

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2021

M. GREEN AND COMPANY LLP
Certified Public Accountants

FAMILY SERVICES OF TULARE COUNTY
A Non-Profit Corporation

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

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Board of Directors
Family Services of Tulare County

Report on Financial Statements

We have audited the accompanying financial statements of Family Services of Tulare County (Family Services), a California non-profit corporation, which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Family Services as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying supplementary information such as the Supplemental Schedule of Support and Expenses by Funding Source – Federal Financial Assistance and the Supplemental Schedule of Support and Expenses by Funding Source – State and Local Grants are presented for purposes of additional analysis and are not a required part of the 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The Statement of Costs Claimed and Accepted on pages 24 through 27 has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2022, on our consideration of Family Services' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Family Services' 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 Family Services' internal control over financial reporting and compliance.

M. Green and Company LLP

Visalia, California
January 20, 2022

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 418,140
Grants receivable	994,384
Accounts receivable	91,545
Prepaid expenses	<u>4,263</u>

Total current assets \$ 1,508,332

NON-CURRENT ASSETS:

Deposits	13,671
Property and equipment, at cost:	
Land	313,945
Buildings and improvements	1,580,749
Machinery and equipment	41,116
Furniture and fixtures	9,288
Vehicles	159,201
Less: accumulated depreciation	<u>(762,410)</u>

Total non-current assets 1,355,560

Total assets \$ 2,863,892

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Notes payable, current portion	\$ 731,695
Line of credit advances	171,081
Accounts payable	146,376
Accrued liabilities	<u>179,097</u>

Total current liabilities \$ 1,228,249

NON-CURRENT LIABILITIES:

Notes payable, net of current portion	<u>408,417</u>
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Total non-current liabilities 408,417

Total liabilities 1,636,666

NET ASSETS:

Without donor restrictions, undesignated	1,089,715
With donor restrictions	<u>137,511</u>

Total net assets 1,227,226

Total liabilities and net assets \$ 2,863,892

The accompanying notes are an integral part of these statements.

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
<u>SUPPORT:</u>			
Government grants	\$ 5,009,431	\$ 97,459	\$ 5,106,890
Contributions	219,171	120,240	339,411
Fundraising	49,184	48,970	98,154
Total support	5,277,786	266,669	5,544,455
<u>REVENUE:</u>			
Counseling fees	263,892	-	263,892
Other revenue	90,969	-	90,969
Total revenue	354,861	-	354,861
NON-MONETARY DONATIONS	754,841	-	754,841
<u>NET ASSETS RELEASED FROM RESTRICTIONS</u>	355,484	(355,484)	-
TOTAL SUPPORT AND REVENUE	6,742,972	(88,815)	6,654,157
<u>EXPENSES:</u>			
Program services	5,269,079	-	5,269,079
Support services	1,029,105	-	1,029,105
Fundraising	234,792	-	234,792
Total expenses	6,532,976	-	6,532,976
<u>CHANGE IN NET ASSETS</u>	209,996	(88,815)	121,181
Net assets, beginning of year	879,719	226,326	1,106,045
Net assets, end of year	\$ 1,089,715	\$ 137,511	\$ 1,227,226

The accompanying notes are an integral part of these statements.

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Program Services</u>	<u>Support Services</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 2,894,039	\$ 554,635	\$ 111,149	\$ 3,559,823
Payroll taxes	199,357	40,584	7,786	247,727
Insurance	392,732	58,007	12,114	462,853
Retirement	26,351	3,774	966	31,091
Administrative	352,863	139,815	42,403	535,081
Travel and conferences	23,842	4,477	434	28,753
Rent	235,413	66,830	6,755	308,998
Utilities and telephone	194,674	21,235	6,444	222,353
Supplies	144,104	59,124	20,308	223,536
Equipment rental	16,515	5,700	603	22,818
Food	2,731	25	-	2,756
Printing and postage	4,814	3,195	624	8,633
Dues and memberships	6,416	16,649	-	23,065
General insurance	37,248	11,938	608	49,794
Advertising	412	553	15,830	16,795
Repairs and maintenance	99,599	14,066	3,675	117,340
Educational materials	38,982	-	2,415	41,397
Client assistance	507,948	-	-	507,948
Licenses and permits	6	418	18	442
Interest	-	4,128	-	4,128
Accounting and auditing	20,763	13,513	-	34,276
Bank charges	515	3,411	-	3,926
Staff training	12,244	-	200	12,444
Other	-	1,241	-	1,241
Total before depreciation	<u>5,211,568</u>	<u>1,023,318</u>	<u>232,332</u>	<u>6,467,218</u>
Depreciation expense	<u>57,511</u>	<u>5,787</u>	<u>2,460</u>	<u>65,758</u>
Total expenses	<u>\$ 5,269,079</u>	<u>\$ 1,029,105</u>	<u>\$ 234,792</u>	<u>\$ 6,532,976</u>

The accompanying notes are an integral part of these statements.

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 121,181
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	65,758
Non-monetary donations	(754,841)
Non-monetary expenses	161,887
Changes in operating assets and liabilities:	
Increase in grants receivable	(111,485)
Increase in accounts receivable	(25,688)
Decrease in prepaid expenses	10,799
Increase in accounts payable and accrued liabilities	76,407
Net cash used by operating activities	<u>(455,982)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of property and equipment	<u>(31,953)</u>
Net cash used by investing activities	<u>(31,953)</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds from short-term borrowing	350,000
Payments made on short-term borrowing	<u>(178,919)</u>
Net cash provided by financing activities	<u>171,081</u>
Net decrease in cash and cash equivalents	(316,854)
Cash and cash equivalents, beginning of year	<u>734,994</u>
Cash and cash equivalents, end of year	<u><u>\$ 418,140</u></u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Cash paid for interest	<u><u>\$ 4,128</u></u>
Noncash investing and financing activities:	
Reduction of loan balances	\$ 592,954
Less annual amounts forgiven on loans	<u>(592,954)</u>
Net payments made on loans	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these statements.

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – Nature of Activities

Family Services of Tulare County (Family Services) is a non-profit, charitable organization formed in 1983 to operate two emergency shelters and a full range of counseling services for victims of domestic violence.

The Organization's current operations consist of the following programs:

- Emergency shelter, including meals, for battered women and children. On-site case management and counseling is provided to adult residents. Child advocates assess the needs of child residents and provide education in a therapeutic setting.
- Community-wide domestic violence crisis intervention, treatments and prevention components include three 24 hour hotlines, legal assistance with restraining orders, individual and group counseling for children and teens impacted by domestic violence and victim support groups.
- Crisis intervention, prevention and treatment for sexual assault (molest, rape) victims. Includes 24 hour hospital support, court accompaniment and counseling.
- Domestic violence and sexual assault community awareness and prevention programs with emphasis on teens and young adult audiences.
- Batterers' treatment program for perpetrators of domestic violence.
- Anger management classes for abusing parents and individuals with impulse control issues.
- Training on domestic violence and sexual assault dynamics, issues and resources to impacted professionals such as health care providers, law enforcement, educators and child welfare workers.
- Parenting skills classes.
- Individual, couples and family therapy with special emphasis on high conflict divorce and abuse and neglect.
- Specialized individual and group counseling for the developmentally disabled including conflict management and socialization and intimacy training.
- Supervised visitation and exchange for children at potential risk from a non-custodial parent.
- Financial assistance with emergency needs and individual and group counseling to individuals with HIV/AIDS and their families.
- Fundraising efforts in support of the above families.
- Legal assistance to survivors of domestic violence, sexual assault and stalking.
- Administrative and fiscal management in support of the above programs.

Family Services conducts its affairs under the management of an elected Board of Directors, a salaried executive director, various paid staff and unpaid volunteers. Family Services is supported primarily through government grants.

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – Summary of Significant Accounting Policies

Basis of Presentation

Family Services reports information regarding its financial position and activities into two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets without Donor Restrictions - These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services and receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions and performing administrative functions.

Net Assets with Donor Restrictions - These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

Revenue Recognition

Support received is recorded as net assets without donor restriction or net assets with donor restrictions, depending on the existence and/or nature of any restrictions.

All support with donor restrictions is reported as an increase in net assets with donor restrictions. When a restriction expires, (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. Furthermore, it is the policy of Family Services to show restricted support whose restrictions are met in the same reporting period as support without donor restrictions.

Use of Estimates

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

Cash and Cash Equivalents

For the Statement of Cash Flows, Family Services considers all highly-liquid investments with a maturity of three months or less at the date of purchase to be cash and cash equivalents.

Accounts Receivable

Counseling fees are charged to patients on a sliding scale based on the patient's income and number of dependents. Most fees are paid at the time of service, however, prior arrangements for payments, third party reimbursements and other exceptions do occur. It is the policy of Family Services that a patient should not be seen if they are two payments behind. Any account which has not been paid within 90 days is written off as uncollectible. A list is kept of all accounts which have been written off. If a patient returns for counseling, all prior unpaid balances must be brought up to date before an appointment will be made.

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment that are purchased are shown at cost. Donations of property and equipment are recorded as support at their estimated fair market value at the date of donation. Such donations are reported as support without donor restrictions unless the donor has restricted the asset for a specific purpose. Generally, all property and equipment with an acquisition cost of \$5,000 or more is capitalized, unless otherwise required by grantor agencies.

Depreciation is computed using the straight-line method over the estimated useful lives of the various assets.

Compensated Absences

Employees of Family Services are entitled to paid vacation and paid sick days, depending on job classification, length of service and other factors. The amount of compensation for future absences cannot be reasonably estimated, and accordingly, no liability has been recorded in the accompanying financial statements. Family Services' policy is to recognize the costs of compensated absences when actually paid to employees.

Functional Allocation of Expenses

The costs of providing Family Services' programs and supporting services have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the program services, support services and fundraising services benefited. The expenses that are allocated include insurance, retirement, administrative, rent, utilities and telephone, supplies, equipment rental, printing and postage and general insurance, which are allocated on the basis of estimates of time and effort.

Advertising Costs

Family Services expenses advertising costs as the advertising expense is incurred.

New Accounting Principles

The following is a summary of upcoming FASB Statements that may have an impact on Family Services' future reporting:

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The new guidance establishes the principles to report transparent and economically neutral information about the assets and liabilities that arise from leases. The new guidance is effective for fiscal years beginning after December 15, 2021.

In July 2018, the FASB issued ASU 2018-10, *Codification Improvements to Topic 842, Leases*. The amendments in this Update affect narrow aspects of the guidance issued in the amendments in Update 2016-02. The new guidance is effective for fiscal years beginning after December 15, 2021.

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – Summary of Significant Accounting Policies (continued)

New Accounting Principles (continued)

In July 2018, the FASB issued ASU 2018-11, *Leases (Topic 842): Targeted Improvements*. The amendments in this Update provide entities with an additional (and optional) transition method to adopt the new leases standard. The amendments in this Update also provide lessors with a practical expedient, by class of underlying asset, to not separate nonlease components from the associated lease component and, instead, to account for those components as a single component when certain conditions are met. The new guidance is effective for fiscal years beginning after December 15, 2021.

In December 2018, the FASB issued ASU 2018-20, *Leases (Topic 842): Narrow-Scope Improvements for Lessors*. The amendments in this Update increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing transactions. The new guidance is effective for fiscal years beginning after December 15, 2021.

In March 2019, the FASB issued ASU 2019-01, *Leases (Topic 842): Codification Improvements*. The amendments in this Update increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing transactions. The new guidance is effective for fiscal years beginning after December 15, 2021.

In September 2020, the FASB issued ASU 2020-07, *Not-For-Profit Entities (Topic 958): Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets*. The amendments in this Update apply to NFPs that receive contributed nonfinancial assets. Contribution revenue may be presented in the financial statements using different terms (for example, gifts, donations, grants, gifts-in-kind, donated services, or other terms). The amendments address presentation and disclosure of contributed nonfinancial assets. The amendments in this Update should be applied on a retrospective basis and are effective for annual periods beginning after June 15, 2021.

In October 2020, the FASB issued ASU 2020-10, *Codification Improvements*. This Update contains amendments that improve the consistency of the Codification by including all disclosure guidance in the appropriate Disclosure Section (Section 50). The new guidance is effective for fiscal years beginning after December 15, 2021.

In July 2021, the FASB issued ASU 2021-05, *Leases (Topic 842)*. The amendments in this Update address stakeholders' concerns by amending the lease classification requirements for lessors to align them with practice under Topic 840. Lessors should classify and account for a lease with variable lease payments that do not depend on a reference index or a rate as an operating lease if certain criteria is met. The new guidance is effective for fiscal years beginning after December 15, 2021.

NOTE 3 – Income Taxes

Family Services is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701(d). Accordingly, no provision has been made for income taxes.

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 – Concentration of Credit Risk

Family Services maintains cash and cash equivalents with one bank located in California. Federally insured limit is \$250,000. At June 30, 2021, cash balance exceeding the federally insured limit was \$201,373.

NOTE 5 – Grants Receivable

Grants receivable consists of funds expended for qualifying expenditures for which reimbursement has been committed by various funding agencies. Grants receivable as of June 30, 2021, consisted of the following:

California Office of Emergency Services	\$ 440,936
Tulare County Health and Human Services Agency	147,812
Housing and Urban Development	93,697
Tulare County Sheriff's Department	54,854
City of Tulare	50,804
Department of Justice	48,741
California Department of Public Health	45,524
City of Visalia	39,620
Federal Emergency Management Agency	38,071
Superior Court of Tulare County	14,100
Fresno Economic Opportunities Commission	5,927
United Way of Tulare County	5,013
First 5 of Tulare County	4,685
Miscellaneous	3,484
Cutler-Orosi Unified School District	1,116
	<hr/>
Total	<u><u>\$ 994,384</u></u>

Note 6 – Line of Credit

On August 23, 2019, Family Services secured a \$410,000 line of credit with Suncrest Bank to be drawn down as needed. Monthly interest payments on the outstanding principal balance is at the prime rate which was 4.75% at June 30, 2021. The line of credit matures on May 5, 2024. There was an outstanding balance of \$171,081 at June 30, 2021.

**FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 – Notes Payable

The following is a summary of Family Services' notes payable at June 30, 2021:

EHAPCD loan, dated in 2013, from the State of California for the development of the FSTC Transitional Housing. The loan term is 10 years and shall bear interest at three percent. Repayment of the loan is deferred as long as the development is used as an emergency shelter, a transitional housing facility or a safe haven. At the completion of the initial loan term, the loan shall be forgiven. The note is collateralized by real property in Visalia, California.	\$ 310,950
Note payable to the City of Visalia, formerly known as the Redevelopment Agency of the City of Visalia, dated December 2012, for the purchase of land. The loan term is 53 years with no interest. Repayment of the loan is deferred as long as the development is used to provide for the continued availability of the property to low-income persons or families. Annually, \$482 of the loan shall be forgiven until the loan is forgiven in full. The note is collateralized by real property in Visalia, California.	21,694
Note payable to the City of Visalia, formerly known as the Redevelopment Agency of the City of Visalia, dated December 2012, for the purchase of land. The loan term is 53 years with no interest. Repayment of the loan is deferred as long as the development is used to provide for the continued availability of the property to low-income persons or families. Annually, \$2,289 of the loan shall be forgiven until the loan is forgiven in full. The note is collateralized by real property in Visalia, California.	102,984
Note payable to the City of Visalia, formerly known as the Redevelopment Agency of the City of Visalia, dated December 2012, for the purchase of land. The loan term is 53 years with no interest. Repayment of the loan is deferred as long as the development is used to provide for the continued availability of the property to low-income persons or families. Annually, \$183 of the loan shall be forgiven until the loan is forgiven in full. The note is collateralized by real property in Visalia, California.	8,234

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – Notes Payable (continued)

On April 17, 2020, Family Services entered into a loan agreement for \$696,250 to maintain payroll and cover certain other existing overhead costs during the COVID-19 pandemic. The interest rate is one percent per year and matures two years from the date of the loan. Payments will be deferred until August 6, 2021, which is 24 weeks plus 10 months from the funding date of April 6, 2020. The loan is made under the provisions of the Paycheck Protection Program and the revisions made under the Paycheck Protection Flexibility Act of 2020. The principal under this loan may be reduced or forgiven in accordance with the loan forgiveness provisions of the CARES Act. The principal of this loan is not to be deemed forgiven or reduced until documented in writing, signed by the lender. Effective September 14, 2021, \$433,001 in principal and \$6,109 in interest was forgiven on this loan. Monthly payments in the amount of \$37,732, including interest at 1%, began on October 17, 2021.

	696,250
Total notes payable	1,140,112
Less current portion	(731,695)
Long-term portion	\$ 408,417

Annual required principal payments on these notes are as follows:

<u>For the year ending June 30,</u>	
2022	\$ 731,695
2023	281,413
2024	2,954
2025	2,954
2026	2,954
Thereafter	118,142
Total	\$ 1,140,112

**FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 8 – Net Assets

Family Services' net assets at June 30, 2021 consisted of the following:

Net assets without donor restrictions:

Undesignated	\$ 1,089,715
Total net assets without donor restrictions	1,089,715

Net assets with donor restrictions:

Subject to expenditure for specified purpose:

Transitional housing, Goshen Summer Program	28,846
Various direct program expenses	27,583
ASPCA Shelter - Karen's House	26,813
Karen Cooper Legacy - employee enrichment	23,602
Supportive housing, general expenses	13,694
Goshen Family Center - client assistance	9,169
Goshen Family Center - youth education/prevention	2,675
COVID-19 related expenses	3,440
In-home parenting, Goshen	1,402
Shelter expenses	251
Domestic violence	36
Total net assets with donor restrictions	137,511

Total net assets	\$ 1,227,226
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NOTE 9 – Non-Monetary Donations

Non-monetary donations are valued at fair value at the time of donation. Donated services are of a professional nature and are provided by volunteers that serve in various programs of Family Services. The non-monetary donations for the year ended June 30, 2021, were \$754,841, of which \$161,887 and \$592,954 were for donated services and for annual amounts forgiven on loans, respectively.

NOTE 10 – Operating Leases

The lease for property located at 307 West Murray in Visalia, California required monthly rent payments of \$1,750. This lease expired March 31, 2020. The lease was renewed effective November 1, 2020 with monthly rent payments of \$1,850 expiring June 30, 2022. For the period of April 2020 to October 2020, the lease was temporarily a month-to-month lease with monthly rent payments of \$1,850. Management has not decided if they will extend this lease upon expiration.

The lease for property located at 221 North Johnson in Visalia, California was renewed effective August 1, 2018 for a period of three years. The renewal requires monthly rent payments of \$1,645, subject to a \$30 annual increase each August 1st. Upon expiration of this lease, the Organization has continued renting on a month to month basis while negotiating option to extend the lease.

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – Operating Leases (continued)

The lease for property located at 735 West Oak in Visalia, California was renewed through December 31, 2021, it requires monthly rent payments of \$1,275, subject to a \$25 increase commencing January 1, 2020, and each year thereafter throughout the term of the lease. Upon expiration of this lease, the Organization continued renting on a month to month basis while negotiating option to extend the lease.

The lease for property located at 313 and 315 West Henderson Ave in Porterville requires monthly payments of \$1,200 for the first year, increasing by two percent each year commencing July 1, 2020. The lease contains a two year extension option with the continued increase of two percent in rent. Management has not decided if they will extend the lease upon expiration.

The lease for property located at 220 North Stevenson Street in Visalia, California requires monthly rent payments of \$980 for a three year term commencing July 1, 2018. Monthly rent expense is subject to a \$25 increase commencing July 1, 2019, and each year thereafter throughout the term of the lease. Upon expiration of this lease, the Organization has continued renting on a month to month basis while negotiating option to extend the lease.

The lease for property located at 1011 West Center Street in Visalia requires monthly payments of \$1,500 for a three year term, commencing August 1, 2019.

The lease for property located at 421 North Church Street in Visalia, California required monthly payments of \$1,200 for a three year term commencing January 1, 2017. Effective December 16, 2020, the lease was renewed on the same terms expiring December 31, 2022.

The lease for property located at 916 West Oak Street in Visalia, California requires monthly rent payments of \$1,650 for a five year term commencing May 1, 2018. The monthly payments increase to \$1,700 per month on May 1, 2022, for the remainder of the term.

The lease for property located at 401 North Church Street in Visalia, California requires monthly rent payments of \$3,213 for a five year term commencing September 15, 2017. The monthly payments increase by three percent every September 15th. Monthly rent at June 30, 2021, was \$3,511.

The lease for property located at 409 North Church Street in Visalia, California requires monthly rent payments of \$1,200 for a four year term commencing January 15, 2019. The monthly rent payments are subject to a \$100 increase commencing January 15, 2020, and each year thereafter throughout the term of the lease. Monthly rent at June 30, 2021, was \$1,224.

The lease for copiers with U.S. Bank Equipment Finance requires monthly payments of \$1,272 for a 48 month term commencing July 1, 2018. The lease agreement contains no purchase option. Management hasn't decided if they will extend the lease upon expiration.

The lease for a copier with U.S. Bank Equipment Finance requires monthly payments of \$136 for a 48 month term commencing February 1, 2018. The lease agreement contains no purchase option. Management hasn't decided if they will extend the lease upon expiration.

The lease for a copier with U.S. Bank Equipment Finance requires monthly payments of \$112 for a 42 month term commencing February 1, 2019. The lease agreement contains no purchase option.

The lease for a copier with Leaf Capital Funding, LLC requires monthly payments of \$93 for a 60 month term commencing July 10, 2019. The lease agreement contains no purchase option.

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – Operating Leases (continued)

The lease for a copier with Pitney Bowes Global Finance requires monthly payments of \$86 for a 63 month term commencing October 1, 2017. The lease agreement contains no purchase option.

Rent expense during the year ended June 30, 2021, was \$216,002.

As of June 30, 2021, the future minimum operating lease payments under these non-cancelable leases, are as follows:

2022	\$ 179,446
2023	61,546
2024	<u>16,703</u>
Total	<u><u>\$ 257,695</u></u>

Family Services will receive no sublease revenue nor pay any contingent rental associated with these leases.

NOTE 11 – California Office of Emergency Services – Local Matching Requirements

During the year, Family Services had eight grants from the California Office of Emergency Services (Cal OES). Each grant contained a cash portion and may have required additional local matching by Family Services. The revenue and expenses presented in the Supplemental Schedules of Support and Expenses by Funding Source under the Cal OES columns reflect only those items of income and expense attributable to the cash portion of the grants. Amounts attributable to the local matching requirements, are detailed below:

	Rape Crisis	Child Abuse Treatment Program	Traditional Housing	Victim Services	Legal Assistance	Supervised Visitation
<u>Personal Services:</u>						
Without donor restrictions:						
In-kind volunteers	\$ 108,179	\$ -	\$ -	\$ -	\$ 8,534	\$ -
Therapists	1,900	70,042	-	-	-	-
Other sources	-	-	745	20,199	-	-
State of California:						
Direct services staff	-	-	-	-	-	44,541
<u>Operating Services:</u>						
Unrestricted fund:						
In-kind donation	-	-	23,926	42,024	-	-
Totals	<u><u>\$ 110,079</u></u>	<u><u>\$ 70,042</u></u>	<u><u>\$ 24,671</u></u>	<u><u>\$ 62,223</u></u>	<u><u>\$ 8,534</u></u>	<u><u>\$ 44,541</u></u>

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 12 – Retirement Plan

Employees of Family Services are covered under a 403(b) Retirement Plan. All employees are eligible to participate in this tax-sheltered annuity and are allowed to make elective deferrals as of the first day of employment. For employees working a minimum of 30 hours per week, following the first two months of employment, Family Services contributes a dollar for every employee's dollar contribution with a maximum of \$50 per month. All employees are allowed access to the plan after reaching the age of 59 ½. The total contribution for the year ended June 30, 2021, was \$31,091.

NOTE 13 – Liquidity and Availability of Resources

Family Services receives support from restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, Family Services must maintain sufficient resources to meet those responsibilities to its donors and grantors, therefore, financial assets may not be available for general expenditure within one year. In the event of an unanticipated liquidity need, Family Services could also draw upon \$238,919 of available line of credit, as described in Note 6.

The following table reflects Family Services' financial assets as of June 30, 2021, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations. Amounts available include donor-restricted amounts that are available for expenditure in the following year.

Financial assets:	
Cash and cash equivalents	\$ 418,140
Grants receivable	994,384
Accounts receivables	<u>91,545</u>
Total financial assets	<u>1,504,069</u>
Donor-imposed restrictions:	
Other donor restrictions (Note 8)	<u>(23,602)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 1,480,467</u></u>

NOTE 14 – Fair Value

Accounting principles generally accepted in the United States of America require disclosure of an estimate of fair value of certain financial instruments. Family Services' significant financial instruments are cash and cash equivalents, grants receivable and other short-term assets. For these financial instruments, carrying values approximate fair value.

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 15 – Commitments & Contingencies

COVID-19

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. As a result, economic uncertainties have arisen which may negatively impact the change in net assets. Other financial impacts could occur though such potential impacts are unknown at this time.

NOTE 16 – Subsequent Events

Management has evaluated subsequent events through January 20, 2022, the date on which the financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements. However, subsequent events have occurred, the nature of which have been disclosed in Note 7 and 10.

OTHER SUPPLEMENTARY INFORMATION

**FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
SUPPLEMENTAL SCHEDULE OF SUPPORT AND EXPENSES
BY FUNDING SOURCE – FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2021**

	California Office of Emergency Services	Department of Justice	Federal Emergency Management Agency	California Department of Public Health	Department of Housing and Urban Development	Tulare County Health and Human Services Agency	Tulare County Sheriff's Department	Superior Court of Tulare County	Fresno Economic Opportunities Commission	City of Tulare	City of Porterville	City of Visalia	Total
Support:													
Government grants	\$ 1,871,118	\$ 249,919	\$ 53,296	\$ 201,408	\$ 155,017	\$ 163,103	\$ 35,875	\$ 83,680	\$ 32,386	\$ 160,571	\$ 14,719	\$ 29,117	\$ 3,050,209
Other revenue	-	-	-	-	-	-	-	-	-	21,104	-	-	21,104
Total support	1,871,118	249,919	53,296	201,408	155,017	163,103	35,875	83,680	32,386	181,675	14,719	29,117	3,071,313
Expenses:													
Salaries and wages	1,034,482	126,432	29,739	72,746	38,388	59,907	22,753	53,843	20,150	17,081	9,489	12,464	1,497,474
Payroll taxes	73,948	10,154	2,240	5,629	2,781	4,399	1,781	3,931	1,547	1,253	461	920	109,044
Insurance	156,559	14,544	2,735	10,839	4,454	8,381	1,685	11,425	3,129	2,644	1,172	2,637	220,204
Retirement	7,739	1,033	350	846	195	394	151	484	41	60	20	26	11,339
Administrative	307,170	30,563	23,056	7,246	1,492	81,367	5,168	1,458	2,491	2,130	1,208	1,973	465,322
Travel and conferences	3,381	167	474	46	4	1,473	-	283	-	122	154	15	6,119
Rent	51,322	9,031	579	5,653	61,715	11,038	1,755	7,217	1,526	1,087	905	1,693	153,521
Utilities and telephone	75,151	7,312	11,971	4,230	8,284	12,590	1,312	2,905	1,271	752	625	1,047	127,450
Supplies	23,562	1,965	10,933	849	270	1,702	306	572	173	35,558	149	163	76,202
Equipment rental	5,634	685	1,264	434	169	629	156	438	116	68	55	104	9,752
Food	-	-	473	-	-	-	-	-	-	-	-	-	473
Printing postage	1,891	213	33	124	182	167	30	93	39	21	17	28	2,838
Dues and memberships	2,920	-	-	-	-	1,291	-	56	-	-	-	-	4,267
General insurance	13,454	1,600	5,571	557	1,431	1,487	197	624	163	152	127	165	25,528
Advertising	41	159	-	-	-	-	-	-	-	-	-	-	200
Repairs and maintenance	42,746	1,745	4,226	1,047	572	6,383	364	369	206	208	170	257	58,293
Educational materials	1,003	6,614	284	1,610	-	-	-	-	-	25	-	-	9,536
Client assistance	19,770	34,490	18,668	89,110	34,672	1,460	-	-	1,230	128,535	-	6,367	334,302
Licenses and permits	7,996	1,516	1,007	13	404	463	104	11	3	100	100	100	11,817
Accounting and auditing	8,887	-	-	431	-	5,287	115	380	300	135	68	158	15,761
Staff training	140	1,698	-	-	-	419	-	-	-	-	-	1,000	3,257
Total expenses	1,837,796	249,921	113,603	201,410	155,013	198,837	35,877	84,089	32,385	189,931	14,720	29,117	3,142,699
Excess revenue (expense)	\$ 33,322	\$ (2)	\$ (60,307)	\$ (2)	\$ 4	\$ (35,734)	\$ (2)	\$ (409)	\$ 1	\$ (8,256)	\$ (1)	\$ -	\$ (71,386)

**FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
SUPPLEMENTAL SCHEDULE OF SUPPORT AND EXPENSES
BY FUNDING SOURCE – STATE AND LOCAL GRANTS
FOR THE YEAR ENDED JUNE 30, 2021**

	California Office of Emergency Services	California Coalition Against Sexual Assault	Tulare County Health and Human Services Agency	Tulare County Probation Nurturing Parenting	Tulare County Sheriff's Department	Tulare County Clerk/ Recorder	City of Visalia	First 5 of Tulare County	Cutler-Orosi Unified School District	Total
Support:										
Government grants	\$ 253,233	\$ 15,497	\$ 1,081,920	\$ 34,028	\$ 159,569	\$ 44,163	\$ 100,845	\$ 363,060	\$ 4,366	\$ 2,056,681
Counseling fees	-	-	100,640	-	-	-	-	-	-	100,640
Other revenue	-	-	-	-	-	-	17,771	-	-	17,771
Total support	253,233	15,497	1,182,560	34,028	159,569	44,163	118,616	363,060	4,366	2,175,092
Expenses:										
Salaries and wages	187,693	-	504,543	18,818	96,975	6,903	40,829	245,639	2,318	1,103,718
Payroll taxes	12,705	-	37,599	1,395	7,915	496	3,451	18,397	154	82,112
Insurance	21,348	-	76,272	1,796	15,753	695	10,592	29,995	(33)	156,418
Retirement	1,344	-	5,417	125	4,517	114	121	2,341	25	14,004
Administrative	34,291	-	311,472	3,378	14,543	1,520	5,651	32,356	1,023	404,234
Travel and conferences	232	-	9,355	740	5,770	163	102	1,451	-	17,813
Rent	-	-	28,709	1,426	2,320	15,547	2,510	10,893	188	61,593
Utilities and telephone	2,541	-	29,515	914	3,244	16,970	3,126	6,099	214	62,623
Supplies	980	(151)	42,493	1,523	2,914	571	2,565	1,905	60	52,860
Equipment rental	414	-	2,976	126	325	10	248	845	30	4,974
Printing postage	235	-	846	25	142	12	86	357	8	1,711
Dues and memberships	-	2,603	-	-	-	75	-	-	-	2,678
General insurance	723	-	6,154	229	1,050	108	566	2,614	41	11,485
Repairs and maintenance	876	5,500	22,062	250	1,038	2,508	669	1,213	59	34,175
Educational materials	-	-	3,923	2,802	1,429	-	-	6,590	-	14,744
Client assistance	-	11,328	3,568	-	366	(1,526)	51,768	-	-	65,504
Licenses and permits	53	-	6,987	252	403	-	756	500	1	8,952
Accounting and auditing	3,085	-	2,785	230	865	-	900	1,760	400	10,025
Staff training	-	-	380	-	-	-	-	99	-	479
Total expenses	266,520	19,280	1,095,056	34,029	159,569	44,166	123,940	363,054	4,488	2,110,102
Excess revenue (expense)	\$ (13,287)	\$ (3,783)	\$ 87,504	\$ (1)	\$ -	\$ (3)	\$ (5,324)	\$ 6	\$ (122)	\$ 64,990

**FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2021**

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Federal Expenditures
<u>U.S. Department of Housing and Urban Development (HUD):</u>				
Passed Through the State of California Department of Public Health:				
Housing Opportunities for Persons with AIDS	14.241	2329	\$ -	\$ 84,895
COVID-19: Housing Opportunities for Persons with AIDS	14.241	2329	-	29,327
Total CFDA 14.241			-	114,222
Passed Through the Office of Community Planning and Development:				
Continuum of Care Program	14.267	N/A	-	155,016
Passed Through the City of Porterville:				
Shelter Plus Care	14.238	N/A	-	14,719
Passed Through the City of Visalia:				
Shelter Plus Care	14.238	N/A	-	29,117
Passed Through the City of Tulare:				
Shelter Plus Care	14.238	N/A	-	160,571
Total CFDA 14.238			-	204,407
Total U.S. Department of Housing and Urban Development (HUD)			-	473,645
<u>U.S. Department of Justice:</u>				
Services for Trafficking Victims	16.320	N/A	-	249,919
Passed Through the Office of Tulare County Sheriff:				
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.588	18451	-	35,875
Passed Through California Office of Emergency Services:				
Domestic Violence Response Team	16.588	N/A	56,288	153,590
Total CFDA 16.588			56,288	189,465
Crime Victims Assistance	16.575	18200	81,019	1,678,043
Total Passed Through California Office of Emergency Services			137,307	1,831,633
Passed Through the Fresno Economic Opportunities Commission:				
Crime Victims Assistance	16.575	N/A	-	32,386
Total CFDA 16.575			81,019	1,710,429
Total U.S. Department of Justice			137,307	2,149,813
<u>U.S. Department of Health and Human Services:</u>				
Passed Through the State of California Department of Public Health:				
Injury Prevention and Control Research and State and Community Based Programs	93.136	09-11593	-	87,186
Passed Through the County of Tulare HHSA:				
Medical Assistance Program	93.778	N/A	-	135,328
Block Grants for Prevention and Treatment of Substance Abuse	93.959	4730	-	60,836
Total Passed Through County of Tulare HHSA			-	196,164
Passed Through the County of Tulare Superior Court:				
Grants to States for Access and Visitation Programs	93.597	N/A	-	83,680
Passed Through the California Office of Emergency Services:				
Family Violence Prevention and Services/Grants for Battered Women's Shelters-Grants to States and Indian Tribes	93.671	18234	-	36,114
Total U.S. Department of Health and Human Services			-	403,144
<u>U.S. Department of Homeland Security:</u>				
Passed Through the Federal Emergency Management Agency:				
Emergency Food and Shelter National Board Program	97.024	N/A	-	113,607
Total U.S. Department of Homeland Security			-	113,607
Total Expenditures of Federal Awards			\$ 137,307	\$ 3,140,209

The accompanying notes are an integral part of this statement.

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2021

NOTE 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Family Services of Tulare County under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Family Services, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Family Services.

NOTE 2 – Summary of Significant Accounting Policies

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

NOTE 3 – De Minimis Cost Rate

Family Services did not elect to use the 10% de minimis cost rate.

FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
STATEMENT OF COSTS CLAIMED AND ACCEPTED
FOR THE YEAR ENDED JUNE 30, 2021

	Costs	Costs Accepted		
	Claimed 2021	Actual	Matching	Total
Child Abuse Treatment (CHAT) Grant Number AT 19021248 Grant Period (01/20 - 12/20) Current Period Revenue \$134,725				
Personal Services	\$ 113,896	\$ 102,336	\$ 11,560	\$ 113,896
Operating Services	20,829	20,829	-	20,829
Equipment	-	-	-	-
Totals	\$ 134,725	\$ 123,165	\$ 11,560	\$ 134,725

Child Abuse Treatment (CHAT) Grant Number AT 20031248 Grant Period (01/21 - 12/21) Current Period Revenue \$165,962				
Personal Services	\$ 143,353	\$ 84,871	\$ 58,482	\$ 143,353
Operating Services	22,609	22,609	-	22,609
Equipment	-	-	-	-
Totals	\$ 165,962	\$ 107,480	\$ 58,482	\$ 165,962

Domestic Violence (DV) Grant Number DV 19331248 Grant Period (10/1/2019 - 9/30/2020) Current Period Revenue \$119,544				
Personal Services	\$ 108,760	\$ 108,760	\$ -	\$ 108,760
Operating Services	10,784	10,784	-	10,784
Equipment	-	-	-	-
Totals	\$ 119,544	\$ 119,544	\$ -	\$ 119,544

Domestic Violence (DV) Grant Number DV 20341248 Grant Period (10/1/2020 - 9/30/2021) Current Period Revenue \$413,750				
Personal Services	\$ 334,621	\$ 334,621	\$ -	\$ 334,621
Operating Services	79,129	79,129	-	79,129
Equipment	-	-	-	-
Totals	\$ 413,750	\$ 413,750	\$ -	\$ 413,750

(continued)

**FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
STATEMENT OF COSTS CLAIMED AND ACCEPTED
FOR THE YEAR ENDED JUNE 30, 2021**

	Costs Claimed	Costs Accepted		
	2021	Actual	Matching	Total
Rape Crisis (RC) Grant Number RC 19281248 Grant Period (10/19 - 09/20) Current Period Revenue \$141,933				
Personal Services	\$ 111,167	\$ 92,059	\$ 19,108	\$ 111,167
Operating Services	30,766	30,766	-	30,766
Equipment	-	-	-	-
Totals	<u>\$ 141,933</u>	<u>\$ 122,825</u>	<u>\$ 19,108</u>	<u>\$ 141,933</u>
Rape Crisis (RC) Grant Number RC 20291248 Grant Period (10/20 - 09/21) Current Period Revenue \$398,948				
Personal Services	\$ 320,259	\$ 229,288	\$ 90,971	\$ 320,259
Operating Services	78,689	78,689	-	78,689
Equipment	-	-	-	-
Totals	<u>\$ 398,948</u>	<u>\$ 307,977</u>	<u>\$ 90,971</u>	<u>\$ 398,948</u>
Victim Services Grant Number XC 19021248 Grant Period (01/20 - 12/20) Current Period Revenue \$138,051				
Personal Services	\$ 69,815	\$ 66,115	\$ 3,700	\$ 69,815
Operating Services	98,236	79,155	19,081	98,236
Equipment	-	-	-	-
Totals	<u>\$ 168,051</u>	<u>\$ 145,270</u>	<u>\$ 22,781</u>	<u>\$ 168,051</u>
Victim Services Grant Number XC 20031248 Grant Period (01/21 - 12/21) Current Period Revenue \$146,370				
Personal Services	\$ 80,186	\$ 64,940	\$ 15,246	\$ 80,186
Operating Services	66,184	41,988	24,196	66,184
Equipment	-	-	-	-
Totals	<u>\$ 146,370</u>	<u>\$ 106,928</u>	<u>\$ 39,442</u>	<u>\$ 146,370</u>

(continued)

**FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
STATEMENT OF COSTS CLAIMED AND ACCEPTED
FOR THE YEAR ENDED JUNE 30, 2021**

	Costs Claimed	Costs Accepted		
	2021	Actual	Matching	Total
Transitional Housing Grant Number XH 19011248 Grant Period (01/20 - 12/20) Current Period Revenue \$75,813				
Personal Services	\$ 42,897	\$ 42,151	\$ 746	\$ 42,897
Operating Services	32,916	27,977	4,939	32,916
Equipment	-	-	-	-
Totals	<u>\$ 75,813</u>	<u>\$ 70,128</u>	<u>\$ 5,685</u>	<u>\$ 75,813</u>

Transitional Housing Grant Number XH 20031248 Grant Period (01/21 - 12/21) Current Period Revenue \$113,263				
Personal Services	\$ 56,205	\$ 56,205	\$ -	\$ 56,205
Operating Services	57,058	38,072	18,986	57,058
Equipment	-	-	-	-
Totals	<u>\$ 113,263</u>	<u>\$ 94,277</u>	<u>\$ 18,986</u>	<u>\$ 113,263</u>

Victime Assistance Grant Number VA 19031248 Grant Period (01/20 - 12/20) Current Period Revenue \$95,685				
Personal Services	\$ 43,605	\$ 43,605	\$ -	\$ 43,605
Operating Services	52,080	52,080	-	52,080
Equipment	-	-	-	-
Totals	<u>\$ 95,685</u>	<u>\$ 95,685</u>	<u>\$ -</u>	<u>\$ 95,685</u>

Victim Assistance Grant Number VA 20041248 Grant Period (01/21 - 12/21) Current Period Revenue \$42,079				
Personal Services	\$ 32,678	\$ 32,678	\$ -	\$ 32,678
Operating Services	9,401	9,401	-	9,401
Equipment	-	-	-	-
Totals	<u>\$ 42,079</u>	<u>\$ 42,079</u>	<u>\$ -</u>	<u>\$ 42,079</u>

(continued)

**FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
STATEMENT OF COSTS CLAIMED AND ACCEPTED
FOR THE YEAR ENDED JUNE 30, 2021**

	Costs			
	Claimed 2021	Costs Accepted		
	Actual	Matching	Total	
Legal Assistance				
Grant Number XL 19021248				
Grant Period (01/20 - 12/20)				
Current Period Revenue \$63,478				
Personal Services	\$ 44,528	\$ 44,528	\$ -	\$ 44,528
Operating Services	18,950	18,950	-	18,950
Equipment	-	-	-	-
Totals	<u>\$ 63,478</u>	<u>\$ 63,478</u>	<u>\$ -</u>	<u>\$ 63,478</u>

Legal Assistance				
Grant Number XL 20031248				
Grant Period (01/20 - 12/20)				
Current Period Revenue \$79,586				
Personal Services	\$ 54,618	\$ 46,899	\$ 7,719	\$ 54,618
Operating Services	24,968	24,153	815	24,968
Equipment	-	-	-	-
Totals	<u>\$ 79,586</u>	<u>\$ 71,052</u>	<u>\$ 8,534</u>	<u>\$ 79,586</u>

Supervised Visitation				
Grant Number SP 19021248				
Grant Period (05/20 - 04/21)				
Current Period Revenue \$216,920				
Personal Services	\$ 165,802	\$ 121,261	\$ 44,541	\$ 165,802
Operating Services	51,118	51,118	-	51,118
Equipment	-	-	-	-
Totals	<u>\$ 216,920</u>	<u>\$ 172,379</u>	<u>\$ 44,541</u>	<u>\$ 216,920</u>

Supervised Visitation				
Grant Number SP 20031248				
Grant Period (05/20 - 04/21)				
Current Period Revenue \$38,122				
Personal Services	\$ 28,442	\$ 28,442	\$ -	\$ 28,442
Operating Services	9,680	9,680	-	9,680
Equipment	-	-	-	-
Totals	<u>\$ 38,122</u>	<u>\$ 38,122</u>	<u>\$ -</u>	<u>\$ 38,122</u>

OTHER INDEPENDENT AUDITORS' REPORTS



HANFORD | PORTERVILLE | TULARE | VISALIA

M. GREEN AND COMPANY LLP

CERTIFIED PUBLIC ACCOUNTANTS

**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**

INDEPENDENT AUDITORS' REPORT

Board of Directors
Family Services of Tulare County

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 Family Services of Tulare County (Family Services), a California non-profit corporation, which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated January 20, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Family Services' 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Family Services' internal control. Accordingly, we do not express an opinion on the effectiveness of Family Services' internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's 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 in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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KRISTI WEAVER, CPA

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Family Services' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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*.

We noted certain matters that we reported to management of Family Services in a separate letter dated January 20, 2022.

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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Family Services' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

M. Green and Company LLP

Visalia, California
January 20, 2022



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CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

INDEPENDENT AUDITORS' REPORT

Board of Directors
Family Services of Tulare County

Report on Compliance for Each Major Federal Program

We have audited Family Services of Tulare County's (Family Services) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Family Services' major federal program for the year ended June 30, 2021. Family Services' major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for Family Services' major federal program based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program occurred. An audit includes examining, on a test basis, evidence about Family Services' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Family Services' compliance.

Opinion on the Major Federal Program

In our opinion, Family Services complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2021.

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Report on Internal Control Over Compliance

Management of Family Services is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Family Services' internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Family Services' internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

M. Green and Company UP

Visalia, California
January 20, 2022

FINDINGS AND QUESTIONED COSTS

**FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None reported

Non-compliance material to financial statements noted? Yes X No

Federal Awards

Internal control over major programs:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) of Uniform Guidance? Yes X No

Identification of major program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
16.575	Crime Victims Assistance

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? Yes X No

Section II – Financial Statement Findings

None

Section III – Federal Findings

None

**FAMILY SERVICES OF TULARE COUNTY
(A Non-Profit Corporation)
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021**

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Explanation if not Implemented</u>
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There were no prior year findings.