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CITY OF YONKERS
DEPARTMENT OF INSPECTOR GENERAL

**PERIODIC REPORT OF GRANT FUNDING FOR
COMMUNITY BASED ORGANIZATIONS**

To: Mayor Mike Spano
Liam McLaughlin, City Council President
Members of the Yonkers City Council
Vincent Spano, Yonkers City Clerk

From: Brendan J. McGrath, Inspector General

A handwritten signature in black ink, appearing to be "B. McGrath", written over the "From:" line.

Re: Grant Inspection and Review Report for
Family Service Centers of Yonkers and
JCY Westchester Community Partners

Date: February 1, 2016

This report is issued in response to City Council Resolution No. 52-2008 which directs the Inspector General to “develop an ongoing oversight program to monitor Community Based Organizations and other entities that receive grant funding from the City of Yonkers” and Resolution No. 94-2008 which directs the Inspector General to “move forward” with the plan that was submitted.

Summary of Findings and Recommendations

The Jewish Federation of Yonkers (“Federation”) was a domestic not-for-profit corporation formed in 1920 and in existence until 2013. The Federation was established in 1919 in response to an increasing Jewish population, to serve as a meeting place for teens and children, which soon lead to the acquisition of additional locations. In 1973, the Federation changed its name to the Jewish Council of Yonkers and again in 2008 to the Jewish Council of Yonkers-Westchester Community Partners (“JCY-WCP”) to reflect all of the programs and services provided throughout Westchester County. In 2013, the JCY-WCP merged with the Family Services Society of Yonkers (“FSSY”), domestic not-for-profit corporation pursuant to Internal Revenue Code §501(c)(3), and became a division of the FSSY.

The FSSY was founded in 1883 as the Charity Organization Society of the City of Yonkers, and focused on providing support for families and individuals in the Yonkers area through a variety of services and programs. Programs provided by the FSSY include home health care for the elderly and physically disabled, which is licensed by the New York State Department of Health, services in support of grandparents and relative caregivers who are also raising children, and guardianship assignments from the Courts of the State of New York pursuant to the Mental Hygiene Law.

Our review of the JCY-WCP reveals that adequate financial controls are in place to ensure that the Year 39 Community Development Block Grants¹ (“CDBGs”) discussed below were used properly and in accordance with the agreements between the City of Yonkers and the JCY.

Organizational Overview

As a result of its 2013 merger with the FSSY, the JCY-WCP emerged with a core mission of enhancing the educational experience of children in Yonkers and Westchester County through effective learning initiatives and the engagement of volunteer mentors. It is located at 30 South Broadway, Yonkers, New York 10701. It has a full time staff of approximately 70 employees, 200 part time homecare aids, and approximately 700 dedicated volunteers.² Programs administered by the JCY-WCP include Students and Mature Adults Read Together (“SMART”), a literacy program pairing adult volunteers with at-risk school age kids to improve basic reading and academic skills, in the Yonkers Public Schools and the Yonkers Riverfront Library, and a Summer Reading Buddies Program, pairing children with adult volunteers for summer reading projects.

The JCY-WCP also sponsors Students Teach Adults Computer Knowledge (“STACK”), which uses high school students to provide older adults with computer training.

Moreover, the JCY-WCP sponsors a Holocaust Remembrance Program, a one-week program in the spring in which approximately 2000 students of the Yonkers Public Schools attend. This program, in existence for more than 20 years, offers live accounts provided by Holocaust survivors, with the hope that students would apply those lessons learned to develop a sense of tolerance and understanding of others.

Our review will concentrate on the Summer Reading Buddies program, the Holocaust Remembrance Program, and SMART.

Grant Summary

Under applicable HUD regulations, “Basically CDBG”, a publication from the HUD Office of Block Grant Assistance, dated November 2007, programs that receive funding must

¹ Funding sources for Community Development Block Grants are received from the United States Government under Title 1 of the Housing and Community Development Act of 1974 and administered by the U.S Department of Housing and Urban Development.

² See JCY Westchester Community Partners 2012-2013 Annual Program Report.

document that at least 51% of the program recipients are of low to moderate income. According to the JCY-WCP, approximately 75% of students attending the Yonkers Public Schools are from families of low to moderate incomes, thereby qualifying the JCY-WCP for the CDBGs.

According to figures provided by Janice Lubin Kirshner, Senior Director of the JCY-WCP, in 2013, more than \$542,000 in public and private funds were received and devoted to funding various programs.

For Year 39 of the CDBG program, the City of Yonkers, through the Yonkers Department of Planning and Development, approved the following grants:

1. A CDBG in the amount of \$4,000 was issued as a reimbursement for wages and program supplies to sponsor a Holocaust Remembrance Program for more than 2,000 Yonkers Public Schools students, from the 5th grade through 12th grade, for one week at the Lincoln Park Jewish Center in Yonkers.

Our review of documentation submitted by JCY-WCP indicates that by letter dated November 21, 2013, the JCY-WCP provided the Yonkers Department of Planning with a billing schedule reflecting the expenditure of \$4,000 for wages and supplies associated with the Holocaust Remembrance Program, for which reimbursement was approved by the Yonkers Department of Planning and payment made by the City of Yonkers in or about January 2014. Documentation submitted by the JCY-WCP indicates that the CDBG was applied to the following expenditures:

\$1,100	Salary for JCY-WCP Executive Director
\$2,500	Salary for JCY-WCP Director of Intergenerational Programs
\$400	Program and office supplies, telephone and postage
Total	<u>\$4,000</u>

2. A CDBG in the amount of \$28,000 was issued as reimbursement for wages and benefits and program expenses associated with the SMART program. This program paired 246 mentors/volunteers with 311 Yonkers Public Schools students reading below grade level, during the school year, to help the students improve their reading level, thereby improving self-esteem.

Our review of documentation submitted by JCY-WCP indicates that JCY-WCP received the full amount of the \$28,000 in two payments. By letter dated November 21, 2013, the JCY-WCP provided the Yonkers Department of Planning with a billing schedule reflecting the expenditure of \$20,947 for wages and program expenses associated with the administration of the SMART program. The Yonkers Department of Planning approved the payment in or about January 2014. Documentation submitted by the JCY-WCP indicates that the CDBG was applied to the following expenditures:

\$8,475	Salary for JCY-WCP Executive Director
\$1,800	Salary for JCY-WCP Program Coordinator
\$4,500	Salary for JCY-WCP Director of Intergenerational Programs

\$1,800	Salary for JCY-WCP Executive Administrator/Office Manager
\$1,800	Salary for JCY-WCP Finance and IT Coordinator
\$525	Fringe Benefits for JCY-WCP Personnel
\$1,575	Rental of Space
\$210	Office Supplies
\$210	Telephone
\$52	Postage

Total \$20,947

By letter dated April 10, 2014, JCY-WCP requested a second drawdown consisting of the remaining \$7052.50 of the CDBG. Documentation submitted by JCY-WCP shows that this portion of the CDBG was applied to the following expenditures:

\$2,825	Salary for JCY-WCP Executive Director
\$600	Salary for JCY-WCP Program Coordinator
\$1500	Salary for JCY-WCP Director of Intergenerational Programs
\$600	Salary for JCY-WCP Executive Administrator/Office Manager
\$600	Salary for JCY-WCP Finance and IT Coordinator
\$175	Fringe Benefits
\$70	Office Supplies
\$70	Professional Fees for Consultant
\$525	Rental of Space
\$70	Telephone
\$17	Postage

Total \$7,052

3. A CDBG in the amount of \$15,000 was issued as reimbursement for wages and program expenses associated with the Summer Reading Buddies Program, held two times per week during the summer at the Yonkers Riverfront Library. Our review of JCY-WCP documentation, reveals over 250 volunteers worked with 880 Yonkers Public Schools students and their families from southwest Yonkers with low to moderate incomes to complete summer reading assignments, thereby qualifying the JCY-WCP for the CDBG.

Further review of the documentation submitted by the JCY-WCP by letter dated November 21, 2013, the JCY-WCP provided the Yonkers Department of Planning with a billing schedule reflecting the expenditure of \$15,000 in connection with the administration of the Summer Reading Buddies Program. The Yonkers Department of Planning approved the payment in or about January 2014. Documentation submitted by the JCY-WCP indicates that the CDBG was applied to the following expenditures:

\$5,500	Salary for JCY-WCP Executive Director
\$2,500	Salary for JCY-WCP Program Coordinator
\$2,500	Salary for JCY-WCP Director if Intergenerational Programs
\$1,000	Salary for JCY-WCP Executive Administrator/Office Manager

\$1,000	Salary for JCY-WCP Finance and IT Coordinator
\$1,750	Personnel Fringe Benefits
\$100	Office Supplies
\$550	Rental of Space
\$50	Telephone
\$50	Postage

Total \$15,000

Site Visit

On September 28, 2015, this office met with Ms. Kirschner, Senior Director of the JCY-WCP, and Seth Berman, Executive Director of the FSSY at their offices at 30 South Broadway in Yonkers.

Mr. Berman described the FSSY as a family service agency whose focus is on adult services, and is the largest provider of kinship services, referring to those instances where grandparents and other relatives care for children. The FSSY also functions as a home care agency licensed by the NYS Department of Health and receives guardianship assignments from the Courts of the State of New York pursuant to the Mental Hygiene Law. Mr. Bernam noted that the FSSY was the recipient of the 2015 Cura Award , which is the New York State Kincare Coalition Award for Outstanding Service.

Ms. Kirschner described the JCY-WCP as a leader in providing intergenerational programs engaging adult volunteers in the education of children. Ms. Krischner stated that 90% of those volunteering for the JCY-WCP, remain part of the programs for years. Such programs include the Holocaust Remembrance Program, the SMART Program and the Summer Reading Buddies Program as described above. The programs administered by the JCY-WCP take place at approximately 40 sites in Westchester County, 29 of which are within the City of Yonkers, including Yonkers Public Schools and the City’s Public Libraries.

Program Participants

Pursuant to its contracts with the City of Yonkers, the JCY-WCP, as a recipient of Year 39 CDBGs, submitted progress reports attesting to the services provided and the level of participation. All of the participants in each of the three programs for which the CDBGs were allocated were students within the Yonkers Public Schools. In the Yonkers Public Schools, in 2012, 68% of the students were eligible for free lunches and another 7% of the students are entitled to a reduced lunch.³ Moreover, according to the Yonkers Department of Planning, those participating in the free or reduced lunch program are considered to come from families that are of low to moderate incomes.⁴

³ See, Profile, District Yonkers City School District, July 31, 2013.

⁴ See also, www.naviance.com in which a study concluded that a majority of students attending the Yonkers Public Schools come from low to moderate income families.

Internal Controls

This office found that the JCY-WCP and the Yonkers Department of Planning provided the appropriate documentation in support of the CDBG funding. Moreover, our review indicates that there were sufficient internal controls in place to ensure that each of the grants referenced above, were spent for their intended uses and in accordance with the JCY-WCP's agreements with the City of Yonkers.

Ms. Kirshner stated that the JCY-WCP is governed by a volunteer board that meets at a minimum of six times per year and that one of the functions is to approve the annual budget of the organization. According to Mark Mirsky, Controller, day to day payments are submitted to the person in charge of a particular program and forwarded to an administrator, and finally to an assistant Controller for payment. All payments are reviewed by the controller. Mr. Mirsky added that any bills over \$10,000 require the approval of the Controller, the Executive Director and one Board member, usually the President of the Board or the Treasurer of the Board. Department supervisors are responsible for signing attendance sheets which are then submitted to the human resources manager. Moreover, the JCY-WCP has retained the services of Lederer, Levine & Associates, LLC, a professional accounting firm, to conduct its independent audits. An auditor's report issued as of June 30, 2013 and 2012 reveals that JCY-WCP is operating in conformity with generally accepted accounting principles.

Conclusions

JCY-WCP is actively involved with the Yonkers Public Schools by providing a variety of educational and informational program for the benefit of the students. Our review of the JCY-WCP and the programs offered finds that each of the grants addressed above were used appropriately in accordance with JCY-WCP's agreements with the City of Yonkers. Moreover, our review indicates that JCY-WCP has a system of internal financial controls that ensures adequate safeguard of its funds.