

GREATER OPPORTUNITIES  
FOR BROOME AND CHENANGO, INC.

Financial Statements and  
Independent Auditors' Report

December 31, 2021

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
Greater Opportunities for Broome and Chenango, Inc.:

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Greater Opportunities for Broome and Chenango, Inc. (a nonprofit organization) (the Agency), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Greater Opportunities for Broome and Chenango, Inc. as of December 31, 2021, 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.

#### Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## Supplemental Information

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, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 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, the schedule of expenditures of federal awards 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 have also issued our report dated May 27, 2022 on our consideration of the Agency'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 the Agency'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 the Agency's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York  
May 27, 2022

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.  
Statement of Financial Position  
December 31, 2021

<u>Assets</u>		
Current assets:		
Cash and equivalents	\$	1,522,436
Security deposits		43,202
Restricted cash		107,716
Receivables:		
Service		1,312,068
Program		56,026
Rent, less allowance for doubtful accounts of \$15,390		73,811
Bridge loans		43,042
Other		<u>755</u>
Total receivables		<u>1,485,702</u>
Due from affiliate		15,446
Prepaid expenses		<u>59,057</u>
Total current assets		<u>3,233,559</u>
Loans receivable, less allowance for doubtful accounts of \$13,404		<u>120,635</u>
Property and equipment, at cost		18,135,933
Less accumulated depreciation		<u>(5,615,556)</u>
Net property and equipment		<u>12,520,377</u>
Construction in progress		<u>2,516,347</u>
Total assets		<u>\$ 18,390,918</u>

(Continued)

See accompanying notes to financial statements.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.  
Statement of Financial Position, Continued

<u>Liabilities and Net Assets</u>	
Current liabilities:	
Accounts payable	\$ 1,010,155
Accrued expenses	388,154
Deferred revenue	289,677
Current installments of mortgage and notes payables	33,216
Security deposits	<u>43,202</u>
Total current liabilities	1,764,404
Mortgage and notes payables, excluding current installments	<u>809,716</u>
Total liabilities	<u>2,574,120</u>
Net assets:	
Without donor restrictions	15,676,148
With donor restrictions	<u>140,650</u>
Total net assets	15,816,798
Contingencies (note 15)	
Total liabilities and net assets	<u><u>\$ 18,390,918</u></u>

See accompanying notes to financial statements.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

Statement of Activities

Year ended December 31, 2021

Changes in net assets without donor restrictions:

Revenue:

Service revenue \$ 11,344,497

Program revenue:

Universal Pre-K 326,872

Child and Adult Care Food Program 111,930

Energy fee for service 101,362

Total program revenue 540,164

Rental income:

U.S. Department of HUD - Shelter Plus Care 206,978

Empire State Supportive Housing 73,376

Tenants 406,462

Total rental income 686,816

In-kind revenue

914,294

Fundraising income:

Special events, net of expenses of \$40,776 24,238

Contributions 12,222

Total fundraising income 36,460

Interest income

17,153

Other income

58,144

Gain on the sale of property and equipment

925

Total revenue 13,598,453

Net assets released from donor restrictions

35,371

Total revenue and other support 13,633,824

Expenses:

Program services 9,454,677

Support services 1,175,049

Total expenses 10,629,726

Change in net assets without donor restrictions 3,004,098

Changes in net assets with donor restrictions:

Contributions 24,934

Net assets released from donor restrictions (35,371)

Change in net assets with donor restrictions (10,437)

Change in net assets 2,993,661

Net assets at beginning of year

12,823,137

Net assets at end of year

\$ 15,816,798

See accompanying notes to financial statements.



GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.  
Statement of Functional Expenses  
Year ended December 31, 2021

	Program Services					Support Services			Total	
	Head Start	Universal Pre-K	Housing	CACFP Childcare	Other	Total program services	Management and general	Fundraising		Total support services
Salaries and wages	\$ 3,211,181	207,055	196,659	8,467	1,148,817	4,772,179	848,211	5,000	853,211	5,625,390
Payroll taxes/fringe benefits	530,992	52,678	33,218	659	227,041	844,588	174,973	583	175,556	1,020,144
Direct assistance to individuals	-	-	134,249	-	897,354	1,031,603	-	-	-	1,031,603
Food	33,211	281	13,630	101,587	4,656	153,365	-	-	-	153,365
Office supplies	52,679	265	4,234	-	24,880	82,058	7,277	-	7,277	89,335
Program supplies	167,599	331	1,779	-	52,208	221,917	1,744	-	1,744	223,661
Telephone	48,531	70	13,461	-	10,668	72,730	6,295	-	6,295	79,025
Postage and shipping	1,893	-	1,361	-	4,524	7,778	1,509	-	1,509	9,287
Insurance	87,297	3,338	35,933	-	32,117	158,685	10,361	-	10,361	169,046
Occupancy costs	240,317	8,878	316,619	-	78,393	644,207	42,760	-	42,760	686,967
Operating expenses	26,251	75	916	-	2,171	29,413	3,838	-	3,838	33,251
Vehicle expenses	42,958	-	14,829	-	18,472	76,259	12,229	-	12,229	88,488
Advertising and promotion	15,289	-	1,652	-	7,023	23,964	2,497	-	2,497	26,461
Travel	5,988	-	316	-	1,340	7,644	36	-	36	7,680
Professional development	64,404	487	2,490	-	23,849	91,230	3,202	-	3,202	94,432
Dues and subscription	3,034	81	1,307	-	8,973	13,395	114	-	114	13,509
Professional fees	115,304	2,661	8,853	-	28,977	155,795	37,288	316	37,604	193,399
Interest expense	-	-	-	-	35,682	35,682	-	-	-	35,682
Service fees	33	-	399	-	747	1,179	5,000	174	5,174	6,353
Miscellaneous	-	-	13,390	-	24,493	37,883	-	-	-	37,883
Donations and contributions	-	-	-	-	-	-	-	600	600	600
In-kind expenditures	524,234	-	-	-	-	524,234	-	-	-	524,234
Depreciation	7,470	-	313,165	-	148,254	468,889	11,042	-	11,042	479,931
<b>Total expenses</b>	<b>\$ 5,178,665</b>	<b>276,200</b>	<b>1,108,460</b>	<b>110,713</b>	<b>2,780,639</b>	<b>9,454,677</b>	<b>1,168,376</b>	<b>6,673</b>	<b>1,175,049</b>	<b>10,629,726</b>

See accompanying notes to financial statements.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

Statement of Cash Flows

Year ended December 31, 2021

Cash flows from operating activities:	
Change in net assets	\$ 2,993,661
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	479,931
Donated property and equipment	(390,060)
Change in allowance for doubtful accounts	(3,276)
Changes in:	
Receivables	(476,195)
Due from affiliate	(9,703)
Prepaid expenses	(53,726)
Loans receivable	20,151
Accounts payable	(113,334)
Accrued expenses	9,244
Deferred revenue	153,716
Other current liabilities	<u>(14,209)</u>
Net cash provided by operating activities	<u>2,596,200</u>
Cash flows from investing activities:	
Additions to property and equipment	(2,253,934)
Proceeds from the sales of property and equipment	<u>925</u>
Net cash used in investing activities	<u>(2,253,009)</u>
Cash flows from financing activities:	
Repayment of line of credit	(12,889)
Proceeds from issuances of mortgage and note payables	587,651
Repayment of mortgage and note payables	<u>(479,205)</u>
Net cash provided by financing activities	<u>95,557</u>
Net change in cash and equivalents	438,748
Cash and equivalents at beginning of year	<u>1,191,404</u>
Cash and equivalents at end of year	<u><u>\$ 1,630,152</u></u>
Supplemental schedule of cash flow information:	
Cash paid for interest	<u>\$ 35,682</u>
Classification of cash and equivalents:	
Cash and equivalents	1,522,436
Restricted cash	<u>107,716</u>
	<u><u>\$ 1,630,152</u></u>

(Continued)

See accompanying notes to financial statements.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.  
Statement of Cash Flows, Continued

Supplemental schedule of non-cash investing activities:	
Property and equipment financed by accounts payable	<u>\$ 865,994</u>
Disposal of fully depreciated property and equipment	<u>\$ 20,385</u>

See accompanying notes to financial statements.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

Notes to Financial Statements

December 31, 2021

(1) Summary of Significant Accounting Policies

(a) Nature of Activities

Greater Opportunities for Broome and Chenango, Inc. (the Agency) was formed through a merger of Opportunities for Chenango, Inc. and Opportunities for Broome, Inc., which left Opportunities for Chenango, Inc. as the surviving entity; the merged entities operate under the new name Greater Opportunities for Broome and Chenango, Inc. The merger was effective July 1, 2020, however, was not finalized until July 27, 2020.

Opportunities for Chenango, Inc. - was a non-profit corporation formed to assist individuals and families in need through efforts that respect human dignity, establish self-determination, alleviate poverty, and lead to self-sufficiency. Programs focused on child and family development, housing security, life skills training, education, literacy, health and nutrition, and community, employment and economic development. These activities were primarily provided through various grants and contracts with the business community, and agencies and departments of Federal, state and local governments.

Opportunities for Chenango, Inc. had also established a d/b/a Quaranta Energy Services (QES). The purpose of QES is to create a self-sustaining business from additional energy services provided to individuals and multi-family units that do not qualify for weatherization assistance through Opportunities for Chenango, Inc. Any profits from this activity were used to help support Opportunities for Chenango, Inc.

Opportunities for Broome, Inc. - was a non-profit corporation and an affiliate of the Community Action Partnership. Established as an advocate for the poor and disadvantaged residents of Broome County, New York, Opportunities for Broome, Inc. accomplished its objective by planning, creating, implementing and evaluating programs serving the needs of such individuals. Through the combination of community involvement and coordination with established agencies, Opportunities for Broome, Inc. helped eligible participants achieve economic independence and self-respect.

Through a Federal grant from the U.S. Department of Health and Human Services, Opportunities for Broome, Inc. administered Head Start programs for early childhood development. Opportunities for Broome, Inc. also owned and managed several multi-family housing buildings that are rented to low-income Broome County residents.

(b) Basis of Accounting

The accompanying financial statements of the Agency have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

## GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

### Notes to Financial Statements, Continued

#### (1) Summary of Significant Accounting Policies, Continued

##### (c) Basis of Presentation

The Agency reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions represent resources available for the general support of the Agency's activities. Net assets with donor restrictions are those whose use has been limited by donor-imposed stipulations that may or will be met by actions of the Agency and/or the passage of time.

##### (d) Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

##### (e) Cash and Equivalents

For purposes of the statement of cash flows, the Agency considers all highly liquid debt instruments purchased with a maturity of three months or less, including overnight repurchase agreements, to be cash equivalents.

##### (f) Receivables

Receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has attempted reasonable collection efforts are written off through a charge to the valuation allowance and a credit to receivables. Changes in the valuation allowance have not been material to the financial statements.

##### (g) Capitalization and Depreciation

Property and equipment are recorded at cost or fair value at the date of the gift in the case of donated property and equipment. If donors stipulate how long the assets must be used, the contributions are recorded as support with donor restrictions. In the absence of such stipulations, contributions of property and equipment are recorded as support without donor restrictions. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property and equipment, the appropriate property and equipment accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statement of activities.

## GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

### Notes to Financial Statements, Continued

#### (1) Summary of Significant Accounting Policies, Continued

##### (h) Long-Lived Assets

The Agency reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. In determining whether there is an impairment of long-lived assets, the Agency compares the sum of the expected future net cash flows (undiscounted and without interest charges) to the carrying amount of the assets. At December 31, 2021, no impairment in value has been recognized by the Agency.

##### (i) Contributions

Service revenue awards accounted for as conditional contributions are recorded as revenue when expenditures have been incurred in compliance with the service agreement's restrictions. Amounts unspent are recorded in the statement of financial position as deferred revenue.

Contributions received are recorded as revenue without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as without donor restrictions.

All donor-restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets without donor restrictions.

##### (j) Contracts with Customers

Under Accounting Standards Update (ASU) No. 2014-09 (Topic 606) - Revenue from Contracts with Customers ("ASU 2014-09" or "Topic 606"), revenue is recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which the Agency expects to be entitled in exchange for these goods or services. The Agency utilizes a five-step framework as identified in ASU 2014-09. The primary sources of revenue from contracts with customers for the Agency are as follows:

Special event revenues consists of a single performance obligation and revenue is recognized when the events occur.

Special event revenue is generally nonrefundable, and is due before the event occurs or at the start of the event.

Universal Pre-K revenue consists of a single performance obligation, and revenue is recognized over the period of time using the straight line method on a monthly basis based on the number of attendees.

Universal Pre-K is generally nonrefundable, billed monthly to the appropriate school district, and payment is typically due within 30 days of the invoice date.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(j) Contracts with Customers, Continued

Child and Adult Care Food Program revenue consists of a single performance obligation, and revenue is recognized over the period time using the straight-line method on a monthly basis based on the number of meals served.

Child and Adult Care Food Program is generally nonrefundable, billed monthly to the New York State Department of Health, payment is typically due within 30 days of the invoice date.

Energy fee for service revenue consists of a single performance obligation, and revenue is recognized when the service is complete.

Energy fee for service revenue is generally nonrefundable, billed once the service has been completed.

Factors that could impact the nature, amount, timing and uncertainty of revenue or cash flow of the Agency include, enrollment, staffing, and COVID-19. Revenues from contracts with customers received in advance are deferred and recognized once earned.

Billings, cash collections and timing of revenue recognition can result in contract assets and liabilities on the balance sheet. The Agency receives payments from customers, before revenue is recognized, resulting in deferred revenue. These deposits are liquidated when revenue is recognized.

Receivables and deferred revenue from contracts with customers were as follows at December 31:

	<u>2021</u>	<u>2020</u>
Accounts receivable	\$ <u>56,026</u>	<u>40,355</u>
Deferred revenue	\$ <u>10,999</u>	<u>-</u>

The timing of revenue recognized from contracts with customers was as follows during 2021:

Revenue recognized at a point in time	\$ 166,376
Revenue recognized over a period of time	<u>438,802</u>
Total	\$ <u>605,178</u>

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(k) Donated Materials, Food, Supplies and Personal Services

The Agency receives donations without restrictions from outside parties. The donations include, but are not limited to, equipment, clothing, services, and food. All donations are without restriction but used to support and further the Agency's objectives. The donations are reflected in the accompanying statements at their estimated fair value at the date of receipt. In addition, many skilled and unskilled individuals have contributed significant amounts of time to the activities of the Agency without compensation. To satisfy cost sharing requirements to certain government awards, the Agency assigns values to such services based on rates commensurate with the type of volunteer hours performed. Total donations with an assigned value of \$1,477,567 were recorded during the year ended December 31, 2021. However, for purposes of financial presentation and in accordance with generally accepted accounting principles, only professional services are recognized. Donated assets, including food, clothing and supplies are valued at fair value at the date of donation. Donated space is valued at the difference between fair value of occupancy expenditures versus actual occupancy expenditures paid by the Agency.

The following revenue and expenditures are recognized in the accompanying statements of activities and functional expenses:

Donated professional services	\$ 250,915
Donated assets and materials	524,756
Donated space	<u>138,623</u>
Total recognized	\$ <u>914,294</u>
Donated non-professional services not recognized	\$ <u>563,273</u>

(l) Expense Allocation

The Agency's purpose is to assist individuals and families in need through efforts that respect human dignity, establish self-determination, alleviate poverty and lead to self-sufficiency. All expenses related to these services have been allocated to program services. Salaries and benefits are allocated among program services and management and general based on time and effort. Office and other expenses are allocated on direct usage.

(m) Advertising and Promotion

The costs of advertising and promotion are charged to expense as incurred; total related expenses for the year ended December 31, 2021 amounted \$26,461.

(n) Subsequent Events

The Agency has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.



## GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

### Notes to Financial Statements, Continued

#### (1) Summary of Significant Accounting Policies, Continued

##### (o) Risks and Uncertainties

The United States is presently in the midst of a national health emergency related to the COVID-19 virus. The overall consequences on a national, regional and local level are unknown, but have the potential to result in a significant economic impact. The impact of this situation on the Agency and its future results and financial position is not presently determinable.

##### (p) Income Taxes

The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (Code); therefore, no provision for income taxes is reflected in the financial statements. The Agency has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code. The Agency presently discloses or recognizes income tax position based on management's estimate of whether it is reasonably possible or probable that a liability has been incurred for unrecognized income taxes. Management has concluded that the Agency has taken no uncertain tax positions that require adjustment in its financial statements. U.S. Forms 990 filed by the Agency are subject to examination by taxing authorities.

#### (2) Liquidity

The Agency has \$3,023,584 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of \$1,522,436 of cash, \$1,485,702 of receivables, and \$15,446 due from an affiliate. Approximately \$33,000 of these financial assets are subject to donor restrictions that make them unavailable for general expenditure within one year of the 2021 statement of financial position. Additionally the Agency's main source of revenue is from government grant agreements which limit the spending of those funds to the agreed upon budgets.

Additionally, at December 31, 2021, the Agency has \$107,716 available in separate savings accounts (restricted cash) for replacement and operating reserves for its housing properties; however, these funds may only be used for operating purposes with the prior approval of respective regulatory agencies. Also, as discussed in note 11, the Agency has committed lines of credit which could be drawn upon in the event of unexpected operating needs.

#### (3) Concentrations of Credit Risk

##### (a) Cash

Financial instruments that potentially subject the Agency to concentrations of credit risk consist principally of cash and cash equivalent accounts in financial institutions. The accounts are in an insured sweep account where the bank manages the funds to keep them under the federally insured deposit amount.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

Notes to Financial Statements, Continued

(3) Concentrations of Credit Risk, Continued

(b) Revenue and Receivables

The Agency provides social services primarily in Chenango and Broome Counties of the State of New York. A substantial portion of the Agency's receivables are due from Federal and New York State governmental agencies.

(4) Restricted Cash

Under the terms of four service agreements, which were used for renovation of four of the Agency's low-income housing properties, restricted funds are to be maintained in separate savings accounts for replacement and operating reserves for these properties. The total amount restricted for replacement and operating reserves was \$107,716 at December 31, 2021. In addition, \$7,000 is being held by the New York State Homeless Housing and Assistance Corporation (HHAC) under the Homeless Housing Assistance Program (HHAP) for future operational needs or fixed asset replacements.

(5) Service Receivables

Service receivables consisted of the following at December 31, 2021:

Homeless Housing and Assistance Program	\$ 694,816
Rapid Rehousing	7,886
New York State Office of Temporary and Disability Assistance (OTDA) - New York State Supportive Housing Program (NYSSHP)	37,519
OTDA - Empire State Supportive Housing Initiative	32,423
Head Start	232,574
Community Development Block Grant (CDBG)	49,298
Special Supplemental Nutrition Program for Women, Infants, and Children	79,195
Home Investment Partnerships Program	47,988
Housing Counseling Assistance Program	39,560
Shelter Plus Care	8,244
Homes and Community Renewal Preservation	26,665
Community Services Block Grant (CSBG)	28,637
Other	<u>27,263</u>
	\$ <u>1,312,068</u>

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

Notes to Financial Statements, Continued

(6) Loans Receivable

The Agency holds a number of loans receivable from small businesses and consumers in Delaware County. The loans, at various rates, generally provide for a security interest in property purchased. Loans receivable at December 31, 2021 consist of the following:

Bridge loans receivable - current	\$ 43,042
Loans receivable	134,039
Less allowance for doubtful accounts	<u>(13,404)</u>
Total loans receivable	\$ <u>163,677</u>

(7) Property and Equipment

Property and equipment at December 31, 2021 is summarized as follows:

Land and buildings	\$ 17,052,655
Vehicles	357,856
Equipment	<u>725,422</u>
	18,135,933
Less accumulated depreciation	<u>(5,615,556)</u>
Net property and equipment	\$ <u>12,520,377</u>

(8) Related Party Transactions

The Agency has an agreement with East Hills Senior Living Limited Partnership (East Hills), a company related through common governance and management. Pursuant to this agreement, East Hills pays the Agency for accounting and management services rendered in connection with the day-to-day operations of the senior living community. The management fee is equal to 5% of gross rental receipts earned by East Hills. For the year ended December 31, 2021, the management fee amounted to \$10,138. The Agency also is reimbursed for costs incurred for management related expenses. The total amount due from affiliate amounted to \$15,446 as of December 31, 2021.

(9) Vested Vacation Wages

Included in accrued expenses is the Agency's liability for future payments of accrued vested vacation wages which amounted to \$153,961 at December 31, 2021. Under the terms of the existing personnel manual, the Agency's employees receive annual vacation leave. The number of days allowed is dependent upon the employees' years of service. Vacation leave represents the only leave paid to employees upon termination of employment for reasons other than disciplinary action.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

Notes to Financial Statements, Continued

(10) Deferred Revenue

Deferred revenue amounted to \$289,677 at December 31, 2021. This amount represents cash provided to the Agency in advance of the period to be benefited in order to provide working capital for the operation of the various programs of the Agency.

(11) Lines of Credit

The Agency maintains a line of credit which is secured by accounts receivable and equipment with a local financial institution that provides a maximum borrowing of \$150,000. Interest is payable monthly at the prime rate plus 1% with a prime rate floor of 3.25%. The interest rate was 5% at December 31, 2021. There was no balance on the line of credit at December 31, 2021.

The Agency has a \$100,000 line of credit with a local lending institution, secured by a building and land, to be drawn upon as needed. Interest on outstanding borrowings is payable monthly at a fixed rate of 6% at December 31, 2021. There was no outstanding balance on the line of credit at December 31, 2021.

(12) Mortgage and Notes Payables

The mortgage and notes payables at December 31, 2021 consists of the following:

Mortgage payable to NBT Bank on 5 West State in the original amount of \$354,781. The mortgage is payable in 120 monthly installments of \$2,356, including interest at 5%. The interest rate is to be adjusted every five years based on the Five Year Federal Home Loan Bank of New York Fixed-Rate, plus a margin of 3%. A final balloon payment is due in 2024. This mortgage is collateralized by a building and land.	\$ 266,227
Note payable to NBT Bank on 44-48 W. Main St. in the original amount of \$462,651. The note is payable in 240 monthly installments of \$3,011, including initial interest at 4.75%. The interest rate is to be adjusted every five years based on the Five Year Federal Home Loan Bank of New York Fixed-Rate, plus a margin of 2.75%. This note is collateralized by the related property, and any rental income derived from the property.	451,705
Note payable to a private individual. in the original amount of \$125,000. The note is payable in 240 monthly installments of \$825, including interest at 5%. This mortgage is collateralized by the related land.	<u>125,000</u>

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.  
Notes to Financial Statements, Continued

(12) Mortgage and Notes Payables, Continued

Mortgage and notes payables	\$ 842,932
Less current installments	<u>(33,216)</u>
Mortgage and notes payables, excluding current installments	\$ <u>809,716</u>

The aggregate maturity of the mortgage and notes payable for the five years following December 31, 2021 and thereafter is as follows:

2022	\$ 33,216
2023	35,234
2024	255,426
2025	21,290
2026	22,346
Thereafter	<u>475,420</u>
	\$ <u>842,932</u>

The Agency's mortgage and lines of credit agreements contain various restrictions and covenants. The more pertinent of these restrictions require the delivery of annual audited financial statements within 120 days of the close of the fiscal year. Furthermore, the Agency is required to maintain a minimum debt service ratio of 1.0 to 1.5.

(13) Net Assets with Donor Restrictions

Net assets with donor restrictions as of and for the year ended December 31, 2021 are summarized as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Released from restrictions</u>	<u>Ending Balance</u>
Reading is Fundamental	\$ 1,195	-	(1,193)	2
Flood recovery program	34,178	-	(34,178)	-
Homeless Housing reserves	107,716	-	-	107,716
Veterans Homeless Housing	<u>7,998</u>	<u>24,934</u>	<u>-</u>	<u>32,932</u>
	\$ <u>151,087</u>	<u>24,934</u>	<u>(35,371)</u>	<u>140,650</u>

(14) Pension Plan

The Agency maintains a qualified contributory defined contribution retirement plan established under IRC Section 403(b) for all employees meeting minimum age and length of service requirements. The Agency is not obligated to match the eligible participants' contribution to the plan. The Agency recorded expense relating to the plan amounting to \$142,882 during the year ended December 31, 2021.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

Notes to Financial Statements, Continued

(15) Contingencies

(a) Government Awards

Under the terms of various awards, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the awards. Such questioned costs could lead to reimbursement to the grantor agencies. Management believes that it would be able to provide support acceptable to the grantor and that any disallowances would not be material.

(b) Properties

The Agency has received funding from HHAC to renovate and operate certain specified properties as housing for very low and low-income families. In exchange for renovation awards, HHAC obtained a grant enforcement note and secured 25-year mortgages on five properties. The mortgages on the five properties are summarized as follows:

	<u>Funds</u>	<u>Term</u>	<u>Begin date</u>	<u>End date</u>
92-94 Carroll Street, Binghamton, NY	\$ 506,767	25 years	Oct. 2000	Sept. 2025
542 State Street, Binghamton, NY	792,000	25 years	Sept. 2003	Aug. 2028
85 Liberty Street, Binghamton, NY	2,212,540	25 years	June 2010	May 2035
86 Carroll Street, Binghamton, NY	3,482,479	25 years	May 2012	Apr. 2037
88 Carroll Street, Binghamton, NY	1,852,822	25 years	Sept. 2015	Aug. 2040

The mortgages require no repayment of principal or interest; however, if the Agency ceases to operate these properties as housing for very low and low-income families, they will be considered in default and HHAC will commence proceedings to recapture funding provided under these agreements. As of December 31, 2021, all five properties were being operated as housing for very low and low-income families. Management believes that the Agency is in compliance with the terms of the agreements.

The Agency has received funding from the U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnerships Program through the City of Binghamton to renovate and operate certain specified properties as housing for very low and low-income families. In exchange for renovation awards, HUD holds 10-year and 15-year mortgages on three properties as follows:

	<u>Funds</u>	<u>Term</u>	<u>Begin date</u>	<u>End date</u>
48 Griswold Street, Binghamton, NY	\$ 165,000	15 years	June 2011	May 2026
46 Griswold Street, Binghamton, NY	100,000	10 years	Aug. 2013	July 2023
27 Pine Street, Binghamton, NY	89,591	15 years	May 2015	Apr. 2030
27 Pine Street, Binghamton, NY	150,000	10 years	Sept. 2016	Aug. 2026

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

Notes to Financial Statements, Continued

(15) Contingencies, Continued

(b) Properties, Continued

The mortgages require no repayment of principal or interest; however, if the Agency ceases to operate these properties as housing for very low and low-income families, they will be considered in default and the City of Binghamton, in conjunction with HUD, will commence proceedings to recapture funding provided under these agreements. As of December 31, 2021, all three properties were being operated as housing for very low and low-income families. Management believes that the Agency is in compliance with the terms of the agreements.

The Agency receives a majority of its revenue from government service agreements and awards. The ultimate determination of amounts received under these programs, generally, is based upon allowable costs reported to and audited by the government agencies. Until such related audits occur and final settlements are reached, a contingency exists to refund any amount received in excess of allowable costs.

(16) Service Revenue

Service revenue consisted of the following for the year ended December 31, 2021:

Head Start	\$ 5,677,061
Shelter Plus Care	198,543
Special Supplemental Nutrition Program for Women, Infants, and Children	439,053
Community Services Block Grant	1,072,806
Housing Counseling Assistance Program	41,257
Section 8 Housing Choice Vouchers	92,231
Home Investment Partnerships Program	296,881
Neighborworks America	174,500
Homes and Community Renewal Preservation	26,665
Rapid Rehousing	148,843
Homeless Housing and Assistance Program	2,248,790
OTDA NYSSHP	121,200
Community Development Block Grant	405,344
Child Care Stabilization Grant	1,106
NYS Division of Homes and Community Renewal - Redmill Project	7,340
Affordable Housing Corporation Program	222,366
OTDA - Empire State Supportive Housing Initiative	90,829
Other	<u>79,682</u>
	\$ <u>11,344,497</u>

The Agency realized approximately 50% of its revenue from the U.S. Department of Health and Human Services for the year ended December 31, 2021.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.  
Notes to Financial Statements, Continued

(17) Commitments

The Agency leases a fleet of vehicles to support the various programs it operates. Lease expense amounted to \$38,369 for the year ended December 31, 2021 and is included as a component of vehicle expenses on the statement of functional expenses. The following summarizes the future minimum lease payments under the above leases as of December 31, 2021:

2022	\$ 21,792
2023	19,425
2024	<u>14,664</u>
	\$ <u>55,881</u>



GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.  
Schedule of Expenditures of Federal Awards  
Year ended December 31, 2021

<u>Program Title</u>	<u>Assistance Listing Number</u>	<u>Agency or Pass-Through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
U.S. Department of Agriculture - passed through New York State Department of Health:				
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	C35441GG-21	\$ 333,161	-
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	C35441GG-22	105,892	-
Special Supplemental Nutrition Program for Women, Infants and Children (2)	10.557	C35441GG	<u>611,547</u>	-
Total Special Supplemental Nutrition Program for Women, Infants and Children			<u>1,050,600</u>	-
Child and Adult Care Food Program	10.558	2195-21	55,633	-
Child and Adult Care Food Program	10.558	2195-22	<u>56,297</u>	-
Total Child and Adult Care Food Program			<u>111,930</u>	-
Total U.S. Department of Agriculture			<u>1,162,530</u>	-
U.S. Department of Housing and Urban Development:				
Housing Voucher Cluster Section 8 Housing Choice Vouchers (1)	14.871	N/A	<u>92,231</u>	-
Continuum of Care (1)	14.267	NY0872L2C111908	155,754	-
Continuum of Care (1)	14.267	NY0872L2C112009	108,393	-
Continuum of Care (1)	14.267	NY1206L2C111901	48,957	-
Continuum of Care (1)	14.267	NY1206L2C112002	101,870	-
Continuum of Care - Rapid Rehousing (1)	14.267	NY1151L2C111902	68,904	-
Continuum of Care - Rapid Rehousing (1)	14.267	NY1151L2C112003	<u>79,939</u>	-
Total Continuum of Care			<u>563,817</u>	-
Passed through New York State Division of Housing and Community Renewal:				
Housing Counseling Assistance Program	14.169	80597	<u>33,312</u>	-
Community Development Block Grants	14.228	N/A	10,803	-
Community Development Block Grants	14.228	N/A	35,203	-
Community Development Block Grants	14.228	N/A	<u>357,610</u>	-
Total Community Development Block Grants			<u>403,616</u>	-
Passed through New York State Housing Trust Fund Corporation:				
Home Investment Partnerships Program	14.239	SHARS20183009	261,901	-
Home Investment Partnerships Program	14.239	SHARS20203060	24,002	-
Home Investment Partnerships Program	14.239	SHARS20183066	24,851	-
Passed through the City of Binghamton - Home Investment Partnerships Program	14.239	N/A	<u>504,591</u>	-
Total Home Investment Partnership Program			<u>815,345</u>	-
Total U.S. Department of Housing and Urban Development			<u>1,908,321</u>	-

(Continued)

See accompanying notes to schedule of expenditures of federal awards.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.  
Schedule of Expenditures of Federal Awards, Continued

<u>Program Title</u>	<u>Assistance Listing Number</u>	<u>Agency or Pass-Through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
U.S. Department of Transportation:				
Neighborworks America	21.000	N/A	\$ 18,057	-
Neighborworks America	21.000	N/A	<u>10,470</u>	<u>-</u>
Total U.S. Department of Transportation - Neighborworks America			<u>28,527</u>	<u>-</u>
U.S. Department of Health and Human Services:				
Passed through New York State Department of State - 477 Cluster:				
Community Services Block Grant	93.569	C1001452-21	272,659	-
Community Services Block Grant	93.569	C1001452-22	86,715	-
COVID-19 - Community Services Block Grant	93.569	T1001785-CARES	338,940	-
Community Services Block Grant	93.569	C1001457-21	188,766	-
Community Services Block Grant	93.569	C1001457-22	65,104	-
COVID-19 - Community Services Block Grant	93.569	T1001790-CARES	<u>120,622</u>	<u>-</u>
Total 477 Cluster - Community Services Block Grant			<u>1,072,806</u>	<u>-</u>
Passed through New York State Office of Children and Family Services - CCDF Cluster - COVID-19 - Child Care and Development Block Grant				
	93.575	N/A	<u>1,106</u>	<u>-</u>
Head Start Cluster:				
Head Start (1)	93.600	02CH011631	2,404,565	-
Head Start (1)	93.600	02CH010395	2,940,965	-
COVID-19 - Head Start (1)	93.600	02CH01039505C3-CARES	130,627	-
COVID-19 - Head Start (1)	93.600	02CH01163101C3-CARES	94,378	-
COVID-19 - Head Start (1)	93.600	02HE00374-CRRSA	65,963	-
COVID-19 - Head Start (1)	93.600	02HE00374-01-ARP	<u>40,631</u>	<u>-</u>
Total Head Start Cluster			<u>5,677,129</u>	<u>-</u>
Total U.S. Department of Health and Human Services			<u>6,751,041</u>	<u>-</u>
Total Federal Awards			<u>\$ 9,850,419</u>	<u>-</u>

(1) Direct Federal Award

(2) Includes Federal non-cash items, primarily nutrition vouchers

See accompanying notes to schedule of expenditures of federal awards.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.

Notes to Schedule of Expenditures of Federal Awards

December 31, 2021

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes all federal and award programs administered by Greater Opportunities for Broome and Chenango, Inc. 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).

(2) Basis of Accounting

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.

Greater Opportunities for Broome and Chenango, Inc. has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

(3) Matching Costs

Matching costs, i.e. Greater Opportunities for Broome and Chenango, Inc.'s share of certain program costs, are not included in the reported expenditures.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Directors  
Greater Opportunities for Broome and Chenango, Inc.:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of Greater Opportunities for Broome and Chenango, Inc. (the Agency), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to financial statements, and have issued our report thereon dated May 27, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing 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 the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 Agency'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 the Agency'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 financial statements. 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 Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York  
May 27, 2022

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

The Board of Directors  
Greater Opportunities for Broome and Chenango, Inc.:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Greater Opportunities for Broome and Chenango, Inc.'s (the Agency) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the Agency's major federal programs for the year ended December 31, 2021. The Agency's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Greater Opportunities for Broome and Chenango, 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 December 31, 2021.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Agency's compliance with the compliance requirements referred to above.

## Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Agency's federal programs.

## Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Agency's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Agency's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Agency's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Agency's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Agency's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## Report on 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

EFPR Group, CPAs, PLLC

Williamsville, New York  
May 27, 2022



GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.  
 Schedule of Findings and Questioned Costs  
 Year ended December 31, 2021

Part I - SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- |  |       |     |     |               |
|--|-------|-----|-----|---------------|
| 1. Material weakness(es) identified?                     | _____ | Yes | _x_ | No            |
| 2. Significant deficiency(ies) identified?               | _____ | Yes | _x_ | None reported |
| 3. Noncompliance material to financial statements noted? | _____ | Yes | _x_ | No            |

Federal Awards:

Internal control over major programs:

- |  |       |     |     |               |
|--|-------|-----|-----|---------------|
| 4. Material weakness(es) identified?       | _____ | Yes | _x_ | No            |
| 5. Significant deficiency(ies) identified? | _____ | Yes | _x_ | None reported |

Type of auditors' report issued on compliance for major programs:

Unmodified

- |  |       |     |                           |    |
|--|-------|-----|---------------------------|----|
| 6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) (Uniform Guidance)? | _____ | Yes | _x_                       | No |
| 7. The Agency's major programs audited were:   |       |     | Assistance Listing Number |    |
| <u>Name of Federal Programs</u>  |       |     | <u>Number</u>             |    |
| Community Development Block Grant  |       |     | 14.228                    |    |
| Head Start   |       |     | 93.600                    |    |
| 8. Dollar threshold used to distinguish between Type A and Type B programs.  |       |     | \$750,000                 |    |
| 9. Auditee qualified as low-risk auditee?  | _x_   | Yes | _____                     | No |

Part II - FINANCIAL STATEMENT FINDINGS SECTION

No reportable findings.

Part III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

No reportable findings or questioned costs.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.  
Status of Prior Audit Findings  
December 31, 2021

There were no findings with regard to the prior year (December 31, 2020) financial statements.