

**CAROLE ROBERTSON
CENTER FOR LEARNING
AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

**(Including Reports Required by
OMB's Uniform Guidance)**

**For the Year Ended
June 30, 2025**

**(With Summarized Comparative Totals
For the Year Ended June 30, 2024)**

Carole Robertson Center for Learning
Annual Consolidated Financial Report

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Desmond & Ahern, Ltd.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report

To the Board of Directors
Carole Robertson Center for Learning and Subsidiaries
Chicago, IL

Opinion

We have audited the accompanying consolidated financial statements of Carole Robertson Center for Learning and Subsidiaries (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Carole Robertson Center for Learning and Subsidiaries as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Carole Robertson Center for Learning and Subsidiaries' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Carole Robertson Center for Learning and Subsidiaries' 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Carole Robertson Center for Learning and Subsidiaries' 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements.

Supplementary Information (cont.)

The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2025, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited Carole Robertson Center for Learning's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in their report dated December 5, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Desmond & Ahern, Ltd

December 2, 2025
Chicago, IL

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2025 (with comparative totals for June 30, 2024)

	2025	2024
<u>Assets</u>		
Cash and equivalents	\$ 11,721,201	\$ 3,923,898
Investments	7,297,437	6,309,509
Accounts receivable, net	5,011,830	6,130,870
Contributions receivable	50,000	450,000
Prepaid expenses	703,259	284,595
Total current assets	<u>24,783,727</u>	<u>17,098,872</u>
Property and Equipment		
Land	1,800,000	1,800,000
Building and leasehold improvements	7,699,766	7,671,156
Furniture and equipment	1,027,649	490,707
Computer and software	153,254	136,211
Vehicles	38,295	38,295
Construction in progress	3,614,027	618,935
Less accumulated depreciation	<u>(6,228,871)</u>	<u>(5,829,504)</u>
Net property and equipment	<u>8,104,120</u>	<u>4,925,800</u>
Other Assets		
Restricted Cash	125,000	125,000
Financing lease right-of-use assets	45,646	106,507
Operating lease right-of-use assets	398,572	480,283
Investment in New Market Tax Credit	4,497,350	-
Total other assets	<u>5,066,568</u>	<u>711,790</u>
Total Assets	<u><u>\$ 37,954,415</u></u>	<u><u>\$ 22,736,462</u></u>
<u>Liabilities and Net Assets</u>		
Current Liabilities		
Accounts payable	\$ 1,058,198	\$ 1,518,137
Accrued expenses	41,033	582,594
Accrued payroll and related	991,725	764,805
Financing lease liability - current portion	48,378	65,568
Operating lease liability - current portion	83,191	78,133
Total current liabilities	<u>2,222,525</u>	<u>3,009,237</u>
Other Liabilities		
Financing lease liability - net of current portion	-	45,133
Operating lease liability - net of current portion	334,023	417,215
Notes payable	13,698,226	-
Total other liabilities	<u>14,032,249</u>	<u>462,348</u>
Total Liabilities	<u>16,254,774</u>	<u>3,471,585</u>
Net Assets		
Without donor restrictions	18,072,164	15,856,165
With donor restrictions	3,627,477	3,408,712
Total net assets	<u>21,699,641</u>	<u>19,264,877</u>
Total Liabilities and Net Assets	<u><u>\$ 37,954,415</u></u>	<u><u>\$ 22,736,462</u></u>

See independent auditor's report and notes to financial statements.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended **June 30, 2025** (with summarized comparative totals for June 30, 2024)

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
Public Support and Revenue				
Government grants and contracts	\$ 36,798,389	\$ -	\$ 36,798,389	\$ 37,980,349
Contributions	456,679	854,016	1,310,695	1,993,744
Capital campaign	-	2,349,903	2,349,903	1,582,020
Program service fees	57,330	-	57,330	71,192
Special events, net	-	-	-	212,243
Donated goods and services	7,000	-	7,000	8,000
Investment income, net	352,750	-	352,750	291,654
Miscellaneous income	191,115	-	191,115	50,101
Releases from restrictions	2,985,154	(2,985,154)	-	-
Total Public Support and Revenue	40,848,417	218,765	41,067,182	42,189,303
Expenses				
Program services				
Infant/ Toddler	16,417,993	-	16,417,993	16,469,320
Early Childhood	12,541,445	-	12,541,445	12,559,818
School Age and Youth	2,617,764	-	2,617,764	2,847,188
Community Programming	277,975	-	277,975	210,162
Total Program Expenses	31,855,177	-	31,855,177	32,086,488
Management and general	5,910,518	-	5,910,518	5,575,006
Fundraising	866,723	-	866,723	710,771
Total Expenses	38,632,418	-	38,632,418	38,372,265
Change in Net Assets	2,215,999	218,765	2,434,764	3,817,038
Net Assets, Beginning of Year	15,856,165	3,408,712	19,264,877	15,447,839
Net Assets, End of Year	\$ 18,072,164	\$ 3,627,477	\$ 21,699,641	\$ 19,264,877

See independent auditor's report and notes to financial statements.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2025 (with summarized comparative totals for June 30, 2024)

	Infant/ Toddler	Preschool	School Age and Youth	Community Programming	Total Program Services	Management and General	Fundraising	2025 Total	2024 Total
Functional Expenses									
Salaries and wages	\$ 7,290,386	\$ 5,526,451	\$ 1,673,041	\$ 121,113	\$ 14,610,991	\$ 3,448,532	\$ 469,085	\$ 18,528,608	\$ 18,441,973
Fringe benefits and related taxes	1,499,109	1,136,495	333,094	23,910	2,992,608	865,872	92,480	3,950,960	3,732,711
	8,789,495	6,662,946	2,006,135	145,023	17,603,599	4,314,404	561,565	22,479,568	22,174,684
Advertising	107	-	-	-	107	-	-	107	-
Bad debt	-	-	-	-	-	110,290	-	110,290	-
Depreciation and amortization	176,704	136,138	14,577	3,130	330,549	47,165	7,262	384,976	348,721
Equipment and technology	32,242	30,131	9,881	469	72,723	9,163	2,840	84,726	103,913
Event expense	-	-	-	-	-	-	781	781	44,142
Food and milk purchases	512,284	603,753	7,594	-	1,123,631	-	-	1,123,631	1,145,814
Insurance and fees	4,136	7,483	254	-	11,873	290,687	88,082	390,642	276,331
Interest expense	-	-	-	-	-	66,666	-	66,666	5,648
Miscellaneous	965	2,382	-	-	3,347	18,177	-	21,524	21,857
Occupancy and related	277,473	221,164	100,412	363	599,412	239,374	90,361	929,147	830,044
Office and program supplies	1,190,203	759,980	102,200	38,188	2,090,571	36,987	49,790	2,177,348	2,202,348
Pass-through grants	3,098,379	2,557,952	-	-	5,656,331	-	-	5,656,331	5,546,782
Professional fees	1,635,761	1,099,353	103,248	57,135	2,895,497	329,560	56,106	3,281,163	4,245,224
Repairs and maintenance	406,684	354,175	163,736	30	924,625	18,894	2,907	946,426	793,825
Scholarship and family assistance	1,121	882	10,137	-	12,140	1,001	-	13,141	16,761
Staff development	110,131	59,459	5,628	29,060	204,278	210,004	3,148	417,430	264,479
Travel and meetings	182,308	45,647	93,962	4,577	326,494	218,146	3,881	548,521	351,692
Total Expenses	\$ 16,417,993	\$ 12,541,445	\$ 2,617,764	\$ 277,975	\$ 31,855,177	\$ 5,910,518	\$ 866,723	\$ 38,632,418	\$ 38,372,265

See independent auditor's report and notes to financial statements.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2025 (with comparative totals for June 30, 2024)

	<u>2025</u>	<u>2024</u>
<u>Reconciliation of Change in Net Assets to Net</u>		
<u>Cash from Operating Activities</u>		
Change in net assets	\$ 2,434,764	\$ 3,817,038
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	384,976	348,721
Net realized and unrealized investment (gains)	(142,972)	(108,699)
Noncash lease adjustment	62,976	68,044
Capital campaign contributions	(2,349,903)	(1,582,020)
(Increase) decrease in assets		
Accounts receivable	1,119,040	406,184
Contributions receivable	400,000	-
Prepaid expenses	(418,664)	123,142
Increase (decrease) in liabilities		
Accounts payable	(459,939)	9,853
Accrued expenses	(314,641)	(478,544)
Net cash provided by operating activities	<u>715,637</u>	<u>2,603,719</u>
<u>Cash Flows from Investing Activities</u>		
Purchases of property and equipment	(3,563,296)	(921,375)
Purchases of investments	(6,116,485)	(1,492,249)
Proceeds from sales of investments	5,271,529	74,228
Net cash (used in) investing activities	<u>(4,408,252)</u>	<u>(2,339,396)</u>
<u>Cash Flows from Financing Activities</u>		
Payments on finance lease	(60,861)	(60,861)
Proceeds from capital campaign contributions	2,349,903	1,582,020
Proceeds from notes payable	13,698,226	-
Payment on investment in New Market Tax Credit	(4,497,350)	-
Net cash provided by financing activities	<u>11,489,918</u>	<u>1,521,159</u>
Net increase in cash and equivalents	7,797,303	1,785,482
Cash and equivalents, beginning of year	4,048,898	2,263,416
Cash and equivalents, end of year	<u>\$ 11,846,201</u>	<u>\$ 4,048,898</u>
<u>Reconciliation to Cash and Equivalents</u>		
Cash and equivalents	\$ 11,721,201	\$ 3,923,898
Restricted cash	125,000	125,000
Cash and equivalents, end of year	<u>\$ 11,846,201</u>	<u>\$ 4,048,898</u>
<u>Supplemental Information</u>		
Cash paid for interest	<u>\$ 3,244</u>	<u>\$ 5,648</u>
Cash paid for taxes	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report and notes to financial statements.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Nature of Operations and Summary of Significant Accounting Policies

Organization

Carole Robertson Center for Learning, an Illinois non-for-profit, was established to provide comprehensive child and family development programs to educate, enrich, and empower children and families. The Organization serves Chicago families with the vision that every child and family create pathways to lead productive, fulfilling lives. The Organization is supported primarily through government grants and contracts, public and foundation contributions, and program service fees.

During the fiscal year ended June 30, 2025, the Carole Robertson Center for Learning established two nonprofit subsidiaries, Carole Robertson Center for Learning Support Corporation and Carole Robertson Center for Learning Foundation, (collectively the “Organization”). Both subsidiaries are organized as Section 501(c)(3) entities under the Internal Revenue Code. These entities were formed in connection with a New Markets Tax Credit (“NMTC”) financing transaction designed to support the expansion of community facilities. The entities were created to receive and manage qualified equity investments and related loans from community development entities participating in the NMTC program administered by the U.S. Department of the Treasury’s Community Development Financial Institutions (“CDFI”) Fund.

Effective July 31, 2021, the Carole Robertson Center for Learning entered into an asset transfer and assumption of liabilities agreement with Albany Park Community Center (APCC). Under the terms of the agreement, APCC agreed to transfer all of the assets and liabilities to Carole Robertson Center for Learning. The Organization continues to provide early educational services in Albany Park under the name “Carole Robertson Center for Learning at Albany Park.” All financial activity of APCC has been assumed and recognized by Carole Robertson Center for Learning.

Tax Exempt Status

Carole Robertson Center for Learning was granted an exemption from federal income taxes by the Internal Revenue Service pursuant to the provisions of Internal Revenue Code Section 501(c)(3). Carole Robertson Center for Learning Support Corporation was granted an exemption from federal income taxes by the Internal Revenue Service pursuant to the provisions of Internal Revenue Code Section 501(c)(3). Carole Robertson Center for Learning Foundation was granted an exemption from federal income taxes by the Internal Revenue Service pursuant to the provisions of Internal Revenue Code Section 501(c)(3). Carole Robertson Center for Learning qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization that is not a private foundation under Section 509(a)(1).

The tax-exempt purpose of Carole Robertson Center for Learning and Subsidiaries and the nature in which it operates is described above. The Organization continues to operate in compliance with its tax-exempt purpose. Carole Robertson Center for Learning and Subsidiaries’ annual informational and income tax returns filed with the federal and state governments are subject to examination by the Internal Revenue Service for three years after filing.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Tax Exempt Status (cont.)

The Organization has adopted the requirements for accounting for uncertain tax positions and management has determined that the Organization was not required to record a liability related to uncertain tax positions as of June 30, 2025.

Consolidated Financial Statements

The accompanying financial statements reflect the consolidation of the financial statements of The Carole Robertson Center Learning, Carole Robertson Center for Learning Support Corporation, and Carole Robertson Center for Learning Foundation. All material inter-organization accounts and transactions have been eliminated in consolidation.

Basis of Accounting

The accounts and consolidated financial statements are maintained on the accrual basis of accounting and accordingly, reflect all significant accounts receivable, payable, and other liabilities in accordance with the accounting principles generally accepted in the United States of America (“GAAP”).

Basis of Presentation

As required by the generally accepted accounting principles for Not-for-Profit accounting, the Organization is required to report information regarding its financial position and activities according to two classes:

Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions. Such gifts include gifts without restrictions, including restricted gifts whose donor-imposed restrictions were met during the year.

With Donor Restrictions – Net assets subject to donor-imposed restrictions which will be met either by actions of the Organization or the passage of time. Items that affect this net asset category are gifts for which donor-imposed restrictions have not been met in the year of receipt. Restrictions that have been met on net assets with donor restrictions are reported as net assets released from restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions.

Also included in this category are net assets subject to donor-imposed restrictions to be maintained perpetually by the Organization, including gifts and pledges wherein donors stipulate that the corpus of the gift is to be held in perpetuity and that only the income be made available for programs. As of June 30, 2025, the Organization has \$125,000 of net assets with donor restrictions perpetual in nature.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Use of Estimates

The preparation of consolidated 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 consolidated financial statements and the reported amounts of the revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash and Equivalents

Cash and equivalents consist of bank deposits in federally insured accounts. The accounts, at times, may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit. For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments, if any, purchased with an original maturity of three months or less to be cash equivalents.

Restricted Cash

The Organization received funds from the Wallace Foundation during October 2011 that are to be held in perpetuity. The agreement requires the funds and earnings on the funds to be maintained in U.S. Treasury Bills, FDIC insured certificates of deposit, a checking or savings account, or money market mutual funds. Funds are maintained in a money market fund. As of June 30, 2025, the balance consists of \$125,000 in cash. Due to requirement to hold funds in perpetuity, the Organization includes restricted cash as a long-term asset.

Investments

Investments are carried at fair value. The fair market value of investments is based on quoted market prices. Dividends, interest, realized, and unrealized gains and losses are reflected net of fees in the statement of activities.

Prepaid Expense

Prepaid expense is an expense that has been paid for in advance but not yet incurred such as insurance, rent, and other monthly subscriptions.

Property and Equipment

Property and equipment are stated at cost. Acquisitions of property and equipment in excess of \$5,000 and those items which substantially increase the useful lives of existing assets, are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of 5 - 30 years. Depreciation and amortization amounted to \$384,976 for the year ended June 30, 2025.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIRIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Accounts Receivable

Account receivables consist of both unconditional promises to give by donors and amounts due from governmental agencies for services. Unconditional promises to give are recorded in the year the promises are made, either unrestricted, or restricted for the subsequent period. Amounts due from governmental agencies are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Accounts receivable are carried net an allowance for doubtful accounts. The Organization records an allowance for doubtful accounts based on specifically identified amounts that are not certain to be collected. Management has deemed no allowance for doubtful accounts to be necessary as of June 30, 2025.

The Organization's accounts receivable also include amounts related to program service fees provided to parents and participants net of any allowance for credit losses. Clients typically are provided with payment terms of 30 days. The Organization does not accrue interest on past due accounts.

Management believes that the historical loss information it has compiled is a reasonable base to determine expected credit losses for accounts receivables held at June 30, 2025 because the composition of the account receivables at that date is consistent with that used in developing the historical credit-loss percentages (i.e., the similar risk characteristics of its clients and payment term practices have not changed significantly over time). However, management has determined that the current, reasonable, and supportable forecasted economic conditions have improved as compared with the economic conditions included in the historical information. To adjust the historical loss rates to reflect the effects of those differences in current conditions and forecasted changes, management estimated the loss rate to be an average of 50% of program service fees receivable balance as a conservative estimate.

Management developed this estimate based on its knowledge of past experience for which there were similar improvements in the economy. As a result, management applied the applicable updated credit loss rates to determine the expected credit loss estimate for each aging category. Accordingly, there was not an allowance for expected credit losses at June 30, 2025 due to no amounts outstanding. Accounts receivable are written off only after all collection attempts have failed and are based on individual credit evaluation and the specific circumstances of the client.

Notes Payable

Notes payable represent amounts owed by the Organization under various loan agreements and financing arrangements. Notes are recorded at the principal amount outstanding, net of any unamortized debt issuance costs. Interest expense is recognized as incurred based on the stated interest rates in the related agreements. Obligations due within one year are classified as current liabilities, and the remaining balances are classified as long-term liabilities in the accompanying statements of financial position. The Organization reviews all debt agreements for compliance with financial and nonfinancial covenants and discloses any instances of noncompliance.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIRIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Support and Revenue

Contributions – The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return are not recognized until the conditions on which they depend have been met. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Organization reports gifts of land, buildings, and equipment as without donor restriction support 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 restricted support. Absent explicit donor stipulations regarding how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. During the year ending June 30, 2025 no such gifts of land, buildings, or equipment were received.

Governmental Grants and Contracts – Government grants and contracts are recognized when promised or earned. Revenue is earned when eligible expenditures, as defined in each grant; contract or other allowable cost manual are made. Any cash received for revenue not yet earned is considered to be deferred revenue. Revenue earned but not yet paid to the Organization is included in accounts receivable. Expenditures under government contracts are subject to review by the granting authority. To the extent, if any, that such review reduces expenditures allowable under these grants or contracts, the Organization records the disallowance at the time the final assessment is made.

As a qualified childcare provider in the State of Illinois, the Organization accepts children that qualify for free or reduced childcare, as determined by the State of Illinois Department of Human Services. Childcare subsidies are considered revenue from contracts with customers and is recognized as an exchange transaction. The Organization bills the state of Illinois, Illinois Action for Children or the City of Chicago Department of Family Services monthly for children in the subsidy program based on the days attended on a fee for service basis and no funds are received in advance. Revenue is recognized over the month or other agreed upon contract term as the customers are simultaneously receiving and consuming the benefits of the service.

Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. These expenditures are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required. Management does not anticipate any adjustments for the revenue shown for the year ended June 30, 2025.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Support and Revenue (cont.)

Program fees – Program services fees are considered revenue from contract with customers and are recognized as exchange transactions. Program service fees represent parent co-payments related to state determined childcare funding for extended day care of education services during the agreed upon contract period. The Program service fees also include amounts received from other entities to provide program related services. Revenue is recognized over the month or other agreed upon contract term as the customers are simultaneously receiving and consuming the benefits of the service. Private pay or co-pay fees received in advance of the contract period are included as deferred revenues. There are no contract assets or liabilities at the year ended June 30, 2025.

Special Events – Special event revenue for tickets is recorded as deferred revenue when received and recognized as earned when the underlying event occurs.

Donated Services

Contributions of services are required to be recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if such services are not provided by donation. For the year ended June 30, 2025, the Organization received \$7,000 of donated professional services meeting these criteria. Value techniques and inputs for donated professional services are based on current rates for similar services.

There are also a substantial number of volunteers who donate a significant amount of their time towards the activities of the Organization, the value of which are not recognized in the consolidated financial statements due to not meeting the donated services recognition requirements.

In-Kind Contributions

The Organization may receive in-kind contributions from various donors. It is the policy of the Organization to record the estimated fair value of certain in-kind donations as an expense in its consolidated financial statements, and similarly increase donations by a like amount. For the year ended June 30, 2025, the Organization did not receive any donations as such.

Leases

The Organization determines if an arrangement is an operating or financing lease at inception. Operating and financing leases are included in right-of-use (“ROU”) assets and lease liabilities in the statement of financial position. ROU assets represent the Organization’s right to use an underlying asset for the lease term and lease liabilities represent the Organization’s obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIRIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Leases (cont.)

Operating lease expense payments are recognized on a straight-line basis over the lease term. Financing lease amortization and interest are recognized over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as an expense as incurred and these leases are not included as lease liabilities or right of use assets on the statement of financial position. The Organization also used the practical expedient to not separately allocate lease and non-lease components.

When individual lease contracts do not provide information about the discount rate implicit in the lease, the Organization has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities. The value of a lease is reflected in the valuation if it is reasonably certain management will exercise an option to extend or terminate a lease.

Certain Vulnerabilities and Concentrations

The Organization's total public support and revenue for the year ended June 30, 2025 amounted to \$40,878,192. Of this amount, 86% was received from three government agencies. This funding source also represents 85% of accounts receivable at June 30, 2025.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The consolidated financial statements report certain categories of expenses that are attributable to one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, which is allocated on a square footage basis, as well as salaries and benefits which are allocated on the basis of estimates of time.

Comparative Financial Statement Disclosure

The consolidated financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIRIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Reclassifications

Certain amounts from prior year financial statements have been reclassified within the summarized comparative total to conform to current year presentation.

Subsequent Events

Accounting principles generally accepted in the United States of America establish general standards of accounting for, and disclosure of, events that occur after the statement of financial position date but before consolidated financial statements are issued or are available to be issued. The Organization has evaluated subsequent events through December 2, 2025, which is the date the consolidated financial statements were available to be issued. No subsequent events have been identified that are required to be disclosed as of that date.

Note 2 – Financial Assets and Liquidity Resources

The Organization regularly monitors the availability of resources to meet its operating needs and other contractual commitments. For purposes of analyzing resources available to meet general expenditures over a 12-months period, the Organization considers all expenditures related to its ongoing program activities as well as the conduct of services undertaken to support those activities to be general expenditures.

The Organization provides various program services from which it receives city, state and federal reimbursement as well as contributions from individual, corporation and foundation donors; and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general operating purposes.

As of June 30, 2025, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, were as follows:

Financial assets at year-end:

Cash and cash equivalents	\$ 11,721,201
Investments	7,297,437
Receivables	5,061,830
Total financial assets available within one year	24,080,468
Less net assets with donor restrictions	(3,627,477)
Total financial assets available within one year	<u>\$ 20,452,991</u>

Additional liquidity resources:

Available line of credit	<u>\$ 5,000,000</u>
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CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIRIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 2 – Financial Assets and Liquidity Resources (cont.)

The Organization manages its liquidity and reserves following three guiding principles: 1) operating within a prudent range of financial soundness and stability; 2) maintaining adequate liquid assets to fund near-term operating needs; and 3) maintaining sufficient reserves to provide reasonable assurance that programming is continued, and obligations will be adequately discharged in the future.

To manage liquidity, the Organization defers expenses to the extent practicable and draws upon available lines of credit as needed to meet cash flow needs. During the year ended June 30, 2025 the level of liquidity and reserves was managed within the policy requirements.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

Note 3 – Investments

Investments consist of the following at June 30, 2025:

Mutual funds - money markets	\$ 2,750,058
Fixed income - treasury bonds	<u>4,547,379</u>
Total investments	<u><u>\$ 7,297,437</u></u>

A summary of investment income for the year ended June 30, 2025 is as follows:

Interest and dividends	\$ 224,712
Unrealized and realized gain	142,972
Investment fees and expenses	<u>(14,934)</u>
Net investment income	<u><u>\$ 352,750</u></u>

Note 4 – Fair Value Measurements

Generally Accepted Accounting Principles defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date.

Generally Accepted Accounting Principles establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 4 – Fair Value Measurements (cont.)

The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

Based on the inputs used in the valuation methods, the Organization is required to provide the following information according to the fair value hierarchy. The fair value ranks the quality and reliability of the information used to determine fair values.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The following description of the valuation methodologies used for the Organization's financial instruments measured at fair value. There have been no changes to in the methodologies used as of June 30, 2025.

The following is a description of the valuation methodologies used for assets measured at fair value:

Mutual funds – money markets: Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded. These mutual funds approximate fair value due to the short maturity of these instruments.

Fixed income - treasury bonds: Bonds issued by the U.S. Treasury, the Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, Government National Mortgage Association and the Federal National Mortgage Association. The fair values of U.S. treasury bonds are based on quoted market prices in active markets and are included in the Level 1 fair value hierarchy. The market for U.S. treasury bonds is an actively traded market given the high level of daily trading volume. The fair values of U.S. agency bonds are determined using the spread above the risk-free yield curve.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 4 – Fair Value Measurements (cont.)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of June 30, 2025:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds - money markets	\$ 2,750,058	\$ -	\$ -	\$ 2,750,058
Fixed income - treasury bonds	4,547,379	-	-	4,547,379
Total investments	<u>\$ 7,297,437</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,297,437</u>

Note 5 – Property and Equipment

Property and equipment consisted of the following at June 30, 2025:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Land	\$ 1,800,000	\$ -	\$ 1,800,000
Building and leasehold improvements	3,981,391	3,718,375	7,699,766
Furniture and equipment	833,749	193,900	1,027,649
Computer and software	153,254	-	153,254
Vehicles	38,295	-	38,295
Construction in progress	3,614,027	-	3,614,027
Total property and equipment	<u>10,420,716</u>	<u>3,912,275</u>	<u>14,332,991</u>
Less accumulated depreciation	<u>(3,056,563)</u>	<u>(3,172,308)</u>	<u>(6,228,871)</u>
Net property and equipment	<u>\$ 7,364,153</u>	<u>\$ 739,967</u>	<u>\$ 8,104,120</u>

A portion of the property and equipment are donor restricted as of June 30, 2025. See Note 7.

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Such assets would be written down to the fair market value of the asset. No such impairment is believed to have occurred as of June 30, 2025.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 6 – Line of Credit

The Organization has a \$5,000,000 line of credit with a bank maturing June 30, 2026. Interest rate at the bank’s reference or the Secured Overnight Financing Rate (SOFR) rate plus 2.25%. The effective interest rate at June 30, 2025 was 6.7%. The line of credit is secured by all real and personal property, both intangible and tangible, of the Organization. There was no outstanding balance at June 30, 2025.

Note 7 – Notes Payable

In February 2025, the Organization, through its subsidiaries, Carole Robertson Center for Learning Support Corporation and Carole Robertson Center for Learning Foundation, entered into four Qualified Low-Income Community Investment (“QLICI”) loan agreements with two community development entities (“CDE lenders”). The total principal of these loans is \$10,370,000. Of this amount Carole Robertson Center for Learning made an investment of \$4,497,350 to the New Market Tax Credit Fund. The loans are structured as long-term financing with below-market interest rates to support the Organization’s facility development under the federal New Markets Tax Credit (“NMTC”) program.

Each CDE lender issued two notes – designated “Loan A” and “Loan B” – with distinct maturity dates. All four loans require interest-only payments through December 2032, after which annual principal and interest amortization begins in December 2033 and continues through maturity; therefore, as of June 30, 2025, no principal is due within one year, and the full balance is classified as long-term debt. The loans are secured by project assets and leasehold improvements.

The following summarizes all NMTC notes payable at June 30, 2025:

CDE Lender	Loan	Principal	Interest	Interest Only Period	Amortization Period	Annual Payment Range	Maturity	Amount Outstanding
1	A	\$ 1,831,600	1.223%	2025-2032	2033-2047	\$123,000- \$159,000	12/31/2047	\$ 1,831,600
1	B	\$ 2,168,400	1.000%	2025-2032	2033-2053	\$97,000- \$133,000	12/31/2053	2,168,400
2	A	\$ 4,497,350	1.223%	2025-2032	2033-2047	\$300,000+ \$84,000-	12/31/2047	4,497,350
2	B	\$ 1,872,650	1.000%	2025-2032	2033-2053	\$115,000	12/31/2053	1,872,650
								\$ 10,370,000

All future minimum principal payments for the NMTC notes payable become due after seven years.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIRIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 7 – Notes Payable (cont.)

In connection with the NMTC closing, the Organization entered into a bridge loan agreement with a community development financial institution for \$3,437,500, of which \$3,264,804 was advanced and \$172,696 was retained by the lender in an interest reserve account. The loan bears interest at 7.25% per annum, payable monthly, and matures on March 1, 2028. The note is interest only payments until maturity. Upon maturity the full amount of principal becomes due in one payment. At June 30, 2025, accrued interest was applied to the interest reserve and included as principal for a total amount outstanding of \$3,328,226.

Proceeds were used to fund predevelopment and construction costs and to provide leverage funding to the NMTC investment structure. The loan is secured by pledged campaign contributions and grant receivables, including major commitments from private foundations. Principal repayments are expected to occur as campaign proceeds are collected; therefore, at June 30, 2025, no principal is due within one year, and the full balance is classified as long-term debt.

Total notes payable consists of the following at June 30, 2025:

Carole Robertson Center for Learning Support Corporation	
New Market Tax Credit	\$ 10,370,000
Carole Robertson Center for Learning	
Bridge loan	<u>3,328,226</u>
Total notes payable	<u><u>\$ 13,698,226</u></u>

The bridge loan and the NMTC loans are secured by project assets, leasehold improvements, and pledged campaign and grant receivables. The Organization is required to maintain compliance with all NMTC-related covenants, including maintaining its Qualified Active Low-Income Community Business status throughout the compliance period. Management believes the Organization was in compliance with all loan covenants as of June 30, 2025.

Note 8 – Donor Restricted Net Assets

Donor restricted net assets as of June 30, 2025 also include the property and expansion of its two sites, as discussed in Note 5. At the time of expansion, grants funding a portion of the cost required the sites to be used for day care operation for 30 years. As such, the Organization reclassifies a portion of the donor restricted net assets to net assets without donor restriction each year as the time restriction expires. Additionally, donor restricted net assets include program grants which are restricted by the donor either for a specific time period and/or a specific purpose.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 8 – Donor Restricted Net Assets (cont.)

Net assets with donor restrictions consist of the following as of June 30, 2025:

Facility Expansion	
3701 W. Odgen	\$ 477,053
2929 W. 19th Street	262,914
	<u>739,967</u>
Program and Operations	
Advocacy	25,000
Apprenticeships	162,522
Capital campaign	2,114,309
Education	379,667
Fellowship	75,000
Development	6,012
	<u>2,762,510</u>
Perpetual in Nature	
Restricted cash	125,000
	<u>\$ 3,627,477</u>

Net assets released from donor restrictions consist of the following as of June 30, 2025:

Facility expansion	\$ 123,946
Program and operations	2,861,208
	<u>\$ 2,985,154</u>

Restricted Facilities

The Organization has used various funding sources for construction and other improvements to the locations at 2929 W. 19th Street, Chicago, Illinois (“2929”) and at 3701 W. Ogden Avenue, Chicago, Illinois (“3701”).

The Organization received Empowerment Zone Grants from the United States Department of Housing and Urban Development for both 2929 and 3701 as the facilities were located in an approved empowerment zone. Each location received a grant of \$1,500,000 which contained various limitations as to use of funds, costs allowed, reporting requirements, employment obligations, minority and women-owned business participation and insurance requirements. Under the terms of the grant, the constructed structures are to provide day care services for a period of thirty years.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIRIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 8 – Donor Restricted Net Assets (cont.)

Restricted Facilities (cont.)

A Community Services Block Grant was received for 2929 and 3701 and paid for a portion of the project costs so long as the Organization maintained certain minority and women-owned business participation, required the contractor's labor force for the project to be made up of no less than fifty percent Chicago residents, as well as other reporting requirements.

As a result of the requirements to maintain the sites operating as day care facilities for a period of thirty years, management has recorded the facilities as donor restricted and release restrictions as time elapses.

Perpetual in Nature Net Assets

The Organization held \$125,000 in restricted cash equivalents at June 30, 2025 as a perpetual in nature restricted net asset for funds received from the Wallace Foundation during October 2011. During each fiscal year, the funds may be withdrawn and used solely to support activities that help to ensure the quality of programs or the stability of the Organization. Any sums drawn from the account are to be repaid as of the close of the fiscal year following the year in which they were drawn.

The Organization accounts for endowment net assets by preserving the fair value of the original donation as of the gift date to the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result, the Organization classifies as endowment net assets (1) the original value of gifts donated to the permanent endowment, (2) the original value of subsequent gifts donated to the permanent endowment, (3) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the endowment fund, and (4) net appreciation/(depreciation) on each fund. The remaining portion of the donor-restricted endowment fund that is not classified in perpetual in nature restricted net assets is classified as purpose restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by Illinois Uniform Prudent Management of Institutional Funds Act (UPMIFA).

The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund.
2. The purposes of the Organization and the donor-restricted endowment fund.
3. General economic conditions.
4. The possible effects of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Organization.
7. The investment policies of the Organization.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 8 – Donor Restricted Net Assets (cont.)

Perpetual in Nature Net Assets (cont.)

It is the policy of the Organization to manage the endowment fund in a manner that will, at a minimum, preserve and maintain the real purchasing power of the principal while allowing for annual distributions to the operating budget. The Organization’s investment policies, in association with the grant agreement, specify that funds be maintained in U.S. Treasury Bills or an FDIC-insured certificate of deposit, checking or savings account or a money market mutual fund that is registered under the Investment Organization Act of 1940. The Board of Directors meets regularly to ensure that the objectives of the investment policy are being met, and that the strategies used to meet the objectives are in accordance with the investment policy.

Endowment net asset composition by type as of June 30, 2025:

	<u>Without Restrictions</u>	<u>Restricted for Programs</u>	<u>Perpetual in Nature</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ -	\$ -	\$ 125,000	\$ 125,000
Appropriation of endowment assets for expenditure	-	-	-	-
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,000</u>	<u>\$ 125,000</u>

Note 9 – Leases

The Organization assesses whether an arrangement qualified as a lease (i.e., conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Leases with an initial term of twelve months or less are not recorded on the statement of financial position.

Beginning on January 1, 2020, the Organization entered into a new leased space for its operations that will expire on December 31, 2029. The lease has escalating monthly rental payments with scheduled increases each January ranging from \$6,666 to \$8,698. The lease also calls for a proportional share of the property taxes and common area maintenance to be paid.

The Organization entered into an equipment lease in 2021 that will expire March 31, 2026. The lease qualifies as finance lease and calls for monthly payments of \$5,464.

The leases provide for minimum annual rental payments and the Organization is also liable for its proportionate share of increases, if any.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 9 – Leases (cont.)

The following summarizes the line items in the statement of financial position which include amounts for each lease as of June 30, 2025:

	<u>Operating</u>	<u>Finance</u>
Leases		
Right-of-use asset	\$ 637,318	\$ 228,231
Less accumulated amortization	(238,746)	(182,585)
Total right-of-use asset	<u>\$ 398,572</u>	<u>\$ 45,646</u>
Lease liability - current	\$ 83,191	\$ 48,378
Lease liability - net of current	334,023	-
Total lease liability	<u>\$ 417,214</u>	<u>\$ 48,378</u>

The following summarizes the weight average remaining lease terms and discount rates as of June 30, 2025:

Weighted Average Remaining Lease Term	
Operating lease	54 Months
Finance lease	9 Months
Weighted Average Discount Rate	
Operating lease	2.40%
Finance lease	3.28%

The Organization has made the election afforded in the guidance under ASC Topic 842 which allows the use of the risk-free discount rate for these leases, which is based on the borrowing rate for the United States Federal Government for a period comparable to the lease terms.

The maturities of operating lease liabilities are as follows for the years ending June 30:

	<u>Operating</u>	<u>Finance</u>
2026	\$ 94,124	\$ 49,176
2027	96,974	-
2028	99,856	-
2029	102,851	-
2030	52,186	-
Total minimum lease payments	<u>445,991</u>	<u>49,176</u>
Less amount representing interest	<u>(28,777)</u>	<u>(798)</u>
Present value of lease liability	<u>\$ 417,214</u>	<u>\$ 48,378</u>

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

Note 9 – Leases (cont.)

The Organization recorded lease expenses consisting of the following for the year ended June 30, 2025:

Operating lease expenses	\$ 94,960
Variable lease expenses	51,827
Total operating lease expense	<u>\$ 146,787</u>
Finance lease amortization	\$ 60,861
Finance lease interest expense	3,244
Total finance lease expense	<u>\$ 64,105</u>

The following summarizes cash flow information related to the leases for the year ended June 30, 2025:

	<u>Operating</u>	<u>Finance</u>
Cash paid for amounts included in the measurement of lease liability		
Operating cash flows from lease	<u>\$ 91,382</u>	<u>\$ 3,244</u>
Financing cash flows from lease	<u>\$ -</u>	<u>\$ 60,861</u>

Note 10 – Retirement Plan

The Organization has a 401(k) Plan which covers eligible employees. To be eligible an employee must have six months of service and be at least 18 years of age. The Organization may make a discretionary contribution to the plan on behalf of the covered employees. During the year ended June 30, 2025, the Organization contributed \$518,118 to the Plan.

Note 11 – Conditional Grants

Conditional grants are grants that include a right of return and measurable performance barriers in order to earn and recognize the revenue. Conditional grants are not recorded in revenue until the conditions of the grant are met (generally, when the service is provided). At June 30, 2025, the Organization has \$4,187,500 grants pledged related to the capital campaign but not recognized until the conditions are met.

Supplementary Information

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
June 30, 2025

	Carole Robertson Center for Learning	Carole Robertson Support Corporation	Carole Robertson Foundation	Eliminations	Total
<u>Assets</u>					
Cash and equivalents	\$ 3,176,835	\$ 8,376,171	\$ 168,195	\$ -	\$ 11,721,201
Investments	7,297,437	-	-	-	7,297,437
Accounts receivable, net	5,011,830	-	-	-	5,011,830
Contributions receivable	50,000	-	-	-	50,000
Prepaid expenses	703,259	-	-	-	703,259
Total current assets	16,239,361	8,376,171	168,195	-	24,783,727
Property and Equipment					
Land	1,800,000	-	-	-	1,800,000
Building and leasehold improvements	7,699,766	-	-	-	7,699,766
Furniture and equipment	1,027,649	-	-	-	1,027,649
Computer and software	153,254	-	-	-	153,254
Vehicles	38,295	-	-	-	38,295
Construction in progress	1,612,678	2,001,349	-	-	3,614,027
Less accumulated depreciation	(6,228,871)	-	-	-	(6,228,871)
Net property and equipment	6,102,771	2,001,349	-	-	8,104,120
Other Assets					
Restricted Cash	125,000	-	-	-	125,000
Financing lease right-of-use assets	45,646	-	-	-	45,646
Operating lease right-of-use assets	398,572	-	-	-	398,572
Investment in New Market Tax Credit	4,497,350	-	-	-	4,497,350
Total other assets	5,066,568	-	-	-	5,066,568
Total Assets	\$ 27,408,700	\$ 10,377,520	\$ 168,195	\$ -	\$ 37,954,415
<u>Liabilities and Net Assets</u>					
Current Liabilities					
Accounts payable	\$ 1,058,198	\$ -	\$ -	\$ -	\$ 1,058,198
Accrued expenses	41,033	-	-	-	41,033
Accrued payroll and related	991,725	-	-	-	991,725
Financing lease liability - current portion	48,378	-	-	-	48,378
Operating lease liability - current portion	83,191	-	-	-	83,191
Total current liabilities	2,222,525	-	-	-	2,222,525
Other Liabilities					
Financing lease liability - net of current portion	-	-	-	-	-
Operating lease liability - net of current portion	334,023	-	-	-	334,023
Notes payable	3,328,226	10,370,000	-	-	13,698,226
Total other liabilities	3,662,249	10,370,000	-	-	14,032,249
Total Liabilities	5,884,774	10,370,000	-	-	16,254,774
Net Assets					
Without donor restrictions	17,896,449	7,520	168,195	-	18,072,164
With donor restrictions	3,627,477	-	-	-	3,627,477
Total net assets	21,523,926	7,520	168,195	-	21,699,641
Total Liabilities and Net Assets	\$ 27,408,700	\$ 10,377,520	\$ 168,195	\$ -	\$ 37,954,415

See independent auditor's report and notes to financial statements.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

	Carole Robertson Center for Learning		Carole Robertson Support Corporation	Carole Robertson Foundation	Eliminations	Consolidated		Total
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions		Without Donor Restrictions	With Donor Restrictions	
Public Support and Revenue								
Government grants and contracts	\$ 36,798,389	\$ -	\$ -	\$ -	\$ -	\$ 36,798,389	\$ -	\$ 36,798,389
Contributions	456,679	854,016	-	-	-	456,679	854,016	1,310,695
Capital campaign	-	2,349,903	-	-	-	-	2,349,903	2,349,903
Program service fees	57,330	-	-	-	-	57,330	-	57,330
Special events, net	-	-	-	-	-	-	-	-
Donated goods and services	7,000	-	-	-	-	7,000	-	7,000
Investment income, net	332,160	-	20,590	-	-	352,750	-	352,750
Miscellaneous income	22,715	-	-	168,400	-	191,115	-	191,115
Releases from restrictions	2,985,154	(2,985,154)	-	-	-	2,985,154	(2,985,154)	-
Total Public Support and Revenue	40,659,427	218,765	20,590	168,400	-	40,848,417	218,765	41,067,182
Expenses								
Program services								
Infant/ Toddler	16,417,993	-	-	-	-	16,417,993	-	16,417,993
Early Childhood	12,541,445	-	-	-	-	12,541,445	-	12,541,445
School Age and Youth	2,617,764	-	-	-	-	2,617,764	-	2,617,764
Community Programming	277,975	-	-	-	-	277,975	-	277,975
Total Program Expenses	31,855,177	-	-	-	-	31,855,177	-	31,855,177
Management and general	5,897,243	-	13,070	205	-	5,910,518	-	5,910,518
Fundraising	866,723	-	-	-	-	866,723	-	866,723
Total Expenses	38,619,143	-	13,070	205	-	38,632,418	-	38,632,418
Change in Net Assets	2,040,284	218,765	7,520	168,195	-	2,215,999	218,765	2,434,764
Net Assets, Beginning of Year	15,856,165	3,408,712	-	-	-	15,856,165	3,408,712	19,264,877
Net Assets, End of Year	\$ 17,896,449	\$ 3,627,477	\$ 7,520	\$ 168,195	\$ -	\$ 18,072,164	\$ 3,627,477	\$ 21,699,641

See independent auditor's report and notes to financial statements.

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2025

	Carole Robertson Center for Learning	Carole Robertson Center for Learning	Carole Robertson Center for Learning	Carole Robertson Center for Learning		Carole Robertson Center for Learning	Carole Robertson Support Corporation	Carole Robertson Foundation		Carole Robertson Center for Learning	
	Infant/ Toddler	Preschool	School Age and Youth	Community Programming	Total Program Services	Management and General	Management and General	Management and General	Total Management and General	Fundraising	Total
Functional Expenses											
Salaries and wages	\$ 7,290,386	\$ 5,526,451	\$ 1,673,041	\$ 121,113	\$ 14,610,991	\$ 3,448,532	\$ -	\$ -	\$ 3,448,532	\$ 469,085	\$ 18,528,608
Fringe benefits and related taxes	1,499,109	1,136,495	333,094	23,910	2,992,608	865,872	-	-	865,872	92,480	3,950,960
	8,789,495	6,662,946	2,006,135	145,023	17,603,599	4,314,404	-	-	4,314,404	561,565	22,479,568
Advertising	107	-	-	-	107	-	-	-	-	-	107
Bad debt	-	-	-	-	-	110,290	-	-	110,290	-	110,290
Depreciation and amortization	176,704	136,138	14,577	3,130	330,549	47,165	-	-	47,165	7,262	384,976
Equipment and technology	32,242	30,131	9,881	469	72,723	9,163	-	-	9,163	2,840	84,726
Event expense	-	-	-	-	-	-	-	-	-	781	781
Food and milk purchases	512,284	603,753	7,594	-	1,123,631	-	-	-	-	-	1,123,631
Insurance and fees	4,136	7,483	254	-	11,873	277,412	13,070	205	290,687	88,082	390,642
Interest expense	-	-	-	-	-	66,666	-	-	66,666	-	66,666
Miscellaneous	965	2,382	-	-	3,347	18,177	-	-	18,177	-	21,524
Occupancy and related	277,473	221,164	100,412	363	599,412	239,374	-	-	239,374	90,361	929,147
Office and program supplies	1,190,203	759,980	102,200	38,188	2,090,571	36,987	-	-	36,987	49,790	2,177,348
Pass-through grants	3,098,379	2,557,952	-	-	5,656,331	-	-	-	-	-	5,656,331
Professional fees	1,635,761	1,099,353	103,248	57,135	2,895,497	329,560	-	-	329,560	56,106	3,281,163
Repairs and maintenance	406,684	354,175	163,736	30	924,625	18,894	-	-	18,894	2,907	946,426
Scholarship and family assistance	1,121	882	10,137	-	12,140	1,001	-	-	1,001	-	13,141
Staff development	110,131	59,459	5,628	29,060	204,278	210,004	-	-	210,004	3,148	417,430
Travel and meetings	182,308	45,647	93,962	4,577	326,494	218,146	-	-	218,146	3,881	548,521
Total Expenses	\$ 16,417,993	\$ 12,541,445	\$ 2,617,764	\$ 277,975	\$ 31,855,177	\$ 5,897,243	\$ 13,070	\$ 205	\$ 5,910,518	\$ 866,723	\$ 38,632,418

See independent auditor's report and notes to financial statements.

**Reports Required by
OMB's Uniform Guidance**

CAROLE ROBERTSON CENTER FOR LEARNING AND SUBSIDIARIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-through Contract Number	Pass-through to Subrecipients	Disbursements or Expenditures
U.S. Department of Health and Human Services				
Head Start	93.600	N/A	\$ 4,763,310	\$ 25,975,681
Total Head Start Cluster			4,763,310 (1)	25,975,681
Passed through Illinois Department of Human Services				
Maternal, Infant, and Early Childhood Homevisiting Grant Program	93.870	5FCSDV06559	-	325,974
Total U.S. Department of Health and Human Services			<u>4,763,310</u>	<u>26,301,655</u>
U.S. Department of Agriculture				
Passed through Illinois State Board of Education				
Child and Adult Food Care Program	10.558	54100197051/49000199	-	722,575
Total U.S. Department of Agriculture			<u>-</u>	<u>722,575</u>
U.S. Department of the Treasury				
Passed through Illinois Department of Human Services				
Coronavirus State and Local Fiscal Recovery Funds	21.027	5FCSDR05172	-	269,851
Passed through Illinois Department of Human Services				
Coronavirus Relief Fund	21.019	2101ILCDC6	-	103,350
Passed through Cook County				
Coronavirus Relief Fund	21.019	1205-NT897C3-02	-	251,902
Total Coronavirus Relief Fund			-	355,252
Total U.S. Department of Treasury			<u>-</u>	<u>625,103</u>
U.S. Department of Education				
Passed through Illinois State Board of Education				
Twenty-First Century Community Learning Centers	84.287	S287C220013	-	133,000
Total U.S. Department of Education			<u>-</u>	<u>133,000</u>
Total Expenditures of Federal Awards			<u>\$ 4,763,310</u>	<u>\$ 27,782,333</u>

(1) Major Programs

See accompanying notes to schedule of federal awards.

CAROLE ROBERTSON CENTER FOR LEARNING
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2025

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the “SEFA”) includes the Federal award activity of Carole Robertson Center for Learning under programs of the federal government for the year June 30, 2025. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because this schedule presents only a selected portion of the operations of Carole Robertson Center for Learning, it is not intended to and does not present the financial position, changes in net assets or cash flows of Carole Robertson Center for Learning.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the accrual basis on accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the SEFA represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

The Organization elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 – Subrecipients

Carole Robertson Center for Learning provided \$4,763,310 of Federal awards to sub-recipients during the year ended June 30, 2025.

Note 4 – Other Matters

Amount of non-cash assistance	None
Amount of insurance	None
Amount of loans or loan guarantees	None



Desmond & Ahern, Ltd.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

**Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

To the Board of Directors of
Carole Robertson Center for Learning
Chicago, IL

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Carole Robertson Center for Learning, which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 2, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Desmond & Ahern, Ltd

December 2, 2025
Chicago, IL



Desmond & Ahern, Ltd.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

**Independent Auditor's Report on Compliance for Each
Major Federal Program and Report on Internal Control
Over Compliance Required by the Uniform Guidance**

To the Board of Directors
Carole Robertson Center for Learning
Chicago, IL

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Carole Robertson Center for Learning's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Carole Robertson Center for Learning's major federal programs for the year ended June 30, 2025. The Carole Robertson Center for Learning's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Carole Robertson Center for Learning complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Carole Robertson Center for Learning and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Carole Robertson Center for Learning's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Carole Robertson Center for Learning's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Carole Robertson Center for Learning's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Carole Robertson Center for Learning's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Carole Robertson Center for Learning's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Carole Robertson Center for Learning's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Carole Robertson Center for Learning's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Desmond & Akers, Ltd

December 2, 2025
Chicago, IL

**CAROLE ROBERTSON CENTER FOR LEARNING
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 June 30, 2025**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified? _____ yes X no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X no
- Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

- Material weakness identified? _____ yes X no
- Significant deficiencies identified that are not considered to be material weakness? _____ yes X no

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516 (a)? _____ yes X no

Certification of Major Programs

Assistance Listing Number

93.600

Name of Federal Program or Cluster

Head Start

Dollar threshold used to distinguish between type A and type B Programs: \$833,470

Auditee qualified as low-risk auditee? _____ yes X no

**CAROLE ROBERTSON CENTER FOR LEARNING
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2025**

Section II – Financial Statement Findings

None

Section III – Financial Statement Findings (Prior Year)

None

Section IV – Federal Award Findings and Questioned Costs

None

Section V – Federal Award Findings and Questioned Costs (Prior Year)

None