

ST. JOSEPH CENTER

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

ST. JOSEPH CENTER
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

CONTENTS

	Page
Independent Auditor's Report.....	1
Statement of Financial Position.....	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to Financial Statements	9
Supplementary Information	27
Schedule of Expenditures of Federal Awards.....	28



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 Audit of the Financial Statements

Opinion

We have audited the financial statements of St. Joseph Center (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of St. Joseph Center as of June 30, 2023, 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.

Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of St. Joseph Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

To the Board of Directors
St. Joseph Center

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of St. Joseph Center's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about St. Joseph Center'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 audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited St. Joseph Center's June 30, 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 3, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

To the Board of Directors
St. Joseph Center

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2024 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

March 28, 2024
Los Angeles, California

ST. JOSEPH CENTER

STATEMENT OF FINANCIAL POSITION

June 30, 2023

With Summarized Totals at June 30, 2022

ASSETS	<u>2023</u>	<u>2022</u>
Cash and Cash Equivalents	\$ 9,736,635	\$ 9,393,500
Restricted Cash - Held for Others	161,949	344,035
Investments	542,258	534,978
Grants and Contracts Receivable (Net)	11,001,384	9,500,934
Contributions Receivable	1,752,086	2,445,232
Prepaid Expenses and Other Assets	532,276	1,049,841
Property and Equipment (Net)	10,682,965	10,471,530
Right-of-Use Assets	2,980,170	-
TOTAL ASSETS	<u>\$ 37,389,723</u>	<u>\$ 33,740,050</u>
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Line of Credit	\$ -	\$ 1,500,000
Accounts Payable	608,742	1,168,229
Accrued Liabilities	3,484,228	3,356,532
Refundable Contract Advances	6,965,854	3,272,759
Funds Held for Others	161,949	344,035
Note Payable	178,536	210,162
Lease Liabilities	3,018,516	-
TOTAL LIABILITIES	14,417,825	9,851,717
NET ASSETS:		
Without Donor Restrictions	19,864,064	19,922,104
With Donor Restrictions	3,107,834	3,966,229
TOTAL NET ASSETS	<u>22,971,898</u>	<u>23,888,333</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 37,389,723</u>	<u>\$ 33,740,050</u>

The Accompanying Notes are an Integral Part of These Financial Statements

ST. JOSEPH CENTER

STATEMENT OF ACTIVITIES

Year Ended June 30, 2023

With Summarized Totals for the Year Ended June 30, 2022

	2023			2022 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
REVENUE AND SUPPORT:				
Government Grants and Contracts	\$ 43,680,268	\$ -	\$ 43,680,268	\$ 40,395,208
Grants and Contributions	2,769,830	1,522,456	4,292,286	7,083,231
In-Kind Contributions	801,468	-	801,468	705,128
Special Events (Net of Direct Donor Benefits of \$356,857)	196,626	-	196,626	286,920
Paycheck Protection Program Loan Forgiveness	-	-	-	3,199,400
Other Income	116,818	-	116,818	103,288
Net Assets Released from Donor Restrictions	2,380,851	(2,380,851)	-	-
TOTAL REVENUE AND SUPPORT	49,945,861	(858,395)	49,087,466	51,773,175
OPERATING EXPENSES:				
Program Services	41,416,764	-	41,416,764	39,815,422
Management and General	7,163,540	-	7,163,540	7,849,297
Fundraising	1,423,597	-	1,423,597	665,077
TOTAL OPERATING EXPENSES	50,003,901	-	50,003,901	48,329,796
CHANGE IN NET ASSETS	(58,040)	(858,395)	(916,435)	3,443,379
Net Assets - Beginning of Year	19,922,104	3,966,229	23,888,333	20,444,954
NET ASSETS - END OF YEAR	\$ 19,864,064	\$ 3,107,834	\$ 22,971,898	\$ 23,888,333

The Accompanying Notes are an Integral Part of These Financial Statements

ST. JOSEPH CENTER

STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2023
With Summarized Totals for the Year Ended June 30, 2022

	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	2023	2022
Salaries	\$ 6,632,895	\$ 5,458,970	\$ 3,768,927	\$ 1,528,093	\$ 17,388,885	\$ 3,824,028	\$ 705,706	\$ 4,529,734	\$ 21,918,619	\$ 21,490,166
Payroll Taxes and Benefits	1,564,505	1,267,300	825,760	344,261	4,001,826	854,270	131,331	985,601	4,987,427	4,651,813
TOTAL PERSONNEL COSTS	8,197,400	6,726,270	4,594,687	1,872,354	21,390,711	4,678,298	837,037	5,515,335	26,906,046	26,141,979
Client Direct Aid	10,520,154	1,948,828	830,154	1,458,060	14,757,196	7,675	249,399	257,074	15,014,270	14,788,649
Subcontract and Professional Services	721,182	679,012	739,154	84,639	2,223,987	973,849	131,320	1,105,169	3,329,156	3,275,162
Occupancy	452,268	484,681	345,980	91,695	1,374,624	409,921	37,679	447,600	1,822,224	1,789,788
Other Operating Expenses	86,931	97,564	99,775	26,344	310,614	654,792	96,000	750,792	1,061,406	707,255
Office Equipment and Supplies	149,701	126,074	45,088	93,248	414,111	244,895	56,659	301,554	715,665	623,718
Depreciation	123,362	157,530	77,254	39,541	397,687	123,866	8,375	132,241	529,928	469,125
Insurance	82,017	108,701	72,961	22,808	286,487	52,682	6,631	59,313	345,800	292,400
Transportation	108,017	59,455	91,915	1,960	261,347	17,562	497	18,059	279,406	241,720
TOTAL 2023 FUNCTIONAL EXPENSES	\$ 20,441,032	\$ 10,388,115	\$ 6,896,968	\$ 3,690,649	\$ 41,416,764	\$ 7,163,540	\$ 1,423,597	\$ 8,587,137	\$ 50,003,901	
					83%	14%	3%	17%	100%	
TOTAL 2022 FUNCTIONAL EXPENSES	\$ 21,797,972	\$ 8,152,612	\$ 6,951,822	\$ 2,913,016	\$ 39,815,422	\$ 7,849,297	\$ 665,077	\$ 8,514,374		\$ 48,329,796
					82%	17%	1%	18%		100%

The Accompanying Notes are an Integral Part of These Financial Statements

ST. JOSEPH CENTER

STATEMENT OF CASH FLOWS

Year Ended June 30, 2023

With Summarized Totals for the Year Ended June 30, 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ (916,435)	\$ 3,443,379
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	529,928	469,125
Contributed Rent	33,000	33,000
Paycheck Protection Program Loan Forgiveness	-	(3,199,400)
Realized and Unrealized (Gain) Loss on Investments	(7,280)	50,134
Provision for Grants and Contracts Reserves	110,311	75,342
(Increase) Decrease in:		
Grants and Contracts Receivable	(1,610,761)	1,403,131
Contributions Receivable	660,146	(609,282)
Prepaid Expenses and Other Assets	517,565	(424,958)
Right-of-Use Assets	662,346	-
Increase (Decrease) in:		
Accounts Payable	(559,487)	175,703
Accrued Liabilities	127,696	838,664
Refundable Contract Advances	3,693,095	(379,902)
Funds Held for Others	(182,086)	(89,562)
Lease Liabilities	(624,000)	-
	2,434,038	1,785,374
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Property and Equipment	(741,363)	(3,323,309)
Purchases of Investments	-	(5,997)
Proceeds from Sales of Investments	-	1,000,000
	(741,363)	(2,329,306)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Advances from (Payments on) Line of Credit	(1,500,000)	1,500,000
Payments on Note Payable	(31,626)	(30,387)
	(1,531,626)	1,469,613
NET INCREASE IN CASH AND CASH EQUIVALENTS	161,049	925,681
Cash and Cash Equivalents - Beginning of Year	9,737,535	8,811,854
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 9,898,584	\$ 9,737,535

The Accompanying Notes are an Integral Part of These Financial Statements

ST. JOSEPH CENTER

STATEMENT OF CASH FLOWS

Year Ended June 30, 2023

With Summarized Totals for the Year Ended June 30, 2022

	<u>2023</u>	<u>2022</u>
CASH AND CASH EQUIVALENTS INCLUDES:		
Cash and Cash Equivalents	\$ 9,736,635	\$ 9,393,500
Restricted Cash - Held for Others	<u>161,949</u>	<u>344,035</u>
<i>TOTAL CASH AND CASH EQUIVALENTS</i>	<u>\$ 9,898,584</u>	<u>\$ 9,737,535</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash Paid During the Year for Interest Net of Amounts Capitalized of \$75,438	\$ 7,831	\$ 33,965
SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES		
Non-Cash Impact of Implementation of Accounting Standards Codification (ASC) 842, <i>Leases</i>		
Increase in Right-of-Use Assets	\$ 3,642,516	\$ -
Increase in Lease Liabilities	3,642,516	-

The Accompanying Notes are an Integral Part of These Financial Statements

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS June 30, 2023

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 engages more than 14,000 people and assists over 7,000 men, women, and children 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, women and children in a welcoming, restaurant-style atmosphere that fosters dignity and respect.
- 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 Navigation, 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, 2023

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.
- Re-Entry Services provide supportive services and needed resources for marginalized and hard-to-reach populations recently released from the justice system with the goal of promoting seamless community reintegration and self-sufficiency.

Housing

- Santa Monica Retention Program focuses on Venice and Santa Monica communities' most vulnerable, chronically homeless individuals to obtain and maintain permanent supportive 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.
- Family Solution Center 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.
- Time Limited Services 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.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS June 30, 2023

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.
- OCS-Field Capable Clinical Services delivers mental health services to 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.
- Senior Services provides case management and mental health support aimed at improving low-income and homeless seniors' housing stability, overall functioning, and quality of life.

Education and Vocational Training

- Codetalk trains low-income women in computer coding skills to help them become employed.
- FortiFi provides technology job training for justice experienced adults and people impacted by economic hardships throughout Los Angeles County.
- Bread and Roses Training Kitchen (formerly Culinary Training Program) educates low-income adults in food service and life skills to help them obtain jobs.
- Careers for a Cause offers pre-employment training to South Los Angeles residents for careers in social services.
- Employment Development program assists people who accessing services with employment plans to match clients' skill sets and expertise with employers throughout LA County .
- Early Learning Center provides children 18 months to 5 years old the opportunity to learn, grow, and become self-sufficient, independent learners in a nurturing and socioeconomically diverse environment.
- Food Pantry provides low-income households with supplemental groceries and workshops designed to increase wellbeing and support progress toward self-sufficiency.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

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, 2023 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, 2023

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 change in 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, 2023, St Joseph Center established an allowance for uncollectible receivables totaling \$425,181, including a reserve for disallowed amounts 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, 2023, the LACDMH reserve totaled \$150,053, which was included in the total allowance amount disclosed above.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

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.

(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, 2023.

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, 2023

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, 2023.

(i) IN-KIND CONTRIBUTIONS

In-kind contributions are recorded as contributions at their estimated fair value in the period received and expensed when utilized. In-kind contributions are valued based upon estimates of fair market value that would be received for selling the goods in their principal market considering their condition and utility for use at the time the goods are contributed by the donor. Donated in-kind contributions are not sold but rather used for St. Joseph Center's operations.

In-kind contributions that consist of donated services are recognized at fair value if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

St. Joseph Center recognizes and measures its leases in accordance with the Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) Topic No. 842, *Leases*. St. Joseph Center is a lessee in certain operating leases for facilities. St. Joseph Center determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are substantially changed. St. Joseph Center recognizes a lease liability and a right-of-use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate if it is readily determinable or otherwise St. Joseph Center uses the risk-free rate. The implicit rates of St. Joseph Center's leases were not readily determinable and accordingly, St. Joseph Center used the risk-free rates based on the information available at the commencement date for all leases.

The ROU asset is subsequently measured throughout the lease term at the amount of the re-measured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

St. Joseph Center has elected, for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset or extend the term of the lease that St. Joseph Center is reasonably certain to exercise. St. Joseph Center recognizes lease cost associated with short-term leases on a straight-line basis over the lease term.

(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 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, 2023, 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.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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) 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.

(n) 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.

The grants and contracts receivable balance outstanding at June 30, 2023 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 89% 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 \$11,001,384 at June 30, 2023 is from such government contracts, and as a result, concentration of credit risk with respect to these receivables is limited.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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, 2022, from which the summarized information was derived.

(p) NEW ACCOUNTING PRONOUNCEMENTS

In February 2016, FASB issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, which is intended to improve financial reporting about leasing transactions. The new standard requires 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 requires 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. The ASU is effective for fiscal years beginning after December 15, 2021.

St. Joseph Center adopted the ASU with a date of the initial application of July 1, 2022 using the optional transition method which allows entities to continue to apply historical accounting guidance in the comparative periods presented in the year of adoption. St. Joseph Center elected to apply the following package of practical expedients on a consistent basis permitting entities not to reassess: (i) whether any expired or existing contracts are or contain a lease; (ii) lease classification for any expired or existing leases and (iii) whether initial direct costs for any expired or existing leases qualify for capitalization under the amended guidance.

The impact of adopting the amended guidance primarily relates to the recognition of ROU assets and lease liabilities on the statement of financial position for the leases previously classified as operating leases. St. Joseph Center recognized \$3,642,516 of ROU assets and \$3,642,516 of related lease liabilities as of July 1, 2022 for contracts that are classified as operating leases. Leases with an initial term of 12 months or less have not been recorded on the statement of financial position.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) NEW ACCOUNTING PRONOUNCEMENTS (continued)

In June 2016, FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which replaces the incurred loss impairment methodology previously used for certain financial instruments with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates in their measurement. The guidance has subsequently been amended through a series of targeted ASUs. For St. Joseph Center, the ASU and the subsequent amendments will be effective for the year ending June 30, 2024, and are expected to be adopted using the modified-retrospective approach.

(q) SUBSEQUENT EVENTS

St. Joseph Center has evaluated events and transactions occurring subsequent to the statement of financial position date of June 30, 2023 for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through March 28, 2024, the date these financial statements were available to be issued. No such material events or transactions were noted to have occurred.

NOTE 3 - FAIR VALUE MEASUREMENTS

St. Joseph Center follows the fair value accounting principles for those assets (and liabilities) that are re-measured and reported at fair value at each reporting period. These principles establish a framework for measuring fair value based on inputs used.

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, 2023

NOTE 3 - 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, 2023 and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value:

	Fair Value Measurements Using			
	Year Ended June 30, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual Funds:				
Equity	\$ 255,572	\$ 255,572	\$ -	\$ -
Fixed Income	275,004	275,004	-	-
Equities	11,682	11,682	-	-
TOTAL INVESTMENTS	\$ 542,258	\$ 542,258	\$ -	\$ -

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.

NOTE 4 - CONTRIBUTIONS RECEIVABLE

Contributions receivable at June 30, 2023, are due to be received as follows:

Due within 1 Year	\$ 678,131
Due within 2-5 Years	281,955
Due in Over 5 Years	792,000
CONTRIBUTIONS RECEIVABLE	\$ 1,752,086

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, 2023, the contribution receivable related to the use of this land amounted to \$957,000.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2023 consist of the following:

Buildings and Improvements	\$ 9,688,655
Land	2,521,401
Furniture and Equipment	2,490,837
Construction in Progress	916,647
Vehicles	586,742
Computer Software	551,168
Leasehold Improvements	409,164
TOTAL	17,164,614
Less: Accumulated Depreciation	(6,481,649)
PROPERTY AND EQUIPMENT (NET)	<u>\$ 10,682,965</u>

Depreciation expense for the year ended June 30, 2023 was \$529,928.

Construction in progress at June 30, 2023, represents a hotel in Los Angeles that St. Joseph Center plans to use as interim housing for the individuals and families it serves. St. Joseph Center is in the process of completing the outfitting of the building to prepare it for its intended use, which is expected to be completed in March 2024. As of June 30, 2023, estimated costs to complete were \$2,000,000.

NOTE 6 - 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 August 2025. The balance outstanding on the line of credit at June 30, 2023 was \$0, and \$3,000,000 was available for borrowing. At June 30, 2023, the Bank's prime rate was 8.25%, and the interest rate on the line of credit was 9.25%. This line of credit contains various covenants. At June 30, 2023, St. Joseph Center was in compliance with the applicable covenants. Interest incurred on the line of credit during the year ended June 30, 2023, totaled \$75,438 and was capitalized in its entirety for the interim housing project in progress.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS June 30, 2023

NOTE 7 - LEASES

St. Joseph Center leases certain facilities under various non-cancelable operating leases for operations and administrative purposes, which are accounted for as operating leases. These leases expire at various dates through October 2028. Some of St. Joseph Center's leases have one or more options to renew, with renewal terms generally ranging from 1 to 5 years. The exercise of lease renewal options is at St. Joseph Center's discretion. Leases with an initial term of 12 months or less, which are not expected to be renewed beyond one year, are not recorded on the statement of financial position and are recognized as lease expense on a straight-line basis over the lease term. As of June 30, 2023, St. Joseph Center recognized \$2,980,170 of ROU assets and \$3,018,516 of related lease liabilities for contracts that are classified as operating leases.

Lease cost, included in occupancy expenses on the statement of functional expenses, was as follows for the year ended June 30, 2023:

Operating Lease Cost	\$	744,843
Short-Term Lease Cost		<u>361,229</u>
TOTAL LEASE COST	\$	<u>1,106,072</u>

Weighted-average remaining lease term and weighted-average discount rate were as follows during the year ended June 30, 2023:

Weighted-Average Lease Term	4.13 years
Weighted-Average Discount Rate	3.16%

Maturities of lease liability as of June 30, 2023, are as follows:

Years Ending June 30	
2024	\$ 820,747
2025	798,623
2026	711,744
2027	579,180
2028	245,924
Thereafter	<u>59,840</u>
Total Lease Payments	3,216,058
Less: Imputed Interest	<u>(197,542)</u>
TOTAL	<u>\$ 3,018,516</u>

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 8 - NOTE PAYABLE

St. Joseph Center has a 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. Note payable balance at June 30, 2023 totaled \$178,536.

The note payable contains various covenants and restrictions including, among others, timely delivery of periodic financial statements. Interest incurred on the note payable totaled \$7,832 during the year ended June 30, 2023.

Future maturities of the note payable as of June 30, 2023 are as follows:

Years Ending June 30

2024	\$	32,914
2025		34,255
2026		35,650
2027		37,103
2028		<u>38,614</u>
TOTAL	\$	<u>178,536</u>

NOTE 9 - NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions consist of undesignated and Board designated amounts for the following purposes at June 30, 2023:

Undesignated	\$	19,321,806
Board Designated:		
Endowment Fund		<u>542,258</u>
TOTAL NET ASSETS WITHOUT DONOR RESTRICTIONS	\$	<u>19,864,064</u>

The Board designated endowment fund of \$542,258 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.

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 9 - NET ASSETS WITHOUT DONOR RESTRICTIONS (continued)

At June 30, 2023, changes in St. Joseph Center's Board designated endowment fund were as follows:

Endowment Net Assets - Beginning of Year	\$	534,978
Investment Return (Net)		7,280
Appropriation of Endowment Assets for Expenditure		<u>-</u>
ENDOWMENT NET ASSETS - END OF YEAR	\$	<u>542,258</u>

NOTE 10 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at June 30, 2023:

Subject to Expenditure for Specified Purpose:		
Homeless Support Programs	\$	1,171,151
Office Headquarters (Note 4)		957,000
Inside Safe		500,000
Other Program Services		<u>479,683</u>
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	\$	<u>3,107,834</u>

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, 2023:

Satisfaction of Purpose Restrictions:		
Homeless Support Services	\$	521,742
Fortifi LA		518,217
Ocean Front Walk		413,935
Code Talk		237,797
Other Program Services		<u>689,160</u>
TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS	\$	<u>2,380,851</u>

ST. JOSEPH CENTER

NOTES TO FINANCIAL STATEMENTS June 30, 2023

NOTE 11 - IN-KIND CONTRIBUTIONS

For the year ended June 30, 2023, in-kind contributions were comprised of the following:

Category	Valuation	Activity	Amount
Food	Market Values of Donated or Similar Items	Program Services	\$ 698,989
Supplies	Market Values of Items Donated or Similar Items	Program Services	<u>102,479</u>
TOTAL IN-KIND CONTRIBUTIONS			<u><u>\$ 801,468</u></u>

Contributed food was utilized in the Educational and Vocational Training program. Contributed supplies were utilized in the Educational and Vocational Training and Outreach and Engagement programs.

NOTE 12 - 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, 2023 were \$554,056.

NOTE 13 - 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, 2023

NOTE 14 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The total financial assets held by St. Joseph Center at June 30, 2023 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:

Current Financial Assets at June 30, 2023	
Cash and Cash Equivalents	\$ 9,736,635
Investments	542,258
Grants and Contracts Receivable (Net)	11,001,384
Contributions Receivables	<u>1,752,086</u>
TOTAL FINANCIAL ASSETS AT JUNE 30, 2023	23,032,363
Less Amounts Not Available to Be Used within One Year, Due to:	
Donor-Imposed Restrictions:	
Funds Held with Purpose Restrictions	(1,850,834)
Pledges Restricted by Purpose or Time	(1,257,000)
Board Designations:	
Board-Designated Endowment Fund	<u>(542,258)</u>
FINANCIAL ASSETS AVAILABLE TO MEET GENERAL EXPENDITURES WITHIN ONE YEAR	<u>\$ 19,282,271</u>

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, 2023, the entire amount was available on this line of credit. In addition, St. Joseph Center has a Board designated endowment fund of \$542,258 that could be drawn upon with Board approval.

ST. JOSEPH CENTER

SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2023

ST. JOSEPH CENTER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2023

Federal Grantor/Passed Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Contract Number	Contract Period	Contract Amount	Federal Expenditures	Paid to Subrecipients
U.S. Department of Housing and Urban Development						
Passed through County of Los Angeles: Community Development Block Grants/Entitlement Grants	14.218	E-97301-22	7/01/22-6/30/23	\$ 31,614	\$ 25,377	\$ -
Passed through City of Santa Monica: Community Development Block Grants/Entitlement Grants	14.218	10128CCS	7/01/22-6/30/23	44,624	44,624	-
Total CDBG - Entitlement Grants Cluster				<u>76,238</u>	<u>70,001</u>	<u>-</u>
Passed through Los Angeles Homeless Services Authority COVID-19 - Emergency Solutions Grant	14.231	GT-TLS-N-041	7/01/22-6/30/23	127,722	112,020	-
COVID-19 - Emergency Solutions Grant	14.231	GT-TLS-N-044	7/01/22-6/30/23	2,112,000	1,625,892	-
COVID-19 - Emergency Solutions Grant	14.231	GT-TLS-N-046	7/01/22-6/30/23	432,000	353,771	-
COVID-19 - Emergency Solutions Grant	14.231	GT-SO-O-022	7/01/22-6/30/23	1,483,302	1,133,825	-
Total COVID-19 - Emergency Solutions Grant, 14.231				<u>4,155,024</u>	<u>3,225,508</u>	<u>-</u>
Passed through City of Santa Monica Continuum of Care Program	14.267	10128CCS	7/01/22-6/30/23	21,672	21,672	-
Passed through Los Angeles Homeless Services Authority Continuum of Care Program	14.267	GT-CE-RCDV-011	7/01/21-12/31/22	123,017	50,671	-
Continuum of Care Program	14.267	GT-1790-2102	1/1/23-12/31/23	98,414	41,406	-
Total Continuum of Care Program, 14.267				<u>243,103</u>	<u>113,749</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development				<u>4,474,365</u>	<u>3,409,258</u>	<u>-</u>
U.S. Department of the Treasury						
Passed through Los Angeles Homeless Services Authority COVID-19 - Coronavirus Relief Fund	21.019	GT-CH-PRK-008	7/01/22-12/31/22	370,575	275,382	-
Total Coronavirus Relief Fund, 21.019				<u>370,575</u>	<u>275,382</u>	<u>-</u>
Passed through the County of Los Angeles COVID-19 - Coronavirus State and Local Fiscal Recovery Funds (a)	21.027	ARP-C4C-02	2/22/22-6/30/23	620,000	338,148	-
Passed through California Department of Housing and Community Development COVID-19 - Coronavirus State and Local Fiscal Recovery Funds (a)	21.027	21-HK-17203	10/6/22-10/6/37	5,534,000	1,659,801	-
Total Coronavirus State and Local Fiscal Recovery Funds, 21.027				<u>6,154,000</u>	<u>1,997,949</u>	<u>-</u>
Total U.S. Department of the Treasury				<u>6,524,575</u>	<u>2,273,331</u>	<u>-</u>

See Independent Auditor's Report

ST. JOSEPH CENTER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2023

Federal Grantor/Passed Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Contract Number	Contract Period	Contract Amount	Federal Expenditures	Paid to Subrecipients
U.S. Department of Health and Human Services						
Passed through Los Angeles Homeless Services Authority						
Temporary Assistance for Needy Families (a)	93.558	GT-TLS-DPSS-005	7/01/22-6/30/23	\$ 3,443,638	\$ 1,816,764	\$ -
Temporary Assistance for Needy Families (a)	93.558	GT-CH-DPSS-005	7/01/22-6/30/23	590,214	446,473	-
Temporary Assistance for Needy Families (a)	93.558	GT-PD-PP-006	7/01/22-6/30/23	360,679	252,649	-
Temporary Assistance for Needy Families (a)	93.558	GT-SS-HN-024	7/01/22-6/30/23	112,000	111,924	-
Total Temporary Assistance for Needy Families, 93.558				4,506,531	2,627,810	-
Pass through Substance Abuse and Mental Health Services Administration (SAMHSA) Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	6H79TI080567-05L001	7/01/22-3/31/23	761,864	328,890	40,430
Total SAMHSA Projects of Regional and National Significance, 93.243				761,864	328,890	40,430
Total U.S. Department of Health and Human Services				5,268,395	2,956,700	40,430
U.S. Department of Homeland Security						
Emergency Food and Shelter National Board Program	97.024	EFSP Phase 39	1/27/20-4/30/23	290,235	117,148	-
COVID-19 - Emergency Food and Shelter National Board Program	97.024	EFSP Phase ARPA-R	11/01/21-4/30/23	72,170	-	-
Total U.S. Department of Homeland Security				362,405	117,148	-
TOTAL FEDERAL AWARDS				\$ 16,629,740	\$ 8,756,437	\$ 40,430

(a) Audited as a major program

Notes to the Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2023

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, 2023. 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