

ST. JOSEPH CENTER

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

ST. JOSEPH CENTER
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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WE ARE AN INDEPENDENT MEMBER OF
THE GLOBAL ADVISORY
AND ACCOUNTING NETWORK

**AUDIT
AND
ASSURANCE**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
St. Joseph Center

Report on the Financial Statements

We have audited the accompanying financial statements of St. Joseph Center (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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 statements.

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

Opinion

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

To the Board of Directors
St. Joseph Center

Report on Summarized Comparative Information

We have previously audited St. Joseph Center's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 24, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derive

Other Matters - Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2022, on our consideration of St. Joseph Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 St. Joseph Center's internal control over financial reporting and compliance.

Green Hasson & Janks LLP

January 25, 2022
Los Angeles, California

ST. JOSEPH CENTER

STATEMENT OF FINANCIAL POSITION June 30, 2021 With Summarized Totals at June 30, 2020

ASSETS	2021			2020 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
Cash and Cash Equivalents	\$ 7,458,312	\$ 919,945	\$ 8,378,257	\$ 6,460,364
Restricted Cash - Held for Others	433,597	-	433,597	368,425
Investments	1,579,115	-	1,579,115	6,513,509
Grants and Contracts Receivable (Net)	10,979,407	-	10,979,407	6,019,858
Contributions Receivable	45,950	1,823,000	1,868,950	1,066,950
Prepaid Expenses and Other Assets	624,883	-	624,883	525,311
Property and Equipment (Net)	7,617,346	-	7,617,346	8,065,574
TOTAL ASSETS	\$ 28,738,610	\$ 2,742,945	\$ 31,481,555	\$ 29,019,991
LIABILITIES AND NET ASSETS				
LIABILITIES:				
Accounts Payable	\$ 992,526	\$ -	\$ 992,526	\$ 782,271
Accrued Liabilities	2,517,868	-	2,517,868	1,759,924
Refundable Contract Advances	3,652,661	-	3,652,661	3,767,401
Funds Held for Others	433,597	-	433,597	368,425
Paycheck Protection Program Loan	3,199,400	-	3,199,400	3,199,400
Note Payable	240,549	-	240,549	290,615
TOTAL LIABILITIES	11,036,601	-	11,036,601	10,168,036
NET ASSETS:				
Without Donor Restrictions	17,702,009	-	17,702,009	16,648,076
With Donor Restrictions	-	2,742,945	2,742,945	2,203,879
TOTAL NET ASSETS	17,702,009	2,742,945	20,444,954	18,851,955
TOTAL LIABILITIES AND NET ASSETS	\$ 28,738,610	\$ 2,742,945	\$ 31,481,555	\$ 29,019,991

The Accompanying Notes are an Integral Part of These Financial Statements

ST. JOSEPH CENTER

STATEMENT OF ACTIVITIES

Year Ended June 30, 2021

With Summarized Totals for the Year Ended June 30, 2020

	2021			2020 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
REVENUE AND SUPPORT:				
Government Grants and Contracts	\$ 36,176,810	\$ -	\$ 36,176,810	\$ 27,881,950
Grants and Contributions	3,367,630	1,915,590	5,283,220	10,147,124
In-Kind Contributions	863,718	-	863,718	700,116
Childcare Fees	53,602	-	53,602	490,028
Special Events (Net of Direct Donor Benefits of \$238,047)	468,476	-	468,476	399,734
Other Income	151,461	-	151,461	83,450
Net Assets Released from Donor Restrictions	1,376,524	(1,376,524)	-	-
TOTAL REVENUE AND SUPPORT	42,458,221	539,066	42,997,287	39,702,402
OPERATING EXPENSES:				
Program Services	35,469,428	-	35,469,428	29,159,578
Management and General	4,733,318	-	4,733,318	3,536,416
Fundraising	1,201,542	-	1,201,542	1,276,783
TOTAL OPERATING EXPENSES	41,404,288	-	41,404,288	33,972,777
CHANGE IN NET ASSETS	1,053,933	539,066	1,592,999	5,729,625
Net Assets - Beginning of Year	16,648,076	2,203,879	18,851,955	13,122,330
NET ASSETS - END OF YEAR	\$ 17,702,009	\$ 2,742,945	\$ 20,444,954	\$ 18,851,955

The Accompanying Notes are an Integral Part of These Financial Statements

ST. JOSEPH CENTER

STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2021
With Summarized Totals for the Year Ended June 30, 2020

	Program Services					Supporting Services			Total Expenses	
	Housing	Outreach and Engagement	Mental Health	Education and Vocational Training	Total Program Services	Management and General	Fundraising	Total Supporting Services	2021	2020
Salaries	\$ 6,628,843	\$ 3,211,900	\$ 4,208,182	\$ 774,859	\$ 14,823,784	\$ 2,396,422	\$ 910,618	\$ 3,307,040	\$ 18,130,824	\$ 16,539,881
Payroll Taxes and Benefits	1,234,735	658,276	787,730	218,792	2,899,533	829,461	112,718	942,179	3,841,712	3,229,980
TOTAL PERSONNEL COSTS	7,863,578	3,870,176	4,995,912	993,651	17,723,317	3,225,883	1,023,336	4,249,219	21,972,536	19,769,861
Accounting	4,868	2,313	12,186	7,473	26,840	105,120	3,576	108,696	135,536	130,011
Advertising and Recruitment	447	249	50	568	1,314	36,547	16,856	53,403	54,717	34,972
Bank Charges	8,661	1,118	2,091	-	11,870	49,871	-	49,871	61,741	42,784
Client Direct Aid	10,872,709	751,214	1,093,620	1,137,376	13,854,919	126,940	40	126,980	13,981,899	8,404,959
Contracted Services	394,096	198,750	76,979	-	669,825	66,264	-	66,264	736,089	808,948
Depreciation	110,047	74,053	102,416	61,463	347,979	95,535	22,364	117,899	465,878	426,159
Dues and Subscriptions	3,029	554	46,899	2,270	52,752	67,426	22,815	90,241	142,993	151,066
Insurance	56,755	35,933	44,450	10,964	148,102	108,862	10,658	119,520	267,622	201,488
Interest Expense	-	-	-	-	-	53,079	-	53,079	53,079	15,918
Equipment Purchases	35,256	41,051	45,876	12,173	134,356	37,285	9,180	46,465	180,821	176,037
Office and General Supplies	57,022	24,153	19,478	21,012	121,665	128,148	11,937	140,085	261,750	401,612
Outside Services	360,607	142,781	372,706	57,639	933,733	373,994	56,082	430,076	1,363,809	1,476,411
Rent and Storage	324,072	262,617	274,450	2,676	863,815	43,845	2,358	46,203	910,018	998,126
Repairs and Maintenance	14,804	9,324	18,192	14,961	57,281	14,369	4,241	18,610	75,891	129,333
Staff Development	8,472	6,443	14,705	179	29,799	56,415	627	57,042	86,841	149,227
Telephone	64,764	33,809	53,124	9,202	160,899	102,872	6,294	109,166	270,065	283,801
Transportation	39,259	35,251	76,151	2,020	152,681	13,084	131	13,215	165,896	191,223
Utilities	41,290	9,570	32,277	21,411	104,548	25,953	6,647	32,600	137,148	139,560
Volunteers and Interns	41,333	25,200	-	7,200	73,733	1,826	4,400	6,226	79,959	41,281
TOTAL 2021 FUNCTIONAL EXPENSES	<u>\$ 20,301,069</u>	<u>\$ 5,524,559</u>	<u>\$ 7,281,562</u>	<u>\$ 2,362,238</u>	<u>\$ 35,469,428</u>	<u>\$ 4,733,318</u>	<u>\$ 1,201,542</u>	<u>\$ 5,934,860</u>	<u>\$ 41,404,288</u>	
					86%	11%	3%	14%	100%	
TOTAL 2020 FUNCTIONAL EXPENSES	<u>\$ 13,334,631</u>	<u>\$ 6,989,738</u>	<u>\$ 6,203,976</u>	<u>\$ 2,631,233</u>	<u>\$ 29,159,578</u>	<u>\$ 3,536,416</u>	<u>\$ 1,276,783</u>	<u>\$ 4,813,199</u>		<u>\$ 33,972,777</u>
					86%	10%	4%	14%		100%

The Accompanying Notes are an Integral Part of These Financial Statements

ST. JOSEPH CENTER

STATEMENT OF CASH FLOWS

Year Ended June 30, 2021

With Summarized Totals for the Year Ended June 30, 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ 1,592,999	\$ 5,729,625
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities:		
Depreciation	465,878	426,159
Contributed Rent	33,000	33,000
Realized and Unrealized (Gain) Loss on Investments	(64,748)	4,120
Provision for Grants and Contracts Reserves	110,179	101,131
(Increase) Decrease in:		
Grants and Contracts Receivable	(5,069,728)	(825,148)
Contributions Receivable	(835,000)	10,000
Prepaid Expenses and Other Assets	(99,572)	(96,594)
Increase (Decrease) in:		
Accounts Payable	210,255	320,621
Accrued Liabilities	757,944	145,305
Refundable Contract Advances	(114,740)	742,953
Funds Held for Others	65,172	(288,498)
	(2,948,361)	6,302,674
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Property and Equipment	(17,650)	(584,693)
Purchases of Investments	(11,002,097)	(6,102,827)
Proceeds from Sales of Investments	16,001,239	97,953
	4,981,492	(6,589,567)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Paycheck Protection Program Loan	-	3,199,400
Payments on Note Payable	(50,066)	(47,327)
	(50,066)	3,152,073
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,983,065	2,865,180
Cash and Cash Equivalents - Beginning of Year	6,828,789	3,963,609
	\$ 8,811,854	\$ 6,828,789
CASH AND CASH EQUIVALENTS - END OF YEAR		
CASH AND CASH EQUIVALENTS INCLUDES:		
Cash and Cash Equivalents	\$ 8,378,257	\$ 6,460,364
Restricted Cash - Held for Clients	433,597	368,425
	\$ 8,811,854	\$ 6,828,789
TOTAL CASH AND CASH EQUIVALENTS		
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash Paid During the Year for Interest	\$ 15,143	\$ 15,901

The Accompanying Notes are an Integral Part of These Financial Statements

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 1 - ORGANIZATION

The mission of St. Joseph Center (the Center) is to provide working poor families, as well as homeless men, women, and children of all ages, with the inner resources and tools to become productive, stable and self-supporting members of the community. Since 1976, St. Joseph Center has been meeting the needs of low-income and homeless individuals and families in Los Angeles County. The Center assists people without regard for religious affiliation or lack thereof and enjoys broad-based community support as well as a sponsored relationship with its founders, the Sisters of St. Joseph of Carondelet. The Center served 14,891 people in the year ended June 30, 2021 through comprehensive case management, mental health, and integrated social service programs. Services are provided at multiple sites in Los Angeles County, with most efforts centered on the Westside and in South Los Angeles.

St. Joseph Center's program services are funded through a combination of government grants, contributions from private foundations and corporations, and gifts from individual donors.

St. Joseph Center provides clients with concentrated and coordinated access to a range of services according to the nature of their needs. Current programs include:

Outreach and Engagement

- Bread & Roses Café serves hot, nutritious meals to homeless men and women in a welcoming, restaurant-style atmosphere that fosters dignity and respect. Currently, we provide the meals in "to go" containers as in-room dining was cancelled due to COVID.
- Broadway Manchester Service Center is a community-based hub for the Center's services in South Los Angeles, including the Center's Vehicular Homeless Outreach Program, Rapid Rehousing, Housing for Health, and more.
- Countywide Benefits Entitlement Services Team (CBEST) provides targeted advocacy to assist homeless men and women in obtaining sustainable income through such programs as SSI, SSDI, CAPI (DPSS), and the VA that can help them move from homelessness to independent living.
- Coordinated Entry System is the region-wide collaborative led by the Center that coordinates outreach and housing placement efforts for homeless individuals on the Westside. The Center is also an active partner in the CES system in South Los Angeles.
- Homeless Service Center serves as an access point for the Coordinated Entry System and provides case management aimed at helping homeless individuals obtain permanent housing; it also offers referrals for critical services such as substance abuse treatment and offers emergency services such as shelter placement assistance and showers.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS June 30, 2021

NOTE 1 - ORGANIZATION (continued)

- Street Outreach/Housing Navigation Programs include the Vehicular Homeless Outreach Program in South Los Angeles along with Outreach/Housing Navigation teams focused on Culver City, Venice, and other Westside communities. These teams provide outreach and housing placement services for vehicular and street homeless individuals/families.
- Venice C3 is a partnership between the County of Los Angeles, the City of Los Angeles, and community organizations led by the Center. Venice C3 is designed to systematically engage people living on the streets of Venice and help them regain health and housing stability through direct service and referrals to critical resources.

Housing

- Integrated Mobile Health Team provides mental health, physical health and substance abuse services to chronically homeless individuals through a multidisciplinary staff working as one team to help clients obtain and maintain permanent supportive housing.
- Homeless Family Solution System provides short-term rental assistance, resource referrals, and case management to homeless and at-risk families with children in an effort to support housing stability.
- Housing for Health helps high utilizers of the County of Los Angeles public health facilities in South Los Angeles and on the Westside obtain and maintain permanent supportive housing in both individually subsidized apartments and in affordable housing developments.
- Housing Services assists people in securing and maintaining voucher-based permanent housing and provides case management and other direct client services that promote stability and self-sufficiency for households in individually subsidized apartments and at various affordable housing developments around Los Angeles.
- Rapid Rehousing provides move-in assistance and short-term rental subsidies to homeless households on the Westside and in South Los Angeles capable of quickly regaining and maintaining stability, including individuals, youth, and families.
- Project RoomKey (PRK) provides short-term interim housing for COVID vulnerable men and women.
- COVID Recovery Rehousing Program (COVID RRP) provides case management, housing navigation, move-in and rental assistance to COVID vulnerable men and women transitioning from PRK into permanent housing

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS June 30, 2021

NOTE 1 - ORGANIZATION (continued)

Mental Health

- OCS-ISM/Animo provides traditional and non-traditional mental health services to underserved Latino families and individuals on the Westside.
- Outpatient Clinical Services deliver mental health services to increase independence and support housing stability for formerly chronically homeless individuals.
- Monetary Advisory Program provides case management and money management to individuals living with mental illness.
- Santa Monica Youth Resource Team works with specifically identified youth, ages 16-24, to help them and their families address issues ranging from basic needs to housing, mental health and educational/vocational services.

Education and Vocational Training

- Codetalk is a bootcamp style vocational training program to prepare underserved and low-income women for careers in the tech sector and support them in securing and sustaining employment
- Fortifi LA is a technology vocational program for people with justice experience providing technology training and employment preparation and support.
- The Culinary Training Program Bread Roses/Kitchen educates low-income adults in food service culinary skills and professional development to help them obtain jobs in the food sector.
- Early Learning Center provides children 18 months to 5 years old the opportunity to learn, grow, and become confident, independent learners in a nurturing and socioeconomically diverse environment.
- Food Pantry provides low-income households and households impacted by economic hardship with supplemental groceries, household items and fresh produce. The program aims to support nutrition and the overall health and well-being of families and individuals experiencing food insecurity.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PRESENTATION

The accompanying financial statements have been prepared on the accrual basis of accounting.

(b) NET ASSETS

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- **Net Assets Without Donor Restrictions.** Net assets available for use in general operations and not subject to donor-imposed restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment fund.
- **Net Assets With Donor Restrictions.** Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) and/or if the related conditions are met in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from donor restrictions.

(c) CASH AND CASH EQUIVALENTS AND RESTRICTED CASH - HELD FOR OTHERS

St. Joseph Center has defined cash and cash equivalents as cash in banks and certificates of deposits with an original maturity of three months or less at the time of purchase. The carrying value of cash and cash equivalents at June 30, 2021 approximates its fair value.

Restricted cash - held for others includes funds placed in custody of St. Joseph Center for the benefit of its clients and maintained in separate bank accounts. Such funds are also reflected as funds held for others liability in the accompanying statement of financial position.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) INVESTMENTS

Investments in equity and debt securities with readily determinable market values are reported at fair value. Investment purchases and sales are accounted for on a trade-date basis. Interest income is recorded as earned on an accrual basis, and dividend income is recorded based upon the ex-dividend date. Realized gains and losses are calculated based upon the underlying cost of the securities traded. Unrealized gains and losses are included in investment return in the statement of activities and represent the difference between the cost and fair value of investments held at the end of the fiscal year.

(e) GRANTS AND CONTRACTS RECEIVABLE, REFUNDABLE CONTRACT ADVANCES, AND RELATED REVENUE RECOGNITION

Grants and contracts receivable are recorded when billed or accrued and represent claims against third parties that will be settled in cash. The carrying value of receivables, net of the allowance for doubtful accounts, represents their estimated net realizable value. The allowance for doubtful accounts, is estimated based on historical collection trends, type of customer, the age of outstanding receivables and existing economic conditions. If events or changes in circumstances indicate that specific receivable balances may be impaired, further consideration is given to the collectability of those balances and the allowance is adjusted accordingly. Past due receivable balances are written off when internal collection efforts have been unsuccessful in collecting the amount due. At June 30, 2021, the majority of receivables are due from governmental agencies and no allowance for uncollectible receivables was considered necessary except as described below.

St. Joseph Center performs services under a significant number of contracts that are administered by the Los Angeles County Department of Mental Health (LACDMH) involving local, state and federal government funds. Contract service payments are generally provided monthly, but are subject to approval by the various funding agencies. Final settlements with the various funding agencies are taking from one to eight years, with initial findings in many cases not available for three or four years after funding. As a result, St. Joseph Center establishes reserves for claims made, for disputed claims and for unexamined years. At June 30, 2021, the LACDMH reserve totaled \$87,879.

St. Joseph Center also performs services under a significant number of contracts that are administered by the Los Angeles Homeless Services Authority (LAHSA). Similarly, amounts billed to LAHSA are subject to review and approval by the grantor. As a result, St. Joseph Center establishes reserves for potential disallowed amounts. At June 30, 2021, the LAHSA reserve totaled \$188,343.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) GRANTS AND CONTRACTS RECEIVABLE, REFUNDABLE CONTRACT ADVANCES, AND RELATED REVENUE RECOGNITION (continued)

The majority of St. Joseph Center's revenue is derived from fee-for-service and cost reimbursement grants and contracts, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Such grants are generally considered nonreciprocal transactions restricted by the awarding agencies for certain purposes. Amounts received are recognized as revenue when St. Joseph Center has satisfied the specific performance requirements or incurred expenditures in compliance with specific contract or grant provisions. St. Joseph Center has elected to adopt a policy whereby donor-restricted grants and contributions that were initially conditional and whose conditions and restrictions are met in the same reporting period are recognized as revenue without donor restrictions. Amounts received prior to incurring qualifying expenditures or fulfilling the specific performance obligations are reported as refundable contract advances in the statement of financial position.

Childcare fees revenue is earned from contracts with families for the provision of childcare services and is generally billed based on a pre-determined monthly rate in the month the services are provided. Revenue from childcare fees is recognized over time during the period of service when the respective performance obligations are satisfied.

(f) CONTRIBUTIONS RECEIVABLE

St. Joseph Center recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest are received. St. Joseph Center recognizes unconditional contributions as restricted support if they are received with donor stipulations that limit the use of the donated assets. Contributions receivable are discounted to their present value when payments are expected in future periods exceeding one year. These discounts are recorded as reductions to contribution revenue and contributions receivable, and are adjusted annually. St. Joseph Center evaluated the collectability of contributions receivable and determined that no allowance for uncollectible contributions receivable was necessary at June 30, 2021.

Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. Intentions to give are not included as support until payments are made or enforceable promises to give are executed.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost if purchased or at fair value at the date of donation if donated. Depreciation is computed on the straight-line basis over the estimated useful lives of the related assets. Maintenance and repair costs are charged to expense as incurred. Property and equipment are capitalized if the cost of an asset is greater than or equal to \$5,000 and the useful life is greater than one year.

The estimated useful lives are as follows:

Furniture and Equipment	3 - 5 Years
Computer Software	5 - 10 Years
Buildings	30 - 50 Years
Buildings Improvements	5 - 10 Years
Leasehold Improvements	3 - 10 Years
Vehicles	3 - 5 Years

(h) LONG-LIVED ASSETS

St. Joseph Center reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the book value of the assets may not be recoverable. An impairment loss is recognized when the sum of the undiscounted future cash flows is less than the carrying amount of the asset, in which case a write-down is recorded to reduce the related asset to its estimated fair value. No impairment losses were recognized on long-lived assets during the year ended June 30, 2021.

(i) PAYCHECK PROTECTION PROGRAM (PPP) LOAN

Management has elected to account for the forgivable loan received under the Paycheck Protection Program (PPP) provisions of the Coronavirus Aid, Relief and Economic Security (CARES) Act as a debt instrument and to accrue interest on the outstanding loan balance. Additional interest at a market rate (due to the stated interest rate of the PPP loan being below market) is not imputed, as transactions where interest rates are prescribed by governmental agencies are excluded from the scope of the accounting guidance on imputing interest. The proceeds from the loan will remain recorded as a liability until either 1) the loan is, in part or wholly, forgiven and St. Joseph Center has been legally released or 2) St. Joseph Center repays the loan to the lender.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) IN-KIND CONTRIBUTIONS

Contributions of donated non-cash assets are recorded at fair value in the period received. Contributions of donated services are recognized if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, were provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. In-kind contributions of \$863,718 were received during the year ended June 30, 2021 that satisfied the criteria for recognition.

(k) INCOME TAXES

St. Joseph Center is exempt from taxation under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d.

In accordance with the Financial Accounting Standards Board (FASB) ASC Topic No. 740, *Uncertainty in Income Taxes*, St. Joseph Center recognizes the impact of tax positions in the financial statements if that position is more likely than not to be sustained on audit, based on the technical merits of the position. During the year ended June 30, 2021, St. Joseph Center performed an evaluation of uncertain tax positions and did not identify any matters that would require recognition in the financial statements or which might have an effect on its tax-exempt status.

(l) FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing St. Joseph Center's programs and other activities have been presented in the statement of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. St. Joseph Center uses program census and salary dollars, as well as square footage, to allocate indirect costs.

(m) CONCENTRATIONS

St. Joseph Center maintains its cash and cash equivalents and restricted cash - held for others in bank deposit accounts and other investment accounts, which, at times, may exceed federally insured limits.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Because of the level of risk associated with certain long-term investments, it is reasonably possible that changes in the values of these investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) CONCENTRATIONS (continued)

The grants and contracts receivable balance outstanding at June 30, 2021 consists primarily of balances due from county, state, and federal granting agencies, and, as a result, concentration of credit risks with respect to such balances is limited.

Approximately 84% of St. Joseph Center's revenue and support is provided by various government agencies. St. Joseph Center anticipates that it will continue to run these programs although there can be no assurance that St. Joseph Center will be able to obtain future grant agreements upon the expiration of the current term of the contracts. The entire amount of grants and contracts receivable balance of \$10,979,407 at June 30, 2021 is from such government contracts, and as a result, concentration of credit risk with respect to these receivables is limited.

(n) 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 reported amounts of assets, liabilities, revenues and expenses as of the date and for the period presented. Accordingly, actual results could differ from those estimates.

(o) COMPARATIVE TOTALS

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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with St. Joseph Center's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) NEW ACCOUNTING PRONOUNCEMENTS

In May 2014, FASB issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers*, which improves and converges the revenue recognition requirements of accounting principles generally accepted in the United States of America and International Financial Reporting Standards. The ASU replaces the existing accounting standards for revenue recognition with a single comprehensive five-step model, which is intended to provide principles within a single framework for revenue recognition of transactions involving contracts with customers across all industries. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance also requires more detailed disclosures to enable users of financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The guidance has subsequently been amended through a series of ASUs between August 2015 and September 2017 to improve the operability and understandability of the implementation guidance on scope exceptions, and various other narrow aspects, as identified and addressed in such updates. St. Joseph Center implemented this ASU during the year ended June 30, 2021. There was no significant impact to St. Joseph Center's financial statements as a result of the implementation of the ASU, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

In February 2016, FASB issued ASU No. 2016-02, *Leases*, which is intended to improve financial reporting about leasing transactions. The new standard will require organizations that lease assets with terms of more than 12 months to recognize on the statement of financial position the assets and liabilities for the rights and obligations created by those leases. The ASU also will require disclosures to help financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases. These disclosures include qualitative and quantitative requirements and provide additional information about the amounts recorded in the financial statements. For St. Joseph Center, the ASU will be effective for the year ending June 30, 2023.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) NEW ACCOUNTING PRONOUNCEMENTS (continued)

In September 2020, FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU is intended to improve transparency in the reporting of contributed nonfinancial assets (also known as gifts-in-kind) received by not-for-profit organizations, including transparency on how those assets are used and how they are valued. For St. Joseph Center, the ASU will be effective for the year ending June 30, 2022.

(q) SUBSEQUENT EVENTS

St. Joseph Center has evaluated events and transactions occurring subsequent to the statement of financial position date of June 30, 2021 for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through January 25, 2022, the date these financial statements were available to be issued. No such material events or transactions were noted to have occurred except as noted in Notes 6 and 9.

NOTE 3 - INVESTMENTS

At June 30, 2021, investments consist of the following:

Government Bonds	\$	999,786
Mutual Funds		568,716
Equities		10,613
TOTAL INVESTMENTS	\$	1,579,115

NOTE 4 - FAIR VALUE MEASUREMENTS

St. Joseph Center has implemented the fair value accounting standard for those assets (and liabilities) that are re-measured and reported at fair value at each reporting period. This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value based on inputs used, and requires additional disclosures about fair value measurements. The standard applies to fair value measurements already required or permitted by existing standards.

In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets (or liabilities). Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset (or liability) and include situations where there is little, if any, market activity for the asset (or liability).

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 4 - FAIR VALUE MEASUREMENTS (continued)

The following table presents information about St. Joseph Center's assets that are measured at fair value on a recurring basis at June 30, 2021 and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value:

	Year Ended June 30, 2021	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Government Bonds	\$ 999,786	\$ -	\$ 999,786	\$ -
Mutual Funds:				
Equity	252,689	252,689	-	-
Fixed Income	316,027	316,027	-	-
Equities	10,613	10,613	-	-
TOTAL INVESTMENTS	\$ 1,579,115	\$ 579,329	\$ 999,786	\$ -

The fair values of marketable securities within Level 1 inputs were obtained based on quoted market prices at the closing of the last business day of the fiscal year.

The fair values of government bonds within Level 2 were determined using pricing models maximizing the use of observable inputs for similar securities or recent trades for the securities held.

NOTE 5 - CONTRIBUTIONS RECEIVABLE

Contributions receivable at June 30, 2021, are due to be received as follows:

Due within 1 Year	\$ 778,950
Due in 1-5 Years	232,000
Due in Over 5 Years	<u>858,000</u>
CONTRIBUTIONS RECEIVABLE	<u>\$ 1,868,950</u>

Contributions receivable include a promise that St. Joseph Center received in 2002 for the lease of the land on which St. Joseph Center's office headquarters was built, at an annual rental cost of \$1 for 50 years. Accordingly, St. Joseph Center recorded the below-market lease as a contribution receivable at the time the agreement was executed, valued at the estimated net present value of the contributed use of land. The contribution receivable is being amortized over 50 years, representing the term of the related lease agreement, with the annual value of contributed rent expense of \$33,000 released from net assets with donor restrictions. At June 30, 2021, the contribution receivable related to the use of this land amounted to \$1,023,000.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 6 - PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2021 consist of the following:

Buildings and Improvements	\$ 9,446,880
Furniture and Equipment	2,478,450
Vehicles	427,693
Leasehold Improvements	411,222
Computer Software	172,308
Land	<u>165,447</u>
TOTAL	13,102,000
Less: Accumulated Depreciation	<u>(5,484,654)</u>
PROPERTY AND EQUIPMENT (NET)	<u><u>\$ 7,617,346</u></u>

Depreciation expense for the year ended June 30, 2021 was \$465,878.

Subsequent to year-end, in December 2021, St. Joseph Center entered into a purchase agreement for a hotel in Los Angeles to serve as interim housing for the individuals and families it serves. The total acquisition price of the facility was \$2,985,000, and St. Joseph Center utilized proceeds from its line of credit to finance half of the purchase price and paid the remainder of the amount using cash and cash equivalents.

NOTE 7 - FUNDS HELD FOR OTHERS

Funds held for others represent funds to be disbursed under payee programs. These funds are maintained in separate bank accounts. At June 30, 2021, the funds consisted of the following:

LAHSA Representative Payee Project Client Funds	\$ 214,228
Monetary Advisory Program Client Funds	162,845
Veterans Representative Payee Project	<u>56,524</u>
TOTAL FUNDS HELD FOR OTHERS	<u><u>\$ 433,597</u></u>

NOTE 8 - LINE OF CREDIT

St. Joseph Center has a revolving line of credit with a bank in the amount of \$3,000,000 which bears interest at the Bank's prime rate plus 1%, with an interest rate floor of 4.25%. The line of credit matures in May 2023. St. Joseph Center had no outstanding amount on the line of credit at June 30, 2021 and the entire amount of the line is available. At June 30, 2021, the Bank's prime rate was 3.25%, and the interest rate on the line of credit was 4.25%.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 9 - PAYCHECK PROTECTION PLAN LOAN

In April 2020, St. Joseph Center applied for and received a PPP loan in the amount of \$3,199,400. The PPP loan, administered by the Small Business Administration (SBA), bears interest at a fixed rate of 1.0% per annum, has a term of five years, and is unsecured and guaranteed by the SBA. Interest accrues on the loan beginning with the initial disbursement; however, payments of principal and interest are deferred until the lender's determination of the amount of forgiveness applied for by the borrower is approved by the SBA.

At June 30, 2021 the total outstanding balance of the PPP loan was \$3,199,400.

Subsequent to year-end, in August 2021, St. Joseph Center received full forgiveness and has been legally released from the PPP loan obligation.

NOTE 10 - NOTE PAYABLE

Note payable at June 30, 2021 consist of the following:

Note Payable to the Sisters of St. Joseph of Carondelet, Secured by a Deed of Trust on Real Property in Venice, California, Payable in Monthly Payments of Principal and Interest, Bearing Interest at 4%, Due June 2028.

\$ 240,549

The note payable contains various covenants and restrictions including, among others, timely delivery of periodic financial statements.

Future maturities of note payable as of June 30, 2021 are as follows:

Years Ending June 30

2022	\$	30,387
2023		31,625
2024		32,914
2025		34,255
2026		35,650
Thereafter		<u>75,718</u>
TOTAL	\$	<u>240,549</u>

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 11 - NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions consist of undesignated and Board designated amounts for the following purposes at June 30, 2021:

Undesignated	\$ 17,122,680
Board Designated: Endowment Fund	<u>579,329</u>
TOTAL NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>\$ 17,702,009</u>

The Board designated endowment fund of \$579,329 is held with investments, and its primary objective is to provide a permanent source of income to St. Joseph Center to help meet operational needs as designated by the Board of Directors.

The primary long-term financial objective for St. Joseph Center's endowment is to preserve the real (inflation-adjusted) purchasing power of endowment assets and income after accounting for endowment spending, inflation and costs of portfolio management. Accumulated earnings as well as gains and losses related to endowment funds are classified as Board designated net assets without donor restrictions until they are appropriated by the Board of Directors for use in current operations.

At June 30, 2021, changes in St. Joseph Center's endowment net assets were as follows:

Endowment Net Assets - Beginning of Year	\$ 512,755
Investment Return (Net)	66,574
Appropriation of Endowment Assets for Expenditure	<u>-</u>
ENDOWMENT NET ASSETS - END OF YEAR	<u>\$ 579,329</u>

NOTE 12 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at June 30, 2021:

Subject to Expenditure for Specified Purpose:	
Office Headquarters (Note 5)	\$ 1,023,000
Fortifi LA	1,000,000
Homeless Support Programs	400,000
Code Talk Program	297,723
Other Program Services	<u>22,222</u>
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ 2,742,945</u>

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 12 - NET ASSETS WITH DONOR RESTRICTIONS (continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended June 30, 2021:

Satisfaction of Purpose Restrictions:		
COVID-19 Costs	\$	499,167
Code Talk		399,915
Fortifi LA		100,000
Office Headquarters (Note 5)		33,000
Other Program Services		<u>344,442</u>
TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS	\$	<u>1,376,524</u>

NOTE 13 - EMPLOYEE BENEFIT PLAN

St. Joseph Center offers its employees a 403(b) retirement plan. The 403(b) plan covers all employees who work more than 20 hours per week, and are not classified as a student. Participants become eligible for salary deferral as of the date of hire. St. Joseph Center will match up to a discretionary percentage of participants' annual compensations for all eligible participants with one or more years and at least 1,000 hours of service. Contributions to the retirement plan for the year ended June 30, 2021 were \$384,638.

NOTE 14 - COMMITMENTS AND CONTINGENCIES

(a) LEGAL PROCEEDINGS

In the ordinary course of conducting its business, St. Joseph Center becomes involved in various lawsuits. Some of these proceedings may result in judgments being assessed against St. Joseph Center which, from time to time, may have an impact on changes in net assets. St. Joseph Center believes that these proceedings, individually or in the aggregate, would not have a material effect on the accompanying financial statements.

(b) CONTRACTS

St. Joseph Center's grants and contracts are subject to inspection and audit by the appropriate governmental funding agencies. The purpose is to determine whether program funds were used in accordance with their respective guidelines and regulations. The potential exists for disallowance of previously funded program costs. The ultimate liability, if any, which may result from these governmental audits cannot be reasonably estimated.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 14 - COMMITMENTS AND CONTINGENCIES (continued)

(c) OBLIGATIONS UNDER OPERATING LEASES

St. Joseph Center leases various facilities under operating leases with various terms expiring through June 2026. The following is a schedule of future minimum lease payments on non-cancelable operating leases:

Years Ending June 30

2022	\$ 718,180
2023	278,178
2024	108,366
2025	97,861
Thereafter	<u>91,935</u>
TOTAL	<u>\$ 1,294,520</u>

Rent expense under these facility leases for the year ended June 30, 2021 was \$896,274.

NOTE 15 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The total financial assets held by St. Joseph Center at June 30, 2021 and the amounts of those financial assets that could be made available for general expenditures within one year of the date of the statement of financial position are summarized in the following table:

Financial Assets at June 30, 2021:	
Cash and Cash Equivalents	\$ 7,458,312
Investments (Excluding Board Designated Endowment Funds)	999,786
Grants and Contracts Receivable (Net of Contract Advances and Long-Term LACDMH Contracts Receivable)	5,955,249
Contributions Receivable	<u>45,950</u>
FINANCIAL ASSETS AVAILABLE TO MEET GENERAL EXPENDITURES WITHIN ONE YEAR	<u>\$ 14,459,297</u>

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 15 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES (continued)

St. Joseph Center regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. St. Joseph Center is substantially supported by government grants and contracts, which can result in St. Joseph Center having to carry significant accounts receivable balances. As part of its liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

To help manage unanticipated liquidity needs, St. Joseph Center has a line of credit facility of \$3,000,000 that it could draw upon. At June 30, 2021, \$3,000,000 was available on this line of credit. In addition, St. Joseph Center has a Board designated endowment fund of \$579,329 that could be drawn upon with Board approval. For purposes of analyzing resources available to meet general expenditures over a 12-month period, St. Joseph Center considers contributions restricted by time only and expected to be collected in the next fiscal year as available for general expenditures.

ST. JOSEPH CENTER

SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2021

ST. JOSEPH CENTER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2021

Federal Grantor/Passed Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Contract Number	Contract Period	Contract Amount	Federal Expenditures	Paid to Subrecipients
MAJOR PROGRAM AWARDS:						
U.S. Department of Housing and Urban Development						
Passed through City of Santa Monica:						
COVID-19 - Community Development Block Grants/Entitlement Grants	14.218	11062 (CCS)	7/6/2020-6/30/2021	\$ 3,121,514	\$ 3,109,385	\$ -
Passed through City of Santa Monica:						
Community Development Block Grants/Entitlement Grants	14.218	10128 (CCS)	7/1/2020-6/30/2021	44,624	44,624	-
Passed through County of Los Angeles:						
Community Development Block Grants/Entitlement Grants	14.218	E97301-20	7/1/2020-6/30/2021	20,000	20,000	-
Passed through County of Los Angeles:						
COVID-19 - Community Development Block Grants/Entitlement Grants	14.218	CV1029-19	6/8/2020-6/30/2021	500,000	137,349	-
Total CDBG-Entitlement Grants Cluster				3,686,138	3,311,358	-
Passed through Los Angeles Homeless Services Authority:						
COVID-19 - Emergency Solutions Grant	14.231	2020CRFRR17	9/1/2020-6/30/2022	3,674,079	1,504,123	-
Passed through Los Angeles Homeless Services Authority:						
COVID-19 - Emergency Solutions Grant	14.231	2020ESGEP10	8/1/2020-6/30/2021	168,866	74,146	-
Passed through Los Angeles Homeless Services Authority:						
COVID-19 - Emergency Solutions Grant	14.231	2020ESGEP11	8/1/2020-6/30/2021	132,414	132,414	-
Total COVID-19 - Emergency Solutions Grant, 14.231				3,975,359	1,710,683	-
Total U.S. Department of Housing and Urban Development				7,661,497	5,022,041	-
U.S. Department of Treasury						
Passed through Los Angeles Homeless Services Authority:						
COVID-19 - Coronavirus Relief Fund	21.019	2020CRFRR17	9/1/2020-12/31/2021	1,236,208	506,089	-
Passed through County of Los Angeles:						
COVID-19 - Coronavirus Relief Fund	21.019	RA0005-20	3/1/2020-12/31/2021	137,620	81,930	-
Total U.S. Department of Treasury, 21.019				1,373,828	588,019	-
TOTAL MAJOR PROGRAM AWARDS				9,035,325	5,610,060	-

See Independent Auditor's Report

ST. JOSEPH CENTER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2021

Federal Grantor/Passed Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Contract Number	Contract Period	Contract Amount	Federal Expenditures	Paid to Subrecipients
NON-MAJOR AWARDS						
U.S. Department of Health and Human Services						
Passed through Los Angeles Homeless Services Authority Temporary Assistance for Needy Families	93.558	2017DPSS05	7/6/2020-6/30/2021	\$ 1,339,648	\$ 1,258,055	\$ -
Pass through Substance Abuse and Mental Health Services Administration Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	6H79TI080567-04M001	9/30/2020-9/29/2021	410,000	246,006	51,922
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	6H79TI080567-03M001	9/30/2019-9/29/2020	410,000	127,894	55,706
Total U.S. Department of Health and Human Services				<u>2,159,648</u>	<u>1,631,955</u>	<u>107,628</u>
U.S. Department of Homeland Security						
Emergency Food and Shelter Nation Board Program	97.024	Phase 37	1/1/2020-10/31/2021	62,400	29,602	-
Emergency Food and Shelter Nation Board Program	97.024	Phase 38	1/1/2020-10/31/2021	72,600	12,602	-
COVID-19 - Emergency Food and Shelter Nation Board Program	97.024	Phase CARES	1/27/2020-10/31/2021	75,100	47,500	-
Total U.S. Department of Homeland Security				<u>210,100</u>	<u>89,704</u>	<u>-</u>
U.S. Department of Housing and Urban Development						
Passed through City of Santa Monica Homeless Prevention and Stabilization in Housing Program	14.267	10128 (CCS)	7/1/2020-6/30/2021	21,672	21,672	-
Total U.S. Department of Housing and Urban Development				<u>21,672</u>	<u>21,672</u>	<u>-</u>
TOTAL FEDERAL AWARDS				<u>\$ 11,426,745</u>	<u>\$ 7,353,391</u>	<u>\$ 107,628</u>

Notes to the Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2021.

1. Basis of Presentation

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

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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

3. Indirect Cost Rate

St. Joseph Center has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

See Independent Auditor's Report