



FY22 PROGRAMS AND ACCOMPLISHMENTS

Since 1964, the Isaacs Center has committed to its enduring mission to promote social and physical well-being and encourage self-reliance and dignity throughout every stage of life. Each year, we engage more than 6,000 vulnerable New Yorkers through three core areas of service: Afterschool and Summer Programs, Education and Workforce Development, and Aging Services, including our Meals on Wheels program and other food and nutrition services. We serve residents of Yorkville and East Harlem whose average gross income is below local and national poverty thresholds.

Following is an overview of our current programs and outcomes from the past year.

OUT OF SCHOOL TIME AND SUMMER PROGRAMS

Isaacs Center's programs for children and adolescents offer engaging and educational activities for low-income K-8 students in Yorkville and East Harlem. With a focus on involving parents and families in learning, these programs aim to improve students' academic readiness through homework help and expose children to the arts, civic engagement, and recreation activities.

Beacon PS198 Isador & Ida Straus School

100 elementary school age children are enrolled in our After School Program. We continuously reached 100% of enrollment and 80% of average daily attendance.

We provide individual and small group tutoring. To further improve students' artistic expression and learning readiness, the Isaacs Center collaborates with numerous local partners including the New York Junior League (NYJL.) NYJL provides Artistic Journeys (AJ) and Beacon to Broadway (B2B). Artistic Journeys focuses on visual arts for first through fourth graders while Beacon to Broadway is all about the performing arts for fifth through eighth graders. The main goal this year was to maintain regular programming for students during the pandemic when so many other things were unstable. We focused heavily on Social-Emotional Learning (SEL) supports for students and we were successful in our attempt to create a fun and supportive environment.

As the pandemic began and in-person gatherings were no longer feasible, Isaacs Center afterschool programs swiftly adapted offerings. We pivoted to virtual programming, ensuring students and families could remain connected and engaged. Staff received remote training and utilized professional development resources to maximize their understanding of virtual platforms and best practices. Students in Kindergarten through 5th grade received academic assistance in the form of tutoring and homework help; enrichment and collaborative activities; lessons in STEAM; and social emotional learning support. Programs maintained a consistent schedule, delivering content through Google Meets and Zoom. For many young people, this was their only opportunity for socialization while being quarantined at home. Isaacs Center staff were intentional in upholding the core values and traditions of the afterschool community, including holding a virtual celebration for students graduating from the program.

Beacon MS224

100 middle school age children are enrolled in our After School program. We continuously reached 100% of enrollment and 80% of average daily attendance.

We provide individual and small group tutoring. To further improve students' physical health, social-emotional growth, and learning readiness, the Isaacs Center collaborates with numerous local partners. Examples include football and soccer offered by Asphalt Green; Cyclopedia, a bicycling program that combines fitness and science; and tutoring and performing arts offered by students of neighboring independent schools.

We are especially proud of the following:

- Our long-term partnership with Asphalt Green programming allowed for the provision of safe and engaging structured sports programming during the school year.
- Students who had technological needs during the pandemic received Chromebooks.
- Our Outreach Coordinator does bi-monthly advisory meetings with participants/participants' parents to talk about events and changes going on in the program as well as any input to help out with the community.

MEALS ON WHEELS & COMMUNITY KITCHEN

Since 1966, Isaacs Center has delivered more than 2.5 million meals to the homebound elderly. When Isaacs Center opened its building for the first time in 1965, our first programs were meal service in our senior center and a homebound meal program in the Isaacs Houses/Holmes Towers public housing development where we are located to this day. We were the first program to be awarded a demonstration grant by the New York State Office for the Aging in 1967 to provide Meals on Wheels. Today, Isaacs Center's nutrition program coordinates the delivery of Meal on Wheels to seniors living on the east side of Manhattan from 59th Street to 142nd Street.

Meals on Wheels is an evidence-based intervention that has been proven to improve seniors' health, reduce their healthcare spending, and support their ability to age in place. Meals on Wheels recipients have a 39% reduction in hospitalizations, a 28% reduction in nursing home use, and a 28% reduction in emergency department use. These reductions result in average annual savings of \$3.492 in Medicare reimbursements per client.

Last year, Isaacs Center developed Soup's Up in collaboration with the 200 older adults whose daily access to nutritious meals and wellness programming was disrupted by the pandemic, and with its young adult culinary trainees who entered a bleak labor market once dining rooms closed and an estimated 4,500 NYC restaurants permanently shuttered.

Through Soup's Up, Isaacs Center supplies healthy meal kits, which contain ingredients and recipes for the production of soups, stews, and side dishes, to 190 food insecure Yorkville, Harlem, and Upper East Side households each week. Unlike other emergency response programs like Get Food NYC, that do not provide the nutritional and ingredient composition of meals delivered or permit optionality beyond carnivorous or vegetarian, Soup's Up allows meal recipients to select the ingredients they'd like to receive and to access synchronous and asynchronous cooking demonstrations that detail meal preparation.

Soup's Up was developed to achieve three key outcomes: 1) bolster the health and wellness of low income Yorkville families and older adults by improving access to nutritious, culturally-appropriate meals, virtual programming, and critical supportive services; 2) increase the economic and social mobility of disconnected community young adults through job skills training, thriving wage employment, and financial coaching; 3) pilot and adopt new strategies to reduce the organization's carbon footprint by increasing the usage of rescued, upcycled or locally-sourced food ingredients.

AGING SERVICES

As a longstanding senior services provider, Isaacs Center has a unique understanding of the growing challenges and changing needs of this population. Those we serve are more vulnerable to accidents, experience ongoing food and financial insecurity, and suffer from higher rates of chronic illness. Isaacs Center together with its partners, has continued to reach out to these vulnerable seniors and offer a continuum of culturally competent services designed to improve physical, social, and emotional well-being and increase self-sufficiency.

Our services offered included:

18,573 contacts with clients. This represents a 27% increase in client contacts overall from last year.

- 2,445 of these contacts were telephone reassurance calls and wellness checks conducted by staff and volunteers to assess needs of seniors homebound due to the pandemic
- 16,128 of these contacts included case assistance, case management, and information and referral services

Our team connected over 500 clients with food and meal services following the closing of senior centers and congregate meal programs. 85 clients new Meals on Wheels clients referred internally or to other providers; 380 were referred to New York City's GetFood program; 183 were signed up to receive delivery of shelf stable pantry items (up from 90 prior to the pandemic); and since re-starting Grab and Meals in June, we have served 222 unduplicated clients with meal service.

Isaacs Center delivered 10,080 meals to 383 older adults and families in and around the Isaacs/Holmes development through our new Soup's Up program in collaboration with our workforce development/culinary arts program.

Our team obtained air conditioning units for 245 older adults identified as being without ACs at home and unable to visit their community centers. 188 of these were obtained last summer, and another 57 so far this year. 139 of these were obtained through fundraising efforts by Isaacs Center.

\$65,304 in emergency grants and stipends were obtained or maintained in FY21, an increase of \$3,000 despite services being remote.

We again surpassed our Senior Center targets for Case Assistance services and Naturally Occurring Retirement Community program targets including case assistance and case management.

EDUCATION AND WORKFORCE DEVELOPMENT (EWD)

Isaacs Center's EWD Program enrolls young people who are out-of-school and out-of-work (OSOW), homeless or at risk of homelessness, have a history of gang involvement, are single parents, or face other barriers to participating in other workforce development training programs. EWD programs provide sector specific job training, internships, employment placement, and retention support. To meet the unique needs of OSOW youth, staff provide intensive case management, high school equivalency classes and financial literacy training with the goal of multiple positive outcomes: skill-building, increased confidence, high school equivalency attainment, college enrollment, employment, and, ultimately, retention in full time salaried positions. Unlike many other workforce development providers, Isaacs Center does not screen participants for standards such as reading level or prior educational history - only for eligibility for the program. EWD is also unique in its focus on human services career paths linked to employment opportunities in food service, hospitality, health care, and child development. These are growing sectors (though staff are tracking market trends to determine the impact of COVID-19 on these career paths), and Isaacs Center has immediate opportunities to place participants in internships and jobs through internal opportunities and placements with partnering social service agencies.

Key accomplishments this past year are:

- Enrolled 233 young adults into the EWD program, exceeding the 215-person goal
- 333 young adults from previous cohorts received follow-up support to ensure work readiness and sustained employment, including 31 scholarship recipients
- Placed 120 in jobs, with 10 full-time placements and 110 part-time placements. 87% of participants achieved three-month retention. 57% achieved at least one year of continuous employment.
- Of the job placements, 98 were connected to sector-based training opportunities within our 3 primary labor markets: hospitality and culinary arts, education and child development, and community health.
- The average starting wage of participants placed in employment was above minimum wage at \$15.14
- Enrolled 112 participants in the High School Equivalency (HSE) and pre-HSE courses and 29 students earned their HSE credential.
- Facilitated the enrollment of 23 students in college for the first-time and awarded 18 (privately- funded) scholarships to cover small financial aid gaps.



Isaacs
Center

Promoting dignity
& self-reliance
across generations



The Stanley M. Isaacs Neighborhood Center is a non-profit, multi-service organization located on the Upper East Side of Manhattan focused on the needs of children and low-income families, out-of-school and out-of-work youth, and aging New Yorkers, including those whose mobility issues make it difficult to connect to community.

Children

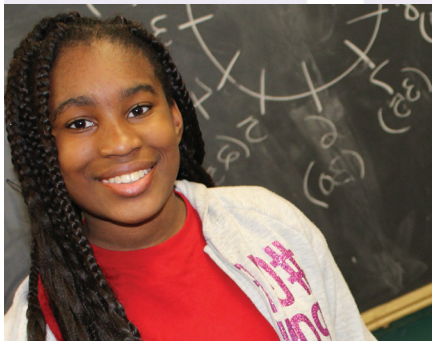
The Isaacs Center offers two Beacon programs, which are located in public schools and operate year-round in non-school hours on weekdays, weekends and in the summer. Each Beacon transforms its host school into a resource for the whole community by offering programs tailored to local needs.

Our Beacons provide activities and services for school-age youth, families, and adults, including older adults. We make a special effort to engage hard-to-recruit youth and young adults who especially benefit from positive youth development, social-emotional learning and leadership skills.

Beacon 1 is located at elementary school PS 198 (1700 3rd Avenue) and Beacon 2 is located at middle school MS 224 (410 East 100th Street).



Education & Workforce



We provide all adults, especially out-of-work and out-of-school young adults ages 17 to 24+, with intensive case management, job readiness training, and placement in internships and employment. Our programs offer practical training that leads to good jobs.

Our intensive interventions and wraparound services ensure that participants with multiple and complex social service needs are supported in four areas: social-emotional health and wellness, housing stability, court involvement, and financial security.

Advance and Earn / Culinary Arts Training

Participants aged 18-24 learn real-life skills for the restaurant industry in this hands-on program. Once they've finished their training, the students are placed in local restaurants. Some go on to staff our Soup's Up program, an innovative partnership that provides home-delivered meal kits to older adults and others who are at risk of hunger. CNA certification available.

Community Healthcare

This program prepares people for administrative jobs in the health professions including Community Health Outreach Specialist and Patient Navigator. Participants are placed with healthcare providers across the city for internships and jobs.

Information Technology

Our newest tracks prepare students for jobs in the fast-growing tech sector. The IT Support program trains young people for the Google IT Support Professional Certificate and the CompTIA A+ certification—which make them competitive for a wide range of entry-level technology jobs. Our Cybersecurity course track offers the opportunity to earn the Cybersecurity Analyst Certification (CySA+). Classes are taught in partnership with Per Scholars, a nonprofit committed to building diversity in the tech sector.

High School Equivalency Classes (GED)

Our staff provide high school equivalency classes and financial literacy training to help young people build skills, grow their confidence, obtain a high school diploma, enroll in college, enter the workforce and ultimately launch a career. Classes re offered for anyone 16 and up.

Isaacs Scholarships

Generous donors provide funding to help our students pay for higher education – changing the trajectory of their life and combating generational poverty.

Food and Nutrition

Our innovative food programs were recognized for their excellence when the city awarded the Isaacs Center one of just three contracts to provide critically-needed meals during the COVID pandemic. We fight hunger with prepared meals, produce and pantry items, including thousands of nutritious meals prepared in our onsite kitchen each week.

Meals on Wheels

As the lead Meals on Wheels contractor for the East Side of Manhattan from 59th Street to 142nd Street, we deliver seven meals a week to older adults who cannot consistently shop and cook for themselves.

Soup's Up

This program, staffed by young adult graduates of our culinary arts training program, supplies healthy, home-delivered meal kits to food-insecure families and older adults.

Food Pantry

Every Wednesday from 10 AM to 1 PM on a first come, first served basis. Canned goods and shelf items. Sign up the day of in person.



Older Adults



We serve more than 3,000 seniors, including residents of Isaacs/Holmes and Taft/Johnson public housing and of the local Naturally Occurring Retirement Community (NORC). We strive to help our older neighbors “age in community” with dignity.

Meals

Many of our food programs (see above) are targeted at preventing hunger among older adults. Fresh healthy meals are serviced 5 days a week at our older adult centers.

Case Management

Our team of highly qualified nurses, social workers, and health and fitness experts support health and wellbeing, and assist with housing, personal finance, SNAP (food stamps) and other issues.

Older Adult Center

Our Older Adult Centers at the Isaacs Center and Taft/Johnson provide recreational activities, nutritious meals and case management.

The Isaacs Center: Continuing to Grow

The Isaacs Center opened in 1964 and is named in honor of Stanley M. Isaacs, a public servant who fought for civil rights and decent housing for low-income families, and to bar racial discrimination in housing. As a settlement house, we are embedded in our neighborhood and aim to function as a community hub, building connections that bridge generations, cultures, races and socio-economic statuses.

In 2021 the Isaacs Center launched a strategic partnership with our settlement house neighbor across the park, Goddard Riverside. This partnership will enable us to increase our services and better amplify the collective voice of the community.

Goddard Riverside

INVESTING IN PEOPLE, STRENGTHENING COMMUNITY

Visit Goddard Riverside at www.goddard.org.

What Our Participants Have to Say!

“

“You have made my life easier and happier during the past few years. Your service has been a blessing every day! I cannot thank you enough!”

Meals on Wheels Recipient

“

“I feel like I’m winning the jackpot with this program. It gives you the foundation and confidence to go forward in the professional culinary world.”

Culinary Arts Trainee

“

“Sometimes depression can really be hard on a person but the Stanley Isaacs Center has saved my life. I’m just so appreciative of everybody here.”

Older Adult Center Member

“

“I started off just wanting to be able to accomplish my High School Equivalence but was given so much more. I was given friendship, internship opportunities, college encouragement and even a scholarship. Being able to say that I have accomplished all these things is such a proud moment for me.”

High School Equivalency Student



Isaacs
Center

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**Stanley M. Isaacs Neighborhood
Center, Inc.**

Financial Statements

June 30, 2022



Independent Auditors' Report

**Board of Directors
Stanley M. Isaacs Neighborhood Center, Inc.**

Opinion

We have audited the accompanying financial statements of Stanley M. Isaacs Neighborhood Center, Inc. (the "Center"), which comprise the statement of financial position as of June 30, 2022 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Center as of June 30, 2022, 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 audits in accordance with auditing standards generally accepted in the United States of America. 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 Center and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Center'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 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 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 our audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and access the risk 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 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 Center'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 Center'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 others, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Center's June 30, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 2, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

PKF O'Connor Davies, LLP

July 12, 2023

Stanley M. Isaacs Neighborhood Center, Inc.

Statement of Financial Position

June 30, 2022

(With Comparative Amounts at June 30, 2021)

	2022	2021
ASSETS		
Cash and cash equivalents	\$ 469,683	\$ 533,807
Contributions receivable	241,664	29,664
Due from government agencies	2,392,033	1,295,892
Prepaid expenses and other assets	32,895	32,688
Investments	4,781,567	2,549,625
Beneficial interest in perpetual trust	574,689	686,523
Restricted investments	42,464	45,982
Property, plant and equipment, net	109,623	261,048
	\$ 8,644,618	\$ 5,435,229
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 1,400,079	\$ 619,367
Accrued salaries and related liabilities	852,898	332,234
Advances payable	442,074	51,389
Total Liabilities	2,695,051	1,002,990
Net Assets		
Without Donor Restrictions		
General fund	4,564,353	3,238,686
Plant fund	109,623	261,048
Total Without Donor Restrictions	4,673,976	3,499,734
With Donor Restrictions		
Temporary in nature	658,000	200,000
Permanent in nature	617,591	732,505
Total With Donor Restrictions	1,275,591	932,505
Total Net Assets	5,949,567	4,432,239
	\$ 8,644,618	\$ 5,435,229

See notes to financial statements

Stanley M. Isaacs Neighborhood Center, Inc.

Statement of Activities Year Ended June 30, 2022 (With Summarized Totals for the Year Ended June 30, 2021)

	Without Donor Restrictions	With Donor Restrictions			2022 Total	2021 Total
		Temporary in Nature	Permanent in Nature	Total		
REVENUE AND PUBLIC SUPPORT						
Contract revenue	\$ 12,076,177	\$ -	\$ -	\$ -	\$ 12,076,177	\$ 6,899,050
Program service fees and other	41,020	-	-	-	41,020	1,242
Rental fees and miscellaneous	-	-	-	-	-	220
Investment return allocated to development and operations	-	-	-	-	-	115,000
Contributions	3,697,476	1,958,240	-	1,958,240	5,655,716	2,709,312
In-kind contributions	205,477	-	-	-	205,477	585,493
Legacies	-	-	-	-	-	25,531
Net assets released from restrictions	1,500,240	(1,500,240)	-	(1,500,240)	-	-
Total Revenue and Public Support	17,520,390	458,000	-	458,000	17,978,390	10,335,848
EXPENSES						
Program Expenses						
Youth and family services	4,458,558	-	-	-	4,458,558	3,400,102
Meals on Wheels	7,069,459	-	-	-	7,069,459	3,322,161
Senior services	1,727,317	-	-	-	1,727,317	1,109,491
Supporting Services						
Management and general	2,220,119	-	-	-	2,220,119	1,872,666
Fundraising	284,937	-	-	-	284,937	540,699
Total Expenses	15,760,390	-	-	-	15,760,390	10,245,119
Excess of Revenue and Public Support Over Expenses	1,760,000	458,000	-	458,000	2,218,000	90,729
NON OPERATING ACTIVITIES						
Depreciation and amortization	(151,425)	-	-	-	(151,425)	(168,563)
Investment return after allocation to development and operations	(434,333)	-	(3,080)	(3,080)	(437,413)	263,080
Change in beneficial interest in perpetual trust	-	-	(111,834)	(111,834)	(111,834)	110,953
Change in Net Assets	1,174,242	458,000	(114,914)	343,086	1,517,328	296,199
NET ASSETS						
Beginning of year	3,499,734	200,000	732,505	932,505	4,432,239	4,136,040
End of year	\$ 4,673,976	\$ 658,000	\$ 617,591	\$ 1,275,591	\$ 5,949,567	\$ 4,432,239

See notes to financial statements

Stanley M. Isaacs Neighborhood Center, Inc.

Statement of Functional Expenses
Year Ended June 30, 2022
(With Summarized Totals for the Year Ended June 30, 2021)

	Program Services				Supporting Services			Total	
	Youth and Family Services	Meals on Wheels	Senior Services	Total Program Services	Management and General	Fund- raising	Total Supporting Services	2022	2021
	Salaries	\$ 2,041,787	\$ 878,971	\$ 839,009	\$ 3,759,767	\$ 657,688	\$ 95,066	\$ 752,754	\$ 4,512,521
Payroll taxes and employee benefits	413,483	143,367	136,586	693,436	146,358	20,880	167,238	860,674	891,326
Total Salaries and Related Expenses	2,455,270	1,022,338	975,595	4,453,203	804,046	115,946	919,992	5,373,195	4,877,390
Consultants	134,343	121,575	243,216	499,134	239,176	54,612	293,788	792,922	671,475
Occupancy	41,535	-	-	41,535	1,893	-	1,893	43,428	-
Computer service	-	-	-	-	-	-	-	-	68,882
Subcontractors	-	1,232,298	-	1,232,298	80,000	-	80,000	1,312,298	1,333,810
Program supplies	35,062	30,232	33,118	98,412	1,198	4,329	5,527	103,939	318,208
Food and beverage	89,529	4,265,669	76,650	4,431,848	9,031	-	9,031	4,440,879	862,503
Repairs and maintenance	68,510	54,985	136,157	259,652	34,784	4,075	38,859	298,511	137,541
Liability insurance	35,952	117,656	39,196	192,804	4,895	-	4,895	197,699	112,231
Telecommunications	19,950	14,218	51,426	85,594	1,224	253	1,477	87,071	83,239
Printing and publishing	11,565	993	1,596	14,154	6,936	38,185	45,121	59,275	46,120
Postage	59	-	1,878	1,937	3,451	26,781	30,232	32,169	24,212
Auto and travel	103,389	41,790	52,984	198,163	334	-	334	198,497	54,730
Program activities	199,345	108,285	53,343	360,973	21,617	13,302	34,919	395,892	117,818
Stipends and scholarship payments	1,096,434	-	-	1,096,434	-	-	-	1,096,434	388,769
Professional development	24,240	520	2,521	27,281	-	-	-	27,281	42,758
Office expenses	26,883	14,408	15,144	56,435	143,882	27,454	171,336	227,771	243,304
Total Expenses Before Non-Cash Expenses	4,342,066	7,024,967	1,682,824	13,049,857	1,352,467	284,937	1,637,404	14,687,261	9,382,990
In-kind consultant fees	72,000	-	-	72,000	-	-	-	72,000	452,016
In-kind occupancy costs	44,492	44,492	44,493	133,477	-	-	-	133,477	133,477
Bad debt expense	-	-	-	-	867,652	-	867,652	867,652	276,636
Total Expenses before Depreciation and Amortization	4,458,558	7,069,459	1,727,317	13,255,334	2,220,119	284,937	2,505,056	15,760,390	10,245,119
Depreciation and amortization	61,011	23,517	30,347	114,875	21,654	14,896	36,550	151,425	168,563
Total Expenses	\$ 4,519,569	\$ 7,092,976	\$ 1,757,664	\$ 13,370,209	\$ 2,241,773	\$ 299,833	\$ 2,541,606	\$ 15,911,815	\$ 10,413,682

See notes to financial statements

Stanley M. Isaacs Neighborhood Center, Inc..

Statement of Cash Flows
Year Ended June 30, 2022
(With Comparative Amounts for the Year Ended June 30, 2021)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,517,328	\$ 296,199
Adjustments to reconcile change in net assets to net cash from operating activities		
Realized and unrealized loss (gain) on investments	418,221	(351,886)
Bad debt expense	867,652	276,636
Donated marketable securities	45,259	-
Change in beneficial interest in perpetual trust	111,834	(110,953)
Depreciation and amortization	151,425	168,563
Changes in operating assets and liabilities		
Contributions receivable	(1,079,652)	(266,050)
Due from government agencies	(1,096,141)	170,161
Prepaid expenses and other assets	(207)	118,559
Accounts payable and accrued expenses	780,712	(246,157)
Accrued salaries and related liabilities	520,664	145,684
Advances payable	390,685	-
Net Cash from Operating Activities	2,627,780	200,756
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(4,028,681)	(750,233)
Proceeds from sale of investments	1,336,777	1,083,281
Net Cash from Investing Activities	(2,691,904)	333,048
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan repayments	-	(499,879)
Net Change in Cash and Cash Equivalents	(64,124)	33,925
CASH AND CASH EQUIVALENTS		
Beginning of year	533,807	499,882
End of year	\$ 469,683	\$ 533,807

See notes to financial statements

Stanley M. Isaacs Neighborhood Center, Inc.

Notes to Financial Statements
June 30, 2022

1. Organization and Tax Status

Stanley M. Isaacs Neighborhood Center, Inc. (the "Center"), founded in 1964, provides community services that include senior, adult, youth and family services to people of all ages and backgrounds in the Yorkville and East Harlem sections of Manhattan. Effective May 1 2021, the Center and Goddard Riverside Community Centers entered into a strategic alignment. Goddard Riverside Community Center is the sole member of the Center. Each corporation has preserved its existing articles of incorporation and tax identification numbers. However, the operations are shared across both corporations.

The Center is exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Presentation of Net Assets

The Center reports information regarding financial position and activities according to two classes of net assets: without and with donor restrictions.

Without donor restrictions – consist of resources available for the general support of the Center's operations. Net assets without donor restrictions may be used at the discretion of the Center's management and Board of Directors.

With donor restrictions – represent amounts restricted by donors to be used for specific activities or at some future date, or which require the Center to maintain in perpetuity, including funds that are subject to restrictions or gift instruments requiring that the principal be invested in perpetuity and the income be used for specific or general purposes. When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Income and gains earned on endowment fund investments are available to be used in the "without donor restrictions" or "with donor restrictions" net asset classes based upon stipulations imposed by the donors.

Stanley M. Isaacs Neighborhood Center, Inc.

Notes to Financial Statements
June 30, 2022

2. Summary of Significant Accounting Policies (continued)

Fair Value Measurements

The Center follows U.S. GAAP guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable and are used to the extent that observable inputs do not exist.

Cash and Cash Equivalents

Cash and cash equivalents include cash held in banks and money market funds other than those held in long-term investment accounts. Cash and cash equivalents include highly liquid instruments with a maturity of three months or less when acquired.

Contributions Receivable

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. At June 30, 2022 contributions receivable are considered collectible in less than one year.

Allowance for Doubtful Accounts

An allowance for doubtful accounts is established for amounts where there exists doubt as to whether an amount will be fully collected. The determination of this allowance is an estimate based on the Center's historical experience, review of account balances and expectations relative to collections. At June 30, 2022, management estimated an allowance totaling \$166,000 netted against contributions receivable on the 2022 statement of financial position. There was no allowance as of June 30, 2021.

Investments and Income Recognition

Investments are stated at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded when earned and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

Perpetual Trust

The Center is the income beneficiary of a 5% interest in a perpetual trust held by another entity as trustee. The Center's beneficial interest in this trust is stated at the fair value of the assets underlying the trust as of the statement of financial position date.

Stanley M. Isaacs Neighborhood Center, Inc.

Notes to Financial Statements
June 30, 2022

2. Summary of Significant Accounting Policies (*continued*)

Property, Plant and Equipment

Property, plant and equipment are stated at cost. Depreciation and amortization is recognized using the straight-line method over the estimated useful lives of the assets, which range from 5 to 7 years for furniture, equipment and automobiles. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful lives of the assets. The Center follows the practice of capitalizing and depreciating all expenditures for property, plant and equipment with a cost of \$5,000 or more and a useful life in excess of one year.

Property, plant and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator of possible impairment is identified. If the carrying amount for the asset is not recoverable, the asset is written down to its fair value. There were no asset impairments for fiscal 2022 and 2021.

Revenue Recognition

A significant portion of the Center's operations are conducted under contracts with various government agencies. Revenue from government contracts is recorded as earned pursuant to terms of existing agreements and subject to audit by such agencies. The Center does not reflect any adjustment for potential disallowances of expense since management believes that all expenses incurred for such activities should be treated as allowable costs.

The Center receives certain funding for its programs in the form of operational grants, which usually run for a period of one year or longer. The Center is required to determine whether transactions are conditional or unconditional. Unconditional contributions are recognized immediately and classified as either net assets with donor restrictions or net assets without donor restrictions. Conditional contributions are accounted for as a liability and are not recognized as revenue initially and are disclosed in the notes to the financial statements. Once the barriers to entitlement are overcome, the transaction is recognized as unconditional and classified as either net assets with donor restrictions or net assets without donor restrictions. For a donor-imposed condition to exist, a right of return or release must be stated, and the agreement must include a performance-related condition or other measurable barrier.

Contributions

Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is made. The gifts are reported as donor restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated purpose or time restriction is met, net assets with donor restriction are reclassified as net assets without donor restriction and reported in the statement of activities as net assets released from restrictions.

Stanley M. Isaacs Neighborhood Center, Inc.

Notes to Financial Statements
June 30, 2022

2. Summary of Significant Accounting Policies (*continued*)

In-kind Contributions

Contributions of services are recognized at fair value when they are received if the services either create or enhance nonfinancial assets, or require specialized skills, and those skills are provided by individuals possessing those skills, and would typically need to be purchased if not donated. Donated goods distributed are recorded as income and expense at the time they are received which is normally also the time they are placed into service or distributed.

During 2022 and 2021, the Center occupied premises in New York City Housing Authority-owned buildings without charge based on an annual agreement. The estimated fair value of the premises rental is reported as contribution support and occupancy cost of \$133,477 for both 2022 and 2021 based upon market rates for similar spaces in the metropolitan area. In partnership with Department of Education, several teachers and specialists provided services without charge for the Center's Youth Employment and Education Services Program. The estimated fair value of those services is reported as contribution support and in-kind consultant fees of \$72,000 and \$452,016 in 2022 and 2021, based on usual and customary rates of those teachers and specialists. There are no donor restrictions on any contributed non-financial assets, and they are used for programmatic purposes.

Many individuals volunteer their time and perform a variety of tasks that assist the Center with various program functions. These volunteer services have not been recognized in the financial statements because they do not meet the criteria for recognition.

Functional Allocation of Expenses

The Center allocates its expenses on a functional basis among various programs and support services. Expenses that can be identified with specific program and support services are allocated directly according to natural expenditure classification. Other expenses common to several functions, including but not limited to consultants, food and beverage, salaries and payroll taxes and employee benefits are allocated in accordance with other equitable bases on a time and effort methodology.

Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Center's financial statements as of and for the year ended June 30, 2021, from which the summarized information was derived.

Accounting for Uncertainty in Income Taxes

The Center recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that the Center had no uncertain tax positions that would require financial statement recognition or disclosure. The Center is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to June 30, 2019.

Stanley M. Isaacs Neighborhood Center, Inc.

Notes to Financial Statements
June 30, 2022

2. Summary of Significant Accounting Policies (*continued*)

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is July 12, 2023.

3. Concentrations of Credit Risk

Financial instruments which potentially subject the Center to a concentration of credit risk include cash accounts held with a major New York financial institution in excess of federally insured insurance limits, and amounts due from government agencies. Management believes that credit risk related to these accounts is minimal. As of June 30, 2022 and 2021, the Center's uninsured cash and cash equivalents on deposit totaled approximately \$75,000 and \$25,000.

The investment portfolio is diversified by type of investments and industry concentrations so that no individual investment or group of investments represents a significant concentration of credit risk.

4. Economic Dependency

The Center has several programs with funding from The City of New York – Department for the Aging (“DFTA”) and The City of New York – Department of Youth and Community Development (“DYCD”). These and other government grants are subject to audits by the funders. Management does not anticipate disallowed costs to be material and no estimated liability has been provided for this purpose. Approximately 90% and 76% of the Center's government grants and contracts were provided from DFTA and DYCD during the years ended June 30, 2022 and June 30, 2021, and represent 90% and 65% of receivables at June 30, 2022 and 2021. The Center is economically dependent on these grants to continue its DFTA and DYCD funded programs.

Stanley M. Isaacs Neighborhood Center, Inc.

Notes to Financial Statements
June 30, 2022

5. Investments and Investment Return

Investments consist of the following at June 30:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 303,876	\$ 144,509
U.S. government obligations	549,185	198,206
Fixed Income Securities		
U.S. govt. securities (Treasury bills)	1,052,018	306,619
Corporate bonds	342,431	46,185
Equities	2,027,336	1,296,007
Fixed income mutual funds	549,185	604,081
	<u>\$ 4,824,031</u>	<u>\$ 2,595,607</u>

Total investment return consisted of the following for the years ended June 30:

	<u>2022</u>	<u>2021</u>
Interest and dividends from investments, net		
of direct fees of \$28,314 and \$25,697	\$ (19,192)	\$ 26,194
Realized/unrealized (loss) gain on investments	<u>(418,221)</u>	<u>351,886</u>
Investment Return	(437,413)	378,080
Investment Return Allocated to Development and Operations	-	(115,000)
Investment Return Allocated to Non-operations Activities	<u>\$ (437,413)</u>	<u>\$ 263,080</u>

The portion of investment return allocated to operations is determined by a spending policy governed by the Center's Board of Directors. The policy states that an amount up to 4.5% of the market value of its invested assets at the end of each fiscal year will be made available for operational use.

Stanley M. Isaacs Neighborhood Center, Inc.

Notes to Financial Statements
June 30, 2022

6. Fair Value of Financial Instruments

The following presents the fair value of those investments and other assets that are measured at fair value at June 30:

	2022			Total
	Level 1	Level 2	Level 3	
Investments				
U.S. government obligations	\$ -	\$ 549,185	\$ -	\$ 549,185
Fixed Income Securities				
U.S. govt. securities (Treasury bills)	1,052,018	-	-	1,052,018
Corporate bonds	-	342,431	-	342,431
Common stocks	2,027,336	-	-	2,027,336
Fixed income mutual funds	549,185	-	-	549,185
	<u>3,628,539</u>	<u>891,616</u>	<u>-</u>	<u>4,520,155</u>
Cash and cash equivalents - at cost				<u>303,876</u>
Total Investments				4,824,031
Beneficial interest in perpetual trust	-	-	574,689	574,689
Total	<u>\$ 3,628,539</u>	<u>\$ 891,616</u>	<u>\$ 574,689</u>	<u>\$ 5,398,720</u>
	2021			
	Level 1	Level 2	Level 3	Total
Investments				
U.S. government obligations	\$ -	\$ 198,206	\$ -	\$ 198,206
Fixed Income Securities				
U.S. govt. securities (Treasury bills)	306,619	-	-	306,619
Corporate bonds	-	46,185	-	46,185
Common stocks	1,296,007	-	-	1,296,007
Fixed income mutual funds	604,081	-	-	2,451,098
	<u>2,206,707</u>	<u>244,391</u>	<u>-</u>	<u>2,451,098</u>
Cash and cash equivalents - at cost				<u>144,509</u>
Total Investments				2,595,607
Beneficial interest in perpetual trust	-	-	686,523	686,523
Total	<u>\$ 2,206,707</u>	<u>\$ 244,391</u>	<u>\$ 686,523</u>	<u>\$ 3,282,130</u>

Stanley M. Isaacs Neighborhood Center, Inc.

Notes to Financial Statements
June 30, 2022

6. Fair Value of Financial Instruments (continued)

The changes in assets measured at fair value for which the Center has used Level 3 inputs to determine fair value are as follows for the years ended June 30:

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 686,523	\$ 575,570
Change in fair value of beneficial interest in perpetual trust	<u>(111,834)</u>	<u>110,953</u>
Balance, end of year	<u>\$ 574,689</u>	<u>\$ 686,523</u>

In accordance with the terms of the charitable perpetual trust agreement, the trustee makes annual distributions equal to net realized income on trust investments for the twelve months ended June 30 each year. The Center considers the measurement to be a Level 3 since the Center does not control the assets.

There were no transfers between categories and no changes in valuation methods during the years ended June 30, 2022 and 2021.

7. Property, Plant and Equipment

Property, plant and equipment consist of the following at June 30:

	<u>2022</u>	<u>2021</u>
Leasehold improvements	\$ 3,845,570	\$ 3,845,570
Furniture and equipment	946,298	946,298
Automobiles	<u>342,741</u>	<u>342,741</u>
	5,134,609	5,134,609
Accumulated depreciation and amortization	<u>(5,024,986)</u>	<u>(4,873,561)</u>
	<u>\$ 109,623</u>	<u>\$ 261,048</u>

Stanley M. Isaacs Neighborhood Center, Inc.

Notes to Financial Statements
June 30, 2022

9. Paycheck Protection Program Loan

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted to amongst other provisions, provide emergency assistance for individuals, families and business affected by the coronavirus pandemic. The Center applied for and received a \$736,500 Paycheck Protection Program loan (the "PPP Loan") from the Small Business Administration, which is treated as a conditional grant. As of June 30, 2022 and 2021, \$442,074 and \$51,389 of the PPP Loan is included in advances payable. If the loan amount is not forgiven, the PPP Loan has an interest rate of 1.0% per annum and a portion or the full amount will have to be repaid.

10. Retirement Plan

The Center's 401(k) profit sharing plan and trust covers all eligible employees after one year of eligible service following their hire date and who have attained age 21. Contributions to the plan are determined each year by the Center's Board of Directors. No contribution was made to the plan for the years ended June 30, 2022 and 2021.

11. Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following programs or purposes at June 30:

	2022	2021
Permanent in nature	\$ 617,591	\$ 732,505
Youth and family service programs	658,000	200,000
	\$ 1,275,591	\$ 932,505

Net assets with donor restrictions were released by incurring expenses satisfying the following purposes for the years ended June 30:

	2022	2021
Youth and family service programs	\$ 1,500,240	\$ 1,048,081

Net assets with donor restrictions that are permanent in nature are as follows at June 30:

	2022	2021
Investments in perpetuity, the income from which is expendable to support education scholarships	\$ 42,464	\$ 45,982
Beneficial interest in perpetual trust	574,689	686,523
	\$ 617,153	\$ 732,505

Stanley M. Isaacs Neighborhood Center, Inc.

Notes to Financial Statements
June 30, 2022

12. Endowment Funds

Interpretation of Law

The Center has interpreted the New York Prudent Management of Institutional Funds Act (“NYPMIFA”) as requiring the preservation of the value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary and except in those cases where the law allows appropriation for spending of the original gift amounts. As a result of this interpretation, the Center classifies as net assets with donor restrictions – permanent in nature (a) the original value of the gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations of investment returns to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as net assets with donor restriction – permanent in nature is classified as net assets with donor restriction – temporary in nature until those amounts are appropriated for expenditure by the Board of Directors in a manner consistent with the standard of prudence prescribed by NYPMIFA.

Investment Policy

The Center employs a strategic asset allocation strategy with its asset allocations diversified over multiple classes and sub classes. The Center’s investment objective is for the asset value, exclusive of contributions or withdrawals, to grow over the long run and earn, through a combination of investment income and capital appreciation, a time weighted total rate of return in excess of the established medium and long term benchmarks. The Center expects the portfolio’s asset allocation to reflect the investment objectives, goals, time horizon, risk tolerances and any investment restrictions that may exist within the policy.

Spending Policy

The Center, on an annual basis, appropriates expenditures of dividends and interest earned on endowed funds. Unrealized gains and losses increase or decrease the value of the endowed funds as per donor stipulation.

The following is a reconciliation of the donor restricted endowment funds for the years ended June 30:

	<u>2022</u>	<u>2021</u>
	With Donor Restrictions	With Donor Restrictions
Balance, beginning of year	\$ 45,544	\$ 48,060
Investment income	2,500	2,500
Unrealized loss on investments	(3,080)	(2,516)
Appropriations for expenditures	(2,500)	(2,500)
Balance, end of year	<u>\$ 42,464</u>	<u>\$ 45,544</u>

Stanley M. Isaacs Neighborhood Center, Inc.

Notes to Financial Statements
June 30, 2022

13. Liquidity and Availability of Financial Assets

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial date, comprise the following:

	<u>2022</u>	<u>2021</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 469,683	\$ 533,807
Contributions receivable	241,664	29,664
Due from government agencies	2,392,033	1,295,892
Investments (including perpetual trust)	<u>5,398,720</u>	<u>3,282,130</u>
Total Financial Assets	<u>8,502,100</u>	<u>5,141,493</u>
Less: amounts not available to be used within one year		
Net assets with donor restrictions including perpetual trust	<u>(1,275,591)</u>	<u>(932,505)</u>
Financial Assets at Year End Available to Meet Cash		
Needs for General Expenditure Within One Year	<u>\$ 7,226,509</u>	<u>\$4,208,988</u>

The Center's goal is to generally maintain financial assets to meet 90 days of operating expenses. As part of its liquidity plan, the Center relies on contributions and reimbursements from government contracts throughout the year.

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