

**CHINESE-AMERICAN PLANNING  
COUNCIL, INC.**

**AUDITED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY REPORTS  
RELATED TO OMB CIRCULAR A-133**

**JUNE 30, 2013**

**BCA WATSON RICE LLP  
CERTIFIED PUBLIC ACCOUNTANTS**

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**JUNE 30, 2013**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Chinese-American Planning Council, Inc.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Chinese-American Planning Council, Inc. (hereinafter referred to as "CPC"), which comprise the statement of financial position as of June 30, 2013, and the related statements of support, revenues, and expenses, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit 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 opinion.

## INDEPENDENT AUDITOR'S REPORT – CONTINUED

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CPC as of June 30, 2013, 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.

### *Other Matters*

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2013 on our consideration of CPC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CPC's internal control over financial reporting and compliance.

*BCA Watson Kelly*

New York, New York  
November 15, 2013

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS**  
**JUNE 30, 2013**

**Assets**

Cash and cash equivalents (Note 3)	\$ 2,579,208
Grants and contracts receivable (Note 4)	2,132,032
Accounts receivable	147,714
Prepaid expenses and deposits	256,441
Investments (Note 5)	3,001,255
Due from affiliates (Note 6)	6,308,751
Memorial plots	45,359
Property and equipment - net (Note 7)	24,025
<b>Total Assets</b>	<b><u>\$14,494,785</u></b>

**Liabilities and Net Assets**

Liabilities

Accounts payable and accrued expenses (Note 8)	\$ 1,844,743
Refundable advances and deferred revenues (Note 9)	311,881
Other liabilities (Note 10)	4,054,314
Notes payable (Note 11)	1,000,000
<b>Total Liabilities</b>	<b><u>7,210,938</u></b>

Net Assets (Note 13)

Unrestricted:	
Board designated	210,210
Undesignated	6,617,021
	<u>6,827,231</u>
Temporarily restricted	16,193
Permanently restricted	440,423
<b>Total Net Assets</b>	<b><u>7,283,847</u></b>

<b>Total Liabilities and Net Assets</b>	<b><u>\$14,494,785</u></b>
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See notes to financial statements.

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**STATEMENT OF SUPPORT, REVENUES AND EXPENSES**  
**YEAR ENDED JUNE 30, 2013**

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
<b>Support and Revenues</b>				
Government grants and contracts	\$ 16,221,388	\$ -	\$ -	\$16,221,388
Contributions and private grants	1,316,557	-	367,167	1,683,724
Service fees	3,354,334	-	-	3,354,334
Other income and public support	172,504	-	-	172,504
Interest and dividend income	988	3,693	-	4,681
Net unrealized and realized loss on investment	-	(2,769)	-	(2,769)
Special events, net of \$33,345 costs of direct benefit to donors	367,490	-	-	367,490
	<u>21,433,261</u>	<u>924</u>	<u>367,167</u>	<u>21,801,352</u>
Net assets released from restrictions	-	-	-	-
<b>Total Support and Revenues</b>	<u>21,433,261</u>	<u>924</u>	<u>367,167</u>	<u>21,801,352</u>
<b>Expenses</b>				
<u><b>Program Services</b></u>				
Child care	5,635,986	-	-	5,635,986
Community services	4,502,829	-	-	4,502,829
Senior citizens' services	3,334,362	-	-	3,334,362
Youth services	3,268,414	-	-	3,268,414
Workforce	341,002	-	-	341,002
Literacy	103,818	-	-	103,818
<b>Total Program Services</b>	<u>17,186,411</u>	<u>-</u>	<u>-</u>	<u>17,186,411</u>
<u><b>Support Services</b></u>				
Management and general	2,533,460	-	-	2,533,460
Fundraising/development	75,964	-	-	75,964
<b>Total Support Services</b>	<u>2,609,424</u>	<u>-</u>	<u>-</u>	<u>2,609,424</u>
<b>Total Expenses</b>	<u>19,795,835</u>	<u>-</u>	<u>-</u>	<u>19,795,835</u>
Changes in Net Assets	1,637,426	924	367,167	2,005,517
Net Assets - Beginning of Year	<u>5,189,805</u>	<u>15,269</u>	<u>73,256</u>	<u>5,278,330</u>
Net Assets - End of the Year	<u>\$ 6,827,231</u>	<u>\$ 16,193</u>	<u>\$ 440,423</u>	<u>\$ 7,283,847</u>
See notes to financial statements.				

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2013**

	Program Services						Support Services			Total	
	Child Care	Community Services	Senior Citizens' Services	Youth Services	Workforce	Literacy	Total Program Services	Management and General	Fund- Raising	Total Support Services	Program & Support Services
Personnel Costs											
Salaries	\$ 3,693,314	\$ 2,529,508	\$ 1,702,059	\$ 2,071,969	\$ 225,970	\$ 76,802	\$ 10,299,622	\$ 1,132,651	\$ 18,384	\$ 1,151,035	\$ 11,450,657
Fringe benefits	850,513	789,435	482,588	530,368	73,483	26,841	2,753,228	402,751	1,709	404,460	3,157,688
Total Personnel Costs	4,543,827	3,318,943	2,184,647	2,602,337	299,453	103,643	13,052,850	1,535,402	20,093	1,555,495	14,608,345
Program Activities											
Educational materials	4,317	6,275	-	-	-	-	10,592	-	-	-	10,592
Food/non-food	373,751	8,813	673,406	9,167	-	-	1,065,137	835	-	835	1,065,972
Other program supplies	17,752	1,000	-	6,142	-	-	24,894	-	7,713	7,713	32,607
Participant expenses	130	54,340	12,174	44,549	-	-	111,193	-	-	-	111,193
Program services/fundraising	115,580	127,474	47,483	135,448	3,541	-	429,526	651	13,090	13,741	443,267
Professional Services											
Audit fees	-	-	-	-	-	-	-	57,800	-	57,800	57,800
Legal fees	-	-	-	-	-	-	-	8,593	-	8,593	8,593
Consultant	-	3,770	16,038	7,400	-	-	27,208	33,000	-	33,000	60,208
Payroll preparation	-	-	-	-	-	-	-	49,566	-	49,566	49,566
Occupancy Costs											
Rent	386,183	547,206	200,723	308,023	16,680	-	1,458,815	324,341	-	324,341	1,783,156
Utilities	10,144	44,508	10,122	17,185	-	-	81,959	26,187	-	26,187	108,146
Building maintenance and repairs	32,542	26,916	38,598	1,551	7,611	-	107,218	10,998	-	10,998	118,216
Others											
Supplies	70,198	81,966	102,053	48,040	2,385	175	304,817	4,656	-	4,656	309,473
Telephone	24,007	62,215	17,865	14,091	140	-	118,318	41,301	-	41,301	159,619
Internet maintenance	-	2,806	-	-	-	-	2,806	33,340	-	33,340	36,146
Insurance	-	-	-	-	-	-	-	250,556	-	250,556	250,556
Transportation/travel related	12,408	16,592	31,002	43,787	-	-	103,789	4,746	40	4,786	108,575
Equipment purchase/rental	10,918	24,281	-	30,256	11,192	-	76,647	12,423	10,110	22,533	99,180
Printing/postage/subscriptions	46	40,425	251	438	-	-	41,160	20,469	18,539	39,008	80,168
Promotion/public relations	5,784	22,003	-	-	-	-	27,787	28,973	-	28,973	56,760
Staff training/conference/advertising	28,399	107,630	-	-	-	-	136,029	3,245	6,379	9,624	145,653
Interest and loan fees	-	-	-	-	-	-	-	34,037	-	34,037	34,037
Depreciation and amortization	-	5,666	-	-	-	-	5,666	2,740	-	2,740	8,406
Miscellaneous	-	-	-	-	-	-	-	49,601	-	49,601	49,601
Total Expenses	\$ 5,635,986	\$ 4,502,829	\$ 3,334,362	\$ 3,268,414	\$ 341,002	\$ 103,818	\$ 17,186,411	\$ 2,533,460	\$ 75,964	\$ 2,609,424	\$ 19,795,835

See notes to financial statements.

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2013**

**Cash Flows from Operating Activities**

Changes in net assets	\$ 2,005,517
Adjustments to reconcile changes in net assets to net cash used in operating activities:	
Depreciation and amortization	8,406
Contributions restricted for long-term purposes	(367,167)
Investment income restricted for long-term investment	(3,693)
Unrealized loss on investments	2,769
(Increase) decrease in:	
Grants and contracts receivable	(34,272)
Accounts receivable	472,712
Prepaid expenses and deposits	(2,661)
Due from affiliates	(3,585,909)
Increase (decrease) in:	
Accounts payable and accrued expenses	244,272
Refundable advances and deferred revenues	22,959
Due to funding source	(61,273)
Other liabilities	212,440
Net cash used in operating activities	<u>(1,085,900)</u>

**Cash Flows from Investing Activities**

Purchase of equipment	(12,160)
Decrease in memorial plots	17,050
Net purchase of investments	<u>(1,105,239)</u>
Net cash used in investing activities	<u>(1,100,349)</u>

**Cash Flows from Financing Activities**

Proceeds from notes payable	1,000,000
Proceeds from contributions restricted for investment in permanent endowment	367,167
Investment income restricted for permanent reinvestment	<u>3,693</u>
Cash provided by financing activities	<u>1,370,860</u>
Net decrease in cash and cash equivalents	(815,389)
Cash and cash equivalents, beginning of year	<u>3,394,597</u>
Cash and cash equivalents, end of year	<u><u>\$ 2,579,208</u></u>

See notes to financial statements.



**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**1. ORGANIZATION**

Chinese-American Planning Council, Inc. ("CPC") is a not-for-profit corporation organized under the New York State not-for-profit corporation law. Its primary purpose is to provide multi-social and educational services to New York City's Chinese-American community.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting and Financial Statement Presentation**

CPC reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, described as follows:

*Unrestricted net assets* – Consists of net assets that are neither permanently nor temporarily restricted by donor-imposed stipulations.

*Temporarily restricted net assets* – Consists of assets whose use by CPC is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of CPC. The temporarily restricted assets include all revenues and contributions designated for program activities.

*Permanently restricted net assets* – Consists of assets whose use by CPC is subject to donor-imposed stipulations that the funds be maintained in perpetuity and only the interests earned from the investment of such funds may be released from restrictions and used in CPC's operations.

The financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

**Cash and Cash Equivalents**

For financial statement purposes, CPC considers all cash and other highly liquid instruments with original maturities of three months or less to be cash equivalents.

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS – CONTINUED**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Investments**

Investments in marketable securities with determinable fair values and all investments in debt securities are reported at their fair value in the Statement of Assets, Liabilities and Net Assets. All gains and losses arising from the sale or other disposition of investments and other non-cash assets are accounted for in CPC's operating fund as unrestricted and are included in the accompanying statement of support, revenues and expenses as part of other income and public support and are accounted for as follows:

- Increases in permanently restricted net assets if the terms of the donation require that they be added to the principal of permanently restricted net assets;
- Increases in temporarily restricted net assets if the terms of the donation impose restrictions on the current use of the income or net gains; and,
- Increases in unrestricted net assets in all other cases.

**Support and Revenues**

Grants and contributions are recorded as revenues when received, or when amounts and collectability are known, and considered to be available for unrestricted use unless specifically restricted by donors. Grants reimbursing expenditures are recognized as support for the amount expended during the period. Amounts received prior to the time related expenses were incurred are reflected as a liability to the funding source.

**Property and Equipment**

Property and equipment purchased with an acquisition cost of \$1,000 and above are carried at cost and those acquired by gifts and bequests are carried at appraised or fair market value at the date of the gift, less accumulated depreciation. Depreciation and amortization are computed on the straight-line method over the estimated useful lives of the assets.

Equipment purchased with funds provided through grant contracts under which title remains with the grantor are expensed at the time of purchase.

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS – CONTINUED**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Vacation Leave**

In accordance with the rules set forth in CPC's personnel manual and other union regulations that supplant the rules of the personnel manual, CPC has accrued \$616,692 of vacation expense on its financial statements.

**Contributed Services and Property**

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period services are provided. A substantial number of volunteers have donated significant amounts of time to CPC's various program services; however, these donated services are not reflected in the financial statements since they do not meet the recognition criteria.

**Interfund Obligations**

Interfund obligations are currently payable and do not bear interest.

**Allocation of Costs**

Allocation of common costs to programs is based on actual usage and percentage of personnel time devoted to each program. Allocation of funds to programs is determined in accordance with the grant provisions.

**Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. 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.

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS – CONTINUED**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Income Taxes**

CPC is exempt from income taxes pursuant to Section 501(c)(3) of Internal Revenue Code. Accordingly, no provision for federal and state income taxes has been recorded in these financial statements.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by CPC and recognize a tax liability if CPC has taken an uncertain tax position that more likely than not would be sustained upon examination by the Internal Revenue Service. CPC is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations prior to 2010.

**Endowment Funds**

CPC's endowment funds consist of three individual funds established for a variety of purposes and is reported in the permanently restricted net assets. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

CPC's Board of Directors has interpreted the New York Prudent Management of Institutional Funds Act ("NYPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds in the absence of explicit donor stipulations to the contrary. As a result of this interpretation, CPC classifies as permanently restricted net assets (a) the original value of gift donated to the permanent endowment, (b) the original value of subsequent gift to the permanent endowment, and (c) accumulations 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 in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by CPC in a manner consistent with the standard of prudence prescribed by NYPMIFA.

In accordance with NYPMIFA, CPC considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of CPC, and (7) CPC's investment policies.

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS – CONTINUED**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Endowment Funds – Continued**

*Investment Return Objectives, Risk Parameters and Strategies.* CPC had adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make annual distributions that satisfy the intent of the donor while growing the funds if possible. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

*Spending Policy.* CPC shall expend income and appreciation on the fund on a total return basis in accordance with standards applicable under the New York State Not-for-Profit Corporation Law and NYPMIFA at a percentage of total return deemed prudent by the board while meeting the intent of the donor. In establishing this policy, CPC considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. CPC expects the current spending policy to allow its endowment funds to grow at a nominal average rate of 5% annually. This is consistent with CPC's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

**3. CASH AND CASH EQUIVALENTS**

The account consists of the following as of June 30, 2013:

Petty cash funds	\$ 9,600
Operating funds	1,311,285
Payroll funds	1,111,845
Short-term certificates of deposit	<u>146,478</u>
	<u>\$ 2,579,208</u>

CPC maintains cash balances at several banks. Accounts at each institution are insured by the Federal Depository Insurance Coverage (FDIC) up to \$250,000.

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS – CONTINUED**

**4. GRANTS AND CONTRACTS RECEIVABLE**

The account consists of the following as of June 30, 2013:

From government grants	\$ 1,999,389
From private foundations	<u>132,643</u>
	<u>\$ 2,132,032</u>

**5. INVESTMENTS AND FAIR VALUE MEASUREMENTS**

Investments at June 30, 2013 are as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Level 2</u>
Certificates of deposit	\$ 2,307,969	\$ 2,307,969	\$ 2,307,969
Money market placements	413,673	413,673	413,673
Fixed income	220,831	243,213	243,213
Daily income fund	<u>36,400</u>	<u>36,400</u>	<u>36,400</u>
	<u>\$ 2,978,873</u>	<u>\$ 3,001,255</u>	<u>\$ 3,001,255</u>

Investments in certificates of deposit are carried at face value plus accrued earnings, which approximates its fair value. Fair values for investments in money market are determined based on net asset value of shares held by CPC at year-end. Fair values for investments in municipal bonds are determined based on bids, prices within the bid offer spread, closing prices or matrix methodology that uses data relating to other securities whose prices are more ascertainable to produce a hypothetical price based on the estimated yield spread relationship between the securities.

Investment income for the year ended June 30, 2013 is summarized as follows:

Interest and dividend income	\$ 4,681
Net depreciation in fair value of fixed income fund	<u>(2,769)</u>
	<u>\$ 1,912</u>

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS – CONTINUED**

**6. DUE FROM AFFILIATES**

Due from affiliates as of June 30, 2013 consist of the following:

Due from affiliates:

Nan Shan Local Development Corporation	\$ 4,127,015
Chinese-American Planning Council Home Attendant Program, Inc.	1,693,914
Chinatown Planning Council Housing Development Fund Co., Inc.	584,763
CPC Tribeca Center, Inc.	22,402
	<u>6,428,094</u>

Due to affiliates:

Chinese-American Local Development Corporation	(119,343)
	<u>(119,343)</u>
	<u>\$ 6,308,751</u>

**7. PROPERTY AND EQUIPMENT**

The account consists of the following as of June 30, 2013:

	<b>Estimated Life</b>	<b>Amount</b>
Leasehold improvements	5 years	\$ 206,148
Equipment	5 years	84,309
Furniture and fixtures	5 years	30,487
Vehicle	5 years	<u>28,328</u>
Total depreciable assets		349,272
Less: Accumulated depreciation and amortization		<u>(325,247)</u>
Property and Equipment, net		<u>\$ 24,025</u>

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS – CONTINUED**

**8. ACCOUNTS PAYABLE AND ACCRUED EXPENSES**

The account consists of the following as of June 30, 2013:

Vendor payables	\$ 215,376
Payroll and related taxes	<u>1,629,367</u>
	<u>\$ 1,844,743</u>

**9. REFUNDABLE ADVANCES AND DEFERRED REVENUES**

The account consists of the following as of June 30, 2013:

From funding sources	\$ 178,797
From fee for service programs	111,789
Program escrow	<u>21,295</u>
	<u>\$ 311,881</u>

**10. OTHER LIABILITIES**

The account consists of the following as of June 30, 2013:

Custodial funds	\$ 3,079,168
Others	<u>975,146</u>
	<u>\$ 4,054,314</u>

Included in others of \$975,146 is the \$166,750 grant for Karen Liu Child Care Staff Development Fund which is composed of \$113,750 received from Ong Family Foundation and \$53,000 from Lin and Susie Chen Foundation.

Certain programs of CPC formed advisory committees to raise funds for related and specific purposes. Disbursements from these funds must have the authorization from their respective advisory committees. CPC's role is to oversee that the disbursements are in accordance with CPC's by-laws and the restrictions originally set forth by the committees.



**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS – CONTINUED**

**10. OTHER LIABILITIES – CONTINUED**

As of June 30, 2013, the balances related to these activities, which are included in the accompanying financial statements, are as follows:

Cash and cash equivalents	\$ 648,641
Due from affiliates	194,390
Investments	2,190,778
Memorial plots	<u>45,359</u>
Total assets	3,079,168
Less: Total liabilities	<u>(3,079,168)</u>
Net Assets	<u>\$ -</u>

**11. NOTES PAYABLE**

On August 7, 2013, HSBC Bank USA renewed CPC's line of credit up to an aggregate amount of \$2,000,000 which expires on July 1, 2014. Borrowings under the line of credit bear interest at prime rate (3.25% at June 30, 2013) plus 1.00%. All borrowings are collateralized by substantially all assets of CPC.

CPC's credit agreement contains certain covenants that require, among other things, maintenance of minimum tangible net worth of \$3,500,000 as of December 31, 2012; full repayment to the Bank of all amounts outstanding respecting the facility for a period of 60 consecutive days in each year; and unencumbered deposits of \$8,000,000 at all times. As of June 30, 2013, CPC met all covenants.

The outstanding balance on the line of credit was \$1,000,000 at June 30, 2013. Interest expense for the year ended June 30, 2013 was \$29,209.

**12. LEASES**

CPC leases an office space at 150 Elizabeth Street, New York, New York under an operating lease, which commenced on June 1, 2004 and expired on May 31, 2009. The lease was modified and extended for a period of three years expiring on May 31, 2012. Effective June 1, 2012, a verbal agreement was made and the rent will be based on a monthly billing. It was also verbally agreed that both lessor and lessee will give a three-month notice regarding any anticipated changes to the agreement. Rental expense for the year ended June 30, 2013 amounted to \$275,550.

**CHINESE-AMERICAN PLANNING COUNCIL, INC.  
NOTES TO FINANCIAL STATEMENTS – CONTINUED**

**12. LEASES – CONTINUED**

CPC's Day Care Centers are negotiating for renewal of lease agreements except for Chung Pak Day Care, which has an operating lease agreement for twenty eight (28) years that commenced on July 1, 1993 and will end on June 30, 2021, at an annual rate of \$111,500. Rental expense for the year ended June 30, 2013 amounted to \$111,500.

Rental expense incurred by other programs operated by CPC for the year ended June 30, 2013 amounted to \$1,396,106.

**13. NET ASSETS**

**Board Designated Net Assets**

On November 14, 2007, CPC received \$600,000 from 365 Broadway Associates LLC, the Landlord, as compensation for the early termination and surrender of the lease agreement for its Community Services Program, effective April 19, 2007. The original lease agreement should have expired on October 31, 2007. This amount has since been designated by the Board to cover the following:

- a. costs to be incurred in leasing and renovating a new property for the program; and
- b. incremental rent expenses, in the event that the new location is to be leased at a higher rate.

As of June 30, 2013, total incremental costs incurred in relation to the new lease agreement amounted to \$389,790 and were offset against the \$600,000 payout received from the Landlord. Said funds are presented as part of CPC's unrestricted net assets that were designated by the Board to cover incremental rent expenses for the Community Services Program.

**Temporarily Restricted and Permanently Restricted Net Assets**

Permanently restricted net assets consist of endowment funds in the amount of \$440,423 at June 30, 2013.

The composition of and changes in donor-restricted endowment net assets as of June 30, 2013 are as follows:

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS – CONTINUED**

**13. NET ASSETS – CONTINUED**

**Temporarily Restricted and Permanently Restricted Net Assets – Continued**

	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total Net Endowment Assets</b>
Endowment net assets, beginning of year	\$ 15,269	\$ 73,256	\$ 88,525
Contributions	-	367,167	367,167
Interest and dividends	3,693	-	3,693
Net depreciation	(2,769)	-	(2,769)
Endowment net assets, end of year	<u>\$ 16,193</u>	<u>\$ 440,423</u>	<u>\$ 456,616</u>

**14. CONTINGENT LIABILITIES**

Grants and revenues from services rendered are subject to audit by the government agencies. In the past, CPC has been audited by the New York City Department of Youth and Community Development (NYC DYCD), the New York City Administration for Children's Services (NYC-ACS). Management indicated that there have been no reportable liabilities brought to its attention, and that there exists no material liabilities outstanding at the current time.

**15. CONCENTRATIONS OF CREDIT RISKS**

Financial instruments which potentially subject CPC to a concentration of credit risk are cash accounts with major financial institutions in excess of FDIC insurance limits. These financial institutions have strong credit ratings and management believes that credit risk related to these accounts is minimal.

CPC receives a substantial portion of its revenue from the U.S. Department of Health and Human Services passed through NYC-ACS, the New York City Department for the Aging, as well as from the U.S. Department of Labor passed through the NYC DYCD. If for any reason these grantors discontinue funding, there is a risk that CPC will not be able to continue operations and provide the services that it currently does.

**16. SUBSEQUENT EVENTS**

CPC has evaluated subsequent events through November 15, 2013, the date which the financial statements were available to be issued.

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2013**

<b>Federal Grantor/Passed through Grantor/Program or Cluster Title</b>	<b>Federal CFDA#</b>	<b>Pass Through Entity Identifying Number</b>	<b>Federal Expenditures</b>
<b><u>U.S. Department of Health and Human Services:</u></b>			
Passed through the City of New York			
<u>Administration for Children's Services</u>			
Child Care and Development Block Grant			
Day Care Programs	93.575	13-309	\$ 334,649
Infant Toddler	93.575	N/A	60,691
CCC & R	93.575	C025197	<u>1,289,263</u>
			<u>1,684,603</u>
Passed through the City of New York			
<u>Administration for Children's Services</u>			
Social Service Block Grant			
Asian Family Services	93.667	CT068-20120000279	<u>447,135</u>
Passed through the City of New York			
<u>Department for the Aging</u>			
Social Services Block Grant			
NY Chinatown Senior Center	93.667	20120001795	220,887
NY Chinatown Senior Center	93.667	20131408801	25,189
Project Open Door	93.667	20120000606	267,688
Project Open Door	93.667	20131409441	11,855
Queens Senior Citizen Center	93.667	29130000031	86,711
Queens Senior Citizen Center	93.667	20131408800	<u>25,017</u>
			<u>637,347</u>
			<u>1,084,482</u>
Passed through the City of New York			
<u>Department for the Aging</u>			
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations			
Medicare Outreach Program			
07/01/12-09/30/12	93.779	20121445217	6,510
10/01/12-06/30/13	93.779	20131410174	<u>5,000</u>
			<u>11,510</u>

See notes to schedule of expenditures of federal awards.

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS – CONTINUED**

<b>Federal Grantor/Passed through Grantor/Program or Cluster Title</b>	<b>Federal CFDA#</b>	<b>Pass Through Entity Identifying Number</b>	<b>Federal Expenditures</b>
<b><u>U.S. Department of Health and Human Services: – Continued</u></b>			
<b><u>Passed through Metropolitan Council on Jewish Poverty</u></b>			
State Child/Family Health Plus Program			
MCJP Child/Family Health Plus (B)			
07/01/12-12/31/12	93.767		\$ 19,318
01/01/13-06/30/13	93.767		18,993
			<u>38,311</u>
<b><u>Passed through New York State Office of Children and Family Services</u></b>			
Community-Based Child Abuse Prevention Grants			
Family Resource Center	93.590	C025420	20,933
Family Resource Center (Child Abuse Prevention)	93.590	C026561	71,777
			<u>92,710</u>
<b><u>Passed through New York Department of State</u></b>			
Community Services Block Grant			
Office for New Americans (Manhattan)	93.569	C1000121	63,150
<b><u>Passed through Korean Community Services of Metropolitan New York, Inc.</u></b>			
Community Services Block Grant			
Office for New Americans (Queens)	93.569	C1000126	16,071
<b><u>Passed through the City of New York Department of Youth and Community Development</u></b>			
Community Services Block Grant			
NDA Queens	93.569	840700/20100000538	73,640
NDA Manhattan	93.569	830301/20100000775	62,958
			<u>136,598</u>
<b><u>Passed through New York Department of State</u></b>			
Community Services Block Grant	93.569	C001406	32,898
			<u>248,717</u>
<b><u>Passed through New York State Office of Children and Family Services</u></b>			
Temporary Assistance for Needy Families			
Silver Grant and Settlement House	93.558	C026077	52,360

See notes to schedule of expenditures of federal awards.

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS – CONTINUED**

<u>Federal Grantor/Passed through Grantor/Program or Cluster Title</u>	<u>Federal CFDA#</u>	<u>Pass Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<b><u>U.S. Department of Health and Human Services: – Continued</u></b>			
<b><u>Passed through Seedco</u></b>			
Temporary Assistance for Needy Families			
Wage Subsidy Program	93.558	C020661	\$ 7,250
			<u>59,610</u>
<b><u>Passed through the City of New York</u></b>			
<b><u>Department for the Aging</u></b>			
Aging Cluster			
Special Programs for the Aging - Title III, Part B –			
Grants for Supportive Services and Senior Centers			
Queens Senior Citizens Center	93.044	20131408800	6,940
NY Chinatown Senior Center	93.044	20131408801	14,037
Project Open Door	93.044	20131409441	34,246
 Special Programs for the Aging - Title III, Part C –			
Nutrition Services			
NY Chinatown Senior Center	93.045	20130000208	59,092
NY Chinatown Senior Center	93.045	20131408801	88,641
Project Open Door	93.045	20120000606	68,689
Project Open Door	93.045	20131409441	116,196
Queens Senior Citizens Center	93.045	20130000031	39,361
Queens Senior Citizens Center	93.045	20131408800	68,782
 Nutrition Services Incentive Program			
NY Chinatown Senior Center	93.053	20130000208	21,080
NY Chinatown Senior Center	93.053	20131408801	30,545
Project Open Door	93.053	20120000606	21,474
Project Open Door	93.053	20131409441	30,052
Queens Senior Citizens Center	93.053	20131408800	16,352
Queens Senior Citizens Center	93.053	20130000031	<u>13,551</u>
 Total Aging Cluster			 <u>629,038</u>
 Total for U.S. Department of Health & Human Services			 <u>3,848,981</u>

See notes to schedule of expenditures of federal awards.

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS – CONTINUED**

<b>Federal Grantor/Passed through Grantor/Program or Cluster Title</b>	<b>Federal CFDA#</b>	<b>Pass Through Entity Identifying Number</b>	<b>Federal Expenditures</b>
<b><u>U.S. Department of Education:</u></b>			
Passed through the State of New York <u>Department of Education</u>			
21st Century Community Learning Center	84.287	C401179	\$ <u>71,596</u>
<b>Total U.S. Department of Education</b>			<b><u>71,596</u></b>
<b><u>U.S. Department of Labor:</u></b>			
Passed through the City of New York Department <u>of Youth and Community Development</u>			
WIA Cluster			
WIA Youth Activities			
OST High School Queens			
09/01/12-06/30/13	17.259	20131407060	70,889
09/01/10-08/31/11 Extended (07/01/12-08/31/12)	17.259	20100011367	456
09/01/11-06/30/12 Extended (07/01/12-06/30/13)	17.259	20100011367	13,125
OST High School Manhattan			
09/01/12-06/30/13	17.259	20131407147	100,537
09/01/10-08/31/11 Extended (07/01/12-08/31/12)	17.259	20100011114	1,751
09/01/11-06/30/12 Extended (07/01/12-06/30/13)	17.259	20100011114	21,695
YEP/In-School (SYEP) (Manhattan)	17.259	20121437952	<u>15,677</u>
<b>Total WIA Cluster</b>			<b><u>224,130</u></b>
<b><u>Passed through the Research Foundation of CUNY</u></b>			
Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282	49245-B	<u>73,416</u>
<b><u>Passed through the Senior Service America, Inc.</u></b>			
Senior Community Service Employment Program	17.235	AD 23234-12-55-A-24	<u>921,937</u>
<b>Total for U.S. Department of Labor</b>			<b><u>1,219,483</u></b>

See notes to schedule of expenditures of federal awards.

**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS – CONTINUED**

<b>Federal Grantor/Passed through Grantor/Program or Cluster Title</b>	<b>Federal CFDA#</b>	<b>Pass Through Entity Identifying Number</b>	<b>Federal Expenditures</b>
<b><u>U.S. Department of Justice:</u></b>			
Passed through the New York State			
<b><u>Division of Criminal Justice Services</u></b>			
Edward Byrne Memorial Justice Assistance			
Grant Program			
07/01/12-12/31/12	16.738	C632547	\$ 54,865
01/01/13-06/30/13	16.738	C632686	5,833
			<u>60,698</u>
<b>Total for U.S. Department of Justice</b>			<u><b>60,698</b></u>
<b><u>U.S. Department of Agriculture (USDA):</u></b>			
<b><u>Passed through the Hunger Solutions New York</u></b>			
State Administrative Matching Grants for the Supplemental			
Nutrition Assistance Program			
Nutrition Outreach and Education Program	10.561	C021045	43,677
<b><u>Passed through the State of New York Department of Health</u></b>			
Child and Adult Care Food Program			
07/01/12-09/30/12	10.558	03111	172,649
10/01/12-06/30/13	10.558	03111	273,771
			<u>446,420</u>
<b>Total for U.S. Department of Agriculture</b>			<u><b>490,097</b></u>
<b>Total Federal Expenditures</b>			<u><b>\$ 5,690,855</b></u>

See notes to schedule of expenditures of federal awards.



**CHINESE-AMERICAN PLANNING COUNCIL, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2013**

**1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of CPC under programs of the federal government for the year ended June 30, 2013. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Government, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of CPC, it is not intended to and does not present the financial position, changes in net assets or cash flows of CPC.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

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

To the Board of Directors of  
Chinese-American Planning Council, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Chinese-American Planning Council, Inc. ("CPC"), which comprise the statement of financial position as of June 30, 2013, and the related statements of support, revenues, and expenses, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 15, 2013.

**Internal Control over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether CPC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CPC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*BCA Watson Rice LLP*

New York, New York  
November 15, 2013

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR FEDERAL PROGRAM AND REPORT  
ON INTERNAL CONTROL OVER COMPLIANCE**

To the Board of Directors of  
Chinese-American Planning Council, Inc.

**Report on Compliance for Each Major Federal Program**

We have audited Chinese-American Planning Council, Inc.'s ("CPC") compliance with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement* that could have a direct and material effect on each of CPC's major federal programs for the year ended June 30, 2013. CPC's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of CPC's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about CPC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of CPC's compliance.

***Opinion on Each Major Federal Program***

In our opinion, CPC complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
- CONTINUED**

**Report on Internal Control over Compliance**

Management of CPC is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered CPC's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of CPC's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*BCA Watson Rice LLP*

New York, New York  
November 15, 2013

**CHINESE-AMERICAN PLANNING COUNCIL, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2013**

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements**

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?           yes       ✓      no

Significant deficiency(ies) identified?           yes       ✓      none reported

Noncompliance material to financial statements noted?           yes       ✓      no

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?           yes       ✓      no

Significant deficiency(ies) identified?           yes       ✓      none reported

Type of auditor’s report issued on compliance  
for major programs: Unmodified

Any audit findings disclosed that are required to be reported  
in accordance with Section 510(a) of OMB Circular A-133?           yes       ✓      no

**Identification of Major Programs**

<u>CFDA No.</u>	<u>Name of Federal Program or Cluster</u>
93.667	Social Services Block Grant
93.044/45/53	Aging Cluster

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

Auditee qualified as a low-risk auditee?       ✓      yes           no

**CHINESE-AMERICAN PLANNING COUNCIL, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED**

**SECTION II – FINANCIAL STATEMENT FINDINGS**

**Current Year**

None noted.

**Prior Year**

None noted.

**SECTION III – FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

**Current Year**

None noted.

**Prior Year**

None noted.