
COMMUNITY SOLUTIONS
for Children, Families and Individuals
(A CALIFORNIA NON-PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

**COMMUNITY SOLUTIONS
for Children, Families and Individuals**

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Community Solutions for Children, Families and Individuals
Gilroy, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Community Solutions for Children, Families and Individuals (Community Solutions), a California non-profit organization, which comprise the statements of financial position as of June 30, 2023 and June 30, 2022, the related statements of cash flows for the years then ended, the related statements of activities and functional expenses for the year ended June 30, 2023, and the related notes to the financial statements. In our opinion, the financial statements present fairly, in all material respects, the financial position of Community Solutions as of June 30, 2023 and June 30, 2022, the changes in its cash flows for the fiscal years then ended, and the changes in its net assets for the fiscal year ended June 30, 2023 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 Financial Statements section of our report. We are required to be independent of Community Solutions and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Solutions' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 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 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 financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Solutions' 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 statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Solutions' 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 audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal, state, and local awards, for the year ended June 30, 2023, as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and California Office of Emergency Services (OES) supplementary information for the year ended June 30, 2023, as required by OES, are presented for purposes of additional analysis and is not a required part of the basic 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 financial statements. The information has been subjected to the 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 auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal, state, and local awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated October 12, 2023 on our consideration of Community Solutions' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Community Solutions' 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 Community Solutions' internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited Community Solutions' June 30, 2022 financial statements, and our report dated September 23, 2022, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Nichols, Rick & Co.

October 12, 2023

Nichols, Rick & Company

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statements of Financial Position
As of June 30, 2023 and June 30, 2022

| | 2023 | 2022 |
|--|-----------------------------|----------------------------|
| <u>ASSETS</u> | | |
| Assets: | | |
| Cash | \$ 218,176 | \$ 632,751 |
| Accounts receivable, net | 130,079 | 103,310 |
| Grants receivable, net | 8,290,977 | 4,988,394 |
| Unconditional promises to give: | | |
| Pledges receivable | 80,000 | - |
| Investments | 267,547 | 254,949 |
| Prepaid expenses | 153,313 | 181,633 |
| Total current assets | <u>9,140,092</u> | <u>6,161,037</u> |
| Fixed assets, net | 1,071,970 | 1,161,184 |
| Pledges receivable, net of current portion | 80,000 | - |
| Operating lease-right to use | 3,415,882 | - |
| Deposits | 117,246 | 117,246 |
| TOTAL ASSETS | <u>\$ 13,825,190</u> | <u>\$ 7,439,467</u> |

| | | |
|---|-----------------------------|----------------------------|
| <u>LIABILITIES & NET ASSETS</u> | | |
| Liabilities: | | |
| Accounts payable | \$ 1,237,809 | \$ 884,624 |
| Accrued salaries & vacation | 1,990,742 | 1,811,122 |
| Other current liabilities | 313,085 | 225,577 |
| Accrued interest payable | 31,904 | 38,601 |
| Deferred revenue | 3,189,260 | 1,937,524 |
| Operating lease liability | 989,091 | - |
| Line of credit | 1,050,000 | - |
| Notes payable, current portion | 75,892 | 151,491 |
| Total current liabilities | <u>8,877,783</u> | <u>5,048,939</u> |
| Operating lease liability, net of current | 2,426,791 | - |
| Accrued interest payable | 104,244 | 89,684 |
| Notes payable | 608,660 | 651,844 |
| Total long term liabilities | <u>3,139,695</u> | <u>741,528</u> |
| Total liabilities | <u>12,017,478</u> | <u>5,790,467</u> |
| Net assets | | |
| Without donor restrictions | 1,380,165 | 1,356,277 |
| Without donor restrictions-board designated | 267,547 | 254,949 |
| With donor restrictions | 160,000 | 37,774 |
| Total net assets | <u>1,807,712</u> | <u>1,649,000</u> |
| TOTAL LIABILITIES & NET ASSETS | <u>\$ 13,825,190</u> | <u>\$ 7,439,467</u> |

See Accompanying Notes to the Financial Statements

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statement of Activities
For the Year ended June 30, 2023
with summarized financial information for the year ended June 30, 2022

| | Without Donor Restrictions | With Donor Restrictions | June 30, 2023 Totals | Comparative Summary Totals for the Year ended June 30, 2022 |
|--|-------------------------------|----------------------------|-------------------------|---|
| SUPPORT & REVENUE | | | | |
| Support received directly | | | | |
| Contributions | \$ 397,017 | \$ 0 | \$ 397,017 | \$ 385,384 |
| Contributions, in-kind | 1,175 | | 1,175 | 21,744 |
| Special events, less expenses of \$35,280 and \$45,280 | 146,013 | | 146,013 | 11,700 |
| Forgiveness of indebtedness | - | | - | 1,214,876 |
| Foundations and grants | 45,000 | 160,000 | 205,000 | 240,000 |
| Support received indirectly | | | | |
| United Way | 818 | | 818 | 124 |
| Total support | 590,023 | 160,000 | 750,023 | 1,873,828 |
| Revenue | | | | |
| Government grants and fees | 44,751,036 | | 44,751,036 | 37,119,026 |
| Investment income | 23,232 | | 23,232 | (28,449) |
| Program rents received | 314,630 | | 314,630 | 318,997 |
| Other income | 29,938 | | 29,938 | 39,106 |
| Fees for services | 109,362 | | 109,362 | 193,290 |
| Total revenue | 45,228,198 | - | 45,228,198 | 37,641,970 |
| Net assets released from restrictions | 37,774 | (37,774) | - | - |
| TOTAL SUPPORT & REVENUE | 45,855,995 | 122,226 | 45,978,221 | 39,515,798 |
| EXPENSES | | | | |
| Program Services | | | | |
| Behavioral Health Care | 31,987,514 | | 31,987,514 | 26,592,107 |
| Prevention and Education | 1,780,259 | | 1,780,259 | 421,093 |
| Solutions to Violence | 7,990,455 | | 7,990,455 | 7,405,087 |
| Total Program Services | 41,758,228 | - | 41,758,228 | 34,418,287 |
| Support Services | | | | |
| Management and General | 3,589,949 | | 3,589,949 | 4,341,528 |
| Fund Development | 471,332 | | 471,332 | 369,278 |
| Total Support Services | 4,061,281 | - | 4,061,281 | 4,710,806 |
| TOTAL EXPENSES | 45,819,509 | - | 45,819,509 | 39,129,093 |
| Change in net assets from operations | 36,486 | 122,226 | 158,712 | 386,705 |
| Net assets at beginning of year | 1,611,226 | 37,774 | 1,649,000 | 1,262,295 |
| Net assets at end of year | \$ 1,647,712 | \$ 160,000 | \$ 1,807,712 | \$ 1,649,000 |

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statement of Functional Expenses
For the Year ended June 30, 2023
with summarized financial information for the year ended June 30, 2022

| | PROGRAM SERVICES | | | June 30, 2023 | Comparative Summary Totals for the Year ended June 30, 2022 |
|--|---------------------------|-----------------------------|--------------------------|---------------|---|
| | Behavioral Health Care | Prevention and Education | Solutions to Violence | Totals | |
| Salaries | \$ 17,851,566 | \$ 1,209,629 | \$ 3,492,061 | \$ 22,553,256 | \$ 18,833,672 |
| Payroll taxes & employee benefits | 4,603,843 | 228,279 | 1,057,878 | 5,890,000 | 5,089,962 |
| Total salaries & related expenses | 22,455,409 | 1,437,908 | 4,549,939 | 28,443,256 | 23,923,634 |
| Professional fees | 2,198,530 | 27,707 | 1,485,147 | 3,711,384 | 2,712,740 |
| Supplies | 427,859 | 39,046 | 148,405 | 615,310 | 326,404 |
| Telephone | 168,333 | 25,234 | 41,716 | 235,283 | 284,289 |
| Postage & shipping | 5,307 | 417 | 484 | 6,208 | 5,294 |
| Occupancy | 1,293,934 | 91,929 | 247,610 | 1,633,473 | 1,136,060 |
| Insurance | 145,178 | 19,161 | 29,720 | 194,059 | 120,454 |
| Utilities | 243,421 | 21,791 | 38,653 | 303,865 | 224,860 |
| Interest | 26,012 | 11,449 | 1,171 | 38,632 | 30,571 |
| Equipment maintenance & rental | 265,453 | 5,543 | 9,191 | 280,187 | 361,559 |
| Printing & publications | 1,274 | 313 | 32,874 | 34,461 | 34,127 |
| Travel | 459,066 | 26,625 | 59,306 | 544,997 | 381,946 |
| Conferences, conventions & meetings | 124,334 | 16,752 | 101,226 | 242,312 | 135,153 |
| Specific assistance to individuals | 3,862,391 | 38,814 | 1,212,690 | 5,113,895 | 4,362,576 |
| Dues & subscriptions | 183,391 | 5,844 | 24,021 | 213,256 | 204,598 |
| Licensing fees & taxes | 7,968 | 1,179 | 1,423 | 10,570 | 26,678 |
| Bad debt | 2,530 | - | - | 2,530 | 18,245 |
| Miscellaneous | 14,313 | 607 | 3,314 | 18,234 | 15,003 |
| Total expenses before depreciation & amortization | 31,884,703 | 1,770,319 | 7,986,890 | 41,641,912 | 34,304,191 |
| Depreciation & amortization | 102,811 | 9,940 | 3,565 | 116,316 | 114,096 |
| TOTAL EXPENSES | \$ 31,987,514 | \$ 1,780,259 | \$ 7,990,455 | \$ 41,758,228 | \$ 34,418,287 |

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statement of Functional Expenses
For the Year ended June 30, 2023
with summarized financial information for the year ended June 30, 2022

| | TOTAL PROGRAM SERVICES | MANAGEMENT & SUPPORT SERVICES | | | June 30, 2023 PROGRAM & SUPPORT SERVICES TOTALS | Comparative Summary Totals for the Year ended June 30, 2022 |
|--|------------------------------|-------------------------------|---------------------|----------------------------|---|---|
| | | Management & General | Fund Development | Total Mgmt. & Sup. Svcs | | |
| Salaries | \$ 22,553,256 | \$ 2,360,451 | \$ 290,301 | \$ 2,650,752 | \$ 25,204,008 | \$ 21,238,655 |
| Payroll taxes & employee benefits | 5,890,000 | 658,536 | 86,161 | 744,697 | 6,634,697 | 5,851,849 |
| Total salaries & related expenses | 28,443,256 | 3,018,987 | 376,462 | 3,395,449 | 31,838,705 | 27,090,504 |
| Professional fees | 3,711,384 | 137,675 | 41,843 | 179,518 | 3,890,902 | 3,790,844 |
| Supplies | 615,310 | 54,125 | 6,374 | 60,499 | 675,809 | 367,450 |
| Telephone | 235,283 | 16,170 | 2,244 | 18,414 | 253,697 | 318,755 |
| Postage & shipping | 6,208 | 3,414 | 3,895 | 7,309 | 13,517 | 13,878 |
| Occupancy | 1,633,473 | 145,725 | 14,888 | 160,613 | 1,794,086 | 1,305,848 |
| Insurance | 194,059 | 16,737 | 2,498 | 19,235 | 213,294 | 136,783 |
| Utilities | 303,865 | 15,213 | 1,695 | 16,908 | 320,773 | 243,125 |
| Interest | 38,632 | 4,828 | - | 4,828 | 43,460 | 34,550 |
| Equipment maintenance & rental | 280,187 | 10,001 | 775 | 10,776 | 290,963 | 398,180 |
| Printing & publications | 34,461 | 23,603 | 8,482 | 32,085 | 66,546 | 59,992 |
| Travel | 544,997 | 29,406 | 417 | 29,823 | 574,820 | 409,010 |
| Conferences, conventions & meetings | 242,312 | 67,880 | 3,556 | 71,436 | 313,748 | 177,274 |
| Specific assistance to individuals | 5,113,895 | - | 373 | 373 | 5,114,268 | 4,362,576 |
| Dues & subscriptions | 213,256 | 30,742 | 7,248 | 37,990 | 251,246 | 229,610 |
| Licensing fees & taxes | 10,570 | 673 | 94 | 767 | 11,337 | 38,178 |
| Bad debt | 2,530 | - | - | - | 2,530 | 18,245 |
| Miscellaneous | 18,234 | 7,367 | 237 | 7,604 | 25,838 | 17,722 |
| Total expenses before depreciation & amortization | 41,641,912 | 3,582,546 | 471,081 | 4,053,627 | 45,695,539 | 39,012,524 |
| Depreciation & amortization | 116,316 | 7,403 | 251 | 7,654 | 123,970 | 116,569 |
| TOTAL EXPENSES | \$ 41,758,228 | \$ 3,589,949 | \$ 471,332 | \$ 4,061,281 | \$ 45,819,509 | \$ 39,129,093 |

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statements of Cash Flows
For the Years ended June 30, 2023 and June 30, 2022

| | 2023 | 2022 |
|--|--------------------|--------------------|
| Cash flows from operating activities: | | |
| Increase (decrease) in net assets from operations | \$ 158,712 | \$ 386,705 |
| Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities: | | |
| Depreciation and amortization | 123,970 | 116,569 |
| Forgiveness of debt included in support | | (1,214,876) |
| Investment management fees deducted | 6,025 | 5,522 |
| Reinvestment of earnings from investments | (2,146) | (40,477) |
| Unrealized (gain) loss on investments | (16,018) | 71,746 |
| Changes in assets & liabilities: | | |
| Decrease (increase) in accounts and grants receivable | (3,489,812) | (333,940) |
| Decrease (increase) in deposits and prepaid expenses | 28,320 | (100,345) |
| Increase (decrease) in payables and accrued liabilities | 1,879,912 | (761,364) |
| Net cash (used) provided by operating activities | <u>(1,311,037)</u> | <u>(1,870,460)</u> |
| Cash flows from investing activities: | | |
| Acquisition of fixed assets | <u>(34,755)</u> | <u>(48,446)</u> |
| Net cash provided (used) by investing activities | <u>(34,755)</u> | <u>(48,446)</u> |
| Cash flows from financing activities: | | |
| Proceeds from (repayment of) line of credit | 1,050,000 | |
| Repayments of long-term debt | <u>(118,783)</u> | <u>(38,938)</u> |
| Net cash provided (used) by financing activities | <u>931,217</u> | <u>(38,938)</u> |
| Net (decrease) increase in cash | <u>(414,575)</u> | <u>(1,957,844)</u> |
| Cash, beginning of year | 632,751 | 2,590,595 |
| Cash, end of year | <u>\$ 218,176</u> | <u>\$ 632,751</u> |

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

| | | |
|-----------------------------------|-----------|-----------|
| Cash paid during the year for: | | |
| Interest | \$ 35,597 | \$ 26,687 |
| Income taxes | \$ 0 | \$ 0 |
| Supplemental noncash disclosures: | | |
| Cost basis of assets disposed | \$ 0 | \$ 0 |
| Assets acquired via financing | \$ 0 | \$ 0 |

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

1. NATURE OF ORGANIZATION:

Community Solutions for Children, Families & Individuals, doing business as Community Solutions (Agency), is a California nonprofit public benefit organization that was founded in 1972. For five decades the Agency has provided proactive, compassionate, professional, and effective services to children, families, and individuals facing the most difficult of life's challenges. The Agency holds a deep and unequivocal commitment to each client's success, safety and well-being.

The Agency's mission is to create opportunities for positive change by promoting and supporting the full potential of individuals, the strengths of families and the well-being of the community. This mission is realized through:

- Wellness and recovery-based behavioral health services
- Strengths-based prevention and intervention services
- Empowerment-based domestic violence, sexual assault and human trafficking intervention

The Agency provides comprehensive, culturally relevant, and needs driven human services throughout Santa Clara County and within San Benito County. Embracing a client-centered approach, the Agency provides services at the location that is most convenient for the individuals being served, including: client homes, schools, community-based organizations and Agency offices.

Behavioral Health Care programs support the well-being of children, teens, adults and older adults who are challenged by mental health issues, substance abuse, poverty, and/or severe family dysfunction. Services include:

- Mental health counseling
- Comprehensive case management
- Medication support
- Home-based support services for families with young children
- 15-bed crisis residential center for adults with mental illness
- 12-bed transitional residential center for adults with mental illness
- Clean and sober living environments
- School-based support services

Prevention and Education programs are committed to preventing youth and adults from entering into, or further penetrating, the justice system. Services include:

- Prevention & intervention services for at-risk youth
- Housing for mental health clients

Solutions to Violence programs are dedicated to healing and empowering children and adults that have been victimized by sexual assault, domestic violence and human trafficking. Services include:

- 24-hour crisis intervention and response services
- 14-bed confidential shelter for women and their children
- Counseling and peer support services
- Legal advocacy and court accompaniment
- Supportive housing programs
- School-based and community-based prevention services

COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation

The Agency is required to report information regarding its financial position and activities according to two classes of net assets: Without donor restrictions and with donor restrictions. Without donor restrictions are defined as that portion of net assets that has no use or time restrictions. With donor restrictions are defined as those that consist of a restriction on a specific use or the occurrence of a certain event. The financial statements of the Agency are prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned, and expenses are recognized when incurred.

Contributions

Contributions are recorded as without donor restrictions or with donor restrictions, depending on the existence or nature of any donor restrictions. In addition, pledges and unconditional promises to give are required to be reported as restricted support upon date of notification and are then released from restrictions upon satisfaction of the time or use requirement. If a restriction is fulfilled in the same time period in which the contribution is received, the Agency reports the support as unrestricted.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. As of June 30, 2023, and June 30, 2022, the Agency's investments consist of funds held and administered by the Gilroy Foundation. The Agency has adopted ASC 820-10-50, *Fair Value Measurements*, which establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. For its investments, the Agency utilized Level 1 inputs, consisting of unadjusted quoted prices in active markets for identical assets and having the highest priority. Level 2 and Level 3 inputs were not utilized.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Agency considers all highly liquid investments available for current use with an initial maturity of six months or less to be cash equivalents. Included in cash as of June 30, 2023 and June 30, 2022 are several certificates of deposit restricted as to usage totaling \$36,941 and \$100,564, which carry immaterial early withdrawal penalties. The carrying amounts reported in the statements of financial position approximate fair values as a result of the short maturity of these instruments.

Accounts Receivable

Accounts and grants receivable are shown net of an allowance of \$78,793 and \$151,380 for private program service fees and contract billings as of June 30, 2023 and June 30, 2022, respectively. Bad debt expense charged to operations during the years ended June 30, 2023 and June 30, 2022 totaled \$2,530 and \$18,245, respectively.

Income Taxes

The Agency is exempt from Federal income taxes under Internal Revenue Code Section 501(c)(3), from California income taxes under Section 23701(d) of the California Bank and Corporation Tax Law, and has been determined to be an organization that is not a private foundation. Management has determined the implementation of ASC 740-10-65 did not have a material impact on its financial statements. Tax years for the years ended June 30, 2020 through June 30, 2023 remain open for examination by taxing authorities.

Indirect Expenses

The Agency has in place a cost allocation plan employed to allocate indirect expenses to each program on a basis proportionate to the direct staff time or other cost driver used for each program.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Depreciation

Fixed assets are reported at cost, or donated value, and are depreciated using the straight-line method over the estimated useful lives of the assets, ranging from five to forty years. The Agency's policy is to capitalize fixed asset additions in excess of \$1,000. At June 30, 2023 and June 30, 2022, the cost and related accumulated depreciation for such assets is as follows:

| | <u>2023</u> | <u>2022</u> |
|-----------------------------|---------------------|---------------------|
| Land | \$ 475,395 | \$ 475,395 |
| Buildings | 1,304,057 | 1,304,057 |
| Vehicles | 165,121 | 130,365 |
| Lease improvements | 366,716 | 366,716 |
| Furniture, equipment & fees | <u>13,822</u> | <u>13,822</u> |
| | 2,325,111 | 2,290,355 |
| less: | | |
| Accumulated depreciation | <u>1,253,141</u> | <u>1,129,171</u> |
| | <u>\$ 1,071,970</u> | <u>\$ 1,161,184</u> |

Depreciation and amortization expense charged for the years ended June 30, 2023 and June 30, 2022 was \$123,970 and \$116,569, respectively. In addition, for the years ended June 30, 2023 and June 30, 2022, \$132,572 and \$108,141, respectively, of equipment and furniture purchased with grant funds, normally capitalized, has been expensed due to the grantor retaining a reversionary interest in title. No asset impairment was recognized by the Agency during the years ended June 30, 2023 and June 30, 2022.

Comparative Information

The 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 Agency's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

Compensated Absences and Vacations

All eligible full-time employees accrue fifteen days of paid vacation during the first continual year of service. This amount is increased to twenty days after five years, and twenty-five days after ten years. Upon separation, the terminating employee is directly compensated for unused vacation leave. Holidays that fall on vacation periods are not charged against vacation time. Accrued vacation may not be carried beyond eighteen months unless approved by the Executive Director. All regular employees are entitled to be paid sick leave at the rate of twelve working days per year consistent with the number of hours comprising their particular working agreement. Upon separation, under any circumstances, the employee is entitled to sick leave pay at the rate of sixty-five percent of the remaining sick leave, not to exceed 80 hours. In the event of sickness or death in the immediate family of an employee, the employee shall be granted three days of leave of absence with full pay. Such leave will not be subtracted from regular sick leave. Employees are granted a leave of absence with pay at any time they are required to report for jury duty.

Donations

All donations are considered to be available for unrestricted use unless specifically restricted by the donor. Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated fair market value at date of notification. Donated services, valued at \$1,175 and \$21,744 were contributed by specially trained relief workers involved in the rape crisis program during the years ended June 30, 2023 and June 30, 2022, respectively.

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Advertising

The Agency charges all advertising costs incurred to operations as a current expense.

Legacies and Bequests

Legacies and bequests are received by the Agency under various wills and trust agreements. The amounts are recorded upon legal validation.

Revenue Recognition, Grants Receivable, and Grants Payable

The Agency recognizes revenue from its revenue generating activities under FASB ASC Topic 606, Revenue from Contracts with customers via the following steps:

- Identification of the grant or contract with a grantor or customer
- Identification of the performance obligations in the grant or contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the grant or contract
- Recognition of revenue when, or as, the Agency satisfies a performance obligation

The Agency receives cost reimbursement contract revenue as well as fixed rate contract revenue. Revenue is recognized when the corresponding service has been provided according to the agreement, subject to the contract limit, if any. Under fixed rate contracts, the Agency agrees to provide certain services in specified quantities at a prescribed rate per unit of service provided. Certain contracts have provisions for annual settlements to provide for recovery of costs for service capacity required to be provided, but not utilized, and for repayment of amounts billed in excess of contract limits. Estimated settlements are accrued by the Agency as a grant receivable or grant payable for contracts for which cost reports have not been finalized. The carrying amounts for grants receivable and payable reported in the statements of financial position approximate fair values as all amounts are expected to be received or paid within one year.

3. INVESTMENTS:

Investments are presented in the financial statement at fair market value based on the closing stated value published on the public exchanges on June 30, 2023 and 2022. The investments are not insured.

| | <u>2023</u> | <u>2022</u> |
|--|-------------------|-------------------|
| SV Community Foundation pooled investment fund | <u>\$ 267,547</u> | <u>\$ 254,949</u> |

The fair market value of these investments reflects an unrealized gain (loss) of \$16,018 and (\$71,746) as of June 30, 2023 and 2022. Investment returns are shown net of management fees. Components of investment income are as follows for the year ended:

| | <u>2023</u> | <u>2022</u> |
|-----------------------------|-----------------|--------------------|
| Interest and dividends | \$13,172 | \$ 10,332 |
| Realized gains and losses | 67 | 38,487 |
| Unrealized gains and losses | 16,018 | (71,746) |
| Management fees charged | <u>(6,025)</u> | <u>(5,522)</u> |
| | <u>\$23,232</u> | <u>(\$ 28,449)</u> |

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

4. GRANTS, PLEDGES, AND ACCOUNTS RECEIVABLE:

The carrying amounts for grants and accounts receivable reported in the statement of financial position approximate fair value as all amounts are due and expected to be received within ninety days. The following amounts are reported as accounts and grants receivable as of June 30, 2023 and 2022:

| | <u>2023</u> | <u>2022</u> |
|---------------------------------------|--------------------|--------------------|
| Behavioral Health | \$6,283,021 | \$3,128,865 |
| CAL OES/Human Trafficking | 656,242 | 819,245 |
| Block Grants | 91,666 | 106,983 |
| Social Services | 1,193,796 | 832,975 |
| Other Grants | <u>145,045</u> | <u>251,706</u> |
| Grants receivable | 8,369,770 | 5,139,774 |
| Program and other fees receivable | 130,079 | 103,310 |
| Less: allowance for doubtful accounts | <u>(78,793)</u> | <u>(151,380)</u> |
| Total | <u>\$8,421,056</u> | <u>\$5,091,704</u> |

The \$160,000 in pledges receivable as of June 30, 2023 are scheduled to be collected at the rate of \$80,000 per year in each of the next two fiscal years.

5. LONG-TERM DEBT:

Long-term debt at June 30, 2023, is comprised of the following:

| <u>Payable to</u> | <u>Interest Rate</u> | <u>Due Date</u> | <u>Current Amount</u> | <u>Total Due</u> |
|---|--------------------------|---------------------|---------------------------|----------------------|
| Northeast Bank, secured by real property, monthly payments of \$1,953 | 4.75% | 9/12/2027 | \$ 19,200 | \$ 89,378 |
| Pinnacle Bank, secured by real property, monthly payments of \$2,038 | 5.25% | 7/21/2028 | 8,800 | 299,490 |
| Ally Financial, secured by personal property, monthly payments \$653 | 8.34% | 10/1/2024 | 6,796 | 9,681 |
| Ally Financial, secured by personal property, monthly payments \$789 | 9.19% | 5/1/2025 | 7,646 | 15,660 |
| State of California, secured by real property, monthly payments deferred | 3% deferred | 12/19/2026 | 0 | 117,081 |
| County of Santa Clara, secured by real property, monthly payments deferred | 3.5% deferred | 5/3/2016 | 33,450 | 33,450 |
| City of Morgan Hill, secured by real property, monthly payments deferred | None | None | <u>0</u> | <u>119,812</u> |
| | | | <u>\$ 75,892</u> | <u>\$ 684,552</u> |

The State of California loan includes underlying indebtedness to the Department of Housing and Urban Development and contains self-forgiving provisions, contingent upon use restrictions, that commenced in the year 2001, as well as provisions for the waiver of accrued interest payable. As of June 30, 2023, the cumulative accrued interest payable under these loans is \$138,147, including a current provision for the County of Santa Clara loan that matured May 2016. In addition, the Agency has in place a line of credit of \$1,500,000 at an interest rate of 5.25% maturing December 2023. Terms of this facility require the Agency to maintain certain financial measurements and conditions for usage. As of June 30, 2023, Agency management believes all required measurements and conditions were met. This facility is secured by the Agency's personal property, and as of June 30, 2023 had an amount of \$1,050,000 outstanding. The existing schedule for the retirement of long-term debt, without regard to additional provisions of forgiveness, is as follows:

| | |
|---------------------------|-------------------|
| Year ending June 30, 2024 | \$ 75,892 |
| Year ending June 30, 2025 | 39,699 |
| Year ending June 30, 2026 | 29,600 |
| Year ending June 30, 2027 | 147,481 |
| Year ending June 30, 2028 | 17,977 |
| Thereafter | <u>373,903</u> |
| | <u>\$ 684,552</u> |

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

6. FACILITY LEASE COMMITMENTS:

During the year ended June 30, 2023, the Agency adopted FASB ASU 2016-02, *Leases*. This ASU requires lessees to recognize assets and liabilities on the statement of financial position for leases with lease terms greater than twelve months. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee primarily will depend on its classification as a finance or operating lease. The Agency adopted ASU 2016-02 on July 1, 2022 using a modified retrospective approach. The impact on adoption on the financial statements was an increase as of July 1, 2022 in other noncurrent assets to record right-of-use assets and an increase in other current and noncurrent liabilities to record lease obligations for current operating leases of approximately \$3,443,000, representing the present value of remaining lease payments for operating leases. The impact of adopting ASU 2016-02 was not material to unrestricted revenues, excess of revenues over expenses or total net assets. The Agency elected the practical expedient to account for both non-lease and lease payments in its contracts as a single lease component. For leases that commenced before implementation, the Agency elected the permitted practical expedient to not reassess the following: (i) whether any expired or existing contracts contain leases, and (ii) initial direct costs for any existing leases. Right of use assets and liabilities are recognized at the commencement date, based on the net present value of the fixed lease payments over the lease term, using the Agency's incremental borrowing rate based on the information available at the commencement date in determining the present value of the lease payments.

The lease for the Agency's administration office expires in December 2027, and requires monthly rental payments of \$45,272 while management negotiates a renewal with a term of one year or more. In addition, the Agency is committed under several other facility leases expiring through February 2026. Monthly rent commitments under these additional leases are \$62,220. Rent expense paid totaled \$1,401,371 and \$1,092,999 for the years ended June 30, 2023 and June 30, 2022, respectively. Existing future annual facility lease commitments, including a renewal of the administration office lease for one year are:

| | |
|---------------------------|-------------|
| Year ending June 30, 2024 | \$1,158,297 |
| Year ending June 30, 2025 | 960,234 |
| Year ending June 30, 2026 | 764,936 |
| Year ending June 30, 2027 | 587,136 |
| Year ending June 30, 2028 | 297,906 |

7. EQUIPMENT LEASE COMMITMENTS:

The Agency is obligated under seventeen non-cancelable operating leases expiring October 2025 for the rental of certain office equipment. The minimum annual rental payments under these equipment leases are:

| | |
|---------------------------------|----------|
| Years ending June 30, 2024-2025 | \$27,840 |
| Year ending June 30, 2026 | 9,280 |

Total payments made under all equipment lease agreements were \$33,168 and \$33,168 for the years ended June 30, 2023 and June 30, 2022, respectively.

8. RETIREMENT PLAN:

The Agency has adopted a policy whereby it will match an employee's contributions to an individual tax deferred annuity account, up to 5% of the employee's gross salary. For the years ended June 30, 2023 and June 30, 2022, the Agency's contributions totaled \$476,024 and \$366,932, respectively.

9. GRANTS PAYABLE, DEFERRED REVENUES AND COST REPORT SETTLEMENTS:

As of June 30, 2023 and June 30, 2022, the Agency has reserved \$3,015,163 and \$1,751,215, respectively, as deferred revenues pending cost report reconciliation with Santa Clara County.

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

10. CONCENTRATIONS, CONTINGENCIES and COVID 19:

At times during the fiscal year, the Agency maintained cash balances in excess of insured levels at one financial institution. In addition, approximately 80% of the Agency's operating revenue base is derived from contracts and grants with various governmental departments of the County of Santa Clara. Approximately 85% of the Agency's employees are covered under membership in a collective bargaining agreement scheduled for renewal November 2023. The health care industry is subject to numerous laws and regulations of federal, state, and local governments. In addition, the Agency, during the normal course of operating its business, may be subject to various lawsuits, licensing reviews, and government audits. Management believes that losses resulting from these matters, if any, would either be covered under the Agency's insurance policy or immeasurable. Management further believes the losses, if any, would not have a material effect on the financial position of the Agency.

Beginning in January 2020, the world began to feel the effects of the novel coronavirus (COVID 19). These effects include time away from work, reduction in the work force, potential disruption in the food supply chain, and a significant fluctuation in the value of the Agency's investments. The long-term implications of this pandemic are presently unknown as related to Agency operations, although since the outset of the pandemic, the Agency has received additional public, foundation, and government funding to enable it to maintain operating at sustained levels.

11. LIQUIDITY AND AVAILABILITY:

As part of the Agency's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Agency has a committed line of credit in the amount of \$1.5 million through December 2022, which it could draw upon. The Agency's financial assets that are available within one year of June 30, 2023 and June 30, 2022, are as follows:

| | <u>2023</u> | <u>2022</u> |
|---------------------------|---------------------|---------------------|
| Cash and cash equivalents | \$ 181,235 | \$ 532,187 |
| Accounts receivable, net | 130,079 | 103,310 |
| Grants receivable, net | 8,290,977 | 4,988,394 |
| Pledges receivable | 80,000 | - |
| Investments | <u>267,547</u> | <u>254,949</u> |
| | <u>\$ 8,949,838</u> | <u>\$ 5,878,840</u> |
| Liquidity Resources | | |
| Line of credit | <u>\$ 1,500,000</u> | <u>\$ 1,500,000</u> |

12. RESTRICTED NET ASSETS:

As of June 30, 2023 and 2022, the Agency's donor restricted net assets consist of the following:

| | <u>2023</u> | <u>2022</u> |
|---|-------------------|------------------|
| Time restriction- | | |
| Foundations and pledges | \$ 160,000 | \$ - |
| Use restrictions- | | |
| Foundation – programs | - | - |
| Real property under HUD/HCD restrictions to year 2027 | <u>-</u> | <u>37,774</u> |
| | <u>\$ 160,000</u> | <u>\$ 37,774</u> |

In addition, the Agency's board of directors has designated that \$267,547 be earmarked for future opportunities. Board permission is required to access these funds.

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

13. NET ASSETS RELEASED FROM RESTRICTIONS:

Without donor restrictions net assets were (increased) decreased as a result of the following restriction releases and transfers during the years ended June 30, 2023 and 2022:

| | <u>2023</u> | <u>2022</u> |
|---|------------------|------------------|
| Time restriction- Foundations | \$ - | \$ - |
| Use restrictions- Foundation grants | - | - |
| Real property under regulatory restrictions | <u>37,774</u> | <u>18,363</u> |
| | <u>\$ 37,774</u> | <u>\$ 18,363</u> |

14. RECENT ACCOUNTING PRONOUNCEMENTS:

As discusses in note 6, above, in 2022 the Agency adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-02, "Leases", effective for the Agency's financial statements during the year ending June 30, 2023. The new standard amends much of the existing accounting guidance on leases, with a core principle of increasing transparency and comparability among organizations by recognizing lease assets and leases liabilities on the statement of position and disclosing key information about leasing arrangements.

15. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through October 12, 2023, the date on which the financial statements were available to be issued.

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Schedule of Expenditures of Federal, State and Local Awards
For the Year ended June 30, 2023

| Federal Grantor/ Pass-Through Grantor/ Program Title | Federal CFDA Number | Program or Award Amount | Receipts/ Revenue Recognized | Disbursements/ Expenditures Incurred | Payments to Subrecipients |
|---|---------------------------|-------------------------------|------------------------------------|--|---------------------------------|
| Major Programs | | | | | |
| Department of Justice, passed through State of California OES, sexual assault services, Grant RC-21241043 | 16.575 | 107,276 | 51,966 | 51,966 | |
| Department of Justice, passed through Bay Area Legal Aid, support services, Grant XL-22051008, XL-21041008 | 16.575 | 18,000 | 8,722 | 8,722 | |
| Department of Justice, passed through County of Santa Clara, domestic violence support, Grant XC-21040430 | 16.575 | 90,000 | 23,237 | 23,237 | |
| Department of Justice, passed through County of Santa Clara, domestic violence support, Grant XC-22050430 | 16.575 | 90,000 | 45,469 | 45,469 | |
| Department of Justice, passed through State of California OES, unserved/underserved victim advocacy, Grant UV-22011043 | 16.575 | 196,906 | 79,845 | 79,845 | \$ 9,512 |
| Department of Justice, passed through State of California OES, unserved/underserved victim advocacy, Grant UV-21041043 | 16.575 | 117,859 | 104,806 | 104,806 | 15,000 |
| Department of Justice, passed through State of California OES, sexual assault services, La Isla, Grant DV-20121043 | 16.575 | 582,856 | 125,707 | 125,707 | 9,811 |
| Department of Justice, passed through State of California OES, sexual assault services, La Isla, Grant DV-22141043 | 16.575 | 335,607 | 128,831 | 128,831 | 7,488 |
| Department of Justice, passed through State of California OES, DV housing first, Grant XD-20031043 | 16.575 | 570,640 | 159,666 | 159,666 | |
| Department of Justice, passed through State of California OES, DV housing first, Grant XD-22011043 | 16.575 | 350,000 | 123,754 | 123,754 | |
| Department of Justice, passed through State of California OES, sexual assault services, Grant RC-22251043 | 16.575 | 244,187 | 158,842 | 158,842 | |
| Department of Justice, passed through State of California OES, sexual assault services, Grant RC-21351043 | 16.575 | 148,740 | 69,505 | 69,505 | |
| Department of Justice, passed through State of California OES, sexual assault services, Grant RC-22361043 | 16.575 | 286,026 | 196,927 | 196,927 | |
| subtotal | 16.575 | 3,138,097 | 1,277,277 | 1,277,277 | 41,811 |
| Total Major Programs | | 3,138,097 | 1,277,277 | 1,277,277 | 41,811 |
| Non Major Programs | | | | | |
| Department of Justice, Office of Justice Programs, human trafficking support, Grant 2018-VT-BX-K023 | 16.830 | 775,000 | 128,633 | 128,633 | 88,127 |
| Department of Justice, Office of Justice Programs, human trafficking support, Grant 2019-GF-FX-004 | 16.830 | 446,684 | 40,479 | 40,479 | |
| subtotal | 16.830 | 1,221,684 | 169,112 | 169,112 | 88,127 |
| Department of Justice, Office for Victims of Crime, Preventing Trafficking, Grant 1SPOVC-22-GG-03753-GIRL | 16.035 | 500,000 | 90,379 | 90,379 | |
| Department of Housing and Urban Development, YHDP, Grant CA2088Y9T00200 | 14.267 | 2,319,731 | 53,692 | 53,692 | |
| Department of Health and Human Services, passed through California Department of Public Health, injury prevention and control, Grant 18-10716 | 93.136 | 275,000 | 125,546 | 125,546 | |
| Department of Health and Human Services, passed through Sacred Heart Community Services, destination home, Grant HPS-CV, housing services | 21.027 | 26,456 | 26,456 | 26,456 | |
| Department of Justice, passed through State of California OES, sexual assault services, Grant RC-21351043 | 93.671 | 103,119 | 88,354 | 88,354 | |
| Department of Justice, passed through State of California OES, sexual assault services, La Isla, Grant DV-20121043 | 93.671 | 65,000 | 18,952 | 18,952 | |
| Department of Justice, passed through State of California OES, sexual assault services, Grant RC-21241043 | 93.671 | 103,119 | 80,441 | 80,441 | |
| subtotal | 93.671 | 271,238 | 187,747 | 187,747 | |
| Department of Justice, human trafficking, Grant 1SPOVC-21-GK-04057-HT | 16.320 | 749,987 | 194,990 | 194,990 | 117,262 |
| Department of Housing & Urban Development, passed through County of Santa Clara, Page Street permanent supportive housing, Grant 168-525500 | 14.267 | 104,660 | 90,266 | 90,266 | |
| Department of Housing & Urban Development, passed through County of Santa Clara, community development block grant, Grant PS-23-04 | 14.218 | 24,639 | 24,619 | 24,619 | |
| Department of Housing and Urban Development, passed through Sacred Heart Community Services, homeless prevention, Grant HPS-CDBG | 14.218 | 8,406 | 8,406 | 8,406 | |
| subtotal | 14.218 | 33,045 | 33,025 | 33,025 | - |
| Total Non Major Programs | | 5,501,801 | 971,213 | 971,213 | 205,389 |
| Total federal financial assistance (continued to next page) | | \$8,639,898 | \$2,248,490 | \$2,248,490 | \$247,200 |

See Accompanying Notes to the Financial Statements

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Schedule of Expenditures of Federal, State and Local Awards (continued)
For the Year ended June 30, 2023

| Federal Grantor/ Pass-Through Grantor/ Program Title | Program or Award Amount | Receipts/ Revenue Recognized | Disbursements/ Expenditures Incurred |
|--|-------------------------------|------------------------------------|--|
| Total federal financial assistance (from previous page) | \$8,639,898 | \$2,248,490 | \$2,248,490 |
| <u>State and local assistance</u> | | | |
| City of Gilroy, THRIVE | 105,228 | 96,333 | 96,333 |
| City of Gilroy, passed through Santa Clara DA office, Resiliency Center, Grant GB202VSF00 | 486,163 | 68,552 | 68,552 |
| Gilroy Unified School District, Crisis Response, Grant 2223-42 | 113,000 | 98,875 | 98,875 |
| City of San Jose, South BAY Coalition, Grant 1923442 | 51,200 | 50,700 | 50,700 |
| County of San Benito, CSEC, Grant SBC-CSEC | 159,117 | 141,572 | 141,572 |
| County of San Benito, PEI | 306,452 | 306,452 | 306,452 |
| County of Santa Clara, passed through YWCA, Grant SBC-DVSP-YWCA-FY19 | 395,906 | 395,906 | 395,906 |
| County of Santa Clara, passed through YWCA, YWCA DV bonus COC, Grant CA138L9T001802 | 4,844 | 2,663 | 2,663 |
| County of Santa Clara, CSEC, Grant 4300020139 | 870,514 | 696,598 | 696,598 |
| County of Santa Clara, mental health, CSS-C03 Fact, Grant 4300021500 | 8,136,804 | 6,344,386 | 6,344,386 |
| County of Santa Clara, mental health, First 5 Services, Grant 4300021491 | 2,508,389 | 1,047,060 | 1,047,060 |
| County of Santa Clara, mental health, Adult dual DX, Grant 4300021482 | 655,864 | 601,556 | 601,556 |
| County of Santa Clara, MHSA, CSS BOHS Redesign, Grant 4300021483 | 4,821,026 | 4,139,155 | 4,139,155 |
| County of Santa Clara, MHSA, IFSP Adult, Grant 4300021486 | 3,278,117 | 2,703,087 | 2,703,087 |
| County of Santa Clara, MHSA, FSP Older Adult, Grant 4300021487 | 734,058 | 405,373 | 405,373 |
| County of Santa Clara, MHSA, CSS Older Adult, Grant 4300021488 | 928,760 | 928,760 | 928,760 |
| County of Santa Clara, MHSA, Prop 47 & THU, Grant 4300022008 | 748,932 | 510,867 | 510,867 |
| County of Santa Clara, MHSA, Adult Madrone, Grant 4300021485 | 2,483,625 | 2,483,625 | 2,483,625 |
| County of Santa Clara, MHSA, FSP Adult, Grant 4300021484 | 1,655,641 | 905,036 | 905,036 |
| County of Santa Clara, MHSA, Child Medical, Grant 4300021494 | 875,023 | 549,376 | 549,376 |
| County of Santa Clara, MHSA, FSP Child, Grant 4300021495 | 3,696,660 | 1,914,056 | 1,914,056 |
| County of Santa Clara, MHSA, FSP TAY, Grant 4300021492 | 5,308,049 | 2,689,452 | 2,689,452 |
| County of Santa Clara, MHSA, Prop 47 CJS Co-Occurring, Grant 4300021502 | 988,670 | 536,467 | 536,467 |
| County of Santa Clara, MHSA, SAMSHA Co-Occurring, Grant 4300021503 | 100,050 | 89,438 | 89,438 |
| County of Santa Clara, MHSA, CJS and Expansion AB 109, Grant 4300021496 | 1,080,143 | 726,910 | 726,910 |
| County of Santa Clara, MHSA, AOA Expansion, Grant 4300021497 | 127,115 | 127,115 | 127,115 |
| County of Santa Clara, MHSA, CJS FSP, Fact, Grant 4300021501 | 1,232,309 | 673,003 | 673,003 |
| County of Santa Clara, MHSA, CJS CSS CJ Aftercare, Grant 4300021498 | 243,895 | 159,568 | 159,568 |
| County of Santa Clara, MHSA, CJ Adult Services, Grant 4300021499 | 501,863 | 317,806 | 317,806 |
| County of Santa Clara, MHSA, PEI School Linked Services, Grant 4300021493 | 807,272 | 553,172 | 553,172 |
| County of Santa Clara, MHSA, FSP Transitional Housing Grant 4300021504 | 838,548 | 704,415 | 704,415 |
| County of Santa Clara, MHSA, CSS SHP, High Utilizers, Grant 4300021508 | 377,705 | 116,276 | 116,276 |
| County of Santa Clara, MHSA, CSS C03 F & C, Grant 4300021490 | 3,876,420 | 2,946,170 | 2,946,170 |
| County of Santa Clara, MHSA, CSS SHP Reintegration, Grant 4300021505 | 658,158 | 467,833 | 467,833 |
| County of Santa Clara, MHSA, CSS HSP Adult Measure, Grant 4300021506 | 24,081 | 24,081 | 24,081 |
| County of Santa Clara, MHSA, FSP AB-109 Jail Diversion , Grant 4300021509 | 1,550,440 | 1,019,013 | 1,019,013 |
| County of Santa Clara, MHSA, CSS SHP SMI, Grant 4300021507 | 858,596 | 544,858 | 544,858 |
| County of Santa Clara, passed through Sacred Heart Community Services, Destination Home | 198,908 | 198,908 | 198,908 |
| County of Santa Clara, Office of Supportive Housing, El Jardin Pacifica, Grant 4300016422 | 499,709 | 467,448 | 467,448 |
| County of Santa Clara, rape crisis center services, Grant 4300018295 | 520,000 | 452,743 | 452,743 |
| County of Santa Clara, Casitas Pacificas, Grant 4300018582 | 400,000 | 309,908 | 309,908 |
| County of Santa Clara, victim services, Grant 4400008231 | 43,800 | 11,456 | 11,456 |
| County of Santa Clara, National Childrens' Alliance, Grant GB202NCACD | 46,962 | 37,722 | 37,722 |
| County of Santa Clara, GBV Survivor Intervention, Grant 4300020008 | 261,180 | 204,256 | 204,256 |
| County of Santa Clara, GBV Community Based, Grant 4300020007 | 136,943 | 111,531 | 111,531 |
| County of Santa Clara, GBV strangulation response, Grant 4300022084 | 451,707 | 420,142 | 420,142 |
| County of Santa Clara GBV, regional anti-trafficking, Grant 4300018168 | 223,454 | 209,087 | 209,087 |
| County of Santa Clara, COVID community engagement, Grant 4300021177 | 700,000 | 494,733 | 494,733 |
| County of Santa Clara, youth intervention and prevention IPV, Grant 4300016772 | 181,266 | 181,266 | 181,266 |
| County of Santa Clara, community based prevention IPV, Grant 4300016770 | 176,361 | 176,361 | 176,361 |
| County of Santa Clara, victims advocacy pilot, Grant 4300018698 | 243,861 | 182,123 | 182,123 |
| County of Santa Clara, passed through Santa Clara University, trafficking, Grant SCC017 | 368,759 | 362,428 | 362,428 |
| County of Santa Clara, marriage licensing, Grant TF-0231 | 61,546 | 61,546 | 61,546 |
| County of Santa Clara, substance use treatment services, Grant 440003814 | 148,750 | 83,303 | 83,303 |
| County of Santa Clara, probation, Grant TF-0378 | 4,141 | 4,141 | 4,141 |
| State of California, Mentored Internship, Gilroy | 443,159 | 443,159 | 443,159 |
| State of California, Mentored Internship, San Jose | 367,631 | 367,631 | 367,631 |
| State of California, Mentored Internship, Morgan Hill | 352,650 | 352,650 | 352,650 |
| State of California, OES, shelter, Grant DV-22141043 | 201,980 | 201,980 | 201,980 |
| State of California, OES, human trafficking assistance, Grant HV-21041043 | 666,666 | 525,660 | 525,660 |
| State of California, OES, human trafficking assistance, Grant HV-22021043 | 666,666 | 118,528 | 118,528 |
| State of California, OES, family justice center, Grant FJ-21011043 | 338,728 | 129,026 | 129,026 |
| State of California, OES, passed through Step Forward Foundation, XL-21041333, XL-22051333 | 59,000 | 25,988 | 25,988 |
| State of California, OES, housing first, Grant XD-20031043 | 124,107 | 60,988 | 60,988 |
| State of California, OES, unserved/underserved victims, Grant UV-21041043 | 64,866 | 524 | 524 |
| State of California, OES, prevention and education, Grant SD-21011043 | 199,258 | 87,258 | 87,258 |
| State of California, OES, sexual assault services, Grant RC-222251043 | 11,941 | 7,425 | 7,425 |
| State of California, OES, sexual assault services, Grant RC-21241043 | 146,666 | 2,259 | 2,259 |
| State of California, OES, sexual assault services, Grant RC-21351043 | 148,712 | 2,247 | 2,247 |
| State of California, OES, sexual assault services, Grant RC-22361043 | 13,987 | 10,034 | 10,034 |
| State of California, passed through SCVHP, Medicare direct | 112,522 | 112,522 | 112,522 |
| Total state & local government assistance | 60,174,523 | 42,502,546 | 42,502,546 |
| GRAND TOTALS | \$ 68,814,421 | \$ 44,751,036 | \$ 44,751,036 |

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
Community Solutions for Children, Families and Individuals
Gilroy, California

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 financial statements of Community Solutions for Children, Families and Individuals, which comprise the statement of financial position as of June 30, 2023, the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 12, 2023.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Community Solutions for Children, Families and Individuals' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Solutions for Children, Families and Individuals' internal control. Accordingly, we do not express an opinion on the effectiveness of Community Solutions for Children, Families and Individuals' 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. Our consideration of internal control was for the limited purpose described earlier in this paragraph 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Solutions for Children, Families and Individuals' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statement amounts. 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.



October 12, 2023

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of
Community Solutions for Children, Families and Individuals
Gilroy, California

Report on Compliance for Each Major Federal Program**Opinion on Each Major Federal Program**

We have audited Community Solutions for Children, Families and Individuals' 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 Community Solutions for Children, Families and Individuals' major federal programs for the year ended June 30, 2023. Community Solutions for Children, Families and Individuals' 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, Community Solutions for Children, Families and Individuals 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, 2023.

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 Community Solutions for Children, Families and Individuals 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 Community Solutions for Children, Families and Individuals' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance Responsibility

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 and grant agreements applicable to Community Solutions for Children, Families and Individuals' 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 Community Solutions for Children, Families and Individuals' 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 and *Government Auditing Standards* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance 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. Noncompliance with the compliance requirements referred to above is considered material if there is substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Community Solutions for Children, Families and Individuals' 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 Community Solutions for Children, Families and Individuals' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Community Solutions for Children, Families and Individuals' 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 Community Solutions for Children, Families and Individuals' 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 compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a 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 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, 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.

Nichols, Rick & Co.

October 12, 2023

COMMUNITY SOLUTIONS FOR CHILDREN, FAMILIES AND INDIVIDUALS
SUPPLEMENTARY INFORMATION REQUIRED BY CALIFORNIA OFFICE OF EMERGENCY SERVICES
JUNE 30, 2023

PROJECT TITLE RAPE CRISIS RECOVERY ACT PROGRAM (SANTA CLARA COUNTY)
GRANT AWARD NUMBER RC 21 35 1043
GRANT PERIOD OCTOBER 1, 2021 THROUGH SEPTEMBER 30, 2023
AUDIT PERIOD JULY 1, 2022 THROUGH JUNE 30, 2023

| | | EXPENDITURES BY REVENUE SOURCE | | | | | | |
|--------------------|-------------------|--------------------------------|------------------|-----------------|---------------|------------------|-----------------------|--|
| | BUDGET | FEDERAL VOCA | FEDERAL FVPA | STATE | CASH MATCH | IN-KIND MATCH | TOTAL EXPENDITURES | |
| PERSONAL SERVICES | \$ 235,884 | \$ 52,954 | \$ 12,948 | \$ 2,190 | \$ - | \$ - | \$ 68,092 | |
| OPERATING EXPENSES | 164,687 | 16,551 | 75,406 | 57 | - | - | 92,014 | |
| TOTALS | <u>\$ 400,571</u> | <u>\$ 69,505</u> | <u>\$ 88,354</u> | <u>\$ 2,247</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 160,106</u> | |

PROJECT TITLE RAPE CRISIS RECOVERY ACT PROGRAM (SANTA CLARA COUNTY)
GRANT AWARD NUMBER RC 22 36 1043
GRANT PERIOD OCTOBER 1, 2022 THROUGH SEPTEMBER 30, 2023
AUDIT PERIOD OCTOBER 1, 2022 THROUGH JUNE 30, 2023

| | | EXPENDITURES BY REVENUE SOURCE | | | | | | |
|--------------------|-------------------|--------------------------------|-----------------|------------------|---------------|------------------|-----------------------|--|
| | BUDGET | FEDERAL VOCA | FEDERAL FVPA | STATE | CASH MATCH | IN-KIND MATCH | TOTAL EXPENDITURES | |
| PERSONAL SERVICES | \$ 223,808 | \$ 154,296 | \$ - | \$ 9,351 | \$ - | \$ - | \$ 163,647 | |
| OPERATING EXPENSES | 76,205 | 42,631 | - | 683 | - | - | 43,314 | |
| TOTALS | <u>\$ 300,013</u> | <u>\$ 196,927</u> | <u>\$ -</u> | <u>\$ 10,034</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 206,961</u> | |

PROJECT TITLE LA ISLA PACIFICA DOMESTIC VIOLENCE SHELTER AND SERVICE
GRANT AWARD NUMBER DV 20 12 1043
GRANT PERIOD OCTOBER 1, 2020 THROUGH SEPTEMBER 30, 2022
AUDIT PERIOD JULY 1, 2022 THROUGH SEPTEMBER 30, 2022

| | | EXPENDITURES BY REVENUE SOURCE | | | | | | |
|--------------------|---------------------|--------------------------------|------------------|-------------|---------------|------------------|-----------------------|--|
| | BUDGET | FEDERAL VOCA | FEDERAL FVPA | STATE | CASH MATCH | IN-KIND MATCH | TOTAL EXPENDITURES | |
| PERSONAL SERVICES | \$ 567,676 | \$ 53,339 | \$ - | \$ - | \$ - | \$ - | \$ 53,339 | |
| OPERATING EXPENSES | 572,497 | 72,368 | 18,952 | - | - | - | 91,320 | |
| EQUIPMENT | - | - | - | - | - | - | - | |
| TOTALS | <u>\$ 1,140,173</u> | <u>\$ 125,707</u> | <u>\$ 18,952</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 144,659</u> | |

PROJECT TITLE LA ISLA PACIFICA DOMESTIC VIOLENCE SHELTER AND SERVICE
GRANT AWARD NUMBER DV 22 14 1043
GRANT PERIOD OCTOBER 1, 2022 THROUGH SEPTEMBER 30, 2023
AUDIT PERIOD OCTOBER 1, 2022 THROUGH JUNE 30, 2023

| | | EXPENDITURES BY REVENUE SOURCE | | | | | | |
|--------------------|-------------------|--------------------------------|------------------|-------------------|---------------|------------------|-----------------------|--|
| | BUDGET | FEDERAL FVPS | FEDERAL VOCA | STATE | CASH MATCH | IN-KIND MATCH | TOTAL EXPENDITURES | |
| PERSONAL SERVICES | \$ 356,255 | \$ 53,439 | \$ 26,439 | \$ 135,375 | \$ - | \$ - | \$ 215,253 | |
| OPERATING EXPENSES | 181,332 | 26,459 | 22,494 | 66,605 | - | - | 115,558 | |
| EQUIPMENT | - | - | - | - | - | - | - | |
| TOTALS | <u>\$ 537,587</u> | <u>\$ 79,898</u> | <u>\$ 48,933</u> | <u>\$ 201,980</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 330,811</u> | |

PROJECT TITLE FAMILY JUSTICE CENTER PROGRAM
GRANT AWARD NUMBER FJ 21-01-1043
GRANT PERIOD APRIL 1, 2022 THROUGH MARCH 31, 2024
AUDIT PERIOD JULY 1, 2022 THROUGH JUNE 30, 2023

| | | EXPENDITURES BY REVENUE SOURCE | | | | | | |
|--------------------|-------------------|--------------------------------|-----------------|-------------------|---------------|------------------|-----------------------|--|
| | BUDGET | FEDERAL VOCA | FEDERAL FVPS | STATE | CASH MATCH | IN-KIND MATCH | TOTAL EXPENDITURES | |
| PERSONAL SERVICES | \$ 127,208 | \$ - | \$ - | \$ 61,402 | \$ - | \$ - | \$ 61,402 | |
| OPERATING EXPENSES | 211,520 | - | - | 67,624 | - | - | 67,624 | |
| TOTALS | <u>\$ 338,728</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 129,026</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 129,026</u> | |

COMMUNITY SOLUTIONS FOR CHILDREN, FAMILIES AND INDIVIDUALS
SUPPLEMENTARY INFORMATION REQUIRED BY CALIFORNIA OFFICE OF EMERGENCY SERVICES
JUNE 30, 2023

PROJECT TITLE RAPE CRISIS RECOVERY ACT PROGRAM (SAN BENITO COUNTY)
GRANT AWARD NUMBER RC 21 24 1043
GRANT PERIOD OCTOBER 1, 2021 THROUGH SEPTEMBER 30, 2023
AUDIT PERIOD JULY 1, 2022 THROUGH JUNE 30, 2023

| | | EXPENDITURES BY REVENUE SOURCE | | | | | |
|--------------------|-------------------|--------------------------------|------------------|-----------------|---------------|------------------|-----------------------|
| | BUDGET | FEDERAL VOCA | FEDERAL FVSA | STATE | CASH MATCH | IN-KIND MATCH | TOTAL EXPENDITURES |
| PERSONAL SERVICES | \$ 190,699 | \$ 36,967 | \$ 8,006 | \$ 1,971 | \$ - | \$ - | \$ 46,944 |
| OPERATING EXPENSES | 166,362 | 14,989 | 72,435 | 288 | - | - | 87,712 |
| TOTALS | <u>\$ 357,061</u> | <u>\$ 51,956</u> | <u>\$ 80,441</u> | <u>\$ 2,259</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 134,656</u> |

PROJECT TITLE RAPE CRISIS RECOVERY ACT PROGRAM (SAN BENITO COUNTY)
GRANT AWARD NUMBER RC 22 25 1043
GRANT PERIOD OCTOBER 1, 2022 THROUGH SEPTEMBER 30, 2023
AUDIT PERIOD OCTOBER 1, 2022 THROUGH JUNE 30, 2023

| | | EXPENDITURES BY REVENUE SOURCE | | | | | |
|--------------------|-------------------|--------------------------------|-------------|-----------------|---------------|------------------|-----------------------|
| | BUDGET | FEDERAL VOCA | FEDERAL | STATE | CASH MATCH | IN-KIND MATCH | TOTAL EXPENDITURES |
| PERSONAL SERVICES | \$ 187,031 | \$ 124,125 | \$ - | \$ 5,173 | \$ - | \$ - | \$ 129,298 |
| OPERATING EXPENSES | 69,097 | 34,717 | - | 2,252 | - | - | 36,969 |
| TOTALS | <u>\$ 256,128</u> | <u>\$ 158,842</u> | <u>\$ -</u> | <u>\$ 7,425</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 166,267</u> |

PROJECT TITLE DV HOUSING FIRST
GRANT AWARD NUMBER XD 20 03 1043
GRANT PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2022
AUDIT PERIOD JULY 1, 2022 THROUGH DECEMBER 31, 2022

| | | EXPENDITURES BY REVENUE SOURCE | | | | | |
|--------------------|-------------------|--------------------------------|-------------|------------------|---------------|------------------|-----------------------|
| | BUDGET | FEDERAL VOCA | FEDERAL | STATE | CASH MATCH | IN-KIND MATCH | TOTAL EXPENDITURES |
| PERSONAL SERVICES | \$ 260,766 | \$ 43,994 | \$ - | \$ 19,429 | | \$ - | \$ 63,423 |
| OPERATING EXPENSES | 498,981 | 115,672 | - | 41,559 | - | - | 157,231 |
| TOTALS | <u>\$ 759,747</u> | <u>\$ 159,666</u> | <u>\$ -</u> | <u>\$ 60,988</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 220,654</u> |

PROJECT TITLE DV HOUSING FIRST
GRANT AWARD NUMBER XD 22 01 1043
GRANT PERIOD JANUARY 1, 2023 THROUGH DECEMBER 31, 2023
AUDIT PERIOD JANUARY 1, 2023 THROUGH JUNE 30, 2023

| | | EXPENDITURES BY REVENUE SOURCE | | | | | |
|--------------------|-------------------|--------------------------------|-------------|-------------|---------------|------------------|-----------------------|
| | BUDGET | FEDERAL VOCA | FEDERAL | STATE | CASH MATCH | IN-KIND MATCH | TOTAL EXPENDITURES |
| PERSONAL SERVICES | \$ 163,618 | \$ 68,543 | \$ - | \$ - | | \$ - | \$ 68,543 |
| OPERATING EXPENSES | 186,382 | 55,211 | - | - | - | - | 55,211 |
| TOTALS | <u>\$ 350,000</u> | <u>\$ 123,754</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 123,754</u> |

COMMUNITY SOLUTIONS FOR CHILDREN, FAMILIES AND INDIVIDUALS
SUPPLEMENTARY INFORMATION REQUIRED BY CALIFORNIA OFFICE OF EMERGENCY SERVICES
JUNE 30, 2023

| | | | | | | | | |
|----------------------|-------------------|---|----------------|---------------|-------------------|----------------------|---------------------------|--|
| PROJECT TITLE | | UNSERVED/UNDERSERVED VICTIM ADVOCACY | | | | | | |
| GRANT AWARD NUMBER | | UV 21 04 143 | | | | | | |
| GRANT PERIOD | | JANUARY 1, 2022 THROUGH DECEMBER 31, 2022 | | | | | | |
| AUDIT PERIOD | | JULY 1, 2022 THROUGH DECEMBER 31, 2022 | | | | | | |
| | | EXPENDITURES BY REVENUE SOURCE | | | | | | |
| | BUDGET | FEDERAL VOCA | FEDERAL | STATE | CASH MATCH | IN-KIND MATCH | TOTAL EXPENDITURES | |
| PERSONAL SERVICES | \$ 89,232 | \$ 47,387 | \$ - | \$ 524 | \$ - | \$ - | \$ 47,911 | |
| OPERATING EXPENSES | 93,493 | 57,419 | - | - | - | - | 57,419 | |
| TOTALS | <u>\$ 182,725</u> | <u>\$ 104,806</u> | <u>\$ -</u> | <u>\$ 524</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 105,330</u> | |

| | | | | | | | | |
|----------------------|-------------------|--|----------------|--------------|-------------------|----------------------|---------------------------|--|
| PROJECT TITLE | | UNSERVED/UNDERSERVED VICTIM ADVOCACY AND OUTREACH PROGRAM | | | | | | |
| GRANT AWARD NUMBER | | UV 22 01 1043 | | | | | | |
| GRANT PERIOD | | JANUARY 1, 2023 THROUGH DECEMBER 31, 2023 | | | | | | |
| AUDIT PERIOD | | JANUARY 1, 2023 THROUGH JUNE 30, 2023 | | | | | | |
| | | EXPENDITURES BY REVENUE SOURCE | | | | | | |
| | BUDGET | FEDERAL VOCA | FEDERAL | STATE | CASH MATCH | IN-KIND MATCH | TOTAL EXPENDITURES | |
| PERSONAL SERVICES | \$ 129,393 | \$ 48,293 | \$ - | \$ - | \$ - | \$ - | \$ 48,293 | |
| OPERATING EXPENSES | 67,513 | 31,552 | - | - | - | - | 31,552 | |
| TOTALS | <u>\$ 196,906</u> | <u>\$ 79,845</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 79,845</u> | |

| | | | | | | | | |
|----------------------|-------------------|---|----------------|-------------------|-------------------|----------------------|---------------------------|--|
| PROJECT TITLE | | HUMAN TRAFFICKING ASSISTANCE PROGRAM | | | | | | |
| GRANT AWARD NUMBER | | HV 21 01 1043 | | | | | | |
| GRANT PERIOD | | APRIL 1, 2022 THROUGH MARCH 31, 2023 | | | | | | |
| AUDIT PERIOD | | JULY 1, 2022 THROUGH MARCH 31, 2023 | | | | | | |
| | | EXPENDITURES BY REVENUE SOURCE | | | | | | |
| | BUDGET | FEDERAL VOCA | FEDERAL | STATE | CASH MATCH | IN-KIND MATCH | TOTAL EXPENDITURES | |
| PERSONAL SERVICES | \$ 258,355 | \$ - | \$ - | \$ 183,301 | \$ - | \$ - | \$ 183,301 | |
| OPERATING EXPENSES | 408,311 | - | - | 342,359 | - | - | 342,359 | |
| EQUIPMENT | - | - | - | - | - | - | - | |
| TOTALS | <u>\$ 666,666</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 525,660</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 525,660</u> | |

| | | | | | | | | |
|----------------------|-------------------|---|----------------|-------------------|-------------------|----------------------|---------------------------|--|
| PROJECT TITLE | | HUMAN TRAFFICKING ASSISTANCE PROGRAM | | | | | | |
| GRANT AWARD NUMBER | | HV 22 02 1043 | | | | | | |
| GRANT PERIOD | | APRIL 1, 2023 THROUGH MARCH 31, 2024 | | | | | | |
| AUDIT PERIOD | | APRIL 1, 2023 THROUGH JUNE 30, 2023 | | | | | | |
| | | EXPENDITURES BY REVENUE SOURCE | | | | | | |
| | BUDGET | FEDERAL VOCA | FEDERAL | STATE | CASH MATCH | IN-KIND MATCH | TOTAL EXPENDITURES | |
| PERSONAL SERVICES | \$ 320,578 | \$ - | \$ - | \$ 54,716 | \$ - | \$ - | \$ 54,716 | |
| OPERATING EXPENSES | 346,088 | - | - | 63,812 | - | - | 63,812 | |
| EQUIPMENT | - | - | - | - | - | - | - | |
| TOTALS | <u>\$ 666,666</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 118,528</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 118,528</u> | |

| | | | | | | | | |
|----------------------|-------------------|--|----------------|------------------|-------------------|----------------------|---------------------------|--|
| PROJECT TITLE | | SEXUAL & DOMESTIC VIOLENCE PREVENTION PROGRAM | | | | | | |
| GRANT AWARD NUMBER | | SD 21 01 1043 | | | | | | |
| GRANT PERIOD | | MAY 1, 2022 THROUGH APRIL 30, 2024 | | | | | | |
| AUDIT PERIOD | | JULY 1, 2022 THROUGH JUNE 30, 2023 | | | | | | |
| | | EXPENDITURES BY REVENUE SOURCE | | | | | | |
| | BUDGET | FEDERAL VOCA | FEDERAL | STATE | CASH MATCH | IN-KIND MATCH | TOTAL EXPENDITURES | |
| PERSONAL SERVICES | \$ 155,129 | \$ - | \$ - | \$ 73,590 | - | \$ - | \$ 73,590 | |
| OPERATING EXPENSES | 44,129 | - | - | 13,668 | - | - | 13,668 | |
| TOTALS | <u>\$ 199,258</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 87,258</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 87,258</u> | |

COMMUNITY SOLUTIONS FOR CHILDREN, FAMILIES AND INDIVIDUALS
SUPPLEMENTARY INFORMATION REQUIRED BY CALIFORNIA OFFICE OF EMERGENCY SERVICES
JUNE 30, 2023

| | |
|----------------------|---|
| PROJECT TITLE | DOMESTIC VIOLENCE SUPPORT (PASSED THROUGH COUNTY OF SANTA CLARA) |
| GRANT AWARD NUMBER | XC 21 04 0430 |
| GRANT PERIOD | JANUARY 1, 2022 THROUGH DECEMBER 31, 2022 |
| AUDIT PERIOD | JULY 1, 2022 THROUGH DECEMBER 31, 2022 |

| | BUDGET | EXPENDITURES BY REVENUE SOURCE | | | | | TOTAL EXPENDITURES |
|--------------------|-----------|--------------------------------|---------|-------|---------------|------------------|-----------------------|
| | | FEDERAL VOCA | FEDERAL | STATE | CASH MATCH | IN-KIND MATCH | |
| PERSONAL SERVICES | \$ 74,148 | \$ 19,798 | \$ - | \$ - | \$ - | \$ - | \$ 19,798 |
| OPERATING EXPENSES | 15,852 | 3,440 | - | - | - | - | 3,440 |
| TOTALS | \$ 90,000 | \$ 23,238 | \$ - | \$ - | \$ - | \$ - | \$ 23,238 |

| | |
|----------------------|---|
| PROJECT TITLE | DOMESTIC VIOLENCE SUPPORT (PASSED THROUGH COUNTY OF SANTA CLARA) |
| GRANT AWARD NUMBER | XC 22 05 0430 |
| GRANT PERIOD | JANUARY 1, 2023 THROUGH DECEMBER 31, 2023 |
| AUDIT PERIOD | JANUARY 1, 2023 THROUGH JUNE 30, 2023 |

| | BUDGET | EXPENDITURES BY REVENUE SOURCE | | | | | TOTAL EXPENDITURES |
|--------------------|-----------|--------------------------------|---------|-------|---------------|------------------|-----------------------|
| | | FEDERAL VOCA | FEDERAL | STATE | CASH MATCH | IN-KIND MATCH | |
| PERSONAL SERVICES | \$ 69,819 | \$ 40,689 | \$ - | \$ - | \$ - | \$ - | \$ 40,689 |
| OPERATING EXPENSES | 20,181 | 4,779 | - | - | - | - | 4,779 |
| TOTALS | \$ 90,000 | \$ 45,468 | \$ - | \$ - | \$ - | \$ - | \$ 45,468 |

| | |
|----------------------|---|
| PROJECT TITLE | VICTIM LEGAL SERVICES (PASSED THROUGH FROM STEP FORWARD) |
| GRANT AWARD NUMBER | XL 21 04 1333 |
| GRANT PERIOD | JANUARY 1, 2022 THROUGH DECEMBER 31, 2022 |
| AUDIT PERIOD | JULY 1, 2022 THROUGH DECEMBER 31, 2022 |

| | BUDGET | EXPENDITURES BY REVENUE SOURCE | | | | | TOTAL EXPENDITURES |
|--------------------|-----------|--------------------------------|---------|-------|---------------|------------------|-----------------------|
| | | FEDERAL VOCA | FEDERAL | STATE | CASH MATCH | IN-KIND MATCH | |
| PERSONAL SERVICES | \$ 17,741 | \$ 5,225 | \$ - | \$ - | \$ - | \$ - | \$ 5,225 |
| OPERATING EXPENSES | 6,259 | 1,544 | - | - | - | - | 1,544 |
| EQUIPMENT | - | - | - | - | - | - | - |
| TOTALS | \$ 24,000 | \$ 6,769 | \$ - | \$ - | \$ - | \$ - | \$ 6,769 |

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|----------------------|---|
| PROJECT TITLE | VICTIM LEGAL SERVICES (PASSED THROUGH FROM STEP FORWARD) |
| GRANT AWARD NUMBER | XL 22 05 1333 |
| GRANT PERIOD | JANUARY 1, 2023 THROUGH DECEMBER 31, 2023 |
| AUDIT PERIOD | JANUARY 1, 2023 THROUGH JUNE 30, 2023 |

| | BUDGET | EXPENDITURES BY REVENUE SOURCE | | | | | TOTAL EXPENDITURES |
|--------------------|-----------|--------------------------------|---------|-------|---------------|------------------|-----------------------|
| | | FEDERAL VOCA | FEDERAL | STATE | CASH MATCH | IN-KIND MATCH | |
| PERSONAL SERVICES | \$ 29,688 | \$ 16,325 | \$ - | \$ - | \$ - | \$ - | \$ 16,325 |
| OPERATING EXPENSES | 5,312 | 2,891 | - | - | - | - | 2,891 |
| EQUIPMENT | - | - | - | - | - | - | - |
| TOTALS | \$ 35,000 | \$ 19,216 | \$ - | \$ - | \$ - | \$ - | \$ 19,216 |

| | |
|----------------------|--|
| PROJECT TITLE | LEGAL SERVICE (PASSED THROUGH BAY AREA LEGAL AID) |
| GRANT AWARD NUMBER | XL 22 05 1008 |
| GRANT PERIOD | JANUARY 1, 2022 THROUGH DECEMBER 31, 2023 |
| AUDIT PERIOD | JULY 1, 2022 THROUGH JUNE 30, 2023 |

| | BUDGET | EXPENDITURES BY REVENUE SOURCE | | | | | TOTAL EXPENDITURES |
|--------------------|-----------|--------------------------------|---------|-------|---------------|------------------|-----------------------|
| | | FEDERAL VOCA | FEDERAL | STATE | CASH MATCH | IN-KIND MATCH | |
| PERSONAL SERVICES | \$ 16,634 | \$ 7,928 | \$ - | \$ - | \$ - | \$ - | \$ 7,928 |
| OPERATING EXPENSES | 1,636 | 794 | - | - | - | - | 794 |
| TOTALS | \$ 18,270 | \$ 8,722 | \$ - | \$ - | \$ - | \$ - | \$ 8,722 |

COMMUNITY SOLUTIONS FOR CHILDREN, FAMILY and INDIVIDUALS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2023

A. Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Community Solutions for Children, Families and Individuals were prepared in accordance with GAAP.
2. No significant deficiencies were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of Community Solutions for Children, Families and Individuals were disclosed during the audit.
4. No significant deficiencies or material weaknesses in internal control over major federal award programs were disclosed during the audit.
5. The auditor's report on compliance for the major federal awards programs for Community Solutions for Children, Families and Individuals expresses an unmodified opinion on all major federal programs. The agency has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance. Expenditures reported on the Schedule of Federal and local Awards have been reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).
6. There were no audit findings relating to major programs that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The program tested as a major program was Victims of Crime Act, CFDA 16.575.
8. The threshold used to distinguish between Type A and Type B programs was \$750,000.
9. Community Solutions for Children, Families and Individuals qualified as a low risk auditee.

B. Findings and Questioned Costs from Prior Audit

None noted on prior audit.