



# **Birch Family Services, Inc.**

Financial Statements

June 30, 2023 and 2022

# **Birch Family Services, Inc.**

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June 30, 2023 and 2022

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## **Independent Auditors' Report**

To the Board of Directors of  
Birch Family Services, Inc.

### **Opinion**

We have audited the financial statements of Birch Family Services, Inc. (the Organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, 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 Organization'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 Organization'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.

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is fluid and cursive, with "Baker Tilly" on the top line and "US, LLP" on the bottom line.

New York, New York  
November 29, 2023

# Birch Family Services, Inc.

Statements of Financial Position

June 30, 2023 and 2022

	2023	2022
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 3,918,927	\$ 8,137,462
Investments	10,841,659	9,947,769
Accounts receivable	11,704,573	10,568,365
Pledges receivable	161,500	13,000
Prepaid expenses and other assets	922,200	824,994
 Total current assets	 27,548,859	 29,491,590
<b>Assets Limited as to Use</b>	139,640	139,640
<b>Fixed Assets, Net</b>	14,831,506	13,505,869
<b>Right-of-Use Assets, Operating Leases</b>	<u>19,149,316</u>	<u>20,350,028</u>
 Total assets	 <u>\$ 61,669,321</u>	 <u>\$ 63,487,127</u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 2,985,671	\$ 4,158,502
Accrued compensation	5,615,045	7,082,922
Deferred revenue	192,500	11,133,900
Due to governmental agencies, current portion	3,102,205	2,914,772
Lines of credit	5,252,834	5,010,914
Bonds payable, current portion	199,912	194,912
Loans and mortgages payable, current portion	361,931	262,863
Operating leases, current portion	4,975,916	4,572,174
Finance leases, current portion	57,124	84,853
 Total current liabilities	 22,743,138	 35,415,812
<b>Due to Governmental Agencies, Net of Current Portion</b>	291,061	903,053
<b>Bonds Payable, Net of Current Portion</b>	946,459	1,125,945
<b>Loans and Mortgages Payable, Net of Current Portion</b>	6,650,500	3,562,597
<b>Operating Leases, Net of Current Portion</b>	15,366,847	17,044,119
<b>Finance Leases, Net of Current Portion</b>	<u>59,611</u>	<u>50,922</u>
 Total liabilities	 <u>46,057,616</u>	 <u>58,102,448</u>
<b>Commitments and Contingencies</b>		
<b>Net Assets</b>		
Net assets without donor restrictions	15,085,198	5,005,991
Net assets with donor restrictions	526,507	378,688
 Total net assets	 <u>15,611,705</u>	 <u>5,384,679</u>
 Total liabilities and net assets	 <u>\$ 61,669,321</u>	 <u>\$ 63,487,127</u>

See notes to financial statements

# Birch Family Services, Inc.

## Statement of Activities

Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Other Support</b>			
Tuition revenue	\$ 36,272,947	\$ -	\$ 36,272,947
Medicaid revenue for community services	33,924,039	-	33,924,039
Government grants	20,211,713	-	20,211,713
Training and consultant services	117,998	-	117,998
Contributions	200,549	175,000	375,549
Contributed nonfinancial assets	542,964	-	542,964
Special events	527,197	-	527,197
Less direct costs of special events	(191,635)	-	(191,635)
Investment gain, net	893,889	-	893,889
Other revenue	793,958	-	793,958
Net assets released from restrictions	27,181	(27,181)	-
 Total revenue and other support	 93,320,800	 147,819	 93,468,619
<b>Expenses</b>			
Program services:			
Educational services	36,710,704	-	36,710,704
Community services	34,911,642	-	34,911,642
Other programs	854,731	-	854,731
 Total program services	 72,477,077	 -	 72,477,077
Supporting services:			
Management and general	10,128,506	-	10,128,506
Fundraising	636,010	-	636,010
 Total supporting services	 10,764,516	 -	 10,764,516
 Total expenses	 83,241,593	 -	 83,241,593
 Change in net assets	 10,079,207	 147,819	 10,227,026
<b>Net Assets</b>			
Beginning	5,005,991	378,688	5,384,679
 Ending	 \$ 15,085,198	 \$ 526,507	 \$ 15,611,705

# Birch Family Services, Inc.

## Statement of Activities

Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Other Support</b>			
Tuition revenue	\$ 34,915,601	\$ -	\$ 34,915,601
Medicaid revenue for community services	31,173,053	-	31,173,053
Government grants	9,182,581	-	9,182,581
Training and consultant services	74,763	-	74,763
Contributions	113,307	335,300	448,607
Contributed nonfinancial assets	542,964	-	542,964
Special events	440,050	-	440,050
Less direct costs of special events	(109,929)	-	(109,929)
Investment loss, net	(1,471,980)	-	(1,471,980)
Loss on disposal of fixed assets	(17,544)	-	(17,544)
Other revenue	1,032,205	-	1,032,205
Net assets released from restrictions	184,765	(184,765)	-
 Total revenue and other support	 76,059,836	 150,535	 76,210,371
<b>Expenses</b>			
Program services:			
Educational services	34,584,643	-	34,584,643
Community services	38,807,181	-	38,807,181
Other programs	258,259	-	258,259
 Total program services	 73,650,083	 -	 73,650,083
Supporting services:			
Management and general	9,068,164	-	9,068,164
Fundraising	729,567	-	729,567
 Total supporting services	 9,797,731	 -	 9,797,731
 Total expenses	 83,447,814	 -	 83,447,814
 Change in net assets	 (7,387,978)	 150,535	 (7,237,443)
<b>Net Assets</b>			
Beginning	12,393,969	228,153	12,622,122
 Ending	 \$ 5,005,991	 \$ 378,688	 \$ 5,384,679

## Birch Family Services, Inc.

Statement of Functional Expenses  
Year Ended June 30, 2023

	Program Services				Supporting Services			Total
	Educational Services	Community Services	Other Programs	Total Program Services	Management and General	Fundraising	Total Supporting Services	
<b>Salaries and Related Expenses</b>								
Salaries	\$ 23,494,580	\$ 17,871,694	\$ 413,986	\$ 41,780,260	\$ 5,084,978	\$ 457,095	\$ 5,542,073	\$ 47,322,333
Payroll taxes and employee benefits	3,894,370	3,332,944	84,875	7,312,189	870,014	76,160	946,174	8,258,363
Total salaries and related expenses	27,388,950	21,204,638	498,861	49,092,449	5,954,992	533,255	6,488,247	55,580,696
<b>Property Expenses</b>								
Rental/Lease	4,284,166	749,347	38,616	5,072,129	623,583	27,000	650,583	5,722,712
Repairs and maintenance	778,002	1,416,245	94,475	2,288,722	492,485	328	492,813	2,781,535
Utilities	376,782	379,310	-	756,092	58,558	-	58,558	814,650
Total property expenses	5,438,950	2,544,902	133,091	8,116,943	1,174,626	27,328	1,201,954	9,318,897
<b>Other Expenses</b>								
Contracted personal services	1,553,985	5,260,403	29,817	6,844,205	617,308	12,927	630,235	7,474,440
Consumer expenses	-	63,201	24,700	87,901	-	-	-	87,901
Food	557,830	761,093	2,017	1,320,940	3,245	3,425	6,670	1,327,610
Audit and legal	4,123	32,649	-	36,772	322,887	-	322,887	359,659
Travel	8,680	463,799	1,237	473,716	12,155	848	13,003	486,719
Expensed equipment	210,865	226,494	84,771	522,130	44,459	-	44,459	566,589
Information technology	115,109	142,978	3,258	261,345	256,696	15,962	272,658	534,003
Telecommunications	58,447	249,124	-	307,571	80,925	2,102	83,027	390,598
Staff development	86,370	35,399	9,246	131,015	186,196	543	186,739	317,754
Insurance	303,010	444,417	17,253	764,680	241,652	6,715	248,367	1,013,047
Real estate taxes	65,658	94,124	-	159,782	37,303	-	37,303	197,085
Supplies	569,292	761,388	45,090	1,375,770	77,050	8,991	86,041	1,461,811
Professional fees	28,893	9,734	1,014	39,641	590,513	4,564	595,077	634,718
Interest and bank fees	50,356	452,297	1,472	504,125	235,153	9,354	244,507	748,632
Interest expense, amortization of debt								
issuance costs	13,599	33,976	-	47,575	-	-	-	47,575
Services assessment	-	1,006,953	-	1,006,953	-	-	-	1,006,953
Miscellaneous expenses	137,117	89,727	1,718	228,562	163,067	9,996	173,063	401,625
Total other expenses	3,763,334	10,127,756	221,593	14,112,683	2,868,609	75,427	2,944,036	17,056,719
Subtotal before depreciation and amortization	36,591,234	33,877,296	853,545	71,322,075	9,998,227	636,010	10,634,237	81,956,312
<b>Depreciation and Amortization</b>								
	119,470	1,034,346	1,186	1,155,002	130,279	-	130,279	1,285,281
Total expenses	\$ 36,710,704	\$ 34,911,642	\$ 854,731	\$ 72,477,077	\$ 10,128,506	\$ 636,010	\$ 10,764,516	\$ 83,241,593

See notes to financial statements

# Birch Family Services, Inc.

Statement of Functional Expenses  
Year Ended June 30, 2022

	Program Services				Supporting Services				Total
	Educational Services	Community Services	Other Programs	Total Program Services	Management and General	Fundraising	Total Supporting Services		
<b>Salaries and Related Expenses</b>									
Salaries	\$ 21,465,403	\$ 21,389,939	\$ 95,268	\$ 42,950,610	\$ 4,602,545	\$ 362,965	\$ 4,965,510	\$ 47,916,120	
Payroll taxes and employee benefits	5,182,236	4,711,535	26,086	9,919,857	1,145,371	90,113	1,235,484	11,155,341	
Total salaries and related expenses	26,647,639	26,101,474	121,354	52,870,467	5,747,916	453,078	6,200,994	59,071,461	
<b>Property Expenses</b>									
Rent	4,199,582	1,043,923	38,484	5,281,989	626,186	26,907	653,093	5,935,082	
Repairs and maintenance	460,852	1,152,596	-	1,613,448	256,014	64,493	320,507	1,933,955	
Utilities	305,553	311,890	-	617,443	51,973	-	51,973	669,416	
Total property expenses	4,965,987	2,508,409	38,484	7,512,880	934,173	91,400	1,025,573	8,538,453	
<b>Other Expenses</b>									
Contracted personal services	973,483	4,612,149	17,425	5,603,057	409,819	22,313	432,132	6,035,189	
Consumer expenses	-	63,000	12,452	75,452	-	2,500	2,500	77,952	
Food	374,351	684,307	586	1,059,244	3,505	244	3,749	1,062,993	
Audit and legal	4,023	13,756	-	17,779	331,819	-	331,819	349,598	
Travel	3,096	545,423	254	548,773	17,080	188	17,268	566,041	
Expensed equipment	161,277	317,912	159	479,348	33,935	28,078	62,013	541,361	
Information technology	183,788	111,746	1,234	296,768	211,323	15,006	226,329	523,097	
Telecommunications	-	204,992	-	204,992	64,407	2,124	66,531	271,523	
Staff development	44,779	23,231	7,634	75,644	112,545	43,262	155,807	231,451	
Insurance	274,010	453,519	2,189	729,718	238,380	6,528	244,908	974,626	
Real estate taxes	148,313	60,390	-	208,703	14,782	-	14,782	223,485	
Supplies	580,812	690,317	48,140	1,319,269	30,462	52,168	82,630	1,401,899	
Professional fees	35,338	5,958	2,253	43,549	556,531	9,053	565,584	609,133	
Interest and bank fees	53,756	266,411	2,114	322,281	58,070	3,436	61,506	383,787	
Interest expense, amortization of debt issuance costs	19,528	45,014	-	64,542	-	-	-	64,542	
Services assessment	-	1,065,126	-	1,065,126	-	-	-	1,065,126	
Miscellaneous expenses	-	113,812	1,608	115,420	128,586	189	128,775	244,195	
Total other expenses	2,856,554	9,277,063	96,048	12,229,665	2,211,244	185,089	2,396,333	14,625,998	
Subtotal before depreciation and amortization	34,470,180	37,886,946	255,886	72,613,012	8,893,333	729,567	9,622,900	82,235,912	
<b>Depreciation and Amortization</b>	114,463	920,235	2,373	1,037,071	174,831	-	174,831	1,211,902	
<b>Total expenses</b>	<b>\$ 34,584,643</b>	<b>\$ 38,807,181</b>	<b>\$ 258,259</b>	<b>\$ 73,650,083</b>	<b>\$ 9,068,164</b>	<b>\$ 729,567</b>	<b>\$ 9,797,731</b>	<b>\$ 83,447,814</b>	

See notes to financial statements

# Birch Family Services, Inc.

Statements of Cash Flows

Years Ended June 30, 2023 and 2022

	2023	2022
<b>Cash Flows From Operating Activities</b>		
Change in net assets	\$ 10,227,026	\$ (7,237,443)
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation and amortization	1,285,281	1,211,902
Interest expense, amortization of debt issuance costs	47,575	64,542
Loss on disposal of fixed assets	-	17,544
Net unrealized and realized (gain) loss in fair value of investments	(734,104)	1,624,413
Net accretion of operating leases	(72,818)	(79,054)
(Increase) decrease in:		
Accounts receivable	(1,136,208)	769,454
Pledges receivable	(148,500)	(4,700)
Prepaid expenses and other assets	(97,206)	121,556
Increase (decrease) in:		
Accounts payable and accrued expenses	(1,172,831)	1,657,619
Accrued compensation	(1,467,877)	3,640,912
Deferred revenue	(10,941,400)	1,475,635
Due to governmental agencies	(424,559)	(1,007,820)
Net cash flows from operating activities	<u>(4,635,621)</u>	<u>2,254,560</u>
<b>Cash Flows From Investing Activities</b>		
Purchases of fixed assets	(2,544,568)	(2,118,658)
Purchases of investments	(8,429,889)	(2,241,145)
Sales of investments	8,270,103	2,088,712
Net cash flows from investing activities	<u>(2,704,354)</u>	<u>(2,271,091)</u>
<b>Cash Flows From Financing Activities</b>		
Repayments of bonds payable	(190,000)	(175,000)
Proceeds from mortgages payable	3,511,285	-
New mortgage issuance costs	(9,117)	-
Repayments of loans and mortgages payable	(347,258)	(306,790)
Repayments of finance leases	(85,390)	(41,082)
Proceeds from line of credit	10,502,834	1,964,375
Repayments of line of credit	(10,260,914)	(223,011)
Net cash flows from financing activities	<u>3,121,440</u>	<u>1,218,492</u>
Net change in cash and cash equivalents	(4,218,535)	1,201,961
<b>Cash and Cash Equivalents, Beginning</b>	<u>8,137,462</u>	<u>6,935,501</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 3,918,927</u>	<u>\$ 8,137,462</u>
<b>Supplemental Disclosures of Cash Flow Information</b>		
Cash paid during the year for interest	<u>\$ 690,937</u>	<u>\$ 329,857</u>
<b>Noncash Transactions</b>		
During the year ended June 30, 2023 and 2022, Birch acquired vehicles via finance lease financing in the amount of \$66,350 and \$112,575, respectively.		

# Birch Family Services, Inc.

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Notes to Financial Statements  
June 30, 2023 and 2022

## 1. Nature of Organization

Birch Family Services, Inc. (Birch) is a not-for-profit organization that operates 9 schools in New York City for preschool and school-age students with various learning disabilities and serious developmental disabilities, as well as for nondisabled children. Birch also operates 9 Intermediate Care Facilities (ICFs), 11 Individual Residential Alternative Facilities (IRAs) and 2 day habilitation facilities, and provides other services for developmentally disabled individuals varying in age from birth through adulthood.

## 2. Summary of Significant Accounting Policies

The significant accounting policies followed by Birch in preparing the accompanying financial statements are as follows:

### Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with United States generally accepted accounting principles.

### Classification of Net Assets

The classification of a not-for-profit organization's net assets and its support, revenue and expenses are based on the existence or absence of donor-imposed restrictions. The amounts for each class of net assets, net assets without donor restrictions or net assets with donor restrictions are presented in the statements of financial position, and the amounts of change in each of those classes of net assets are presented in the statements of activities.

These classes are defined as follows:

**Net Assets Without Donor Restrictions** – Net assets that are not subject to donor-imposed stipulations and that may be expended for any purpose in achieving the primary objectives of Birch.

**Net Assets With Donor Restrictions** – Net assets resulting from contributions and other inflows of assets whose use by Birch is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of Birch pursuant to those stipulations. When such stipulations end or are fulfilled, such net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Net assets with donor restrictions also include net assets that are subject to donor-imposed stipulations that they must be maintained in perpetuity by Birch.

### Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid financial instruments with original maturity dates of three months or less from the date purchased.

### Fair Value

Under authoritative guidance, fair value refers to the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the market in which the entity transacts. Birch must determine whether its assets and liabilities recorded at fair value are valued based on Level 1 (valued based on quoted prices in an active market for identical assets), Level 2 (valued based on significant other observable inputs) or Level 3 (valued based on significant unobservable inputs) measurements.

# Birch Family Services, Inc.

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Notes to Financial Statements  
June 30, 2023 and 2022

## Investments

Investments are recorded at their fair values based upon quoted market prices, when available, or estimates of fair value. Donated investments are recorded at fair value at the date of donation or, if sold immediately after receipt, at the amount of sales proceeds received (which are considered a fair measure of the value at the date of donation). Gains and losses on investments are reported in the statements of activities as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

## Allowance for Doubtful Accounts

Birch provides an allowance for doubtful accounts for accounts receivable and pledges receivable which are specifically identified by management as to their uncertainty regarding collectability. While management uses the best information available to make its evaluation, future adjustments to the allowance may be necessary if there are significant changes in collectability. As of June 30, 2023 and 2022, an additional allowance for doubtful accounts is not necessary for current receivables.

## Assets Limited as to Use

Assets limited as to use represent debt service reserve funds established as required under the bond financing agreements, plus interest earned.

## Deferred Bond and Loan Financing Costs

Issuance costs related to the acquisition and refinancing of bonds and loans are amortized as interest expense over the lives of the related bond or loan obligation and are reported as a direct deduction of the related debt on the statements of financial position.

## Fixed Assets, Net

Fixed assets are stated at cost, net of accumulated depreciation and amortization. Birch's policy is to capitalize all purchases in excess of \$5,000 and with useful lives of one year or more. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Leasehold improvements and equipment under finance leases are amortized over the shorter of the lease term or the estimated useful lives of the related assets.

The useful lives of the fixed assets are as follows:

	<u>Estimated Useful Lives (Years)</u>
Buildings and building improvements	25
Leasehold improvements	5-25
Furniture, fixtures and equipment	3-20
Vehicles	3-5

## Impairment of Long-lived Assets

Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such assets are deemed to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. There were no impairment losses for the years ended June 30, 2023 and 2022.

# Birch Family Services, Inc.

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Notes to Financial Statements  
June 30, 2023 and 2022

## Vacation and Sick Time

Vacation time is available to all employees of Birch except for instructional staff, per-diem and part-time employees. Unused vacation time as of each fiscal year end (June 30) may be carried over until September 30 of the following fiscal year for use. Vacation time not utilized by September 30 will be converted into banked sick time. Employees who terminate employment and provide appropriate notice will be paid out for accrued but unused vacation time they have earned during the current fiscal year. Sick time is available to all employees of Birch except for per-diem and part-time employees and is only to be utilized for time off needed for an illness. Unused sick time as of each fiscal year end will be transferred to the employee's banked sick time. Employees may bank a maximum of 90 sick days. Terminated employees are not compensated for unused sick or banked sick time days.

## Revenue Recognition

*Contributions and promises to give* – Contributions, including unconditional promises to give that are expected to be collected within one year, are recognized as revenues in the period they are made/pledged and are either classified as with or without donor restrictions. Conditional contributions, including conditional promises to give, which contain both a barrier and a right of return or release, are not included as support until the conditions are substantially met.

Birch reports gifts of land, buildings and equipment as contributions without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as additions to net assets with donor restrictions. Expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Government grants are generally earned based on contract rates or costs incurred up to the approved amounts. These grants are subject to audit and adjustment based upon regulations of the various funding entities. The effects of any such adjustments are recorded when reasonably determinable.

*Third-party reimbursement and revenue recognition* – Birch receives substantially all of its revenue for services provided to approved clients from third-party reimbursement agencies. These fee for service revenues are based on predetermined rates based on cost reimbursement principles and are subject to audit and retroactive adjustment by the respective third-party fiscal intermediary. In the opinion of management, retroactive adjustments, if any, would not be material to the financial position or results of operations of Birch.

Tuition revenue and Medicaid revenue for community services is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined.

## Special Events

A portion of special events revenue represents a reciprocal transaction equal to the cost of direct expenses with the remainder representing contributions. For the years ended June 30, 2023 and 2022, direct expenses were \$191,635 and \$109,929, respectively, and are netted against special events revenue.

# **Birch Family Services, Inc.**

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Notes to Financial Statements  
June 30, 2023 and 2022

## **Functional Allocation of Expenses**

The costs of providing the various programs, fundraising and administrative activities have been detailed by expense category on a functional basis in the statements of functional expenses. Direct program, fundraising and administrative expenses are charged to the cost centers in which they are incurred. Shared costs have been allocated among the various cost centers based using allocation methods below.

The agency utilizes various allocation methodologies for all staff to ensure costs are fairly and accurately allocated across each program based on estimated time and effort, job function, census capacity or classroom capacity weighted by hours of operation.

Payroll taxes and employee benefits are allocated using the ratio value of the monthly salary expense for each site/program as a percentage of the total agency salary on a monthly basis.

Property expenses, depreciation and amortization are allocated based on square footage.

## **Tax Status**

Birch is incorporated in the State of New York and is exempt from federal, state and local income taxes under Section 501I(3) of the Internal Revenue Code (IRC). Birch has been determined by the Internal Revenue Service (IRS) not to be a private foundation within the meaning of Section 509(a) of the IRC.

## **Uncertain Tax Positions**

Management evaluated Birch's tax positions and concluded that Birch had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) No. 740.

## **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## **Concentration of Credit Risk**

Financial instruments which potentially subject Birch to concentration of credit risk consist primarily of cash and cash equivalents, investments and accounts receivable. At various times, Birch has cash deposits at financial institutions which exceed the Federal Deposit Insurance Corporation insurance limits. These financial institutions have strong credit ratings and management believes that credit risk related to these accounts is minimal. Investments are subject to credit risk (i.e. risk investments may be less than AAA rating), interest rate risk (i.e. risk that investments' interest rates are unfavorable to in comparison to market interest rates) and concentration of credit risk (i.e. risk that portfolio of investments may not be diversified due to a limited number of investments). Accounts receivable are predominantly from federal, state and local governmental agencies.

# Birch Family Services, Inc.

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Notes to Financial Statements  
June 30, 2023 and 2022

## Lease Expense

Birch has operating leases for its administrative offices, program sites, vehicles and office equipment. Birch recognizes right-of-use assets and operating lease liabilities for operating leases based on the net present value of future minimum lease payments. Lease expense is recognized on a straight-line basis over the non-cancelable lease term, including renewal periods that are considered reasonably certain.

## Recent Accounting Pronouncement

In June 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-13, *Measurement of Credit Losses on Financial Instruments*. ASU No. 2016-13 requires financial assets measured at amortized cost to be presented at the net amount expected to be collected, through an allowance for credit losses that is deducted from the amortized cost basis. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions and reasonable and supportable forecasts that affect the collectability of the reported amount. ASU No. 2016-13 is effective for annual periods beginning after December 15, 2022.

Management is currently evaluating the impact of ASU No. 2016-13 on Birch's financial statements.

## 3. Revenue From Contracts With Customers

Birch disaggregates revenue from contracts with customers by type of service as this depicts the nature, amount, timing and uncertainty of its revenue and cash flows as affected by economic factors.

Performance obligations are satisfied as services are rendered. Payments are due upon receipt of related billing. Birch's tuition revenue is fee for service revenues funded by the New York City Department of Education (DOE) and New York State Department of Education (SED). Birch's community services revenue is fee for service revenues funded by New York State Department of Health for the Office for People with Developmental Disabilities (OPWDD) programs. Medicaid revenue for community services consists of the following for the year ended June 30, 2023:

	Intermediate Care Facilities (ICF)	Individualized Residential Alternatives (IRA)	Day and Community Habilitation and Other	Total
Medicaid	\$ 17,552,983	\$ 11,818,731	\$ 1,917,022	\$ 31,288,736
ICF capital reimbursement	557,892	-	-	557,892
Food stamps	-	238,187	-	238,187
IRA room and board fees	-	375,544	-	375,544
SSI/SSA	281,406	564,683	-	846,089
Residential reserve for replacement	-	57,600	-	57,600
Supplemental income	-	452,062	-	452,062
Other	-	73,712	34,217	107,929
<b>Total</b>	<b>\$ 18,392,281</b>	<b>\$ 13,580,519</b>	<b>\$ 1,951,239</b>	<b>\$ 33,924,039</b>

# Birch Family Services, Inc.

Notes to Financial Statements  
June 30, 2023 and 2022

Medicaid revenue for community services consists of the following for the year ended June 30, 2022:

	Intermediate Care Facilities (ICF)	Individualized Residential Alternatives (IRA)	Day and Community Habilitation and Other	Total
Medicaid	\$ 17,167,911	\$ 9,889,462	\$ 1,557,115	\$ 28,614,488
ICF capital reimbursement	499,468	-	-	499,468
Food stamps	-	207,381	-	207,381
IRA room and board fees	-	455,659	-	455,659
SSI/SSA	274,376	527,921	-	802,297
Residential reserve for replacement	-	57,600	-	57,600
Supplemental income	-	458,476	-	458,476
Other	59,624	553	17,507	77,684
<b>Total</b>	<b>\$ 18,001,379</b>	<b>\$ 11,597,052</b>	<b>\$ 1,574,622</b>	<b>\$ 31,173,053</b>

## 4. Investments

The following table presents the fair value hierarchy of investments for Birch as of June 30, 2023 and 2022:

	Fair Value Measurements as of June 30, 2023		
	Level 1	Level 2	Total
Equities	\$ 1,807,744	\$ -	\$ 1,807,744
Mutual funds	8,008,176	-	8,008,176
Treasury notes and bonds	859,815	-	859,815
<b>Total assets in the fair value hierarchy</b>	<b>\$ 10,675,735</b>	<b>\$ -</b>	<b>\$ 10,675,735</b>
 Cash equivalents			 165,924
 Total			 <b>\$ 10,841,659</b>
Fair Value Measurements as of June 30, 2022			
	Level 1	Level 2	Total
Equities	\$ 1,535,537	\$ -	\$ 1,535,537
Mutual funds	7,565,767	-	7,565,767
Corporate bonds	-	163,297	163,297
Treasury notes and bonds	294,994	-	294,994
<b>Total assets in the fair value hierarchy</b>	<b>\$ 9,396,298</b>	<b>\$ 163,297</b>	<b>\$ 9,559,595</b>
 Cash equivalents			 388,174
 Total			 <b>\$ 9,947,769</b>

Equities, mutual funds, treasury notes and bonds are classified within Level 1 as they have readily determinable fair values based on daily redemption values. Corporate bonds are valued using market price quotations (where observable) and are classified within Level 2.

# Birch Family Services, Inc.

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Notes to Financial Statements  
June 30, 2023 and 2022

## 5. Assets Limited as to Use

Assets limited as to use consist of four debt service reserve funds that are established for the purpose of assuring that Birch has sufficient funds for payment of debt service on the related bonds in each year when they become due. The following table presents components of assets limited as to use by the level within the fair value hierarchy at which Birch's financial assets are measured on a recurring basis as of June 30, 2023 and 2022:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Total
Fixed income securities	\$ 139,640	\$ 139,640
Total assets limited as to use	\$ 139,640	\$ 139,640

## 6. Fixed Assets, Net

Fixed assets, net, consist of the following as of June 30, 2023 and 2022:

	2023	2022
Land	\$ 1,425,576	\$ 1,425,576
Building and building improvements	17,794,873	14,181,263
Construction in progress	428,700	1,654,342
Leasehold improvements	7,365,138	7,325,158
Furniture, fixtures and equipment	2,570,097	2,452,498
Vehicles and equipment under finance lease obligations	787,036	721,665
	30,371,420	27,760,502
Less accumulated depreciation and amortization	15,539,914	14,254,633
Fixed assets, net	\$ 14,831,506	\$ 13,505,869

# Birch Family Services, Inc.

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Notes to Financial Statements  
June 30, 2023 and 2022

## 7. Due to Governmental Agencies

Due to governmental agencies as of June 30, 2023 and 2022 consists of the following:

	<b>2023</b>	<b>2022</b>
Due to New York State as related to OPWDD Programs	\$ 1,080,036	\$ 1,200,318
Due to New York State Education Department	5,369	5,369
Due to the New York City Department of Education	1,940,488	2,385,970
Other	367,373	226,168
	3,393,266	3,817,825
Less current portion	3,102,205	2,914,772
Due to governmental agencies, net of current portion	<u>\$ 291,061</u>	<u>\$ 903,053</u>

## 8. Lines of Credit

On July 15, 2022, Birch entered into a revolving line of credit agreement of \$7,000,000 with TD Bank with an expiration date of June 30, 2024. Interest is payable monthly at the prime rate (8.25% and 4.75% as of June 30, 2023 and 2022, respectively). The note is secured by the related receivables which are used to determine the borrowing base as defined in the agreement. There was approximately \$2,000,000 and \$1,500,000 outstanding as of June 30, 2023 and 2022, respectively. Interest expense related to this line of credit was approximately \$107,000 and \$12,000 for the years ended June 30, 2023 and 2022, respectively.

On July 15, 2022, Birch entered into a revised bridge loan line of credit agreement of \$11,000,000 with TD Bank which has an expiration date of June 30, 2024. Interest is payable monthly at the prime rate (8.25% and 4.75% as of June 30, 2023 and 2022, respectively). The note is secured by the related property. There was approximately \$3,253,000 and \$3,511,000 outstanding as of June 30, 2023 and 2022, respectively. Interest expense related to this line of credit was approximately \$86,000 and \$57,000 for the years ended June 30, 2023 and 2022, respectively.

The lines of credit with TD Bank are subject to a certain financial covenant, whereby Birch is required to comply with a certain key financial ratio. As of June 30, 2023, Birch was in compliance with the financial covenant. As of June 30, 2022, Birch was not in compliance with this financial covenant, due to the delay in recognition of revenue from the Paycheck Protection Program loan forgiveness until the year ended June 30, 2023 (see Note 14). Birch was able to obtain a waiver from TD Bank for being out of compliance.

# Birch Family Services, Inc.

Notes to Financial Statements  
June 30, 2023 and 2022

## 9. Bonds Payable

Bonds payable due to the Dormitory Authority of the State of New York (DASNY) consist of the following as of June 30, 2023 and 2022, respectively:

Issuer	Description	Date of Issuance	Amount	Total Payments (1997-2023)	Balance as of June 30, 2023	Balance as of June 30, 2022	Collateral
DASNY	Series 2013A-1 at 3.0% per annum, due June 1, 2028	March 13, 2013	\$ 1,300,000	\$ 85,000	\$ 475,000	\$ 560,000	Leasehold mortgage liens and security interests in Irwin IRA facilities
DASNY	Series 2015A-1 at 3.0% per annum, due July 1, 2029	November 26, 2014	1,385,000	105,000	680,000	785,000	Leasehold mortgage liens and security interests in Howard Beach facility
	Subtotal				1,155,000	1,345,000	
	Premium on bonds payable				28,247	33,161	
	Less unamortized bond costs				(36,876)	(57,304)	
	Total bonds payable				<u>\$ 1,146,371</u>	<u>\$ 1,320,857</u>	

## Birch Family Services, Inc.

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Notes to Financial Statements  
June 30, 2023 and 2022

Required principal and interest payments on the bonds payable are as follows for the years ending June 30:

2024	\$ 235,862
2025	231,062
2026	235,212
2027	238,512
2028	236,487
Thereafter	<u>133,062</u>
 Total principal and interest payments	1,310,197
 Less amounts representing interest	<u>(126,950)</u>
 Net principal payments	1,183,247
 Less current portion	(199,912)
Less unamortized bond costs	<u>(36,876)</u>
 Bonds payable, net of current portion	<u>\$ 946,459</u>

Interest expense related to bonds payable and related debt issuance costs was approximately \$35,000 and \$39,000 for the years ended June 30, 2023 and 2022, respectively.

The series bonds are subject to a certain financial covenant, whereby Birch is required to comply with a certain key financial ratio. As of June 30, 2023, Birch was in compliance with the debt service coverage ratio as required in the bond agreement. As of June 30, 2022, Birch was not in compliance with this financial covenant, due to the delay in recognition of revenue from the Paycheck Protection Program loan forgiveness until the year ended June 30, 2023 (see Note 14). Birch was able to obtain a waiver from DASNY for being out of compliance.

### 10. Loans and Mortgages Payable

Loans and mortgages payable consist of the following as of June 30, 2023 and 2022:

	2023	2022
Various auto loans payable with maturity dates ranging from August 2020 to April 2023, payable in monthly installments of \$1,696 including interest of 4.25-5.63%, secured by related property.	\$ -	\$ 11,001
Mortgage payable to Citibank, due May 1, 2024, payable in monthly installments of \$3,533 plus interest of 5.06%, secured by related property.	38,861	81,255
Mortgage payable to Citibank, due June 10, 2025, payable in monthly installments of \$3,393 plus interest of 5.12%, secured by related property.	81,432	122,148

# Birch Family Services, Inc.

Notes to Financial Statements  
June 30, 2023 and 2022

	<b>2023</b>	<b>2022</b>
Mortgage payable to TD Bank, due January 1, 2031, payable in monthly installments of \$4,758 including interest of 4.152%, secured by related property. This mortgage has a balloon payment of \$574,448, including interest, due on January 1, 2031.	\$ 784,204	\$ 807,758
Mortgage payable to TD Bank, due January 1, 2031, payable in monthly installments of \$5,725 including interest of 4.15%, secured by related property. This mortgage has a balloon payment of \$1,242,887, including interest, due on January 1, 2031.	1,344,697	1,356,547
Mortgage payable to TD Bank, due January 1, 2031, payable in monthly installments of \$5,194 including interest of 4.15%, secured by related property. This mortgage has a balloon payment of \$626,730, including interest, due on January 1, 2031.	855,793	881,515
Mortgage payable to Citibank, due June 10, 2025, payable in monthly installments of \$3,597 plus interest of 5.12%, secured by related property.	86,322	129,484
Mortgage Payable to TD Bank due August 2032, payable in monthly installment of \$10,868 including interest of 6.68% secured by related property. This mortgage has a balloon payment of \$813,710, including interest, due on August 1, 2032.	1,323,551	-
Mortgage Payable to TD Bank due August 2032, payable in monthly installment of \$17,311 including interest of 6.68% secured by related property. This mortgage has a balloon payment of \$1,307,468, including interest, due on August 1, 2032.	2,108,254	-
Mortgage payable to TD Bank, due August 1, 2029, payable in monthly installments of \$7,305 including interest of 4.65%, secured by related property.	464,041	528,507
Total loans and mortgages payable	7,087,155	3,918,215
Less current portion	(361,931)	(262,863)
Less unamortized loan costs	<u>(74,724)</u>	<u>(92,755)</u>
Loans and mortgages payable, net of current portion	<u>\$ 6,650,500</u>	<u>\$ 3,562,597</u>

Required principal payments are as follows for the years ending June 30:

2024	\$ 361,931
2025	337,539
2026	268,010
2027	283,209
2028	298,461
Thereafter	<u>5,538,005</u>
 Total	 <u>\$ 7,087,155</u>

# Birch Family Services, Inc.

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Notes to Financial Statements  
June 30, 2023 and 2022

Interest expense related to the loans and mortgages payable and related debt issuance costs was approximately \$452,000 and \$180,000 for the years ended June 30, 2023 and 2022, respectively.

The mortgages payable to Citibank and TD Bank are subject to a certain financial covenant, whereby Birch is required to comply with a certain key financial ratio. As of June 30, 2023, Birch was in compliance with the financial covenant. As of June 30, 2022, Birch was not in compliance with this financial covenant, due to the delay in recognition of revenue from the Paycheck Protection Program loan forgiveness until the year ended June 30, 2023 (see Note 14). Birch was able to obtain a waiver from TD Bank for being out of compliance.

## 11. Leases

Birch is a party to various lease commitments. Leases are classified as either finance or operating leases based on the underlying terms of the agreement and certain criteria, such as the term of the lease relative to the useful life of the asset and the total lease payments to be made as compared to the fair value of the asset, amongst other criteria.

### Finance Leases

Birch leases various automobiles under finance leases that expire at various dates through 2028 which require monthly payments of principal and interest with rates ranging from 3.2% to 6.9%. As of June 30, 2023 and 2022, the cost basis of the automobiles totaled approximately \$674,000 and \$607,000, respectively; and the net book values totaled approximately \$128,000 and \$155,000, respectively. The following is a schedule of the future minimum lease payments including interest under the terms of the leases, together with the present value of the net minimum lease payments as of June 30, 2023:

2024	\$ 63,137
2025	31,727
2026	22,562
2027	8,791
After	<u>6,196</u>
 Total minimum lease payments	132,413
 Less amounts representing interest	<u>15,678</u>
 Net minimum lease payments	116,735
 Less current portion	<u>57,124</u>
 Finance leases, net of current portion	<u>\$ 59,611</u>

Amortization expense for each of the years ended June 30, 2023 and 2022 approximated \$107,000 and \$139,000 respectively.

Interest expense for the years ended June 30, 2023 and 2022 approximated \$9,000 and \$13,000, respectively.

# Birch Family Services, Inc.

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Notes to Financial Statements  
June 30, 2023 and 2022

## Operating Leases

Birch's right-of-use assets pertaining to operating leases represent the right to use the agreements' underlying assets for the respective lease terms, and the corresponding operating lease liabilities represent the obligation to make lease payments arising from the respective leases. Such right-of-use assets and operating lease liabilities are recognized at each of the leases' commencement dates at the present value of lease payments over the lease term for leases with initial terms greater than a year.

A right-of-use asset and operating lease liability are not recognized for leases with an initial term of 12 months or less, and Birch recognizes lease expense for such leases over the lease term in the statements of activities.

Birch's operating leases have remaining lease terms ranging from less than one year to 20 years, some of which may include options to extend. Lease payments related to periods subject to renewal options are excluded from the amounts used to determine the right-of-use leased assets and liabilities, unless Birch is reasonably certain to exercise the option to extend the lease.

The components of lease cost included in the accompanying statements of activities for the years ended June 30, 2023 and 2022 are as follows:

	<b>2023</b>	<b>2022</b>
Operating lease cost:		
Lease cost, leases with terms greater than one year	\$ 5,039,641	\$ 4,958,092
Short-term lease cost	-	-
<b>Total</b>	<b>\$ 5,039,641</b>	<b>\$ 4,958,092</b>

Other information related to leases and supplemental cash flow data as of and for the years ended June 30, 2023 and 2022 are as follows:

	<b>2023</b>	<b>2022</b>
Operating cash flows paid for operating leases for the year	\$ 5,112,571	\$ 5,000,039
Right-of-use leased assets obtained in exchange for new operating lease obligations	\$ 3,628,035	\$ -
Weighted-average remaining lease term (in years):		
Operating leases, lease term in years and lease liability at end of year	5.32	5.75
Weighted-average discount rate on operating leases, discount rate and remaining cash lease payments	1.10 %	0.69 %

# Birch Family Services, Inc.

Notes to Financial Statements  
June 30, 2023 and 2022

Future minimum payments under operating leases as of June 30, 2023 were as follows:

Years ending June 30:

2024	\$ 5,175,977
2025	5,020,641
2026	4,450,787
2027	2,881,461
2028	1,032,365
Thereafter	<u>2,491,506</u>
 Total	21,052,737
 Less present value discount	<u>709,974</u>
 Total operating lease liabilities	<u>\$ 20,342,763</u>

## 12. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes as of June 30, 2023 and 2022:

	2023	2022
New Frontier programs	\$ 47,764	\$ 37,274
Gladys Brooks Foundation	146,954	-
Early Childhood Education programs	297,500	307,125
Chase work out bikes	-	2,500
Grove street enhancement	-	5,000
Other	<u>34,289</u>	<u>26,789</u>
 Total	<u>\$ 526,507</u>	<u>\$ 378,688</u>

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes as follows for the years ended June 30, 2023 and 2022, respectively:

	2023	2022
New Frontier programs	\$ 14,510	\$ 1,000
Gladys Brooks Foundation	3,046	-
Hillcrest Parents Fund	-	13,408
Early Childhood Education programs	9,625	42,875
Chase work out bikes	-	2,500
Snoezelin Rooms	-	119,982
Grove street enhancement	-	5,000
 Total	<u>\$ 27,181</u>	<u>\$ 184,765</u>

## 13. Contributed Nonfinancial Assets

Birch recorded donated rent for use of a building owned by the City of New York. The fair value of the donated rent for each of the years ended June 30, 2023 and 2022 is approximately \$543,000 and is included in rent expense on the statements of functional expenses. The donated space is used for program activities. Birch estimated the fair value of the rented space utilizing comparable rental prices in the real estate market where the building is located.

## **Birch Family Services, Inc.**

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Notes to Financial Statements  
June 30, 2023 and 2022

### **14. Paycheck Protection Program**

On April 20, 2020, Birch received proceeds in the amount of \$10,000,000 under the Paycheck Protection Program (PPP), established as part of the Coronavirus Aid, Relief and Economic Security (CARES) Act and administered through the Small Business Administration (SBA). At that time, Birch recorded the PPP loan as deferred revenue and anticipated recording forgiveness as grant revenue in accordance with guidance for conditional contributions, which is when there is no longer a measurable performance or other barrier and a right of return of the PPP loan, or when such conditions are explicitly waived.

On October 5, 2021, Birch received full forgiveness of the PPP loan from the SBA in the amount of \$10,000,000. Birch believes it has met all the conditions attached to the PPP funds, and its intention was to recognize this revenue as of June 30, 2022.

On July 8, 2022, the SBA issued updated frequently asked questions (FAQ). Pursuant to these updated FAQ's, Birch has been compelled to recognize this revenue as of that date. Since that date falls into the fiscal year ending June 30, 2023, the full amount of \$10,000,000 of PPP funds received on April 20, 2020 (date of receipt) and forgiven on October 5, 2021 was recognized as grant revenue during the year ended June 30, 2023.

The SBA reserves the right to audit any PPP loan, regardless of size. These audits may occur after forgiveness has been granted. In accordance with the CARES Act, all borrowers are required to maintain their PPP loan documentation for six years after the PPP loan or repaid in full and to provide that documentation to the SBA upon request. Birch does not believe the results of any audits or reviews by the SBA would have a material impact on the financial statements.

### **15. Pension Plans**

#### **Retirement Plan**

Birch has a 401(a) profit sharing defined contribution plan which provides retirement benefits to substantially all eligible employees. Employees become eligible to participate after completion of one year of service and 1,000 hours of eligible service, as defined in the Plan document and attainment of age 21. Retirement expense was approximately \$1,033,000 for each of the years ended June 30, 2023 and 2022.

#### **403(b) Plan**

Birch has a 403(b) tax-deferred annuity plan whereby participants in the plan may elect to defer a portion of their salary and direct Birch to contribute that deferral to the plan on their behalf. Employees become eligible to participate upon date of hire by directing Birch to make the aforementioned salary reduction contributions.

#### **457(b) Plan**

Birch has a Section 457(b) deferred compensation plan for one key employee. The fully funded liability and the corresponding asset and liability related to the plan amounted to approximately \$296,000 and \$256,000, as of June 30, 2023 and 2022, respectively, and are included in prepaid expenses and other assets and accrued compensation in the accompanying statements of financial position.

# Birch Family Services, Inc.

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Notes to Financial Statements  
June 30, 2023 and 2022

## 16. Commitments and Contingencies

### Office of State Comptroller

Birch's Pre-School programs funded by SED for children ages 3 and 4 with developmental delays were audited by the Office of the State Comptroller of New York (OSC). The purpose of the audit is to review Birch's costs as reported on the Consolidated Fiscal Report to ensure that expenses are correctly allocated and attributed to the appropriate cost centers as per guidelines set forth in the Reimbursement Cost Manual (RCM). Birch received a final report which indicates no findings of fraud, waste or abuse. The report does have some findings that Birch's management contested and submitted their response to SED in April of 2018. It is uncertain when Birch will receive a response from SED. Birch's management, working with counsel and an educational consultant, is confident that many of the findings will be abated.

### Litigation

In the opinion of management, Birch is not subject to litigation for which the effect, if any, of an unfavorable settlement of such litigation would have a material adverse effect on Birch's financial position, results of activities or cash flows.

## 17. Liquidity and Availability of Resources

The following table reflects Birch's financial assets available within one year of the statements of financial position dates for general expenditure such as operating expenses, debt service and fixed asset purchases not financed with debt financing as of June 30, 2023 and 2022. Financial assets are considered unavailable when illiquid or not convertible to cash within one year.

	<b>2023</b>	<b>2022</b>
Cash and cash equivalents	\$ 3,918,927	\$ 8,137,462
Investments	10,841,659	9,947,769
Accounts receivable	11,704,573	10,568,365
Pledges receivable	161,500	13,000
 Total financial assets	 26,626,659	 28,666,596
 Less donor restricted amounts	 526,507	 378,688
 Total financial assets available to meet cash needs for general expenditures within one year	 \$ 26,100,152	 \$ 28,287,908

As part of Birch's liquidity management, its practice is to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. Birch has access to substantial lines of credit to help meet any short-term obligations. Birch's major revenue funders are Medicaid and the New York City Board of Education whose payments are received on regularly scheduled dates both weekly and monthly based on the services provided.

## 18. Subsequent Events

Birch has performed subsequent event procedures through November 29, 2023, which is the date the financial statements were issued. There were no subsequent events requiring adjustment to the financial statements.

IRS e-file Signature Authorization  
for a Tax Exempt Entity

OMB No. 1545-0047

Department of the Treasury  
Internal Revenue ServiceFor calendar year 2022, or fiscal year beginning JUL 1, 2022, and ending JUN 30, 2023  
Do not send to the IRS. Keep for your records.  
Go to [www.irs.gov/Form8879TE](http://www.irs.gov/Form8879TE) for the latest information.

2022

Name of filer

BIRCH FAMILY SERVICES, INC.

EIN or SSN

11-2503193

Name and title of officer or person subject to tax **MATTHEW STURIALE**  
**PRESIDENT/CEO****Part I Type of Return and Return Information**

Check the box for the return for which you are using this Form 8879-TE and enter the applicable amount, if any, from the return. Form 8038-CP and Form 5330 filers may enter dollars and cents. For all other forms, enter whole dollars only. If you check the box on line 1a, 2a, 3a, 4a, 5a, 6a, 7a, 8a, 9a, or 10a below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, 5b, 6b, 7b, 8b, 9b, or 10b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

1a	Form 990 check here .....	<input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12) .....	1b9 2 , 258 , 713 .
2a	Form 990-EZ check here ...	<input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9) .....	2b
3a	Form 1120-POL check here	<input type="checkbox"/>	b Total tax (Form 1120-POL, line 22) .....	3b
4a	Form 990-PF check here ...	<input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part V, line 5) .....	4b
5a	Form 8868 check here .....	<input type="checkbox"/>	b Balance due (Form 8868, line 3c) .....	5b
6a	Form 990-T check here .....	<input type="checkbox"/>	b Total tax (Form 990-T, Part III, line 4) .....	6b
7a	Form 4720 check here .....	<input type="checkbox"/>	b Total tax (Form 4720, Part III, line 1) .....	7b
8a	Form 5227 check here .....	<input type="checkbox"/>	b FMV of assets at end of tax year (Form 5227, Item D) .....	8b
9a	Form 5330 check here .....	<input type="checkbox"/>	b Tax due (Form 5330, Part II, line 19) .....	9b
10a	Form 8038-CP check here	<input type="checkbox"/>	b Amount of credit payment requested (Form 8038-CP, Part III, line 22) .....	10b

**Part II Declaration and Signature Authorization of Officer or Person Subject to Tax**

Under penalties of perjury, I declare that  I am an officer of the above entity or  I am a person subject to tax with respect to (name of entity) \_\_\_\_\_, (EIN) \_\_\_\_\_ and that I have examined a copy of the

2022 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the electronic return and, if applicable, the consent to electronic funds withdrawal.

PIN: check one box only

 I authorize BAKER TILLY US, LLP to enter my PIN 99999

ERO firm name

Enter five numbers, but  
do not enter all zeros

as my signature on the tax year 2022 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer or person subject to tax with respect to the entity, I will enter my PIN as my signature on the tax year 2022 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Signature of officer or person subject to tax

 Date 05/09/2024**Part III Certification and Authentication**

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

13084314190

Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2022 electronically filed return indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature PATRICK YU, CPA Date 05/09/24**ERO Must Retain This Form - See Instructions****Do Not Submit This Form to the IRS Unless Requested To Do So**

LHA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form 8879-TE (2022)

Form 990

Department of the Treasury  
Internal Revenue Service

## Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2022

Open to Public  
InspectionUnder section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)  
Do not enter social security numbers on this form as it may be made public.  
Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

A For the 2022 calendar year, or tax year beginning JUL 1, 2022 and ending JUN 30, 2023

B Check if applicable:	C Name of organization <b>BIRCH FAMILY SERVICES, INC.</b>		D Employer identification number <b>11-2503193</b>
<input type="checkbox"/> Address change	Doing business as		E Telephone number <b>212-616-1800</b>
<input type="checkbox"/> Name change	Number and street (or P.O. box if mail is not delivered to street address) <b>104 WEST 29TH STREET, 3RD FLOOR</b>		F Gross receipts \$ <b>92,450,348.</b>
<input type="checkbox"/> Initial return	Room/suite		G City or town, state or province, country, and ZIP or foreign postal code <b>NEW YORK, NY 10001</b>
<input type="checkbox"/> Final return/terminated	H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Amended return			If "No," attach a list. See instructions
<input type="checkbox"/> Application pending	F Name and address of principal officer: <b>MATTHEW STURIALE SAME AS C ABOVE</b>		H(c) Group exemption number
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)( ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	J Website: <b>WWW.BIRCHFAMILYSERVICES.ORG</b>		K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other
L Year of formation: <b>1975</b>		M State of legal domicile: <b>NY</b>	

## Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <b>TO EMPOWER PEOPLE WITH AUTISM &amp; DEVELOPMENTAL DISABILITIES TO LEAD FULFILLING LIVES.</b>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3 <b>14</b>	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4 <b>14</b>	
	5 Total number of individuals employed in calendar year 2022 (Part V, line 2a)	5 <b>995</b>	
	6 Total number of volunteers (estimate if necessary)	6 <b>14</b>	
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a <b>0.</b>	
b Net unrelated business taxable income from Form 990-T, Part I, line 11	7b <b>0.</b>		
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year <b>10,071,238.</b>	Current Year <b>21,033,608.</b>
	9 Program service revenue (Part VIII, line 2g)	<b>67,195,622.</b>	<b>71,108,942.</b>
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>345,348.</b>	<b>226,947.</b>
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>-109,929.</b>	<b>-110,784.</b>
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>77,502,279.</b>	<b>92,258,713.</b>
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>0.</b>	<b>0.</b>
	14 Benefits paid to or for members (Part IX, column (A), line 4)	<b>0.</b>	<b>0.</b>
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>59,071,461.</b>	<b>55,580,696.</b>
	16a Professional fundraising fees (Part IX, column (A), line 11e)	<b>0.</b>	<b>0.</b>
	b Total fundraising expenses (Part IX, column (D), line 25)	<b>636,010.</b>	
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<b>23,912,503.</b>	<b>27,185,095.</b>
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>82,983,964.</b>	<b>82,765,791.</b>
19 Revenue less expenses. Subtract line 18 from line 12	<b>-5,481,685.</b>	<b>9,492,922.</b>	
Net Assets or Fund Balances	Beginning of Current Year	End of Year	
	<b>63,487,127.</b>	<b>61,669,321.</b>	
	<b>58,102,448.</b>	<b>46,057,616.</b>	
	<b>5,384,679.</b>	<b>15,611,705.</b>	

## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer <b>MATTHEW STURIALE, PRESIDENT/CEO</b>		Date
	Type or print name and title		
Paid	Print/Type preparer's name <b>PATRICK YU, CPA</b>	Preparer's signature	Date <b>05/09/24</b> Check <input checked="" type="checkbox"/> if self-employed PTIN <b>P00675982</b>
Preparer	Firm's name <b>BAKER TILLY US, LLP</b>		Firm's EIN <b>39-0859910</b>
Use Only	Firm's address <b>66 HUDSON BLVD E, SUITE 2200 NEW YORK, NY 10001</b>		Phone no. <b>212.697.6900</b>

May the IRS discuss this return with the preparer shown above? See instructions  Yes  No

**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response or note to any line in this Part III  X1 Briefly describe the organization's mission:

THROUGH OUR COMPREHENSIVE EDUCATION AND COMMUNITY PROGRAMS, BIRCH PROVIDES SUPPORTS AND SERVICES TO INDIVIDUALS AND FAMILIES ACROSS THE LIFE CYCLE AT HOME, SCHOOL, WORK, AND IN THE COMMUNITY SO EACH PERSON REACHES THEIR FULLEST POTENTIAL.

2 Did the organization undertake any significant program services during the year which were not listed on the

prior Form 990 or 990-EZ?  Yes  X No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  X No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.

Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:                   ) (Expenses \$ 36,167,740. including grants of \$ 0. ) (Revenue \$ 36,272,947. )

BIRCH OPERATES EARLY CHILDHOOD PROGRAMS THROUGHOUT NEW YORK CITY. YOUNG CHILDREN WITH SEVERE DEVELOPMENTAL DELAYS ARE RECEIVING THE SPECIALIZED THERAPEUTIC AND EDUCATIONAL SERVICES THEY NEED TO OVERCOME THE OBSTACLES THEY AND THEIR FAMILIES FACE. BIRCH ALSO SERVES TYPICALLY-DEVELOPING PRESCHOOLERS FUNDED THROUGH NYC DECE. BECAUSE OF THE SUCCESS OF OUR PROGRAMS, MANY OF THE CHILDREN WITH DEVELOPMENTAL DELAYS WHOM BIRCH GRADUATES EACH YEAR ENTER PUBLIC SCHOOL CLASSES FOR TYPICALLY-DEVELOPING CHILDREN OR ARE ABLE TO PARTICIPATE IN LESS INTENSIVE SPECIAL CLASSES. THE PHYLLIS L. SUSSER SCHOOL FOR EXCEPTIONAL CHILDREN IN FLUSHING SERVES CHILDREN AGES 5-21 WITH AUTISM, DEVELOPMENTAL DELAYS, EMOTIONAL DISABILITIES, SEVERE SPEECH AND LANGUAGE IMPAIRMENTS AND TRAUMATIC BRAIN INJURIES WHOSE NEEDS CANNOT BE

4b (Code:                   ) (Expenses \$ 34,911,642. including grants of \$ 0. ) (Revenue \$ 33,924,039. )

BIRCH OPERATES OTHER COMMUNITY BASED SERVICES FOR PEOPLE WITH AUTISM SPECTRUM DISORDERS. ADOLESCENTS AND ADULTS WITH SEVERE DEVELOPMENTAL DISABILITIES RECEIVE TWENTY-FOUR HOUR CARE IN BIRCH'S 20 RESIDENCES LOCATED IN MANHATTAN, BROOKLYN AND QUEENS. MANY OF THESE INDIVIDUALS HAD BEEN LIVING IN STATE INSTITUTIONS BUT NOW ENJOY REAL HOMES IN COMMUNITIES IN WHICH THEY CAN ACTUALLY PARTICIPATE. WE ALSO SERVE INDIVIDUALS IN OUR DAY HABILITATION PROGRAMS IN OUR SITES LOCATED IN BROOKLYN AND QUEENS. BIRCH'S NEW FRONTIER PROGRAM INITIATIVE SUPPORTS INDIVIDUALS WITH AUTISM SPECTRUM DISORDER IN EMPLOYMENT SUPPORT AND SERVICES TO ASSIST THEM IN TRANSITIONING FROM HIGH SCHOOL BY ENGAGING THEM IN ACTIVITIES THAT PROMOTE EVENTUAL EMPLOYMENT AND INDEPENDENT LIVING.

4c (Code:                   ) (Expenses \$ 854,731. including grants of \$ 0. ) (Revenue \$ 911,956. )

OTHER-TRAINING AND OTHER INCOME.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4d Other program services (Describe on Schedule O.)

(Expenses \$                    including grants of \$                    ) (Revenue \$                    )

4e Total program service expenses 71,934,113.

Form 990 (2022)

232002 12-13-22

SEE SCHEDULE O FOR CONTINUATION(S)

2

2022.05090 BIRCH FAMILY SERVICES, INC 126902.1

13440509 144198 126902.

## Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> .....	1 X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? See instructions .....	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> .....	3 X	
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> .....	4 X	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? <i>If "Yes," complete Schedule C, Part III</i> .....	5 X	
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> .....	6 X	
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> .....	7 X	
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> .....	8 X	
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> .....	9 X	
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i> .....	10 X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable. <ul style="list-style-type: none"> <li>a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> .....</li> <li>b Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> .....</li> <li>c Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> .....</li> <li>d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> .....</li> <li>e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> .....</li> <li>f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> .....</li> </ul>	11a X	
11b	11b X	
11c	11c X	
11d	11d X	
11e	11e X	
11f	11f X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> .....	12a X	
12b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> .....	12b X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> .....	13 X	
14a Did the organization maintain an office, employees, or agents outside of the United States? <ul style="list-style-type: none"> <li>b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i> .....</li> </ul>	14a X	
14b	14b X	
15	15 X	
16	16 X	
17	17 X	
18	18 X	
19	19 X	
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> .....	20a X	
20b	20b X	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> .....	21 X	

**Part IV Checklist of Required Schedules (continued)**

		Yes	No
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III .....	22	X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J .....	23	X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a .....	24a	X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? .....	24b	X
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? .....	24c	X
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? .....	24d	X
25a	<b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I .....	25a	X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I .....	25b	X
26	Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part II .....	26	X
27	Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? If "Yes," complete Schedule L, Part III .....	27	X
28	Was the organization a party to a business transaction with one of the following parties (see the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? If "Yes," complete Schedule L, Part IV .....	28a	X
b	A family member of any individual described in line 28a? If "Yes," complete Schedule L, Part IV .....	28b	X
c	A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? If "Yes," complete Schedule L, Part IV .....	28c	X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M .....	29	X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M .....	30	X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I .....	31	X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II .....	32	X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I .....	33	X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 .....	34	X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)? .....	35a	X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 .....	35b	
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 .....	36	X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI .....	37	X
38	Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19? Note: All Form 990 filers are required to complete Schedule O .....	38	X

**Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response or note to any line in this Part V 

1a Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable .....

1b Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable .....

c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? .....

	Yes	No
1a	136	
1b	0	
1c		

## Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

		Yes	No
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	995
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	X
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>	7a	X
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7b	X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c	X
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7e	X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7f	X
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7g	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7h	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	8	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	9a	
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	9b	
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
<b>13</b>	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
a	Is the organization licensed to issue qualified health plans in more than one state?		
Note: See the instructions for additional information the organization must report on Schedule O.			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
<b>14a</b>	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	14b	
<b>15</b>	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?	15	X
If "Yes," see the instructions and file Form 4720, Schedule N.			
<b>16</b>	Is the organization an educational institution subject to the section 4968 excise tax on net investment income?	16	X
If "Yes," complete Form 4720, Schedule O.			
<b>17</b>	<b>Section 501(c)(21) organizations.</b> Did the trust, or any disqualified or other person engage in any activities that would result in the imposition of an excise tax under section 4951, 4952 or 4953?	17	
If "Yes," complete Form 6069.			

**Part VI Governance, Management, and Disclosure.** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

### Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year .....	1a	14
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
1b	Enter the number of voting members included on line 1a, above, who are independent .....	1b	14
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? .....	2	X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person? .....	3	X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? .....	4	X
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .....	5	X
6	Did the organization have members or stockholders? .....	6	X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? .....	7a	X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? .....	7b	X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:	8a	X
a	The governing body? .....	8b	X
b	Each committee with authority to act on behalf of the governing body? .....	9	X
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O .....		

### Section B. Policies

(This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No	
10a	Did the organization have local chapters, branches, or affiliates? .....	10a	X
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? .....	10b	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? .....	11a	X
b	Describe on Schedule O the process, if any, used by the organization to review this Form 990.	12a	X
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13 .....	12b	X
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? .....	12c	X
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done .....	13	X
13	Did the organization have a written whistleblower policy? .....	14	X
14	Did the organization have a written document retention and destruction policy? .....	15a	X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?	15b	X
a	The organization's CEO, Executive Director, or top management official .....	16a	X
b	Other officers or key employees of the organization .....	16b	
	If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions.		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? .....		
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? .....		

### Section C. Disclosure

17	List the states with which a copy of this Form 990 is required to be filed	NY
18	Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.	
	<input type="checkbox"/> Own website	<input type="checkbox"/> Another's website
	<input checked="" type="checkbox"/> Upon request	<input type="checkbox"/> Other (explain on Schedule O)
19	Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.	
20	State the name, address, and telephone number of the person who possesses the organization's books and records	
	JOSH SCHER - 212-616-1824	
	104 WEST 29TH STREET, 3RD FLOOR, NEW YORK, NY 10001	

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

 Check if Schedule O contains a response or note to any line in this Part VII 
**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation.

Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.

• List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

See the instructions for the order in which to list the persons above.

 Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099-MISC/ 1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/ 1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee			
(1) MATTHEW STURIALE CEO	35.00	X					533,856.	0.	30,113.
	0.00								
(2) JOSHUA SCHER CFO	35.00	X					340,170.	0.	36,812.
	0.00								
(3) LISA GILDAY COO	35.00	X					254,186.	0.	9,615.
	0.00								
(4) BRIDGET WALDREN EXECUTIVE VP	35.00	X					246,470.	0.	11,379.
	0.00								
(5) SAMANTHA NOTTINGHAM CHIEF DEVELOPMENT OFFICER	35.00	X					217,310.	0.	24,587.
	0.00								
(6) BRIAN CELARDO CIO/SECURITY OFFICER	35.00	X					181,332.	0.	29,941.
	0.00								
(7) EILEEN BERG COMPLIANCE OFFICER	35.00	X					177,226.	0.	28,061.
	0.00								
(8) ESPA SERGIOU SENIOR VP OF EDUCATION SERVICES	35.00	X					166,838.	0.	15,684.
	0.00								
(9) LINCOLN A. GREEN MEDICAL COORDINATOR	35.00	X					162,238.	0.	11,825.
	0.00								
(10) KIMBERLY HERNAS CHAIR	1.00	X	X				0.	0.	0.
	0.00								
(11) ROBIN E. KELLER, ESQ. FIRST VICE CHAIR	1.00	X	X				0.	0.	0.
	0.00								
(12) ALAN L. GOLDBERG, CPA SECOND VICE CHAIR	1.00	X	X				0.	0.	0.
	0.00								
(13) DAN BRECHER, ESQ. SECRETARY	1.00	X	X				0.	0.	0.
	0.00								
(14) JUSTIN BACHMAN TREASURER	1.00	X	X				0.	0.	0.
	0.00								
(15) ANDREA BELCHER BOARD MEMBER	1.00	X					0.	0.	0.
	0.00								
(16) GEORGINA A. CASIMIR-MAGLIORE BOARD MEMBER	1.00	X					0.	0.	0.
	0.00								
(17) CORIN SWIFT BOARD MEMBER AS OF 5/2/23	1.00	X					0.	0.	0.
	0.00								

## Part VII

## Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099-MISC/ 1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/ 1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee			
(18) JAY R. INDYKE, ESQ. BOARD MEMBER	1.00 0.00	X					0.	0.	0.
(19) JEAN RAWITT BOARD MEMBER	1.00 0.00	X					0.	0.	0.
(20) FAHEEMA T. ROSTOM BOARD MEMBER	1.00 0.00	X					0.	0.	0.
(21) KEITH TAMAYO BOARD MEMBER	1.00 0.00	X					0.	0.	0.
(22) GEORGE VARUGHESE BOARD MEMBER	1.00 0.00	X					0.	0.	0.
(23) CHRISTY SEARLE BOARD MEMBER	1.00 0.00	X					0.	0.	0.
(24) JUDITH KAUFFMAN FULLMER BOARD MEMBER UNTIL 3/31/23	1.00 0.00	X					0.	0.	0.
<b>1b Subtotal</b>							<b>2,279,626.</b>	<b>0.</b>	<b>198,017.</b>
<b>c Total from continuation sheets to Part VII, Section A</b>							<b>0.</b>	<b>0.</b>	<b>0.</b>
<b>d Total (add lines 1b and 1c)</b>							<b>2,279,626.</b>	<b>0.</b>	<b>198,017.</b>

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization

70

	Yes	No
3 Did the organization list any <b>former</b> officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	X

## Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
TEMPOSITIONS HEALTH CARE, INC., 622 THIRD AVE, 39TH FLOOR, NEW YORK, NY 10017	TEMP STAFFING	607,290.
THE EXECU/SEARCH GROUP P.O BOX 844276, BOSTON, MA 02284-4276	TEMP STAFFING	447,180.
PEARLCARE STAFFING SOLUTIONS, LLC, 1428 WEST BELMONT AVE STE 1, CHICAGO, IL 60657	TEMP STAFFING	404,828.
JD MASTERS PLUMBING AND HEAT 88-17 78TH AVE, GLENDALE, NY 11385	PLUMBING SERVICES	181,124.
ACCESS STAFFING, LLC PO BOX 200608, DALLAS, TX 75320-0608	TEMP STAFFING	175,551.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization

8

**Part VIII Statement of Revenue**Check if Schedule O contains a response or note to any line in this Part VIII 

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1 a</b> Federated campaigns .....	<b>1a</b>			
	<b>b</b> Membership dues .....	<b>1b</b>			
	<b>c</b> Fundraising events .....	<b>1c</b> 446,346.			
	<b>d</b> Related organizations .....	<b>1d</b>			
	<b>e</b> Government grants (contributions) .....	<b>1e</b> 20,211,713.			
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above ...	<b>1f</b> 375,549.			
	<b>g</b> Noncash contributions included in lines 1a-1f .....	<b>1g</b> \$			
	<b>h Total.</b> Add lines 1a-1f .....		21,033,608.		
<b>Program Service Revenue</b>	<b>2 a</b> TUITION REVENUE .....	<b>Business Code</b>			
		611600	36,272,947.	36272947.	
	<b>b</b> MEDICAID REVENUE .....	624410	33,924,039.	33924039.	
	<b>c</b> COMMUNITY BASED SERVICES .....	624410	793,958.	793,958.	
	<b>d</b> TRAINING REVENUE .....	611600	117,998.	117,998.	
	<b>e</b> .....				
	<b>f</b> All other program service revenue .....				
	<b>g Total.</b> Add lines 2a-2f .....		71,108,942.		
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) .....		226,947.		226,947.
	<b>4</b> Income from investment of tax-exempt bond proceeds .....				
	<b>5</b> Royalties .....				
	<b>6 a</b> Gross rents .....	(i) Real			
		6a			
	<b>b</b> Less: rental expenses .....	(ii) Personal			
		6b			
	<b>c</b> Rental income or (loss) .....	6c			
	<b>d</b> Net rental income or (loss) .....				
	<b>7 a</b> Gross amount from sales of assets other than inventory .....	(i) Securities			
		7a			
	<b>b</b> Less: cost or other basis and sales expenses .....	(ii) Other			
		7b			
	<b>c</b> Gain or (loss) .....	7c			
	<b>d</b> Net gain or (loss) .....				
	<b>8 a</b> Gross income from fundraising events (not including \$ 446,346. of contributions reported on line 1c). See Part IV, line 18 .....				
		8a	79,791.		
	<b>b</b> Less: direct expenses .....	8b	191,635.		
	<b>c</b> Net income or (loss) from fundraising events .....			-111,844.	-111,844.
	<b>9 a</b> Gross income from gaming activities. See Part IV, line 19 .....				
		9a	1,060.		
	<b>b</b> Less: direct expenses .....	9b	0.		
	<b>c</b> Net income or (loss) from gaming activities .....			1,060.	1,060.
	<b>10 a</b> Gross sales of inventory, less returns and allowances .....				
		10a			
	<b>b</b> Less: cost of goods sold .....	10b			
	<b>c</b> Net income or (loss) from sales of inventory .....				
<b>Miscellaneous Revenue</b>	<b>11 a</b> .....	<b>Business Code</b>			
	<b>b</b> .....				
	<b>c</b> .....				
	<b>d</b> All other revenue .....				
	<b>e Total.</b> Add lines 11a-11d .....				
	<b>12 Total revenue.</b> See instructions .....		92,258,713.	71108942.	0.
					116,163.

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX 

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 .....				
2 Grants and other assistance to domestic individuals. See Part IV, line 22 .....				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 .....				
4 Benefits paid to or for members .....				
5 Compensation of current officers, directors, trustees, and key employees .....	1,457,207.		1,457,207.	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) .....				
7 Other salaries and wages .....	45,953,045.	41,780,260.	3,715,690.	457,095.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) .....	980,754.	908,755.	61,709.	10,290.
9 Other employee benefits .....	3,473,277.	3,069,218.	369,064.	34,995.
10 Payroll taxes .....	3,716,413.	3,334,216.	351,322.	30,875.
11 Fees for services (nonemployees):				
a Management .....				
b Legal .....	248,709.	36,772.	211,937.	
c Accounting .....	110,950.		110,950.	
d Lobbying .....	82,065.		82,065.	
e Professional fundraising services. See Part IV, line 17 .....				
f Investment management fees .....	67,162.		67,162.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	8,027,093.	6,883,846.	1,125,756.	17,491.
12 Advertising and promotion .....				
13 Office expenses .....	390,598.	307,571.	80,925.	2,102.
14 Information technology .....	534,003.	261,345.	256,696.	15,962.
15 Royalties .....				
16 Occupancy .....	6,191,483.	5,445,039.	719,444.	27,000.
17 Travel .....	486,719.	473,716.	12,155.	848.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials .....				
19 Conferences, conventions, and meetings .....				
20 Interest .....	748,632.	504,125.	235,153.	9,354.
21 Payments to affiliates .....				
22 Depreciation, depletion, and amortization .....	1,285,281.	1,155,002.	130,279.	
23 Insurance .....	1,013,047.	764,680.	241,652.	6,715.
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a REPAIRS & MAINTENANCE	2,781,535.	2,288,722.	492,485.	328.
b SUPPLIES	1,461,811.	1,375,770.	77,050.	8,991.
c FOOD	1,327,610.	1,320,940.	3,245.	3,425.
d SERVICES ASSESSMENT	1,006,953.	1,006,953.		
e All other expenses .....	1,421,444.	1,017,183.	393,722.	10,539.
25 Total functional expenses. Add lines 1 through 24e	82,765,791.	71,934,113.	10,195,668.	636,010.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

## Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X 

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing .....	3,135,623.	1	3,465,779.
	2 Savings and temporary cash investments .....	5,390,013.	2	619,072.
	3 Pledges and grants receivable, net .....	13,000.	3	161,500.
	4 Accounts receivable, net .....	10,568,365.	4	11,704,573.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) .....		6	
	7 Notes and loans receivable, net .....		7	
	8 Inventories for sale or use .....		8	
	9 Prepaid expenses and deferred charges .....	824,994.	9	922,200.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	10a 30,371,420.		
	b Less: accumulated depreciation .....	10b 15,539,914.	10c 13,505,869.	14,831,506.
	11 Investments - publicly traded securities .....	9,559,595.	11	10,675,735.
	12 Investments - other securities. See Part IV, line 11 .....		12	
	13 Investments - program-related. See Part IV, line 11 .....		13	
	14 Intangible assets .....		14	
	15 Other assets. See Part IV, line 11 .....	20,489,668.	15	19,288,956.
	16 Total assets. Add lines 1 through 15 (must equal line 33) .....	63,487,127.	16	61,669,321.
Liabilities	17 Accounts payable and accrued expenses .....	11,241,424.	17	8,600,716.
	18 Grants payable .....		18	
	19 Deferred revenue .....	11,133,900.	19	192,500.
	20 Tax-exempt bond liabilities .....	1,320,857.	20	1,146,371.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D .....		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....		22	
	23 Secured mortgages and notes payable to unrelated third parties .....	8,972,149.	23	12,382,000.
	24 Unsecured notes and loans payable to unrelated third parties .....		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D .....	25,434,118.	25	23,736,029.
	26 Total liabilities. Add lines 17 through 25 .....	58,102,448.	26	46,057,616.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions .....	5,005,991.	27	15,085,198.
	28 Net assets with donor restrictions .....	378,688.	28	526,507.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds .....		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund .....		30	
	31 Retained earnings, endowment, accumulated income, or other funds .....		31	
	32 Total net assets or fund balances .....	5,384,679.	32	15,611,705.
	33 Total liabilities and net assets/fund balances .....	63,487,127.	33	61,669,321.

Form 990 (2022)

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI 

1 Total revenue (must equal Part VIII, column (A), line 12) .....	1	92,258,713.
2 Total expenses (must equal Part IX, column (A), line 25) .....	2	82,765,791.
3 Revenue less expenses. Subtract line 2 from line 1 .....	3	9,492,922.
4 Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A)) .....	4	5,384,679.
5 Net unrealized gains (losses) on investments .....	5	734,104.
6 Donated services and use of facilities .....	6	
7 Investment expenses .....	7	
8 Prior period adjustments .....	8	
9 Other changes in net assets or fund balances (explain on Schedule O) .....	9	0.
10 Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B)) .....	10	15,611,705.

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII 

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other .....		
If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? .....	2a	X
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:		
<input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
2b Were the organization's financial statements audited by an independent accountant? .....	2b	X
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:		
<input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
2c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? .....	2c	X
If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F? .....	3a	X
3b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits .....	3b	

Form 990 (2022)

**SCHEDULE A**  
(Form 990)

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section

4947(a)(1) nonexempt charitable trust.

Attach to Form 990 or Form 990-EZ.

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2022**

Open to Public  
Inspection

Name of the organization

BIRCH FAMILY SERVICES, INC.

Employer identification number

11-2503193

**Part I Reason for Public Charity Status.** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990).)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9  An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: \_\_\_\_\_
- 10  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 11  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
  - a  **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
  - b  **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
  - c  **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
  - d  **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
  - e  Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
  - f Enter the number of supported organizations .....
  - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
<b>Total</b>						

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
3 The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>4 Total.</b> Add lines 1 through 3 .....						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) .....						
<b>6 Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
7 Amounts from line 4 .....						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....						
9 Net income from unrelated business activities, whether or not the business is regularly carried on .....						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>11 Total support.</b> Add lines 7 through 10						
<b>12 Gross receipts from related activities, etc. (see instructions)</b> .....					<b>12</b>	
<b>13 First 5 years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .....						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2022 (line 6, column (f), divided by line 11, column (f)) .....	<b>14</b>	%
15 Public support percentage from 2021 Schedule A, Part II, line 14 .....	<b>15</b>	%
<b>16a 33 1/3% support test - 2022.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization .....		
<b>b 33 1/3% support test - 2021.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization .....		
<b>17a 10% -facts-and-circumstances test - 2022.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and <b>stop here</b> . Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization .....		
<b>b 10% -facts-and-circumstances test - 2021.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and <b>stop here</b> . Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization .....		
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....		

Schedule A (Form 990) 2022

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....	5002297.	3287582.	4325615.	10071238.	21033608.	43720340.
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose .....	64689167.	67585584.	64129375.	67195622.	71108942.	334708690
3 Gross receipts from activities that are not an unrelated trade or business under section 513 .....						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
5 The value of services or facilities furnished by a governmental unit to the organization without charge .....	570,937.	553,483.	563,389.	542,964.	542,964.	2773737.
<b>6 Total.</b> Add lines 1 through 5 .....	<b>70262401.</b>	<b>71426649.</b>	<b>69018379.</b>	<b>77809824.</b>	<b>92685514.</b>	<b>381202767</b>
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons .....	<b>64,580.</b>	<b>83,525.</b>	<b>85,662.</b>	<b>166,249.</b>	<b>103,210.</b>	<b>503,226.</b>
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year .....						0.
<b>c</b> Add lines 7a and 7b .....	<b>64,580.</b>	<b>83,525.</b>	<b>85,662.</b>	<b>166,249.</b>	<b>103,210.</b>	<b>503,226.</b>
<b>8 Public support.</b> (Subtract line 7c from line 6.)						<b>380699541</b>

**Section B. Total Support**

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
<b>9</b> Amounts from line 6 .....	<b>70262401.</b>	<b>71426649.</b>	<b>69018379.</b>	<b>77809824.</b>	<b>92685514.</b>	<b>381202767</b>
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....			149,908.	231,546.	226,947.	608,401.
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....						
<b>c</b> Add lines 10a and 10b .....			149,908.	231,546.	226,947.	608,401.
<b>11</b> Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on .....						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....	41,730.				80,851.	122,581.
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)	<b>70304131.</b>	<b>71426649.</b>	<b>69168287.</b>	<b>78041370.</b>	<b>92993312.</b>	<b>381933749</b>
<b>14 First 5 years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .....						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2022 (line 8, column (f), divided by line 13, column (f)) .....	15	99.68	%
16 Public support percentage from 2021 Schedule A, Part III, line 15 .....	16	99.74	%

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2022 (line 10c, column (f), divided by line 13, column (f)) .....	17	.16	%
18 Investment income percentage from 2021 Schedule A, Part III, line 17 .....	18	.11	%

**19a 33 1/3% support tests - 2022.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

**b 33 1/3% support tests - 2021.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

**Part IV Supporting Organizations**

(Complete only if you checked a box on line 12 of Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

	Yes	No
1		
2		
3a		
3b		
3c		
4a		
4b		
4c		
5a		
5b		
5c		
6		
7		
8		
9a		
9b		
9c		
10a		
10b		

1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in **Part VI** how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.

2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in **Part VI** how the organization determined that the supported organization was described in section 509(a)(1) or (2).

3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer lines 3b and 3c below.

b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in **Part VI** when and how the organization made the determination.

c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in **Part VI** what controls the organization put in place to ensure such use.

4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.

b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in **Part VI** how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.

c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in **Part VI** what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.

5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in **Part VI**, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).

b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?

c Substitutions only. Was the substitution the result of an event beyond the organization's control?

6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in **Part VI**.

7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete **Part I** of Schedule L (Form 990).

8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? If "Yes," complete **Part I** of Schedule L (Form 990).

9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in **Part VI**.

b Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in **Part VI**.

c Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in **Part VI**.

10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer line 10b below.

b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)

**Part IV Supporting Organizations (continued)**

11 Has the organization accepted a gift or contribution from any of the following persons?

- A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?
- A family member of a person described on line 11a above?
- A 35% controlled entity of a person described on line 11a or 11b above? If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI.

	Yes	No
11a		
11b		
11c		

**Section B. Type I Supporting Organizations**

1 Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.

2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.

	Yes	No
1		
2		

**Section C. Type II Supporting Organizations**

1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).

	Yes	No
1		

**Section D. All Type III Supporting Organizations**

1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?

2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).

3 By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.

	Yes	No
1		
2		
3		

**Section E. Type III Functionally Integrated Supporting Organizations**

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).

- The organization satisfied the Activities Test. Complete line 2 below.
- The organization is the parent of each of its supported organizations. Complete line 3 below.
- The organization supported a governmental entity. Describe in Part VI how you supported a governmental entity (see instructions).

	Yes	No
--	-----	----

## 2 Activities Test. Answer lines 2a and 2b below.

a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.

2a		
----	--	--

b Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.

2b		
----	--	--

## 3 Parent of Supported Organizations. Answer lines 3a and 3b below.

a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? If "Yes" or "No" provide details in Part VI.

b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.

3a		
3b		

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

1  Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 ( *explain in Part VI*). See instructions.  
 All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

<b>Section A - Adjusted Net Income</b>		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3.	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
<b>8 Adjusted Net Income</b> (subtract lines 5, 6, and 7 from line 4)	<b>8</b>		
<b>Section B - Minimum Asset Amount</b>		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d <b>Total</b> (add lines 1a, 1b, and 1c)	<b>1d</b>		
e <b>Discount</b> claimed for blockage or other factors <i>(explain in detail in Part VI):</i>			
2 Acquisition indebtedness applicable to non-exempt-use assets	2		
3 Subtract line 2 from line 1d.	3		
4 Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by 0.035.	6		
7 Recoveries of prior-year distributions	7		
<b>8 Minimum Asset Amount</b> (add line 7 to line 6)	<b>8</b>		
<b>Section C - Distributable Amount</b>			Current Year
1 Adjusted net income for prior year (from Section A, line 8, column A)	1		
2 Enter 0.85 of line 1.	2		
3 Minimum asset amount for prior year (from Section B, line 8, column A)	3		
4 Enter greater of line 2 or line 3.	4		
5 Income tax imposed in prior year	5		
6 <b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6		
7 <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).			

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)**

<b>Section D - Distributions</b>		<b>Current Year</b>
<b>1</b>	Amounts paid to supported organizations to accomplish exempt purposes	<b>1</b>
<b>2</b>	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	<b>2</b>
<b>3</b>	Administrative expenses paid to accomplish exempt purposes of supported organizations	<b>3</b>
<b>4</b>	Amounts paid to acquire exempt-use assets	<b>4</b>
<b>5</b>	Qualified set-aside amounts (prior IRS approval required - <i>provide details in Part VI</i> )	<b>5</b>
<b>6</b>	Other distributions ( <i>describe in Part VI</i> ). See instructions.	<b>6</b>
<b>7</b>	<b>Total annual distributions.</b> Add lines 1 through 6.	<b>7</b>
<b>8</b>	Distributions to attentive supported organizations to which the organization is responsive ( <i>provide details in Part VI</i> ). See instructions.	<b>8</b>
<b>9</b>	Distributable amount for 2022 from Section C, line 6	<b>9</b>
<b>10</b>	Line 8 amount divided by line 9 amount	<b>10</b>

<b>Section E - Distribution Allocations</b> (see instructions)	<b>(i) Excess Distributions</b>	<b>(ii) Underdistributions Pre-2022</b>	<b>(iii) Distributable Amount for 2022</b>
<b>1</b> Distributable amount for 2022 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2022 (reasonable cause required - <i>explain in Part VI</i> ). See instructions.			
<b>3</b> Excess distributions carryover, if any, to 2022			
<b>a</b> From 2017			
<b>b</b> From 2018			
<b>c</b> From 2019			
<b>d</b> From 2020			
<b>e</b> From 2021			
<b>f</b> <b>Total</b> of lines 3a through 3e			
<b>g</b> Applied to underdistributions of prior years			
<b>h</b> Applied to 2022 distributable amount			
<b>i</b> Carryover from 2017 not applied (see instructions)			
<b>j</b> Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
<b>4</b> Distributions for 2022 from Section D, line 7: \$			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2022 distributable amount			
<b>c</b> Remainder. Subtract lines 4a and 4b from line 4.			
<b>5</b> Remaining underdistributions for years prior to 2022, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
<b>6</b> Remaining underdistributions for 2022. Subtract lines 3h and 4b from line 1. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
<b>7</b> <b>Excess distributions carryover to 2023.</b> Add lines 3j and 4c.			
<b>8</b> Breakdown of line 7:			
<b>a</b> Excess from 2018			
<b>b</b> Excess from 2019			
<b>c</b> Excess from 2020			
<b>d</b> Excess from 2021			
<b>e</b> Excess from 2022			

**Part VI****Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12;

Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

**SCHEDULE A, PART III, LINE 12, EXPLANATION FOR OTHER INCOME:****GROSS FUNDRAISING INCOME**2018 AMOUNT: \$ 41,730.2022 AMOUNT: \$ 79,791.**RAFFLE INCOME**2022 AMOUNT: \$ 1,060.



**Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

**A** Check  if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

**B** Check  if the filing organization checked box A and "limited control" provisions apply.

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)		<b>(a) Filing organization's totals</b>	<b>(b) Affiliated group totals</b>
<b>1a</b> Total lobbying expenditures to influence public opinion (grassroots lobbying) .....			
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying) .....			
<b>c</b> Total lobbying expenditures (add lines 1a and 1b) .....			
<b>d</b> Other exempt purpose expenditures .....			
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d) .....			
<b>f</b> Lobbying nontaxable amount. Enter the amount from the following table in both columns.			
<b>If the amount on line 1e, column (a) or (b) is:</b>	<b>The lobbying nontaxable amount is:</b>		
Not over \$500,000	20% of the amount on line 1e.		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.		
Over \$17,000,000	\$1,000,000.		
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f) .....			
<b>h</b> Subtract line 1g from line 1a. If zero or less, enter -0- .....			
<b>i</b> Subtract line 1f from line 1c. If zero or less, enter -0- .....			
<b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? .....		<input type="checkbox"/> Yes	<input type="checkbox"/> No

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.

See the separate instructions for lines 2a through 2f.)

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	<b>(a) 2019</b>	<b>(b) 2020</b>	<b>(c) 2021</b>	<b>(d) 2022</b>	<b>(e) Total</b>
<b>2a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

**Part II-B** Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers? .....		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? .....		X	
c Media advertisements? .....		X	
d Mailings to members, legislators, or the public? .....		X	
e Publications, or published or broadcast statements? .....		X	
f Grants to other organizations for lobbying purposes? .....		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body? .....		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? .....		X	
i Other activities? .....	X		82,065.
j Total. Add lines 1c through 1i .....			82,065.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? .....		X	
b If "Yes," enter the amount of any tax incurred under section 4912 .....			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912 .....			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year? .....			

**Part III-A** Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members? .....	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less? .....	2	
3 Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year? .....	3	

**Part III-B** Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

1 Dues, assessments and similar amounts from members .....	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid). .....	2	
a Current year .....	2a	
b Carryover from last year .....	2b	
c Total .....	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues .....	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditures next year? .....	4	
5 Taxable amount of lobbying and political expenditures. See instructions .....	5	

**Part IV** Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (See instructions); and Part II-B, line 1. Also, complete this part for any additional information.

**PART II-B, LINE 1, LOBBYING ACTIVITIES:**

BIRCH FAMILY SERVICES IS A MEMBER OF THE IAC AND THE NYC COALITION FOR CHILDREN WITH SPECIAL NEEDS. AS MEMBERS \$1,670 AND \$8,395 (RESPECTIVELY) OF THE ANNUAL DUES PAID REPRESENT FUNDS USED FOR GOVERNMENT RELATIONS PRESENTATION. IN ADDITION, \$72,000 REPRESENTS AGENCY FUNDS USED TOWARD GOVERNMENT RELATIONS, STRATEGIC PARTNERSHIP



**SCHEDULE D**  
(Form 990)Department of the Treasury  
Internal Revenue Service**Supplemental Financial Statements**Complete if the organization answered "Yes" on Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

Attach to Form 990.

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2022**Open to Public  
Inspection

Name of the organization

**BIRCH FAMILY SERVICES, INC.**

Employer identification number

11-2503193

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year .....		
2 Aggregate value of contributions to (during year) .....		
3 Aggregate value of grants from (during year) .....		
4 Aggregate value at end of year .....		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? .....		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? .....		<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part II Conservation Easements.** Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).	<input type="checkbox"/> Preservation of land for public use (for example, recreation or education) <input type="checkbox"/> Preservation of a historically important land area
	<input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure
	<input type="checkbox"/> Preservation of open space
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.	<b>Held at the End of the Tax Year</b>
a Total number of conservation easements .....	2a
b Total acreage restricted by conservation easements .....	2b
c Number of conservation easements on a certified historic structure included in (a) .....	2c
d Number of conservation easements included in (c) acquired after July 25, 2006, and not on a historic structure listed in the National Register .....	2d
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year .....	
4 Number of states where property subject to conservation easement is located .....	
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? .....	<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year .....	
7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year .....	
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? .....	<input type="checkbox"/> Yes <input type="checkbox"/> No
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.	

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.	
b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:	
(i) Revenue included on Form 990, Part VIII, line 1 .....	\$ .....
(ii) Assets included in Form 990, Part X .....	\$ .....
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:	
a Revenue included on Form 990, Part VIII, line 1 .....	\$ .....
b Assets included in Form 990, Part X .....	\$ .....

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2022

232051 09-01-22

**Part III** Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

a  Public exhibition  
 b  Scholarly research  
 c  Preservation for future generations

d  Loan or exchange program  
 e  Other \_\_\_\_\_

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV** Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
1c	276,882.
1d	1,324,474.
1e	1,387,220.
1f	214,136.

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

**Part V** Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment \_\_\_\_\_ %  
 b Permanent endowment \_\_\_\_\_ %  
 c Term endowment \_\_\_\_\_ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) Unrelated organizations .....  
 (ii) Related organizations .....

Yes	No
3a(i)	
3a(ii)	
3b	

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? .....

4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI** Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land .....		1,425,576.		1,425,576.
b Buildings .....		18,223,573.	8,002,205.	10,221,368.
c Leasehold improvements .....		7,365,138.	4,508,162.	2,856,976.
d Equipment .....		787,036.	659,660.	127,376.
e Other .....		2,570,097.	2,369,887.	200,210.

**Total.** Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)  14,831,506.

Schedule D (Form 990) 2022

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives .....		
(2) Closely held equity interests .....		
(3) Other .....		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		

Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.)

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		

Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.)

**Part IX Other Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) ASSETS LIMITED IN USE	139,640.
(2) RIGHT-OF-USE ASSETS, OPERATING LEASES	19,149,316.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	

Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) 19,288,956.

**Part X Other Liabilities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DUE TO GOVERNMENTAL AGENCIES	3,393,266.
(3) OPERATING LEASES	20,342,763.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	

Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) 23,736,029.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII  X

Schedule D (Form 990) 2022

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	93,468,619.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	734,104.
b	Donated services and use of facilities	2b	542,964.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	1,277,068.
3	Subtract line 2e from line 1	3	92,191,551.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	67,162.
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	67,162.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	92,258,713.

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	83,241,593.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	542,964.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	542,964.
3	Subtract line 2e from line 1	3	82,698,629.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	67,162.
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	67,162.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	82,765,791.

**Part XIII Supplemental Information.**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

**PART IV, LINE 1B:****BANK ACCOUNTS ARE MAINTAINED BY THE PROGRAMS WHERE THE INDIVIDUALS RESIDE.****EACH INDIVIDUAL HAS A BANK LEDGER AND IN-HOUSE LEDGER. THE BANK LEDGER****RECORDS ALL THE DEPOSITS AND WITHDRAWALS THAT TAKE PLACE IN THE BANK****ACCOUNT. THE IN-HOUSE LEDGER PROVIDES THE DETAIL ON HOW THE INDIVIDUAL****SPENDS MONEY THAT IS WITHDRAWN FROM HIS/HER ACCOUNT.****PART X, LINE 2:****MANAGEMENT EVALUATED BIRCH'S TAX POSITIONS AND CONCLUDED THAT BIRCH HAD****TAKEN NO UNCERTAIN TAX POSITIONS THAT REQUIRE ADJUSTMENT TO THE FINANCIAL****STATEMENTS TO COMPLY WITH THE PROVISIONS OF THE FINANCIAL ACCOUNTING****STANDARDS BOARD ("FASB") ACCOUNTING STANDARDS CODIFICATION ("ASC") NO.**

**Part XIII Supplemental Information (continued)**

740.

Department of the Treasury  
Internal Revenue Service

**Complete if the organization answered "Yes" on Form 990, Part IV, line 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.**

Attach to Form 990 or Form 990-EZ.

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

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Name of the organization

BIRCH FAMILY SERVICES, INC.

**Employer identification number**  
11-2503193

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## Part I

**Fundraising Activities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a**  Mail solicitations
- b**  Internet and email solicitations
- c**  Phone solicitations
- d**  In-person solicitations
- e**  Solicitation of non-government grants
- f**  Solicitation of government grants
- g**  Special fundraising events

**2 a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees, or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?  Yes  No

**b** If "Yes," list the 10 highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

**Total** ..... 100

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

**Part II Fundraising Events.** Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

	(a) Event #1 GALA (event type)	(b) Event #2 GOLF OUTING (event type)	(c) Other events 1 (total number)	(d) Total events (add col. (a) through col. (c))
1 Gross receipts .....	252,578.	138,503.	135,056.	526,137.
2 Less: Contributions .....	203,178.	108,112.	135,056.	446,346.
3 Gross income (line 1 minus line 2) .....	49,400.	30,391.		79,791.
4 Cash prizes .....				
5 Noncash prizes .....				
6 Rent/facility costs .....				
7 Food and beverages .....				
8 Entertainment .....				
9 Other direct expenses .....	102,744.	49,670.	39,221.	191,635.
10 Direct expense summary. Add lines 4 through 9 in column (d) .....				191,635.
11 Net income summary. Subtract line 10 from line 3, column (d) .....				-111,844.

**Part III Gaming.** Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

	(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
1 Gross revenue .....				
2 Cash prizes .....				
3 Noncash prizes .....				
4 Rent/facility costs .....				
5 Other direct expenses .....				
6 Volunteer labor .....	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7 Direct expense summary. Add lines 2 through 5 in column (d) .....				
8 Net gaming income summary. Subtract line 7 from line 1, column (d) .....				

9 Enter the state(s) in which the organization conducts gaming activities: \_\_\_\_\_

a Is the organization licensed to conduct gaming activities in each of these states? \_\_\_\_\_  Yes  No

b If "No," explain: \_\_\_\_\_

\_\_\_\_\_

10a Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year? \_\_\_\_\_  Yes  No

b If "Yes," explain: \_\_\_\_\_

\_\_\_\_\_

11 Does the organization conduct gaming activities with nonmembers? .....

12 Is the organization a grantor, beneficiary or trustee of a trust, or a member of a partnership or other entity formed to administer charitable gaming? .....

13 Indicate the percentage of gaming activity conducted in:

a The organization's facility .....

b An outside facility .....

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name \_\_\_\_\_

Address \_\_\_\_\_

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? .....  Yes  No

b If "Yes," enter the amount of gaming revenue received by the organization \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party \$ \_\_\_\_\_

**c** If "Yes," enter name and address of the third party:

Name \_\_\_\_\_

Address \_\_\_\_\_

## 16 Gaming manager information:

Name \_\_\_\_\_

Gaming manager compensation \$ \_\_\_\_\_

Description of services provided \_\_\_\_\_

Director/officer       Employee       Independent contractor

## 17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? .....

**b** Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year      \$

**Part IV** **Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v); and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information. See instructions.

**Part IV Supplemental Information (continued)**

**SCHEDULE J**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees  
Complete if the organization answered "Yes" on Form 990, Part IV, line 23.  
Attach to Form 990.  
Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2022**

Open to Public  
Inspection

Name of the organization

**BIRCH FAMILY SERVICES, INC.**

Employer identification number  
**11-2503193**

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (such as maid, chauffeur, chef)

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain .....

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a? .....

**3** Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input checked="" type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee

**4** During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

**a** Receive a severance payment or change-of-control payment? .....

**b** Participate in or receive payment from a supplemental nonqualified retirement plan? .....

**c** Participate in or receive payment from an equity-based compensation arrangement? .....

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.**

**5** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

**a** The organization? .....

**b** Any related organization? .....

If "Yes" on line 5a or 5b, describe in Part III.

**6** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

**a** The organization? .....

**b** Any related organization? .....

If "Yes" on line 6a or 6b, describe in Part III.

**7** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III .....

**8** Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III .....

**9** If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? .....

**Yes** **No**

**1b**

**2**

**4a** **X**

**4b** **X**

**4c** **X**

**5a** **X**

**5b** **X**

**6a** **X**

**6b** **X**

**7** **X**

**8** **X**

**9**

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2022

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

**Note:** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

**Part III Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

**PART I, LINE 7:**

**PERFORMANCE BASE AWARDS, APPROVED BY THE BOARD OF DIRECTORS AND REVIEWED BY**

**THE COMPENSATION COMMITTEE, ARE PAID TO OFFICERS AND KEY MANAGERS BASED ON**

**PERFORMANCE REVIEWS.**

**SCHEDULE K**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information on Tax-Exempt Bonds**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.  
Attach to Form 990. Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2022**

Open to Public  
Inspection

Name of the organization

**BIRCH FAMILY SERVICES, INC.**

Employer identification number  
**11-2503193**

**Part I Bond Issues**

**SEE PART VI FOR COLUMN (F) CONTINUATIONS**

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A THE STATE OF NY	14-6000293	649907L19	03/13/13	1,313,212.	RENOVATING AND EQUIPPING FACILIT		X		X	X	
B THE STATE OF NY	14-6000293	6499075C2	02/11/15	1,453,777.	RENOVATING AND EQUIPPING FACILIT		X		X	X	
C											
D											

**Part II Proceeds**

		A		B		C		D			
		838,212.	773,777.	1,313,212.	1,453,777.	69,094.	62,652.	26,264.	29,076.	1,217,854.	1,362,049.
1 Amount of bonds retired											
2 Amount of bonds legally defeased											
3 Total proceeds of issue											
4 Gross proceeds in reserve funds											
5 Capitalized interest from proceeds											
6 Proceeds in refunding escrows											
7 Issuance costs from proceeds											
8 Credit enhancement from proceeds											
9 Working capital expenditures from proceeds											
10 Capital expenditures from proceeds											
11 Other spent proceeds											
12 Other unspent proceeds											
13 Year of substantial completion											

	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?		X		X				
15 Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?		X		X				
16 Has the final allocation of proceeds been made?	X		X					
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule K (Form 990) 2022

**Part III Private Business Use**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds? .....		X		X				
2 Are there any lease arrangements that may result in private business use of bond-financed property? .....		X		X				
3a Are there any management or service contracts that may result in private business use of bond-financed property? .....		X		X				
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property? .....								
c Are there any research agreements that may result in private business use of bond-financed property? .....		X		X				
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property? .....								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government .....	.00	%	.00	%			%	%
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government .....	.00	%	.00	%			%	%
6 Total of lines 4 and 5 .....	.00	%	.00	%			%	%
7 Does the bond issue meet the private security or payment test? .....		X		X				
8a Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued? .....		X		X				
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of .....		%		%			%	%
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2? .....								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2? .....	X		X					

**Part IV Arbitrage**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate? .....		X		X				
2 If "No" to line 1, did the following apply?								
a Rebate not due yet? .....		X		X				
b Exception to rebate? .....		X		X				
c No rebate due? .....	X		X					
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed .....								
3 Is the bond issue a variable rate issue? .....		X		X				

**Part IV Arbitrage (continued)**

	A	B	C	D			
Yes	No	Yes	No	Yes	No	Yes	No
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue? .....		X		X			
b Name of provider .....							
c Term of hedge .....							
d Was the hedge superintegrated? .....							
e Was the hedge terminated? .....							
5a Were gross proceeds invested in a guaranteed investment contract (GIC)? .....		X		X			
b Name of provider .....							
c Term of GIC .....							
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied? .....							
6 Were any gross proceeds invested beyond an available temporary period? .....		X		X			
7 Has the organization established written procedures to monitor the requirements of section 148? .....	X		X				

**Part V Procedures To Undertake Corrective Action**

	A	B	C	D			
Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation isn't available under applicable regulations? .....		X		X			

**Part VI Supplemental Information.** Provide additional information for responses to questions on Schedule K. See instructions.

**SCHEDULE K, PART I, BOND ISSUES:**

(A) ISSUER NAME: DORMITORY AUTHORITY OF THE STATE OF NY  
 (F) DESCRIPTION OF PURPOSE: RENOVATING AND EQUIPPING FACILITY

(A) ISSUER NAME: DORMITORY AUTHORITY OF THE STATE OF NY  
 (F) DESCRIPTION OF PURPOSE: RENOVATING AND EQUIPPING FACILITY

**SCHEDULE K, PART IV, ARBITRAGE, LINE 2C:**

(A) ISSUER NAME: DORMITORY AUTHORITY OF THE STATE OF NY  
 DATE THE REBATE COMPUTATION WAS PERFORMED: 12/31/2023

(A) ISSUER NAME: DORMITORY AUTHORITY OF THE STATE OF NY  
 DATE THE REBATE COMPUTATION WAS PERFORMED: 12/31/2020

**PART IV, Q2C**

FOR 2013, DASNY STAFF PERFORMED ARBITRAGE REBATE CALCULATIONS IN 2023.  
 FOR 2015, DASNY STAFF PERFORMED ARBITRAGE REBATE CALCULATIONS IN 2020.

## **Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.  
Attach to Form 990 or Form 990-EZ.  
Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

**2022**

Open to Public  
Inspection

Name of the organization

**BIRCH FAMILY SERVICES, INC.**

Employer identification number  
**11-2503193**

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

MET BY THE PUBLIC SCHOOL SYSTEM. THE BIRCH ANNEX IN WASHINGTON HEIGHTS

SERVES CHILDREN AGES 5-8 YEAR WITH AUTISM.

FORM 990, PART VI, SECTION B, LINE 11B:

FORM 990 WAS PREPARED BY A NATIONALLY RENOWNED ACCOUNTING FIRM IN

CONJUNCTION WITH THE ORGANIZATION'S FINANCE DEPARTMENT. DRAFT FORM 990 WAS

REVIEWED BY THE ORGANIZATION'S PRESIDENT/CEO, CFO AND CONTROLLER AND THEN

PROVIDED TO ALL MEMBERS OF THE BOARD OF DIRECTORS IN DRAFT VIA EMAIL. THE

990 WAS REVIEWED AT A BOARD MEETING GIVING MEMBERS AN OPPORTUNITY TO

COMMENT OR MAKE INQUIRY BEFORE THE 990 WAS FILED WITH INTERNAL REVENUE

SERVICE.

FORM 990, PART VI, SECTION B, LINE 12C:

ALL EMPLOYEES AND BOARD MEMBERS OF BIRCH FAMILY SERVICES HAVE AN OBLIGATION

TO CONDUCT BUSINESS WITHIN GUIDELINES THAT PROHIBIT ACTUAL OR POTENTIAL

CONFLICTS OF INTEREST. EMPLOYEES AND BOARD MEMBERS ARE REQUIRED TO DISCLOSE

ANY ACTUAL OR POTENTIAL CONFLICT OF INTEREST AND SEEK GUIDANCE FROM THE

COMPLIANCE OFFICER ON HOW TO HANDLE THE SITUATION. BOARD MEMBERS AND

MANAGEMENT EMPLOYEES WILL COMPLETE A CONFLICT OF INTEREST DISCLOSURE

STATEMENT TO REPORT ANY POTENTIAL CONFLICT OF INTEREST ON AN ANNUAL BASIS.

BUSINESS DEALINGS WITH OUTSIDE ENTITIES SHOULD NOT RESULT IN UNUSUAL GAIN

FOR THOSE ENTITIES, BIRCH BOARD MEMBERS AND EMPLOYEES. BECAUSE OF THE ABOVE

STATEMENT, IF A CONFLICT ARISES, BIRCH EVALUATES THE POTENTIAL GAIN ON A

CASE BY CASE BASIS BEFORE DETERMINING IF THE BOARD MEMBER OR EMPLOYEE IN

QUESTION CAN BE ALLOWED TO PARTICIPATE.

Name of the organization

BIRCH FAMILY SERVICES, INC.

Employer identification number

11-2503193

MEMBERS OF THE BOARD OF DIRECTORS, EMPLOYEES AND CONTRACTORS MUST SEEK  
GUIDANCE AND APPROVAL FROM APPROPRIATE MANAGEMENT PERSONNEL PRIOR TO  
PURSUING ANY BUSINESS OR PERSONAL ACTIVITY THAT MAY CONSTITUTE A CONFLICT  
OF INTEREST AND MUST MAKE A DISCLOSURE OF ANY POTENTIAL BUSINESS OR  
PERSONAL ACTIVITY THAT MAY CONSTITUTE A CONFLICT OF INTEREST TO THE  
COMPLIANCE OFFICER, AND OTHER MEMBERS OF THE AUDIT COMMITTEE IN THE EVENT  
THAT THE COMPLIANCE OFFICER IS THE INDIVIDUAL ENGAGING IN SUCH POTENTIAL  
BUSINESS OR PERSONAL ACTIVITY THAT MAY CONSTITUTE A CONFLICT OF INTEREST.

FORM 990, PART VI, SECTION B, LINE 15:

THE BOARD'S COMPENSATION COMMITTEE WAS CREATED TO COMPLY WITH APPLICABLE  
COMPENSATION LAWS AND BEST PRACTICES. THE COMMITTEE REVIEWED A DETAILED  
INDEPENDENT STUDY OF THE AGENCY'S EXECUTIVE LEVEL POSITIONS. AFTER DUE  
DELIBERATION WITH SUBSTANTIATED STUDY RESULTS, THE COMMITTEE DETERMINED  
COMPENSATION FOLLOWING COMPARISON WITH LOCAL AGENCIES HAVING A COMPARABLE  
MIX OF SERVICES AND FUNDING SOURCES. THE COMMITTEE CONCLUDED THAT THE  
COMPENSATION TO EXECUTIVES OF BIRCH FAMILY SERVICES IS JUSTIFIED BY THE  
QUALITY OF THEIR JOB PERFORMANCE, THEIR YEARS OF EXPERIENCE AND THE BROAD  
SCOPE OF THEIR DUTIES, THE DIVERSITY AND COMPLEXITY OF THE PROGRAMS AND  
SERVICES THEY MANAGE, THE FINANCIAL RESOURCES OF THE AGENCY, AND DULY  
DILIGENT PERIODIC REVIEWS BY THE COMMITTEE OF EXECUTIVE COMPENSATION IN  
RELATION TO LIKE POSITIONS IN COMPARABLE AGENCIES.

FORM 990, PART VI, SECTION C, LINE 19:

THE ORGANIZATION MADE ITS GOVERNING DOCUMENTS, CONFLICTS OF INTEREST POLICY  
AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

# **TAX RETURN FILING INSTRUCTIONS**

NEW YORK FORM CHAR500

**FOR THE YEAR ENDING**

JUNE 30, 2023

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**PREPARED FOR:**

BIRCH FAMILY SERVICES, INC.  
104 WEST 29TH STREET, 3RD FLOOR  
NEW YORK, NY 10001

---

**PREPARED BY:**

BAKER TILLY US, LLP  
66 HUDSON BLVD E  
SUITE 2200  
NEW YORK, NY 10001

---

**AMOUNT OF TAX:**

BALANCE DUE OF \$775

---

**MAKE CHECK PAYABLE TO:**

NOT APPLICABLE

---

**MAIL TAX RETURN TO:**

THE NEW YORK FORM FORM CHAR500 SHOULD BE FILED VIA THE WEB AT:  
[HTTPS://CHARITIESNYS.COM/ANNUAL\\_FILING.HTML](https://CHARITIESNYS.COM/ANNUAL_FILING.HTML)

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**RETURN MUST BE MAILED ON OR BEFORE:**

MAY 15, 2024

---

**SPECIAL INSTRUCTIONS:**

# CHAR500

NYS Annual Filing for Charitable Organizations  
www.CharitiesNYS.com

Send with fee and attachments to:  
NYS Office of the Attorney General  
Charities Bureau Registration Section  
28 Liberty Street  
New York, NY 10005

2022

Open to Public  
Inspection

## 1. General Information

For Fiscal Year Beginning (mm/dd/yyyy) **07/01/2022** and Ending (mm/dd/yyyy) **06/30/2023**

Check if Applicable:	Name of Organization: <b>BIRCH FAMILY SERVICES, INC.</b>	Employer Identification Number (EIN): <b>11-2503193</b>
<input type="checkbox"/> Address Change	Mailing Address: <b>104 WEST 29TH STREET, 3RD FLOOR</b>	NY Registration Number: <b>02-77-53</b>
<input type="checkbox"/> Name Change	City / State / ZIP: <b>NEW YORK, NY 10001</b>	Telephone: <b>212 616-1800</b>
<input type="checkbox"/> Initial Filing	Website: <b>WWW.BIRCHFAMILYSERVICES.ORG</b>	Email:
<input type="checkbox"/> Final Filing		
<input type="checkbox"/> Amended Filing		
<input type="checkbox"/> Reg ID Pending		

Check your organization's  
registration category:

7A only

EPTL only

DUAL (7A & EPTL)

EXEMPT\*

Confirm your Registration Category in the  
Charities Registry at [www.CharitiesNYS.com](http://www.CharitiesNYS.com).

## 2. Certification

See instructions for certification requirements. Improper certification is a violation of law that may be subject to penalties. The certification requires two signatories.

*We certify under penalties of perjury that we reviewed this report, including all attachments, and to the best of our knowledge and belief,  
they are true, correct and complete in accordance with the laws of the State of New York applicable to this report.*

President or Authorized Officer:

Signature

Print Name and Title

Date

**MATTHEW STURIALE**

**PRESIDENT/CEO**

Chief Financial Officer or Treasurer:

Signature

Print Name and Title

Date

**JOSH SCHER**

**CFO/VP FIN & ADMIN**

## 3. Annual Reporting Exemption

Check the exemption(s) that apply to your filing. If your organization is claiming an exemption under one category (7A or EPTL only filers) or both categories (DUAL filers) that apply to your registration, complete only parts 1, 2, and 3, and submit the certified Char500. No fee, schedules, or additional attachments are required. If you cannot claim an exemption or are a DUAL filer that claims only one exemption, you must file applicable schedules and attachments and pay applicable fees.

3a. 7A filing exemption: Total contributions from NY State including residents, foundations, government agencies, etc. did not exceed \$25,000 and the organization did not engage a professional fund raiser (PFR) or fund raising counsel (FRC) to solicit contributions during the fiscal year.

3b. EPTL filing exemption: Gross receipts did not exceed \$25,000 and the market value of assets did not exceed \$25,000 at any time during the fiscal year.

## 4. Schedules and Attachments

See the following page  
for a checklist of  
schedules and  
attachments to  
complete your filing.

Yes

No

4a. Did your organization use a professional fund raiser, fund raising counsel or commercial co-venturer for fund raising activity in NY State? If yes, complete Schedule 4a.

Yes

No

4b. Did the organization receive government grants? If yes, complete Schedule 4b.

## 5. Fee

See the checklist on the  
next page to calculate your  
fee(s). Indicate fee(s) you  
are submitting here:

7A filing fee:

\$ 25.

EPTL filing fee:

\$ 750.

Total fee:

\$ 775.

Make a single check or money order  
payable to:  
**"Department of Law"**

CHAR500 Annual Filing for Charitable Organizations (Updated January 2022)

\*The "Exempt" category refers to an organization's NYS registration status. It does not refer to its IRS tax designation.

# BIRCH FAMILY SERVICES, INC.

## CHAR500

### Annual Filing Checklist

Simply submit the certified CHAR500 with no fee, schedule, or additional attachments IF:

- Your organization is registered as 7A only and you marked the 7A filing exemption in Part 3.
- Your organization is registered as EPTL only and you marked the EPTL filing exemption in Part 3.
- Your organization is registered as DUAL and you marked both the 7A and EPTL filing exemption in Part 3.

### Checklist of Schedules and Attachments

Check the schedules you must submit with your CHAR500 as described in Part 4:

If you answered "yes" in Part 4a, submit Schedule 4a: Professional Fund Raisers (PFR), Fund Raising Counsel (FRC), Commercial Co-Venturers (CCV)

If you answered "yes" in Part 4b, submit Schedule 4b: Government Grants

Check the financial attachments you must submit with your CHAR500:

IRS Form 990, 990-EZ, or 990-PF, and 990-T if applicable

All additional IRS Form 990 Schedules, including Schedule B (Schedule of Contributors). Schedule B of public charities is exempt from disclosure and will not be available for public review.

Our organization was eligible for and filed an IRS 990-N e-postcard. Our revenue exceeded \$25,000 and/or our assets exceeded \$25,000 in the filing year. We have included an IRS Form 990-EZ for state purposes only.

If you are a 7A only or DUAL filer, submit the applicable independent Certified Public Accountant's Review or Audit Report:

Review Report if you received total revenue and support greater than \$250,000 and up to \$1,000,000

Audit Report if you received total revenue and support greater than \$1,000,000 and the fiscal year begins on or after July 1, 2021. If the fiscal year begins before that date, an Audit Report is required if total revenue and support is greater than \$750,000

No Review Report or Audit Report is required because total revenue and support is less than \$250,000

We are a DUAL filer and checked box 3a, no Review Report or Audit Report is required

### Calculate Your Fee

For 7A and DUAL filers, calculate the 7A fee:

\$0, if you checked the 7A exemption in Part 3a

\$25, if you did not check the 7A exemption in Part 3a

For EPTL and DUAL filers, calculate the EPTL fee:

\$0, if you checked the EPTL exemption in Part 3b

\$25, if the NET WORTH is less than \$50,000

\$50, if the NET WORTH is \$50,000 or more but less than \$250,000

\$100, if the NET WORTH is \$250,000 or more but less than \$1,000,000

\$250, if the NET WORTH is \$1,000,000 or more but less than \$10,000,000

\$750, if the NET WORTH is \$10,000,000 or more but less than \$50,000,000

\$1500, if the NET WORTH is \$50,000,000 or more

#### Is my Registration Category 7A, EPTL, DUAL or EXEMPT?

Organizations are assigned a Registration Category upon registration with the NY Charities Bureau:

**7A** filers are registered to solicit contributions in New York under Article 7-A of the Executive Law ("7A")

**EPTL** filers are registered under the Estates, Powers & Trusts Law ("EPTL") because they hold assets and/or conduct activities for charitable purposes in NY.

**DUAL** filers are registered under both 7A and EPTL.

**EXEMPT** filers have registered with the NY Charities Bureau and meet conditions in Schedule E - Registration Exemption for Charitable Organizations. These organizations are not required to file annual financial reports but may do so voluntarily.

Confirm your Registration Category and learn more about NY law at [www.CharitiesNYS.com](http://www.CharitiesNYS.com).

#### Where do I find my organization's NET WORTH?

NET WORTH for fee purposes is calculated on:

- IRS Form 990 Part I, line 22
- IRS Form 990 EZ Part I, line 21
- IRS Form 990 PF, calculate the difference between Total Assets at Fair Market Value (Part II, line 16(c)) and Total Liabilities (Part II, line 23(b)).

### Send Your Filing

Send your CHAR500, all schedules and attachments, and total fee to:

NYS Office of the Attorney General  
Charities Bureau Registration Section  
28 Liberty Street  
New York, NY 10005

### Need Assistance?

Visit: [www.CharitiesNYS.com](http://www.CharitiesNYS.com)

Call: (212) 416-8401

Email: [Charities.Bureau@ag.ny.gov](mailto:Charities.Bureau@ag.ny.gov)

# CHAR500

Schedule 4b: Government Grants  
www.CharitiesNYS.com

2022

Open to Public  
Inspection

If you checked the box in question 4b in Part 4, complete this schedule and list EACH government grant award by a domestic (federal, state or local) agency; interstate or intergovernmental agency (for example Port Authority of New York and New Jersey); and state or local authorities.

**Use additional pages if necessary.** Include this schedule with your certified CHAR500 NYS Annual Filing for Charitable Organizations.

## 1. Organization Information

Name of Organization:	NY Registration Number:
BIRCH FAMILY SERVICES, INC.	02-77-53

## 2. Government Grants

Name of Government Agency	Amount of Grant
1. NYC DEPARTMENT OF EDUCATION	1. 7,363,548.
2. DEPARTMENT OF HEALTH AND MENTAL HYGIENE	2. 232,596.
3. NYS DEPT. OF HEALTH CHILD & ADULT CARE FOOD PROGRAM	3. 472,203.
4. NYS OFFICE OF CHILDREN AND FAMILY SERVICES	4. 1,532,570.
5. NYS EDUCATION DEPARTMENT	5. 105,978.
6. SMALL BUSINESS ADMINISTRATION	6. 10,000,000.
7. NYS DEPARTMENT OF HEALTH	7. 504,818.
8.	8.
9.	9.
10.	10.
11.	11.
12.	12.
13.	13.
14.	14.
15.	15.
Total Government Grants:	Total: 20,211,713.