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

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

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

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	2-3
Statements of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6 – 7
Statements of Cash Flows	8
Notes to Financial Statements	9 – 16
Schedule of Expenditures of Federal, State and Local Awards	17 – 18
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 <i>Government Auditing Standards</i>	19
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	20 – 21
Supplementary Information Required by the California Office of Emergency Services (CAL OES)	22-25
Schedule of Findings and Questioned Costs	26

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, 2024 and June 30, 2023, 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, 2024, 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, 2024 and June 30, 2023, 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, 2024 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, 2024, 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 14, 2024 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, 2023 financial statements, and our report dated October 12, 2023, 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, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Nichols, Rick & Co.

October 14, 2024

Nichols, Rick & Company

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statements of Financial Position
As of June 30, 2024 and June 30, 2023

	2024	2023
<u>ASSETS</u>		
Assets:		
Cash	\$ 140,367	\$ 218,176
Accounts receivable, net	207,039	130,079
Grants receivable, net	11,114,085	8,290,977
Unconditional promises to give:		
Pledges receivable	80,000	80,000
Investments	297,108	267,547
Prepaid expenses	472,670	153,313
Total current assets	<u>12,311,269</u>	<u>9,140,092</u>
Fixed assets, net	1,020,796	1,071,970
Pledges receivable, net of current portion	-	80,000
Operating lease-right to use	3,590,229	3,415,882
Deposits	<u>117,246</u>	<u>117,246</u>
TOTAL ASSETS	<u>\$ 17,039,540</u>	<u>\$ 13,825,190</u>
<u>LIABILITIES & NET ASSETS</u>		
Liabilities:		
Accounts payable	\$ 1,780,341	\$ 1,237,809
Accrued salaries & vacation	2,146,870	1,990,742
Other current liabilities	410,679	313,085
Accrued interest payable	33,075	31,904
Deferred revenue	3,566,089	3,189,260
Operating lease liability	1,169,894	989,091
Line of credit	950,000	1,050,000
Notes payable, current portion	<u>67,831</u>	<u>75,892</u>
Total current liabilities	10,124,779	8,877,783
Operating lease liability, net of current	2,420,335	2,426,791
Accrued interest payable	110,935	104,244
Notes payable	<u>573,272</u>	<u>608,660</u>
Total long term liabilities	3,104,542	3,139,695
Total liabilities	13,229,321	12,017,478
Net assets		
Without donor restrictions	3,433,111	1,380,165
Without donor restrictions-board designated	297,108	267,547
With donor restrictions	<u>80,000</u>	<u>160,000</u>
Total net assets	<u>3,810,219</u>	<u>1,807,712</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 17,039,540</u>	<u>\$ 13,825,190</u>

See Accompanying Notes to the Financial Statements

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statement of Activities
For the Year ended June 30, 2024
with summarized financial information for the year ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	June 30, 2024 Totals	Comparative Summary Totals for the Year ended June 30, 2023
SUPPORT & REVENUE				
Support received directly				
Contributions	\$ 337,286	\$ 0	\$ 337,286	\$ 397,017
Contributions, in-kind	-		-	1,175
Special events, less expenses of \$42,339 and \$35,280	136,774		136,774	146,013
Foundations and grants	270,000	-	270,000	205,000
Support received indirectly				
United Way	15,372		15,372	818
Total support	759,432	-	759,432	750,023
Revenue				
Government grants and fees	51,853,788		51,853,788	44,751,036
Investment income	35,281		35,281	23,232
Program rents received	264,538		264,538	314,630
Other income	47,093		47,093	29,938
Fees for services	303,618		303,618	109,362
Total revenue	52,504,318	-	52,504,318	45,228,198
Net assets released from restrictions	80,000	(80,000)	-	-
TOTAL SUPPORT & REVENUE	53,343,750	(80,000)	53,263,750	45,978,221
EXPENSES				
Program Services				
Behavioral Health Care	35,181,846		35,181,846	31,987,514
Other Community Services	2,414,056		2,414,056	1,780,259
Solutions to Violence	8,475,668		8,475,668	7,990,455
Total Program Services	46,071,570	-	46,071,570	41,758,228
Support Services				
Management and General	4,690,384		4,690,384	3,589,949
Fund Development	499,289		499,289	471,332
Total Support Services	5,189,673	-	5,189,673	4,061,281
TOTAL EXPENSES	51,261,243	-	51,261,243	45,819,509
Change in net assets from operations	2,082,507	(80,000)	2,002,507	158,712
Net assets at beginning of year	1,647,712	160,000	1,807,712	1,649,000
Net assets at end of year	\$ 3,730,219	\$ 80,000	\$ 3,810,219	\$ 1,807,712

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statement of Functional Expenses
For the Year ended June 30, 2024
with summarized financial information for the year ended June 30, 2023

	PROGRAM SERVICES				Comparative Summary Totals for the Year ended June 30, 2023
	Behavioral Health Care	Other Community Services	Solutions to Violence	June 30, 2024 Totals	
Salaries	\$ 18,370,727	\$ 1,538,759	\$ 3,569,298	\$ 23,478,784	\$ 22,553,256
Payroll taxes & employee benefits	5,255,233	314,256	1,153,631	6,723,120	5,890,000
Total salaries & related expenses	23,625,960	1,853,015	4,722,929	30,201,904	28,443,256
Professional fees	1,832,443	64,949	1,290,956	3,188,348	3,711,384
Supplies	413,002	96,403	177,097	686,502	615,310
Telephone	143,641	22,080	38,620	204,341	235,283
Postage & shipping	6,380	451	491	7,322	6,208
Occupancy	1,436,545	116,235	268,034	1,820,814	1,633,473
Insurance	186,963	29,777	41,368	258,108	194,059
Utilities	252,378	23,962	44,922	321,262	303,865
Interest	31,164	3,179	1,171	35,514	38,632
Equipment maintenance & rental	299,652	9,719	10,313	319,684	280,187
Printing & publications	5,269	844	22,272	28,385	34,461
Travel	435,326	32,122	77,775	545,223	544,997
Conferences, conventions & meetings	40,649	5,069	61,164	106,882	242,312
Specific assistance to individuals	6,018,656	103,295	1,543,416	7,665,367	5,113,895
Dues & subscriptions	271,058	9,976	17,773	298,807	213,256
Licensing fees & taxes	7,877	555	850	9,282	10,570
Bad debt	-	-	-	-	2,530
Miscellaneous	112,930	32,318	152,345	297,593	18,234
Total expenses before depreciation & amortization	35,119,893	2,403,949	8,471,496	45,995,338	41,641,912
Depreciation & amortization	61,953	10,107	4,172	76,232	116,316
TOTAL EXPENSES	\$ 35,181,846	\$ 2,414,056	\$ 8,475,668	\$ 46,071,570	\$ 41,758,228

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statement of Functional Expenses
For the Year ended June 30, 2024
with summarized financial information for the year ended June 30, 2023

	TOTAL PROGRAM SERVICES	MANAGEMENT & SUPPORT SERVICES			June 30, 2024 PROGRAM & SUPPORT SERVICES TOTALS	Comparative Summary Totals for the Year ended June 30, 2023
		Management & General	Fund Development	Total Mgmt. & Sup. Svcs		
Salaries	\$ 23,478,784	\$ 2,706,649	\$ 294,202	\$ 3,000,851	\$ 26,479,635	\$ 25,204,008
Payroll taxes & employee benefits	6,723,120	839,036	95,394	934,430	7,657,550	6,634,697
Total salaries & related expenses	30,201,904	3,545,685	389,596	3,935,281	34,137,185	31,838,705
Professional fees	3,188,348	684,372	48,657	733,029	3,921,377	3,890,902
Supplies	686,502	66,953	3,628	70,581	757,083	675,809
Telephone	204,341	16,486	1,718	18,204	222,545	253,697
Postage & shipping	7,322	3,198	4,446	7,644	14,966	13,517
Occupancy	1,820,814	176,038	15,109	191,147	2,011,961	1,794,086
Insurance	258,108	27,438	2,961	30,399	288,507	213,294
Utilities	321,262	19,173	1,694	20,867	342,129	320,773
Interest	35,514	28,605	-	28,605	64,119	43,460
Equipment maintenance & rental	319,684	9,150	705	9,855	329,539	290,963
Printing & publications	28,385	15,640	6,559	22,199	50,584	66,546
Travel	545,223	36,555	439	36,994	582,217	574,820
Conferences, conventions & meetings	106,882	24,417	6,956	31,373	138,255	313,748
Specific assistance to individuals	7,665,367	-	49	49	7,665,416	5,114,268
Dues & subscriptions	298,807	15,956	7,646	23,602	322,409	251,246
Licensing fees & taxes	9,282	367	38	405	9,687	11,337
Bad debt	-	-	-	-	-	2,530
Miscellaneous	297,593	15,542	8,799	24,341	321,934	25,838
Total expenses before depreciation & amortization	45,995,338	4,685,575	499,000	5,184,575	51,179,913	45,695,539
Depreciation & amortization	76,232	4,809	289	5,098	81,330	123,970
TOTAL EXPENSES	\$ 46,071,570	\$ 4,690,384	\$ 499,289	\$ 5,189,673	\$ 51,261,243	\$ 45,819,509

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statements of Cash Flows
For the Years ended June 30, 2024 and June 30, 2023

	2024	2023
Cash flows from operating activities:		
Increase (decrease) in net assets from operations	\$ 2,002,507	\$ 158,712
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	81,330	123,970
Investment management fees deducted	4,235	6,025
Reinvestment of earnings from investments	(21,818)	(2,146)
Unrealized (gain) loss on investments	(10,521)	(16,018)
Changes in assets & liabilities:		
Decrease (increase) in accounts and grants receivable	(2,820,068)	(3,489,812)
Decrease (increase) in deposits and prepaid expenses	(319,357)	28,320
Increase (decrease) in payables and accrued liabilities	1,179,488	1,879,912
Net cash (used) provided by operating activities	<u>95,796</u>	<u>(1,311,037)</u>
Cash flows from investing activities		
Acquisition of fixed assets	<u>(30,156)</u>	<u>(34,755)</u>
Net cash provided (used) by investing activities	<u>(30,156)</u>	<u>(34,755)</u>
Cash flows from financing activities		
Proceeds from (repayment of) line of credit	(100,000)	1,050,000
Repayments of long-term debt	<u>(43,449)</u>	<u>(118,783)</u>
Net cash provided (used) by financing activities	<u>(143,449)</u>	<u>931,217</u>
Net (decrease) increase in cash	<u>(77,809)</u>	<u>(414,575)</u>
Cash, beginning of year	218,176	632,751
Cash, end of year	<u>\$ 140,367</u>	<u>\$ 218,176</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid during the year for:		
Interest	\$ 56,257	\$ 35,597
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, 2024**

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

Other Community Service 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, 2024**

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, 2024, and June 30, 2023, 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, 2024 and June 30, 2023 are several certificates of deposit restricted as to usage totaling \$38,356 and \$36,941, 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 for private program service fees and contract billings as of June 30, 2024 and June 30, 2023, respectively. Bad debt expense charged to operations during the year ended June 30, 2023 totaled \$2,530.

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, 2021 through June 30, 2024 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, 2024**

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, 2024 and June 30, 2023, the cost and related accumulated depreciation for such assets is as follows:

	<u>2024</u>	<u>2023</u>
Land	\$ 475,395	\$ 475,395
Buildings	1,304,057	1,304,057
Vehicles	195,279	165,121
Lease improvements	366,716	366,716
Furniture, equipment & fees	<u>13,822</u>	<u>13,822</u>
	2,355,269	2,325,111
less:		
Accumulated depreciation	<u>1,334,473</u>	<u>1,253,141</u>
	<u>\$ 1,020,796</u>	<u>\$ 1,071,970</u>

Depreciation and amortization expense charged for the years ended June 30, 2024 and June 30, 2023 was \$81,330 and \$123,970, respectively. In addition, for the years ended June 30, 2023 and June 30, 2022, \$193,582 and \$132,572, 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, 2024 and June 30, 2023.

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, 2023, 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, were contributed by specially trained relief workers involved in the rape crisis program during the year ended June 30, 2023.

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

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, 2024 and 2023. The investments are not insured.

	<u>2024</u>	<u>2023</u>
Gilroy Foundation pooled investment fund	<u>\$ 297,108</u>	<u>\$ 267,547</u>

The fair market value of these investments reflects an unrealized gain (loss) of \$10,521 and \$16,018 as of June 30, 2024 and 2023. Investment returns are shown net of management fees. Components of investment income are as follows for the year ended:

	<u>2024</u>	<u>2023</u>
Interest and dividends	\$ 7,177	\$ 13,172
Realized gains and losses	21,818	67
Unrealized gains and losses	10,521	16,018
Management fees charged	<u>(4,235)</u>	<u>(6,025)</u>
	<u>\$35,281</u>	<u>\$ 23,232</u>

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

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, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Behavioral Health	\$ 9,180,189	\$6,283,021
CAL OES/Human Trafficking	572,342	656,242
Block Grants	210,465	91,666
Social Services	530,870	1,193,796
Other Grants	<u>699,012</u>	<u>145,045</u>
Grants receivable	11,192,878	8,369,770
Program and other fees receivable	207,039	130,079
Less: allowance for doubtful accounts	<u>(78,793)</u>	<u>(78,793)</u>
Total	<u>\$11,321,114</u>	<u>\$8,421,056</u>

The \$80,000 in pledges receivable as of June 30, 2024 are scheduled to be collected in the next fiscal year.

5. LONG-TERM DEBT:

Long-term debt at June 30, 2024, 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	\$ 19,700	\$ 69,819
Pinnacle Bank, secured by real property, monthly payments of \$2,038	5.25%	7/21/2028	7,400	293,660
Ally Financial, secured by personal property, monthly payments \$789	9.19%	5/1/2025	7,281	7,281
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>\$ 67,831</u>	<u>\$ 641,103</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, 2024, the cumulative accrued interest payable under these loans is \$144,010, 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 10.0% maturing December 2024. Terms of this facility require the Agency to maintain certain financial measurements and conditions for usage. As of June 30, 2024, 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, 2024 had an amount of \$950,000 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, 2025	\$ 67,831
Year ending June 30, 2026	27,900
Year ending June 30, 2027	145,781
Year ending June 30, 2028	18,919
Year ending June 30, 2029	8,300
Thereafter	<u>372,372</u>
	<u>\$ 641,103</u>

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

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 \$46,795. In addition, the Agency is committed under several other facility leases expiring through May 2029. Monthly rent commitments under these additional leases are \$54,516. Rent expense paid totaled \$1,643,727 and \$1,401,371 for the years ended June 30, 2024 and June 30, 2023, respectively. Existing future annual facility lease commitments are:

Year ending June 30, 2025	\$1,197,610
Year ending June 30, 2026	968,234
Year ending June 30, 2027	796,532
Year ending June 30, 2028	513,585
Year ending June 30, 2029	184,662

7. EQUIPMENT LEASE COMMITMENTS:

The Agency is obligated under several non-cancelable operating leases expiring December 2026 for the rental of certain office equipment. The minimum annual rental payments under these equipment leases are:

Year ending June 30, 2025	\$49,564
Year ending June 30, 2026	31,004
Year ending June 30, 2027	21,724

Total payments made under all equipment lease agreements were \$49,564 and \$33,168 for the years ended June 30, 2024 and June 30, 2023, 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, 2024 and June 30, 2023, the Agency's contributions totaled \$562,899 and \$476,024, respectively.

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

As of June 30, 2024 and June 30, 2023, the Agency has reserved \$3,441,399 and \$3,015,163 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, 2024**

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 2026. 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 2024, which it could draw upon. The Agency's financial assets that are available within one year of June 30, 2024 and June 30, 2023, are as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 102,011	\$ 181,235
Accounts receivable, net	207,039	130,079
Grants receivable, net	11,114,085	8,290,977
Pledges receivable	80,000	80,000
Investments	297,108	267,547
	<u>\$ 11,800,243</u>	<u>\$ 8,949,838</u>
Liquidity Resources		
Line of credit	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>

12. RESTRICTED NET ASSETS:

As of June 30, 2024 and 2023, the Agency's donor restricted net assets consist of the following:

	<u>2024</u>	<u>2023</u>
Time restriction-		
Foundations and pledges	\$ 80,000	\$ 160,000
Use restrictions-		
Foundation – programs	-	-
Real property under HUD/HCD restrictions to year 2027	-	-
	<u>\$ 80,000</u>	<u>\$ 160,000</u>

In addition, the Agency's board of directors has designated that \$297,108 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, 2024**

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, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Time restriction-		
Foundations	\$ 80,000	\$ -
Use restrictions-		
Foundation grants	-	-
Real property under regulatory restrictions	-	37,774
	<u>\$ 80,000</u>	<u>\$ 37,774</u>

14. RECENT ACCOUNTING PRONOUNCEMENTS:

As discussed 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 lease liabilities on the statement of position and disclosing key information about leasing arrangements.

15. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through October 14, 2024, 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, 2024

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	Receipts/ Revenue Recognized	Disbursements/ Expenditures Incurred	Payments to Subrecipients
<u>Major Programs</u>					
Department of Justice, passed through State of California OES, sexual assault services, Grant RC-23261043	16.575	244,187	116,807	116,807	
Department of Justice, passed through Bay Area Legal Aid, support services, Grant XL-22051008	16.575	9,000	2,260	2,260	
Department of Justice, passed through County of Santa Clara, domestic violence support, Grant XC-23060430	16.575	90,000	44,836	44,836	
Department of Justice, passed through County of Santa Clara, domestic violence support, Grant XC-22050430	16.575	90,000	44,531	44,531	
Department of Justice, passed through State of California OES, unserved/underserved victim advocacy, Grant UV-22011043	16.575	196,884	117,039	117,039	\$ 5,488
Department of Justice, passed through State of California OES, unserved/underserved victim advocacy, Grant UV-23021043	16.575	196,906	97,590	97,590	8,902
Department of Justice, passed through State of California OES, sexual assault services, La Isla, Grant DV-23151043	16.575	209,470	44,654	44,654	25,487
Department of Justice, passed through State of California OES, sexual assault services, La Isla, Grant DV-22141043	16.575	335,607	198,808	198,808	28,758
Department of Justice, passed through State of California OES, DV housing first, Grant XD-23021043	16.575	350,000	183,691	183,691	
Department of Justice, passed through State of California OES, DV housing first, Grant XD-22011043	16.575	350,000	218,815	218,815	
Department of Justice, passed through State of California OES, sexual assault services, Grant RC-22251043	16.575	244,187	81,117	81,117	
Department of Justice, passed through State of California OES, sexual assault services, Grant RC-23371043	16.575	286,026	199,454	199,454	
Department of Justice, passed through State of California OES, sexual assault services, Grant RC-22361043	16.575	286,026	81,494	81,494	
subtotal	16.575	2,888,293	1,431,096	1,431,096	68,635
Total Major Programs		2,888,293	1,431,096	1,431,096	68,635
<u>Non Major Programs</u>					
Department of Justice, Office for Victims of Crime, Preventing Trafficking, Grant 1SPOVC-22-GG-03753-GIRL	16.035	500,000	176,489	176,489	
Department of Housing and Urban Development, COC Casitas, Grant CA2112-D9T002200	14.267	879,172	22,971	22,971	
Department of Housing & Urban Development, passed through County of Santa Clara, Page Street permanent supportive housing, Grant 4300021934	14.267	297,000	192,314	192,314	
subtotal	14.267	1,176,172	215,285	215,285	
Department of Housing and Urban Development, YHDP, Grant CA2088Y9T00200	14.276	2,319,731	416,988	416,988	
Department of Health and Human Services, passed through California Department of Public Health, injury prevention and control, Grants 18-10716 & 23-10930	93.136	170,000	97,845	97,845	
Department of Health and Humans Services, passed through Sacred Heart Community Services, destination home, Grant HPS-CV, housing services	21.027	121,051	121,051	121,051	
Department of Justice, passed through State of California OES, sexual assault services, Grant RC-23371043	93.671	23,131	23,131	23,131	
Department of Justice, passed through State of California OES, sexual assault services, La Isla, Grant DV-23151043	93.671	136,137	136,137	136,137	
Department of Justice, passed through State of California OES, sexual assault services, Grant RC-23261043	93.671	23,131	23,131	23,131	
Department of Justice, passed through State of California OES, sexual assault services, Grant RC-21241043	93.671	103,119	12,841	12,841	
subtotal	93.671	285,518	195,240	195,240	
Department of Justice, human trafficking, Grant 1SPOVC-21-GK-04057-HT	16.320	749,987	413,226	413,226	182,809
FEMA, passed through United Way, emergency food and shelter, Phase 40	97.024	13,000	13,000	13,000	
Department of Housing & Urban Development, passed through County of Santa Clara, community development block grant, Grant PS-24-04	14.218	28,071	27,473	27,473	
Total Non Major Programs		5,363,530	1,676,597	1,676,597	182,809
Total federal financial assistance (continued to next page)		\$8,251,823	\$3,107,693	\$3,107,693	\$251,444

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, 2024

Federal Grantor/ Pass-Through Grantor/ Program Title	Program or Award Amount	Receipts/ Revenue Recognized	Disbursements/ Expenditures Incurred
Total federal financial assistance (from previous page)	\$8,251,823	\$3,107,693	\$3,107,693
<u>State and local assistance</u>			
City of Gilroy, THRIVE, Grant 436	105,228	101,980	101,980
City of Gilroy, passed through Santa Clara DA office, Resiliency Center, Grant GB202VSF00	432,989	68,544	68,544
City of San Jose, passed through Santa Clara DA office, AEAP TRC	680,384	51,141	51,141
City of San Jose, South BAY Coalition, Grant 134466	51,200	50,889	50,889
County of San Benito, CSEC, Grant SBC-CSEC/ILP	153,738	113,199	113,199
County of San Benito, PEI, Grant 810	373,968	373,968	373,968
County of Santa Clara, passed through YWCA, Grant SBC-DVSP-YWCA-FY19	383,441	371,016	371,016
County of Santa Clara, CSEC, Grant 4300020139	870,514	772,452	772,452
County of Santa Clara, MHSA, Children, Youth & Families, Grant 4300022381	12,392,328	9,028,643	9,028,643
County of Santa Clara, MHSA, Adult & Older Adult, Grant 4300022380	15,745,676	14,993,813	14,993,813
County of Santa Clara, MHSA, Forensic Diversion & Integration, THU Services , Grant 4300022382	13,716,490	12,910,688	12,910,688
County of Santa Clara, MHSA, Housing & Residential, Grant 4300022383	3,444,899	2,879,518	2,879,518
County of Santa Clara, passed through Sacred Heart Community Services, Destination Home	235,902	235,902	235,902
County of Santa Clara, Office of Supportive Housing, El Jardin Pacifica, Grant 4300016422	499,709	471,733	471,733
County of Santa Clara, rape crisis center services, Grant 4300018295	535,600	452,291	452,291
County of Santa Clara, Casitas Pacificas, Grant 4300018582	400,000	332,921	332,921
County of Santa Clara, National Childrens' Alliance, Grant GB202NCACD	46,750	27,048	27,048
County of Santa Clara, GBV Survivor Intervention, Grant 4300020008	261,180	235,378	235,378
County of Santa Clara, GBV Community Based, Grant 4300020007	136,943	114,318	114,318
County of Santa Clara, GBV strangulation response, Grant 4300022084	513,552	492,308	492,308
County of Santa Clara, Thriving Pilot, Grant 4300022177	650,000	242,671	242,671
County of Santa Clara GBV, regional anti-trafficking, Grant 4300018168	223,454	200,952	200,952
County of Santa Clara, OSH, Agrihood Senior Apartments, Grant 430002252	594,000	208,919	208,919
County of Santa Clara, OSH, Vitalia Apartments, Grant 4300022778	374,000	189,170	189,170
County of Santa Clara, OSH, Pavilion Inn, Grant 4300023035	228,750	17,905	17,905
County of Santa Clara, OSH, Heartwood Apartments, Grant 4300023064	346,500	8,062	8,062
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, passed through Santa Clara University, trafficking, Grant SCC017	368,759	338,048	338,048
County of Santa Clara, marriage licensing, Grant TF-0231	65,278	55,600	55,600
County of Santa Clara, passed through Community Health Partnership	8,400	8,400	8,400
County of Santa Clara, probation, Grant TF-0378	5,926	5,926	5,926
State of California, Mentored Internship, Gilroy, Grant 21-10156-MIPCSB1	500,000	262,024	262,024
State of California, Mentored Internship, San Jose, Grant 21-10156-MIPCSB3	500,000	218,211	218,211
State of California, Mentored Internship, Morgan Hill, Grant 21-10156-MIPCSB2	500,000	389,632	389,632
State of California, Mentored Internship, Madrone, Grant 21-20574-MIPCSB4	500,000	314,709	314,709
State of California, Mentored Internship, Hollister, Grant 21-20574-MIPCSB5	500,000	325,414	325,414
State of California, BHRR, Grant 7438.10-BHWD-BHRR-COMSOL	184,473	184,473	184,473
State of California, OES, shelter, Grant DV-23151043	201,980	201,980	201,980
State of California, OES, human trafficking assistance, Grant HV-23031043	899,999	146,594	146,594
State of California, OES, human trafficking assistance, Grant HV-22021043	666,666	537,122	537,122
State of California, OES, family justice center, Grant FJ-21011043	338,728	175,743	175,743
State of California, OES, family justice center, Grant FJ-23021043	300,000	26,557	26,557
State of California, OES, passed through Step Forward Foundation, XL-22051333	59,000	15,783	15,783
State of California, OES, passed through Bay Area Legal Aid, Grant XL-22051008	1,675	1,675	1,675
State of California, OES, prevention and education, Grant SD-21011043	231,154	111,243	111,243
State of California, OES, sexual assault services, Grant RC-22251043	11,941	3,313	3,313
State of California, OES, sexual assault services, Grant RC-23261043	11,941	11,941	11,941
State of California, OES, sexual assault services, Grant RC-22271043	13,987	13,987	13,987
State of California, OES, sexual assault services, Grant RC-22361043	13,987	3,937	3,937
State of California, passed through SCVHP, Medicare direct	90,727	90,727	90,727
Total state & local government assistance	59,729,443	48,746,095	48,746,095
GRAND TOTALS	\$ 67,981,266	\$ 51,853,788	\$ 51,853,788

See Accompanying Notes to the Financial Statements

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, 2024, 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 14, 2024.

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 14, 2024

**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, 2024. 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, 2024.

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 14, 2024

COMMUNITY SOLUTIONS FOR CHILDREN, FAMILIES AND INDIVIDUALS
SUPPLEMENTARY INFORMATION REQUIRED BY CALIFORNIA OFFICE OF EMERGENCY SERVICES
JUNE 30, 2024

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		JULY 1, 2023 THROUGH SEPTEMBER 30, 2023						
		EXPENDITURES BY REVENUE SOURCE						
		BUDGET	FEDERAL VOCA	FEDERAL	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES		\$ 226,761	\$ 55,845	\$ -	\$ 3,735	\$ -	\$ -	\$ 59,580
OPERATING EXPENSES		73,252	25,649	-	202	-	-	25,851
TOTALS		\$ 300,013	\$ 81,494	\$ -	\$ 3,937	\$ -	\$ -	\$ 85,431

PROJECT TITLE		RAPE CRISIS RECOVERY ACT PROGRAM (SANTA CLARA COUNTY)						
GRANT AWARD NUMBER		RC 23 37 1043						
GRANT PERIOD		OCTOBER 1, 2023 THROUGH SEPTEMBER 30, 2024						
AUDIT PERIOD		OCTOBER 1, 2023 THROUGH JUNE 30, 2024						
		EXPENDITURES BY REVENUE SOURCE						
		BUDGET	FEDERAL VOCA	FEDERAL FVPA	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES		\$ 245,427	\$ 152,080	\$ 15,678	\$ 12,715	\$ -	\$ -	\$ 180,473
OPERATING EXPENSES		77,717	47,374	7,453	1,272	-	-	56,099
TOTALS		\$ 323,144	\$ 199,454	\$ 23,131	\$ 13,987	\$ -	\$ -	\$ 236,572

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		JULY 1, 2023 THROUGH SEPTEMBER 30, 2023						
		EXPENDITURES BY REVENUE SOURCE						
		BUDGET	FEDERAL VOCA	FEDERAL	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES		\$ 316,789	\$ 101,536	\$ -	\$ -	\$ -	\$ -	\$ 101,536
OPERATING EXPENSES		220,798	97,272	-	-	-	-	97,272
EQUIPMENT		-	-	-	-	-	-	-
TOTALS		\$ 537,587	\$ 198,808	\$ -	\$ -	\$ -	\$ -	\$ 198,808

PROJECT TITLE		LA ISLA PACIFICA DOMESTIC VIOLENCE SHELTER AND SERVICE						
GRANT AWARD NUMBER		DV 23 15 1043						
GRANT PERIOD		OCTOBER 1, 2023 THROUGH SEPTEMBER 30, 2024						
AUDIT PERIOD		OCTOBER 1, 2023 THROUGH JUNE 30, 2024						
		EXPENDITURES BY REVENUE SOURCE						
		BUDGET	FEDERAL VOCA	FEDERAL FVPS	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES		\$ 359,958	\$ 11,641	\$ 89,989	\$ 136,782	\$ -	\$ -	\$ 238,412
OPERATING EXPENSES		177,629	33,013	46,148	65,198	-	-	144,359
EQUIPMENT		-	-	-	-	-	-	-
TOTALS		\$ 537,587	\$ 44,654	\$ 136,137	\$ 201,980	\$ -	\$ -	\$ 382,771

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, 2023 THROUGH MARCH 31, 2024						
		EXPENDITURES BY REVENUE SOURCE						
		BUDGET	FEDERAL	FEDERAL	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES		\$ 127,113	\$ -	\$ -	\$ 51,795	\$ -	\$ -	\$ 51,795
OPERATING EXPENSES		211,615	-	-	123,948	-	-	123,948
TOTALS		\$ 338,728	\$ -	\$ -	\$ 175,743	\$ -	\$ -	\$ 175,743

COMMUNITY SOLUTIONS FOR CHILDREN, FAMILIES AND INDIVIDUALS
SUPPLEMENTARY INFORMATION REQUIRED BY CALIFORNIA OFFICE OF EMERGENCY SERVICES
JUNE 30, 2024

PROJECT TITLE FAMILY JUSTICE CENTER PROGRAM
GRANT AWARD NUMBER FJ 23-02-1043
GRANT PERIOD APRIL 1, 2024 THROUGH MARCH 31, 2026
AUDIT PERIOD APRIL 1, 2024 THROUGH JUNE 30, 2024

		EXPENDITURES BY REVENUE SOURCE					
	BUDGET	FEDERAL	FEDERAL	STATE	CASH	IN-KIND	TOTAL
					MATCH	MATCH	EXPENDITURES
PERSONAL SERVICES	\$ 143,854	\$ -	\$ -	\$ 16,981	\$ -	\$ -	\$ 16,981
OPERATING EXPENSES	156,146	-	-	9,576	-	-	9,576
TOTALS	\$ 300,000	\$ -	\$ -	\$ 26,557	\$ -	\$ -	\$ 26,557

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, 2023 THROUGH SEPTEMBER 30, 2023

		EXPENDITURES BY REVENUE SOURCE					
	BUDGET	FEDERAL	FEDERAL	STATE	CASH	IN-KIND	TOTAL
		VOCA	FVSA		MATCH	MATCH	EXPENDITURES
PERSONAL SERVICES	\$ 190,699	\$ -		\$ -	\$ -	\$ -	\$ -
OPERATING EXPENSES	166,362	-	12,841	-	-	-	12,841
TOTALS	\$ 357,061	\$ -	\$ 12,841	\$ -	\$ -	\$ -	\$ 12,841

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 JULY 1, 2023 THROUGH SEPTEMBER 30, 2023

		EXPENDITURES BY REVENUE SOURCE					
	BUDGET	FEDERAL	FEDERAL	STATE	CASH	IN-KIND	TOTAL
		VOCA	FVSA		MATCH	MATCH	EXPENDITURES
PERSONAL SERVICES	\$ 181,284	\$ 47,912	\$ -	\$ 1,997	\$ -	\$ -	\$ 49,909
OPERATING EXPENSES	74,844	33,205	-	1,316	-	-	34,521
TOTALS	\$ 256,128	\$ 81,117	\$ -	\$ 3,313	\$ -	\$ -	\$ 84,430

PROJECT TITLE RAPE CRISIS RECOVERY ACT PROGRAM (SAN BENITO COUNTY)
GRANT AWARD NUMBER RC 23 26 1043
GRANT PERIOD OCTOBER 1, 2023 THROUGH SEPTEMBER 30, 2024
AUDIT PERIOD OCTOBER 1, 2023 THROUGH JUNE 30, 2024

		EXPENDITURES BY REVENUE SOURCE					
	BUDGET	FEDERAL	FEDERAL	STATE	CASH	IN-KIND	TOTAL
		VOCA	FVSA		MATCH	MATCH	EXPENDITURES
PERSONAL SERVICES	\$ 205,728	\$ 81,089	\$ 17,165	\$ 11,032	\$ -	\$ -	\$ 109,286
OPERATING EXPENSES	73,531	35,718	5,966	909	-	-	42,593
TOTALS	\$ 279,259	\$ 116,807	\$ 23,131	\$ 11,941	\$ -	\$ -	\$ 151,879

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

		EXPENDITURES BY REVENUE SOURCE					
	BUDGET	FEDERAL	FEDERAL	STATE	CASH	IN-KIND	TOTAL
		VOCA	FVSA		MATCH	MATCH	EXPENDITURES
PERSONAL SERVICES	\$ 160,983	\$ 89,583	\$ -	\$ -		\$ -	\$ 89,583
OPERATING EXPENSES	189,017	129,232	-	-	-	-	129,232
TOTALS	\$ 350,000	\$ 218,815	\$ -	\$ -	\$ -	\$ -	\$ 218,815

COMMUNITY SOLUTIONS FOR CHILDREN, FAMILIES AND INDIVIDUALS
SUPPLEMENTARY INFORMATION REQUIRED BY CALIFORNIA OFFICE OF EMERGENCY SERVICES
JUNE 30, 2024

PROJECT TITLE	DV HOUSING FIRST						
GRANT AWARD NUMBER	XD 23 02 1043						
GRANT PERIOD	JANUARY 1, 2024 THROUGH DECEMBER 31, 2024						
AUDIT PERIOD	JANUARY 1, 2024 THROUGH JUNE 30, 2024						
	EXPENDITURES BY REVENUE SOURCE						
	BUDGET	FEDERAL VOCA	FEDERAL	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 159,688	\$ 56,814	\$ -	\$ -		\$ -	\$ 56,814
OPERATING EXPENSES	190,312	126,877	-	-	-	-	126,877
TOTALS	\$ 350,000	\$ 183,691	\$ -	\$ -	\$ -	\$ -	\$ 183,691

PROJECT TITLE	UNSERVED/UNDERSERVED VICTIM ADVOCACY						
GRANT AWARD NUMBER	UV 22 01 1043						
GRANT PERIOD	JANUARY 1, 2023 THROUGH DECEMBER 31, 2023						
AUDIT PERIOD	JULY 1, 2023 THROUGH DECEMBER 31, 2023						
	EXPENDITURES BY REVENUE SOURCE						
	BUDGET	FEDERAL VOCA	FEDERAL	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 108,004	\$ 59,689	\$ -	\$ -	\$ -	\$ -	\$ 59,689
OPERATING EXPENSES	88,902	57,350	-	-	-	-	57,350
TOTALS	\$ 196,906	\$ 117,039	\$ -	\$ -	\$ -	\$ -	\$ 117,039

PROJECT TITLE	UNSERVED/UNDERSERVED VICTIM ADVOCACY AND OUTREACH PROGRAM						
GRANT AWARD NUMBER	UV 32 02 1043						
GRANT PERIOD	JANUARY 1, 2024 THROUGH DECEMBER 31, 2024						
AUDIT PERIOD	JANUARY 1, 2024 THROUGH JUNE 30, 2024						
	EXPENDITURES BY REVENUE SOURCE						
	BUDGET	FEDERAL VOCA	FEDERAL	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 128,775	\$ 62,376	\$ -	\$ -	\$ -	\$ -	\$ 62,376
OPERATING EXPENSES	68,131	35,214	-	-	-	-	35,214
TOTALS	\$ 196,906	\$ 97,590	\$ -	\$ -	\$ -	\$ -	\$ 97,590

PROJECT TITLE	HUMAN TRAFFICKING ASSISTANCE PROGRAM						
GRANT AWARD NUMBER	HV 22 02 1043						
GRANT PERIOD	APRIL 1, 2023 THROUGH MARCH 31, 2024						
AUDIT PERIOD	JULY 1, 2023 THROUGH MARCH 31, 2024						
	EXPENDITURES BY REVENUE SOURCE						
	BUDGET	FEDERAL VOCA	FEDERAL	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 259,532	\$ -	\$ -	\$ 196,602	\$ -	\$ -	\$ 196,602
OPERATING EXPENSES	407,134	-	-	340,520	-	-	340,520
EQUIPMENT	-	-	-	-	-	-	-
TOTALS	\$ 666,666	\$ -	\$ -	\$ 537,122	\$ -	\$ -	\$ 537,122

PROJECT TITLE	HUMAN TRAFFICKING ASSISTANCE PROGRAM						
GRANT AWARD NUMBER	HV 23 03 1043						
GRANT PERIOD	APRIL 1, 2024 THROUGH MARCH 31, 2025						
AUDIT PERIOD	APRIL 1, 2024 THROUGH JUNE 30, 2024						
	EXPENDITURES BY REVENUE SOURCE						
	BUDGET	FEDERAL VOCA	FEDERAL	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 468,735	\$ -	\$ -	\$ 63,652	\$ -	\$ -	\$ 63,652
OPERATING EXPENSES	431,264	-	-	82,942	-	-	82,942
EQUIPMENT	-	-	-	-	-	-	-
TOTALS	\$ 899,999	\$ -	\$ -	\$ 146,594	\$ -	\$ -	\$ 146,594

COMMUNITY SOLUTIONS FOR CHILDREN, FAMILIES AND INDIVIDUALS
SUPPLEMENTARY INFORMATION REQUIRED BY CALIFORNIA OFFICE OF EMERGENCY SERVICES
JUNE 30, 2024

PROJECT TITLE	SEXUAL & DOMESTIC VIOLENCE PREVENTION PROGRAM						
GRANT AWARD NUMBER	SD 21 01 1043						
GRANT PERIOD	MAY 1, 2022 THROUGH DECEMBER 31, 2024						
AUDIT PERIOD	JULY 1, 2023 THROUGH JUNE 30, 2024						
	EXPENDITURES BY REVENUE SOURCE						
	BUDGET	FEDERAL VOCA	FEDERAL	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 184,859	\$ -	\$ -	\$ 86,683		\$ -	\$ 86,683
OPERATING EXPENSES	46,295	-	-	24,560	-	-	24,560
TOTALS	\$ 231,154	\$ -	\$ -	\$ 111,243	\$ -	\$ -	\$ 111,243

PROJECT TITLE	DOMESTIC VIOLENCE SUPPORT (PASSED THROUGH COUNTY OF SANTA CLARA)						
GRANT AWARD NUMBER	XC 22 05 0430						
GRANT PERIOD	JANUARY 1, 2023 THROUGH JANUARY 30, 2024						
AUDIT PERIOD	JULY 1, 2023 THROUGH JANUARY 30, 2024						
	EXPENDITURES BY REVENUE SOURCE						
	BUDGET	FEDERAL VOCA	FEDERAL	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 69,819	\$ 40,328	\$ -	\$ -	\$ -	\$ -	\$ 40,328
OPERATING EXPENSES	20,181	4,203	-	-	-	-	4,203
TOTALS	\$ 90,000	\$ 44,531	\$ -	\$ -	\$ -	\$ -	\$ 44,531

PROJECT TITLE	DOMESTIC VIOLENCE SUPPORT (PASSED THROUGH COUNTY OF SANTA CLARA)						
GRANT AWARD NUMBER	XC 23 06 0430						
GRANT PERIOD	JANUARY 1, 2024 THROUGH MARCH 31, 2025						
AUDIT PERIOD	JANUARY 1, 2024 THROUGH JUNE 30, 2024						
	EXPENDITURES BY REVENUE SOURCE						
	BUDGET	FEDERAL VOCA	FEDERAL	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 77,864	\$ 39,922	\$ -	\$ -	\$ -	\$ -	\$ 39,922
OPERATING EXPENSES	12,136	4,914	-	-	-	-	4,914
TOTALS	\$ 90,000	\$ 44,836	\$ -	\$ -	\$ -	\$ -	\$ 44,836

PROJECT TITLE	LEGAL SERVICE (PASSED THROUGH BAY AREA LEGAL AID)						
GRANT AWARD NUMBER	XL 22 05 1008						
GRANT PERIOD	JANUARY 1, 2023 THROUGH DECEMBER 31, 2023						
AUDIT PERIOD	JULY 1, 2023 THROUGH DECEMBER 31, 2023						
	EXPENDITURES BY REVENUE SOURCE						
	BUDGET	FEDERAL VOCA	FEDERAL	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 8,182	\$ 1,902	\$ -	\$ -	\$ -	\$ -	\$ 1,902
OPERATING EXPENSES	818	358	-	-	-	-	358
TOTALS	\$ 9,000	\$ 2,260	\$ -	\$ -	\$ -	\$ -	\$ 2,260

COMMUNITY SOLUTIONS FOR CHILDREN, FAMILY and INDIVIDUALS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

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.