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

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

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

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	2
Statements of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5 - 6
Statements of Cash Flows	7
Notes to Financial Statements	8 - 14
Schedule of Expenditures of Federal, State and Local Awards	15
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	16
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	17
Supplementary Information Required by the California Office of Emergency Services (CAL OES)	18
Schedule of Findings and Questioned Costs	19

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of Community Solutions for Children, Families and Individuals (Community Solutions), a California non-profit organization which comprise the statements of financial position as of June 30, 2016 and June 30, 2015, the related statements of cash flows for the years then ended, the related statements of activities and functional expenses for the year ended June 30, 2016, 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 error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 of 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 auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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 statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Solutions as of June 30, 2016 and June 30, 2015, the changes in its cash flows for the years then ended, and the changes in its net assets for the year ended June 30, 2016 in accordance with accounting principles generally accepted in the United States of America.

Other Matters-Supplementary Information

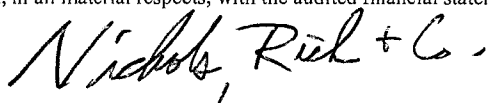
Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal, state, and local awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and California Office of Emergency Services (OES) supplementary information for the year ended June 30, 2016, as required by OES, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated September 12, 2016 on our consideration of Community Solutions' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Solutions' internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited Community Solutions' June 30, 2015 financial statements, and our report dated September 11, 2015, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Morgan Hill, CA
September 12, 2016

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statements of Financial Position
As of June 30, 2016 and June 30, 2015

	2016	2015
<u>ASSETS</u>		
Assets:		
Cash	\$ 869,382	\$ 1,511,690
Accounts receivable, net	22,850	36,891
Grants receivable, net	3,626,908	2,716,288
Prepaid expenses	135,612	113,852
Total current assets	<u>4,654,752</u>	<u>4,378,721</u>
 Fixed assets, net	 1,173,159	 1,203,454
 Deposits	 <u>73,184</u>	 <u>73,184</u>
TOTAL ASSETS	<u><u>\$ 5,901,095</u></u>	<u><u>\$ 5,655,359</u></u>
<u>LIABILITIES & NET ASSETS</u>		
Liabilities:		
Accounts payable	\$ 670,121	\$ 736,768
Accrued salaries & vacation	1,197,827	1,010,955
Other current liabilities	190,813	29,652
Accrued interest payable	23,707	22,537
Deferred revenue	1,516,614	1,395,920
Notes payable, current portion	169,085	67,231
Total current liabilities	<u>3,768,167</u>	<u>3,263,063</u>
 Grants payable, long term	 46,918	 46,918
Accrued interest payable	145,940	193,467
Notes payable	969,828	1,106,150
Total long term liabilities	<u>1,162,686</u>	<u>1,346,535</u>
Total liabilities	<u>4,930,853</u>	<u>4,609,598</u>
 Net assets		
Unrestricted	640,610	746,712
Unrestricted-board designated	214,000	214,000
Temporarily restricted	115,632	85,049
Permanently restricted	-	-
Total net assets	<u>970,242</u>	<u>1,045,761</u>
TOTAL LIABILITIES & NET ASSETS	<u><u>\$ 5,901,095</u></u>	<u><u>\$ 5,655,359</u></u>

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statement of Activities
For the Year ended June 30, 2016
with summarized financial information for the year ended June 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>June 30, 2016 Totals</u>	<u>Comparative Summary Totals for the Year ended June 30, 2015</u>
SUPPORT & REVENUE					
Support received directly					
Contributions	\$ 183,749	\$ -	\$ -	\$ 183,749	\$ 119,723
Contributions, in-kind	107,938			107,938	70,609
Special events, less expenses of \$51,719 and \$41,704	123,447			123,447	83,863
Foundations and grants	202,579			202,579	166,814
Support received indirectly					
United Way	4,648			4,648	5,936
Total support	622,361	-	-	622,361	446,945
Revenue					
Government grants and fees	18,138,880			18,138,880	16,575,224
Interest income	960			960	274
Program rents received	278,274			278,274	240,530
Other income	21,169			21,169	11,224
Fees for services	407,623			407,623	433,537
Total revenue	18,846,906	-	-	18,846,906	17,260,789
Net assets added to restrictions	(30,583)	30,583		-	-
TOTAL SUPPORT & REVENUE	19,438,684	30,583	-	19,469,267	17,707,734
EXPENSES					
Program Services					
Behavioral Health Care	14,525,192			14,525,192	13,356,993
Prevention and Education	1,047,355			1,047,355	1,159,383
Solutions to Violence	1,826,529			1,826,529	1,320,468
Total Program Services	17,399,076	-	-	17,399,076	15,836,844
Support Services					
Management and General	1,948,831			1,948,831	1,670,620
Fund Development	196,879			196,879	180,753
Total Support Services	2,145,710	-	-	2,145,710	1,851,373
TOTAL EXPENSES	19,544,786	-	-	19,544,786	17,688,217
Change in net assets from operations	(106,102)	30,583	-	(75,519)	19,517
Net assets at beginning of year	960,712	85,049	-	1,045,761	1,026,244
Net assets at end of year	<u>\$ 854,610</u>	<u>\$ 115,632</u>	<u>\$ -</u>	<u>\$ 970,242</u>	<u>\$ 1,045,761</u>

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statement of Functional Expenses
For the Year ended June 30, 2016
with summarized financial information for the year ended June 30, 2015

	PROGRAM SERVICES				Comparative Summary Totals for the Year ended June 30, 2015
	<u>Behavioral Health Care</u>	<u>Prevention and Education</u>	<u>Solutions to Violence</u>	<u>June 30, 2016 Totals</u>	
Salaries	\$ 8,972,048	\$ 392,036	\$ 951,769	\$ 10,315,853	\$ 9,280,034
Payroll taxes & employee benefits	<u>2,840,342</u>	<u>143,094</u>	<u>310,779</u>	<u>3,294,215</u>	<u>3,107,006</u>
Total salaries & related expenses	11,812,390	535,130	1,262,548	13,610,068	12,387,040
Professional fees	494,866	355,376	181,652	1,031,894	812,764
Supplies	157,848	16,938	92,898	267,684	326,655
Telephone	111,290	4,703	17,950	133,943	138,320
Postage & shipping	20,857	792	418	22,067	21,582
Occupancy	662,685	36,290	69,139	768,114	718,069
Insurance	70,825	4,069	7,594	82,488	84,725
Utilities	120,853	17,769	15,484	154,106	127,344
Interest	29,035	6,691	1,871	37,597	40,853
Equipment maintenance & rental	158,328	9,759	4,172	172,259	189,717
Printing & publications	6,890	421	4,240	11,551	8,018
Travel	525,534	13,767	33,639	572,940	485,714
Conferences, conventions & meetings	53,922	2,671	23,628	80,221	109,058
Specific assistance to individuals	187,108	433	105,705	293,246	235,928
Dues & subscriptions	50,796	293	1,863	52,952	53,096
Licensing fees & taxes	23,081	24,499	959	48,539	48,772
Miscellaneous	<u>25,534</u>	<u>809</u>	<u>2,769</u>	<u>29,112</u>	<u>18,894</u>
Total expenses before depreciation & amortization	14,511,842	1,030,410	1,826,529	17,368,781	15,806,549
Depreciation & amortization	<u>13,350</u>	<u>16,945</u>	<u>-</u>	<u>30,295</u>	<u>30,295</u>
TOTAL EXPENSES	<u>\$ 14,525,192</u>	<u>\$ 1,047,355</u>	<u>\$ 1,826,529</u>	<u>\$ 17,399,076</u>	<u>\$ 15,836,844</u>

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statement of Functional Expenses
For the Year ended June 30, 2016
with summarized financial information for the year ended June 30, 2015

	TOTAL PROGRAM SERVICES	MANAGEMENT & SUPPORT SERVICES			June 30, 2016 PROGRAM & SUPPORT SERVICES TOTALS	Comparative Summary Totals for the Year ended June 30, 2015
		Management & General	Fund Development	Total Mgmt. & Sup. Svcs		
Salaries	\$ 10,315,853	\$ 1,109,449	\$ 129,145	\$ 1,238,594	\$ 11,554,447	\$ 10,356,761
Payroll taxes & employee benefits	3,294,215	317,223	44,251	361,474	3,655,689	3,428,599
Total salaries & related expenses	13,610,068	1,426,672	173,396	1,600,068	15,210,136	13,785,360
Professional fees	1,031,894	346,166	3,104	349,270	1,381,164	1,076,421
Supplies	267,684	27,298	1,589	28,887	296,571	359,864
Telephone	133,943	9,242	541	9,783	143,726	146,494
Postage & shipping	22,067	3,069	462	3,531	25,598	25,718
Occupancy	768,114	66,731	5,379	72,110	840,224	790,845
Insurance	82,488	7,710	1,645	9,355	91,843	92,392
Utilities	154,106	9,560	824	10,384	164,490	135,063
Interest	37,597	-	-	-	37,597	40,853
Equipment maintenance & rental	172,259	10,028	2,693	12,721	184,980	199,662
Printing & publications	11,551	8,410	4,163	12,573	24,124	17,179
Travel	572,940	11,108	892	12,000	584,940	505,819
Conferences, conventions & meetings	80,221	13,650	721	14,371	94,592	118,448
Specific assistance to individuals	293,246	-	-	-	293,246	235,928
Dues & subscriptions	52,952	4,966	1,258	6,224	59,176	56,971
Licensing fees & taxes	48,539	1,052	52	1,104	49,643	49,715
Miscellaneous	29,112	3,169	160	3,329	32,441	21,190
Total expenses before depreciation & amortization	17,368,781	1,948,831	196,879	2,145,710	19,514,491	17,657,922
Depreciation & amortization	30,295	-	-	-	30,295	30,295
TOTAL EXPENSES	\$ 17,399,076	\$ 1,948,831	\$ 196,879	\$ 2,145,710	\$ 19,544,786	\$ 17,688,217

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Statements of Cash Flows
For the Years ended June 30, 2016 and June 30, 2015

	2016	2015
Cash flows from operating activities:		
Increase (decrease) in net assets from operations	\$ (75,519)	\$ 19,517
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	30,295	30,295
Changes in assets & liabilities:		
Decrease (increase) in accounts and grants receivable	(896,579)	1,172,216
Decrease (increase) in deposits and prepaid expenses	(21,760)	(3,020)
Increase (decrease) in payables and accrued liabilities	355,723	(257,363)
Net cash (used) provided by operating activities	<u>(607,840)</u>	<u>961,645</u>
Cash flows from investing activities		
Acquisition of fixed assets	<u> </u>	<u> </u>
Net cash provided (used) by investing activities		
Cash flows from financing activities		
Repayments of long-term debt	<u>(34,468)</u>	<u>(32,479)</u>
Net cash provided (used) by financing activities	<u>(34,468)</u>	<u>(32,479)</u>
Net (decrease) increase in cash	<u>(642,308)</u>	<u>929,166</u>
Cash, beginning of year	1,511,690	582,524
Cash, end of year	<u>\$ 869,382</u>	<u>\$ 1,511,690</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid during the year for:		
Interest	\$ 83,954	\$ 49,441
Income taxes	\$ 0	\$ 0
Supplemental noncash disclosures:		
Cost basis of assets disposed	\$ 0	\$ 0

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

1. NATURE OF ORGANIZATION:

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

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

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

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

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

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

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

- Assistance with reentry into the community from incarceration
- Prevention & intervention services for at-risk youth
- First-time juvenile offender program
- First Offender and Multiple Offender DUI programs
- Housing for mental health clients

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

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

COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation

The Agency is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Contributions

Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. In addition, pledges and unconditional promises to give are required to be reported as temporarily restricted support upon date of notification and are then released from restrictions upon satisfaction of the time or use requirement. If a restriction is fulfilled in the same time period in which the contribution is received, the Agency reports the support as unrestricted.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Agency considers all highly liquid investments available for current use with an initial maturity of six months or less to be cash equivalents. Included in cash as of June 30, 2016 and June 30, 2015 are four restricted certificates of deposit totaling \$102,887 and \$100,877, respectively, that carry immaterial early withdrawal penalties. The carrying amounts reported in the statements of financial position approximate fair values as a result of the short maturity of these instruments.

Accounts Receivable

Accounts and grants receivable are shown net of an allowance of \$155,594 for private program service fees and contract billings as of June 30, 2016 and June 30, 2015. There were no bad debt expenses charged to operations during the years ended June 30, 2016 and June 30, 2015.

Income Taxes

The Agency is exempt from Federal income taxes under Internal Revenue Code Section 501(c)(3), from California income taxes under Section 23701(d) of the California Bank and Corporation Tax Law, and has been determined to be an organization that is not a private foundation. Management has determined the implementation of ASC 740-10-65 did not have a material impact on its financial statements. Tax years for the years ended June 30, 2012 through June 30, 2016 remain open for examination by taxing authorities.

Indirect Expenses

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

Estimates

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

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Depreciation

Fixed assets are reported at cost, or donated value, and are depreciated using the straight-line method over the estimated useful lives of the assets, ranging from five to forty years. The Agency's policy is to capitalize fixed asset additions in excess of \$1,000. At June 30, 2016 and June 30, 2015, the cost and related accumulated depreciation for such assets is as follows:

	<u>2016</u>	<u>2015</u>
Land	\$ 475,395	\$ 475,395
Buildings	1,304,057	1,304,057
Furniture, equipment & fees	<u>138,250</u>	<u>138,250</u>
	1,917,702	1,917,702
less:		
Accumulated depreciation	<u>744,543</u>	<u>714,248</u>
	<u>\$ 1,173,159</u>	<u>\$ 1,203,454</u>

Depreciation and amortization expense charged for the years ended June 30, 2016 and June 30, 2015 was \$30,295 and \$30,295, respectively. In addition, for the years ended June 30, 2016 and June 30, 2015, \$23,764 and \$140,979, respectively, of equipment and furniture purchased with grant funds, normally capitalized, has been expensed due to the grantor retaining a reversionary interest in title.

Comparative Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Agency's financial statements for the year ended June 30, 2015, from which the summarized information was derived.

Compensated Absences and Vacations

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

Donations

All donations are considered to be available for unrestricted use unless specifically restricted by the donor. Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated fair market value at date of notification. Donated services, valued at \$77,068 and \$70,609 were contributed by specially trained relief workers involved in the rape crisis program during the years ended June 30, 2016 and June 30, 2015, respectively. During the year ended June 30, 2016 the Agency also received \$30,870 in donated program supplies and food.

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Advertising

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

Legacies and Bequests

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

Revenue Recognition, Grants Receivable, and Grants Payable

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

3. SCHEDULE OF OPERATING AND SAVINGS ACCOUNTS:

As of June 30, 2016 and 2015, the Agency had funds on deposit in checking, short-term certificates of deposit, and savings accounts as follows:

<u>Institution</u>	<u>2016</u>	<u>2015</u>
Union Bank	\$ 169	\$ 48,511
Pinnacle Bank	866,013	1,459,979
Petty Cash	<u>3,200</u>	<u>3,200</u>
Total	<u>\$ 869,382</u>	<u>\$1,511,690</u>

4. GRANTS AND ACCOUNTS RECEIVABLE:

The carrying amounts for grants and accounts receivable reported in the statement of financial position approximate fair value as all amounts are due and expected to be received within ninety days. The following amounts are reported as accounts and grants receivable as of June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Mental Health	\$3,210,507	\$2,375,140
CAL OES	314,226	162,872
Block Grants	29,498	31,606
Social Services	66,951	63,635
Restorative Justice	106,393	83,044
Other Grants	<u>54,927</u>	<u>155,487</u>
Grants receivable	3,782,502	2,871,784
Program and other fees receivable	22,850	36,989
Less: allowance for doubtful accounts	<u>(155,594)</u>	<u>(155,594)</u>
Total	<u>\$3,649,758</u>	<u>\$2,753,179</u>

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

5. LONG-TERM DEBT:

Long-term debt at June 30, 2016, is comprised of the following:

<u>Payable to</u>	<u>Interest Rate</u>	<u>Due Date</u>	<u>Current Amount</u>	<u>Total Due</u>
Union Bank, secured by real property, monthly payments of \$2,560	4.75%	3/10/2018	\$ 13,500	\$ 354,919
Union Bank, secured by real property, monthly payments of \$1,953	4.75%	9/12/2027	14,135	202,859
Wells Fargo, secured by real property, monthly payments \$646	2.98%	11/15/2018	8,000	17,385
State of California, secured by real property, monthly payments deferred	3% deferred	7/24/2020	0	117,081
State of California, secured by real property, monthly payments deferred	3% deferred	9/4/2020	0	87,439
State of California, secured by real property, monthly payments deferred	3% deferred	8/21/2022	0	105,968
County of Santa Clara, secured by real property, monthly payments deferred	3.5% deferred	5/3/2016	33,450	33,450
County of Santa Clara, secured by improvements, monthly payments deferred	5% deferred	4/11/2017	100,000	100,000
City of Morgan Hill secured by real property, monthly payments deferred	None	None	0	119,812
			<u>\$ 169,085</u>	<u>\$1,138,913</u>

The three State of California loans include underlying indebtedness to the department of Housing and Urban Development and contain self-forgiving provisions, contingent upon use restrictions, commencing in the year 2001 as well as provisions for the waiver of accrued interest payable. Agency management is presently working with the State of California to determine the procedures required to receive the interest accrual waiver, which totaled \$9,315 annually during the years ended June 30, 2016 and June 30, 2015. During the year ended June 30, 2016 a total of \$56,842 was paid down against the cumulative accrued interest payable. As of June 30, 2016, the cumulative accrued interest payable under these loans of \$169,647 is presented as a long-term liability, with a current provision for the County of Santa Clara loan that matured May 2016.

The Agency also has two notes payable totaling \$85,000 due to the City of Morgan Hill maturing in 2016. No liability is presented for these notes as they are forgiven in full upon the satisfaction of certain use restrictions which the Agency intends to fulfill.

In addition, the Agency has in place a line of credit of \$750,000 (up to \$1,500,000 through October 2016) at an interest rate of 3% maturing December 2017. This facility is secured by the Agency's personal property, and as of June 30, 2016, had no balance outstanding.

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

5. LONG TERM DEBT (continued):

The existing schedule for the retirement of long-term debt is as follows:

Year ending June 30, 2017	\$ 169,085
Year ending June 30, 2018	364,741
Year ending June 30, 2019	15,990
Year ending June 30, 2020	15,600
Year ending June 30, 2021	16,100
Thereafter	<u>557,397</u>
	<u>\$1,138,913</u>

6. FACILITY LEASE COMMITMENTS:

The lease for the Agency's administration office continues to April 2021, and requires monthly rental payments of \$35,728 with annual cost of living adjustments. In addition, the Agency is committed under several other facility leases expiring through calendar year 2018. Monthly rent commitments under these leases are \$61,712. Rent expense paid totaled \$746,049 and \$697,786 for the years ended June 30, 2016 and June 30, 2015, respectively. Existing future annual facility lease commitments are:

Year ending June 30, 2017	\$650,946
Year ending June 30, 2018	653,310
Year ending June 30, 2019	520,051
Year ending June 30, 2020	449,100
Year ending June 30, 2021	374,250

7. EQUIPMENT LEASE COMMITMENTS:

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

Year ending June 30, 2017	\$26,781
Year ending June 30, 2018	6,412
Year ending June 30, 2019	2,640

Total payments made under all equipment lease agreements were \$40,975 and \$40,975 for the years ended June 30, 2016 and June 30, 2015, respectively.

8. RETIREMENT PLAN:

The Agency has adopted a policy whereby it will match an employee's contributions to an individual tax deferred annuity account, up to 5% of the employee's gross salary. For the years ended June 30, 2016 and June 30, 2015, the Agency's contributions totaled \$236,469 and \$232,242, respectively.

**COMMUNITY SOLUTIONS
FOR CHILDREN, FAMILIES AND INDIVIDUALS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

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

The Agency has entered into an agreement with Santa Clara County to repay its prior year mental health cost reconciliation shortages at a rate of \$9,384 per month. No payments were made during the year ended June 30, 2016. The current portion of \$112,604 is included in accounts payable as of June 30, 2016, with the remaining \$46,918 presented as a long-term grant payable. In addition, as of June 30, 2016 and June 30, 2015, the Agency has reserved \$1,491,151 and \$1,311,088, respectively, as deferred revenues pending cost report reconciliation with Santa Clara County.

10. CONCENTRATIONS AND CONTINGENCIES:

At times during the fiscal year, the Agency maintained cash balances in excess of insured levels at one financial institution. In addition, approximately 85% of the Agency's operating revenue base is derived from contracts and grants with various governmental departments of the County of Santa Clara. Approximately 75% of the Agency's employees are covered under membership in a collective bargaining agreement scheduled for renewal November 2016. The Agency, during the normal course of operating its business, may be subject to various lawsuits, licensing reviews, and government audits. Management believes that losses resulting from these matters, if any, would either be covered under the Agency's insurance policy or immeasurable. Management further believes the losses, if any, would not have a material effect on the financial position of the Agency.

11. RESTRICTED NET ASSETS:

As of June 30, 2016 and 2015, the Agency's temporarily restricted net assets consist of the following:

	<u>2016</u>	<u>2015</u>
Time restriction-		
None	\$ -	\$ -
Use restrictions-		
Foundation – programs	-	-
Real property under HUD/HCD restrictions to year 2020	<u>115,632</u>	<u>85,049</u>
	<u>\$ 115,632</u>	<u>\$ 85,049</u>

In addition, the Agency's board of directors has designated that \$214,000 be earmarked for future opportunities. Board permission is required to access these funds.

12. NET ASSETS RELEASED FROM RESTRICTIONS:

Unrestricted net assets were decreased as a result of the following temporary restriction releases and transfers during the years ended June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Time restriction-		
None	\$ -	\$ -
Use restrictions-		
Foundation grants	-	-
Real property under regulatory restrictions	<u>30,583</u>	<u>7,166</u>
	<u>\$ 30,583</u>	<u>\$ 7,166</u>

13. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through September 12, 2016, the date on which the financial statements were available to be issued.

COMMUNITY SOLUTIONS
for Children, Families, and Individuals
Schedule of Expenditures of Federal, State and Local Awards
For the Year ended June 30, 2016

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	Receipts/ Revenue Recognized	Disbursements/ Expenditures Incurred
Major Programs				
Department of Justice, passed through State of California OES sexual assault services, Grant RC-15181043	16.575	\$ 122,449	\$ 84,635	\$ 86,638
Department of Justice, passed through State of California OES sexual assault services, La Isla, Grant DV-15071043	16.575	219,367	208,650	208,650
Department of Justice, passed through State of California OES sexual assault services, Grant RC-14171043	16.575	101,475	31,739	31,739
Department of Justice, passed through State of California OES sexual assault services, Grant RC-14281043	16.575	118,094	31,445	31,445
Department of Justice, passed through State of California OES sexual assault services, Grant RC-15291043	16.575	148,218	128,784	129,324
subtotal	16.575	709,603	485,253	487,796
Total Major Programs				
		709,603	485,253	487,796
Non Major Programs				
Department of Justice, passed through State of California OES sexual assault services, La Isla, Grant DV-15071043	93.671	55,909	52,784	52,784
Department of Health and Human Services, passed through California Department of Public Health, injury prevention and control, Grant 14-10654	93.136	276,250	75,434	75,434
Department of Health and Human Services, passed through County of Santa Clara, community development block grant, Grant PS-15-04	14.218	21,469	21,469	21,469
Department of Housing & Urban Development, passed through City of Gilroy, community development block grant, Grant 15-259-2621-5202	14.218	15,000	14,202	14,202
subtotal	14.218	36,469	35,671	35,671
Department of Housing & Urban Development, passed through St. Joseph's Family Center, supportive housing, Our New Place	14.235	15,500	8,300	8,300
Department of Justice, passed through State of California OES domestic violence response team, Grant VA-15021043	16.588	125,000	120,970	120,970
Department of Justice, passed through State of California OES sexual assault services, Grant RC-15181043	16.588	28,751	23,513	23,513
Department of Justice, passed through State of California OES sexual assault services, Grant RC-15291043	16.588	28,751	26,341	26,341
subtotal		182,502	170,824	170,824
PEMA, passed through United Way, emergency food and shelter, phase 33	97.024	3,340	3,340	3,340
Total Non Major Programs				
		569,970	346,353	346,353
Total federal financial assistance				
		1,279,573	831,606	834,149
State and local assistance				
City of Gilroy, CAL GRIP, Project "ONE", Grant 11016760		125,384	89,505	89,505
County of Santa Clara, healthy teen relationship, Grant 44000006630		34,000	34,000	34,000
County of Santa Clara, mental health, Short Doyle, First 5, Grant 4300012264/4300011530		2,249,806	1,671,017	1,671,017
County of Santa Clara, mental health, Short Doyle, family & children Grant 4300012263/4300011525		5,607,469	3,385,536	3,385,536
County of Santa Clara, mental health, adults Short Doyle, Grant 4300012262/4300011524		1,890,000	1,749,829	1,749,829
County of Santa Clara, MHSA THU, El Invierno & Kern, Grant 4300012298/4300011577		320,489	293,176	293,176
County of Santa Clara, MHSA- CSS, OPD adult support, Grant 4300012275/4300011535		251,570	251,570	251,570
County of Santa Clara, MHSA- CSS, OPD Redesign, Grant 4300012268/11539		239,905	219,341	219,341
County of Santa Clara, MHSA- CSS, PEI adult & older adult, Grant 4300012284/11551		24,912	18,771	18,771
County of Santa Clara, MHSA- CSS, Intern/stipends, Grant 4300012294		34,104	34,104	34,104
County of Santa Clara, MHSA- CSS, PEI School Linked Services, Grant 4300012288/4300011553		390,895	375,669	375,669
County of Santa Clara, MHSA- CSS ranches and JPD, Grant 4300012276/4300011534		540,084	450,706	450,706
County of Santa Clara, MHSA- CSS, child allocation, Grant 4300012269/11541		205,515	149,806	149,806
County of Santa Clara, MHSA- CSS, PEI child, Grant 4300012286/4300011803		700,612	669,658	669,658
County of Santa Clara, MHSA FSP criminal justice, Grant 4300012282/11546		1,391,321	940,045	940,045
County of Santa Clara, MHSA FSP, child, Grant 4300012281/4300011544		2,228,888	2,108,511	2,108,511
County of Santa Clara, MHSA FSP, adult, Grant 4300012292/11555		715,772	538,333	538,333
County of Santa Clara, MHSA FSP, TAY, Grant 4300012378/4300011550		2,418,650	2,213,710	2,213,710
County of Santa Clara, MHSA FSP, older adult, Grant 4300012293/4300011556		171,900	162,277	162,277
County of Santa Clara, MHSA FSP, CDCR, Grant 4300012271/4300011533		280,000	74,601	74,601
County of Santa Clara, MHSA FSP, AB 109, Grant 4300012270/4300011532		312,242	224,182	224,182
County of Santa Clara, CGF School Linked, Grant 4300012297		25,449	22,933	22,933
County of Santa Clara, CGF Older Adult, Grant 4300012295		5,621	5,621	5,621
County of Santa Clara, MHSA CSS Supportive Housing, Grant 4300012277		229,732	229,732	229,732
County of Santa Clara, CSEC, Grant 43000012414		248,028	61,749	61,749
County of Santa Clara, passed through City of San Jose, HT coalition		120,000	56,250	56,250
County of Santa Clara, STOP, Grant 4300010352		45,000	45,000	45,000
County of Santa Clara, DV, Grant TF-0231		64,037	64,037	64,037
County of Santa Clara, Maitri Org DV Pilot Project		6,037	6,037	6,037
County of Santa Clara, Probationers Fees, TF 0378		28,388	28,388	28,388
County of Santa Clara, DV Stopgap, Grant 4300012083		70,070	42,454	42,454
County of Santa Clara, CAC, Grant 4300011483		35,000	32,985	32,985
County of Santa Clara, SSA general, Grant 4300008416		75,828	75,828	75,828
County of Santa Clara, passed through Next Door Solutions, Grants ESG-12-003 and CPS-13-008		10,011	10,011	10,011
County of Santa Clara, passed through Santa Clara University, trafficking, Grant SCC012-02		81,848	80,299	80,299
County of Santa Clara, passed through Santa Clara University, trafficking, Grant SCC016		104,000	52,889	52,889
County of Santa Clara, passed through Santa Clara University, trafficking, Grant 2015-VT-K031		156,125	35,014	35,014
County of Santa Clara, passed through Sacred Heart Community Services, Grant 2015-146815-2		88,345	28,864	28,864
County of Santa Clara, family reunification and well being, Grant 3217		100,000	79,121	79,121
County of Santa Clara, DRP Probation, Grant 4300008277		282,000	123,224	123,224
County of Santa Clara, Adult Protective Services		16,250	16,250	16,250
County of Santa Clara, La Isla Measure A safety net, Grant 4300011430		21,739	21,739	21,739
County of Santa Clara, competency development, Grant 4300008267		618,654	271,226	271,226
State of California, Medicare direct payments via Noridian		6,388	6,388	6,388
State of California, OES, shelter, Grant DV-15071043		200,019	199,931	219,933
State of California, OES, sexual assault services, Grant RC-14281043		29,587	3,429	3,429
State of California, OES, sexual assault services, Grant RC-15291043		29,587	26,491	26,491
State of California, OES, sexual assault services, Grant RC-14171043		25,142	1,895	1,895
State of California, OES, sexual assault services, Grant RC-15181043		25,142	25,142	25,142
Total state & local government assistance				
		22,881,545	17,307,274	17,327,276
GRAND TOTALS		\$ 24,161,118	\$ 18,138,880	\$ 18,161,425

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Community Solutions for Children, Families and Individuals, which comprise the statement of financial position as of June 30, 2016, the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 12, 2016.

Internal Control over Financial Reporting

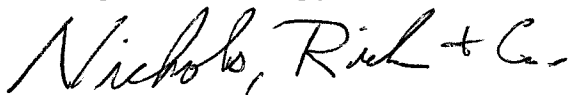
In planning and performing our audit, we considered Community Solutions for Children, Families and Individuals' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Solutions for Children, Families and Individuals' internal control. Accordingly, we do not express an opinion on the effectiveness of Community Solutions for Children, Families and Individuals' internal control. A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. Our consideration of internal control was for the limited purpose described earlier in this paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Solutions for Children, Families and Individuals' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Morgan Hill, CA

September 12, 2016

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

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

Report on Compliance for Each Major Federal Program

We have audited Community Solutions for Children, Families and Individuals' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Solutions for Children, Families and Individuals' major federal programs for the year ended June 30, 2016. Community Solutions for Children, Families and Individuals' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Community Solutions for Children, Families and Individuals' major federal programs 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 a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Solutions for Children, Families and Individuals' 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 each major federal program. However, our audit does not provide a legal determination of Community Solutions for Children, Families and Individuals' compliance.

Opinion on Each Major Federal Program

In our opinion, Community Solutions for Children, Families and Individuals complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

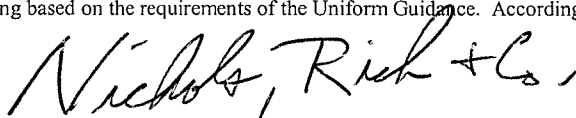
Report on Internal Control over Compliance

Management of Community Solutions for Children, Families and Individuals 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 Community Solutions for Children, Families and Individuals' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major 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 Community Solutions for Children, Families and Individuals' 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 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.

Purpose of this Report

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.



Morgan Hill, CA
September 12, 2016

**COMMUNITY SOLUTIONS FOR CHILDREN, FAMILIES AND INDIVIDUALS
SUPPLEMENTARY INFORMATION REQUIRED BY CALIFORNIA OFFICE OF EMERGENCY SERVICES
JUNE 30, 2016**

PROJECT TITLE RAPE CRISIS RECOVERY ACT PROGRAM (SANTA CLARA COUNTY)
GRANT AWARD NUMBER RC 14 28 1043
GRANT PERIOD SEPTEMBER 1, 2014 THROUGH AUGUST 31, 2015
AUDIT PERIOD JULY 1, 2015 THROUGH AUGUST 31, 2015

		<u>EXPENDITURES BY REVENUE SOURCE</u>			
	BUDGET	FEDERAL VOCA	FEDERAL VAWA	STATE	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 117,776	\$ 31,445	\$ -	\$ -	\$ 31,445
OPERATING EXPENSES	29,905	-	-	3,429	3,429
TOTALS	<u>\$ 147,681</u>	<u>\$ 31,445</u>	<u>\$ -</u>	<u>\$ 3,429</u>	<u>\$ 34,874</u>

PROJECT TITLE RAPE CRISIS RECOVERY ACT PROGRAM (SANTA CLARA COUNTY)
GRANT AWARD NUMBER RC 15 29 1043
GRANT PERIOD SEPTEMBER 1, 2015 THROUGH AUGUST 31, 2016
AUDIT PERIOD SEPTEMBER 1, 2015 THROUGH JUNE 30, 2016

		<u>EXPENDITURES BY REVENUE SOURCE</u>				
	BUDGET	FEDERAL VOCA	FEDERAL VAWA	STATE	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 175,689	\$ 111,143	\$ 23,597	\$ 15,469	\$ 540	\$ 150,749
OPERATING EXPENSES	31,407	17,641	2,744	11,022	-	31,407
TOTALS	<u>\$ 207,096</u>	<u>\$ 128,784</u>	<u>\$ 26,341</u>	<u>\$ 26,491</u>	<u>\$ 540</u>	<u>\$ 182,156</u>

PROJECT TITLE LA ISLA PACIFICA DOMESTIC VIOLENCE SHELTER AND SERVICE
GRANT AWARD NUMBER DV 15 07 1043
GRANT PERIOD JULY 1, 2015 THROUGH JUNE 30, 2016
AUDIT PERIOD JULY 1, 2015 THROUGH JUNE 30, 2016

		<u>EXPENDITURES BY REVENUE SOURCE</u>					
	BUDGET	FEDERAL FVPS	FEDERAL VOCA	STATE	CASH MATCH	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 280,813	\$ 37,698	\$ 114,675	\$ 110,332	\$ -	\$ 18,107	\$ 280,812
OPERATING EXPENSES	203,564	15,086	93,975	89,599	1,895	-	200,555
EQUIPMENT	10,920	-	-	-	-	-	-
TOTALS	<u>\$ 495,297</u>	<u>\$ 52,784</u>	<u>\$ 208,650</u>	<u>\$ 199,931</u>	<u>\$ 1,895</u>	<u>\$ 18,107</u>	<u>\$ 481,367</u>

PROJECT TITLE DOMESTIC VIOLENCE RESPONSE TEAM
GRANT AWARD NUMBER VA 15 02 1043
GRANT PERIOD JULY 1, 2015 THROUGH JUNE 30, 2016
AUDIT PERIOD JULY 1, 2015 THROUGH JUNE 30, 2016

		<u>EXPENDITURES BY REVENUE SOURCE</u>			
	BUDGET	FEDERAL 15 VAWA	FEDERAL 14 VAWA	STATE	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 48,576	\$ 28,191	\$ 16,355	\$ -	\$ 44,546
OPERATING EXPENSES	76,424	76,424	-	-	76,424
TOTALS	<u>\$ 125,000</u>	<u>\$ 104,615</u>	<u>\$ 16,355</u>	<u>\$ -</u>	<u>\$ 120,970</u>

PROJECT TITLE RAPE CRISIS RECOVERY ACT PROGRAM (SAN BENITO COUNTY)
GRANT AWARD NUMBER RC 14 17 1043
GRANT PERIOD SEPTEMBER 1, 2014 THROUGH AUGUST 31, 2015
AUDIT PERIOD JULY 1, 2015 THROUGH AUGUST 31, 2015

		<u>EXPENDITURES BY REVENUE SOURCE</u>			
	BUDGET	FEDERAL VOCA	FEDERAL VAWA	STATE	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 101,846	\$ 31,739		\$ 1,232	\$ 32,971
OPERATING EXPENSES	24,771	-		663	663
TOTALS	<u>\$ 126,617</u>	<u>\$ 31,739</u>	<u>\$ -</u>	<u>\$ 1,895</u>	<u>\$ 33,634</u>

PROJECT TITLE RAPE CRISIS RECOVERY ACT PROGRAM (SAN BENITO COUNTY)
GRANT AWARD NUMBER RC 15 18 1043
GRANT PERIOD SEPTEMBER 1, 2015 THROUGH AUGUST 31, 2016
AUDIT PERIOD SEPTEMBER 1, 2015 THROUGH JUNE 30, 2016

		<u>EXPENDITURES BY REVENUE SOURCE</u>				
	BUDGET	FEDERAL VOCA	FEDERAL VAWA	STATE	IN-KIND MATCH	TOTAL EXPENDITURES
PERSONAL SERVICES	\$ 146,122	\$ 68,795	\$ 23,513	\$ 10,486	\$ 2,003	\$ 104,797
OPERATING EXPENSES	32,223	15,840	-	14,656	-	30,496
TOTALS	<u>\$ 178,345</u>	<u>\$ 84,635</u>	<u>\$ 23,513</u>	<u>\$ 25,142</u>	<u>\$ 2,003</u>	<u>\$ 135,293</u>

COMMUNITY SOLUTIONS FOR CHILDREN, FAMILY and INDIVIDUALS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2016

A. Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Community Solutions for Children, Families and Individuals were prepared in accordance with GAAP.
2. No significant deficiencies were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of Community Solutions for Children, Families and Individuals were disclosed during the audit.
4. No significant deficiencies or material weaknesses in internal control over major federal award programs were disclosed during the audit.
5. The auditor's report on compliance for the major federal awards programs for Community Solutions for Children, Families and Individuals expresses an unmodified opinion on all major federal programs.
6. There were no audit findings relating to major programs that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The program tested as a major program was Victims of Crime Act, CFDA 16.575.
8. The threshold used to distinguish between Type A and Type B programs was \$750,000.
9. Community Solutions for Children, Families and Individuals did not qualify as a low risk auditee.

B. Findings and Questioned Costs from Prior Audit

None noted on prior audit.