

CHAR500

NYS Annual Filing for Charitable Organizations
www.CharitiesNYS.com

Send with fee and attachments to:
NYS Office of the Attorney General
Charities Bureau Registration Section
120 Broadway
New York, NY 10271

2014

Open to Public
Inspection

1. General Information

For Fiscal Year Beginning (mm/dd/yyyy) 07/01 / 2014 and Ending (mm/dd/yyyy) 06/30/2015

Check if Applicable: <input type="checkbox"/> Address Change <input type="checkbox"/> Name Change <input type="checkbox"/> Initial Filing <input type="checkbox"/> Final Filing <input type="checkbox"/> Amended Filing <input type="checkbox"/> Reg ID Pending	Name of Organization: BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP Mailing Address: 136 STANHOPE STREET City / State / Zip: BROOKLYN, NY 11221-3407 Website:	Employer Identification Number (EIN): 11-2504368 NY Registration Number: 11-65-44 Telephone: (718) 443-0134 Email:
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Check your organization's registration category: ☐ 7A only ☐ EPTL only ☐ DUAL (7A & EPTL) ☐ EXEMPT Find your registration category in the Charities Registry at www.CharitiesNYS.com

2. Certification

See instructions for certification requirements. Improper certification is a violation of law that may be subject to penalties.

We certify under penalties of perjury that we reviewed this report, including all attachments, and to the best of our knowledge and belief, they are true, correct and complete in accordance with the laws of the State of New York applicable to this report.

President or Authorized Officer:

Signature

EXEC. DIRECTOR

Title

5/3/16
Date

Chief Financial Officer or Treasurer:

Signature

CFO

Title

5/3/16
Date

3. Annual Reporting Exemption

Check the exemption(s) that apply to your filing. If your organization is claiming an exemption under the category (7A and EPTL only filers) or both categories (DUAL filers) that apply to your registration, complete only parts 1, 2, and 3, and submit the certified Char500. No fee, schedules, or additional attachments are required. If you cannot claim an exemption or are a DUAL filer that claims only one exemption, you must file applicable schedules and attachments and pay applicable fees.

☐ **3a. 7A filing exemption:** Total contributions from NY State including residents, foundations, government agencies, etc. did not exceed \$25,000 and the organization did not engage a professional fund raiser (PFR) or fund raising counsel (FRC) to solicit contributions during the fiscal year. Or the organization qualifies for another 7A exemption (see instructions).

☐ **3b. EPTL filing exemption:** Gross receipts did not exceed \$25,000 and the market value of assets did not exceed \$25,000 at any time during the fiscal year.

4. Schedules and Attachments

See the following page for a checklist of schedules and attachments to complete your filing.

☐ Yes ☒ No

4a. Did your organization use a professional fund raiser, fund raising counsel or commercial co-venturer for fund raising activity in NY State? If yes, complete Schedule 4a.

☒ Yes ☐ No

4b. Did the organization receive government grants? If yes, complete Schedule 4b.

5. Fee

See the checklist on the next page to calculate your fee(s). Indicate fee(s) you are submitting here:

7A filing fee:

\$ 25

EPTL filing fee:

\$ 25

Total fee:

\$ 50

Make a single check or money order payable to:
"Department of Law"

CHAR500**Annual Filing Checklist**

Simply submit the certified CHAR500 with no fee, schedule, or additional attachments IF:

- Your organization is registered as 7A only and you marked the 7A filing exemption in Part 3.
- Your organization is registered as EPTL only and you marked the EPTL filing exemption in Part 3.
- Your organization is registered as DUAL and you marked both the 7A and EPTL filing exemption in Part 3.

Checklist of Schedules and Attachments

Check the schedules you must submit with your CHAR500 as described in Part 4:

- ☐ If you answered "yes" in Part 4a, submit Schedule 4a: Professional Fund Raisers (PFR), Fund Raising Counsel (FRC), Commercial Co-Venturers (CCV)
- ☒ If you answered "yes" in Part 4b, submit Schedule 4b: Government Grants

Check the financial attachments you must submit with your CHAR500:

- ☒ IRS Form 990, 990-EZ, or 990-PF, and 990-T if applicable
- ☒ All additional IRS Form 990 Schedules including Schedule B (Schedule of Contributors).
- ☐ IRS Form 990-T if applicable

If you are a 7A only or DUAL filer, submit the applicable independent Certified Public Accountant's Review or Audit Report:

- ☐ Review Report if you received total revenue and support greater than \$250,000 and up to \$500,000.
- ☒ Audit Report if you received total revenue and support greater than \$500,000
- ☐ No Review Report or Audit Report is required because total revenue and support is less than \$250,000

Note: The Audit and Review requirements are set to change in 2017 and 2021 in accordance with the Non Profit Revitalization Act of 2013.
For more details, visit www.CharitiesNYS.com.

Calculate Your Fee

For 7A and DUAL filers, calculate the 7A fee:

- ☐ \$0, if you marked the 7A exemption in Part 3a
- ☒ \$25, if you did not mark the 7A exemption in Part 3a

For EPTL and DUAL filers, calculate the EPTL fee:

- ☐ \$0, if you marked the EPTL exemption in Part 3b
- ☐ \$25, if the NET WORTH is less than \$50,000
- ☐ \$50, if the NET WORTH is \$50,000 or more but less than \$250,000
- ☐ \$100, if the NET WORTH is \$250,000 or more but less than \$1,000,000
- ☐ \$250, if the NET WORTH is \$1,000,000 or more but less than \$10,000,000
- ☐ \$750, if the NET WORTH is \$10,000,000 or more but less than \$50,000,000
- ☐ \$1500, if the NET WORTH is \$50,000,000 or more

Is my organization a 7A, EPTL or DUAL filer?

- 7A filers are registered to solicit contributions in New York under Article 7-A of the Executive Law ("7A")
- EPTL filers are registered under the Estates, Powers & Trusts Law ("EPTL") because they hold assets and/or conduct activities for charitable purposes in NY.
- DUAL filers are registered under both 7A and EPTL.

Check your registration category and learn more about NY law at www.CharitiesNYS.com

Where do I find my organization's NET WORTH?

NET WORTH for fee purposes is calculated on:

- IRS Form 990 Part I, line 22
- IRS Form 990 EZ Part I line 21
- IRS Form 990 PF, calculate the difference between Total Assets at Fair Market Value (Part II, line 16(c)) and Total Liabilities (Part II, line 23(b)).

Send Your Filing

Send your CHAR500, all schedules and attachments, and total fee to:

NYS Office of the Attorney General
Charities Bureau Registration Section
120 Broadway
New York, NY 10271

CHAR500Schedule 4a: Professional Fund Raisers, Fund Raising Counsels, Commercial Co-Venturers
www.CharitiesNYS.com**2014**
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If you checked the box in question 4a in Part 4 on the CHAR500 Annual Filing for Charitable Organizations, complete this schedule for EACH Professional Fund Raiser (PFR), Fund Raising Counsel (FRC) or Commercial Co-Venturer (CCV) that the organization engaged for fund raising activity in NY State. Use additional pages if necessary. Include this schedule with your certified CHAR500 NYS Annual Filing for Charitable Organizations.

1. Organization Information

Name of Organization:

NY Registration Number:

2. Professional Fund Raiser, Fund Raising Counsel, Commercial Co-Venturer Information

Fund Raising Professional type:

Name of FRP:

NY Registration Number:

☐ Professional Fund Raiser☐ Fund Raising Counsel☐ Commercial Co-Venturer

Mailing Address:

Telephone:

City / State / Zip:

3. Contract Information

Contract Start Date:

Contract End Date:

4. Description of Services

Services provided by FRP:

5. Description of Compensation

Compensation arrangement with FRP:

Amount Paid to FRP:

6. Commercial Co-Venturer (CCV) Report☐ Yes ☐ No

If services were provided by a CCV, did the CCV provide the charitable organization with the interim or closing report(s) required by Section 173(a) part 3 of the Executive Law Article 7A?

Definitions

A **Professional Fund Raiser (PFR)**, in addition to other activities, conducts solicitation of contributions and/or handles the donations (Article 7A, 171-a.4).

A **Fund Raising Counsel (FRC)** does not solicit or handle contributions but limits activities to advising or assisting a charitable organization to perform such functions for itself (Article 7A, 171-a.9).

A **Commercial Co-Venturer (CCV)** is an individual or for-profit company that is regularly and primarily engaged in trade or commerce other than raising funds for a charitable organization and who advertises that the purchase or use of goods, services, entertainment or any other thing of value will benefit a charitable organization (Article 7A, 171-a.6).

CHAR500Schedule 4b: Government Grants
www.CharitiesNYS.com**2014**Open to Public
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If you checked the box in question 4b in Part 4 on the CHAR500 Annual Filing for Charitable Organizations, complete this schedule and list EACH government grant. Use additional pages if necessary. Include this schedule with your certified CHAR500 NYS Annual Filing for Charitable Organizations.

1. Organization Information

Name of Organization:	NY Registration Number:
BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP	11-65-44

2. Government Grants

Name of Government Agency	Amount of Grant
1. NYC/ACS	1. 9,247,638
2. NYS/DOH	2. 658,596
3.	3.
4.	4.
5.	5.
6.	6.
7.	7.
8.	8.
9.	9.
10.	10.
11.	11.
12.	12.
13.	13.
14.	14.
15.	15.
Total Government Grants:	Total: 9,906,234

Form 990-PF

Return of Private Foundation

OMB No. 1545-0052

2014

Department of the Treasury
Internal Revenue Service

or Section 4947(a)(1) Trust Treated as Private Foundation

- Do not enter social security numbers on this form as it may be made public.
Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

Open to Public Inspection

For calendar year 2014 or tax year beginning 7/1/2014, and ending 6/30/2015

Name of foundation BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP			A Employer identification number 11-2504368							
Number and street (or P.O. box number if mail is not delivered to street address) 136 STANHOPE STREET		Room/suite	B Telephone number (see instructions) (718) 443-0134							
City or town BROOKLYN	State NY	ZIP code 11221-3407								
Foreign country name		Foreign province/state/county	Foreign postal code							
G Check all that apply: <table border="0"> <tr> <td><input type="checkbox"/> Initial return</td> <td><input type="checkbox"/> Initial return of a former public charity</td> </tr> <tr> <td><input type="checkbox"/> Final return</td> <td><input type="checkbox"/> Amended return</td> </tr> <tr> <td><input type="checkbox"/> Address change</td> <td><input type="checkbox"/> Name change</td> </tr> </table>			<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity	<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return	<input type="checkbox"/> Address change	<input type="checkbox"/> Name change	C If exemption application is pending, check here <input type="checkbox"/>	
<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity									
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return									
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change									
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>							
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 197,206			E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>							
J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____			F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>							

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	10,103,382			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities				
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	10,103,382	0	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	162,100			
	14 Other employee salaries and wages	4,848,570			
	15 Pension plans, employee benefits	1,682,273			
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	16,000			
	c Other professional fees (attach schedule)	35,800			
	17 Interest				
	18 Taxes (attach schedule) (see instructions)				
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy	712,603			
	21 Travel, conferences, and meetings	871			
	22 Printing and publications				
	23 Other expenses (attach schedule)	2,645,165			
	24 Total operating and administrative expenses. Add lines 13 through 23	10,103,382	0	0	0
	25 Contributions, gifts, grants paid				
26 Total expenses and disbursements. Add lines 24 and 25	10,103,382	0	0	0	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	0				
b Net investment income (if negative, enter -0-)		0			
c Adjusted net income (if negative, enter -0-)			0		

Part II Balance Sheets		Beginning of year (a) Book Value	End of year	
			(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	48,931	87,647	87,647
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5 Grants receivable	173,966		94,707
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)			
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
Liabilities	15 Other assets (describe ▶)		14,852	14,852
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	222,897	102,499	197,206
	17 Accounts payable and accrued expenses	108,117	73,400	
	18 Grants payable	101,707	123,806	
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
Net Assets or Fund Balances	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	209,824	197,206	
	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted	13,073		
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see instructions)	13,073	0	
	31 Total liabilities and net assets/fund balances (see instructions)	222,897	197,206	

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	13,073
2 Enter amount from Part I, line 27a	2	
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	13,073
5 Decreases not included in line 2 (itemize) ▶ ADJUSTMENT	5	13,073
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	0

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a			
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	0
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8	3	0

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☐ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2013	0	0	0.000000
2012	0	0	0.000000
2011	0	0	0.000000
2010	0	0	0.000000
2009	0	0	0.000000

2	Total of line 1, column (d)	2	0.000000
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.000000
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	
5	Multiply line 4 by line 3	5	
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	0
7	Add lines 5 and 6	7	0
8	Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	0

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1		
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2		0
3	Add lines 1 and 2	3		0
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4		
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5		0
6	Credits/Payments:			
a	2014 estimated tax payments and 2013 overpayment credited to 2014	6a		
b	Exempt foreign organizations—tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d	7		0
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		0
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		0
11	Enter the amount of line 10 to be: Credited to 2015 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ _____ (2) On foundation managers. ▶ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?		X
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> NY		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i>		
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses.</i>		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ▶				
14	The books are in care of ▶ <u>COMPTROLLER</u> Telephone no. ▶ <u>(718) 443-0134</u>			
	Located at ▶ <u>136 STANHOPE ST BROOKLYN NY</u> ZIP+4 ▶ <u>11221-3407</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here	15		<input type="checkbox"/>
16	At any time during calendar year 2014, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
	See the instructions for exceptions and filing requirements for FinCEN Form 114, (formerly TD F 90-22.1). If "Yes," enter the name of the foreign country ▶			X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? <input type="checkbox"/> 1b N/A		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2014? <input type="checkbox"/> 1c X		
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If "Yes," list the years ▶ 20____, 20____, 20____, 20____		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions.) <input type="checkbox"/> 2b N/A		
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ 20____, 20____, 20____, 20____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2014 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2014.) <input type="checkbox"/> 3b N/A		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? <input type="checkbox"/> 4a X		
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2014? <input type="checkbox"/> 4b X		

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? ☐ Yes ☒ No

Organizations relying on a current notice regarding disaster assistance check here ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Attached Statement		0		
	.00	0		
	.00	0		
	.00	0		
	.00	0		

2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JUAN CHAPARRO 349 BLEEKER ST, BROOKLYN, NY 11237	EDU. DIRECTOR 35.00	70,500	7,494	
JOVITA BRAVO 139 CENTRAL AVE, BROOKLYN, NY 11221	FISCAL OFFICER 35.00	74,200	7,887	
IRFANA KHAN 292 20TH STREET APT 3R, BROOKLYN, NY 11215	EDU DIRECTOR 35.00	69,500	7,388	
SRDESH SAMAROO 9 KELLY PLACE, BROOKLYN, NY 11208	COMPTROLLER 35.00	130,000	13,819	
WILLIAM VELASCO 104 BLEEKER ST, BROOKLYN, NY 11221	DEPUTY DIRECTOR 35.00	83,800	8,876	
Total number of other employees paid over \$50,000 <input type="checkbox"/>				

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NONE	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	0
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	0
6	Minimum investment return. Enter 5% of line 5	6	0

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	
2a	Tax on investment income for 2014 from Part VI, line 5	2a	
b	Income tax for 2014. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	0
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	0

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	0
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	0
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	0

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2014:				
a Enter amount for 2013 only			0	
b Total for prior years: 20 ____, 20 ____, 20 ____				
3 Excess distributions carryover, if any, to 2014:				
a From 2009				
b From 2010				
c From 2011				
d From 2012				
e From 2013				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2014 from Part XII, line 4: ► \$ ____				
a Applied to 2013, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see instructions)				
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2014 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2014 . (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0			
b Prior years' undistributed income. Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see instructions				
e Undistributed income for 2013. Subtract line 4a from line 2a. Taxable amount—see instructions			0	
f Undistributed income for 2014. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2015				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required—see instructions)				
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2010				
b Excess from 2011				
c Excess from 2012				
d Excess from 2013				
e Excess from 2014				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)**N/A**

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2014, enter the date of the ruling					
b Check box to indicate whether the foundation is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)					
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	Tax year	Prior 3 years			(e) Total
	(a) 2014	(b) 2013	(c) 2012	(d) 2011	
					0
b 85% of line 2a					0
c Qualifying distributions from Part XII, line 4 for each year listed					0
d Amounts included in line 2c not used directly for active conduct of exempt activities					0
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					0
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets					0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					0
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see instructions.)

- 1 Information Regarding Foundation Managers:**
- a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)
-
- b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.
-
- 2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**
- Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.
- a** The name, address, and telephone number or e-mail address of the person to whom applications should be addressed:
-
- b** The form in which applications should be submitted and information and materials they should include:
-
- c** Any submission deadlines:
-
- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
-

Part XV Supplementary Information (continued)**3** Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
Total			3a	0
b Approved for future payment				
Total			3b	0

**BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP
EARLY LEARN PROGRAM**

BUDGET I.D. FY15EL-0708

**136 STANHOPE STREET
BROOKLYN, NY 11221
TELEPHONE NO: (718) 443-0134**

FINANCIAL STATEMENTS

BUDGET PERIOD: JULY 1, 2014 TO JUNE 30, 2015

AUDIT PERIOD: JULY 1, 2014 TO JUNE 30, 2015

AUDIT STARTED: DECEMBER 15, 2015

AUDIT ENDED: MARCH 24, 2016

**ARUN C. SARKAR
CERTIFIED PUBLIC ACCOUNTANT**

BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP

YEAR ENDED JUNE 30, 2015

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ARUN C. SARKAR
CERTIFIED PUBLIC ACCOUNTANT

9 REBECCA COURT
DAYTON, NJ 08810

TEL: (732) 329-6740
FAX: (732) 274-2067

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

The Board of Directors
Bushwick United Housing Development Fund Corp
136 Stanhope Street
Brooklyn, NY 11221

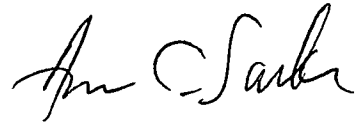
We have audited the accompanying statement of financial position of Bushwick United Housing Development Fund Corp (the Agency) as of June 30, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits 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 of the United States and the ACS EarlyLearn NYC Provider Organization Audit Guidelines (the Guidelines). Those standards and the Guidelines require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Bushwick United Housing Development Fund Corp as of June 30, 2015 and the changes in its net assets, and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2016 on our consideration of the Agency's internal control 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 Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the Agency taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, and *Audits of States, Local Governments, and Nonprofit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



March 24, 2016

CERTIFIED PUBLIC ACCOUNTANT

BUSHWICK UNITED HOUSING DEV FUND CORP

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2015

	Temporarily Restricted	Unrestricted	Total
<u>Assets:</u>			
Cash (Note 2)	\$ 87,647		\$ 87,647
Grants Receivable (Note 3)	64,739		64,739
Other receivable (Note 3)	29,968		29,968
Other Assets (Note 4)	14,852		14,852
Total Assets	<u>\$ 197,206</u>	<u>\$ -</u>	<u>\$ 197,206</u>
 <u>Liabilities and Net Assets:</u>			
Grant Payable (Note 3)	\$ 123,806	\$	\$ 123,806
Accounts Payable (Note 5)	73,400		73,400
Total Liabilities	<u>197,206</u>		<u>197,206</u>
Net Assets:			-
Total Liabilities and Net Assets	<u>\$ 197,206</u>	<u>\$ -</u>	<u>\$ 197,206</u>

See notes to financial statements

BUSHWICK UNITED HOUSING DEV FUND CORP

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2015

	Temporarily Restricted	Unrestricted	Total
<u>Support and Revenue:</u>			
Government Grants (Note 6)	\$ 9,906,234	\$ -	\$ 9,906,234
Parents Fees	197,148		197,148
In-kind Contribution	1,185,453		1,185,453
Other	-		-
Total Support and Revenue	<u>11,288,835</u>	<u>-</u>	<u>11,288,835</u>
 <u>Expenditures:</u>			
Program Services:			
Head Start Program	5,668,846		5,668,846
Child care Program	2,251,146		2,251,146
Health and Safety	253,805		
Head Start UPK Program	1,669,963		1,669,963
Child care UPK Program	156,864		
Food Program	658,596		658,596
Total Program Services	<u>10,659,220</u>	<u>-</u>	<u>10,659,220</u>
Supporting Services:			
Management and General	<u>629,615</u>		<u>629,615</u>
Total Supporting Services			
Total Expenditures	<u>11,288,835</u>	<u>-</u>	<u>11,288,835</u>
Excess of Support and Revenue over Expenditures	-	-	-
Net Assets - Beginning of year	-	-	-
Net Assets - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements

BUSHWIK UNITED HOUSING DEV FUND CORP

SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2015

	Program Services						Supporting Services	Total
	Head Start	Child Care	Health & Safety	Head Start UPK	Child Care UPK	CACFP Program	Management and General	
Salaries and wages	2,374,423	1,907,359		\$ 328,398			\$ 400,490	\$ 5,010,670
Fringe benefits	1,041,504	67,821		41,473			90,555	1,241,353
Payroll taxes	258,622	96,063		55,598			30,637	440,920
Consultants	12,128	1,912		21,532	228			35,800
Accounting Fees	-	1,333		5,334			9,333	16,000
Supplies	293,467	97,502		246,329	57,940		26,252	721,490
Utilities and Telephone	45,551	17,501		77,266	3,027		48,439	191,784
Maintenance & Repairs	113,955	12,297		64,795	2,071			193,118
Occupancy	335,971	48,797		287,255	32,001		8,579	712,603
Food & Non-food						658,596		658,596
Travel	801						70	871
Training	2,081			1,592	149		5,004	8,826
Children's trips	3,326			21,364				24,690
UPK Enhancement				515,191	61,416			576,607
Capital Expenditure	-		253,805	-				253,805
Other Expenses	1,564	561		3,836	32		10,256	16,249
In-kind expenses	1,185,453				-			1,185,453
Total Expenditures	<u>\$5,668,846</u>	<u>\$2,251,146</u>	<u>253,805</u>	<u>\$1,669,963</u>	<u>\$156,864</u>	<u>\$658,596</u>	<u>\$ 629,615</u>	<u>\$11,288,835</u>

See notes to financial statements

BUSHWICK UNITED HOUSING DEV FUND CORP

STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2015

	<u>2015</u>
Cash flows from operating activities:	
Support and Revenue over/(under) Expenditures	\$ -
Adjustments to reconcile change in net assets to net cash provided by operating activities:	-
Adjustment to Net Assets	(13,073)
(Increase) Decrease in Grants Receivable	(2,281)
(Increase) Decrease in Other Receivable	81,540
(Increase) Decrease in Other Assets	(14,852)
Increase (Decrease) in Grants Payable	22,099
Increase (Decrease) in Accounts Payable and accrued expenses	(34,717)
Increase (Decrease) in Other Payable	<u>-</u>
Net cash provided (used) by operating activities	38,716
Cash flows from investing activities:	
Purchase of assets	<u>-</u>
Net cash used by investing activities	<u>-</u>
Cash flows from financing activities:	
Bank loan paid	<u>-</u>
Net cash used by financing activities	<u>-</u>
Net Increase (Decrease) in cash	38,716
Cash - beginning	<u>48,931</u>
Cash - ending	<u><u>\$ 87,647</u></u>

See Notes to Financial Statements

BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

1. **Summary of Significant Accounting Policies**

The accounting policies of the Organization conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

A. **Basis of Accounting**

The financial statements are prepared on accrual basis of accounting, as interpreted for nonprofit organizations.

B. **Capital Expenditures**

Under the terms of the grant agreement and in accordance with Non-profit Generally Accepted Accounting Principles, purchases of equipment, furniture, leasehold improvements and other capital items are charged as expenditures as incurred and not capitalized and depreciated over the useful life of the asset.

C. **Income Taxes:**

The Organization is exempt from Federal income taxes under Section 501 (c) (3) of the Internal Revenue Code. In addition, the Organization has been determined by the Internal Revenue Service to be "a private foundation" within the meaning of Section 509 (a) of the code.

D. **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

E. **Vacation and Sick Leave**

Employees are granted vacation leave at the rate of one and two-third days each month and sick pay at the rate of one day each month and/or as designated by collective bargaining. The employees are paid at their salary rate at the time taken. Accrued Vacation amount must be included in the financial statements as of the year end date. Funds must exist to support accrued vacation liabilities. If the funds do not exist, it is the responsibility of the Board of Directors to assume the liability.

At June 30, 2015, there was no unrecorded and unfunded liability for vacation.

BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

2. Cash

At June 30, 2015, cash consisted of:

Cash in Bank

Banco Popular

918 Seneca Avenue

Ridgewood, NY 11385

Head Start

A/C# 9100024730

Petty Cash

\$ 87,247

400

\$ 87,647

The bank account is not interest bearing. There were no outstanding checks over six months and bank charges of \$328 has been charged to supplies.

3. Receivable

At June 30, 2015, the amounts consisted of:

Due (To)/From ACS:

Prior Year Balance

\$ (101,707)

Cash remitted to ACS

-

Prior Period Adjustments:

FY14 EL COLA & FICA

18,123

Adjustment -

-

Adjusted Beginning Balance

(83,584)

Current Period:

ACS Payments

\$(9,287,859)

Parent fees

(197,148)

(9,485,007)

Total ACS Expenses

9,444,785

(40,222)

Total Due to ACS

\$(123,806)

Grant Receivable - From DOH - Claims for the month

Of June 2015, subsequently received

\$64,739

Other Receivable - Due from ACS - received ACS after June 30, 2015

\$29,968

4. Other Asset - Pre-paid Rent

\$14,852

BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

5. Accounts Payable

At June 30, 2015, the amount consists of:

<u>Vendors</u>	<u>Date Paid</u>	<u>Amount</u>	<u>Unpaid Balance</u>
<u>Current Period</u>			
Seagull Service Corp	7/14/2015	9,455	\$ -
Tambru Fruit Market, Inc.	7/9/2015	3,974	
Bartlett Dairy Inc.	7/9/2015	1,802	
Nuestros Ninos	7/9/2015	23,056	
Menaged Tobacco and Candy Corp.	7/9/2015	22,320	
Trooper Foods	7/9/2015	6,548	
Rollin Dairy	7/9/2015	4,820	
Office of General Services	7/9/2015	830	
TC's Trucking	7/9/2015	595	
			-
Total		73,400	-
Grand Total		\$ 73,400	\$ -

6. Government Grants

At June 30, 2015, the amount consists of:

Head Start Program	\$5,159,943
Child Care Program	2,007,063
Head Start UPK Program	1,669,963
Health and Safety	253,805
Child care UPK Program	156,864
CACFP Program	658,596
Total	<u>\$9,906,234</u>

BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

7. Lease Commitments

The Program leases four locations as detailed below:

1. 331 Central Ave, Brooklyn, NY— rented from NYC Housing Authority at an annual rent of \$11,956 or \$1.57 per sq.ft for 7,615 sq.ft of space. The lease is automatically renewed annually.
2. 243 South 2nd Street, Brooklyn, NY. – Rent –free, New York City building. The agency moved in July 2014 from 152 Manhattan Ave, Brooklyn.
3. 77-81 Wilson Ave, Brooklyn, NY – Rent-free, owned by Bushwick United Housing Development Fund Corp. The Building was bought on June 24, 1996, at a token price of \$1.
4. 136 Stanhope Street, Brooklyn, NY – The Agency now own the building and the Mortgage was paid off.
5. 178 Leonard Street – Rented from NYC Housing Authority at an annual rent of \$9,600 for 3,200 sq. ft. of space or at \$3 per sq. ft. The lease will expire on September 26, 2015.
6. 200 Central Ave, Brooklyn: NYC leased site, City pays rents directly to Landlord.
7. 600 Hart Street, Brooklyn: NYC leased site, City pays rents directly to Landlord.
8. 741 Flushing Ave, Brooklyn: NYC leased site, City pays rents directly to Landlord.

The rent expense, including insurance, for year ended June 30, 2015, amounted to \$459,607

8. Cost Allocation

The Agency allocates certain expenses among other programs, and between Administrative and Programmatic on the basis of an Allocation Plan in place, which is reasonable. No expenses were allocated to the programs from the sponsors.

BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

9. Contingent Liabilities

There were no contingent liabilities as of June 30, 2015, requiring disclosure. The amount, if any, of expenditures that may be disallowed by the granting agencies, upon their financial and compliance audits, cannot be determined at this time and the management believes such amounts, if any, to be immaterial.

10. Non-Federal Match

The Agency's in-kind contribution of \$1,669,963, including UPK expenses, met the required 25% of its Title V costs.

11. Related Parties

None.

BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETED AND ACTUAL
CONSOLIDATED
YEAR ENDED JUNE 30, 2015

SCHEDULE 1

BUDGET CATEGORIES	ACS FUNDED												NOT ACS FUNDED				
	Budget		Actual										Actual				
	Early Learn	Child Care	Child Care UPK	Head Start	Head Start UPK	TOTAL EARLY LEARN	Variance Favorable (Unfavorable)	Questioned Costs	Health & Safety	DOE CC UPK Enhancement	DOE HS UPK Enhancement	Total Other Than Early Learn	CACFP Day Care	CACFP Head Start	In-Kind Contribution	Sponsors' Contribution (Other Than Head Start)	Other Funding Source
REVENUE																	
Early Learn Revenue	9,323,120	2,053,998	95,448	5,113,008	1,154,772	8,417,226											
Other Revenue (disability, interest)																	
CACFP	-												226,250	432,346			
In-Kind Contribution	-														1,185,453		
Parent's Fees		197,148				197,148											
Other Funding Source Revenue				-					253,805	61,416	515,191	830,412					
Total Revenue	9,323,120	2,251,146	95,448	5,113,008	1,154,772	8,614,374		-	253,805	61,416	515,191	830,412	226,250	432,346	1,185,453	-	-
Expenditures:																	
Personnel Cost																	
Salaries	5,093,913	1,764,426		2,774,913	328,398	4,867,737	226,176			55,155	479,822	534,977			712,101		
Salaries - COLA				-		-	-										
FICA	421,209	86,269		268,539	47,779	402,587	18,622										
Fringes -COLA				-		-	-										
Unemployment Insurance	78,975	9,794		20,720	7,819	38,333	40,642										
Pension	253,213			223,466	661	224,127	29,086										
Health Insurance	1,064,500	67,821		908,593	40,812	1,017,226	47,274										
Substitutes	172,946	142,933		-		142,933	30,013										
Total Personnel Cost	7,084,756	2,071,243	-	4,196,231	425,469	6,692,943	391,813			55,155	479,822	534,977		-	712,101	-	-
Facilities Cost																	
Rent	319,150			137,131	120,551	257,682	61,468										
Utilities/Telecom	248,874	17,501	3,027	93,990	77,266	191,784	57,090										
Insurance	280,034	23,606	17,696	159,729	78,010	279,041	993										
Maintenance and Repairs	218,400	12,297	2,071	113,955	64,795	193,118	25,282										
Capital Expenditures & Renovations	-			-		-	-		253,805			253,805					
Other Facilities- Custodial Service	180,941	25,191	14,305	47,690	88,694	175,880	5,061										
Total Facilities Cost	1,247,399	78,595	37,099	552,495	429,316	1,097,505	149,894		253,805			253,805			-	-	
OTPS Cost																	
Supplies	846,370	97,502	57,940	319,719	246,329	721,490	124,880			2,351	13,279	15,630			473,351		
Equipments	7,250					-	7,250										
Training	17,000		149	7,085	1,592	8,826	8,174										
Parent Services	26,000			8,879	3,203	12,082	13,918										
Consultants	54,500	3,245	228	21,461	26,866	51,800	2,700			3,910	22,090	26,000					
Food & Non-food													226,250	432,346			
Other	39,845	561	32	7,138	21,997	29,728	10,117							-			
Total OTPS Cost	990,965	101,308	58,349	364,282	299,987	823,926	167,039			6,261	35,369	41,630	226,250	432,346	473,351	-	-
Total Early Learning Cost	9,323,120	2,251,146	95,448	5,113,008	1,154,772	8,614,374	708,746						226,250	432,346	1,185,452	-	-
Not ACS Funded Cost																	
CACFP													226,250	432,346			
In-Kind Contribution (Head Start)															1,185,452		
Other Funding Source																	
Total Not ACS Funded Cost	-	-	-	-	-	-	-						226,250	432,346	1,185,452	-	-
Total Expenditures	9,323,120	2,251,146	95,448	5,113,008	1,154,772	8,614,374	708,746		253,805	61,416	515,191	830,412	226,250	432,346	1,185,452	-	-
Excess (deficiency) of revenue over (under) expenditures													-				

SCHEDULE 2

**BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP
STATEMENT OF HEAD START REVENUES AND EXPENDITURES - ACTUAL**

FOR YEAR ENDED JUNE 30, 2015

HEAD START PROGRAM EXPENSE

	Grant Year 1 7/1/2014- 1/31/2015	Grant Year 2 2/1/2015- 6/30/2015	TOTAL
BUDGET CATEGORIES			
HEAD START FUNDED SERVICES			
<u>Personnel Cost:</u>			
Salaries	\$1,500,818	\$1,274,095	\$ 2,774,913
FICA	119,644	148,895	268,539
Unemployment Insurance	13,095	7,625	20,720
Health Insurance	530,012	378,581	908,593
Other Insurance (Contractor Administered)	-	-	-
Other Insurance (City Administered)	-	-	-
Pension	126,731	96,735	223,466
Substitutes	-	-	-
Total Personnel Cost	<u>2,290,300</u>	<u>1,905,931</u>	<u>4,196,231</u>
<u>Facilities Cost:</u>			
Rent/ Mortgage (Contractor Administered)	79,950	57,181	137,131
Utilities (Contractor Administered)	29,392	20,994	50,386
Insurance (Contractor Administered)	93,175	66,554	159,729
Custodial Services	27,819	19,871	47,690
Telecommunications	25,436	18,168	43,604
Maintenance and Repairs	66,474	47,481	113,955
Capital Expenditure & Renovation	-	-	-
Total Facilities Cost	<u>322,246</u>	<u>230,249</u>	<u>552,495</u>
<u>OTPS Cost:</u>			
Instructional Supplies	168,422	49,648	218,070
Office/Janitorial Supplies & Postage	76,115	28,266	104,381
Training	2,506	4,579	7,085
Parent Services	7,381	1,498	8,879
Transportation (Staff)	45	25	70
Transportation (Children)	350	451	801
Field Trips	1,500	1,826	3,326
Audit	-	9,333	9,333
Consultants (Programmatic)	8,850	3,278	12,128
Advertising	105	105	210
Total OTPS Cost	<u>265,274</u>	<u>99,009</u>	<u>364,283</u>
TOTAL HEAD START FUNDED EXPENSES	<u><u>\$2,877,820</u></u>	<u><u>\$2,235,189</u></u>	<u><u>\$ 5,113,009</u></u>
<u>NON FEDERAL MATCH FUNDED SERVICES (IIS)</u>			
UPK funded services (contractor)	-	-	-
UPK funded services (City)	955,150	714,813	1,669,963
Other NFM funded services (contractor)	419,462	765,991	1,185,453
Total non federal match expense	<u>1,374,612</u>	<u>1,480,804</u>	<u>2,855,416</u>
Head Start Program Expense	2,877,820	2,235,218	5,113,038
NFM program percentage	47.77%	66.25%	55.85%
<u>ADMINISTRATIVE EXPENSE</u>			
Personal service expenses	304,315	217,367	521,682
Facility expense	41,437	15,581	57,018
OTPS	29,700	21,215	50,915
Non-federal match	-	-	-
Total Administrative expense	<u>375,452</u>	<u>254,163</u>	<u>629,615</u>
Head Start program expense	2,877,820	2,235,218	5,113,009
Administrative expense percentage	13.05%	11.37%	12.31%
<u>Special Reporting:</u>			
Training & Technical Assistance (PS/FAC/OTPS)	-	-	-
CACFP Funded expense	<u>\$ 131,979</u>	<u>\$ 94,271</u>	<u>\$ 226,250</u>

SCHEDULE 3

BUSHWICK UNITED HOUSING DEV FUND CORP

**SCHEDULE OF FIXED ASSETS INVENTORY
JUNE 30, 2015**

Unit	Description	Date Acquired	Cost	Unit	Description	Date Acquired	Cost
<u>Current Year:</u>				<u>Prior Years:</u>			
	None.			7	Computers	2/28/2013	\$ 8,426
				9	Floor Machine	3/12/2013	12,726
				118	Vinyl Upholstered Ch.	3/14/2013	2,135
				12	5-Drawers Files	3/18/2013	9,600
				11	High Back Task Chai	3/19/2013	2,750
				9	Double Pedestal Des	3/29/2013	5,892
				3	Stak Chairs	3/15/2013	696
				11	21.5in led 1920X1080	12/12/2013	1,442
				10	Suby Essen 3500	3/27/2013	6,210
				3	ContinuousDuty Shre	5/23/2013	1,971
				1	Kyocera Mita Copyst	5/30/2013	889
				24	Desktop Computers	2/8/2013	19,662
				1	Commercial Deep Cle	3/13/2013	2,208
				26	Tilt Truck 1Cu Yd Bla	4/24/2013	13,224
				3	Age 2-5 Playsystems	4/26/2013	21,852
			<u>\$ -</u>				<u>\$ 109,683</u>

BUSHWICK UNITED HOUSING DEV FUND CORP

SCHEDULE OF QUANTITATIVE PROGRAM RESULT
PERIOD ENDED JUNE 30, 2015ENROLLMENT

1	Contracted Slots per site.	
a)	136 Stanhope Street	128
b)	77 Wilson Avenue	89
c)	331 Central Avenue	34
d)	178 Leonard Street	36
e)	243 South Second Street	55
f)	200 Central Avenue	128
g)	600 Hart Street	164
h)	741 Flushing Avenue	64
	Total	698
2	Number of Classrooms per site.	
a)	136 Stanhope Street	8
b)	77 Wilson Avenue	5
c)	331 Central Avenue	2
d)	178 Leonard Street	2
e)	243 South Second Street	3
f)	200 Central Avenue	7
g)	600 Hart Street	9
h)	741 Flushing Avenue	4
	Total	40
3	Number of Children enrolled by site.	
a)	136 Stanhope Street	128
b)	77 Wilson Avenue	77
c)	331 Central Avenue	34
d)	178 Leonard Street	33
e)	243 South Second Street	37
f)	200 Central Avenue	123
g)	600 Hart Street	127
h)	741 Flushing Avenue	62
	Total	621
4	Number of children who actually attend by site.	
a)	136 Stanhope Street	108
b)	77 Wilson Avenue	66
c)	331 Central Avenue	29
d)	178 Leonard Street	29
e)	243 South Second Street	33
f)	200 Central Avenue	99
g)	600 Hart Street	96
h)	741 Flushing Avenue	46
	Total	506
5	The average attendance by site. (no.4/no.3)	
a)	136 Stanhope Street	84%
b)	77 Wilson Avenue	86%
c)	331 Central Avenue	85%
d)	178 Leonard Street	88%
e)	243 South Second Street	89%
f)	200 Central Avenue	80%
g)	600 Hart Street	76%
h)	741 Flushing Avenue	74%
	Total	81%

COST

1	Total Expense for the contract.	\$ 8,614,374
2	Total Expense site 1: 136 Stanhope	\$ 1,762,356
3	Total Expense site 2: 77 Wilson Ave	\$ 937,904
4	Total Expense site 3: 331 Central Ave	\$ 465,178
5	Total Expense site 4: 178 Leonard St.	\$ 509,053
6	Total Expense site 5: 243 South Second Street	\$ 535,539
7	Total Expense site 6: 200 Central Ave	\$ 1,491,445
8	Total Expense site 7: 600 Hart Street	\$ 2,146,264
9	Total Expense site 8: 741 Flushing Ave	\$ 766,635
10	Average cost per slots (Total Exp/Ave Attendance).	\$ 17,025
11	Average cost site 1	\$ 16,318
12	Average cost site 2	\$ 14,211
13	Average cost site 3	\$ 16,041
14	Average cost site 4	\$ 17,554
15	Average cost site 5	\$ 16,228
16	Average cost site 6	\$ 15,065
17	Average cost site 7	\$ 22,357
18	Average cost site 8	\$ 16,666

SCHEDULE 5

**BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP
SCHEDULE OF PENSION CONTRIBUTION TO THE CULTURAL INSTITUTION RETIREMENT
FOR YEAR ENDED JUNE 30, 2015**

A. CHILD CARE PROGRAM

<u>Dudget</u> <u>Category</u>	<u>Total</u> <u>Number of</u> <u>Employees</u>	<u>Total Amount</u> <u>of Salaries</u>	<u>Pension</u> <u>Contribution</u>
1 Instructional Staff	65	1,372,562	24,569
2 Support Staff	20	533,774	9,555
	85	1,906,336	34,124

B. HEAD START PROGRAM (SPONSORING BOARD)

<u>Dudget</u> <u>Category</u>	<u>Total</u> <u>Number of</u> <u>Employees</u>	<u>Total Amount</u> <u>of Salaries</u>	<u>Pension</u> <u>Contribution</u>
1 Instructional Staff	34	\$ 970,583	\$ 77,784
2 Support Staff	36	1,725,482	145,682
	70	\$ 2,696,065	\$ 223,466

BUSHWICK UNITED HOUSING DEV FUND CORP
 SCHEDULE OF OTHER THAN ACS EARLYEARN PAYMENTS
 FOR THE YEAR ENDED JUNE 30, 2015

	<u>Check/Invoice Date</u>	<u>Check/Invoice Number</u>	<u>Amount</u>	<u>Total</u>
A. Health and Safety:				
Total Revenue				\$ 253,805
Expense Description				
Capital Expense & Renovation			\$ 253,805	(253,805)
Balance				<u>\$ -</u>
B. Enhancements:				
DOE CC UPK Enhancements:				
Revenues				\$ 61,416
Expenses:				
Salaries and Fringes			55,155	
Supplies			2,351	
Mental Health Consultants			3,910	
Total Expense				(61,416)
DOE HS UPK Enhancements:				
Revenues				515,191
Expenses:				
Salaries and Fringes			479,822	
Supplies			13,279	
Mental Health Consultants			22,090	
Total Expense				(515,191)
Enhancement Balance				<u>\$ -</u>

SCHEDULE 7

BUSHWICK UNITED HOUSING DEV FUND CORP

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2015

<u>Grantor Agency</u>	<u>Program Title</u>	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Total Expenditures</u>	<u>Federal Expenditures</u>
<u>Major Programs:</u>					
U.S. Health and Human Services New York City Administration for Children's Services	Head Start Health & Safety	93.600 93.600		\$ 5,113,008 253,805 <u>5,366,813</u>	\$ 3,937,016 253,805 <u>4,190,821</u>
U.S. Health and Human Services New York City Administration for Children's Services	Child Care	93.575		2,251,146	1,260,642
U.S. Department of Agriculture New York State Department of Health	CACFP Program	10.558	3009	<u>658,596</u>	<u>658,596</u>
Total Major Program				<u>8,276,555</u>	<u>6,110,059</u>
<u>Non-major Programs:</u>					
NONE					
Total Nonmajor Programs				<u>-</u>	<u>-</u>
Grand Totals				<u><u>\$ 8,276,555</u></u>	<u><u>\$ 6,110,059</u></u>

BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

INTRODUCTION

Bushwick United Housing Development Fund Corp contracted by the City of New York, Administration for Children's Services (ACS), agreed to provide the following services under the contract:

To conduct EarlyLearn, child care and UPK Programs in New York City for preschool Community children. The Eligibility of the persons for the Program is determined by the ACS.

The grant was received for the year ended June 30, 2015, and totals \$9,323,120 for the period. This grant is being matched by in-kind contributions of volunteer services, contributed space etc. which amounted to \$1,185,452 for the period.

EXIT CONFERENCE

An exit conference was held on March 24, 2016, at the Agency's Office at 136 Stanhope St. Brooklyn, New York. In attendance were:

For the Delegate Agency:	Aida Caraballo, Board Chairperson
	Jose R. Gonzalez, Executive Director
	Sudesh Samaroo, CFO

For the Audit firm:	Arun C. Sarkar, CPA - Principal
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ARUN C. SARKAR
CERTIFIED PUBLIC ACCOUNTANT

9 REBECCA COURT
DAYTON, NJ 08810

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INDEPENDENT AUDITOR'S 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
Bushwick United Housing Development Fund Corp
136 Stanhope Street
Brooklyn, NY 11221

We have audited the financial statements of Bushwick United Housing Development Fund Corp (the Agency) as of June 30, 2015 and have issued our report thereon dated March 24, 2016. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Agency's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

A ***control deficiency*** 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 misstatements on a timely basis. A ***significant deficiency*** is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A ***material weakness*** is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weakness, as defined above.

Compliance and other Matters:

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of 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*.

This report is intended solely for the information and use of the Board of Directors, the management of the Agency, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.



March 24, 2016

CERTIFIED PUBLIC ACCOUNTANT

ARUN C. SARKAR
CERTIFIED PUBLIC ACCOUNTANT

9 REBECCA COURT
DAYTON, NJ 08810

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Board of Directors
Bushwick United Housing Development Fund Corp
136 Stanhope Street
Brooklyn, NY 11221

Compliance

We have audited the compliance of Bushwick United Housing Development Fund Corp (the Agency) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2015. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Agency's management. Our responsibility is to express an opinion on the Agency's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards and OMB Circular A-133 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 the Agency's compliance with those requirements and performing other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Agency's compliance with those requirements.

In our opinion, the Agency complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2015. However, the results of our auditing procedures disclosed no instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133.

Internal Control over Compliance

The management of the Agency is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Agency's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but, not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A ***control deficiency*** in any entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A ***significant deficiency*** is a control deficiency or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A ***material weakness*** is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by any entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weakness. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Directors, the management of the Agency, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.



CERTIFIED PUBLIC ACCOUNTANT

March 24, 2016

BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unqualified

Internal Control over financial reporting:

Any Significant deficiency disclosed? No

Any significant deficiency reported
as a material weakness? No

Any material noncompliance disclosed? No

Federal Awards

Internal Control over major programs:

Any Significant deficiency disclosed
for a major program? No

Any significant deficiency reported
for any major program as a material weakness? 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 Circular A-133
Section .510(a)? No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.600	Health & Human Services – Head Start
93.575	Health & Human Services – Child Care
10.558	U.S. Dept. of Agriculture - CACFP

Dollar threshold used to distinguish between
Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes

BUSHWICK UNITED HOUSING DEVELOPMENT FUND CORP.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015
(CONTINUED)

Section II – Financial Statement Findings

Current Period:

None.

Prior Period Follow-up:

None.

Section III – Federal Award Findings and Questioned Costs

Current Period:

None.

Prior Period Follow-up:

None.

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FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015