Avenue
Bronx, New York 10457

Attention: Board of Directors,

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Sharon Baptist Board of Directors, Inc., which comprise the consolidated statement of financial position as of June 30, 2017 and the related consolidated statements of activities, cash flows and functional expenses 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 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 audits. We conducted our audits 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 and 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 statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)**

Opinions

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Sharon Baptist Board of Directors, Inc. as of June 30, 2017, and the changes in its net assets and its cash flows and functional expenses for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards as required by the Title 2 U.S. Code of federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and NYC ACS Early Learn Supplemental Schedules are presented for purposes of additional analysis and is 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 underlining 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 is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2017, on our consideration of Sharon Baptist Board of Directors, Inc.'s internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standard* in considering Sharon Baptist Board of Directors, Inc. internal control over financial reporting and compliance.

Allan S. Joseph

Allan S. Joseph
Certified Public Accountants
5 Hanover Square, Suite 1902
New York, New York, 10004
December 14, 2017

SHARON BAPTIST BOARD OF DIRECTORS, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2017

ASSETS

		PERMANENTLY RESTRICTED		TEMPORARILY RESTRICTED		UNRESTRICTED		TOTAL
CURRENT ASSETS								
CASH and CASH EQUIVALENTS (Note 2)	$	-	$	-	$	740,177	$	740,177
GRANT RECEIVABLE (Note 3)		-		-		39,919		39,919
DUE FROM SADLER (Note 4)		-		-		82,000		82,000
INTER PROGRAM RECEIVABLE (Note 5)		-		-		445,461		445,461
		-		-				
TOTAL CURRENT ASSETS	$	-	$	-	$	1,307,557	$	1,307,557
PROPERTY, PLANT and EQUIPMENT								
LAND	$	-	$	-	$	340,000	$	340,000
BUILDING AND IMPROVEMENTS		-		-		5,341,627		5,341,627
ACCUMULATED DEPRECIATION		-		-		(1,874,871)		(1,874,871)
TOTAL PROPERTY, PLANT and EQUIPMENT (Note 6)	$	-	$	-	$	3,806,756	$	3,806,756
TOTAL ASSETS	$	-	$	-	$	5,114,313	$	5,114,313
LIABILITIES AND NET ASSETS								
LIABILITIES								
ACCOUNTS PAYABLE (Note 7)	$	-	$	-	$	289,339	$	289,339
ACCRUED EXPENSES (Note 8)		-		-		28,137		28,137
DEFERRED REVENUE (Note 9)		-		-		7,776		7,776
OTHER PAYABLE (Note 10)		-		-		2,654		2,654
INTER PROGRAM PAYABLE (Note 11)		-		-		445,461		445,461
TOTAL LIABILITIES	$	-	$	-	$	773,367	$	773,367
NET ASSETS								
Permanently Restricted(Note 12)		-		-		-		-
Temporarily Restricted (Note 12)		-		-		-		-
Unrestricted (Note 12)		-		-		4,340,946		4,340,946
TOTAL NET ASSETS (NOTE 12)	$	-	$	-	$	4,340,946	$	4,340,946
TOTAL LIABILITIES AND NET ASSETS	$	-	$	-	$	5,114,313	$	5,114,313

SHARON BAPTIST BOARD OF DIRECTORS, INC.
STATEMENT OF ACTIVITIES
JUNE 30, 2017

	PERMANENTLY RESTRICTED	TEMPORARILY RESTRICTED	UNRESTRICTED	TOTAL
REVENUE:				
Grant Income	$ -	$ 39,919	$ 6,897,881	$ 6,937,800
In-Kind	-	-	326,012	326,012
Parent Fees	-	-	73,713	73,713
Sponsor's Contributions	-	-	-	-
Other Income	-	-	64,077	64,077
Net Assets released from restrictions	-	(39,919)	39,919	-
TOTAL REVENUE	$ -	$ -	$ **7,401,602**	$ **7,401,602**
EXPENSES:				
Program Services:				
Salaries	$ -	$ -	$ 3,526,620	$ 3,493,093
FICA	-	-	248,267	245,702
Unemployment Insurance	-	-	59,171	59,171
Workers Compensation	-	-	122,369	1,604
MCMT Tax	-	-	1,604	239,546
Pension	-	-	239,546	239,546
Welfare Fund	-	-	61,828	61,828
Health Insurance	-	-	395,842	395,842
Substitutes	-	-	46,268	46,268
Rent, Property Taxes and Water Sewer Charge	-	-	418,851	327,520
Licenseing and Permits	-	-	-	50,174
Insurance	-	-	50,174	18,911
Custodial Services	-	-	18,911	16,407
Alarm	-	-	16,407	52,372
Telecomunications	-	-	52,372	52,372
Utilities	-	-	160,966	160,966
Maintenance and Repairs	-	-	295,153	295,153
Capital expenditures and Renovations	-	-	3,362	3,362
Other Facilities Cost	-	-	-	-
Supplies	-	-	929,722	929,722
Equipment over $3,000 - Head Start	-	-	-	-
Equipment over $5,000 - Child Care	-	-	-	-
Postage	-	-	1,955	1,955
Advertising	-	-	350	350
Instructional Field Trips	-	-	-	-
Training / Staff Development	-	-	55,616	55,616
Transportation	-	-	14,775	14,775
Food-CACFP	-	-	376,863	376,863
Non Food related cost-CACFP	-	-	4,990	4,990
Audit	-	-	30,000	30,000
Parent Services	-	-	33,569	33,569
Consultant-Programmatic	-	-	25,615	25,615
Consultant-Administrative	-	-	-	-
Indirect Cost-Head Start	-	-	-	-
Other OTPS	-	-	162,797	162,797
TOTAL EXPENSES	$ -	$ -	$ **7,353,963**	$ **7,396,089**
Changes in Net Assets	$ -	$ -	$ **47,639**	$ **5,513**
Net Assets 07/01/2016	$ -	$ -	$ 4,293,307	$ 4,293,307
Prior Period Adjustments	$ -	$ -	$ -	$ -
NET ASSETS 06/30/2017	$ -	$ -	$ **4,340,946**	$ **4,298,820**

SHARON BAPTIST BOARD OF DIRECTORS, INC.
STATEMENT OF FUNCTIONAL EXPENDITURES

JUNE 30, 2017

		PROGRAMATIC					MANAGEMENT
	TOTAL	EARLY LEARN	EARLY LEARN IN-KIND CONTRIBUTION	GRANTEE	GRANTEE IN-KIND CONTRIBUTION	FOOD PROGRAM	S.B. KIDS, INC.
EXPENDITURES:							
PERSONNEL COSTS:							
Salaries	$ 3,493,093	$ 2,574,714	$ 98,306	$ 592,367	$ 227,706	$ -	$ -
Salaries - COLA	33,527	33,527	-	-	-	-	-
FICA	245,702	199,073	-	46,629	-	-	-
FICA - COLA	2,565	2,565	-	-	-	-	-
Unemployment Insurance	59,171	38,272	-	20,899	-	-	-
Workers Compensation	122,369	122,369	-	-	-	-	-
MCTMT	1,604	-	-	1,604	-	-	-
Pension	239,546	239,546	-	-	-	-	-
Welfare Fund	61,828	2,691	-	59,137	-	-	-
Health Insurance	395,842	387,037	-	8,805	-	-	-
Substitutes	46,268	45,950	-	318	-	-	-
TOTAL PERSONNEL COSTS	$ 4,701,515	$ 3,645,744	$ 98,306	$ 729,759	$ 227,706	$ -	$ -
FACILITIES COSTS:							
Rent	$ 327,520	$ 327,520	$ -	$ -	$ -	$ -	$ -
Property Taxes	80,221	80,221	-	-	-	-	-
Water and Sewer	11,110	11,110	-	-	-	-	-
Licensing and Permits	-	-	-	-	-	-	-
Insurance	50,174	49,624	-	550	-	-	-
Custodial Services	18,911	18,911	-	-	-	-	-
Alarm	16,407	15,481	-	926	-	-	-
Telecommunications	52,372	45,955	-	6,417	-	-	-
Utilities	160,966	120,696	-	40,270	-	-	-
Maintenance and Repairs	295,153	291,456	-	3,697	-	-	-
Capital Expenditures and Renovations	3,362	3,362	-	-	-	-	-
Other Facilities Cost	-	-	-	-	-	-	-
TOTAL FACILITIES COSTS	$ 1,016,196	$ 964,336	$ -	$ 51,860	$ -	$ -	$ -
OTHER THAN PERSONNEL COSTS:							
Supplies	$ 929,722	$ 845,050	$ -	$ 84,672	$ -	$ -	$ -
Equipment over $3,000 - Head Start	-	-	-	-	-	-	-
Equipment over $5,000 - Child Care	-	-	-	-	-	-	-
Postage	1,955	1,955	-	-	-	-	-
Advertising	350	-	-	350	-	-	-
Instructional Field Trips	-	-	-	-	-	-	-
Training / Staff Development	55,616	32,908	-	22,708	-	-	-
Transportation	14,775	10,259	-	4,516	-	-	-
Food-CACFP	376,863	-	-	-	-	376,863	-
Non Food related cost-CACFP	4,990	-	-	-	-	4,990	-
Audit	30,000	18,000	-	12,000	-	-	-
Parent Services	33,569	31,516	-	2,053	-	-	-
Consultant-Programmatic	25,615	14,630	-	910	-	10,075	-
Consultant-Administrative	-	-	-	-	-	-	-
Indirect Cost-Head Start	-	-	-	-	-	-	-
Other OTPS	162,797	11,769	-	17,272	-	-	133,756
TOTAL OTPS	$ 1,636,252	$ 966,087	$ -	$ 144,481	$ -	$ 391,928	$ 133,756
TOTAL EXPENDITURES	$ 7,353,963	$ 5,576,167	$ 98,306	$ 926,100	$ 227,706	$ 391,928	$ 133,756

ALLAN S. JOSEPH, CPA
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

SHARON BAPTIST BOARD OF DIRECTORS, INC.
STATEMENT OF CASH FLOWS
FOR YEAR ENDED JUNE 30, 2017

Cash Flows from Operation Activities:		
Change in Net Assets	$	47,639
Adjustments to Prior Years Net Assets	$	-
Depreciation and Amortization	$	133,541
Decrease (Increase) in Assets:		
Grants Receivable	$	225,484
Accounts Receivable		2,263
Inter Program Receivable		(416,475)
Increase (Decrease) in Liabilities:		
Accounts Payable		280,155
Accrued Expenses		10,120
Advances		(36,200)
Deferred Revenue		(30,238)
Mortgage Payable		26,396
Other Payable		(2,389)
Inter Program Payable		416,475
Net Cash Provided from Operating Activities	$	656,771
Cash Flows from Investing Activities:	$	-
Cash Flows from Financing Activities:	$	-
Net Increase (Decrease) in Cash and Cash Equivalents	$	656,771
Cash and Cash Equivalents, Beginning of Year		136,198
Cash and Cash Equivalents, End of Year	$	792,969

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Background

Sharon Baptist Board of Directors, Inc. ("SBBD") is a community-based non-profit organization established to provide quality early child care, education, health, nutrition, social services, and other related disciplines to children and their families. This is to be carried out regardless of race, creed, ethnicity, religion, or disability. Their goal is to create a comprehensive, multicultural service agency that guarantees satisfaction and is consistently responsive to the needs of the children, families, and their community.

Sharon Baptist Board of Directors, Inc.'s aim is to enhance the development of young children and their families to enable them to become independent, self confident, self sufficient, and in all manners healthy. We are constantly redefining our goals. Each year, we are confronted with different challenges. Whether it is substance abuse, welfare reform, child abuse, unqualified staff, or diversity, we are pro-active and determined to impose change.

Sharon Baptist Board of Directors, Inc.'s belief is that they must help enhance the social competence of the family by supporting the role of parents as the primary educators. Sharon Baptist Board of Directors, Inc. realizes parents possess the potential to dramatically influence their children's education and growth. The parents also possess the ability to improve their quality of life and the communities in which they reside. The parenting and leadership skills needed to fulfill this potential are becoming increasingly under developed.

With the emphasis of returning the responsibilities of the family to the family, Sharon Baptist Board of Directors, Inc. has developed programs of empowerment that will equip the participant with the necessary tools to achieve self-sufficiency.

In carrying out the mission, the organization is supported by various Federal, State and Local government grants.

Sharon Baptist Board of Directors, Inc. was organized in the year 1969. During their forty-three years of operation, they have witnessed the destruction of the family, the deterioration of the community, the loss of self esteem, and an increase of poverty. They have seen the death of children's dreams. They now dwell with shortened life expectancy, their numerous experiences with police and despair. They have also seen families who have been able to maintain their dignity and progress with the assistance of the staff and programs we have provided. Most of the families are enrolled in the head start modality. Sharon Baptist Board of Directors, Inc.'s strength is head start, a federally funded anti-poverty program started in 1965. It is the only program designed to counteract poverty from that period that still exists today. They have served thousands of families. To counteract the negativity the families encounter daily, Sharon Baptist Board of Directors, Inc. is constantly focusing their efforts on rebuilding the family. The programs they sponsor, Head Start and Day Care, are "two of the few credible institutions that retain the trust of the families."

Sharon Baptist Board of Directors, Inc.'s operating budget for the 7/1/2016 - 6/30/2017, program period was in excess of seven million dollars including Federal, Delegate, Grantee, State, City, and USDA/CACFP funding.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Accounting

All public support and revenue are considered to be available for unrestricted use unless specifically restricted by the donor. The financial statements of Sharon Baptist Board of Directors have been prepared on the accrual basis. In the statement of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

C. Financial Statement Presentation

The classification of a not-for-profit organization's net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets, permanently restricted, temporarily restricted, and unrestricted, be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

(i) **Permanently Restricted** - Net assets resulting from contributions and other inflows of assets whose use by SBBD is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of SBBD.

(ii) **Temporarily Restricted** - Net assets resulting from contributions and other inflows of assets whose use by SBBD is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of SBBD pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities.

(iii) **Unrestricted** - That part of net assets that is neither permanently nor temporarily restricted by donor imposed stipulations and/or the net assets which the Board of Directors has to use in carrying on the operations of SBBD.

D. Cash and Cash Equivalents

SBBD considers all liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

E. Government Contracts

Revenue from government contracts is recognized when reimbursable expenses are incurred under the terms of the contracts. Contract payments in excess of or less than qualified expenses are accounted for as due to/from government agencies or contracts receivable, respectively.

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Cont'd)

F. Third Party Reimbursement and Revenue Recognition

SBBD receives substantially all its revenue for services provided to approved clients from third-party reimbursement agencies; primarily New York City Administration for Children Services and U.S. Department of Health and Human Services. These revenues are based on predetermined rates based on cost reimbursement principles and are subject to audit and retroactive adjustment by the respective third-party fiscal intermediary. The revenue for prior years earned as a result of these retroactive rate adjustments is recorded during the year the rates are finalized.

G. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenditures, which all expenses incurred within the year. Accordingly, certain costs have been allocated programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

H. Income Taxes

SBBD was incorporated in the State of New York and is exempt from Federal and state income taxes under Section 501 (c) (3) of the Internal Revenue Code and, therefore, had made no provision for income taxes in accompanying financial statements. In addition, SBBD has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for 2016.

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make 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.

J. Concentration of Credit Risk

Financial instruments which potentially subject SBBD to concentration of credit risk consist primarily of cash and cash equivalents in excess of FDIC insurance limits. At various times during the year, SBBD may have cash deposits at financial institutions in excess of FDIC insurance limits. These financial institutions have strong credit rating and management believes that credit risk related to these accounts is minimal.

SBBD receives approximately 80% of its revenues from the New York City Administration for Children's Services ("ACS"). SBBD's exposure to credit risk is affected by ACS and the federal government's ability and desire to continue funding these programs in the future.

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Cont'd)

K. Comparative Financial Information

The financial statements included certain prior year summarized comparative information. With respect to the statement of activities, the prior year information is presented in total, not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the SBBD's financial statements for the year ended June 30, 2017, from which the summarized information was derived.

L. Vacation and Sick Leave

GRANTEE PROGRAM

Employees are granted vacation leave at an average rate of one and two thirds days (1 2/3) days each month. At June 30, 2017, the unrecorded and unfunded liability for Annual Vacation amounted to $25,074

Employees are granted sick at the rate leave at an average rate of one (1) day each month with a maximum of twelve (12) days per year. Sick leaves are paid at the employee's salary rate at the time taken or when they leave the agency.

No provision for future liabilities has been made in the balance sheet. The agency recognizes sick leave as expenditure at the time it is used during the year. At June 30, 2017, the unrecorded and un-funded liability for sick leave amounted to $37,629.

EARLY LEARN

VACATION

Employees are granted vacation leave at an average rate of one and two thirds (1 2/3) days each month. At June 30, 2017, the unrecorded and unfunded liability for Annual Vacation amounted to $0.

SICK LEAVE

Employees are granted sick at the rate leave at an average rate of one (1) day each month with a maximum of twelve (12) days per year. Sick leaves are paid at the employee's salary rate at the time taken or when they leave the agency.

No provision for future liabilities has been made in the balance sheet. The agency recognizes sick leave as expenditure at the time it is used during the year. At June 30, 2017, the unrecorded and un-funded liability for sick leave amounted to $112,341.

NOTE 2: CASH AND CASH EQUIVALENTS

$740,177 represents Cash as of June 30, 2017.

CURRENT YEAR PROGRAM	TYPE OF ACCOUNT		BALANCE		INTEREST
CHASE JP MORGAN P.O. Box 659754 San Antonio, TX 78265-9754					
A/c # XXX-XXX188-5	EL Checking		235,776		0
A/c# XXX-XXX2222	EFT Checking		410,553		0
A/c # XXX-XXX259-5	Grantee Checking		10,889		0
TOTAL CHASE JP MORGAN		$	657,218	$	0
CAPITAL ONE BANK 151 East Fordham Road Bronx, NY 10468					
A/c# XXXXXX1181	Board Checking	$	21,829	$	0
A/c# XXXXXX2358	SB Kids Checking		58,076		0
TOTAL CAPITAL ONE BANK		$	79,905	$	0
CARVER FEDERAL SAVINGS BANK 1281 Fulton Street Brooklyn, NY 11216					
A/c # XXXXX6780	SBK Money Market	$	2,965	$	0
A/c # XXXXX0390	CACFP Checking		89		0
TOTAL CAVER FEDERAL SAVINGS BANK		$	3,054	$	0
TOTAL CASH IN BANK		**$**	**740,177**	**$**	**0**
PETTY CASH					
Grantee Program		$	200	$	0
TOTAL PETTY CASH		$	200	$	0
TOTAL CASH AND CASH EQUIVALENTS		**$**	**136,198**	**$**	**5**

Bank Charges totaling $214 are expensed in the Schedule of Other Costs General and Administrative.

There were no checks outstanding for a period of six months or longer.

The Agency maintains its Cash in Bank at a financial institution, which is covered by FDIC Insurance. Beginning December 31, 2010, through December 31, 2014, all noninterest–bearing transaction accounts are fully insured. Monet Market and NOW accounts are covered at the maximum FDIC insurance coverage of $250,000. Should the financial institution fail the Agency will be at risk of losing amounts in excess of the respective FDIC coverage.

NOTE 3: GRANTS RECEIVABLE

$34,850 represents funds receivable from funding sources at June 30, 2017.

CURRENT YEAR PROGRAM

Grantee	$	5,069
Food Program		34,850
TOTAL GRANTS RECEIVABLE	**$**	**39,919**

NOTE 4: DUE FROM SADLER

At June 30, 2017 Due from Sadler of $82,000 consists of:

Supreme Court of NY Judgment of Restitution	$	171,000
Claims made to Philadelphia Indemnity Insurance		(89,000)
BALANCE (SUPREME COURT JUDGMENT FILED 7/28/2014)	$	82,000

NOTE 5: INTER PROGRAM RECEIVABLE

At June 30, 2017 the Agency had Inter Program Receivable of $445,461 which consists of:

Due from the Early Learn Program to Grantee Program	$	6,457
Due from SB Kids to Early Learn		410,017
Due from Early Learn to Food Program		7,895
Due from the Food Program to SB Kids		21,092
TOTAL INTER PROGRAM PAYABLE	$	**445,461**

NOTE 6: FIXED ASSETS

As of June 30, 2017, Fixed Assets consisted of the following:

FIXED ASSETS		COSTS		ACCUMULATED DEPRECIATION		BOOK VALUE
Land	$	340,000	$	0	$	340,000
Building and Improvements		5,341,627		(1,874,871)		3,466,756
TOTAL FIXED ASSETS	**$**	**5,681,627**	**$**	**(1,874,871)**	**$**	**3,806,756**

The current period Depreciation Expense is $133,541.

NOTE 7: ACCOUNTS PAYABLE

At June 30, 2017 the Agency had Accounts Payable of $289,339 which represents:

VENDOR	DATE PAID		AMOUNT		UNPAID BALANCE
CURRENT YEAR					
EARLY LEARN PROGRAM					
Automated Furniture	09/21/17	$	73,833	$	
Hatch	07/10/17		12,392		
Mike & Son	07/12/17		53,005		
Ready Fresh	07/10/17		40		
Member Services	07/10/17		21,584		
Head Start Management Services	07/10/17		250		
Lakeshore	07/19/17		84,321		
School Specialty	07/24/17		12,899		
Music Together	07/12/17		9,142		
Weeks and Lerman	07/13/17		735		
Luz Perez	07/27/17		325		
TOTAL EARLY LEARN PROGRAM		$	268,526	$	0
FOOD PROGRAM					
ACE Endico	07/17/17	$	6,963	$	
Derle Farms	07/17/17		2,307		
Driscol Foods	07/17/17		8,381		
Meridian	07/17/17		3,030		
Triple Crown	07/17/17		132		
TOTAL FOOD PROGRAM		$	20,813	$	0
TOTAL ACCOUNTS PAYABLE		$	**289,339**	$	**0**

NOTE 8: ACCRUED EXPENSES

At June 30, 2017 the Agency had Accrued Expenses of $28,137 which represents:

VENDOR	DATE PAID		AMOUNT		UNPAID BALANCE
EARLY LEARN					
Salary	07/12/17	$	26,137	$	
FICA	07/12/17		2,000		
TOTAL ACCRUED EXPENSES		$	28,137	$	0

NOTE 9: DEFERRED REVENUE

$7,776 represents deferred Revenue as of June 30, 2017:

Grantee Program	$	6,847
Food Program		929
TOTAL DEFERRED REVENUE	$	**7,776**

These amounts were subsequently applied.

NOTE 10: OTHER PAYABLE

Other Payable of $2,654 as of June 30, 2017 consists of:

Employee Dental	$	134
Transit Check		2,520
TOTAL OTHER PAYABLE	$	**2,654**

NOTE 11: INTER PROGRAM PAYABLE

At June 30, 2017 the Agency had Inter Program Receivable/Payable of $445,461 which consists of:

Due to Food Program from the Early Learn Program	$	7,895
Due to Early Learn from Grantee Program		6,457
Due to SB Kids from the Food Program		21,092
Due to Early Learn Program from SB Kids		410,017
TOTAL INTER PROGRAM PAYABLE	$	**445,461**

NOTE 12: NET ASSETS

$4,340,946 represents Net Assets as of June 30, 2017:

Permanently Restricted Net Assets, Beginning of Year	$	0
Temporarily Restricted Net Assets, Beginning of Year		0
Unrestricted Net Asset, Beginning of Year		4,293,307
Unrestricted Net Assets, Restated	$	4,293,307
Change in Net Assets		47,639
NET ASSETS, END OF YEAR	$	**4,340,946**

NOTE 13: REVENUE

$7,401,602 represents Total Revenue as of June 30, 2017:

		Amount
Grant Income	$	6,937,800
In-kind Contribution		326,012
Parent Fees		73,713
Other Income		64,077
TOTAL REVENUES	**$**	**7,401,602**

NOTE 14: PENSION PLAN

Sharon Baptist Board of Directors, Inc. provides a tax shelter annuity plan that covers all employees meeting special age and length of service requirements. The plan has an option not to contribute depending on cash availability and management's decision. Pension expense during the period ended June 30, 2017 was $239,546.

NOTE 15: CONTINGENCIES

The Board of Directors of Sharon Baptist Board of Directors, Inc. has disclosed an irregularity related to the S.B. Kids Program, relating to prior periods involving the former Board Chairperson. Checks in the amount of approximately $275,000 were made payable to him from the S.B. Kids account. The Board of Directors upon discovery notified all funding sources, their financial institution, filed a police report, removed him from the Board and removed his name as signatory from all accounts.

The Bronx District Attorney subsequently brought a case against the former Board Chairman, Mr. Rufus Saddler who pleaded guilty to Petit Larceny and on July 28, 2014 was ordered to pay restitution of $171,000 of which $89,000 was paid by the insurer, Philadelphia Indemnity Insurance Company on April 4, 2014. The Judgment Order of Restitution was filed for the $82,000 in the New York State Supreme Court.

NOTE 16: COST ALLOCATION

The agency allocates its cost based on a written Cost Allocation plan to document the Methods and Cost Drivers used to allocate all joint cost between programs.

NOTE 17: FUNCTIONAL COST ALLOCATION

ACS EARLY LEARN HEAD START PROGRAM

The Agency allocates Personnel Cost between Administrative Function and Programmatic Function based on the percentage of time projected by each staff based on job function. Other Than Personnel Services (OTPS) are allocated based on use.

Cost incurred for the support of the Programmatic activities is considered as Administrative costs and are therefore charged to the Administrative function

Programmatic Functional cost is charged for services directly related to the services being performed.

The agency allocated cost for the ACS Early Learn Head Start operations (July 1, 2016 to June 30, 2017). The allocated functional cost of ACS Early Learn Head Start and In-Kind Expenditures as follows:

COST		AMOUNT	PERCENTAGE
Administrative	$	274,748	8%
Program		2,992,206	92%
TOTAL	$	3,266,954	100%

NOTE 18: RELATED PARTIES

Sharon Baptist Head Start (Sharon Board of Directors, Inc. ACS Delegate Head Start Program) and Sharon Baptist Board of Directors, Inc., entered into a space cost agreement for a ten (10) year period commencing February 1, 2007 and terminating on January 31, 2016. Head Start Property Management recommends that funds are used for a rental allocation in the amount of $163,056. An appraisal of this space took place on January 6, 2006 and the appraised market value is $431,508. The space is located at 509 East 165th Street, Bronx, New York. The annual rent is $ 163,056 at $10.58 per square foot for 15,411 square feet of indoor space, payable in monthly installments of $ 13,588.

NOTE 19: PAYROLL DISTRIBUTION

ACS Head Start Audit Guidelines requires that an Administrative Payroll Distribution and Floor Check on a surprise basis be performed. A surprise payroll observation was not performed. However, we performed alternative audit procedures to ensure that salaries were paid to bona fide employees. No exceptions were noted.

NOTE 20: BOARD OF DIRECTORS MINUTES

The minutes of the Board of Directors, Inc.'s meetings for the period July 1, 2015, through June 30, 2017, were reviewed. In our opinion, the Board is actively participating in the Program's activities.

NOTE 21: TAXES

The quarterly tax returns (941's, State and City withholding taxes and unemployment insurance) were properly filed by the Agency and have been reconciled to the books of the Agency.

NOTE 22: LEASE COMMITMENTS

ACS EARLY LEARN PROGRAM

A. On July 1, 2004, Sharon Baptist Church Head Start, Inc., (Sharon Baptist Board of Directors, Inc., ACS Early Learn Head Start Program) and 1986 F & S Burnside, Inc., entered in a lease agreement for a ten (10) year period commencing July 1, 2004, and terminating on June 30, 2017. This space is located at 279 - 281 East Burnside Avenue, Bronx, New York 10456. The annual rent is $273,654 payable in monthly installments of $22,804.5. Rent expense for the period ended June 30, 2017 is $273,654

B. On February 1, 2007, Sharon Baptist Head Start (Sharon Baptist Board of Directors, Inc. ACS Early Learn Head Start Program) and Sharon Baptist Board of Directors, Inc., entered into a space cost agreement for a ten (10) year period commencing February 1, 2007 and terminating on January 31, 2016. The space is located at 507-509 East 165th Street, Bronx, New York 10456. The annual rent is $163,056 at $10.58 per square foot for 15,411 square feet of indoor space, payable in monthly installments of $13,588. Rent expense for the period ended June 30, 2017 is $53,866.

The ACS Early Learn Head Start Program Rent Expense for the period ended June 30, 2017 is $327,520.

NOTE 23: CENTRALLY PAID COSTS

None

NOTE 24: IN-KIND CONTRIBUTIONS

ACS EARLY LEARN HEAD START

The agency is required to meet 25% Non- Federal In-kind Contribution.

Early Learn Head Start Expenses	$	2,041,179
Centrally Paid Cost		0
	$	2,041,179
% In-kind Match		25%
	$	510,296
Early Learn In-kind	$	98,306
Early Learn UPK		685,919
Total Head Start In-kind Contribution	$	784,225

The Agency met the 25% Non-Federal In-kind match.

SHARON BAPTIST BOARD OF DIRECTORS, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2017

Federal grantor/pass-through grantor/program title	Federal CFDA Number	Pass-through entity identifying Number	Federal Expenditures
MAJOR PROGRAMS:			
U.S. Department of Health and Human Services:			
Pass-through NYS Office of Children & Family Services:			
Head Start	93.600		$ 1,837,061
Health and Safety	93.600		$ 3,362
U.S. Department of Health and Human Services:			
Head Start	93.600	02CH0311902	$ 596,142
	93.600	02CH0311903	$ 329,958
	Subtotal (CFDA # 93.600)		$ 2,766,523
U.S. Department of Health and Human Services:			
Pass-through NYC Administration for Children's Services:			
Social Services Block Grant:			
Child Care Services	93.575		$ 755,969
	Subtotal (CFDA # 93.575)		$ 755,969
U.S. Department of Agriculture:			
Pass-through NYS Department of Health:			
Child and Adult Care Food Program	10.558	3174	$ 391,928
	Subtotal (CFDA # 10.558)		$ 391,928
TOTAL MAJOR PROGRAMS			$ 3,914,420
NON-MAJOR PROGRAMS:			
TOTAL NON-MAJOR PROGRAMS			$ -
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 3,914,420

SHARON BAPTIST BOARD OF DIRECTORS, INC.
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR PERIOD ENDED JUNE 30, 2017

NOTE 1: **BASIS OF PRESENTATION:**

The accompanying Schedules of Expenditures of Federal Awards includes the federal award activity of Sharon Baptist Board of Directors, Inc. under programs of the Federal Government for the year ended June 30, 2017. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Sharon Baptist Board of Directors, Inc., it is not intended to and does not present the financial position, change in net assets or cash flows for Sharon Baptist Board of Directors, Inc.

Summary of Funding Agencies - The full names of the Funding Agencies included on the accompanying Schedules are as follows:

NYS	- New York State
NYC	- New York City
ACS	- Administration for Children's Services
DOH	- Department of Health
CACFP	- Child and Adult Care Food Program

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 are limited as to reimbursement. Negative amounts are shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3: **SUBRECIPIENTS:**

No amounts were provided to subrecipients.

SHARON BAPTIST BOARD OF DIRECTORS, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2017

	TOTAL	EARLY LEARN	EARLY LEARN IN - KIND	GRANTEE	GRANTEE IN - KIND	FOOD PROGRAM	GENERAL and ADMINISTRATIVE
ASSETS							
CURRENT ASSETS							
CASH and CASH EQUIVALENTS (Note 2)	$ 740,177	$ 235,776	$ -	$ 10,889	$ -	$ 89	$ 493,423
GRANT RECEIVABLE (Note 3)	39,919	-	-	5,069	-	34,850	-
DUE FROM SADLER (Note 4)	82,000	-	-	-	-	-	82,000
INTER PROGRAM RECEIVABLE (Note 5)	445,461	416,474	-	-	-	7,895	21,092
TOTAL CURRENT ASSETS	$ 1,307,557	$ 652,250	$ -	$ 15,958	$ -	$ 42,834	$ 596,515
PROPERTY, PLANT and EQUIPMENT							
LAND	$ 340,000	$ -	$ -	$ -	$ -	$ -	$ 340,000
BUILDING AND IMPROVEMENTS	5,341,627	-	-	-	-	-	5,341,627
ACCUMULATED DEPRECIATION	(1,874,871)	-	-	-	-	-	(1,874,871)
TOTAL PROPERTY, PLANT and EQUIPMENT (Note 6)	$ 3,806,756	$ -	$ -	$ -	$ -	$ -	$ 3,806,756
TOTAL ASSETS	$ 5,114,313	$ 652,250	$ -	$ 15,958	$ -	$ 42,834	$ 4,403,271
LIABILITIES and NET ASSETS							
LIABILITIES							
ACCOUNTS PAYABLE (Note 7)	$ 289,339	$ 268,526	$ -	$ -	$ -	$ 20,813	$ -
ACCRUED EXPENSES (Note 8)	28,137	28,137	-	-	-	-	-
DEFERRED REVENUE (Note 9)	7,776	-	-	6,847	-	929	-
OTHER PAYABLE (Note 10)	2,654	-	-	2,654	-	-	
INTER PROGRAM PAYABLE (Note 11)	445,461	7,895	-	6,457	-	21,092	410,017
TOTAL LIABILITIES	$ 773,367	$ 304,558	$ -	$ 15,958	$ -	$ 42,834	$ 410,017
NET ASSETS (NOTE 12)	4,340,946	347,692	-	-	-	-	3,993,254
TOTAL LIABILITIES and NET ASSETS	$ 5,114,313	$ 652,250	$ -	$ 15,958	$ -	$ 42,834	$ 4,403,271

SHARON BAPTIST BOARD OF DIRECTORS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

REVENUE:	TOTAL	EARLY LEARN	EARLY LEARN IN-KIND CONTRIBUTION	GRANTEE	GRANTEE IN-KIND CONTRIBUTION	FOOD PROGRAM	S.B KIDS INC
Grant Income	$ 6,937,800	$ 5,619,772	$	$ 926,100	$ -	$ 391,928	$ -
In-Kind	326,012	-	98,306	-	227,706	-	-
Parent Fees	73,713	73,713	-	-	-	-	-
Sponsor's Contribution	-		-	-	-	-	-
Other Income	64,077	-	-		-	-	64,077
TOTAL REVENUE	$ 7,401,602	$ 5,693,485	$ 98,306	$ 926,100	$ 227,706	$ 391,928	$ 64,077
EXPENDITURES:							
Personnel Cost:							
Salaries	$ 3,493,093	$ 2,574,714	$ 98,306	$ 592,367	$ 227,706	$ -	$ -
Salaries - COLA	33,527	33,527	-	-	-	-	-
FICA	245,702	199,073	-	46,629	-	-	-
FICA - COLA	2,565	2,565	-	-	-	-	-
Unemployment Insurance	59,171	38,272	-	20,899	-	-	-
Workers Compensation	122,369	122,369	-	-	-	-	-
MCTMT	1,604	-	-	1,604	-	-	-
Pension	239,546	239,546	-	-	-	-	-
Welfare Fund	61,828	2,691	-	59,137	-	-	-
Health Insurance	395,842	387,037	-	8,805	-	-	-
Substitutes	46,268	45,950	-	318	-	-	-
Total Personnel Cost:	$ 4,701,515	$ 3,645,744	$ 98,306	$ 729,759	$ 227,706	$ -	$ -
Facilities Cost:							
Rent	$ 327,520	$ 327,520	$ -	$ -	$ -	$ -	$ -
Property Taxes	80,221	80,221	-	-	-	-	-
Water and Sewer	11,110	11,110	-	-	-	-	-
Licensing and Permits	-	-	-	-	-	-	-
Insurance	50,174	49,624	-	550	-	-	-
Custodial Services	18,911	18,911	-	-	-	-	-
Alarm	16,407	15,481	-	926	-	-	-
Telecommunications	52,372	45,955	-	6,417	-	-	-
Utilities	160,966	120,696	-	40,270	-	-	-
Maintenance and Repairs	295,153	291,456	-	3,697	-	-	-
Capital Expenditures and Renovations	3,362	3,362	-	-	-	-	-
Other Facilities Cost	-	-	-	-	-	-	-
Total Facilities Cost	$ 1,016,196	$ 964,336	$ -	$ 51,860	$ -	$ -	$ -
Other Than Personnel Cost (OTPS)							
Supplies	$ 929,722	$ 845,050	$ -	$ 84,672	$ -	$ -	$ -
Equipment over $3,000 - Head Start	-	-	-	-	-	-	-
Equipment over $5,000 - Child Care	-	-	-	-	-	-	-
Postage	1,955	1,955	-	-	-	-	-
Advertising	350	-	-	350	-	-	-
Instructional Field Trips	-	-	-	-	-	-	-
Training / Staff Development	55,616	32,908	-	22,708	-	-	-
Transportation	14,775	10,259	-	4,516	-	-	-
Food-CACFP	376,863	-	-	-	-	376,863	-
Non Food related cost-CACFP	4,990	-	-	-	-	4,990	-
Audit	30,000	18,000	-	12,000	-	-	-
Parent Services	33,569	31,516	-	2,053	-	-	-
Consultant-Programmatic	25,615	14,630	-	910	-	10,075	-
Consultant-Administrative	-	-	-	-	-	-	-
Indirect Cost-Head Start	-	-	-	-	-	-	-
Other OTPS	162,797	11,769	-	17,272	-	-	133,756
Total OTPS	$ 1,636,252	$ 966,087	$ -	$ 144,481	$ -	$ 391,928	$ 133,756
Total Expenditures	$ 7,353,963	$ 5,576,167	$ 98,306	$ 926,100	$ 227,706	$ 391,928	$ 133,756
Revenue over/(under) Expenditures	$ 47,639	$ 117,318	$ -	$ -	$ -	$ -	$ (69,679)
Net Assets 06/30/2016	$ 4,293,307	$ 230,374	$ -	$ -	$ -	$ -	$ 4,062,933
Adjustments	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Net Assets 6/30/2017	$ 4,340,946	$ 347,692	$ -	$ -	$ -	$ -	$ 3,993,254

Schedule 1A

SHARON BAPTIST BOARD OF DIRECTORS, INC.
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	ACS FUNDED										
	Budget	Actual									
BUDGETED CATEGORIES	EARLYLEARN	CHILD CARE	CHILD CARE UPK	FCCN	CDBG	HEADSTART	HEADSTART UPK	CTL	TOTAL EARLYLEARN	VARIANCE	QUESTIONED COST
REVENUE:											
Early Learn Revenue	5,271,330	2,161,964	94,300	-	-	2,091,311	582,943	-	4,930,518	340,812	
Other Revenue	-	-	-	-	-	-	-	-	-	-	
Teacher's Incentive Fund	15,178	2,787	-	-	-	12,392	-	-	15,179	(1)	
HRA Voucher	-	-	-	-	-	-	-	-	-	-	
CACFP	-	-	-	-	-	-	-	-	-	-	
Parent Fees	73,713	73,713	-	-	-	-	-	-	73,713	-	
In kind Contribution	-	-	-	-	-	-	-	-	-	-	
Sponsor's Contribution	-	-	-	-	-	-	-	-	-	-	
Other Funding Source Revenue	-	-	-	-	-	-	-	-	-	-	
TOTAL REVENUE	5,360,221	2,238,464	94,300	-	-	2,103,703	582,943	-	5,019,410	340,811	-
EXPENDITURES:											
Personnel Cost											
Salaries	2,515,751	988,853	54,690	-	-	937,095	341,864	-	2,322,502	193,249	
Salaries-COLA	33,527	3,408	-	-	-	30,119	-	-	33,527	-	
Teacher's Incentive	14,000	-	-	-	-	14,000	-	-	14,000	-	
Accrued Vacation	-	-	-	-	-	-	-	-	-	-	
FICA	192,455	75,647	4,184	-	-	71,688	26,153	-	177,672	14,783	
FICA-COLA	2,565	261	-	-	-	2,304	-	-	2,565	-	
FICA- Teacher's Incentive	1,178	-	-	-	-	1,178	-	-	1,178	-	
FICA- Accrued Vacation	-	-	-	-	-	-	-	-	-	-	
Workers Compensation	118,895	48,633	2,856	-	-	53,756	13,650	-	118,895	-	
Unemployment Insurance	38,271	14,902	701	-	-	19,068	3,601	-	38,272	(1)	
Pension	203,042	74,774	1,474	-	-	98,248	21,094	-	195,590	7,452	
Welfare Fund	2,691	1,068	23	-	-	1,456	144	-	2,691	-	
Health Insurance	351,672	180,838	749	-	-	94,422	51,224	-	327,233	24,439	
Substitutes	34,235	10,481	476	-	-	20,278	3,001	-	34,236	(1)	
Total Personnel Cost	3,508,282	1,398,865	65,153	-	-	1,343,612	460,731	-	3,268,361	239,921	-
Facilities Cost											
Rent	327,520	200,495	-	-	-	88,989	38,036	-	327,520	-	
Property Taxes	64,041	23,727	239	-	-	43,957	12,298	-	80,221	(16,180)	
Water and Sewer	11,110	6,124	1,126	-	-	3,064	796	-	11,110	-	
Licensing and Permits	-	-	-	-	-	-	-	-	-	-	
Insurance	50,755	13,446	519	-	-	29,251	6,408	-	49,624	1,131	
Custodial Services	18,911	7,330	333	-	-	9,204	2,044	-	18,911	-	
Alarm	15,481	8,790	193	-	-	5,309	1,189	-	15,481	-	
Telecommunications	45,955	22,774	591	-	-	18,872	3,718	-	45,955	-	
Utilities	120,697	49,594	3,867	-	-	50,724	16,511	-	120,696	1	
Maintenance and Repairs	312,152	108,311	-	-	-	133,843	49,302	-	291,456	20,696	
Capital Expenditures and Renovations	-	-	-	-	-	-	-	-	-	-	
Other Facilities Cost	-	-	-	-	-	-	-	-	-	-	
Total Facilities Cost	966,622	440,591	6,868	-	-	383,213	130,302	-	960,974	5,648	-
Family Child Care Stipend	-	-	-	-	-	-	-	-	-	-	-
Other Than Personnel Cost (OTPS)											
Supplies	712,377	408,641	18,459	-	-	256,449	81,639	-	765,188	(52,811)	
Equipment over $3,000 - Head Start	-	-	-	-	-	-	-	-	-	-	
Equipment over $5,000 - Child Care	51,244	-	-	-	-	-	-	-	-	51,244	
Postage	1,954	640	43	-	-	1,010	262	-	1,955	(1)	
Advertising	-	-	-	-	-	-	-	-	-	-	
Instructional Field Trips	-	-	-	-	-	-	-	-	-	-	
Training / Staff Development	30,307	8,383	2,094	-	-	15,984	3,847	-	30,308	(1)	
Transportation	10,259	5,290	189	-	-	3,822	958	-	10,259	-	
Food-CACFP	-	-	-	-	-	-	-	-	-	-	
Non Food related cost-CACFP	-	-	-	-	-	-	-	-	-	-	
Audit	18,000	5,514	218	-	-	10,929	1,339	-	18,000	-	
Parent Services	31,516	15,537	426	-	-	11,881	3,672	-	31,516	-	
Consultant-Programmatic	15,816	4,005	666	-	-	7,922	2,037	-	14,630	1,186	
Consultant-Administrative	2,075	-	-	-	-	-	-	-	-	2,075	
Indirect Cost-Head Start	-	-	-	-	-	-	-	-	-	-	
Other OTPS	11,769	4,096	184	-	-	6,357	1,132	-	11,769	-	
Total OTPS	885,317	452,106	22,279	-	-	314,354	94,886	-	883,625	1,692	-
TOTAL EARLYLEARN COST	5,360,221	2,291,562	94,300	-	-	2,041,179	685,919	-	5,112,960	247,261	-
Excess (deficiency) of Revenue over (under) Expenditures	-	(53,098)	-	-	-	62,524	(102,976)	-	(93,550)	93,550	-

SCHEDULE 1-B

SHARON BAPTIST BOARD OF DIRECTORS, INC.
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
ACS FUNDED - OTHER THAN EARLY LEARN
FOR THE YEAR ENDED JUNE 30, 2017

BUDGET CATEGORIES	Other Than Early Learn: DOE CC UPK Enhancement	DOE HS UPK Enhancement	Health & Safety	Sandy Relief Fund	Other Funding	Total Other Than Early Learn	[A+B]	Total ACS Funded (C)
Revenue:								
Early Learn revenue	18,295	652,418	3,362	-	-	674,075		5,604,593
Other revenue (disability, interest, etc.)	-	-	-	-	-	-		-
Teacher's incentive fund	-	-	-	-	-	-		15,179
HRA Voucher	-	-	-	-	-	-		-
CACFP	-	-	-	-	-	-		-
Parent Fees	-	-	-	-	-	-		73,713
In-kind contribution	-	-	-	-	-	-		-
Sponsor's contribution	-	-	-	-	-	-		-
Other funding source revenue l	-	-	-	-	-	-		-
Total Revenue	18,295	652,418	3,362	-	-	674,075		5,693,485
Expenditures								
Personnel cost								
Salaries	-	238,212	-	-	-	238,212		2,560,714
Salaries - COLA	-	-	-	-	-	-		33,527
Teacher's Incentive	-	-	-	-	-	-		14,000
Accrued vacation	-	-	-	-	-	-		-
FICA	-	20,223	-	-	-	20,223		197,895
FICA - COLA	-	-	-	-	-	-		2,565
FICA - Teacher's Incentive	-	-	-	-	-	-		1,178
Accrued vacation - FICA	-	-				-		-
Workers compensation	-	3,474	-	-	-	3,474		122,369
Unemployment insurance	-	-	-	-	-	-		38,272
Pension	-	43,956	-	-	-	43,956		239,546
Welfare fund	-	-	-	-	-	-		2,691
Health Insurance	18,295	41,509	-	-	-	59,804		387,037
Substitutes	-	11,714	-	-	-	11,714		45,950
Total personnel cost	18,295	359,088	-	-	-	377,383		3,645,744
Facilities cost								
Rent	-	-	-	-	-	-		327,520
Property Taxes	-	-	-	-	-	-		80,221
Water and sewer	-	-	-	-	-	-		11,110
Licensing and permits	-	-	-	-	-	-		-
Insurance	-	-	-	-	-	-		49,624
Custodial services	-	-	-	-	-	-		18,911
Alarm	-	-	-	-	-	-		15,481
Telecommunications	-	-	-	-	-	-		45,955
Utilities	-	-	-	-	-	-		120,696
Maintenance and repairs	-	-	-	-	-	-		291,456
Capital expenditures and renovations	-	-	3,362	-	-	3,362		3,362
Other facilities costs	-	-	-	-	-	-		-
Total facilities cost	-	-	3,362	-	-	3,362		964,336
Family Child Care Stipend	-	-	-	-	-	-		-
Other than personnel services (OTPS)								
Supplies	-	79,862	-	-	-	79,862		845,050
Equipment over $3,000 - Head Start	-	-	-	-	-	-		-
Equipment over $5,000 - Child Care	-	-	-	-	-	-		-
Postage	-	-	-	-	-	-		1,955
Advertising	-	-	-	-	-	-		-
Instructional Field Trips	-	-	-	-	-	-		-
Training/Staff Development	-	2,600	-	-	-	2,600		32,908
Transportation	-	-	-	-	-	-		10,259
Food - CACFP	-	-	-	-	-	-		-
Non-food related cost - CACFP	-	-	-	-	-	-		-
Audit	-	-	-	-	-	-		18,000
Parent Services	-	-	-	-	-	-		31,516
Consultant - Programmatic	-	-	-	-	-	-		14,630
Consultant - Administrative	-	-	-	-	-	-		-
Indirect cost - Head Start	-	-	-	-	-	-		-
Other OTPS	-	-	-	-	-	-		11,769
Total OTPS	-	82,462	-	-	-	82,462		966,087
TOTAL EARLYLEARN COST	18,295	441,550	3,362	-	-	463,207		5,576,167
Excess (deficiency) of revenue over (under) expenditures	-	210,868	-	-	-	210,868		117,318

See accompanying notes to financial statements.

SHARON BAPTIST BOARD OF DIRECTORS, INC.
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
NOT ACS FUNDED
FOR THE YEAR ENDED JUNE 30, 2017

BUDGET CATEGORIES	NOT ACS FUNDED				
	Actual				
	CACFP	Cash Contribution (Head Start	In-kind Contribution (Head Start)	Sponsor's Contribution (Other than Head Start)	Other Funding Source
Revenue:					
Early Learn revenue	$ -	$ -	-	$ -	$ -
Other revenue (disability, interest, etc.)	-	-	-	-	-
Teacher's incentive fund	-	-	-	-	-
HRA Voucher	-	-	-	-	-
CACFP	391,928	-	-	-	-
Parent Fees	-	-	-	-	-
In-kind contribution	-	-	98,306	-	-
Sponsor's contribution	-	-	-	-	-
Other funding source revenue[1]	-	-	-	-	-
Total Revenue	$ 391,928	$ -	98,306	$ -	$ -
Expenditures					
Personnel cost					
Salaries	$ -	$ -	98,306	$ -	$ -
Salaries - COLA	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-
Accrued vacation	-	-	-	-	-
FICA	-	-	-	-	-
FICA - COLA	-	-	-	-	-
FICA - Teacher's Incentive	-	-	-	-	-
Accrued vacation - FICA	-	-	-	-	-
Workers compensation	-	-	-	-	-
Unemployment insurance	-	-	-	-	-
Pension	-	-	-	-	-
Welfare fund	-	-	-	-	-
Health Insurance	-	-	-	-	-
Substitutes	-	-	-	-	-
Total personnel cost	$ -	$ -	98,306	$ -	$ -
Facilities cost					
Rent	-	-	-	-	-
Property Taxes	-	-	-	-	-
Water and sewer	-	-	-	-	-
Licensing and permits	-	-	-	-	-
Insurance	-	-	-	-	-
Custodial services	-	-	-	-	-
Alarm	-	-	-	-	-
Telecommunications	-	-	-	-	-
Utilities	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-
Capital expenditures and renovations	-	-	-	-	-
Other facilities costs	-	-	-	-	-
Total facilities cost	$ -	$ -	-	$ -	$ -
Family Child Care Stipend	-	-	-	-	-

SHARON BAPTIST BOARD OF DIRECTORS, INC.
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
NOT ACS FUNDED
FOR THE YEAR ENDED JUNE 30, 2017

Other than personnel services (OTPS)					
Supplies	-	-	-	-	-
Equipment over $3,000 - Head Start	-	-	-	-	-
Equipment over $5,000 - Child Care	-	-	-	-	-
Postage	-	-	-	-	-
Advertising	-	-	-	-	-
Instructional Field Trips	-	-	-	-	-
Training/Staff Development	-	-	-	-	-
Transportation	-	-	-	-	-
Food - CACFP	376,863	-	-	-	-
Non-food related cost - CACFP	4,990	-	-	-	-
Audit	-	-	-	-	-
Parent Services	-	-	-	-	-
Consultant - programmatic	10,075	-	-	-	-
Consultant - administrative	-	-	-	-	-
Indirect cost - Head Start	-	-	-	-	-
Other OTPS	-	-	-	-	-
Total OTPS	$ 391,928	$ -	-	$ -	$ -
TOTAL EARLYLEARN COST	$ 391,928	$ -	98,306	$ -	$ -
Excess (deficiency) of revenue over (under) expenditures	$ -	$ -	-	$ -	$ -

SHARON BAPTIST BOARD OF DIRECTORS, INC
STATEMENT OF HEAD START REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

SCHEDULE -2

HEAD START PROGRAM EXPENSE

BUDGET CATEGORIES	GRANT YEAR 1 7/1/16- 1/31/2017	GRANT YEAR 2 2/1/17 - 6/30/2017	TOTAL
Head Start Funded Services			
Personnel Cost:			
Salaries	$ 413,667	$ 523,428	$ 937,095
Salaries-COLA	-	30,119	30,119
Teacher's Incentive	-	14,000	14,000
Accrued Vacation	-	-	-
FICA	31,645	40,043	71,688
FICA-COLA	-	2,304	2,304
FICA- Teacher's Incentive	-	1,178	1,178
FICA- Accrued Vacation	-	-	-
Workers Compensation	31,129	22,627	53,756
Unemployment Insurance	8,781	10,287	19,068
Pension	57,181	41,067	98,248
Welfare Fund	677	779	1,456
Health Insurance	61,919	32,503	94,422
Substitutes	13,533	6,745	20,278
Total Personnel Cost	**$ 618,532**	**$ 725,080**	**$ 1,343,612**
Facilities Cost			
Rent	$ 26,456	$ 62,533	$ 88,989
Property Taxes	38,758	5,199	43,957
Water and Sewer	131	2,933	3,064
Licensing and Permits	-	-	-
Insurance	17,406	11,845	29,251
Custodial Services	-	9,204	9,204
Alarm	-	5,309	5,309
Telecommunications	10,032	8,840	18,872
Utilities	30,971	19,753	50,724
Maintenance and Repairs	20,991	112,852	133,843
Capital Expenditures and Renovations	-	-	-
Other Facilities Cost	6,262	(6,262)	-
Total Facility Cost	**$ 151,007**	**$ 232,206**	**$ 383,213**
Other than Personnel Services (OTPS)			
Supplies	$ 84,719	$ 171,730	$ 256,449
Equipment over $3,000 - Head Start	-	-	-
Equipment over $5,000 - Child Care	-	-	-
Postage	-	1,010	1,010
Advertising	-	-	-
Instructional Field Trips	-	-	-
Training / Staff Development	5,954	10,030	15,984
Transportation	2,674	1,148	3,822
Food-CACFP	-	-	-
Non Food related cost-CACFP	-	-	-
Audit	10,929	-	10,929
Parent Services	2,012	9,869	11,881
Consultant-Programmatic	1,737	6,185	7,922
Consultant-Administrative	-	-	-
Indirect Cost-Head Start	-	-	-
Other OTPS	6,122	235	6,357
Total OTPS	**$ 114,147**	**$ 200,207**	**$ 314,354**
Indirect Cost	-	-	-
Total Expenses	$ 883,686	$ 1,157,493	$ 2,041,179
Health and Safety	2,177	1,185	3,362
Less: Program Income	-	-	-
Total Head Start Funded Expenses	$ 885,863	$ 1,158,678	$ 2,044,541
Non-Federal Share (NFS) Expenses			
Head Start UPK	$ 263,242	$ 422,677	$ 685,919
DOE HS UPK Enhancement	275,759	165,791	441,550
Cash Contributions - Head Start	-	-	-
In-kind Contributions - Head Start	-	98,306	98,306
Total NFS Expense	$ 539,001	$ 686,774	$ 1,225,775
Total Head Start Program Expense	$ 1,422,687	$ 1,844,267	$ 3,266,954
NFS Program Percentage	37.89%	37.24%	37.52%
Administrative Expense			
Personnel and Fringe Cost	$ 120,267	$ 95,186	$ 215,453
Facilities Cost	22,481	21,716	44,197
OTPS	5,592	9,506	15,098
Indirect Cost	-	-	-
NFS Expense	-	-	-
Total Administrative Expense	$ 148,340	$ 126,408	$ 274,748
Total Head Start Program Expense	$ 1,422,687	$ 1,844,267	$ 3,266,954
Administrative Expense Percentage	10.43%	6.85%	8.41%
Special Reporting			
Training & Technical Assistance (PS/FAC/OTPS)	$ -	$ -	$ -
CACFP Funded Expense	$ 150,615.00	$ 241,313.00	$ 391,928.00

SCHEDULE 3

SHARON BAPTIST BOARD OF DIRECTORS, INC.
STATEMENT OF NON-FEDERAL SHARE EXPENSES BY PROGRAM YEAR
FOR THE YEAR ENDED JUNE 30, 2017

	HS UPK			DOE HS UPK Enhancement			Cash Contributions - Head Start			In-kind Contributions - Head Start (Schedule 1)		
Category	Program Year 02 7/1/16-1/31/17	Program Year 03 2/1/17-6/30/17	Total	Program Year 02 7/1/16-1/31/17	Program Year 03 2/1/17-6/30/17	Total	Program Year 02 7/1/16-1/31/17	Program Year 03 2/1/17-6/30/17	Total	Program Year 02 7/1/16-1/31/17	Program Year 03 2/1/17-6/30/17	Total
Personnel and fringe cost												
Salaries	$ 173,355	$ 168,509	$ 341,864	$ 193,010	$ 45,202	$ 238,212	$ -	$ -	$ -	$ -	$ 98,306	$ 98,306
Salaries-COLA	-	-	-	-	-	-	-	-	-	-	-	-
Teacher's Incentive	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-	-
FICA	13,262	12,891	26,153	14,765	5,458	20,223	-	-	-	-	-	-
FICA-COLA	-	-	-	-	-	-	-	-	-	-	-	-
FICA- Teacher's Incentive	-	-	-	-	-	-	-	-	-	-	-	-
FICA- Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-	-
Workers Compensation	6,691	6,959	13,650	-	3,474	3,474	-	-	-	-	-	-
Unemployment Insurance	812	2,789	3,601	-	-	-	-	-	-	-	-	-
Pension	1,739	19,355	21,094	22,811	21,145	43,956	-	-	-	-	-	-
Welfare Fund	117	27	144	-	-	-	-	-	-	-	-	-
Health Insurance	8,854	42,370	51,224	36,004	5,505	41,509	-	-	-	-	-	-
Substitutes	1,244	1,757	3,001	-	11,714	11,714	-	-	-	-	-	-
Total personnel and fringe cost	$ 206,074	$ 254,657	$ 460,731	$ 266,590	$ 92,498	$ 359,088	$ -	$ -	$ -	$ -	$ 98,306	$ 98,306
Facilities cost												
Rent	$ 14,896	$ 23,140	$ 38,036	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property Taxes	4,183	8,115	12,298	-	-	-	-	-	-	-	-	-
Water and Sewer	37	759	796	-	-	-	-	-	-	-	-	-
Licensing and Permits	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	1,540	4,868	6,408	-	-	-	-	-	-	-	-	-
Custodial Services	-	2,044	2,044	-	-	-	-	-	-	-	-	-
Alarm	-	1,189	1,189	-	-	-	-	-	-	-	-	-
Telecommunications	1,915	1,803	3,718		-	-	-	-	-	-	-	-
Utilities	7,216	9,295	16,511		-	-	-	-	-	-	-	-
Maintenance and Repairs	4,944	44,358	49,302		-	-	-	-	-	-	-	-
Capital Expenditures and Renovations	-	-	-		-	-	-	-	-	-	-	-
Other Facilities Cost	1,466	(1,466)	-	-	-	-	-	-	-	-	-	-
Total facilities cost	$ 36,197	$ 94,105	$ 130,302	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other than personnel services (OTPS)												
Supplies	$ 17,613	$ 64,026	$ 81,639	$ 7,328	$ 72,534	$ 79,862	$ -	$ -	$ -	$ -	$ -	$ -
Equipment over $3,000 - Head Start	-	-	-	-	-	-	-	-	-	-	-	-
Equipment over $5,000 - Child Care	-	-	-	-	-	-	-	-	-	-	-	-
Postage	-	262	262	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Instructional Field Trips	-	-	-	-	-	-	-	-	-	-	-	-
Training / Staff Development	357	3,490	3,847	-	2,600	2,600	-	-	-	-	-	-
Transportation	395	563	958	-	-	-	-	-	-	-	-	-
Food-CACFP	-	-	-	-	-	-	-	-	-	-	-	-
Non Food related cost-CACFP	-	-	-	-	-	-	-	-	-	-	-	-
Audit	1,492	(153)	1,339	-	-	-	-	-	-	-	-	-
Parent Services	340	3,332	3,672	-	-	-	-	-	-	-	-	-
Consultant-Programmatic	226	1,811	2,037	-	-	-	-	-	-	-	-	-
Consultant-Administrative	-	-	-	-	-	-	-	-	-	-	-	-
Indirect Cost-Head Start	-	-	-	-	-	-	-	-	-	-	-	-
Other OTPS	548	584	1,132	-	-	-	-	-	-	-	-	-
Total OTPS	$ 20,971	$ 73,915	$ 94,886	$ 7,328	$ 75,134	$ 82,462	$ -	$ -	$ -	$ -	$ -	$ -
Indirect cost	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	$ 263,242	$ 422,677	$ 685,919	$ 273,918	$ 167,632	$ 441,550	$ -	$ -	$ -	$ -	$ 98,306	$ 98,306
Breakdown by funding source:												
State	263,242	422,677	685,919	273,918	167,632	441,550	-	-	-	-	-	-
City	-	-	-	-	-	-	-	-	-	-	-	-
Private/Third-Party	-	-	-	-	-	-	-	-	-	-	98,306	98,306
Delegate Agency	-	-	-	-	-	-	-	-	-	-	-	-
Total	$ 263,242	$ 422,677	$ 685,919	$ 273,918	$ 167,632	$ 441,550	$ -	$ -	$ -	$ -	$ 98,306	$ 98,306

SHARON BAPTIST BOARD OF DIRECTORS, INC.
EARLY LEARN PROGRAM

SCHEDULE OF EQUIPMENT INVENTORY
FOR THE YEAR ENDED JUNE 30, 2017

	QUANTITY	DESCRIPTION	DATE PURCHASED		TOTAL COST
CURRENT YEAR:					
NONE				$	-
PRIOR YEARS:					
2015					
Equipment Purchase - Capital Expenditures (Schedule 9)					
	1	New Dishwasher	03/10/2015	$	10,087
TOTAL CURRENT YEAR				$	10,087
PRIOR YEARS:					
2014					
Equipment Purchase - Capital Expenditures (Schedule 9)					
	1	Stove Wolf Range	04/18/2014	$	4,628
	1	Stove Garland H286-36G	04/30/2014		4,864
	1	Dishwasher Moyer Dieball MH 60M3	04/30/2014		8,897
TOTAL 2014				$	18,389
2013					
NONE					
2012					
	1	JACKSON HIGH TEMP. SANITIZING MACHINE	12/02/2011	$	2,822
	1	JACKSON HIGH TEMP. SANITIZING MACHINE	12/02/2011	$	3,045
	1	JACKSON HIGH TEMP. SANITIZING MACHINE	12/02/2011	$	4,867
TOTAL 2012				$	10,734
TOTAL PRIOR YEAR				$	10,734
TOTAL FIXED ASSETS				$	**39,210**

SCHEDULE 5

SHARON BAPTIST BOARD OF DIRECTORS, INC.
EARLY LEARN PROGRAM

QUANTITATIVE PROGRAM RESULTS
FOR THE YEAR ENDED JUNE 30, 2017

ENROLLEMENT	LOCATION	
1- Contracted Slots per site		**# of Slots**
a) Sharon Baptist - Center 1	507-509 East 165th Street, Bronx, New York 10456	119
b) Sharon Baptist - Center 2	279 - 281 East Burnside Avenue, Bronx, New York 10456	103
c) Sharon Baptist - Center 4	1925 Bathgate Avenue, Bronx, New York 10457	90
Total:		312
2- Number of classrooms per site		**# of Classrooms**
a) Sharon Baptist - Center 1	507-509 East 165th Street, Bronx, New York 10456	7
b) Sharon Baptist - Center 2	279 - 281 East Burnside Avenue, Bronx, New York 10456	6
c) Sharon Baptist - Center 4	1925 Bathgate Avenue, Bronx, New York 10457	5
Total:		18
3- Number of children enrolled by site		**# of Children**
a) Sharon Baptist - Center 1	507-509 East 165th Street, Bronx, New York 10456	119
b) Sharon Baptist - Center 2	279 - 281 East Burnside Avenue, Bronx, New York 10456	103
c) Sharon Baptist - Center 4	1925 Bathgate Avenue, Bronx, New York 10457	90
Total:		312
4- Number of children in attendance by site		**# of Children**
a) Sharon Baptist - Center 1	507-509 East 165th Street, Bronx, New York 10456	115
b) Sharon Baptist - Center 2	279 - 281 East Burnside Avenue, Bronx, New York 10456	102
c) Sharon Baptist - Center 4	1925 Bathgate Avenue, Bronx, New York 10457	90
Total:		307
5- The average attendance for contract by site (#4/#3)		
a) Sharon Baptist - Center 1	507-509 East 165th Street, Bronx, New York 10456	97%
b) Sharon Baptist - Center 2	279 - 281 East Burnside Avenue, Bronx, New York 10456	99%
c) Sharon Baptist - Center 4	1925 Bathgate Avenue, Bronx, New York 10457	100%
Total Average:		99%
COST		
1 - Total expense for the contract:		$ 5,112,960
2 - Total expense by site		
a) Sharon Baptist - Center 1	507-509 East 165th Street, Bronx, New York 10456	1,948,208
b) Sharon Baptist - Center 2	279 - 281 East Burnside Avenue, Bronx, New York 10456	1,686,264
c) Sharon Baptist - Center 4	1925 Bathgate Avenue, Bronx, New York 10457	1,473,435
Total:		5,107,907
3 - Average cost per slot		16,638
4 - Average cost per site		
a) Sharon Baptist - Center 1	507-509 East 165th Street, Bronx, New York 10456	16,941
b) Sharon Baptist - Center 2	279 - 281 East Burnside Avenue, Bronx, New York 10456	16,532
c) Sharon Baptist - Center 4	1925 Bathgate Avenue, Bronx, New York 10457	16,372

SCHEDULE 6

SHARON BAPTIST BOARD OF DIRECTORS, INC.
SCHEDULE OF DUE TO OR (DUE FROM) ACS
FOR THE YEAR ENDED JUNE 30, 2017

Due To or (Due From) ACS at 6/30/2016		$ (228,574)
Add		
	Cash received/advances from ACS	$ 5,848,346
	Parent Fees	73,713
	Other Revenue (Disability, Interest, etc.)	-
	Total funds available	$ 5,922,059
Less allowable expenditures:		
	Expenditures	$ (5,576,167)
	Less: Accrued Vacation	-
	Less: Accrued Vacation - FICA	-
	Less: Questioned Costs	-
	Total Allowable Expense	$ (5,576,167)
Due To or (Due From) ACS at 6/30/2017		$ 117,318

Note: Claimable expenditures should be reported net of Accrued Vacation, Accrued Vacation FICA and Questioned Costs.

SCHEDULE 7

SHARON BAPTIST BOARD OF DIRECTORS, INC.
SCHEDULE OF ACCRUED VACATION
FOR THE YEAR ENDED JUNE 30, 2017

Schedule of Accrued Vacation Charged to ACS Funded Programs:

Payroll Date	Employee # or position	Accrued Vacation	Accrued Vacation FICA	Total as at 6/30/17	Date Paid
NONE					

Total Accrued Vacation & Accrued Vacation FICA

Note: The total Accrued Vacation and Accrued Vacation FICA charged to
ACS Funded Programs must agree per the Early Learn Supplementary Schedules

SCHEDULE 8

SHARON BAPTIST BOARD OF DIRECTORS, INC.
SCHEDULE OF CONSULTANTS
FOR THE YEAR ENDED JUNE 30, 2017

NAME	SERVICES PROVIDED	RATE		AMOUNT
EARLY LEARN				
Luz L Perez	Psychological Consultant	$ 130 Per Hr.	$	3705
Dr. Virginia Flintall	Mental Health Consultant	Contract		2400
Barbara Linton	Nutrition Plus Network	Contract		8331
Kim Van Atta	Mental Health Consultant	$ 130 Per Hr.		194
TOTALEARLY LEARN CONSULTANTS			$	14,630
GRANTEE				
Luz L Perez	Psychological Consultant	$ 130 Per Hr.	$	910
TOTAL GRANTEE CONSULTANTS			$	910
FOOD PROGRAM				
Barbara Linton	Nutrition Network Plus	Contract	$	10,075
TOTAL FOOD PROGRAM CONSULTANTS			$	10,075
TOTAL CONSULTANTS			$	25,615

SHARON BAPTIST BOARD OF DIRECTORS, INC.
EARLY LEARN PROGRAM

SCHEDULE OF RENOVATION COSTS
FOR THE YEAR ENDED JUNE 30, 2016

CONTRACTOR	CONTRACT DATE	RENOVATION SITES		ORIGINAL CONTRACT AMOUNT	CHANGE ORDER AMOUNT	TOTAL CONTRACT	EXPENSES PAID ON FY' 14	UNPAID BALANCE
PRIOR YEARS								
2015								
MIKE & SON HOME IMPROVEMENT	1/5/2015	1925 BATHGATE AVENUE, BRONX, NY 10457		$ 6,825	$ -	$ 6,825	$ 6,825	$ -
LOMAX	5/27/2015	1925 BATHGATE AVENUE, BRONX, NY 10457		6,843	-	6,843	6,843	-
RA CO	5/7/2015	1925 BATHGATE AVENUE, BRONX, NY 10457		9,950	-	9,950	9,950	-
MIKE & SON HOME IMPROVEMENT	7/22/2015	1925 BATHGATE AVENUE, BRONX, NY 10457		6,850	-	6,850	6,850	-
PGA MECHANICAL CONTRACTORS INC.	5/21/2015	1925 BATHGATE AVENUE, BRONX, NY 10457		64,350	-	64,350	64,350	-
MIKE & SON HOME IMPROVEMENT	7/21/2015	1925 BATHGATE AVENUE, BRONX, NY 10457		6,225	-	6,225	6,225	-
RA CO	1/5/2015	279 EAST BURNSIDE AVENUE, BRONX, NY 10452		14,175	-	14,175	14,175	-
LOMAX	6/11/2015	279 EAST BURNSIDE AVENUE, BRONX, NY 10452		4,488	-	4,488	4,488	-
SEAGULL	6/10/2015	279 EAST BURNSIDE AVENUE, BRONX, NY 10452		9,921	-	9,921	9,921	-
RA CO	1/5/2015	279 EAST BURNSIDE AVENUE, BRONX, NY 10452		5,825	-	5,825	5,825	-
MIKE & SON HOME IMPROVEMENT	1/15/2015	279 EAST BURNSIDE AVENUE, BRONX, NY 10452		5,500		5,500	5,500	
COMMERCIAL KITCHEN DESIGN	3/10/2015	279 EAST BURNSIDE AVENUE, BRONX, NY 10452	(Schedule 4)	10,087		10,087	10,087	
MIKE & SON HOME IMPROVEMENT	4/14/2015	509 EAST 165th STREET, BRONX, NY. 10456		9,850		9,850	9,850	
PVC INC	3/10/2015	509 EAST 165th STREET, BRONX, NY. 10456		18,000		18,000	18,000	
MIKE & SON HOME IMPROVEMENT	7/22/2015	509 EAST 165th STREET, BRONX, NY. 10456		3,505		3,505	3,505	
RICKY & SON	5/7/2015	509 EAST 165th STREET, BRONX, NY. 10456		1,900		1,900	1,900	
MIKE & SON HOME IMPROVEMENT	7/28/2015	509 EAST 165th STREET, BRONX, NY. 10456		6,200		6,200	6,200	
MIKE & SON HOME IMPROVEMENT	7/22/2015	1925 BATHGATE AVENUE, BRONX, NY 10457		3,675		3,675	3,675	
TOTAL CURRENT YEAR RENOVATION COST				$ 194,169	$ -	$ 194,169	$ 194,169	$ -
PRIOR YEARS								
2014								
PGA MECHANICAL CONTRACTORS INC	4/15/2014	279 EAST BURNSIDE AVENUE, BRONX, NY 10452		$ 39,100	$ -	$ 39,100	$ 39,100	$ -
COMMERCIAL KITCHEN DESIGN	4/18/2014	1925 BATHGATE AVENUE, BRONX, NY 10457	(Schedule 4)	4,628	-	4,628	4,628	-
PGA MECHANICAL CONTRACTORS INC.	4/18/2014	509 E 165TH STREET, BRONX, NEW YORK		23,550	-	23,550	23,550	-
COMMERCIAL KITCHEN DESIGN	4/30/2014	509 E 165TH STREET, BRONX, NEW YORK	(Schedule 4)	4,864	-	4,864	4,864	-
COMMERCIAL KITCHEN DESIGN	4/30/2014	1925 BATHGATE AVENUE, BRONX, NY 10457	(Schedule 4)	8,897	-	8,897	8,897	-
MIKE & SON HOME IMPROVEMENT	5/15/2014	509 E 165TH STREET, BRONX, NEW YORK		69,450	-	69,450	69,450	-
DANITA COMPANY	5/15/2014	1925 BATHGATE AVENUE, BRONX, NY 10457		40,530	-	40,530	40,530	-
PGA MECHANICAL CONTRACTORS INC	6/03/2014	279 EAST BURNSIDE AVENUE, BRONX, NY 10452		39,100	-	39,100	39,100	-
PGA MECHANICAL CONTRACTORS INC.	6/03/2014	509 E 165TH STREET, BRONX, NEW YORK		41,950	-	41,950	41,950	-
MIKE & SON HOME IMPROVEMENT	6/13/2014	1925 BATHGATE AVENUE, BRONX, NY 10457		74,480	-	74,480	74,480	-
MIKE & SON HOME IMPROVEMENT	6/24/2014	279 EAST BURNSIDE AVENUE, BRONX, NY 10452		66,900	-	66,900	66,900	-
TOTAL PRIOR YEAR RENOVATION COST				$ 413,449	$ -	$ 413,449	$ 413,449	$ -
2013								
NONE								
2012								
NONE								
		TOTAL RENOVATION		$ 607,618	$ -	$ 607,618	$ 607,618	$ -

SHARON BAPTIST BOARD OF DIRECTORS, INC.
EARLY LEARN PROGRAM

JUNE 30, 2017

INTRODUCTION

EARLY LEARN:

Sharon Baptist Board of Directors, Inc., Early Learn Program contracted by the City of New York, Administration for Children's Services, (ACS), provides the following service under the contract:

The eligibility of persons for the program is determined by the (ACS)

The grant was received for the year ending June 30, 2017 and totals $6,110,005 as follows:

		AMOUNT	PERCENTAGE
Early Learn Child Care	$	2,161,964	35
Early Learn Child Care UPK		94,300	2
Early Learn Child Care UPK Enhancement		670,713	11
Early Learn Head Start		2,091,311	34
Early Learn Head Start UPK		582,943	10
Early Learn Health and Safety		3,362	0
Early Learn Teacher's Incentive		15,178	0
CACFP		391,928	6
In-kind Contribution		98,306	2
TOTAL	$	6,110,005	100

The required Non-Federal matching share (sub-grantee's contributions) is 25% of the total Title V expenditures and Central insurance $522,828. The Agency met the 25% requirement.

Early Learn Head Start UPK	$	582,943
In-kind Contribution		98,306
Total In-kind	$	681,249

EXIT CONFERENCE

At the conclusion of our Audit, an Exit Conference was held on December 14, 2017, in attendance were:

For Sharon Baptist Board of Directors, Inc.:

Barbara Manners – Executive Director
Enrique Velasquez – Fiscal Officer

For Allan S. Joseph, CPA:

Allan Joseph – Proprietor
Clifton Hurst – Audit Senior

Result of Conference:

The entire audit report and schedules were discussed. The Agency had no questions regarding the contents and therefore accepted the draft report as presented.

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.

Board of Directors
Sharon Baptist Board of Directors, Inc.
1925 Bathgate Avenue
Bronx, NY 10457

Attention: Board of Directors,

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sharon Baptist Board of Directors, Inc. as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise example Sharon Baptist Board of Directors, Inc. 's basic financial statements and have issued our report thereon dated December 14, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered Sharon Baptist Board of Directors, Inc.'s internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the financial statements Sharon Baptist Board of Directors, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Sharon Baptist Board of Directors, 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 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 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.

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. (CONTINUED)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Sharon Baptist Board of Directors, 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 Sharon Baptist Board of Directors, Inc. '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 Sharon Baptist Board of Directors, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Allan S. Joseph

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Allan S. Joseph
Certified Public Accountants
5 Hanover Square, Suite 1902
New York, New York, 10004
December 14, 2017

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE.

Board of Directors
Sharon Baptist Board of Directors, Inc.
1925 Bathgate Avenue
Bronx, NY 10457

Attention: Board of Directors

Report on Compliance for Each Major Federal Program

We have audited Sharon Baptist Board of Directors, 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 Sharon Baptist Board of Directors, Inc.'s major federal programs for the year ended June 30, 2017. Sharon Baptist Board of Directors, Inc.'s major federal programs are identified in the summary of auditors' 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 Sharon Baptist Board of Directors, 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 Sharon Baptist Board of Directors, 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 on Sharon Baptist Board of Directors, Inc.'s compliance.

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE.
(CONTINUED)

Opinion on Each Major Federal Program

In our opinion, Sharon Baptist Board of Directors, 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, 2017.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of Sharon Baptist Board of Directors, 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 Example Entity'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 an 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 and opinion on the effectiveness of Sharon Baptist Board of Director'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 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 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 internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE. (CONTINUED)

REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

We have audited the financial statements of Sharon Baptist Board of Directors, Inc. as of and for the year ended June 30, 2017, and have issued our report thereon dated December 14, 2017, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by The Uniform Guidance 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 the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Allan S. Joseph

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Allan S. Joseph
Certified Public Accountants
5 Hanover Square, Suite 1902
New York, New York, 10004
December 14, 2017

SHARON BAPTIST BOARD OF DIRECTORS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2017

SECTION I: SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of Auditor's Report Issued: Unqualified

INTERNAL CONTROL OVER FINANCIAL REPORTING:

Material weakness (es) identified? No

Significant deficiency (ies) identified? No

Noncompliance material to financial statements noted? No

FEDERAL AWARDS

INTERNAL CONTROL OVER MAJOR PROGRAMS:

Material weakness (es) identified? No

Significant deficiency (ies) identified? No

Type of auditor's report issued on compliance for Major Programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance .510(a)? No

IDENTIFICATION OF MAJOR PROGRAMS:

CFDA NUMBER (S)	NAME OF FEDERAL PROGRAM OR CLUSTER
93.600	Head Start Program
93.575	Social Services Block Grant
10.558	USDA CACFP

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000.

Auditee qualified as a low-risk Auditee? Yes

SHARON BAPTIST BOARD OF DIRECTORS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2017

SECTION II – FINANCIAL STATEMENT FINDINGS

MATERIAL WEAKNESSES:

NONE

SIGNIFICANT DEFICIENCY:

NONE

NONCOMPLIANCE MATERIAL TO FINANCIAL STATEMENTS NOTED:

NONE

INSTANCES OF NON-COMPLIANCE:

NONE

SECTION III – FEDERAL AWARDS AND QUESTIONED COSTS

MATERIAL WEAKNESSES:

NONE

SIGNIFICANT DEFICIENCY:

NONE

NONCOMPLIANCE MATERIAL TO FINANCIAL STATEMENTS NOTED:

NONE

INSTANCES OF NON-COMPLIANCE:

NONE

SHARON BAPTIST BOARD OF DIRECTORS
SCHEDULE OF PRIOR YEARS FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

SECTION I: SUMMARY OF AUDITOR'S RESULTS

SECTION I: SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of Auditor's Report Issued: Unqualified

INTERNAL CONTROL OVER FINANCIAL REPORTING:

Material weakness (es) identified? No

Significant deficiency (ies) identified? No

Noncompliance material to financial statements noted? No

FEDERAL AWARDS

INTERNAL CONTROL OVER MAJOR PROGRAMS:

Material weakness (es) identified? No

Significant deficiency (ies) identified? No

Type of auditor's report issued on compliance for Major Programs: Unqualified

Any audit findings disclosed that are required to be reported
in accordance with the Uniform Guidance .510(a)? No

IDENTIFICATION OF MAJOR PROGRAMS:

CFDA NUMBER (S)	NAME OF FEDERAL PROGRAM OR CLUSTER
93.600	Head Start Program
93.575	Social Services Block Grant
10.558	USDA CACFP

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000.

Auditee qualified as a low-risk Auditee? Yes

SHARON BAPTIST BOARD OF DIRECTORS
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

Allan S. Joseph., CPA performed the prior year's audit, and contained the following findings:

SECTION II – FINANCIAL STATEMENT FINDINGS

MATERIAL WEAKNESSES:

NONE

SIGNIFICANT DEFICIENCY:

NONE

NONCOMPLIANCE MATERIAL TO FINANCIAL STATEMENTS NOTED:

NONE

INSTANCES OF NON-COMPLIANCE:

NONE

SHARON BAPTIST BOARD OF DIRECTORS
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

SECTION III – FEDERAL AWARDS AND QUESTIONED COSTS

MATERIAL WEAKNESSES:

NONE

SIGNIFICANT DEFICIENCY:

NONE

NONCOMPLIANCE MATERIAL TO FINANCIAL STATEMENTS NOTED:

NONE

INSTANCES OF NON-COMPLIANCE:

NONE