WEST SIDE CATHOLIC CENTER
AND SUBSIDIARY

CONSOLIDATED FINANCIAL REPORT

DECEMBER 31, 2021 and 2020

WEST SIDE CATHOLIC CENTER AND SUBSIDIARY

CONTENTS

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Independent Auditors' Report

Board of Directors
West Side Catholic Center
Cleveland, Ohio

Opinion

We have audited the consolidated financial statements of West Side Catholic Center (a nonprofit organization) and Subsidiary, which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of West Side Catholic Center and Subsidiary as of December 31, 2021 and 2020, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of West Side Catholic Center and Subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 it 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 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 judgement made by a reasonable user based on the consolidated financial statements.

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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated 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 West Side Catholic Center and Subsidiary'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 consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about West Side Catholic Center and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control related matters that we identified during the audits.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information shown on pages 18 through 26 is presented for purposes of additional analysis as required by the *Uniform Financial Reporting Standards* issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General, and is not a required part of the financial statements. The accompanying schedule of expenditures of federal 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*, is presented for purposes of additional analysis and is also not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2022 on our consideration of West Side Catholic Center and Subsidiary's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 West Side Catholic Center and Subsidiary'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 West Side Catholic Center and Subsidiary's internal control over financial reporting and compliance.

Maloney + Novotny LLC

Cleveland, Ohio
March 8, 2022

WEST SIDE CATHOLIC CENTER AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2021 and 2020

	2021	2020
ASSETS		
Cash and cash equivalents	$ 792,423	$ 1,093,945
Funds held in trust	2,980	26,225
Receivables:		
Pledges receivable - net	-	1,000
Grants receivable	152,399	187,750
Other receivable	889	44,074
Prepaid expenses and other assets	44,513	42,941
Investments - non-endowed	597,914	454,552
Investments - endowed	2,933,863	2,664,904
Property and equipment - net	3,474,546	3,621,772
TOTAL ASSETS	$ 7,999,527	$ 8,137,163
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$ 13,964	$ 60,962
Accrued liabilities and other	126,632	105,060
Funds held in trust	2,980	26,225
Forgivable loan payable	71,570	85,884
Paycheck protection program loan	-	295,200
TOTAL LIABILITIES	215,146	573,331
NET ASSETS		
Without donor restrictions	5,327,264	4,883,880
With donor restrictions	2,457,117	2,679,952
TOTAL NET ASSETS	7,784,381	7,563,832
TOTAL LIABILITIES AND NET ASSETS	$ 7,999,527	$ 8,137,163

The accompanying notes are an integral part of these financial statements.

WEST SIDE CATHOLIC CENTER AND SUBSIDIARY

CONSOLIDATED STATEMENT OF ACTIVITIES

Year Ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Contributions	$ 1,167,383	$ 17,450	$ 1,184,833
Special event - net of $108,034 in direct expenses	196,159		196,159
United Way contributions	75,530		75,530
Grants	1,539,278	161,087	1,700,365
Net realized and unrealized gains on investments	79,506	228,474	307,980
Investment income, net	9,729	26,523	36,252
Other income	69,614		69,614
PPP loan forgiveness	295,200		295,200
Pizzeria sales	164,080		164,080
Total revenues	3,596,479	433,534	4,030,013
Net assets released from restrictions	221,003	(221,003)	-
Net assets reclassified	435,366	(435,366)	-
	4,252,848	(222,835)	4,030,013
EXPENSES			
Program services:			
Center	814,450		814,450
Shelter	769,144		769,144
Economic Opportunity	429,482		429,482
Housing	769,837		769,837
Family engagement	447,311		447,311
Pizzeria expenses	267,850		267,850
Total program services	3,498,074		3,498,074
Support services:			
General and administrative	184,032		184,032
Fundraising	127,358		127,358
Total support services	311,390		311,390
Total expenses	3,809,464		3,809,464
CHANGES IN NET ASSETS	443,384	(222,835)	220,549
NET ASSETS AT BEGINNING OF YEAR	4,883,880	2,679,952	7,563,832
NET ASSETS AT END OF YEAR	$ 5,327,264	$ 2,457,117	$ 7,784,381

The accompanying notes are an integral part of these financial statements.

WEST SIDE CATHOLIC CENTER AND SUBSIDIARY

CONSOLIDATED STATEMENT OF ACTIVITIES

Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Contributions	$ 1,329,811	$ 3,159	$ 1,332,970
Special event - net of $45,143 in direct expenses	202,983		202,983
United Way contributions	144,937		144,937
Grants	1,423,565	216,844	1,640,409
Net realized and unrealized gains on investments	11,005	265,423	276,428
Investment income, net	3,244	36,983	40,227
Other income	60,061		60,061
Pizzeria sales	258,532		258,532
Total revenues	3,434,138	522,409	3,956,547
Net assets released from restrictions	371,373	(371,373)	-
	3,805,511	151,036	3,956,547
EXPENSES			
Program services:			
Center	764,464		764,464
Shelter	735,729		735,729
Economic Opportunity	343,994		343,994
Housing	763,416		763,416
Family engagement	382,887		382,887
Pizzeria expenses	312,789		312,789
Total program services	3,303,279		3,303,279
Support services:			
General and administrative	126,353		126,353
Fundraising	113,761		113,761
Total support services	240,114		240,114
Total expenses	3,543,393		3,543,393
CHANGES IN NET ASSETS	262,118	151,036	413,154
NET ASSETS AT BEGINNING OF YEAR	4,621,762	2,528,916	7,150,678
NET ASSETS AT END OF YEAR	$ 4,883,880	$ 2,679,952	$ 7,563,832

The accompanying notes are an integral part of these financial statements.

WEST SIDE CATHOLIC CENTER AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2021

	Center	Shelter	Economic Opportunity	Housing	Family Engagement	Pizzeria Expenses	General and Administrative	Fundraising	Total
OPERATING EXPENSE									
Wages and benefits:									
Wages	$ 394,714	$ 447,637	$ 241,559	$ 287,570	$ 297,101	$ 102,395	$ 38,289	$ 56,108	$ 1,865,373
Benefits	137,553	105,452	61,927	83,660	81,181	22,511	16,937	19,750	528,971
Total wages and benefits	532,267	553,089	303,486	371,230	378,282	124,906	55,226	75,858	2,394,344
Direct program expense:									
Client expense									
EDEN				341,854					341,854
Food and beverage	42,809	48,119	2,659		18,269			332	112,188
Kitchen supplies	1,147	1,410	274			16,850			19,681
Program expense	22,731	2,882	10,160	108	5,085			80	41,046
Client assistance	6,052	4,117	8,508	3,307	8,999				30,983
Ohio City Pizzeria, LLC expense									
Delivery fees						9,621			9,621
Food and beverage						57,752			57,752
Total direct program expenses	72,739	56,528	21,601	345,269	32,353	84,223		412	613,125
Occupancy:									
Utilities	12,347	29,175	12,556	9,300	4,923	19,897	3,857	2,104	94,159
Pest control	2,006	435	155	91		1,058			3,745
Janitorial supplies	13,446	8,023	165			525	149		22,308
Waste removal	2,173	2,552				3,304			8,029
Security	72,574	3,781	2,242	65	26		589	13	79,290
Insurance	4,840	5,792	1,552	2,400	2,400		9,190	1,200	27,374
Building maintenance	30,079	25,396	7,366			18,230	19,913		100,984
Total occupancy	137,465	75,154	24,036	11,856	7,349	43,014	33,698	3,317	335,889
General and administrative costs:									
Professional fees	5,120	5,120	5,120	5,120	3,840		640	640	25,600
Staff development	157						1,376	199	1,732
Staff appreciation	4,511	3,995	3,949	3,912	2,934		1,877	596	21,774
Vehicles and transportation	636	109	50	2,840	711				4,346
Computer expenses	8,686	22,045	9,778	9,892	6,390		19,672	16,354	92,817
Office expense	1,138	603	628	963	749		2,615	377	7,073
Volunteer expense	155						50	40	245
Other administrative costs	3,870	2,305	5,623	758	752	8,889	42,014	3,453	67,664
Total general and administrative costs	24,273	34,177	25,148	23,485	15,376	8,889	68,244	21,659	221,251
Advertising and marketing:									
Postage	20		367				5,548	6,278	12,213
Printing	1,152	1,152	1,239	1,152	864		144	4,384	10,087
Public relations	25						1,698		1,723
Marketing			500			2,324	20	112,207	115,051
Miscellaneous						871			871
Total advertising and marketing	1,197	1,152	2,106	1,152	864	3,195	7,410	122,869	139,945
Total expenses before depreciation	767,941	720,100	376,377	752,992	434,224	264,227	164,578	224,115	3,704,554
Depreciation	46,509	49,044	53,105	16,845	13,087	3,623	19,454	11,277	212,944
	814,450	769,144	429,482	769,837	447,311	267,850	184,032	235,392	3,917,498
Less expenses included with special events, net on the consolidated statement of activities								(108,034)	(108,034)
Total expense	$ 814,450	$ 769,144	$ 429,482	$ 769,837	$ 447,311	$ 267,850	$ 184,032	$ 127,358	$ 3,809,464

The accompanying notes are an integral part of these financial statements.

WEST SIDE CATHOLIC CENTER AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2020

	Center	Shelter	Economic Opportunity	Housing	Family Engagement	Pizzeria Expenses	General and Administrative	Fundraising	Total
OPERATING EXPENSE									
Wages and benefits:									
Wages	$ 364,701	$ 456,797	$ 215,831	$ 272,658	$ 289,870	$ 112,153	$ 35,619	$ 54,981	$ 1,802,610
Benefits	99,807	113,534	38,845	68,108	48,221	9,648	586	14,123	392,872
Total wages and benefits	464,508	570,331	254,676	340,766	338,091	121,801	36,205	69,104	2,195,482
Direct program expense:									
Client expense									
EDEN				361,055					361,055
Food and beverage	52,284	43,207	834		19,962				116,287
Kitchen supplies	11,570	1,211				24,769	12		37,562
Program expense	16,014	2,425	1,568	1,063	6,860		10		27,940
Client assistance	6,360	167	4,545	2,170	193				13,435
Ohio City Pizzeria, LLC expense									
Delivery fees						19,662			19,662
Food and beverage						89,089			89,089
Total direct program expenses	86,228	47,010	6,947	364,288	27,015	133,520	22		665,030
Occupancy:									
Utilities	11,405	22,913	7,512	7,932	4,408	20,137	2,433	2,038	78,778
Pest control	1,735	721	342			812	10		3,620
Janitorial supplies	15,455	9,157	3,960	1,580	1,185	1,380	3,035	197	35,949
Waste removal	2,291	2,291				5,138			9,720
Security	45,401	2,996	3,183	156					51,736
Insurance	4,217	3,831	825	3,210	570	1,215	825	525	15,218
Building maintenance	25,384	10,556	5,298	146		10,926			52,310
Total occupancy	105,888	52,465	21,120	13,024	6,163	39,608	6,303	2,760	247,331
General and administrative costs:									
Professional fees	2,460	2,460	8,460	2,460	1,845		4,408	307	22,400
Staff development	80	80	80	60	65		525	8	898
Staff appreciation	1,113	1,182	888	1,088	821		3,495	276	8,863
Vehicles and transportation	628	137	183	1,802	825		15		3,590
Computer expenses	9,065	9,851	8,919	9,851	4,997		18,398	13,812	74,893
Office expense	493	178	685	725	1,797		4,331	140	8,349
Volunteer expense	616							20	636
Other administrative costs	2,381	2,492	2,743	498	523	10,208	26,729	2,884	48,458
Total general and administrative costs	16,836	16,380	21,958	16,484	10,873	10,208	57,901	17,447	168,087
Advertising and marketing:									
Postage			13				3,744	5,275	9,032
Printing	2,174	341	341	341	727		93	6,352	10,369
Public relations							4,404		4,404
Marketing	250		67			5,496		47,696	53,509
Miscellaneous	34,961					902			35,863
Total advertising and marketing	37,385	341	421	341	727	6,398	8,241	59,323	113,177
Total expenses before depreciation	710,845	686,527	305,122	734,903	382,869	311,535	108,672	148,634	3,389,107
Depreciation	53,619	49,202	38,872	28,513	18	1,254	17,681	10,270	199,429
	764,464	735,729	343,994	763,416	382,887	312,789	126,353	158,904	3,588,536
Less expenses included with special events, net on the consolidated statement of activities								(45,143)	(45,143)
Total expense	$ 764,464	$ 735,729	$ 343,994	$ 763,416	$ 382,887	$ 312,789	$ 126,353	$ 113,761	$ 3,543,393

The accompanying notes are an integral part of these financial statements.

WEST SIDE CATHOLIC CENTER AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended December 31, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	$ 220,549	$ 413,154
Adjustments to reconcile changes in net assets to net cash (used in) provided by operating activities:		
Depreciation	212,944	199,429
PPP loan forgiveness	(295,200)	-
Net realized and unrealized gains on investments	(307,980)	(276,428)
Forgiveness of loan	(14,314)	(14,314)
Contributions restricted for investments in plant	(85,521)	(72,308)
Changes in operating assets and liabilities:		
Pledges receivable	1,000	8,556
Grants receivable	35,351	(29,191)
Other receivable	43,185	(17,990)
Prepaid expenses and other assets	(1,572)	25,738
Accounts payable	(46,998)	(54,442)
Accrued liabilities and other	21,572	27,555
Total adjustments	(437,533)	(203,395)
Net cash (used in) provided by operating activities	(216,984)	209,759
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(65,718)	(76,426)
Proceeds from investments	351,998	21,212
Purchases of investments	(456,339)	(215,126)
Net cash used in investing activities	(170,059)	(270,340)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from contributions restricted for investments in plant	85,521	72,308
Proceeds from PPP loan	-	295,200
Net cash provided by financing activities	85,521	367,508
Change in cash and cash equivalents	(301,522)	306,927
Cash and cash equivalents at beginning of year	1,093,945	787,018
Cash and cash equivalents at end of year	$ 792,423	$ 1,093,945

The accompanying notes are an integral part of these financial statements.

Note 1. Summary of Significant Accounting Policies

A. Nature of Activities – West Side Catholic Center provides various services to low-income persons in Cuyahoga County, Ohio. Its sources of revenues are derived principally from grants and public contributions.

West Side Catholic Center is the sole member of Ohio City Pizzeria, LLC, which was incorporated during 2019 to provide employment opportunities to the people served by West Side Catholic Center, grow awareness of West Side Catholic Center, and to provide an additional revenue stream to support the operations of West Side Catholic Center.

The consolidated financial statements include the accounts of West Side Catholic Center and Ohio City Pizzeria, LLC, collectively the "Organization." All significant intercompany transactions and accounts are eliminated in consolidation.

B. Basis of Accounting – The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

C. Basis of Presentation – The Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions:

Net Assets Without Donor Restrictions – Net assets not subject to donor-imposed stipulations. This category includes net assets designated by the Board for endowment. At December 31, 2021 and 2020, board-designated net assets were $655,282 and $205,954, respectively.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

D. Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

E. Cash and Cash Equivalents – The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents exclude any cash or cash equivalents maintained in a professional investment account. The Organization's cash balances may exceed the insured amount from time to time.

Note 1. Summary of Significant Accounting Policies (Continued)

F. Funds Held in Trust – The Organization was a member of the Identification Crisis in Cleveland Collaboration (the "Collaboration") which was formed to address a major obstacle for people that are poor - the inaccessibility of their own birth certificates and state identification. The Organization, being the fiduciary of these funds, reported these amounts as an asset and a liability in its consolidated statements of financial position. The funds held in trust were $2,980 and $26,225 at December 31, 2021 and 2020, respectively. The Organization ceased to be a fiduciary agent of the Collaboration effective October 31, 2021. Subsequent to December 31, 2021, the Organization settled all outstanding liabilities with the Collaboration.

G. Pledges and Grants Receivable – Pledges receivable represent unconditional promises to give from an individual donor. Grants receivable represent unconditional promises to give from government agencies for reimbursement of contracts and grants and the United Way. Pledges and grants receivable expected to be collected in future years are recorded at the present value of their estimated future cash flows. At December 31, 2021, all pledges and grants receivable are due within one year.

Based on management's assessment of collection history with its donors, it has concluded an allowance is not deemed necessary as of December 31, 2021 and 2020.

H. Property and Equipment – Purchased property and equipment is stated at cost. Donated property and equipment is stated at fair value at the time of the donation. All property and equipment is being depreciated on the straight-line basis over the estimated useful lives of the assets, ranging from five to forty years. The Organization's policy is to capitalize assets greater than $5,000 with a useful life of more than one year. Repairs and maintenance are charged to expense as incurred, whereas the costs of property and equipment additions and improvements are capitalized.

I. Contributions and Grants – Contributions and grants received are recorded as without donor restrictions or with donor restrictions depending on the existence or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. For the years ended December 31, 2021 and 2020, the Organization released $221,003 and $371,373 respectively, in net assets with donor restrictions for the operations and general purposes of the Organization.

A portion of the Organization's revenue is derived from cost-reimbursable government grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific grant provisions. As of December 31, 2021, government grants totaling approximately $1,359,381 have not been recognized in the accompanying consolidated financial statements because the conditions on which they depend have not been met.

Note 1. Summary of Significant Accounting Policies (Continued)

J. Tax Status – The Organization is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from Federal income taxes.

The Organization is no longer subject to tax examinations for years before 2018 by taxing authorities in jurisdictions where the Organization has filed returns.

The Organization believes it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that would be material to the consolidated financial statements.

K. Fair Value Measurements – The carrying values of cash and cash equivalents, pledges receivable, grants and other receivable, accounts payable, and funds held in trust approximate fair value because of the short maturity of these financial instruments. Financial and nonfinancial assets and liabilities are required to be measured on an annual basis. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price) and establishes a fair value hierarchy based upon the inputs used to measure fair value. The three levels of the fair value hierarchy are as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities (for example, exchange quoted prices).

Level 2 – Inputs to the valuation methodology are observable inputs, other than Level 1 prices, such as quoted prices for similar assets or liabilities in active markets, quoted prices in markets that are not sufficiently active to qualify as Level 1, other observable inputs, or inputs that can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Inputs to the valuation methodology are significant to the fair value measurement and unobservable (for example, supported by little or no market activity).

The carrying value of the Organization's investments approximates fair value in accordance with accounting principles generally accepted in the United States of America and is summarized below:

	Fair Value Total	Level 1	Level 2
December 31, 2021:			
Money market funds	$ 224,339	$ -	$ 224,339
Equity mutual funds	2,064,354	2,064,354	-
Fixed income mutual funds	1,243,084	1,243,084	-
	$ 3,531,777	$ 3,307,438	$ 224,339

Note 1. Summary of Significant Accounting Policies (Continued)

K. Fair Value Measurements (Continued)

	Fair Value Total	Level 1	Level 2
December 31, 2020:			
Money market funds	$ 620,056	$ -	$ 620,056
Equity mutual funds	1,599,668	1,599,668	-
Fixed income mutual funds	899,732	899,732	-
	$ 3,119,456	$ 2,499,400	$ 620,056

The Organization's investments consist of marketable equity and fixed income mutual funds, with quoted prices in active markets, and are considered to be Level 1 inputs. The money market funds are valued at $1 per share, as quoted by the fund managers, and are classified as Level 2 inputs. There have been no changes in the methodologies used as of December 31, 2021 and 2020.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement as of the reporting date.

L. Donated Services and Materials – A substantial number of unpaid volunteers have donated a significant amount of time to the Organization's program services and fundraising campaigns. However, these services are not reflected in the consolidated financial statements since the services did not require specialized skills.

M. Functional Allocation of Expenses – The cost of providing various programs and supporting services has been summarized on a functional basis in the consolidated statements of activities. Certain categories of expense are attributable to one or more program or supporting functions of the Organization. Those expenses include some wages and benefits which are allocated based on estimates of time and effort and some general and administrative costs which are allocated based on program size.

N. Subsequent Events – Subsequent events have been evaluated through March 8, 2022, which is the date the consolidated financial statements were available to be issued.

Note 2. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date, comprise the following:

	2021	2020
Cash and cash equivalents	$ 792,423	$ 1,093,945
Pledges receivable - net	-	1,000
Grants receivable	152,399	187,750
Investments - non-endowed	597,914	454,552
	$ 1,542,736	$ 1,737,247

Note 2. Liquidity and Availability (Continued)

The Organization's endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Donor-restricted endowment funds are not available for general expenditure.

The Organization's board-designated endowment which is not included in the table above has a balance of $655,282 and $205,954 for the years ended December 31, 2021 and 2020, respectively, as described in Note 3. Although the Organization does not intend to spend from this board-designated endowment, these amounts could be made available if necessary. In addition, the Organization has a demand line of credit that it could draw upon.

The Organization receives significant contributions restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following two guiding principles: maintaining adequate liquid assets to fund three months of operating needs and maintaining sufficient reserves to provide reasonable assurance that future opportunities of a long-term nature can be acted upon. To achieve these targets, the Organization forecasts its future cash flows and monitors its liquidity and reserves monthly.

Note 3. Endowment

The Organization's endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments.

Interpretations of Relevant Law

The Board of Directors of the Organization interprets the Ohio Uniform Prudent Management of Institutional Funds Act ("UPMIFA") to require consideration of the several factors, if relevant, in making management and investment decisions for donor-restricted endowment funds. These factors include general economic conditions, possible effect of inflation or deflation, tax consequences of investment strategies, other resources of the institution, and value to the Organization's charitable purpose. Absent explicit donor stipulation to the contrary, the Organization shall classify as donor-restricted net assets the original value of the gifts donated to the endowment.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. The Organization has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law.

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results with a targeted annual return to exceed the rate of inflation by 1% to 2% on a rolling five-year term, while assuming a moderate level of investment risk.

Note 3. Endowment (Continued)

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a balanced portfolio to achieve its long-term return objectives within prudent risk constraints.

Spending Policy

A board designated cash account has been established. It is restricted in purpose to those activities that the Board of Directors specifically votes to support and is to be segregated from the general operating funds of the Organization and invested in a cash management account that is liquid and free from risk of significant loss. An amount equal to 3% of the Organization's average endowment portfolio is transferred annually to the designated cash account provided that such transfer does not cause the balance in the designated cash account to exceed $200,000. Should the annual transfer from the endowment portfolio cause the board designated cash account to exceed $200,000, the amount by which the annual transfer would cause the board designated cash account to exceed $200,000 would be retained in the Organization's endowment portfolio, unless specific action directing otherwise is taken by the Board of Directors. The Organization's average endowment portfolio is measured as the average month end balance of the endowment portfolio for each of the twelve months immediately preceding the Organization's year end.

The spending policy is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held, in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

The Board of Directors petitioned with the state of Ohio to release the restrictions on certain endowment funds and was granted approval from the Ohio Attorney General to reclassify $435,366 to without donor restrictions of which $176,000 was corpus and $259,366 was accumulated earnings. These funds are being maintained as board-designated endowment funds.

Endowment net asset composition by type of fund as of December 31, 2021:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment fund	$ 655,282	$ -	$ 655,282
Donor-restricted endowment funds:			
Corpus	-	818,050	818,050
Earnings on endowment	-	1,460,531	1,460,531
	$ 655,282	$ 2,278,581	$ 2,933,863

Note 3. Endowment (Continued)

Changes in endowment net assets for the year ended December 31, 2021:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 205,954	$ 2,458,950	$ 2,664,904
Investment return:			
Investment income	8,406	26,523	34,929
Net appreciation (realized and unrealized)	72,409	228,474	300,883
Total investment return	80,815	254,997	335,812
Appropriations	(66,853)	-	(66,853)
Reclassifications and transfers	435,366	(435,366)	-
Endowment net assets, end of year	$ 655,282	$ 2,278,581	$ 2,933,863

Endowment net asset composition by type of fund as of December 31, 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment fund	$ 205,954	$ -	$ 205,954
Donor-restricted endowment funds:			
Corpus	-	994,050	994,050
Earnings on endowment	-	1,464,900	1,464,900
	$ 205,954	$ 2,458,950	$ 2,664,904

Changes in endowment net assets for the year ended December 31, 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 89,413	$ 2,156,543	$ 2,245,956
Investment return:			
Investment income	1,533	36,983	38,516
Net appreciation (realized and unrealized)	11,005	265,424	276,429
Total investment return	12,538	302,407	314,945
Appropriations	(63,237)	-	(63,237)
Contribution	167,240	-	167,240
Endowment net assets, end of year	$ 205,954	$ 2,458,950	$ 2,664,904

Note 4. Property and Equipment

Property and equipment is summarized as follows at December 31:

	2021	2020
Land and improvement	$ 131,820	$ 131,820
Buildings	1,104,853	1,104,853
Building improvement	3,925,197	3,884,492
Equipment	176,947	151,934
Vehicles	25,065	25,065
Furniture and fixtures	33,745	33,745
Software	29,119	29,119
Total costs	5,426,746	5,361,028
Accumulated depreciation	(1,952,200)	(1,739,256)
	$ 3,474,546	$ 3,621,772

Depreciation expense was $212,944 and $199,429 for the years ended December 31, 2021 and 2020, respectively.

Note 5. Line of Credit

The Organization has a demand line of credit with maximum borrowings of $150,000 through a bank at December 31, 2021 and 2020. The line of credit bears interest at the prime rate of interest (3.25% at December 31, 2021) plus 1%. The line of credit is collateralized by all personal property of the Organization. There were no amounts outstanding on the line of credit at December 31, 2021 and 2020.

Note 6. Forgivable Loan

The Organization has accepted the conditions of a $143,140 Capital Funding to End Homelessness Initiative Repair Program commitment dated August 10, 2015 from the Ohio Housing Finance Agency. This is a forgivable loan, provided that the Organization renovates and maintains its emergency shelter. The loan will be reduced by 10% for each full year that the property is maintained in accordance with the terms and conditions of the loan agreement and fully forgiven in ten years. The loan term is ten years, at a fixed annual interest rate of 0%, with deferred interest and principal payments. Loan funds will be disbursed to the Organization as reimbursement for construction expenses. During 2017, the forgiveness period started and will continue for the remaining nine years. As of December 31, 2021 and 2020, the balance on the loan was $71,570 and $85,884, respectively.

Note 7. Net Assets With Donor Restrictions

Net assets with donor restrictions are designated for the following purposes:

	Balance December 31, 2021	Balance December 31, 2020
Net Assets With Donor Restrictions:		
Subject to expenditure for specified purpose:		
Capital campaign	$ -	$ 1,000
Shelter and housing programs	150,346	218,952
Pizza operations	28,190	1,050
	178,536	221,002
Subject to endowment spending policy and appropriation:		
Endowment corpus	818,050	994,050
Accumulated endowment earnings	1,460,531	1,464,900
	2,278,581	2,458,950
Total net assets with donor restrictions	$ 2,457,117	$ 2,679,952

Note 8. Pension Plan

The Organization has a defined contribution plan that provides benefits to eligible participants as determined according to the provisions of the plan agreement. Employer contributions were $36,997 and $35,841 for the years ended December 31, 2021 and 2020, respectively.

Note 9. COVID-19 Global Pandemic

On January 30, 2020, the World Health Organization declared the outbreak of the coronavirus disease 2019 ("C0VID-19") a global health emergency and subsequently declared the COVID-19 outbreak a global pandemic in March 2020. The pandemic has adversely affected domestic and global economic activity and the full impact continues to evolve as of the date of this report.

On March 27, 2020, the federal government enacted the Coronavirus Aid, Relief and Economic Security ("CARES") Act. The CARES Act created the Paycheck Protection Program ("PPP"), a program implemented by the U.S. Small Business Administration. In May 2020, the Organization received a $423,200 loan under the PPP but during the fiscal year returned $128,000 as the majority of the payroll costs were covered by other federal grants. The loan was recorded as debt until forgiven. On May 5, 2021, the PPP loan was fully forgiven and recorded as income.

WEST SIDE CATHOLIC CENTER AND SUBSIDIARY

UNIFORM GUIDANCE AUDIT REQUIREMENTS

WEST SIDE CATHOLIC CENTER AND SUBSIDIARY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Housing & Urban Development			
Continuum of Care Program	14.267	$ 341,854	$ 582,792
U.S. Department of Housing & Urban Development passed through Cuyahoga County			
Continuum of Care Program - Rapid Re-housing for Families	14.267		193,665
Total Continuum of Care Program			776,457
U.S. Department of Housing & Urban Development passed through City of Cleveland Department of Development			
Emergency Solutions Grant Program	14.231		51,055
U.S. Department of Housing & Urban Development passed through Cuyahoga County			
Emergency Solutions Grant Program	14.231		68,205
Total Emergency Solutions Grant Program			119,260
U.S. Department of Agriculture passed through the Ohio Department of Education			
Child and Adult Care Food Program	10.558		36,331
Emergency Food and Shelter Board passed through Cuyahoga County			
Emergency Food and Shelter Program	97.024		81,375
U.S. Department of Veterans Affairs			
Veterans Special Needs Program	64.024		54,400
U.S. Department of Housing & Urban Development passed through City of Cleveland Department of Development			
CDBG Cares	14.218		33,289
U.S. Department of Agriculture passed through Cuyahoga County			
SNAP E&T	10.537		140,431
Total Expenditures of Federal Awards		$ 341,854	$ 1,241,543

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of West Side Catholic Center and Subsidiary under programs of the federal government for the year ended December 31, 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* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of West Side Catholic Center and Subsidiary, it is not intended to and does not present the financial position, changes in net assets, or cash flows of West Side Catholic Center and Subsidiary.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited in reimbursement.

Note 3. Indirect Cost Rate

West Side Catholic Center and Subsidiary have elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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Independent Auditors' 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*

Board of Directors
West Side Catholic Center
Cleveland, Ohio

We have audited, 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, the consolidated financial statements of West Side Catholic Center (a nonprofit organization) and Subsidiary, which comprise the consolidated statement of financial position as of December 31, 2021, and the related consolidated statements of activities and changes in net assets, 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 8, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered West Side Catholic Center and Subsidiary's 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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of West Side Catholic Center and Subsidiary's internal control. Accordingly, we do not express an opinion on the effectiveness of West Side Catholic Center and Subsidiary's internal control over financial reporting.

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 consolidated 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 and therefore, material weaknesses or significant deficiencies may exist and that have not been identified. 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 or significant deficiencies may exist that were not identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether West Side Catholic Center and Subsidiary's consolidated financial statements are free from material misstatement, we performed tests of their 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 West Side Catholic Center and Subsidiary's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering West Side Catholic Center and Subsidiary's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Meloney + Novotny LLC

Cleveland, Ohio
March 8, 2022

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Independent Auditors' Report on Compliance for the Major Program
and on Internal Control Over Compliance Required by the Uniform Guidance

Board of Directors
West Side Catholic Center
Cleveland, Ohio

Report on Compliance for the Major Federal Program

Opinion on Each Major Federal Program

We have audited West Side Catholic Center and Subsidiary's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget ("OMB") Compliance Supplement that could have a direct and material effect on West Side Catholic Center and Subsidiary's major federal program for the year ended December 31, 2021. West Side Catholic Center and Subsidiary's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, West Side Catholic Center and Subsidiary complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of West Side Catholic Center and Subsidiary 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 West Side Catholic Center and Subsidiary'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 West Side Catholic Center and Subsidiary'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 West Side Catholic Center and Subsidiary'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 generally accepted auditing standards, *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 West Side Catholic Center and Subsidiary'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 West Side Catholic Center and Subsidiary'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 West Side Catholic Center and Subsidiary'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 West Side Catholic Center and Subsidiary'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 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 Auditors' 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, we express no such opinion.

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.

Maloney + Novotny LLC

Cleveland, Ohio
March 8, 2022

Section I - Summary of Auditor's 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(es) identified?		yes	X	no
Significant deficiency(ies) identified?		yes	X	none reported
Noncompliance material to financial statements noted?		yes	X	no

Federal Awards

Internal control over major federal programs:				
Material weakness(es) identified?		yes	X	no
Significant deficiency(ies) identified?		yes	X	none reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?		yes	X	no

Identification of major federal programs:

Assistance Listing Numbers	**Name of Federal Program or Cluster**
14.267	Continuum of Care Program

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000			
Auditee qualified as a low risk auditee?	X	yes		no

Section II - Financial Statement Findings

No findings were noted.

Section III - Federal Award Findings and Questioned Costs

No findings were noted.