

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY  
(a component unit of The City of New York)

Basic Financial Statements,  
Supplementary Information and  
Independent Auditors' Report

June 30, 2023 and 2022

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
The Mayor's Fund to Advance New York City:

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of the business-type activities of The Mayor's Fund to Advance New York City (the Fund), as of and for the years ended June 30, 2023 and 2022, and the related notes to financial statements, which collectively comprise the Fund's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of The Mayor's Fund to Advance New York City, as of June 30, 2023 and 2022, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### Adjustments to Prior Period Financial Statements

As discussed in note 10 to the financial statements, the Organization has restated its 2022 financial statements during the current year to include liabilities and revenue that were previously excluded, in accordance with principals generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 16, 2023 on our consideration of the Fund'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's 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 Fund's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York  
October 16, 2023

# THE MAYOR'S FUND TO ADVANCE NEW YORK CITY

## Management's Discussion and Analysis

June 30, 2023 and 2022

This section of The Mayor's Fund to Advance New York City's (the Fund) annual financial report presents management's discussion and analysis of the Fund's financial performance during the years ended June 30, 2023 and 2022. Please read it in conjunction with the Fund's financial statements and accompanying notes.

### Overview of the Financial Statements

This report consists of two parts: management's discussion and analysis (this section) and the basic financial statements. The basic financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). The Fund follows enterprise fund reporting; therefore, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting.

The statements of net position presents the financial position of the Fund as of June 30, 2023 and 2022. It provides information about the nature and the amount of resources (assets), plus deferred outflows (as applicable), obligations (liabilities), plus deferred inflows (as applicable) and net position.

The statements of revenue, expenses and changes in net position presents the change in net position over the course of the years ended June 30, 2023 and 2022. The change in net position may be useful in assessing whether the financial position improved or deteriorated for the year.

The statements of cash flows presents the cash activities segregated by four major cash flow categories: operating activities, noncapital financing activities, capital and related financing activities and investing activities. This statement may be useful in determining the changes in liquidity and in understanding how cash was used during the years ended June 30, 2023 and 2022.

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

### Financial Highlights

The Fund works closely with many New York City (the City or NYC) agencies to support and strengthen innovative public programs serving the City's residents. Each initiative undertaken by the Mayor's Fund is unique. Some initiatives are one-year pilot programs while others are multi-year projects. Thus, annual contributions and expenses are not directly correlated and expect to fluctuate from year to year depending on which year contributions are received and program expenses are incurred. Highlights of 2022-23 initiatives enhanced through private support include:

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY  
Management's Discussion and Analysis, Continued

**CUNY College Now for Careers**

College Now for Careers is an expansion of the long-standing College Now partnership between NYC Public Schools (NYCPS) and the City University of New York (CUNY). The largest early college credit program in the country, College Now serves 22,000 unique high school students per year, giving them a leg up in their college enrollment, persistence and completion.

CUNY's office of K16 Initiatives will facilitate the creation of College Now classes for NYCPS high school students, offering 1,000 spots focused on Science, Technology, Engineering and Math (STEM) and career-connected learning related to evidence-informed high-need occupations in New York City (NYC). The Mayor's Office of Talent and Workforce Development partners with CUNY and NYCPS to manage this expansion of the College Now program.

**ExpandedED Schools - Exploring Futures**

Exploring Futures is a career exploration pilot program of the Mayor's Office of Talent and Workforce Development intended to enhance middle school students' awareness of different potential career paths, helping them develop a future-ready mindset by combining classroom learning with engaging career exposure opportunities through online activities, and employer and college site visits. Launched in July 2022, this multi-year pilot will work with community based organization partners at participating school sites.

**GreenThumb Program**

NYC Parks GreenThumb, a program of the NYC Department of Parks and Recreation established in 1978, is the nation's largest urban community gardening program. GreenThumb supports more than 550 community gardens and 20,000 volunteer gardeners each year with materials such as garden tools, outdoor furniture, gardening materials, as well as technical assistance, educational workshops, and more.

**New York City Junior Ambassador Program**

The New York City Junior Ambassador (NYCJA) program is an award-winning youth program that leverages the United Nations as a resource for NYC 7th, 8th, and 9th graders and their educators across the five boroughs of New York City. A partnership of the Mayor's Office International Affairs, NYCJA empowers young people to become actively engaged with the United Nations and its mission of addressing some of the most pressing challenges in the world, from climate change, poverty, health, to inequities, a rare but first-of-its kind unique enrichment opportunity. The program targets New York City youth at a critical time in their personal and intellectual growth and seeks to help them understand the real connections between themselves, their city, and the world. The program has reached more than 3,500 youth and educators since 2015.

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY  
Management's Discussion and Analysis, Continued

During the year ended June 30, 2023, the Fund's total net position decreased by \$886,891, or 6%, from the previous year due to the following changes in revenue and expenses:

- During the year ended June 30, 2023, total contributions and grants were \$9,625,967, a decrease of \$9,168,580, or 49%, from the year ended June 30, 2022.
- During the year ended June 30, 2023, total expenses were \$11,646,038 a decrease of \$9,194,856, or 44%, from the previous year.

During the year ended June 30, 2022, the Fund's total net position decreased by \$2,727,347, or 15%, from the previous year due to the following changes in revenue and expenses:

- During the year ended June 30, 2022, total contributions and grants were \$18,794,547, an increase of \$911,103, or 5%, from the year ended June 30, 2021.
- During the year ended June 30, 2022, total expenses were \$20,840,894, a decrease of \$7,374,585, or 26%, from the previous year.

Financial Analysis of the Fund

Net position - The following tables summarize the net position at June 30, 2023, 2022 and 2021:

	<u>2023</u>	<u>2022</u> <u>(As restated)</u>	<u>Percent</u> <u>change</u>
Total assets	\$ 15,988,724	17,518,316	(8.73%)
Total liabilities	<u>(1,744,331)</u>	<u>(2,387,032)</u>	(26.92%)
Net position	<u>14,244,393</u>	<u>15,131,284</u>	(5.86%)
Net position:			
Restricted expendable	14,378,126	15,128,957	(4.96%)
Unrestricted	<u>(133,733)</u>	<u>2,327</u>	(5847.01%)
Total	<u>\$ 14,244,393</u>	<u>15,131,284</u>	(5.86%)



THE MAYOR'S FUND TO ADVANCE NEW YORK CITY  
Management's Discussion and Analysis, Continued

	2022 <u>(As restated)</u>	<u>2021</u>	Percent <u>change</u>
Total assets	\$ 17,518,316	28,518,749	(38.57%)
Total liabilities	<u>(2,387,032)</u>	<u>(10,660,118)</u>	(77.61%)
Net position	<u>15,131,284</u>	<u>17,858,631</u>	(15.27%)
Net position:			
Restricted expendable	15,128,957	16,101,917	(6.04%)
Unrestricted	<u>2,327</u>	<u>1,756,714</u>	(99.87%)
Total	<u>\$ 15,131,284</u>	<u>17,858,631</u>	(15.27%)

Operating activities - The Fund receives contributions for programs that benefit the City. Grant revenue is earned when the Fund has complied with the terms and conditions of the grant agreements. The following tables summarizes the activities of the Fund for years ended June 30, 2023, 2022 and 2021:

	<u>2023</u>	2022 <u>(As restated)</u>	Percent <u>change</u>
Contributions and grants	\$ <u>9,625,967</u>	<u>18,794,547</u>	(48.78%)
Operating expenses:			
Program services	10,974,991	19,983,568	(45.08%)
Management and general	305,449	566,310	(46.06%)
Fundraising	<u>365,598</u>	<u>291,016</u>	25.63%
Total operating expenses	<u>11,646,038</u>	<u>20,840,894</u>	(44.12%)
Operating loss	(2,020,071)	(2,046,347)	(1.28%)
Nonoperating revenue (expense)	<u>1,133,180</u>	<u>(681,000)</u>	(266.40%)
Changes in net position	<u>\$ (886,891)</u>	<u>(2,727,347)</u>	(67.48%)

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY  
Management's Discussion and Analysis, Continued

	2022 <u>(As restated)</u>	<u>2021</u>	Percent <u>change</u>
Contributions and grants	<u>\$ 18,794,547</u>	<u>17,883,444</u>	5.09%
Operating expenses:			
Program services	19,983,568	27,347,797	(26.93%)
Management and general	566,310	535,655	5.72%
Fundraising	<u>291,016</u>	<u>332,027</u>	(12.35%)
Total operating expenses	<u>20,840,894</u>	<u>28,215,479</u>	(26.14%)
Operating loss	(2,046,347)	(10,332,035)	(80.19%)
Nonoperating revenue (expense)	<u>(681,000)</u>	<u>783,304</u>	(186.94%)
Changes in net position	<u>\$ (2,727,347)</u>	<u>(9,548,731)</u>	(71.44%)

General Outlook

The Fund will continue to raise and accept contributions in support of public programs addressing the needs and general welfare of New Yorkers. This may include building partnerships and sharing best practices with local, state and federal stakeholders. To achieve its goals, the Fund is reliant on the generosity of individuals, foundation and corporations, which play a crucial role in making the City safer, healthier, and an even more vibrant and dynamic place to live and work.

Contacting the Fund's Financial Management

The financial report is designed to provide donors with a general overview of the Fund's finances and to demonstrate the Fund's accountability for the grants and contributions that it receives. If you have questions about this report, or need additional financial information, contact the Fund at 253 Broadway, 6<sup>th</sup> Floor, New York, NY 10007.

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY  
 Statements of Net Position  
 June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u> <u>(As restated)</u>
Assets:		
Current assets:		
Cash and equivalents	\$ 3,952,787	5,184,229
Contributions and grants receivable, net	1,317,443	1,187,887
Investments	10,718,494	11,140,785
Prepaid expense	<u>          -</u>	<u>      5,415</u>
Total assets	<u>15,988,724</u>	<u>17,518,316</u>
Liabilities - current liabilities - accounts payable and accrued expenses	<u>1,744,331</u>	<u>2,387,032</u>
Net position:		
Restricted expendable	14,378,126	15,128,957
Unrestricted (deficit)	<u>(133,733)</u>	<u>      2,327</u>
Total net position	<u>\$ 14,244,393</u>	<u>15,131,284</u>

See accompanying notes to financial statements.

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY  
Statements of Revenue, Expenses and Changes in Net Position  
Years ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u> (As restated)
Operating revenue:		
Support and revenue - contributions and grants:		
Unrestricted	\$ 590,058	569,798
Restricted	<u>9,035,909</u>	<u>18,224,749</u>
Total operating revenue	<u>9,625,967</u>	<u>18,794,547</u>
Operating expenses:		
Program services	10,974,991	19,983,568
Management and general	305,449	566,310
Fundraising	<u>365,598</u>	<u>291,016</u>
Total operating expenses	<u>11,646,038</u>	<u>20,840,894</u>
Operating loss	<u>(2,020,071)</u>	<u>(2,046,347)</u>
Nonoperating revenue (expenses):		
City of New York contract	700,000	700,000
Employee retention credit	492,217	-
Net investment loss	(421,752)	(1,597,408)
Interest income	<u>362,715</u>	<u>216,408</u>
Total nonoperating revenue (loss)	<u>1,133,180</u>	<u>(681,000)</u>
Change in net position	(886,891)	(2,727,347)
Net position at beginning of year, as restated	<u>15,131,284</u>	<u>17,858,631</u>
Net position at end of year, as restated	<u>\$ 14,244,393</u>	<u>15,131,284</u>

See accompanying notes to financial statements.

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY  
Statements of Cash Flows  
Years ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u> <u>(As restated)</u>
Cash flows from operating activities:		
Receipts from contributions and grants	\$ 9,496,411	18,964,027
Payments to vendors and grantees	(11,351,019)	(27,700,336)
Payments for salaries and related costs	<u>(932,305)</u>	<u>(1,062,597)</u>
Net cash used in operating activities	<u>(2,786,913)</u>	<u>(9,798,906)</u>
Cash flows from noncapital financing activities:		
Receipts from City of New York contract	700,000	700,000
Receipts from employee retention credit	<u>492,217</u>	<u>-</u>
Net cash provided by noncapital financing activities	<u>1,192,217</u>	<u>700,000</u>
Cash flows from investing activities:		
Proceeds from sale of investments	331,551	5,219,250
Purchases of investments	(331,012)	(242,687)
Interest income	<u>362,715</u>	<u>216,408</u>
Net cash provided by investment activities	<u>363,254</u>	<u>5,192,971</u>
Net change in cash and equivalents	(1,231,442)	(3,905,935)
Cash and equivalents at beginning of year	<u>5,184,229</u>	<u>9,090,164</u>
Cash and equivalents at end of year	<u>\$ 3,952,787</u>	<u>5,184,229</u>
Reconciliation of operating income to net cash used in operating activities:		
Operating loss	(2,020,071)	(2,046,347)
Adjustments to reconcile operating loss to net cash used in operating activities - changes in:		
Contributions and grants receivable	(129,556)	319,480
Prepaid expenses	5,415	201,047
Accounts payable and accrued expenses	(642,701)	(8,123,086)
Contributions and grants received in advance	<u>-</u>	<u>(150,000)</u>
Net cash used in operating activities	<u>\$ (2,786,913)</u>	<u>(9,798,906)</u>

See accompanying notes to financial statements.

# THE MAYOR'S FUND TO ADVANCE NEW YORK CITY

## Notes to Financial Statements

June 30, 2023 and 2022

### (1) The Fund

The Mayor's Fund to Advance New York City (the Fund) is a not-for-profit organization established to support innovative initiatives of The City of New York's (the City) agencies, such as the Departments of Parks and Recreation, Consumer Affairs, Health and Mental Hygiene, Youth and Community Development, and Cultural Affairs. The Fund is dedicated to creating partnerships between the City and the private sector in an effort to enhance public programs and improve the quality of life for the City's residents. The Fund is a component unit of the City, and the Mayor of the City appoints all of its board members.

The Fund was initially incorporated under the name New York City Public Private Initiatives, Inc., in June 1994, under the New York State Not-for-Profit Corporation Law. The Fund adopted the current name in July 2003. The Fund is considered a public charity and, as such, is exempt from income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code (IRC).

### (2) Summary of Significant Accounting Policies

#### (a) Basis of Accounting

The Fund's accounting policies conform to accounting principles generally accepted in the United States of America (GAAP) and applicable Governmental Accounting Standards Board (GASB) pronouncements.

For financial reporting purposes, the Fund is considered to be a special-purpose entity engaged only in business-type activities. GASB defines business-type activities as activities financed in whole or in part by fees charged to external parties for goods or services. Accordingly, the accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with GAAP, as prescribed by GASB. For financial reporting purposes, the Fund is also considered to be a discretely presented component unit of the City of New York, as defined by GASB.

#### (b) Net Position

Net investment in capital assets - At June 30, 2023 and 2022, the Fund did not maintain any net investment in capital assets.

Restricted - Restricted net position represents the portion of net position subject to externally imposed stipulations by creditors, granters, contributors, or laws and regulations of other governments or are imposed by law through constitutional provision or enabling legislation. The Fund did not have any nonexpendable net position at June 30, 2023 and 2022. Nonexpendable net position represents the portion of net position that is required to be retained in perpetuity.

## THE MAYOR'S FUND TO ADVANCE NEW YORK CITY

### Notes to Financial Statements, Continued

#### (2) Summary of Significant Accounting Policies, Continued

##### (b) Net Position, Continued

Unrestricted - Unrestricted net position represents the portion of net position that is not included in the net investment in capital assets or the restricted component of net position. Unrestricted net position may be designated for specific purposes by action of management or the Board of Directors (the Board). The Fund's unrestricted net position includes contributions received for the Civic Innovation Program, as they are permitted to be used for the general purposes of the Fund. The Fund charges an administrative fee on most contributions, which is permitted to be used for the general purposes of the Fund. A deficit would require future funding.

##### (c) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

##### (d) Cash

Cash and equivalents are comprised of highly liquid instruments with original maturities of 90 days or less.

##### (e) Concentration of Credit Risk

Custodial credit risk of deposits is the risk that the Fund's deposits may not be returned in the event of a bank failure. Cash on deposit is insured up to \$250,000 per bank under the Federal Deposit Insurance Corporation (FDIC). At June 30, 2023 and 2022, \$3,583,413 and \$4,935,828 of the Fund's bank balance was exposed to custodial credit risk, as it was uninsured and uncollateralized, respectively.

##### (f) Investments

Investments are generally reported at fair value. The Fund uses fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. 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. Fair value is best determined based upon quoted market prices. However, in certain instances, there are no quoted market prices for certain assets. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the asset or liability.

## THE MAYOR'S FUND TO ADVANCE NEW YORK CITY

### Notes to Financial Statements, Continued

#### (2) Summary of Significant Accounting Policies, Continued

##### (f) Investments, Continued

The Fund's fair value measurements are classified into a fair value hierarchy based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. The three categories within the hierarchy are as follows:

- Level 1 - Quoted prices in active markets for identical assets.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets in markets that are not active, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads, and market-corroborated inputs.
- Level 3 - Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date. Level 3 assets include financial instruments whose value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment.

##### (g) Contributions and Grants Receivable

The Fund provides allowance for uncollectible receivables based on management's best estimate of uncollectible amounts at year-end, considering type, age, collection history and any other factors considered appropriate. The Fund decreased the allowance for uncollectible receivables by \$38,800 and \$139,725 during the years ended June 30, 2023 and 2022, respectively. As of June 30, 2023 and 2022, the allowance for uncollectible receivables is \$23,720 and \$62,520, respectively.

##### (h) Prepaid Expenses

Payments made for expenses relating to events or projects that have not occurred as of the end of the fiscal year are considered prepaid expenses. As of June 30, 2022, the Fund had \$5,415 in prepaid expenses.



## THE MAYOR'S FUND TO ADVANCE NEW YORK CITY

### Notes to Financial Statements, Continued

#### (2) Summary of Significant Accounting Policies, Continued

##### (i) Revenue Recognition

GASB requires revenue recognition based on Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions. This standard requires all eligibility requirements to be met before recognizing voluntary nonexchange revenue transactions. Eligibility requirements comprise one or more of the following:

- Required characteristics of recipients - the recipient has the characteristics specified by the provider.
- Time requirements - time requirements specified by the provider have been met. For example, the time period when the resources are required to be used has begun.
- Reimbursements - the provider offers resources on a reimbursement basis and the recipient has incurred allowable costs.
- Contingencies - the provider's offer of resources is contingent upon a specified action of the recipient and that action has occurred.

Purpose restrictions do not affect when a nonexchange transaction is recognized. Resources received with purpose restrictions are recognized as revenue and reported in restricted net position balance by the Fund until the resources are used for the specified purpose. In most cases, the Fund reserves the right to transfer funds that are in excess of a specific program's needs to a different program of the Fund.

Revenue from federal grants and the City contract is recognized when all applicable eligibility requirements-required characteristics of recipient, time requirements, reimbursements, and contingencies are met.

The Fund seeks contributed nonfinancial asset support from various sources in support of its projects. In-kind contributions are reported as operating revenue and expenses in the accompanying statements of revenue, expenses and changes in net position at their estimated fair value at the date of donation. In-kind contributions recorded in the financial statements for the year ended June 30, 2023 were \$147,623 for rent, facilities and other, \$147,000 for legal and other professional services and \$2,758,696 for various goods for programs. Contributed nonfinancial assets recorded in the financial statements for the year ended June 30, 2022 were \$146,251 for rent, facilities and other, \$147,156 for legal and other professional services, and \$49,736 for various goods for programs.

The Fund also receives donated items for the benefit of certain City agencies and the City itself. Such items that are not retained by the Fund have not been reflected in the financial statements.

## THE MAYOR'S FUND TO ADVANCE NEW YORK CITY

### Notes to Financial Statements, Continued

#### (2) Summary of Significant Accounting Policies, Continued

##### (j) Nonoperating Revenue (Expenses)

The Fund includes in its definition of operations all revenue and expenses that are an integral part of its programs and supporting activities. Revenue from the City contract, net change in fair value of investments (investment income) and interest income, is recognized as nonoperating revenue (expenses).

##### (k) Functional Expenses

The costs of providing the various programs and other activities of the Fund have been summarized in the statements of revenue, expenses and changes in net position. Accordingly, certain costs have been allocated to the programs and supporting services benefitted.

##### (l) Subsequent Events

The Fund has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

##### (m) Income Taxes

The Fund is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code), therefore, no provision for income taxes is reflected in the financial statements. The Fund has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code. The Fund presently discloses or recognizes income tax positions based on management's estimate of whether it is reasonably possible or probable that a liability has been incurred for unrecognized income taxes. Management has concluded that the Fund has taken no uncertain tax positions that require adjustment in its financial statements. U.S. Forms 990 filed by the Fund are subject to examination by taxing authorities.

#### (3) Investments

The Fund had investments in mutual funds - short and intermediate duration bond fund amounting to \$10,718,494 and \$11,140,785 as of June 30, 2023 and 2022, respectively. All of the Fund's investments at June 30, 2023 and 2022 were Level 1 in the fair value hierarchy. There were no transfers between levels during the years ended June 30, 2023 and 2022.

##### (a) Credit Risk

The Fund's investment policy is designed to protect principal and minimize exposure to credit risk by limiting investments to certain types of assets that are backed or fully collateralized by the United States government, certificates of deposit and corporate debt obligations. The short duration bond fund is not rated by credit agencies.

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY

Notes to Financial Statements, Continued

(3) Investments, Continued

(b) Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments that are in the possession of an outside party. Mutual funds are not subject to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

(c) Concentration of Credit Risk

The Fund should provide information about the concentration of credit risk associated with its investments by disclosing, by amount and issuer, investments in any one issuer that represent five percent or more of total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.

(d) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Fund's investment is a short duration bond fund with average maturities of a year and a half and therefore there is limited exposure to fair value losses arising from increasing interest rates.

(4) Contributions and Grants Receivable

Contributions and grants are due to be collected within one year or less. Contributions and grants, net of the allowance for uncollectible receivables, amounted to \$1,317,443 and \$1,187,887 of June 30, 2023 and 2022, respectively.

(5) Restricted Expendable Net Position

Restricted expendable net position represents resources provided by donors to fund various projects undertaken for the benefit of and on behalf of the City. The following tables summarize support received from donors and expenditures made for such projects for the years ended June 30, 2023 and 2022:

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY  
Notes to Financial Statements, Continued

(5) Restricted Expendable Net Position, Continued

	Restricted Expendable				Restricted Expendable
	Net Position Balance at June 30, 2022	Contributions and Grants	Program Services	Interfund Transfers (1)	Net Position Balance at June 30, 2023
Asylum Seekers	\$ -	4,103,696	3,332,446	-	771,250
Baby Bonds	42,901	-	-	-	42,901
Bronx Fire 22	410,463	77,283	664,000	176,254	-
Building Healthy Communities	155,906	-	62,600	-	93,306
Center for Economic Opportunity	254,751	2,382	177,408	-	79,725
Childcare	327,175	839,813	183,109	-	983,879
Childrens Cabinet	26,264	-	-	-	26,264
Commission for Economic Opportunity	138,068	-	-	-	138,068
Center for Innovation Thru Data Intelligence	140,415	75,000	40,135	-	175,280
Civilian Complaint Review Board	25	-	-	-	25
Connections to Care	40,065	100,000	224,000	-	(83,935)
Creative Communications Conference	28	-	-	-	28
DCAS/Historic Preservation	19,803	-	-	-	19,803
Democracy NYC	6,768	-	-	-	6,768
Democratic National Committee	-	17,500	17,500	-	-
Department of Consumer Affairs	-	45,000	21,542	11,800	35,258
Department of Corrections	241,355	65,000	-	-	306,355
Department of Cultural Affairs	1,770,605	-	68,760	-	1,701,845
Department of Design & Construction	7,176	-	-	-	7,176
Department of Education	74,380	-	5,950	-	68,430
Department of Environmental Protection	35,797	32,000	11,668	-	56,129
Department of Homeless Services	98,640	-	-	-	98,640
Department of Housing Pres and Dev	822,928	-	3,653	-	819,275
Department of Mental Health	55,914	-	-	-	55,914
Department of Parks and Recreation	28,401	35,930	2,483	-	61,848
Department of Probation	1,081,137	25	-	-	1,081,162
Department of Records & Information Services	1,105	-	-	-	1,105
Department of Transportation	243,825	-	12,742	-	231,083
Department of Youth & Comm Dev	621,933	665,903	690,403	-	597,433
Expanding Broadband In NYC	89	-	-	-	89
Food Justice Fund	536	-	-	-	536
Food Policy	386,401	340,000	688,984	-	37,417
Gun Violence Task Force	-	-	3,141	-	(3,141)
Health and Hospitals	781,969	100,000	429,419	-	452,550
Health and Human Services	280,734	-	-	-	280,734
Human Rights Commission	9	-	-	-	9
Mayors Office of Chief Tech	793,042	-	34,500	-	758,542
Mayors Office of International Affairs	-	82,305	5,794	-	76,511
Minority & Women Owned Business	293,950	-	147,330	-	146,620
NYS Economic Dev Corp	373,250	-	-	-	373,250
NYC Housing Authority	25,000	-	-	-	25,000
NYC Service	892,931	899,254	667,500	-	1,124,685
NYC Soccer Initiative	781,641	25,000	107,181	-	699,460
NYC Speaks	-	250,000	85,625	-	164,375
Office For People With Disabilities	247,572	50,000	150,282	(11,800)	135,490
Office of Climate & Environmental Justice	-	-	27,920	-	(27,920)
Office of Criminal Justice	273,261	-	255,301	-	17,960
Office of Emergency Management	44,375	-	-	-	44,375
Office of Environmental Remediation	300	-	-	-	300
Office of Film Theatre Broadcasting	21,897	407	-	-	22,304
Office of Immigrant Affairs	-	249,740	44,337	-	205,403
Office of Spec Projects & Comm Events	96,521	561,773	451,262	-	207,032
Office of Sports, Wellness & Recreation	-	-	2,678	-	(2,678)
Office of Sustainability	377,465	-	-	-	377,465
Office of Veterans Affairs	101,126	58,699	28,810	-	131,015
Office of Workforce Development	73,494	-	-	-	73,494
Office to Combat Dom Violence	77,852	-	-	-	77,852
Public Design Commission	130,035	1,146	15,205	-	115,976
Relief Efforts	193,556	8,433	156,000	-	45,989
Running Initiative	-	100,000	-	-	100,000
Science, Tech, Eng, Math	1,425,000	-	-	(1,425,000)	-
Secret Snowflake	-	5,000	7,043	-	(2,043)
Small Business Services	703,896	-	-	-	703,896
Strategic Policy Initiatives	5,365	-	-	-	5,365
Universal Basic Income	-	250,000	133,500	-	116,500
Victims Compensation Fund	1,886	-	-	-	1,886
Young Men's Initiative	117,235	-	-	-	117,235
Center For Youth Employment	45,261	-	1,046,963	1,425,000	423,298
Allowance for Doubtful Accounts	(62,520)	38,800	-	-	(23,720)
	<u>\$ 15,128,957</u>	<u>9,080,089</u>	<u>10,007,174</u>	<u>176,254</u>	<u>14,378,126</u>

(1) Interfund transfers represent authorized transfers between projects or from unrestricted net position. The \$176,254 transfer reflects a transfer in from the unrestricted net position.

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY  
Notes to Financial Statements, Continued

(5) Restricted Expendable Net Position, Continued

	Restricted Expendable Net Position Balance at June 30, 2021	Contributions and Grants	Program Services	Interfund Transfers (1)	Restricted Expendable Net Position Balance at June 30, 2022
Baby Bonds	\$ -	42,901	-	-	42,901
Bronx Fire 22	-	4,503,735	4,093,272	-	410,463
Building Healthy Communities	189,805	-	138,899	105,000	155,906
Center for Economic Opportunity	343,361	-	88,610	-	254,751
Childcare	-	400,000	72,825	-	327,175
Childrens Cabinet	301,488	-	275,224	-	26,264
Commission for Economic Opportunity	138,068	-	-	-	138,068
Center for Innovation Thru Data Intelligence	89,195	103,250	52,030	-	140,415
Civilian Complaint Review Board	25	-	-	-	25
Connections to Care	288,930	-	248,865	-	40,065
Creative Communications Conference	28	-	-	-	28
DCAS/Historic Preservation	14,679	5,124	-	-	19,803
Democracy NYC	6,768	-	-	-	6,768
Department of Consumer Affairs	97,943	-	295,000	197,057	-
Department of Corrections	41,355	200,000	-	-	241,355
Department of Cultural Affairs	1,290,145	500,400	19,940	-	1,770,605
Department of Design & Construction	7,176	-	-	-	7,176
Department of Education	150,854	850,000	926,474	-	74,380
Department of Environmental Protection	47,991	18,000	30,194	-	35,797
Department of Homeless Services	99,264	-	624	-	98,640
Department of Housing Pres and Dev	821,707	5,000	3,779	-	822,928
Department of Mental Health	77,426	-	21,512	-	55,914
Department of Parks and Recreation	850,641	79,638	901,878	-	28,401
Department of Probation	806,877	500,000	225,740	-	1,081,137
Department of Records & Information Services	1,105	-	-	-	1,105
Department of Transportation	249,800	-	5,975	-	243,825
Department of Youth & Comm Dev	112,286	897,966	388,319	-	621,933
Expanding Broadband In NYC	89	-	-	-	89
Food Justice Fund	536	-	-	-	536
Food Policy	226,391	1,123,500	963,490	-	386,401
Health and Hospitals	350,350	4,467,750	4,036,131	-	781,969
Health and Human Services	232,350	100,000	51,616	-	280,734
Human Resources Administration	530,000	21,587	1,521,587	970,000	-
Human Rights Commission	9	-	-	-	9
Mayors Office of Chief Tech	769,042	-	(24,000)	-	793,042
Minority & Women Owned Business	517,000	-	223,050	-	293,950
NYS Economic Dev Corp	373,250	-	-	-	373,250
NYC Housing Authority	25,000	-	-	-	25,000
NYC Service	769,365	1,176,713	1,053,147	-	892,931
NYC Soccer Initiative	1,053,383	-	328,664	56,922	781,641
NYCFC	-	255,270	272,602	17,332	-
Office For People With Disabilities	699,076	5,000	368,404	(88,100)	247,572
Office of Criminal Justice	539,525	-	266,264	-	273,261
Office of Emergency Management	44,600	7,500	7,725	-	44,375
Office of Environmental Remediation	300	-	-	-	300
Office of Film Theatre Broadcasting	21,768	129	-	-	21,897
Office of Immigrant Affairs	-	48,170	48,170	-	-
Office of Spec Projects & Comm Events	88,209	181,410	173,098	-	96,521
Office of Sustainability	377,465	-	-	-	377,465
Office of Veterans Affairs	136,971	22,018	57,863	-	101,126
Office of Workforce Development	73,494	-	-	-	73,494
Office lo Combat Dom Violence	77,852	49,736	49,736	-	77,852
Public Design Commission	151,020	-	20,985	-	130,035
Relief Efforts	1,901,857	1,130,227	1,749,928	(1,088,600)	193,556
Running Initiative	100,000	-	-	(100,000)	-
Science, Tech, Eng, Math	-	1,500,000	75,000	-	1,425,000
Small Business Services	703,896	-	-	-	703,896
Strategic Policy Initiatives	5,365	-	-	-	5,365
Victims Compensation Fund	1,886	-	-	-	1,886
Young Men's Initiative	180,234	-	62,999	-	117,235
Center For Youth Employment	326,962	-	281,701	-	45,261
Allowance for Doubtful Accounts	(202,245)	29,725	-	110,000	(62,520)
	<u>\$ 16,101,917</u>	<u>18,224,749</u>	<u>19,377,320</u>	<u>179,611</u>	<u>15,128,957</u>

(1) Interfund transfers represent authorized transfers between projects or from unrestricted net position. The \$179,611 transfer reflects a transfer in from the unrestricted net position.

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY

Notes to Financial Statements, Continued

(6) City of New York Contract

The Fund renewed its contract agreement with the City to perform private fund-raising and other related services for the benefit of the City. The contract provides for reimbursement of certain operating expenses stipulated within the contract. The contract allows the Fund to retain up to 8% of all restricted contributions to offset reimbursable expenses. This retainage must be approved by the donor. This retainage may be waived for program use at the discretion of the Fund and the authorizing Deputy Mayor.

The contract also stipulates that the City provide the Fund with administrative office space, and office furniture and equipment. The cost of such facilities may be paid by the Fund from the retainage of contributions or it may be treated as a contributed nonfinancial asset if retainage is not available. During the years ended June 30, 2023 and 2022, the Fund elected to treat the use of facilities as contributed nonfinancial assets. The contributed nonfinancial asset for the years ended June 30, 2023 and 2022 was \$147,623 and \$146,251, respectively, which is considered to be the fair value of such rent, facilities and other (see note 2 for additional discussion on contributed nonfinancial assets).

(7) Operating Expenses

Expenses as shown in the accompanying statements of revenue, expenses and changes in net position consisted of the following for the years ended June 30, 2023 and 2022:

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund- Raising</u>	<u>2023 Total</u>
Personnel services:				
Salaries	\$ 651,080	106,948	212,865	970,893
Payroll taxes and other employee benefits	<u>263,531</u>	<u>43,785</u>	<u>87,148</u>	<u>394,464</u>
Total personnel services	914,611	150,733	300,013	1,365,357
Direct program expenses	9,796,539	-	-	9,796,539
Accountant	55,416	13,854	-	69,270
Audit and tax preparation fees	-	35,232	-	35,232
In-kind rent	81,193	44,287	22,143	147,623
In-kind professional	84,944	38,611	30,889	154,444
Insurance	11,705	6,302	-	18,007
Other expenses	<u>30,583</u>	<u>16,430</u>	<u>12,553</u>	<u>59,566</u>
Total	<u>\$ 10,974,991</u>	<u>305,449</u>	<u>365,598</u>	<u>11,646,038</u>

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY

Notes to Financial Statements, Continued

(7) Operating Expenses

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund- Raising</u>	<u>2022 Total</u>
Personnel services:				
Salaries	\$ 662,739	254,559	159,250	1,076,548
Payroll taxes and other employee benefits	<u>241,755</u>	<u>93,036</u>	<u>58,203</u>	<u>392,994</u>
Total personnel services	904,494	347,595	217,453	1,469,542
Direct program expenses	18,712,183	-	-	18,712,183
Accountant	60,615	15,154	-	75,769
Audit and tax preparation fees	-	93,347	-	93,347
In-kind rent	80,438	43,875	21,938	146,251
In-kind professional	80,936	36,789	29,431	147,156
Insurance	9,462	5,095	-	14,557
Other expenses	<u>135,440</u>	<u>24,455</u>	<u>22,194</u>	<u>182,089</u>
Total	<u>\$ 19,983,568</u>	<u>566,310</u>	<u>291,016</u>	<u>20,840,894</u>

(8) Employee Retention Credit

The Fund is eligible for the Employee Retention Credit (ERC) under the CARES Act. The CARES Act provides for a refundable credit calculated based on eligible employee wages. The Company qualified for this credit and has recorded revenue of \$492,217 for the year ended June 30, 2023.

(9) Contingencies

Certain grants recognized as revenue by the Fund are subject to continued compliance with donor imposed restrictions and conditions. In the event of noncompliance, a donor may cancel its grant agreement and may require the Fund to return any unspent amount on the grants. In addition, certain grants and contracts are subject to independent audit by the awarding agency or funding source. Such audit could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds.

Management is of the opinion that such events, if any, would not have a material impact on the accompanying financial statements. Accordingly, no amounts have been provided in the accompanying financial statements for such contingency.

Under the requirements of ERC, future audits may be required and certain determinations may be questioned as not being appropriate under the guidelines of ERC. Such determinations could lead to recoupment by the Internal Revenue Service (IRS).

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY  
Notes to Financial Statements, Continued

(10) Adjustments to Net Assets

Certain adjustments to the 2022 financial statements were required in order to properly state the financial position of the Fund. A summary of the restatement is as follows:

	As previously stated	<u>Adjustments</u>	Restated amount
Accounts payable and accrued expenses	\$ <u>2,238,907</u>	<u>148,125</u>	<u>2,387,032</u>
Direct program services	\$ <u>19,835,443</u>	<u>148,125</u>	<u>19,983,568</u>
Restricted, expendable net position	\$ <u>14,949,346</u>	<u>179,611</u>	<u>15,128,957</u>
Unrestricted net position	\$ <u>330,063</u>	<u>(327,736)</u>	<u>2,327</u>

(11) Accounting Standards Issued But Not Yet Implemented

GASB has issued the following pronouncements which will be implemented in the years required. The effects of the implementation of these pronouncements are not known at this time.

Statement No. 99 - Omnibus 2022. Effective for various periods through fiscal years beginning after June 15, 2023.

Statement No. 101 - Compensated Absences. Effective fiscal years beginning after December 15, 2023.



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

The Board of Directors  
The Mayor's Fund to Advance New York City:

We have audited, 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, the financial statements of The Mayor's Fund to Advance New York City (the Fund), a component unit of The City of New York, New York, which comprise the statement of net position as of June 30, 2023, and the related statements of revenue, expenses and changes in net position and cash flows for the year then ended, and the related notes to financial statements, and have issued our report thereon dated October 16, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fund's internal control over financial reporting (internal control) as a basis for designing 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 the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund'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 financial statements. 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.

### The Fund's Response to Finding

The Fund's responses to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Fund's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York  
October 16, 2023

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY  
Schedule of Findings and Questioned Costs

FINANCIAL STATEMENT FINDINGS

MATERIAL WEAKNESS

Finding: 2023-001

Criteria - Governmental Accounting Standards Board requires revenue and expense recognition based on Statement No. 33 - "Accounting and Financial Reporting for Nonexchange Transactions" (GASB 33). This standard requires all eligibility requirements to be met before recognizing voluntary nonexchange revenue or expense transactions. Eligibility requirements comprise one or more of the following:

- Required characteristics of recipients - The recipient (and secondary recipients, if applicable) has the characteristics specified by the provider.
- Time requirements - Time requirements specified by enabling legislation or the provide have been met.
- Reimbursements - The provider offers resources on a reimbursement (expenditure-driven) basis and the recipient has incurred allowable costs under the applicable program.
- Contingencies - The provider's offer of resources is contingent upon a specified action of the recipient and that action has occurred.

Further, all receivables should be measured net of estimated uncollectible amounts.

Condition - Management records revenue and expenses during the year based on cash receipts. There is inadequate tracking of the agreements in line with required reporting under accounting principles generally accepted in the United States of America (GAAP). Further, management did not have adequate knowledge of the GAAP requirements for establishing and adjusting its allowance for uncollectible amounts.

Effect - This can result in an inaccurate amount of revenues, accounts receivable and expenses reported in the financial statements.

Recommendation - We recommend that an analysis of each grant agreement, contract or donation be performed to determine if all eligibility requirements (including time requirements) have been met. When all requirements have been met, the revenue and receivable, if applicable, should be recognized. We recommend that management evaluate outstanding receivables and payables on a periodic basis.

Condition - We identified several transactions where management did not record revenue or expenses in the correct period or where the allowance for uncollectible amounts was not appropriately adjusted.

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY  
Status of Prior Audit Findings  
Year ended June 30, 2023

Finding: 2022-001

Condition - Management records revenue and expenses during the year based on cash receipts. There is inadequate tracking of the agreements in line with required reporting under accounting principles generally accepted in the United States. Further, management did not have adequate knowledge of the GAAP requirements for establishing and adjusting its allowance for uncollectible amounts.

Status - This finding is repeated in 2023 as finding 2023-001.