

REPORT TO THE TRUSTEES

October 10, 2023

The Trustees
Schenectady Community Action Program, Inc.
403(b) Defined Contribution Plan

Dear Trustees:

We have audited the financial statements of Schenectady Community Action Program, Inc. 403(b) Defined Contribution Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit) for the year ended December 31, 2022 and we will issue our report thereon dated October 10, 2023. As permitted by ERISA Section 103(a)(3)(C), our audit did not extend to any statements or information related to assets held for investment of the Plan (investment information) by TIAA-CREF, the trustee, which is a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, that prepared and certified the statements or information regarding assets so held in accordance with 29 CFR 2520.103-5. Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements and ERISA-required supplemental schedule, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of GAAP. Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with GAAP. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter. Professional standards also require that we communicate to you the following information related to our audit.

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are described in note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2022. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

For the year ended December 31, 2022, we evaluated the key factors and assumptions used by management in determining that accounting estimates were reasonable in relation to the financial statements taken as a whole.

Significant Disclosures

The financial statement disclosures are neutral, consistent and clear.

Form 5500 Procedures

We are required to obtain and read a substantially complete draft of Form 5500 prior to dating our auditor's report. The purpose of this procedure is to identify any material inconsistencies between the draft Form 5500 and the Plan's financial statements. We identified no material inconsistencies in performing and completing our audit.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements detected as a result of audit procedures.

Disagreements with Management

For purposes of this report, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreement arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

Our responsibility for the ERISA-required supplemental schedule accompanying the financial statements is to perform adequate procedures to evaluate whether the form and content of the ERISA-required supplemental schedule, other than that agreed to or derived from the certified investment information, is presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, and whether the information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

* * * * *

This information is intended solely for the use of the Trustees and management of Schenectady Community Action Program, Inc. 403(b) Defined Contribution Plan and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

EFPR Group, CPAs, PLLC

EFPR GROUP, CPAs, PLLC

SCHENECTADY COMMUNITY
ACTION PROGRAM, INC.
403(b) DEFINED CONTRIBUTION PLAN
Financial Statements and Schedule
December 31, 2022 and 2021
(With Independent Auditors' Report Thereon)

SCHENECTADY COMMUNITY ACTION PROGRAM, INC.
403(b) DEFINED CONTRIBUTION PLAN

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INDEPENDENT AUDITORS' REPORT

The Plan Trustee and Plan Administrator
Schenectady Community Action Program, Inc.
403(b) Defined Contribution Plan:

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the accompanying financial statements of Schenectady Community Action Program, Inc. 403(b) Defined Contribution Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2022 and 2021, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2022 and 2021, and for the years then ended, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

- the amounts and disclosures in the financial statements, referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- the information in the financial statements, referred to above, related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan 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 ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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 Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, 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 audits.
- 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 audits 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 Plan'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 Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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 audits.

Supplemental Schedule Required by ERISA

The supplemental schedule of assets (held at end of year) as of December 31, 2022, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- the form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

EFPR Group, CPAs, PLLC

Williamsville, New York
October 10, 2023

SCHENECTADY COMMUNITY ACTION PROGRAM, INC.
403(b) DEFINED CONTRIBUTION PLAN
Statements of Net Assets Available for Benefits
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets:		
Investments, at fair value:		
Guaranteed investment contract	\$ 293,236	339,356
Other registered investments	1,228,125	1,705,540
Mutual funds	1,849,170	2,000,786
Pooled separate account	<u>138,014</u>	<u>152,941</u>
	3,508,545	4,198,623
Investments, at contract value - guaranteed investment contract	<u>215,911</u>	<u>232,372</u>
Total investments	3,724,456	4,430,995
Employer contributions receivable	<u>106,662</u>	<u>110,659</u>
Net assets available for benefits	<u>\$ 3,831,118</u>	<u>4,541,654</u>

See accompanying notes to financial statements.

SCHENECTADY COMMUNITY ACTION PROGRAM, INC.

403(b) DEFINED CONTRIBUTION PLAN

Statements of Changes in Net Assets

Available for Benefits

Years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Additions to net assets attributed to:		
Contributions:		
Employer	\$ 183,360	187,824
Participants	155,249	163,959
Rollovers	<u>-</u>	<u>2,250</u>
Total contributions	<u>338,609</u>	<u>354,033</u>
Investment income (loss):		
Interest and dividends	36,039	56,351
Net appreciation (depreciation) in fair value of investments	<u>(619,778)</u>	<u>412,798</u>
Total investment income (loss)	<u>(583,739)</u>	<u>469,149</u>
Total additions to (reductions of) net assets	<u>(245,130)</u>	<u>823,182</u>
Deductions from net assets attributed to:		
Benefits paid to participants	457,523	174,383
Administrative fees	<u>7,883</u>	<u>5,418</u>
Total deductions from net assets	<u>465,406</u>	<u>179,801</u>
Net change	(710,536)	643,381
Net assets available for benefits:		
Beginning of year	<u>4,541,654</u>	<u>3,898,273</u>
End of year	<u>\$ 3,831,118</u>	<u>4,541,654</u>

See accompanying notes to financial statements.

SCHENECTADY COMMUNITY ACTION PROGRAM, INC.
403(b) DEFINED CONTRIBUTION PLAN

Notes to Financial Statements

December 31, 2022 and 2021

(1) Description of Plan

The following description of Schenectady Community Action Program, Inc. 403(b) Defined Contribution Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

(a) General

The Plan is a defined contribution plan sponsored by Schenectady Community Action Program, Inc. (the Company) and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is made up of three components including a Profit Sharing Plan and Trust, Group Annuity Contract, and Group Supplemental Retirement Annuity. Under the Profit Sharing Plan, all full-time employees are eligible to participate in the Plan who have completed one year of service, defined as 1,000 hours of service during a 12 month period, and is age twenty-one or older. Eligibility begins on the first January 1 after one year anniversary. Under the Group Annuity Contract, all full-time employees are eligible to participate in the Plan if they are twenty-one or older. Employees are eligible to make elective deferrals at the commencement of the employee's employment. Under the Group Supplemental Retirement Annuity, all full-time employees are eligible to participate in the Plan if they are twenty-one or older. Employees are eligible to make elective deferrals, via a salary reduction agreement, at the commencement of the employee's employment.

(b) Contributions

The Company may contribute on behalf of each eligible full-time participant an amount equal to 3% of each participant's compensation for the Plan year. A contribution up to a maximum of 3% will be made by the Company as a match for employees who have completed 4 months of employment. Participants may either (a) contribute 3% of compensation for the Plan year on a tax-deferred basis under an agreement for salary reduction executed in accordance with Internal Revenue Code (IRC) Section 403(b) or (b) make after-tax contributions to the Plan. Eligible participants may make supplemental contributions up to limits set by the IRC. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also roll-over amounts representing distributions from other qualified plans. The Company may make a discretionary non-elective contribution. Effective January 1, 2021, the Plan was amended to allow Roth deferrals. Additionally, new participants are automatically enrolled at 1% withholding unless the participant makes a contrary election.

SCHENECTADY COMMUNITY ACTION PROGRAM, INC.
403(b) DEFINED CONTRIBUTION PLAN
Notes to Financial Statements, Continued

(1) Description of Plan, Continued

(c) Participant Accounts

Each participant's account is credited with (a) the participant's contributions (b) the Company's contribution and match, and (c) an allocation of Plan earnings, and charged with an allocation of investment and administrative expenses. Allocations are based on the participant's account balance, as defined in the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

(d) Vesting

All participants are immediately 100% vested in their accounts.

(e) Plan Loans

The Plan issues loans directly from funds owned by Teachers Insurance and Annuity Association (TIAA) and not directly from a participant's account. Adequate security is required and a portion of the participant's account is reserved to collateralize 110% of the outstanding loan. Participants may borrow up to a maximum of \$50,000, not to exceed 50% of their account balance. Loans bear a reasonable interest rate as determined by the plan administrator and Department of Labor regulations. Effective January 1, 2019, no new plan loans are allowed.

(f) Investment Options

Upon enrollment in the Plan, a participant may direct their account balance in a variety of investment choices as more fully described in the Plan's literature. Participants may change their investment options at any time.

(g) Payment of Benefits

Participants (or their beneficiaries) are eligible to receive vested benefits upon retirement, death, disability, or when they cease to be an employee of the Company. A participant may elect to receive either (a) a lump-sum amount equal to the value of the participant's vested interest in his or her account, (b) annual installment payments over a period not to exceed the life expectancy of the participant, or (c) in the case of death, lump-sum, or installment payments to the participant's beneficiary over a period not to exceed the life expectancy of the beneficiary. The Plan will make a mandatory distribution following severance of employment, to the extent permitted, of participant accounts with balances of \$5,000 or less. In addition, a participant can withdraw all or any portion of his or her vested account balance in the event of financial hardship subject to certain restrictions.

(h) Forfeited Accounts

There were no forfeitures for the years ended December 31, 2022 and 2021.

SCHENECTADY COMMUNITY ACTION PROGRAM, INC.
403(b) DEFINED CONTRIBUTION PLAN
Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

(b) Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Accordingly, actual results could differ from those estimates.

(c) Investment Valuation and Income Recognition

Investments are reported at fair value, except for the fully benefit-responsive investment contract, which is reported at contract value (note 4). Fair value is the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See note 3 for a discussion of fair value measurements.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation or depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

(d) Payment of Benefits

Benefits payments are recorded when paid.

(e) Subsequent Events

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

(3) Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

SCHENECTADY COMMUNITY ACTION PROGRAM, INC.
403(b) DEFINED CONTRIBUTION PLAN
Notes to Financial Statements, Continued

(3) Fair Value Measurements, Continued

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

- Guaranteed investment contracts - The non-benefit responsive portion of the guaranteed investment contract is valued at fair value by the insurance company by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer.
- Mutual funds - Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan 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 (NAV) and to transact at that price. The mutual funds held by the plan are deemed to be actively traded.
- Other registered investments - These separate accounts are registered investments that invest principally in equity securities, fixed-income instruments and short-term investments in accordance with each portfolio's investment objectives. Units held in the registered investments are valued at the NAV. The NAV, as provided by Teachers Insurance and Annuity Association - College Retirement Equities Fund (TIAA-CREF), is used as a practical expedient to estimate fair value. The NAV of the other registered investments is published on NASDAQ; however the other registered investments are not publicly traded. The NAV is measured based on the fair value of the underlying investments held by the fund less its liabilities. The fair value of the underlying investments are determined using market quotations or prices obtained from independent pricing sources that may employ various pricing methods to value the investments, including matrix pricing. Money market account holdings are generally valued at amortized cost. On a daily basis, units in the registered investments are revalued to reflect performance of the underlying investments minus any fees and charges.

SCHENECTADY COMMUNITY ACTION PROGRAM, INC.
403(b) DEFINED CONTRIBUTION PLAN
Notes to Financial Statements, Continued

(3) Fair Value Measurements, Continued

- Pooled separate account (PSA) - Value is derived principally from the market value of the underlying real estate holdings and other real estate-related investments. The NAV, as provided by TIAA-CREF, is used as a practical expedient to estimate fair value.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022 and 2021:

<u>Assets at Fair Value as of December 31, 2022</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Guaranteed investment contract	\$ -	-	293,236	293,236
Mutual funds	<u>1,849,170</u>	-	-	<u>1,849,170</u>
Total assets at fair value	\$ <u>1,849,170</u>	-	<u>293,236</u>	2,142,406
Investments measured at net asset value (a)				<u>1,366,139</u>
				\$ <u>3,508,545</u>

<u>Assets at Fair Value as of December 31, 2021</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Guaranteed investment contract	\$ -	-	339,356	339,356
Mutual funds	<u>2,000,786</u>	-	-	<u>2,000,786</u>
Total assets at fair value	\$ <u>2,000,786</u>	-	<u>339,356</u>	2,340,142
Investments measured at net asset value (a)				<u>1,858,481</u>
				\$ <u>4,198,623</u>

- (a) In accordance with Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in the tables are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

Investments measured at the NAV as a practical expedient are summarized as follows:

	Fair value December 31, <u>2022</u>	Fair value December 31, <u>2021</u>	Unfunded <u>Commitment</u>	Redemption <u>Frequency</u>	Redemption <u>Notice Period</u>
Multi-asset ^(a)	\$ 82,541	96,994	-	Daily	None
Equities ^(b)	742,238	1,143,459	-	Daily	None
Fixed income ^(c)	86,987	100,575	-	Daily	None
Indexed equity ^(d)	84,739	105,156	-	Daily	None
Money market ^(e)	231,620	259,356	-	Daily	None
Real estate ^(f)	<u>138,014</u>	<u>152,941</u>	-	Quarterly	10-60 days
Total investments measured at the NAV as practical expedient	\$ <u>1,366,139</u>	<u>1,858,481</u>	-		

SCHENECTADY COMMUNITY ACTION PROGRAM, INC.
403(b) DEFINED CONTRIBUTION PLAN
Notes to Financial Statements, Continued

(3) Fair Value Measurements, Continued

The investment objectives for the investments measured using the net asset or unit value are as follows:

- (a) Multi-asset - To invest in domestic and foreign stocks, bonds and other equity securities of companies that meet certain social criteria including specified environmental, social and governance criteria.
- (b) Equities - To invest in a broad diversified portfolio of foreign and domestic common stocks to meet a specified favorable long-term rate of return.
- (c) Fixed income - To invest in a broad range of fixed income securities with high income yields, returns that outpace inflation or returns that are designed to track a specified inflation index.
- (d) Indexed equity - To invest in a diversified group of common stock publicly traded in the United States, designed to replicate the return of a broad stock market index.
- (e) Money market - To invest in short-term securities or instruments that present minimal credit risk to provide liquidity and preserve capital.
- (f) Real estate - The investment objective of the TIAA Real Estate Account, the PSA offered by the Plan, is to seek long-term returns primarily through rental income and appreciation of real estate owned by the account.

Level 3 Investments

The following table reflects certain activity of investments categorized within Level 3 of the fair value hierarchy during the years ended December 31, 2022 and 2021:

		<u>2022</u>	
		Transfers Into <u>Level 3</u>	Transfers Out of <u>Level 3</u>
	<u>Purchases</u>		
TIAA Traditional Annuity-non-benefit responsive	\$ <u>-</u>	<u>1,120</u>	<u>1,691</u>
		<u>2021</u>	
		Transfers Into <u>Level 3</u>	Transfers Out of <u>Level 3</u>
	<u>Purchases</u>		
TIAA Traditional Annuity-non-benefit responsive	\$ <u>218</u>	<u>1,559</u>	<u>(2,933)</u>

SCHENECTADY COMMUNITY ACTION PROGRAM, INC.
403(b) DEFINED CONTRIBUTION PLAN
Notes to Financial Statements, Continued

(3) Fair Value Measurements, Continued

Level 3 Investments, Continued

During the years ended December 31, 2022 and 2021, there were transfers of \$1,120 and \$1,559 into and \$1,691 and \$2,933 out of the Level 3 fair value category, respectively. These transfers were primarily the result of changes in participants' asset allocation during the years.

The following tables summarize quantitative information about significant unobservable inputs used in Level 3 fair value measurements as of December 31, 2022 and 2021:

2022				
<u>Description</u>	<u>Fair Value</u>	<u>Principal Valuation Technique</u>	<u>Significant Unobservable Inputs</u>	<u>Range</u>
TIAA Traditional Annuity - non-benefit responsive	\$ <u>293,236</u>	Discounted cash flow/theoretical transfer	Risk-adjusted discount rate applied	3.00% - 4.45%
2021				
<u>Description</u>	<u>Fair Value</u>	<u>Principal Valuation Technique</u>	<u>Significant Unobservable Inputs</u>	<u>Range</u>
TIAA Traditional Annuity - non-benefit responsive	\$ <u>339,356</u>	Discounted cash flow/theoretical transfer	Risk-adjusted discount rate applied	3.00% - 4.45%

(4) Guaranteed Investment Contract - Fully Benefit-Responsive

The Plan has entered into a traditional fully benefit-responsive guaranteed investment contract with TIAA-CREF totaling \$215,911 and \$232,372 as of December 31, 2022 and 2021, respectively. TIAA-CREF maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer but may not be less than 3%. The crediting rate is reviewed on a quarterly basis for resetting. The guaranteed investment contract does not permit the issuing company to terminate the agreement prior to the scheduled maturity date.

SCHENECTADY COMMUNITY ACTION PROGRAM, INC.
403(b) DEFINED CONTRIBUTION PLAN
Notes to Financial Statements, Continued

(4) Guaranteed Investment Contract - Fully Benefit-Responsive, Continued

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial Plan termination, or merger with another plan); (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions; (3) bankruptcy of the Plan sponsor or other Plan sponsor events that cause a significant withdrawal from the Plan; (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA; or (5) premature termination of the contract. The Plan administrator does not believe that any events which would limit the Plan's ability to transact at contract value with participants are probable of occurring.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Such events include (1) an uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation and (4) a material amendment to the agreement without the consent of the issuer.

(5) Financial Certification

The financial information relating to the Plan's assets at December 31, 2022 and 2021, as well as investment income (loss) and investment transactions for the years then ended, have been derived from information provided by TIAA-CREF and has been certified by them as complete and accurate. The incorporation of this financial information in the accompanying financial statements is based solely on their certification and has not been audited by independent auditors.

	<u>2022</u>	<u>2021</u>
Investments:		
Guaranteed investment contract, at fair value	\$ 293,236	339,356
Other registered investments, at fair value	1,228,125	1,705,540
Mutual funds, at fair value	1,849,170	2,000,786
Pooled separate account, at fair value	138,014	152,941
Guaranteed investment contract, at contract value	<u>215,911</u>	<u>232,372</u>
	\$ <u>3,724,456</u>	<u>4,430,995</u>

The trustee also certified the completeness and accuracy of (\$583,739) and \$469,149 in investment income (loss) for the years ended December 31, 2022 and 2021, respectively.

SCHENECTADY COMMUNITY ACTION PROGRAM, INC.
403(b) DEFINED CONTRIBUTION PLAN
Notes to Financial Statements, Continued

(6) Party-In-Interest Transactions

TIAA-CREF is the trustee of the Plan. Investments include fixed rate annuity contracts, mutual funds and a pooled separate account sponsored by TIAA-CREF; therefore, these transactions qualify as party-in-interest. Investment related fees paid to TIAA-CREF for the years ended December 31, 2022 and 2021 amounted to \$25,370 and \$27,930, respectively, and are primarily included in net appreciation or depreciation in fair value of investments in the accompanying statements of changes in net assets available for benefits.

(7) Tax Status

The Plan has been designated to qualify under Section 403(b) of the IRC. The terms of the Plan have been prepared to conform with the sample language provided by the Internal Revenue Service (IRS) in Revenue Procedure 2007-71. The Plan Administrator intends to apply for a determination letter on the Plan once the IRS opens such a program. The Plan is required to operate in conformity with the IRC to maintain the tax-exempt status for Plan participants under Section 403(b).

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS and the Department of Labor (DOL). The Plan is subject to routine audits by taxing jurisdictions and the DOL; however, there are currently no audits for any tax periods in progress.

(8) Plan Termination

Although it has not expressed any intent to do so, the Company has the right to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants shall have a vested interest in their account of 100%.

(9) Risks and Uncertainties

The Plan invests in various investments. Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

SCHENECTADY COMMUNITY ACTION PROGRAM, INC.
 403(b) DEFINED CONTRIBUTION PLAN
 U.S. Form 5500 - Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
 EIN: 14-6034637
 Plan Number: 002
 December 31, 2022

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(e) Current value
Mutual funds:			
*	TIAA Stable Value	Mutual fund	\$ 14,458
*	TIAA Access Core Bond Plus T4	Mutual fund	13,342
*	TIAA Access Intl Equity T4	Mutual fund	35,953
*	TIAA Access Large-Cap Value T4	Mutual fund	24,610
*	TIAA Access Lifecycle 2015 T4	Mutual fund	37,473
*	TIAA Access Lifecycle 2020 T4	Mutual fund	31,767
*	TIAA Access Lifecycle 2025 T4	Mutual fund	19,738
*	TIAA Access Lifecycle 2030 T4	Mutual fund	35,512
*	TIAA Access Lifecycle 2035 T4	Mutual fund	81,258
*	TIAA Access Lifecycle 2040 T4	Mutual fund	131,573
*	TIAA Access Lifecycle 2045 T4	Mutual fund	59,776
*	TIAA Access Lifecycle 2050 T4	Mutual fund	69,678
*	TIAA Access Mid- Cap Growth T4	Mutual fund	4,545
*	TIAA Access Mid- Cap Value T4	Mutual fund	19,080
*	TIAA Access Real Estate Secs T4	Mutual fund	13,790
*	TIAA Access Small-Cap BI Index T4	Mutual fund	8,984
*	TIAA Access Quant Small Cap Equity T4	Mutual fund	6,523
*	TIAA Access Social Change Equity T4	Mutual fund	11,045
*	TIAA-CREF Lifecycle 2015	Mutual fund	3,884
*	TIAA-CREF Lifecycle 2020	Mutual fund	45,965
*	TIAA-CREF Lifecycle 2025	Mutual fund	630,130
*	TIAA-CREF Lifecycle 2030	Mutual fund	68,059
*	TIAA-CREF Lifecycle 2035	Mutual fund	133,154
*	TIAA-CREF Lifecycle 2040	Mutual fund	100,180
*	TIAA-CREF Lifecycle 2045	Mutual fund	26,087
*	TIAA-CREF Lifecycle 2050	Mutual fund	30,676
*	TIAA-CREF Lifecycle 2055	Mutual fund	44,392
*	TIAA-CREF Lifecycle 2065	Mutual fund	5,217
	Vanguard Small-Cap Index Adm	Mutual fund	9,138
	Vanguard Mid- Cap Index Adm	Mutual fund	2,665
	Western Asset Core Plus Bond I	Mutual fund	5,946
*	TIAA Access Lifecycle 2055 T4	Mutual fund	41,837
*	TIAA Access Lifecycle 2060 T4	Mutual fund	22,898

(Continued)

SCHENECTADY COMMUNITY ACTION PROGRAM, INC.

403(b) DEFINED CONTRIBUTION PLAN

U.S. Form 5500 - Schedule H, Line 4i - Schedule of Assets (Held at End of Year), Continued

EIN: 14-6034637

Plan Number: 002

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(e) Current value
Mutual funds, continued:			
	JP Morgan Equity Inc Fund Class R6	Mutual fund	\$ 7,909
	Vanguard 500 Index Adm	Mutual fund	7,485
	MFS Growth Fund Class R6	Mutual fund	5,639
	Vanguard Total Intl Stock Index Adm	Mutual fund	17,133
*	TIAA-CREF Lifecycle 2060	Mutual fund	21,671
		Total mutual funds	1,849,170
Other registered investments:			
*	CREF Stock	Other register investment	488,853
*	CREF Global Equities	Other register investment	156,647
*	CREF Growth	Other register investment	96,738
*	CREF Bond Market	Other register investment	21,235
*	CREF Inflation - Linked Bond	Other register investment	65,752
*	CREF Equity Index	Other register investment	84,739
*	CREF Social Choice	Other register investment	82,541
*	CREF Money Market	Other register investment	231,620
		Total other registered investments	1,228,125
Guaranteed investment contracts:			
*	TIAA Traditional Annuities	Guaranteed investment contracts:	
		Fully benefit responsive	215,911
		Non-benefit responsive	293,236
		Total guaranteed investment contracts	509,147
Pooled separate account:			
*	TIAA Real Estate Account	Pooled separate account	138,014
			\$ 3,724,456

* A party-in-interest as defined by ERISA.

(d) Cost is omitted as all investments are participant-directed.

This schedule was prepared from information provided by TIAA-CREF, the trustee, and was certified as complete and accurate,