

Alachua County Coalition for the Homeless and Hungry, Inc.

Doing Business As

Grace Marketplace

Financial Statements
and
Independent Auditors' Report

September 30, 2021

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Kattell and Company, P.L.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Alachua County Coalition for the Homeless and Hungry, Inc.
Gainesville, Florida

March 15, 2022

Report on the Financial Statements

Opinion.

We have audited the accompanying financial statements of the Alachua County Coalition for the Homeless and Hungry, Inc. (the Corporation), which comprise the statement of financial position as of September 30, 2021, and the related statements of activities, cash flows, and functional expenses for the 15-month period then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation, as of September 30, 2021, and the changes in its net assets and its cash flows for the 15-month period then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information. We have previously audited the Corporation's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 3, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Basis for Opinion. We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Report on the Financial Statements (concluded)

Auditors' Responsibilities for the Audit of the Financial Statements (concluded).

In performing an audit in accordance with GAAS 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 Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

Supplementary Information. 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 Regulation Part 200, Uniform Administrative Requirement, Costs Principles and Audit Requirement for Federal Awards is presented for purposes of additional analysis and is 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 Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information. Management is responsible for the Schedules of Activities included on pages 12 and 13. This other information does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards.

In accordance with Government Auditing Standards, we have also issued our report dated March 15, 2022, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

Kattell and Company, P.L.

"Not everything that counts can be counted, and not everything that can be counted counts."

- Albert Einstein

Statement of Financial Position
September 30, 2021
(with summarized information for June 30, 2020)
Alachua County Coalition for the Homeless and Hungry, Inc.

	<u>2021</u>	<u>2020</u>
Assets		
Cash	\$ 153,451	\$ 480,906
Grants Receivable	462,322	329,555
Prepaid Expenses	24,977	10,673
Due From ACHA	<u>16,050</u>	<u>21,300</u>
Total Assets	<u>\$ 656,800</u>	<u>\$ 842,434</u>
Liabilities and Net Assets		
Liabilities:		
Accounts Payable	\$ 88,275	\$ 75,030
Payroll Liabilities	32,907	45,338
Accrued Leave	59,922	52,852
Due to ACHA	<u>--</u>	<u>5,759</u>
Total Liabilities	181,104	178,979
Net Assets:		
Without Restrictions	411,392	440,685
With Restrictions	<u>64,304</u>	<u>222,770</u>
Total Net Assets	<u>475,696</u>	<u>663,455</u>
Total Liabilities and Net Assets	<u>\$ 656,800</u>	<u>\$ 842,434</u>

See accompanying notes.

Statement of Activities
For the Fifteen-month Period Ended September 30, 2021
(with summarized information for year ending June 30, 2020)
Alachua County Coalition for the Homeless and Hungry, Inc.

	2021			2020
	<u>Without Restrictions</u>	<u>With Restrictions</u>	<u>Total</u>	<u>Total</u>
<u>Support and Revenue</u>				
Government Grants:				
Federal	\$ 1,753,028	\$ --	\$ 1,753,028	\$ 789,235
State	48,804	--	48,804	45,000
Local	2,234,007	--	2,234,007	2,009,801
Cash Donations	424,255	82,000	506,255	527,018
In-Kind Donations	466,368	--	466,368	456,202
Program Income	22,018	--	22,018	16,833
Interest Income	500	--	500	312
Annual Event, Net	22,785	--	22,785	--
Other	--	--	--	1,156
Net Assets Released from Restrictions	240,466	(240,466)	--	--
Total Support and Revenues	<u>5,212,231</u>	<u>(158,466)</u>	<u>5,053,765</u>	<u>3,845,557</u>
<u>Expenses</u>				
Program Service Expense:				
Campus & Shelter Services	3,332,964	--	3,332,964	2,631,033
Permanent Housing Programs	953,085	--	953,085	429,717
Street Outreach Program	320,439	--	320,439	--
Management and General	350,886	--	350,886	232,741
Fundraising	284,150	--	284,150	132,093
Total Expenses	<u>5,241,524</u>	<u>--</u>	<u>5,241,524</u>	<u>3,425,584</u>
Change in Net Assets	(29,293)	(158,466)	(187,759)	419,973
Net Assets, Beginning	<u>440,685</u>	<u>222,770</u>	<u>663,455</u>	<u>243,482</u>
Net Assets, Ending	<u>\$ 411,392</u>	<u>\$ 64,304</u>	<u>\$ 475,696</u>	<u>\$ 663,455</u>

See accompanying notes.

Statement of Cash Flows
For the Fifteen-month Period Ended September 30, 2021
(with summarized information for the Year Ended June 30, 2020)
Alachua County Coalition for the Homeless and Hungry, Inc.

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities:		
Change in Net Assets	\$ (187,759)	\$ 419,973
Adjustments to Reconcile Change in Net Assets to Cash Provided by Operating Activities:		
Changes in:		
Receivables	(127,517)	(130,439)
Prepaid Expenses	(14,304)	(4,531)
Payables	<u>2,125</u>	<u>38,256</u>
Net Cash Provided by (Used In) Operating Activities	(327,455)	323,259
Net Cash Provided by (Used In) Investing Activities	--	--
Net Cash Provided by (Used In) Financing Activities	<u>--</u>	<u>--</u>
Net Increase/(Decrease) in Cash	(327,455)	323,259
Cash, Beginning of Year	<u>480,906</u>	<u>157,647</u>
Cash, End of Year	<u>\$ 153,451</u>	<u>\$ 480,906</u>

See accompanying notes.

Statement of Functional Expenses
For the Fifteen-month Period Ended September 30, 2021
(with summarized information for Year ending June 30, 2020)
Alachua County Coalition for the Homeless and Hungry, Inc.

	2021						2020	
	<u>Campus & Shelter Services</u>	<u>Permanent Housing Programs</u>	<u>Street Outreach Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Direct Costs</u>	<u>Totals</u>	<u>Totals</u>
Labor, Wages and Related	\$ 1,775,435	\$ 440,464	\$ 303,479	\$ 234,483	\$ 161,844	\$ --	\$ 2,915,705	\$ 1,748,828
Assistance to Individuals:								
Rental Assistance	103,901	398,631	--	--	--	--	502,532	222,260
Supplies	235,624	10,000	--	--	--	--	245,624	140,429
Food	118,266	5,000	--	--	--	--	123,266	64,511
Utility Deposits	20,897	63,292	--	--	--	--	84,189	30,774
Transportation	52,490	--	--	--	--	--	52,490	33,868
Culinary Job Training	19,709	--	--	--	--	--	19,709	15,505
In-Kind Donations								
Food and Meals	304,092	--	--	--	--	--	304,092	338,338
Supplies	108,240	--	--	--	--	--	108,240	61,726
Facility Improvements	--	--	--	--	--	--	--	226,353
Maintenance	192,316	856	--	--	--	--	193,172	105,035
Insurance	25,762	6,268	4,179	3,343	2,507	--	42,059	17,992
Office Expense	107,071	18,856	10,878	9,971	79,855	--	226,631	81,883
Professional Fees								
Accounting and Auditing	--	--	--	20,240	--	--	20,240	42,290
Legal	--	--	--	15,250	--	--	15,250	15,000
In-Kind Legal	--	--	--	31,884	--	--	31,884	56,137
Other	28,662	--	--	32,124	22,627	9,558	92,971	7,021
Travel	17,330	3,818	108	--	301	--	21,557	13,021
Utilities	197,788	5,386	1,795	3,591	3,591	--	212,151	180,518
Other	25,381	514	--	--	13,425	10,180	49,500	24,095
Total Expenses	3,332,964	953,085	320,439	350,886	284,150	19,738	5,261,262	3,425,584
Less expenses netted from revenues on the statement of activities:								
Costs of Donor Benefits	--	--	--	--	--	(19,738)	(19,738)	--
Expenses reported by function on the Statement of Activities	\$ 3,332,964	\$ 953,085	\$ 320,439	\$ 350,886	\$ 284,150	\$ --	\$ 5,241,524	\$ 3,425,584

See accompanying notes.

Notes to Financial Statements
September 30, 2021
Alachua County Coalition for the Homeless and Hungry, Inc.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Alachua County Coalition for the Homeless and Hungry, Inc. (the Organization) is a not-for-profit corporation organized in April, 2002, under the Florida Not-For-Profit Corporation Act. The Organization does business as Grace Marketplace. The mission of the Organization is to end homelessness; it works toward that goal by providing safe shelter, effective services, and permanent housing solutions for people without any of the typical barriers that keep people from getting help. In 2014, the Organization opened Grace Marketplace, a one-stop homeless assistance center. Grace Marketplace provides emergency shelter, meals, storage, clothing closet, computer lab, intake, assessment, case management, skill building and mail acceptance.

The Organization changed its fiscal year end to September 30 by filing a three-month tax return for the period from July 1, 2020 to September 30, 2020. These financial statements represent a reporting period from July 1, 2020 to September 30, 2021.

Tax-Exempt Status

The Organization is tax exempt under Section 501(c)(3) of the Internal Revenue Code and does not earn any unrelated business taxable income. Therefore, no provision for income taxes is reflected in the accompanying financial statements. In addition, the Organization qualifies for the charitable contributions deduction and has been classified by the Internal Revenue Service as an organization that is not a private foundation.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and are presented using accounting principles generally accepted in the United States of America, as applicable for not-for-profit corporations. (U.S. GAAP)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Organization to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from these estimates.

Receivables

Grants receivable consist of recognized grant revenues that have not been received at year end. Amounts are deemed fully collectable and no allowance for doubtful accounts has been recorded.

Property and Equipment

The Organization capitalizes all purchases of furniture, equipment, and other capital assets with a purchase price of \$10,000 or greater and a useful life in excess of one year. The Organization had no capitalized property at September 30, 2021.

Net Assets

The Organization's net assets, the excess of assets over liabilities, are reported in two classes that are based upon the existence or absence of restrictions imposed by donors:

With Donor Restrictions. Net assets with donor restrictions are restricted by a donor to be used for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the organization must continue to use the resources in accordance with the donor's instructions. The Corporation's unspent contributions are included in this class if the donor limited their use. When a donor's restriction is satisfied, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Without Donor Restrictions. Net assets without donor restrictions are available to support operations. These net assets are constrained only by the broad limits resulting for the nature of the organization.

Notes to Financial Statements
September 30, 2021
Alachua County Coalition for the Homeless and Hungry, Inc.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

Revenue Recognition - Contributions

Contributions. Contributions received are recognized as revenue when they are received or unconditionally promised and are recorded at their estimated fair values.

Contributed Services. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased. In addition to amounts recorded, the Organization receives donated services which are not recorded because the above criteria have not been met. See Note 8 for more information.

Conditional Contributions. Conditional contributions are recognized when the condition has been substantially met. Amounts received before the conditions have been met are reported as refundable advance. Amounts received after the conditions have been met are reported as a receivable. Government grants are considered conditional contributions. Government grants consist of per diem and cost reimbursement contracts. Revenues for per diem contracts are recognized in accordance with allowable billings. Revenues for cost reimbursement contracts are recognized when the Organization incurs allowable costs.

Bequests – The Organization is a named beneficiary in a donor's will. Contributions from bequests are recognized as contributions receivable when the probate court declares that the will is valid and the organization has an irrevocable right to the bequest.

Functional Expenses

Direct expenses are assigned to the various functional categories based on the purpose achieved by each expense. Indirect expenses are allocated to more than one functional category in accordance with an estimate of the relative benefit received by the expenses. Indirect expenses consist mainly of certain personnel and occupancy costs. Expenses are classified in the following functional categories:

Program Services:

Campus & Shelter Services – GRACE - Housing-focused programs to operate the low-barrier emergency shelter and one-stop assistance center located in Gainesville, Florida.

Permanent Housing Programs – Permanent housing placement through Rapid Re-housing and Permanent Supportive Housing Programs.

Street Outreach Program – Housing-focused service delivery to connect unsheltered individuals with appropriate assistance programs.

Management and General – Those activities that provide governance, oversight, business and financial management, financial recordkeeping, budgeting, legal, and human resource management services.

Fundraising – Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. Activities include publicizing and conducting fundraising campaigns, maintaining donor lists, conducting fundraising events, and any other activities that solicit contributions from corporations, foundations, individuals and others.

Expenses that can be identified with a specific function are charged directly to that function, whereas costs common to multiple functions have been allocated. Labor, wages and related costs are allocated based on employee estimates of the percentage of time spent in each function. Insurance and some office costs are allocated based on salary allocations. Utilities are allocated based on usage by square footage of the facility.

Advertising Costs

Advertising costs are expensed when incurred.

Notes to Financial Statements

September 30, 2021

Alachua County Coalition for the Homeless and Hungry, Inc.

NOTE 2 – LIQUIDITY AND AVAILABILITY

The Organization’s financial assets available within one year of the date of the statement of financial position for general expenditure are as follows at June 30, 2020 and September 30, 2021:

	<u>2021</u>	<u>2020</u>
Financial Assets:		
Cash	\$ 153,451	\$ 480,906
Grants Receivable	462,322	329,555
Due from ACHA (Note 4)	<u>4,200</u>	<u>4,200</u>
Available Financial Assets	<u>\$ 619,973</u>	<u>\$ 814,661</u>

The Organization has structured its financial assets to be available as its general expenditures and liabilities come due. The Organization generally does not hold excess financial assets for extended periods of time and, therefore, has not established a policy for investment of excess cash. The Organization does not generally experience cash deficits and, therefore, has instituted no mechanism for financing them.

NOTE 3 – CASH

Cash consists of deposits in financial institutions. These deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000 per institution. At September 30, 2021 and June 30, 2020, the Organization held \$0 and \$212,120 in excess of this limit, respectively.

NOTE 4 – TRANSACTIONS WITH THE ALACHUA COUNTY HOUSING AUTHORITY

In a prior year, the Organization passed grant funds through to the Alachua County Housing Authority (the Authority) for reimbursement of grant expenditures. The amount due from ACHA represents funds which were not expended by the Authority. The following is a list of payments expected:

	<u>September 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
For the Year Ending:		
2021	\$ --	\$ 5,250
2022	4,200	4,200
2023	4,200	4,200
2024	4,200	4,200
2025	<u>3,450</u>	<u>3,450</u>
Total Due From ACHA	<u>\$ 16,050</u>	<u>\$ 21,300</u>

In prior years, the Authority paid the employees of the Organization and the Organization was to reimburse the Authority. Due to ACHA represents the liability for these payroll expenses not yet reimbursed to the Authority. This liability was paid in full as of September 30, 2021.

Notes to Financial Statements
September 30, 2021
Alachua County Coalition for the Homeless and Hungry, Inc.

NOTE 5 – NET ASSETS WITH RESTRICTIONS

Net assets with restrictions consist of the following:

	September 30, 2021	June 30, 2020
Contributions to be received in the subsequent year	\$ --	\$ 76,794
Unexpended purpose restricted contributions:		
Building Improvements	624	27,207
Diversion Program	--	5,682
Culinary Training	--	27,762
Animal Care	62,010	77,200
Housing Assistance	1,670	8,125
Totals	\$ 64,304	\$ 222,770

NOTE 6 – CONCENTRATION OF REVENUE SOURCES

The Organization received \$2,234,007 and \$2,009,801 from the City of Gainesville for the 15-month period ending September 30, 2021 and the year ending June 30, 2020, respectively. The contract must be renegotiated at the end of each contract term. The current contract expires on December 31, 2024.

NOTE 7 – IN-KIND DONATIONS

The Organization receives donations of meals, food, supplies and professional services. The donation of meals is calculated at \$2.67 per meal served. The value of food received from Bread of Mighty Food Bank is calculated using price averages from the Bureau of Labor Statistics. Donated legal services are valued at the same rate paid to the attorney for services not donated.

NOTE 8 – DONATED SERVICES

The Organization depends on volunteers to cook meals and provide other assistance in the daily operations of Grace Marketplace. The value of these services is not recorded in these financial statements because the services do not meet the requirements for recording as established by GAAP. The number of hours and value per hour is shown below:

Period Ended	Period	Hours	Hourly Rate	\$ Amount
September 30, 2021	15 months	11,374	\$26.32	\$299,364
June 30, 2020	12 months	22,108	\$24.93	\$551,152

This hourly rate is the estimated value per hour of volunteer time for Florida as estimated by Independent Sector. See http://www.independentsector.org/volunteer_time for more information on the estimated value per hour.

NOTE 9 – ANNUAL EVENT

The Organization conducts fundraising activities throughout the year. The costs of direct donor benefits (food, facility, entertainment) are deducted against related revenues and the net is reported as a revenue in the statement of activities. The Organization reported \$19,738 of costs of donor benefits for the 15-month period ended September 30, 2021.

Notes to Financial Statements
September 30, 2021
Alachua County Coalition for the Homeless and Hungry, Inc.

NOTE 10 – FACILITIES

The Organization's administrative office is located in the City of Gainesville's Empowerment Center (The Center). The Organization is providing services for the City at the Center under the Grace program; therefore, no in-kind rent donation has been recorded.

The Organization, using local government grant funds and contributions, makes improvements to the Center to make it habitable for use as a one-stop homeless center under the Grace program. Related costs are reported as Facility Improvements in the statement of functional expenses.

NOTE 11 – EMPLOYEE RETIREMENT PLAN

In June, 2021, the Organization began offering a Simple IRA defined contribution pension plan. Pursuant to the provisions of the plan, employer contributions are three percent of the gross pay of full-time employees and amounted to \$4,373 for the 15-month period ending September 30, 2021.

NOTE 12 – SUMMARIZED COMPARATIVE INFORMATION

The financial statements include certain prior period 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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Corporation's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

NOTE 13 – CONTINGENCIES

The Organization is subject to occasional lawsuits and claims arising in the normal course of business. In the opinion of management, the ultimate disposition of these matters, if any, will not have a significant impact on the financial position of the Organization.

NOTE 14 – SUBSEQUENT EVENTS

The Organization has evaluated events and transactions for potential recognition or disclosure through March 15, 2022, the date the financial statements were available to be issued.

Schedule of Activities - Combining Three Months and Twelve Months
For the Fifteen-month Period Ended September 30, 2021
Alachua County Coalition for the Homeless and Hungry, Inc.

	<u>Three Months</u> <u>Ended September 30,</u> <u>2020</u>	<u>Twelve Months</u> <u>Ended September 30,</u> <u>2021</u>	<u>Total</u>
<u>Support and Revenue</u>			
Government Grants:			
Federal	\$ 255,579	\$ 1,497,449	\$ 1,753,028
State	11,464	37,340	48,804
Local	450,650	1,783,357	2,234,007
Cash Donations	133,573	372,682	506,255
In-Kind Donations	79,517	386,851	466,368
Program Income	1,987	20,031	22,018
Interest Income	81	419	500
Annual Event, Net	--	22,785	22,785
Total Support and Revenues	932,851	4,120,914	5,053,765
<u>Expenses</u>			
Program Service Expense:			
Campus & Shelter Services	589,586	2,743,378	3,332,964
Permanent Housing Programs	232,671	720,414	953,085
Street Outreach Program	--	320,439	320,439
Management and General	40,684	310,202	350,886
Fundraising	60,980	223,170	284,150
Total Expenses	923,921	4,317,603	5,241,524
Change in Net Assets	8,930	(196,689)	(187,759)
Net Assets, Beginning	663,455	672,385	663,455
Net Assets, Ending	\$ 672,385	\$ 475,696	\$ 475,696

Schedule of Activities
Comparing the twelve-month periods ended September 30, 2021 and 2020.
Alachua County Coalition for the Homeless and Hungry, Inc.

	<u>2021</u>	<u>2020</u>
<u>Support and Revenue</u>		
Government Grants:		
Federal	\$ 1,497,449	\$ 865,132
State	37,340	43,637
Local	1,783,357	2,090,773
Cash Donations	372,682	623,958
In-Kind Donations	386,851	440,661
Program Income	20,031	4,129
Interest Income	419	358
Annual Event, Net	<u>22,785</u>	<u>--</u>
Total Support and Revenues	4,120,914	4,068,648
<u>Expenses</u>		
Labor, Wages and Related	2,412,706	1,857,000
Assistance to Individuals	869,620	519,888
In-Kind Donations	332,815	400,064
Facility Improvements	--	226,289
Maintenance	133,527	98,939
Insurance	42,059	18,555
Office Expense	189,437	99,532
Professional Fees	127,437	98,251
Travel	16,181	14,849
Utilities	164,916	172,709
Other	<u>27,842</u>	<u>29,871</u>
Total Expenses	4,317,603	3,535,947
Change in Net Assets	(196,689)	532,701
Net Assets, Beginning	672,385	139,684
Net Assets, Ending	\$ 475,696	\$ 672,385

**Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2021
Alachua County Coalition for the Homeless and Hungry, Inc.**

	<u>CFDA #</u>	<u>Contract Number</u>	<u>Expenditures</u>
Department of the Treasury:			
Passed through State of Florida, Division of Emergency Management:			
Passed through Alachua County:			
COVID-19 Coronavirus Relief Fund	21.019	Y2273	\$ 117,917
U.S. Department of Housing and Urban Development:			
Continuum of Care Program	14.267	FL0569L4H082005	32,941
Continuum of Care Program	14.267	FL0569L4H081904	34,263
Continuum of Care Program	14.267	FL0784L4H081900	119,500
Continuum of Care Program	14.267	FL0629L4H081802	11,064
Continuum of Care Program	14.267	FL0629L4H081903	<u>174,706</u>
Program Total			372,474
Passed through United Way of North Central Florida:			
COVID-19 Emergency Solutions Grants Program	14.231	CP005	<u>332,239</u>
Total Expenditures of Federal Awards			\$ 822,630

NOTE 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Alachua County Coalition for the Homeless and Hungry, Inc. (the Organization) under programs of the federal government for the year ended September 30, 2021. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE 2 – Summary of Significant Accounting Policies

Expenditures represent: 1) allowable costs, determined in accordance with federal cost principles, for cost-reimbursement contracts; and 2) allowable billings for fixed-fee and units of service contracts.

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.

NOTE 3 – Subrecipients

The Organization did not provide federal awards to subrecipients during the year ended September 30, 2021.

Kattell and Company, P.L.

Certified Public Accountants Serving the Nonprofit Community

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Alachua County Coalition for the Homeless and Hungry, Inc.
Gainesville, Florida

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 Alachua County Coalition for the Homeless and Hungry, Inc. (the Corporation) as of and for the year ended September 30, 2021, which comprise the statement of financial position as of September 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 March 15, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's 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 the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Corporation'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's 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*.

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 Corporation'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 Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kattell and Company, P.L.

March 15, 2022

Kattell and Company, P.L.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Alachua County Coalition for the Homeless and Hungry, Inc.
Gainesville, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited compliance of Alachua County Coalition for the Homeless and Hungry, Inc. (the Corporation) 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 the Corporation's major federal programs for the year ended September 30, 2021. The Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

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 (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); 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 the Corporation 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 the Corporation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' 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 the Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, 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 the

Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Kattell and Company, P.L.

March 15, 2022

Schedule of Findings and Questioned Costs
Year Ended September 30, 2021
Alachua County Coalition for the Homeless and Hungry, Inc.

Section I – Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
• Material weakness identified?	NO
• Significant deficiency identified?	None Reported
Noncompliance material to financial statements noted?	NO

Federal Awards

Internal control over major programs:	
• Material weakness identified?	NO
• Significant deficiency identified?	None Reported
Type of auditors' report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with CFR 200.516(a)?	NO
Identification of Major Federal Programs:	
• CFDA No. 14.267 – Continuum of Care Program	
Other Disclosures:	
• Dollar threshold used to distinguish between type A and type B programs:	\$750,000
• Auditee qualified as low-risk?	NO

Section II – Financial Statement Findings

No matters are reportable

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

Section IV – Summary of Prior Audit Findings

A summary schedule of prior audit findings is not presented because there were no findings related to federal award programs reported in the prior year.