



# Family Caregiver Alliance®

**Family Caregiver Alliance**

Financial Statements

For the years ended June 30, 2020 and 2019

and

Schedule of Expenditures of Federal Awards

with the

Report of the Independent Auditor

and

Reports Required by “Government Auditing Standards,” issued by the  
Comptroller General of the United States of America and  
Title 2 U.S. “Code of Federal Regulations” Part 200, “Uniform Administrative Requirements,  
Cost Principles, and Audit Requirements for Federal Awards”



## **Report of the Independent Auditor**

To the Board of Directors of **Family Caregiver Alliance**:

### **Report on the Financial Statements**

I have audited the accompanying financial statements of Family Caregiver Alliance, a nonprofit organization, which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

### **Responsibility 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; 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.

### **Responsibility of the Auditor**

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my 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 of America. Those standards require that I 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 my 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, I consider internal control relevant to the preparation and fair presentation of the financial statements by Family Caregiver Alliance to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## **Opinion**

In my opinion, the financial statements present fairly, in all material respects, the financial position of Family Caregiver Alliance as of June 30, 2020 and 2019, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matter**

### Supplementary Information

I conducted my audit to form an opinion on the financial statements as a whole. Management presents the accompanying schedule of expenditures of federal awards (schedule) for additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" and it is not a required part of the financial statements. The schedule is the responsibility of management and they derived it from, and it relates directly to the underlying accounting and other records used to prepare the financial statements. I have subjected the schedule to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling the schedule 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 my opinion, the schedule 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," I have also issued my report dated December 1, 2020, on my consideration of the internal control over financial reporting of Family Caregiver Alliance and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of my 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 the internal control over financial reporting and compliance of Family Caregiver Alliance.

**Michael Smith, CPA**  
Petaluma, California  
December 1, 2020

**Family Caregiver Alliance**  
 Statements of Financial Position  
 June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 211,989	\$ 256,111
Investments	1,297,206	876,746
Contributions receivable	613,542	219,017
Grants receivable	1,822,207	1,079,497
Other receivables	10,878	11,173
Prepaid expenses	140,214	20,381
Investments, long-term	88,301	132,451
Contributions receivable, long-term	36,458	–
Property and equipment, net	–	6,021
Computer software, net	50,946	63,782
Deposits	33,614	32,356
	<u>\$4,305,355</u>	<u>\$2,697,535</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 800,884	\$ 449,304
Note payable, long-term	309,074	–
Deferred rent	6,624	6,747
	<u>1,116,582</u>	<u>456,051</u>
<b>Net assets</b>		
Without donor restrictions	2,568,044	1,387,568
With donor restrictions	620,729	853,916
	<u>3,188,773</u>	<u>2,241,484</u>
<b>Total liabilities and net assets</b>	<u><b>\$4,305,355</b></u>	<u><b>\$2,697,535</b></u>

See accompanying notes.

**Family Caregiver Alliance**  
 Statements of Activities and Changes in Net Assets  
 For the year ended June 30, 2020

	Net assets without donor restrictions	Net assets with donor restrictions	2020
Support and revenue			
Contributions	\$1,084,709	\$293,473	\$1,378,182
Government grants	4,456,207	–	4,456,207
Contract revenue	35,000	–	35,000
Other income	4,763	–	4,763
Investment income, net	43,010	–	43,010
Net assets released from restrictions	526,660	( 526,660)	–
	<hr/>	<hr/>	<hr/>
Total support and revenue	6,150,349	( 233,187)	5,917,162
Expenses			
Program services	4,476,617	–	4,476,617
Management and general	464,847	–	464,847
Fundraising	28,409	–	28,409
	<hr/>	<hr/>	<hr/>
Total expenses	4,969,873	–	4,969,873
Changes in net assets	1,180,476	( 233,187)	947,289
Net assets, beginning of year	<hr/>	<hr/>	<hr/>
	1,387,568	853,916	2,241,484
Net assets, end of year	<hr/>	<hr/>	<hr/>
	\$2,568,044	\$620,729	\$3,188,773

See accompanying notes.

**Family Caregiver Alliance**  
 Statements of Activities and Changes in Net Assets  
 For the year ended June 30, 2019

	Net assets without donor restrictions	Net assets with donor restrictions	2019
Support and revenue			
Contributions	\$ 577,083	\$318,069	\$ 895,152
Government contracts	2,582,370	–	2,582,370
Contract revenue	97,173	–	97,173
Other income	8,731	–	8,731
Investment income, net	6,427	18,288	24,715
Net assets released from restrictions	462,433	( 462,433)	–
Total support and revenue	3,734,217	( 126,076)	3,608,141
Expenses			
Program services	2,890,345	–	2,890,345
Management and general	433,087	–	433,087
Fundraising	24,521	–	24,521
Total expenses	3,347,953	–	3,347,953
Changes in net assets	386,264	( 126,076)	260,188
Net assets, beginning of year	1,001,304	979,992	1,981,296
Net assets, end of year	\$1,387,568	\$853,916	\$2,241,484

See accompanying notes.

**Family Caregiver Alliance**  
 Statements of Functional Expenses  
 For the year ended June 30, 2020

Expenses	Program services	Manage- ment and general	Fund- raising	2020
Salaries	\$1,185,709	\$270,258	\$15,041	\$1,471,008
Payroll taxes	91,104	20,765	1,156	113,025
Employee benefits	281,313	61,536	3,493	346,342
Alzheimer's Disease Caregiving Legacy Awards	60,000	—	—	60,000
Communications	106,048	23,023	1,248	130,319
Equipment	48,472	11,048	615	60,135
Family support services	887,424	—	—	887,424
Insurance	6,601	7,088	84	13,773
Occupancy	193,890	44,193	2,460	240,543
Office	61,316	6,137	3,625	71,078
Postage and delivery	7,457	150	625	8,232
Printing	23,842	—	—	23,842
Program fees and consultants	210,056	—	—	210,056
Publications and translations	72,763	—	—	72,763
Subcontractors	1,133,905	17,500	—	1,151,405
Travel and conferences	78,880	2,043	—	80,923
Depreciation	4,853	1,106	62	6,021
Amortization	22,984	—	—	22,984
<b>Total expenses</b>	<b>\$4,476,617</b>	<b>\$464,847</b>	<b>\$28,409</b>	<b>\$4,969,873</b>

See accompanying notes.

**Family Caregiver Alliance**  
 Statements of Functional Expenses  
 For the year ended June 30, 2019

Expenses	Program services	Manage- ment and general	Fund- raising	2019
Salaries	\$ 858,131	\$242,379	\$14,264	\$1,114,774
Payroll taxes	66,946	18,909	1,113	86,968
Employee benefits	214,759	58,949	3,506	277,214
Alzheimer's Disease Caregiving Legacy Awards	60,000	—	—	60,000
Communications	37,321	9,884	546	47,751
Equipment	30,368	8,578	505	39,451
Family support services	631,966	—	—	631,966
Insurance	5,845	5,640	97	11,582
Occupancy	179,516	50,706	2,984	233,206
Office	46,621	6,500	160	53,281
Postage and delivery	6,259	2,177	869	9,305
Printing	3,306	94	368	3,768
Program fees and consultants	139,593	1,500	—	141,093
Publications and translations	40,238	—	—	40,238
Subcontractors	486,877	17,500	—	504,377
Travel and conferences	53,067	8,421	—	61,488
Depreciation	6,548	1,850	109	8,507
Amortization	22,984	—	—	22,984
<b>Total expenses</b>	<b>\$2,890,345</b>	<b>\$433,087</b>	<b>\$24,521</b>	<b>\$3,347,953</b>

See accompanying notes.

**Family Caregiver Alliance**  
**Statements of Cash Flows**  
For the years ended June 30, 2020 and 2019

	2020	2019
Cash flows from operating activities		
Change in net assets	\$ 947,289	\$ 260,188
Adjustments to reconcile the change in net assets to net cash from operating activities		
Depreciation	6,021	8,507
Amortization	22,984	22,984
Contributions of investments	( 1,622)	–
Realized loss (gain) from sale of and unrealized depreciation (appreciation) from holding investments	( 20,691)	4,282
Changes in assets and liabilities		
Contributions receivable	( 430,983)	253,426
Grants receivable	( 742,710)	( 313,918)
Other receivables	295	47,577
Prepaid expenses	( 119,833)	26,192
Accounts payable and accrued expenses	351,580	80,138
Deferred rent	( 123)	6,188
	12,207	395,564
Net cash provided by operating activities		
Cash flows from investing activities		
Proceeds from sale of investments	1,867,112	1,274,000
Purchases of investments	( 2,221,109)	( 1,558,885)
Capitalization of computer software costs	( 10,148)	–
Net change in deposits	( 1,258)	10,197
	( 365,403)	( 274,688)
Net cash used by investing activities		
Cash flows from financing activities		
Borrowing under note payable	309,074	–
	309,074	–
Net cash provided by financing activities		
Net change in cash and cash equivalents	( 353,196)	120,876
Cash and cash equivalents, beginning of year	256,111	135,235
Cash and cash equivalents, end of year	\$ 211,989	\$ 256,111

See accompanying notes.

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 1 – Basis of Presentation**

Organization

Family Caregiver Alliance (FCA) is a California based not-for-profit corporation founded in 1977 to improve the quality of life for caregiver and for the people who receive their care.

Programs and activities

For over 40 years, FCA has provided services to family caregivers of adults with physical and cognitive impairments, such as Parkinson's, stroke, Alzheimer's and other types of dementia. FCA services include caregiver assessment, care planning, direct care skills education, wellness programs, respite services, legal/financial consultation and therapeutic counseling vouchers. The services, education programs and resources from FCA are designed with caregivers' needs in mind and offer support, tailored information and tools to manage the complex demands of caregiving. These include:

- FCA CareNav is a secure online solution for quality information, support and resources for family caregivers.
- Caregiver Resources by State, sponsored by the National Center on Caregiving (NCC), helps caregivers locate support services state-by-state.
- NCC unites research, policy and practice to advance the development of high-quality, cost-effective programs and policies for caregivers in every state.
- FCA operates the Bay Area Caregiver Resource Center, the CRC for the six-county San Francisco Bay Area. FCA Family Consultants work closely with families caring for ill or elderly loved ones.

Highlights

**CareNav (formerly CareJourney) roll-out to ten Caregiver Resource Centers statewide:**

FCA, one of eleven Caregiver Resource Centers throughout the state of California, helped lead the effort to secure a three-year budget augmentation of \$30M, \$10M per year through June 30, 2022, from the state to expand and improve family caregiver services and improve CRC information technology systems. FCA's CareNav, recently deployed statewide, is helping to gather and report CRC care recipient and caregiver data (demographics, care recipient direct care needs, caregiver CRC service needs and usage; caregiver assessments) from throughout the state with the goal of improving services and support for caregivers.

Data generated is being used in service coordination and planning with health and social service systems, to develop new or adapt current services for employed and diverse families and to benchmark meaningful outcomes. All staff are trained on the revised caregiver assessment and service model as well as use of digital platform and telehealth technologies. Currently, explicit

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 1 – Basis of Presentation (continued)**

caregiver support services in the state serve less than 5% of family caregivers. With additional statewide funding the staff in CRCs can begin to address the changing context:

- Over 80% of caregivers are under the age of 65
- Over half of caregivers are in the workforce and average 20+ hours of assistance per week
- An estimated 50% are providing complex care
- Over 80% of adults over 65 are not eligible for MediCal HCBS
- Two-thirds (66%) of caregivers are at risk for social isolation and strain
- Half of caregivers receive no assistance with care from family, friends or services
- Caregivers younger than 65 are more diverse, more likely to be in the workforce and have children still at home

**Best Practice Caregiving, Guiding Organizations to dementia programs for family caregivers:** This rich database of proven dementia caregiving programs is a product of the collaboration among three leading organizations in the field of aging and caregiving: Benjamin Rose Institute on Aging, Center for Research & Education; Family Caregiver Alliance: National Center on Caregiving; and The Gerontological Society of America. Project funders are The John A. Hartford Foundation, Archstone Foundation and RRF Foundation for Aging. This new resource offers a comprehensive overview of more than 40 proven, vetted programs for organizations that support caregivers of those living with dementia. Visitors can easily search for and compare programs that match their organization’s mission, resources and population needs. The database is continually updated with new programs and information—sign up to receive news and updates at [BestPracticeCaregiving@caregiver.org](mailto:BestPracticeCaregiving@caregiver.org).

The Caregiver Resource Centers have a broad reach across age, income and diagnosis of the care recipient to meet caregiving families wherever they are in their caregiving continuum. Established in this way, overlooked middle-income families who struggle to stay in the workforce and provide care are part of the charge of the CRCs.

**A Focus on Diversity & Equity:** Since its inception, FCA has been a strong advocate for families who care for relatives, friends and partners with dementia, stroke, Parkinson’s, head injuries and other cognitive impairments along with other physical health conditions. FCA has long recognized the diversity of the SF Bay Area and have strived to have the staff, Board of Directors and programs reflect the spectrum of communities FCA serves. Organizationally, FCA strives towards a corporate culture that is an inclusive and safe environment for persons of color, LGBTQ, abled and disabled. Is it easy? No. Is it worth it? Yes.

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 1 – Basis of Presentation (continued)**

As FCA continues to evolve as an organization, it remains committed to serving communities of color while also addressing in every way the inequities in overall health that are based in institutional discrimination. This commitment will serve as a basis of FCA's programs, direct services, public policy and advocacy work.

**Note 2 – Summary of Significant Accounting Policies**

Basis of accounting

FCA prepares its financial statements using accounting principles generally accepted in the United States of America (US-GAAP). FCA records contributions when promised, revenues when earned and expenses when incurring the related obligation. FCA recognizes revenues from reimbursable cost contracts when incurring the related expenses.

Fair value

FCA uses a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority. Level 2 inputs consist of observable inputs other than quoted prices for identical assets. Level 3 inputs consist of unobservable inputs that reflect internal judgments and have the lowest priority. FCA uses appropriate valuation techniques based on the available inputs to measure the fair value of its contributions and investments. When available, FCA measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. FCA only uses Level 3 inputs when Level 1 or Level 2 inputs are not available.

Cash and cash equivalents

Cash and cash equivalents consist principally of amounts on hand and on deposit with a commercial bank, available on demand. At various times during the years ended June 30, 2020 and 2019, FCA had deposits with a commercial bank in excess of federal deposit insurance limits.

Investments

Investments consist principally of cash and registered investment company shares (mutual funds). FCA states its investments at fair value. Net investment income consists of interest, dividends, realized gains and losses and unrealized appreciation and depreciation. As of June 30, 2020 and 2019, investments held by one custodian totaled 93% and 75% of total investments, respectively. Investments are not federally insured. Mutual fund investments are subject to market risk. Market risk is the risk that the value of an investment will decrease due to changes in market factors.

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 2 – Summary of Significant Accounting Policies (continued)**

Contributions receivable

Contributions receivable consist of amounts due from unconditional promises to give. FCA values unconditional promises to give at fair value, when promised.

Grants receivable

Grants receivable consist of amounts due under conditional cost-reimbursement government grants and contracts. All grants receivable are due within one year.

Allowance for uncollectible receivables

FCA uses the allowance method to account for uncollectible receivables. Under this method, FCA reviews all receivables for any problems with collectability. If FCA feels that there may be a problem with collection, FCA provides an allowance for the receivable. When attempts to collect a specific receivable are unsuccessful, FCA considers the receivable uncollectible and writes it off against the allowance. As of June 30, 2020 and 2019, FCA concluded that an allowance for uncollectible receivables was not necessary.

Property and equipment

Property and equipment consist of furniture, software, computer and office equipment and leasehold improvements. FCA capitalizes property and equipment with an initial cost (or fair value when contributed) of \$2,500 and an estimated useful life exceeding one year. FCA calculates depreciation using the straight-line method over the estimated useful lives of the property and equipment, or the shorter remaining term of the lease for leasehold improvements.

Computer software costs

During the year ended June 30, 2017, FCA completed development of its CareNav (formerly CareJourney) portal for caregivers and counselors. FCA established the technological feasibility of CareNav during September 2016 and released CareNav for sale to customers during February 2017. Accordingly, FCA expensed research and development costs related to CareNav incurred before September 2016, expensed maintenance and customer support costs after February 2017 and capitalized costs between September 2016 and February 2017. FCA amortizes its capitalized computer software costs based on the higher of straight-line over five years and in proportion that cumulative sales have to total estimated sales.

Paycheck Protection Program loan

On June 16, 2020, FCA received a Paycheck Protection Program loan pursuant to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) from Beneficial State Bank. The loan is in the amount of \$309,074 plus interest (fixed at 1%) and is due in monthly installments beginning ten months after the end of the “forgiveness covered period” and maturing on June 17, 2025. The loan is unsecured. However, up to 100% of the principal and accrued interest may be

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 2 – Summary of Significant Accounting Policies (continued)**

forgiven, based on eligible expenditures by FCA during the forgiveness covered period, as provided in the CARES Act. FCA expects the loan to be fully forgiven; however, FCA has elected not to recognize any forgiveness until approved by the Bank and the Small Business Administration.

Net assets

Net assets without donor restrictions are not subject to donor-imposed restrictions, but may be designated for specific purposes by action of the Board of Directors, or otherwise limited by contractual arrangements with outside parties.

Net assets with donor restrictions are subject to donor-imposed restrictions. FCA reclassifies net assets with donor restrictions to net assets without donor restrictions when it fulfills donor-imposed restrictions through actions FCA takes or the passage of time.

Contributions

Contributions consist of unconditional promises to give, which FCA records at fair value, and classifies based on the existence or absence of any donor restrictions. During the year ended June 30, 2020, contributions received from one foundation totaled 14% of total support and revenue.

Government grants

Government grant support consists principally of conditional cost-reimbursement government grants and contracts. FCA does not recognize support from these grants and contracts until it fulfills the condition; generally, by expending allowable costs, including matching, and performing services to accomplish the requirements of the grants and contracts.

Cost allocation

FCA summarizes the costs of its activities on a functional basis. FCA allocates direct costs of its various program and supporting services to the activity benefitted. FCA allocates indirect costs on a reasonable basis that is consistently applied. FCA allocates compensation costs based on actual and estimated personnel time expended on each activity. FCA allocates employee benefits, payroll taxes and certain other indirect costs based on allocated compensation costs. FCA allocates all other indirect costs based on an analysis of each category or item of cost when incurred.

Income taxes

The Internal Revenue Service (IRS) and Franchise Tax Board (FTB) have advised FCA that it is exempt from federal income and state franchise taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the Revenue and Taxation Code of the State of California,

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 2 – Summary of Significant Accounting Policies (continued)**

respectively. In addition, FCA has been classified as other than a private foundation under Internal Revenue Codes Section 509(a)(1). Accordingly, donors are entitled to the maximum charitable contribution allowed by law. Management believes that no activities of FCA jeopardized its exemption from income taxes or its classification as a “public charity.” Consequently, FCA provided no income tax provision.

FCA files information returns with the IRS and FTB, which are generally open to examination three years and four years after filing, respectively.

Use of estimates

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

Subsequent events

Management has evaluated subsequent events for recognition and disclosure through December 1, 2020, the date the financial statements were available for issuance. Management concluded that the following material subsequent events have occurred since June 30, 2020, which would require recognition or disclosure in the financial statements.

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the financial condition, liquidity and future results of operations of FCA. Management is actively monitoring the global situation on its financial condition, liquidity, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, FCA is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for the year ending June 30, 2021.

However, FCA has taken several steps in response, including compliance with mandatory work from home orders; reducing or eliminating in person client counseling and support groups, training and in-home visits, and community outreach and education events; and accelerating movement of its operating environment to the cloud to facilitate working remotely.

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 3 – Investments**

As of June 30, 2020 and 2019, investments totaled as follows:

	<u>2020</u>	<u>2019</u>
<u>Cost</u>		
Cash and cash equivalents	\$ 397,498	\$ 168,349
<u>Level 1</u>		
Common stock	–	86,972
Money market mutual fund	662,253	449,142
Bond index mutual fund	173,499	159,230
Global equities mutual fund	<u>152,257</u>	<u>145,504</u>
Total Level 1 investments	<u>988,009</u>	<u>840,848</u>
Total investments	1,385,507	1,009,197
Current investments	<u>1,297,206</u>	<u>876,746</u>
Long-term	<u>\$ 88,301</u>	<u>\$ 132,451</u>

During the years ended June 30, 2020 and 2019, FCA did not transfer investments among fair value input levels. The long-term portion of total investments relates to the term endowment (Note 7).

During the years ended June 30, 2020 and 2019, net investment income totaled as follows:

	<u>2020</u>	<u>2019</u>
Interest	\$ 110	\$ 113
Dividends	22,209	28,884
Realized (loss) gain	( 17,419)	11,492
Unrealized appreciation (depreciation)	<u>38,110</u>	<u>( 15,774)</u>
Investment income, net	<u>\$43,010</u>	<u>\$24,715</u>

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 4 – Contributions Receivable**

As of June 30, 2020 and 2019, contributions receivable totaled as follows:

	<u>2020</u>	<u>2019</u>
Bader Philanthropies, Inc.	\$ —	\$ 65,000
Fidelity Charitable	400,000	—
The John A. Hartford Foundation	175,000	111,067
May and Stanley Smith Charitable Trust	75,000	—
Northern California Community Loan Fund	<u>—</u>	<u>42,950</u>
 Total contributions receivable	 650,000	 219,017
Current	<u>613,542</u>	<u>219,017</u>
 Long-term, due between one and five years	 <u>\$ 36,458</u>	 <u>\$ —</u>

**Note 5 – Grants Receivable**

As of June 30, 2020 and 2019, grants receivable totaled as follows:

	<u>2020</u>	<u>2019</u>
County of Alameda	\$ 41,954	\$ 79,965
State of California	1,044,047	203,457
County of Contra Costa	38,685	88,088
County of Marin through the Alzheimer's Disease and Related Disorders Association	525	2,650
City and County of San Francisco	647,288	627,953
County of San Mateo	<u>49,708</u>	<u>77,384</u>
 Total grants receivable	 <u>\$1,822,207</u>	 <u>\$1,079,497</u>

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 6 – Computer Software Costs**

As of June 30, 2020 and 2019, capitalized computer software costs totaled as follows:

	<u>2020</u>	<u>2019</u>
CareNav	\$129,474	\$119,326
Less accumulated amortization	<u>78,528</u>	<u>55,544</u>
Computer software, net	<u>\$ 50,946</u>	<u>\$ 63,782</u>

During the years ending June 30, 2021 and 2022, expected amortization of capitalized computer software costs totals \$22,984 and \$27,962, respectively.

**Note 7 – Net Assets with Donor Restrictions**

During the year ended June 30, 2020, net assets with donor restrictions reconciled as follows:

<u>Purpose</u>	<u>Beginning</u>	<u>Additions</u>	<u>Releases</u>	<u>Ending</u>
Caregiver Connect: Alameda and Contra Costa Counties	\$320,350	\$ 2,600	\$ 69,968	\$252,982
COVID-19 Emergency	–	30,000	30,000	–
Dementia Capable Supports and Services Initiative	7,184	–	221	6,963
Family Caregiver Respite and Counseling	35,711	20,873	15,233	41,351
Family Caregiver Training	14,349	–	–	14,349
Family Caregiving Clearinghouse	5,907	–	–	5,907
Innovations in Alzheimer's Disease Caregiving Legacy Award	65,000	65,000	121,274	8,726
Medication Management Materials	69,650	–	20,176	49,474
Online Resource for Comparing Evidence- Based Dementia Caregiving	159,163	175,000	225,637	108,526
Term endowment	<u>176,602</u>	<u>–</u>	<u>44,151</u>	<u>132,451</u>
Totals	<u>\$853,916</u>	<u>\$293,473</u>	<u>\$526,660</u>	<u>\$620,729</u>

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 7 – Net Assets with Donor Restrictions (continued)**

During the year ended June 30, 2019, net assets with donor restrictions reconciled as follows:

<u>Purpose</u>	<u>Beginning</u>	<u>Additions</u>	<u>Releases</u>	<u>Ending</u>
Caregiver Connect: Alameda and Contra Costa Counties	\$422,688	\$ –	\$102,338	\$320,350
Dementia Capable Supports and Services Initiative	7,883	–	699	7,184
Family Caregiver Respite and Counseling	40,606	10,119	15,014	35,711
Family Caregiver Training	14,349	–	–	14,349
Family Caregiving Clearinghouse	5,907	–	–	5,907
Innovations in Alzheimer's Disease Caregiving Legacy Award	–	195,000	130,000	65,000
Medication Management Materials	–	70,000	350	69,650
Office move	–	42,950	42,950	–
Online Resource for Comparing Evidence-Based Dementia Caregiving	286,096	–	126,933	159,163
Term endowment	<u>202,463</u>	<u>18,288</u>	<u>44,149</u>	<u>176,602</u>
Totals	<u>\$979,992</u>	<u>\$336,357</u>	<u>\$462,433</u>	<u>\$853,916</u>

**Note 8 – Bank Credit Line**

FCA has available a revolving bank credit line of \$150,000 from a commercial bank. There were no borrowings due as of June 30, 2020 or 2019. Receivables secure the bank credit line. Amortized principal and fixed interest (at 9.50%) payments are due monthly. The bank credit line is subject to annual approval and renewal by the commercial bank, which last occurred effective October 28, 2020.

**Note 9 – Endowment**

FCA follows Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205, “Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and Enhanced Disclosures for All Endowment Funds” and the related state of California version of the UPMIFA (CA-UPMIFA).

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 9 – Endowment (continued)**

Endowment funds subject to both FASB ASC 958-205 and CA-UPMIFA include the term endowment. Endowment funds subject to only FASB ASC 958-205 include board designated net assets.

FCA classifies and records net assets associated with endowment funds, including funds designated by the Board of Directors of FCA to function as endowments, based on the existence or absence of donor-imposed restrictions.

The Board of Directors of FCA has interpreted the CA-UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. Because of this interpretation, FCA classifies as net assets with donor restrictions the original value of gifts contributed to the permanent endowment, the original value of subsequent gifts to the permanent endowment and accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. FCA classifies the expendable portion of the donor-restricted endowment fund as net assets with donor restrictions until the Board of Directors of FCA appropriates those amounts for expenditure by FCA in a manner consistent with the standard of prudence prescribed by CA-UPMIFA. In accordance with CA-UPMIFA, FCA considers various factors to determine whether to appropriate or accumulate donor-restricted endowment funds and incorporates the limitation under California state law of appropriations to seven percent of the fair value of the endowment funds.

During the year ended June 30, 2020, endowment funds reconciled as follows:

	Net assets without donor <u>restrictions</u>	Net assets with donor <u>restrictions</u>	<u>Totals</u>
Beginning of year	\$ 832,595	\$176,602	\$1,009,197
Dividends	22,209	–	22,209
Realized loss	( 17,419)	–	( 17,419)
Unrealized appreciation	38,110	–	38,110
Appropriated for expenditures	( 1,719,585)	( 44,151)	( 1,763,736)
Board designations	<u>2,097,146</u>	<u>–</u>	<u>2,097,146</u>
End of year	<u>\$1,253,056</u>	<u>\$132,451</u>	<u>\$1,385,507</u>

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 9 – Endowment (continued)**

As of June 30, 2020, endowment funds totaled as follows:

	Net assets without donor <u>restrictions</u>	Net assets with donor <u>restrictions</u>	<u>Totals</u>
Board designated	\$1,253,056	\$ –	\$1,253,056
Donor restricted – Term endowment	<u>–</u>	<u>132,451</u>	<u>132,451</u>
Total endowment funds	<u>\$1,253,056</u>	<u>\$132,451</u>	<u>\$1,385,507</u>

During the year ended June 30, 2019, endowment funds reconciled as follows:

	Net assets without donor <u>restrictions</u>	Net assets with donor <u>restrictions</u>	<u>Totals</u>
Beginning of year	\$ 526,131	\$202,463	\$ 728,594
Dividends	25,317	3,567	28,884
Realized gain	–	11,492	11,492
Unrealized appreciation (depreciation)	( 19,003)	3,229	( 15,774)
Appropriated for expenditures	( 1,229,850)	( 44,149)	( 1,273,999)
Board designations	<u>1,530,000</u>	<u>–</u>	<u>1,530,000</u>
End of year	<u>\$832,595</u>	<u>\$176,602</u>	<u>\$1,009,197</u>

As of June 30, 2019, endowment funds totaled as follows:

	Net assets without donor <u>restrictions</u>	Net assets with donor <u>restrictions</u>	<u>Totals</u>
Board designated	\$832,595	\$ –	\$ 832,595
Donor restricted – Term endowment	<u>–</u>	<u>176,602</u>	<u>176,602</u>
Total endowment funds	<u>\$832,595</u>	<u>\$176,602</u>	<u>\$1,009,197</u>

The fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or CA-UPMIFA requires FCA to retain as a fund of perpetual duration. FCA records deficiencies of this nature in net assets with donor restrictions. Deficiencies may result from unfavorable market fluctuations that occur shortly after the investment of new

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 9 – Endowment (continued)**

donor restricted contributions and continued appropriation for programs that the Board of Directors of FCA deems prudent. As of June 30, 2020 and 2019, there was no deficiency.

The fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or CA-UPMIFA requires FCA to retain as a fund of perpetual duration. FCA records deficiencies of this nature in net assets with donor restrictions. Deficiencies may result from unfavorable market fluctuations that occur shortly after the investment of new donor restricted contributions and continued appropriation for programs that the Board of Directors of FCA deems prudent. As of June 30, 2020 and 2019, there was no deficiency.

FCA has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets.

The investment policy of FCA provides for diversification, preservation of capital and risk aversion. The long-term financial goal for FCA investments is to provide a relatively stable stream of spendable revenue that increases over time at least as fast as the general rate of inflation, as measured by the Consumer Price Index. The long-term investment objective for FCA investments is to maximize long-term real (i.e., after inflation) total returns (i.e., yield plus capital appreciation) while moderating fundamental investment risks.

The spending policy of FCA incorporates CA-UPMIFA and consists of a spending rate, approved by the Board of Directors of FCA annually. The spending rate should provide, to the extent practical, a steady stream of income from year to year, consistent with the need to preserve the endowment fund and accounting for the factors incorporated in CA-UPMIFA.

Board designated endowment funds are subject to redesignation at any time, including redesignation as other than endowment funds.

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 10 – Government Grants**

During the years ended June 30, 2020 and 2019, FCA met the conditions under certain government grants and recognized support as follows:

	<u>2019</u>	<u>2019</u>
County of Alameda	\$ 156,888	\$ 154,528
State of California	2,300,000	483,849
County of Contra Costa	188,012	181,005
County of Marin through the Alzheimer's Disease and Related Disorders Association	22,050	19,700
City and County of San Francisco	1,629,020	1,571,650
County of San Mateo	<u>160,237</u>	<u>171,638</u>
Total government grant support	<u>\$4,456,207</u>	<u>\$2,582,370</u>

Government grant support may be subject to audit or review by the governmental agencies. Management believes that FCA has complied with all aspects of grant and contract provisions and disallowed costs, if any, would be insignificant to its financial position.

**Note 11 – Liquidity and Availability of Financial Assets**

As of June 30, 2020 and 2019, financial assets, reduced by amounts not available for general use because of contractual or donor-imposed restrictions, reconcile as follows:

	<u>2020</u>	<u>2019</u>
<u>Financial assets</u>		
Cash and cash equivalents	\$ 211,989	\$ 256,111
Investments	1,297,206	876,746
Contributions receivable	613,542	219,017
Grants receivable	1,822,207	1,079,497
Other receivables	<u>10,878</u>	<u>11,173</u>
Total financial assets	3,955,822	2,442,544
<u>Amounts unavailable for general expenditures within one year</u>		
Net assets with donor restrictions	619,569	853,916
Net assets with donor restrictions not in financial assets	<u>(88,301)</u>	<u>(132,451)</u>
Total amounts unavailable for general expenditures within one year	<u>531,268</u>	<u>721,465</u>

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 11 – Liquidity and Availability of Financial Assets (continued)**

Financial assets available to meet cash needs for general expenditure within one year	<u>\$3,424,554</u>	<u>\$1,721,079</u>
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FCA liquidity management involves biweekly forecasts of cash flows from operating and investing activities for the following two weeks and quarter. Quarterly, liquidity is reviewed by the Executive Director and the Finance Committee of the Board of Directors. As part of its liquidity management, FCA invests cash in excess of daily requirements in a dividend-earning money market mutual fund. In addition, FCA has available a bank credit line (Note 8) to meet short-term cash deficits. Certain investments include funds designated by the Board of Directors to function as endowments (Note 9).

**Note 12 – Lease Commitment**

During the years ended June 30, 2020 and 2019, FCA leased office space under an operating lease that will expire June 30, 2021. Required future minimum lease payments for the year ending June 30, 2021, totals \$223,186.

Occupancy costs include storage and other operating costs. During the years ended June 30, 2020 and 2019, rent expense totaled \$238,001 and \$229,897, respectively.

**Note 13 – Employee Retirement Plan**

FCA offers a defined contribution retirement plan for the benefit of its eligible employees under section 403(b) of the Internal Revenue Code (IRC). The Plan allows for employee elective contributions and for employer matching contributions. Matching contributions are determined annually at the discretion of the Board of Directors of FCA. Employee contributions are 100% vested. Employer contributions vest based on years of service and fully vest after five years of service. During the year ended June 30, 2020 and 2019, FCA matched 25% of the first \$10,000 of eligible employee deferrals. During the years ended June 30, 2020 and 2019, FCA matching contributions totaled \$36,376 and \$34,590, respectively.

**Family Caregiver Alliance**  
Notes to Financial Statements  
June 30, 2020

**Note 14 – Adoption and Deferral of New Accounting Standards**

During the year ended June 30, 2020, FCA adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2018-08, “Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.” FASB ASU 2018-08 provides additional guidance on distinguishing a contribution from an exchange transaction and determining when a contribution is conditional. FCA has previously accounted for its cost-reimbursement government grants as conditional contributions. FASB ASU 2018-08 makes it clearer that the accounting for cost-reimbursement government grants by FCA is correct. Accordingly, the adoption of FASB 2018-08 had no effect on the financial position of FCA.

In June 2020, FASB issued FASB ASU 2020-05, “Effective Dates for Certain Entities,” allowing certain entities to defer the adoption of FASB ASU 2014-09, “Revenue from Contracts with Customers,” until the year ending June 30, 2021. Accordingly, FCA elected to defer the adoption of FASB ASU 2014-09 until the year ending June 30, 2021.

**Schedule of Expenditures of Federal Awards**

**Family Caregiver Alliance**  
**Schedule of Expenditures of Federal Awards**  
**For the year ended June 30, 2020**

Grantors, awards and Pass-through entities	Contract numbers	CFDA	Gross expenditures	Matching contributions	Net expenditures	Federal share	County share	Passed to subrecipients
U.S. Department of Health and Human Services								
National Family Caregiver Support, Title III, Part E								
State of California, County of								
Alameda	900175	93.052	\$ 288,268	\$131,380	\$ 156,888	\$ 143,491	\$ 13,397	\$ -
Contra Costa	40-412-2/3	93.052	285,064	97,052	188,012	188,012	-	-
San Mateo	57000-20-R076561N	93.052	230,232	69,995	160,237	154,108	6,129	-
San Francisco	326424	93.052	1,178,433	347,663	830,770	514,395	316,375	203,437
Marin through the Alzheimer's Disease and Related Disorders Association								
	FCSP-FY2019-20	93.052	22,050	-	22,050	22,050	-	-
<b>Totals</b>			<b>\$2,004,047</b>	<b>\$646,090</b>	<b>\$1,357,957</b>	<b>\$1,022,056</b>	<b>\$335,901</b>	<b>\$203,437</b>

**Notes to the Schedule of Expenditures of Federal Awards**

**Note A - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of Family Caregiver Alliance (FCA) under programs of the federal government passed-through the indicated counties for the year ended June 30, 2020. FCA presents the information in the SEFA 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 SEFA presents only a selected portion of the operations of FCA, it is not intended to and does not present the financial position, changes in net assets or cash flows of FCA.

**Note B - Summary of Significant Accounting Policies**

- (1) FCA reports expenditures in the SEFA using the accrual basis of accounting. FCA recognizes such expenditures following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. In addition, the indicated counties may impose their own reimbursement limits.
- (2) Federal award program "National Family Caregiver Support, Title III, Part E" (CFDA 93.052) requires a 25% match.
- (3) FCA has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.
- (4) FCA has not received any federal award funds under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.



**Report of the Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with “Government Auditing Standards”**

To the Board of Directors of **Family Caregiver Alliance**:

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in “Government Auditing Standards,” issued by the Comptroller General of the United States, the financial statements of Family Caregiver Alliance (FCA), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated December 1, 2020.

**Internal Control over Financial Reporting**

In planning and performing my audit of the financial statements, I considered the internal control over financial reporting of FCA (internal control) as a basis for designing audit procedures that are appropriate in the circumstances to express my opinion on the financial statements, but not to express an opinion on the effectiveness of internal control. Accordingly, I do not express an opinion on the effectiveness of internal control.

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that I did not identify.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, I performed tests of compliance by FCA with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that I am required to report under “Government Auditing Standards.”

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control or on compliance. This report is an integral part of an audit performed in accordance with “Government Auditing Standards” in considering internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**Michael Smith, CPA**  
Petaluma, California  
December 1, 2020



## **Report of the Independent Auditor on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance**

To the Board of Directors of **Family Caregiver Alliance**:

### **Report on Compliance for Each Major Federal Program**

I have audited the compliance by Family Caregiver Alliance (FCA) with the types of compliance requirements described in the “OMB Compliance Supplement” that could have a direct and material effect on each of the major federal programs of FCA for the year ended June 30, 2020. The summary of auditor’s results section of the accompanying schedule of findings and questioned costs identifies the major federal programs of FCA.

### **Responsibility of Management**

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

### **Responsibility of the Auditor**

My responsibility is to express an opinion on compliance for each of the major federal programs of FCA based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in “Government Auditing Standards,” issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. “Code of Federal Regulations” Part 200, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of compliance by FCA.

## **Opinion on Each Major Federal Program**

In my opinion, FCA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

## **Report on Internal Control over Compliance**

Management of FCA is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered internal control over compliance by FCA with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances to express an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to express an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of internal control over compliance.

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

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that I have not identified.

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

**Michael Smith, CPA**  
Petaluma, California  
December 1, 2020

**Family Caregiver Alliance**  
Schedule of Findings and Questioned Costs  
June 30, 2020

**Summary of Auditor's Results**

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Family Caregiver Alliance were prepared in accordance with accounting principles generally accepted in the United States of America (US-GAAP).
2. The report on Internal Control over Financial Reporting did not report any significant deficiencies or material weaknesses.
3. The audit did not disclose any instances of noncompliance that are material to the financial statements that "Government Auditing Standards" require to be reported.
4. The report on Internal Control over Compliance did not report any significant deficiencies or material weaknesses.
5. The auditor's report on compliance for each major federal program expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with 2 CFR 200.516(a) are reported in this Schedule.
7. The program tested as a major federal program was:  
    U.S. Department of Health and Human Services  
    National Family Caregiver Support, Title III, Part E  
    CFDA 93.052
8. The threshold used to distinguish between Type A and B programs was \$750,000.
9. Family Caregiver Alliance qualified as a low-risk auditee.

**Summary Schedule of Prior Audit Findings**

Included

**Findings – Financial Statement Audit**

None

**Findings and Questioned Costs – Major Federal Programs Audit**

None

A nonprofit, tax-exempt  
501(c)(3) organization

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**National Center  
on Caregiving**

- Family Care Navigator
- Research and Reports

**FCA CareJourney**

- Online Service Solution
- Caregiver Assessment
- Learning Center

**Bay Area Caregiver  
Resource Center**

- Care Planning
- Education
- Respite

**Research, Policy, and  
Technical Expertise**

- Consultation
- Business Development
- Employee Education

**Publications**

- Consumer
- Professional

Kathleen Kelly, MPA  
Executive Director

M. Celine Takatsuno  
Board President

**Family Caregiver Alliance  
Summary Schedule of Prior Audit Findings  
June 30, 2020**

**Findings – Financial Statements Audit**

**Significant Deficiency**

**2019-001 Accounting for Multi-Year Grants**

Condition: Family Caregiver Alliance did not recognize the second year of a multi-year unconditional grant

Recommendation: The reviewing manager should exert extra diligence in the recording of multi-year grants as well determining that account analyses are updated timely.

Current Status: The recommendation was adopted February 19, 2020. No similar findings were noted in the 2020 audit.

**Significant Deficiency**

**2019-002 Timely Reporting of Grants**

Condition: Family Caregiver Alliance did not recognize a conditional grant that it met the conditions of before the end of the reporting period.

Recommendation: Put in place and follow procedures to record all grants timely.

Current Status: The recommendation was adopted February 19, 2020. No similar findings were noted in the 2020 audit.

If the U.S. Department of Health and Human Services has questions regarding our summary schedule of prior audit findings, please call Stephen Hu at 415-434-3388.

Stephen Hu

Fiscal Director

Family Caregiver Alliance

Dated: November 30, 2020