APPLICATION FOR

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ENTITLEMENT PROGRAM

— 2014 Program Year Funding—

ACTIVITY NAME: Multicultural Homeless Prevention Program

APPLICANT: Saratoga County Economic Opportunity Council, Inc.

MAILING ADDRESS: 39 Bath Street

P.O. Box 169 Zip: 12020

PHONE: 518-288-3206 FAX: 518-288-3233 EMAIL: a.paley@saratogaeoc.org

CONTACT PERSON: Anita Paley TITLE: _____

APPLICANT (*select 1*): ☐ City Department (List Dept.) ☒ Private non-profit organization 237438457 (List Federal ID #) ☐ Other Public Agency (Specify)

02 0675047 (DUNS #)

NATIONAL OBJECTIVE (*select 1*):

"Benefit persons of Low/moderate income"
- ☐ L/M Income Area Benefit
- ☒ L/M Income Limited Clientele Activities
- ☐ L/M Income Housing Activities
- ☐ L/M Income Job Creation/Retention

"Address slum/blight Conditions"
- *"N/A"* Slum/blighted Area
- ☐ Slum/blighted Spot Basis
- *"N/A"* Urban Renewal Completion

"Urgent CD Need"
- *"N/A"* Urgent Need

REQUESTED ENTITLEMENT FUNDING: $ 22,175

Funding Leveraged from Other Sources: $ 83,990

Total Activity Cost: $ 106,165

Proposal Abstract - please provide a ***brief*** overview of your proposal ***including the number of persons that will be served*** with this grant in the space below:

Saratoga County Economic Opportunity Council, Inc. (EOC) requests $22,175 in funding for the continuation of its multicultural programming focused on providing homelessness prevention for Limited English Proficient (LEP), children and adults in Saratoga County. This will be done through the development of individual self-sufficiency plans, advocacy and increasing basic English Proficiency. Through self-sufficiency counseling, low-income and LEP families who experience or are at risk of experiencing homelessness or housing instability, will begin to participate in intensive financial literacy, English as a Second Language, academic tutoring and bilingual support services. The goal of the proposed programming will be to improve financial and housing stability, the English proficiency of LEP families, and the academic achievement of their children. We estimate that we will be able to serve a total of 360 LEP individuals with this grant. These individuals will receive services which include ongoing case management, medical interpreting and health insurance enrollment, financial and civic literacy training, housing advocacy and assistance accessing other services that help improve quality of life. The LEP based program is now in its eighth year of operation. Through the support of the CDBG funding the number of Latinos served in the City of Saratoga has grown a great deal. In 2012 and 2013, the LEP program demonstrated progressive success as 301 units of service were provided to 127 unduplicated individuals over a period of two years. In 2013, 43 unduplicated individuals were served, equaling a total of 101 units of service (1 unit = 1 advocacy appointment or 1 1.5hrs of ESL class), and in October 2013, a total of 84 unduplicated individuals were served. It is our belief, which is further supported by our established program outcomes from previous CDBG funding, that this CDBG funding will continue to greatly benefit those in the LEP demographic to avoid homelessness and attain self-sufficiency.

A M Paley (Authorized Signature) Executive Director (Title)

Anita M. Paley (Typed or Printed Name) 1/30/2014 (Date)

Please respond in writing to each of the following (add additional pages as necessary):

I. Activity Description

Saratoga County Economic Opportunity Council (EOC) requests funding for the continuation of its multicultural programming, with a targeted focus on homelessness prevention for Limited English Proficient (LEP) children and adults in Saratoga County; through the development of individual self-sufficiency plans focused on self-advocacy. This represents a continuation of ongoing work given increasingly acute needs within the community. EOC's bilingual interpreting/advocacy services, and English as a Second Language classes have become a fundamental service for integrating LEP families into the City of Saratoga Springs. It has also served as an important resource for service providers throughout the City who rely on the cultural and linguistic expertise of EOC staff. The focus of the proposed programming will be on support services to Saratoga Springs' low-income limited English proficient families who experience or are at risk of experiencing homelessness or housing instability. Opportunities to serve this group will fall into the areas of intensive financial literacy, self-sufficiency counseling, English as a Second Language, academic tutoring and bilingual advocacy. The goal of the proposed programming will be to improve financial and housing stability, increase the English proficiency of LEP families, and support the academic achievement of their children.

The economic climate and its effect on low-income families has caused EOC to serve an increasing number of LEP families that have experienced the loss of their housing and have become homeless or who arrive at a critical point in determining whether they can maintain their current housing. The proposed programming will work closely with families to obtain housing, or avoid losing housing, as well as help maintain as much stability for themselves and their children, by serving as a liaison for families and the school district, their teachers and other services providers. The goal is to work with families in order to continue advancing on the path to self-sufficiency through a hand-in-hand approach that recognizes the need to work on housing and financial issues while also focusing on education, which ultimately provides a key to breaking the cycle of generational poverty.

Community Need

In 2013, SCEOC responded to more than 1000 requests for bilingual assistance. English as a Second Language programming was provided to more than 200 individuals. Needs are wide ranging and extend from interpreting and connecting individuals with medical care to serving as liaisons between teachers in the Saratoga Springs School District. EOC routinely responds to calls for help from organizations and agencies, including Saratoga Hospital / Care, Saratoga County Public Health, Saratoga Community Health Center, Saratoga Department of Social Services, Planned Parenthood, Head Start, WIC, Saratoga Springs City School District, and Saratoga Housing Authority.

The need for these services is underscored by recent success of EOC's efforts to create a new model within its English as a Second Language class that focuses on a holistic approach to self-sufficiency. In partnership with Saratoga Springs High School Foreign Language Department and Skidmore College, volunteers provide academic tutoring to school age children and early literacy activities to toddlers and pre- school children, while parents receive English as a Second Language instruction. EOC staff provide wrap around support on housing, health, and financial needs. No other program in Saratoga Springs provides this kind of support and

without it families and children who want more than anything to achieve will fall through the cracks.

The Benefits

The low-income LEP families benefitting from the proposed programming are members of our community. They work in local businesses, live in our city and their children go to our schools. We all benefit from having one more, two more, and ultimately many more families break the cycle of poverty. In a time when budgets, particularly in schools, are extremely tight, EOC will provide programming that maximizes the effectiveness of our schools and the ability of teachers to work with LEP students and their families. EOC's proposed approach will bring two key issues together, education and family development, in a way that neither social service agencies nor schools have been able to alone. EOC's history has proven that it can do this in a cost effective, efficient, and culturally and linguistically competent way.

Beyond this, there are innumerable benefits to having EOC's multicultural programming as part of the Saratoga Springs community. At the most basic level, new channels of communication are open. Where silence or misunderstanding existed before, clear communication and mutual understanding prevail. This leads to more effective provision of a range of human services, allows limited English proficient individuals in our community to become active participants in their well-being and in the process of improving the lives of themselves and their families. In cases where health is involved, the language services provided by EOC can facilitate emergent and preventative access to medical care, healthier babies, children, and adults. It is also estimated that medical interpreters reduce hospital stay. According to a study from University of Massachusetts Medical School, "Limited English patients in the study who did not receive professional interpretation stayed in the hospital an average of one-and-a-half days longer than those who did. Additionally, patients who did not have access to an interpreter were more likely to be readmitted within 30 days."

Similarly, open communication between parents and teachers supports the educational achievement of every child. The involvement of volunteers and the English as a Second Language program provides a space for individuals to improve their language proficiency and forge meaningful relationships with other members of our community.

While a wide range of agencies, organizations, and individuals utilize the services provided by EOC, any one may not have the need to warrant in-house interpreting and would in this case require a provider to initiate the process of service provision. The model provided by EOC's multicultural programming makes language services available to the entire community. Assistance may be requested by a service provider, but more often is requested by a client. This promotes both cultural awareness among service providers and gives individual clients a more active role by initiating the process of seeking help. Since EOC began developing this programing in 2005, it can be said with confidence that there is, as a result, more cultural awareness, attempts to provide culturally competent care, and individuals and families accessing vital services.

Services and Performance Goals

During the 2014 CDBG year we propose to use CDBG and significant leveraged funding to provide one or more of the following services to 360 LEP individuals

- Financial literacy programming using English as a Second Language classes to teach financial literacy to include setting goals and budgeting.
- Housing advocacy to individuals experiencing housing insecurity or homeless, by helping them maintain housing or obtain housing.
- Wrap around advocacy services consisting of interpreting and assistance to access health services, cross bridges with children's schools and other resources that can improve the quality of life for limited English proficient individuals.
- Spanish and Cultural Awareness training to human service providers.

Activity Timeframe

The proposed programming will begin promptly in July of 2014 and continue through the 2014 CDBG budget year.

II. Organizational Capacity

The Saratoga County Economic Opportunity Council (EOC) has been providing services to low income individuals and families in Saratoga County since 1965. SCEOC is a federally designated community action agency. Our mission is to provide our clients with opportunities and services which enable them to work towards becoming economically self-sufficient. Our 18 member board of directors consists of 6 elected officials (or their designees), 6 representatives of the private sector, and 6 representatives of the low-income sector (see board table attached for more detail).

With the support of public and private donors alike, EOC has been a leader in providing services to an increasingly diverse population with changing needs in Saratoga County. EOC currently offers crisis intervention services, a food pantry and soup kitchen, Women, Infants, and Children (WIC), Head Start, Weatherization services, Dress for Work and the Latino Community Advocacy Program.

With the support of the City of Saratoga Springs through Community Development Block Grants beginning in 2006, EOC was the first organization in the city to craft a program to specifically look at the unmet needs of the growing Spanish speaking population. A grant in 2005 of $11,000 allowed EOC to hire a part-time bilingual advocate and a subsequent grant in 2007 of $8,500 provided funding for a part-time English as a Second Language Coordinator. With $12,000 in 2008 we worked collaboratively with the New York Racing Association to address housing and service needs of Backstretch workers and 2009 funding allowed EOC to begin to extend services to other Limited English Proficient immigrant groups. Starting in 2009, EOC received additional Federal discretionary and stimulus funding through the Community Services Block Grant. EOC has also been successful in gaining industry support, most notably funding and in-kind support from the New York Racing Association and the New York Thoroughbred Horsemen's Association.

SCEOC has a wealth of experience in providing services to low income individuals, many of whom are at a high risk of becoming homeless. Our programs address economic self-sufficiency through many angles; health, educational, and social. Our years of experiences working closely with the Latino and other immigrant populations in Saratoga County puts us at a significant advantage in addressing the specialized needs of low income immigrants facing language barriers. We currently have four bilingual staff members, dozens of bilingual volunteers, a range of programs and an extensive network that can effectively meet most any situation. SCEOC has also been the first and only agency in the area to consistently seek out and address a wide variety of unmet needs for community members facing language barriers.

Our successes in serving the immigrant speaking population have also been demonstrated in the growth of our previously funded CDGB projects, including enrollment in our English as a Second Language program which has increased to nearly 200 adult students and is now offered at various locations throughout the county including Ballston Spa and Mechanicville. Our program has answered over 1,000 calls for advocacy and interpreting help in 2013 alone. The quality of our growing services is also evident in the number of community partnerships we have formed. We continue to offer assistance and forge stronger partnerships with the staff of local organizations such as Saratoga Hospital, the recently founded Saratoga Community Health Center, Saratoga County Public Health, Planned Parenthood, Domestic Violence Service, Shelters of Saratoga, Saratoga County Department of Social Services, the Backstretch Employee Service Team (B.E.S.T), Race Track Chaplaincy, WIC, Head Start, and Saratoga Springs School District so that they can adequately administer their services. We have also provided several in-service educational programs to the nursing staff of Saratoga Hospital, Saratoga County Mental Health, and local Naval Personnel.

CDBG and leveraged project funds will be used toward the salaries for our four full-time bilingual personnel who will operate under the supervision of SCEOC Executive Director, Anita Paley. The bilingual personnel, who include the Program Coordinator, the English as Second Language Coordinator, the Advocate, the Program Assistant along with Skidmore interns and volunteers, will be responsible for the provision of direct services as well as working with administration and other SCEOC staff to develop community relationships and a continued funding plan for the program.

SCEOC is rigidly monitored by a variety of state agencies including the Department of Health, Department of State, and the Division of Housing and Community Renewal. We have demonstrated our capacity and integrity through consistent high quality work and by "no-finding" audits in all of SCEOC's programs. Anita Paley, Executive Director, will be responsible for program and fiscal oversight of this activity.

Partnership Organizations Include:

The following human service agencies and programs with whom SCEOC works collaboratively-

- Saratoga Care
- Saratoga County Public Health
- Saratoga Community Health Center
- Planned Parenthood

- Backstretch Employee Service Team
- Race Track Chaplaincy
- Department of Social Services
- Saratoga Springs School District
- Saratoga Housing Authority
- SCEOC Head Start and WIC Programs
- New York Racing Association
- New York Thoroughbred Horseman's Association

Saratoga County Economic Opportunity Council remains a leader in providing support to low-income limited English proficient members of our community. EOC is the still the only agency to provide year round linguistically and culturally competent support to individuals and families who love and work in Saratoga all year, as well as migrant workers who contribute to our community during the thoroughbred training season.

Proposed Board of Directors January 28, 2014

SCEOC Board Composition

2/1/14 - 1/31/15

Public Sector (1/3)		*Started*	*2 Year Term*
Bernadette VanDeinse- Delegate for Assembly Minority Leader James Tedisco	NYS Assembly (Marketing and Public Relations)	2/12	1/31/16
Michael Zurlo (awaiting vote)	Saratoga County Sheriff	2/14	1/31/16
Tamie Ehinger - delegate for Supervisor Matthew Veitch	County Board of Supervisors - City of Saratoga Springs (Public Relations)	2/08	1/31/16
John Munter - delegate for Richard Rowland	County Board of Supervisors - Town of Greenfield (General Contractor)	2/09	1/31/15
Pam Marro - delegate for Richard Lucia	County Board of Supervisors - Village of Corinth (Office Manager)	2/07	1/31/15
Lisa Ribis - (Secretary) delegate for Commissioner John Franck	Accounts Commissioner - City of Saratoga Springs (Senior Account Clerk)	2/06	1/31/15
Private Sector (1/3)		*Started*	*4 Year Term*
Robert Pasciullo - Vice President	SSHA-Saratoga Affordable Housing Group, Inc.	2/10	1/31/15
A.C. Riley - President	Community Volunteer	2/11	1/31/15
Crystal Moore	Skidmore College Social Work Professor	11/12	1/31/15
Nancy Bunting	Law Offices of Nancy Bunting (Family Law)	2/05	1/31/17
Marc Yrsha - Treasurer	Adirondack Trust Co.	2/13	1/31/17
Mary DeRidder	Community Volunteer Retired Social Worker	10/13	1/31/17
Low income Sector (1/3)		*Started*	*4 Year Term*
Sheri Dushane	Policy Council Rep. Center Educator, NYS Early Learning	11/12	1/31/15
Luis Martinez (awaiting vote)	Saratoga Springs Latino Community	2/14	1/31/2018
Dave Bennett	Pastor, Presbyterian Church, BSPA, NY	2/11	1/31/15
Judy DeLong	Retired Social Worker Senior Center, SS, NY	2/13	1/31/17
Susan Christopher	Vanderbilt Housing Authority, SS, NY	9/12	1/31/17
Julie Ramsey	Head Start Policy Council	12/13	11/31/14

<u>2014 Proposed Slate of Officer</u>

A.C. Riley - President

Bob Pasciullo - Vice President

Marc Yrsha - Treasurer

Lisa Ribis - Secretary

(ATTACHMENT I)

PROGRAM OPERATING BUDGET

(Entitlement Grant + Leveraged Funds = Total Activity Cost)

	ENTITLEMENT GRANT	Leveraged Funds*	Total Activity Cost	*Source of leveraged Funds and In-Kind Services
PERSONNEL				
Salaries	17,777	63,963	81,740	Community Services Block Grant Fundraising (secured and anticipated)
Fringe	3,723	13,432	17,155	Community Services Block Grant Fundraising (secured and anticipated)
Other (consultants, etc.)	675	6,595	7,270	Fundraising (secured and anticipated)
Subtotal	22,175	83,990	106,165	
OVERHEAD				
Advertising/Marketing				
Program Supplies				
Rent & Utilities				
Other – list below				
Subtotal				
TOTAL COST	22,175	83,990	106,165	

Saratoga County Economic Opportunity Council, Inc.
Multicultural and Homelessness Prevention Program

	Total Cost	CDBG Share	Leveradged Funds
Program Coordinator	30,900	6,180	24,720
Bilingual Advocate	14,356	3,916	10,440
ESL Advocate	14,643	3,221	11,422
Advocate	21,840	4,460	17,380
	Subtotal	17,777	63,963
	Fringe	3,723	13,432
	Personnel Total	21,500	77,395
Supplies (Books, Materials)	1,270	125	1,145
Mileage	6,000	550	5,450
	Total	22,175	83,990

Sources of Leveraged Funds:

$39,016	Community Services Block Grants
$25,322	Fundraising (secured)
$19,652	Fundraising (anticipated)
$83,990	

(ATTACHMENT 3)

OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULAR A-133
MONITORING OF FEDERAL FINANCIAL ASSISTANCE TO SUBRECIPIENTS

ORGANIZATION: Saratoga County Economic Opportunity Council, Inc.

MAILING ADDRESS: PO Box 169 Ballston Spa, NY 12020

FEDERAL ID #: 237438457 PHONE: 518-288-3206 FAX: 518-288-3204

DUNS #: 02 0675047

1. Please identify your fiscal year (mth/yr to mth/yr): 01/14 - 12/14

Please identify below the funding received during your last fiscal year:

2. Community Development Block Grant Entitlement Funding (CDBG):

CDBG Activity Name: Multicultural Family Literacy and Homelessness Prevention Program

CDBG Funding Program Year: 2012 CDBG Funding Amount: $8,000.00

3. Other Federal Financial Awards (cash & non-cash):

GIVE NAME & CATALOG OF FEDERAL FINANCIAL ASSISTANCE (CFDA) #	AMOUNT OF AWARDS
Please see attached listing	

4. During your last fiscal year, has your organization expended more than $500,000 in total federal financial awards (incl. CDBG & all other federal assistance)? YES * X NO ____

* If "yes", include a copy of your latest Single Audit Report with this completed and signed form as part of your application. If you answered "no", please complete, sign and return this form.

5. Are you aware of any financial audit violations, findings or questioned costs relating to any activity funded with federal financial assistance? YES * ____ NO X

* If "yes", please describe: ____

6. Other Saratoga County Awards (cash & non-cash):

IDENTIFY PROGRAM NAME & YEAR OF AWARD	IDENTIFY AMOUNT OF CO. AWARDS

Authorized Signature

1/30/14
Date

SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2012

Federal Grantor Program Title	Pass-through Entity Identifying Number	Catalog of Federal Domestic Assistance Number	2012 Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Head Start Program		93.600	$ 1,414,776
Head Start Program		93.600	2,564,190
Passed Through New York State Department of State			
Community Services Block Grant	C-005438-11	93.569	215,506
Community Services Block Grant	C-005438-12	93.569	80,676
Passed Through New York State Division of Housing and Community Renewal			
Low-income Home Energy Assistance - (Weatherization 2011)	C091061-11	93.568	309,070
Low-income Home Energy Assistance - (Weatherization 2012)	C091061-12	93.568	867,811
Passed Through New York State Office of Temporary Disability Assistance			
Temporary Assistance for Needy Families (Wheels For Work - 2006)	C009989	93.558	8,889
Passed Through the City of Saratoga Springs, New York			
Community Development Block Grant		93.383	4,661
U.S. DEPARTMENT OF ENERGY			
Passed Through New York State Division of Housing and Community Renewal			
ARRA - Weatherization Assistance for Low-income Persons - 2009	C092261/2009	81.042	825,652
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through New York State Department of Health			
Special Supplemental Food Program for Women, Infants and Children - 2011	C025793	10.557	1,390,446
Special Supplemental Food Program for Women, Infants and Children - 2012	C025793	10.557	458,092
Child and Adult Care Food Program	2588 / 2011	10.558	73,246
Child and Adult Care Food Program	2588 / 2012	10.558	125,524
DEPARTMENT OF HOMELAND SECURITY			
Emergency Food and Shelter Program		97.024	394
			$ 8,338,933

The accompanying notes to the schedule of expenditures of federal awards should be read in conjunction with this schedule.

SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.

AUDITED FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.

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UHY LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Saratoga County Economic Opportunity Council, Inc.

We have audited the accompanying financial statements of Saratoga County Economic Opportunity Council, Inc., which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Saratoga County Economic Opportunity Council, Inc. as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

UHY LLP

Albany, New York
September 26, 2013

SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2012 and 2011

	2012	2011
ASSETS		
Cash and cash equivalents	$ 673,280	$ 1,172,813
Accounts and grants receivable	592,510	1,828,444
Materials inventory	32,310	31,454
Prepaid expenses	49,453	46,684
Total current assets	1,347,553	3,079,395
Investments	41,211	36,957
Property, plant and equipment, net	572,752	562,433
Total assets	$ 1,961,516	$ 3,678,785
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$ 175,033	$ 1,690,549
Accrued expenses	239,429	206,473
Deferred revenue	6,545	211,266
Long-term debt, current portion	11,697	11,155
Total current liabilities	432,704	2,119,443
Long-term debt, net of current portion	339,240	351,000
Total liabilities	771,944	2,470,443
NET ASSETS		
Unrestricted	907,521	891,066
Temporarily restricted	282,051	317,276
	1,189,572	1,208,342
Total liabilities and net assets	$ 1,961,516	$ 3,678,785

See notes to financial statements.

SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2012 and 2011

	2012	2011
Unrestricted		
Revenues and other support:		
Federal funds	$ 8,338,823	$ 11,617,083
State funds	379,229	420,715
Grants in-kind and donated services	1,476,160	1,883,364
Contributions	68,800	142,930
Other revenue	43,861	175,357
Total unrestricted revenues	10,306,873	14,239,449
Net assets released from restriction - food programs	161,174	152,858
Net assets released from restriction - other programs	375,378	179,424
Total unrestricted revenues and other support	10,843,425	14,571,731
Expenses:		
Head Start	5,378,121	5,711,707
Weatherization Assistance Programs	2,346,038	5,708,244
Special Supplemental Food Programs for Women, Infants and Children	1,901,202	1,857,796
Community Services Block Grant Programs	373,187	314,138
Universal Pre-Kindergarten Program	325,326	355,415
Child and Adult Care Food Program	198,770	191,042
Food Programs	161,174	165,888
Management and general - non-federal funds	110,191	95,685
Wheels For Work Program	28,300	48,574
Community Development Block Grant Program	4,661	1,680
Total expenses	10,826,970	14,450,169
Change in unrestricted net assets	16,455	121,562
Temporarily restricted		
Grants and contracts	9,574	8,743
Contributions	208,465	145,201
Other income	283,288	171,491
Net assets released from restriction - food programs	(161,174)	(152,858)
Net assets released from restriction - other programs	(375,378)	(179,424)
Change in temporarily restricted net assets	(35,225)	(6,847)
Change in net assets	(18,770)	114,715
Net assets at beginning of year	1,208,342	1,093,627
Net assets at end of year	$ 1,189,572	$ 1,208,342

See notes to financial statements.

SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2012 and 2011

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (18,770)	$ 114,715
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation expense	28,188	28,188
Unrealized (gains) losses on investments	(4,255)	309
Changes in:		
Accounts and grants receivable	1,235,934	(1,389,388)
Materials inventory	(856)	12,192
Prepaid expenses	(2,769)	19,745
Accounts payable	(1,515,516)	1,462,431
Accrued expenses	32,956	(20,456)
Deferred revenue	(204,721)	(633,683)
Net cash used in operating activities	(449,809)	(405,947)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(38,506)	-
Net cash used in financing activities	(38,506)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on long-term debt borrowings	(11,218)	(10,700)
Net cash used in financing activities	(11,218)	(10,700)
Net decrease in cash and cash equivalents	(499,533)	(416,647)
Cash and cash equivalents:		
Beginning	1,172,813	1,589,460
Ending	$ 673,280	$ 1,172,813
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash payments for interest	$ 16,969	$ 17,488

See notes to financial statements.

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

Saratoga County Economic Opportunity Council, Inc. (the "Council"), headquartered at 40 New Street, Saratoga Springs, New York, was incorporated on November 12, 1965 under Section 201 of the Not-for-Profit Corporation Law of the State of New York. The Council was formed to perform charitable acts, attack poverty, and to open opportunities for education, training, and work.

Significant Accounting Policies

Financial reporting:

The Council presents its financial statements in accordance with U.S. generally accepted accounting principles for external financial reporting by not-for-profit organizations which require that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions: (1) unrestricted net assets, (2) temporarily restricted net assets and (3) permanently restricted net assets. As of December 31, 2012 and 2011, all of the Council's net assets are classified as either unrestricted or temporarily restricted (see Note 7).

Estimates:

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Contributions:

Contributions are recognized as revenue in the year the promise is made and are recorded at fair value, which is computed as the estimated present value of expected future cash flows. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted contributions depending on the existence and/or nature of any donor restrictions.

Cash and cash equivalents:

The Council considers all highly liquid investments, primarily certificates of deposit, with original maturities of three months or less to be cash equivalents. The Council places its cash with high quality credit institutions. At times, cash balances may be in excess of FDIC insurance limits.

Inventory:

Inventory consists of materials acquired with grant funds to be used in the Weatherization program. These materials are stated at the lower of cost or market determined by the first-in, first-out (FIFO) method.

Investments:

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant Accounting Policies (Continued)

Investments: (Continued)

The Council follows U.S. generally accepted accounting principles for the reporting of financial assets. These principles provide a framework for measuring the fair value and guidance regarding a fair value hierarchy, which prioritizes information used to measure fair value and the effects of fair value measurements on the Statements of Activities, as well as enhanced disclosures determined by the level within the hierarchy of information used in the valuation.

The basis of fair value for the Council's equity securities is that investments listed on a national securities exchange are generally valued at the last sales price on the date of valuation or, if no sale occurred on such date, at the last bid price thereon.

Property and equipment:

Property and equipment, which is stated at cost, is depreciated using the straight-line method over various estimated useful lives of assets ranging from five to thirty nine years.

Deferred revenue:

Deferred revenue consists of contract funds received in advance of related expenses. Deferred revenue is recorded as revenue when the applicable expenses are incurred.

Recognition of revenue and expenses:

Revenue from federal and state funds is generally recognized only to the extent of grant expenditures. Expenses are recorded as incurred and charged to the applicable grant.

Donated services:

The Council generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Council with specific assistance programs and fund-raising activities.

Donated services are recognized as contributions in accordance with U.S. generally accepted accounting principles if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Council.

Donated services in the amounts of $1,435,946 and $1,850,516 were recognized in 2012 and 2011, respectively, and are included in grants in-kind and donated services and the related expense category. Donated services relate principally to the Head Start Program.

Income taxes:

The Council is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Council follows guidance issued by the Financial Accounting Standards Board ("FASB") regarding accounting for uncertainty in income taxes. This guidance clarifies the accounting for income taxes by prescribing the minimum recognition threshold an income tax position is required to meet before being recognized in the financial statements and applies to all income tax positions. Each income tax position is assessed using a two step process. A determination is first made as to whether

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant Accounting Policies (Continued)

Income taxes: (Continued)

it is more likely than not that the income tax position will be sustained, based upon technical merits, upon examination by the taxing authorities. If the income tax position is expected to meet the more likely than not criteria, the benefit recorded in the financial statements equals the largest amount that is greater than 50% likely to be realized upon its ultimate settlement.

The primary income tax position taken by the Council for any years open under the various statues of limitations are that the Council continues to be exempt from income taxes and does not have unrelated business income that would be subject to income taxes. The Council believes that there are no other tax positions taken or expected to be taken that would significantly increase or decrease unrecognized tax benefits within 12 months of the reporting date.

The adoption of this guidance did not impact the Council's financial position or results of operations. None of the Council's federal or state informational returns are currently under examination by the Internal Revenue Service ("IRS") or state authorities. However fiscal years 2009 and later remain subject to examination by the IRS and New York State.

Subsequent events:

For purposes of preparing this financial statement, the Council considered events through September 26, 2013.

Reclassifications:

Certain items have been reclassified in the 2011 financial statements to conform to the current year's presentation.

NOTE 2 — ACCOUNTS AND GRANTS RECEIVABLE

Accounts and grants receivable consist of the following at December 31:

	2012	2011
Division of Housing and Community Renewal	$ 95,250	$ 1,427,548
Department of Health and Human Services	427,955	325,044
NYS Department of Health	56,872	46,719
Wheels for Work	-	18,379
Other	12,433	10,754
Total	$ 592,510	$ 1,828,444

NOTE 3 — INVESTMENTS

Investments are reported at fair value. The level of fair value inputs used to measure investments is characterized in accordance with a fair value hierarchy. Where inputs for an investment fall in more than one level in the fair value hierarchy, the investment is classified in its entirety based on the lowest level input that is significant to that investment's fair value measurement. Management uses judgment and considers factors specific to the investment in determining the significance of an input to a fair value measurement. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are unadjusted quoted market prices in active markets that are accessible at the measurement date for identical assets.
- Level 2 inputs are inputs (other than quoted prices included in Level 1) that are observable for the asset, either directly or indirectly.
- Level 3 inputs are unobservable and cannot be corroborated by observable market data.

All of the Council's investments at both December 31, 2012 and 2011 were classified utilizing Level 1 inputs.

Investments consist of the following at December 31:

	2012	2011
TD Banknorth, Inc. common stock, 471 shares in 2012 and 2011.	$ 39,719	$ 35,236
Apache Corporation common stock, 19 shares in 2012 and 2011.	1,492	1,721
Total	$ 41,211	$ 36,957

NOTE 4 — PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment consists of the following at December 31:

	2012	2011
Land and buildings	$ 856,318	$ 856,318
Vehicles	30,849	30,849
Projects in process	38,506	-
	925,673	887,167
Less accumulated depreciation	352,921	324,734
	$ 572,752	$ 562,433

Depreciation expense was $28,188 for each of the years ended December 31, 2012 and 2011.

In accordance with grant provisions, certain equipment purchases are recorded as an expense in the year of acquisition; therefore, there is not an equipment account or any related depreciation provision for those assets.

NOTE 5 — LONG-TERM DEBT

Long-term debt is comprised of the following at December 31:

	2012	2011
Mortgage payable, U.S. Department of Agriculture, due in monthly installments of $2,347, including interest at 4.75% through November 2031, collateralized by building and land at 40 New Street, Saratoga Springs, New York.	$ 350,937	$ 362,155
	350,937	362,155
Less current maturities	11,697	11,155
	$ 339,240	$ 351,000

The aggregate annual maturities of long-term debt at December 31, 2012 are as follows:

2013	$ 11,697
2014	12,265
2015	12,860
2016	13,484
2017	14,139
Thereafter	286,492
Total	$ 350,937

Interest expense was $16,969 and $17,488 for the years ended December 31, 2012 and 2011, respectively.

NOTE 6 — LINE OF CREDIT

The Council has a revolving line of credit agreement with a local bank. The line provides for borrowings of up to $75,000 for working capital purposes. The line is unsecured and provides for interest at the bank's base lending rate (3.5% at December 31, 2012). There were no outstanding borrowings under the line at December 31, 2012 and 2011, respectively.

NOTE 7 — NET ASSETS

Temporarily restricted net assets are available for the following purposes at December 31:

	2012	2011
Food programs	$ 190,603	$ 255,301
Other programs	91,448	61,975
Total	$ 282,051	$ 317,276

NOTE 8 — EMPLOYEE BENEFIT PLAN

The Council has a 401(k) plan which covers all employees who have attained age 21 and have completed one year of service. Employer contributions, which are discretionary, were $74,347 and $68,746 for the years ended December 31, 2012 and 2011, respectively.

NOTE 9 — CONTINGENCIES

In February 2011, the U.S. Department of Energy Office of Inspector General Office of Audits and Inspections commenced an examination level attestation engagement of the Council's Recovery Act Weatherization Assistance Program Funds. Its purpose was to examine the Council's compliance with federal and state laws and regulations, and guidelines applicable to activities under the Weatherization Assistance Program funded by the American Recovery and Reinvestment Act (ARRA) of 2009. In January 2012, a final report was issued which did not result in denied costs or penalties, but which did identify certain findings and recommendations for improvement of the Council's administration of ARRA grant funds.

The Council receives grants which are subject to audit by agencies of the Federal and State governments. Such audits could result in disallowances and a request for the return of funds to the Federal and State governments. Management believes disallowances, if any, will be immaterial.

NOTE 10 — SUBSEQUENT EVENTS

In February 2013, the Council purchased Haynor House, a building in Ballston Spa, New York to serve as its new headquarters. The building was purchased at a cost of $650,000, including a loan from a local bank in the amount of $460,055. The loan, which matures in February 2014, calls for monthly payments of interest only at a rate of 4.25% and is collateralized by the property and certain stock owned by the Council. The Council intends to obtain long term financing to replace the loan prior to its maturity. The Council is actively engaged in the sale of its former headquarters in Saratoga Springs, New York.