

STAND! For Families Free of Violence
(A Nonprofit Corporation)

FINANCIAL REPORT

JUNE 30, 2023
(with comparative totals for 2022)

CONTENTS

| | Page |
|--|-------|
| INDEPENDENT AUDITORS' REPORT | 1-2 |
| FINANCIAL STATEMENTS | |
| Statements of financial position | 3 |
| Statement of activities | 4 |
| Statement of functional expenses | 5 |
| Statements of cash flows | 6 |
| Notes to financial statements | 7-18 |
| INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i> | 19-20 |
| INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE | 21-22 |
| SUPPLEMENTARY INFORMATION | |
| Schedule of California Office of Emergency Services Program | 23 |
| Schedule of expenditures of federal awards | 24-26 |
| SCHEDULE OF FINDINGS AND QUESTIONED COSTS | 27 |



B O W M A N

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
STAND! For Families Free of Violence
(A Nonprofit Corporation)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **STAND! For Families Free of Violence** (A Nonprofit Corporation) 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 financial statements present fairly, in all material respects, the financial position of **STAND! For Families Free of Violence** as of June 30, 2023, and changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the **STAND! For Families Free of Violence** 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.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, **STAND! For Families Free of Violence** adopted Topic Accounting Standards Codification (ASC) *842 Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 Auditors' 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 generally accepted auditing standards 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.

Established 1949
www.cpabowman.com

Bowman & Company, LLP
10100 Trinity Parkway, Suite 310
Stockton, CA 95219

Telephone: 209.473.1040
Facsimile: 209.473.9771

In performing an audit in accordance with generally accepted auditing standards 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 the Organization'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 the Organization'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 the STAND! For Families Free of Violence June 30, 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 10, 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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is 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 audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2024 on our consideration of Organization'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 the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Bowman & Company, CP

Stockton, California
March 22, 2024

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

STATEMENTS OF FINANCIAL POSITION

June 30, 2023 and 2022

| ASSETS | <u>2023</u> | <u>2022</u> |
|--|---------------------|---------------------|
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 1,142,912 | \$ 840,122 |
| Accounts receivable, net | 699,371 | 1,096,865 |
| Contributions receivable | 291,590 | -- |
| Prepaid expenses | <u>12,121</u> | <u>16,983</u> |
| Total current assets | 2,145,994 | 1,953,970 |
| PROPERTY AND EQUIPMENT, net | 1,455,607 | 1,493,622 |
| OTHER ASSETS | | |
| Right of use assets, net | 254,762 | -- |
| Deposits | 2,521 | 4,521 |
| Investments - restricted | 124,171 | 124,171 |
| Investments | <u>610,218</u> | <u>551,770</u> |
| Total assets | <u>\$ 4,593,273</u> | <u>\$ 4,128,054</u> |
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 42,054 | \$ 117,611 |
| Accrued vacation | 116,304 | 123,984 |
| Accrued payroll and benefits | 111,579 | 128,267 |
| Accrued expenses | 31,116 | 33,938 |
| Advance collections | -- | 2,500 |
| Right of use asset liability, current portion | 76,734 | -- |
| Notes payable, current portion | <u>13,059</u> | <u>12,522</u> |
| Total current liabilities | <u>390,846</u> | <u>418,822</u> |
| LONG TERM LIABILITIES | | |
| Right of use asset liability, less current portion | 178,321 | -- |
| Notes payable, less current portion | <u>621,193</u> | <u>634,118</u> |
| Total liabilities | <u>1,190,360</u> | <u>1,052,940</u> |
| NET ASSETS | | |
| Without donor restrictions | 3,164,656 | 2,797,599 |
| With donor restrictions | <u>238,257</u> | <u>277,515</u> |
| Total net assets | <u>3,402,913</u> | <u>3,075,114</u> |
| Total liabilities and net assets | <u>\$ 4,593,273</u> | <u>\$ 4,128,054</u> |

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2023
(With Summarized Totals for 2022)

| | Year Ended June 30, 2023 | | | 2022 Total |
|--|----------------------------------|----------------------------|--------------|---------------|
| | Without donor restrictions | With donor restrictions | Total | |
| PUBLIC SUPPORT AND REVENUE | | | | |
| Public support | | | | |
| Contributions | \$ 918,700 | \$ 114,086 | \$ 1,032,786 | \$ 1,131,863 |
| Special events - net | 42,743 | -- | 42,743 | 85,263 |
| In-kind services | 71,478 | -- | 71,478 | 107,323 |
| Release of net assets with donor restrictions - Contributions | 153,344 | (153,344) | -- | -- |
| Total public support | 1,186,265 | (39,258) | 1,147,007 | 1,324,449 |
| Revenue | | | | |
| Grants and support | 2,898,290 | -- | 2,898,290 | 2,973,316 |
| Fees and sales | 21,661 | -- | 21,661 | 41,476 |
| Rental income | 4,497 | -- | 4,497 | 13,121 |
| Investment income (loss), net | 58,448 | -- | 58,448 | (121,961) |
| Employee retention credit | 683,236 | -- | 683,236 | -- |
| Loss on disposal of assets, net | (27,912) | -- | (27,912) | -- |
| Miscellaneous | 8,350 | -- | 8,350 | 22,904 |
| Total revenue | 3,646,570 | -- | 3,646,570 | 2,928,856 |
| Total public support and revenue | 4,832,835 | (39,258) | 4,793,577 | 4,253,305 |
| EXPENSES | | | | |
| Program services | 3,165,344 | -- | 3,165,344 | 3,096,114 |
| Supporting services | 1,300,434 | -- | 1,300,434 | 1,315,829 |
| Total expenses | 4,465,778 | -- | 4,465,778 | 4,411,943 |
| Change in net assets | 367,057 | (39,258) | 327,799 | (158,638) |
| Net assets, beginning of year | 2,797,599 | 277,515 | 3,075,114 | 3,233,752 |
| Net assets, end of year | \$ 3,164,656 | \$ 238,257 | \$ 3,402,913 | \$ 3,075,114 |

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2023
(With Summarized Totals for 2022)

Year Ended June 30, 2023

| | Total Program Services | Supporting Services | | | Total Expenses | 2022 Total Expenses |
|--|------------------------------|---------------------------|------------------|---------------------------------|---------------------|---------------------------|
| | | Management and General | Fundraising | Total Supporting Services | | |
| Salaries | \$ 1,960,214 | \$ 744,784 | \$ 33,188 | \$ 777,972 | \$ 2,738,186 | \$ 2,754,322 |
| Payroll taxes and benefits | 401,604 | 105,749 | 5,008 | 110,757 | 512,361 | 510,539 |
| Depreciation | 59,540 | 115,632 | -- | 115,632 | 175,172 | 166,614 |
| Emergency assistance | 49,216 | 1,104 | 64 | 1,168 | 50,384 | 62,208 |
| Telephone & utilities | 128,451 | 998 | 53 | 1,051 | 129,502 | 115,492 |
| Supplies | 73,643 | 3,521 | 598 | 4,119 | 77,762 | 32,374 |
| In-kind expense | 63,137 | 5,428 | 2,913 | 8,341 | 71,478 | 107,323 |
| Office expense | 31,366 | 37,809 | 1,335 | 39,144 | 70,510 | 118,926 |
| Rent and equipment rental | 51,936 | 45,293 | 3,420 | 48,713 | 100,649 | 54,288 |
| Repairs & maintenance | 146,153 | 623 | -- | 623 | 146,776 | 49,278 |
| Insurance expense | 54,907 | 666 | -- | 666 | 55,573 | 57,891 |
| Legal and accounting | -- | 30,000 | -- | 30,000 | 30,000 | 36,500 |
| Direct special event expenses | -- | 1,738 | 625 | 2,363 | 2,363 | 987 |
| Dues, fees & subscriptions | 46,464 | 37,097 | 290 | 37,387 | 83,851 | 61,610 |
| Contract and outside services | 76,995 | 75,123 | 54,939 | 130,062 | 207,057 | 131,087 |
| Janitorial | 38,670 | 844 | -- | 844 | 39,514 | 42,064 |
| Payments to collaborators | 16,979 | -- | -- | -- | 16,979 | 20,000 |
| Travel | 7,863 | 2,516 | 4,927 | 7,443 | 15,306 | 9,171 |
| Network communications | 20,891 | 938 | -- | 938 | 21,829 | 27,672 |
| Printing, postage, and advertising | 8,396 | 25,085 | 11,469 | 36,554 | 44,950 | 36,361 |
| Property taxes | 7,278 | 4,434 | -- | 4,434 | 11,712 | 12,926 |
| Interest | 9,750 | -- | -- | -- | 9,750 | 10,242 |
| Youth scholarships | -- | -- | -- | -- | -- | 2,561 |
| Professional services | 600 | -- | -- | -- | 600 | 227 |
| Total expenses by function | 3,254,053 | 1,239,382 | 118,829 | 1,358,211 | 4,612,264 | 4,420,663 |
| Less: expenses netted against revenues on the statement of activities | | | | | | |
| Direct special event expenses | -- | -- | (50,133) | (50,133) | (50,133) | -- |
| Investment fees | -- | (7,644) | -- | (7,644) | (7,644) | (8,720) |
| Loss on disposal of assets | (88,709) | -- | -- | -- | (88,709) | -- |
| TOTAL UNRESTRICTED EXPENSES | \$ 3,165,344 | \$ 1,231,738 | \$ 68,696 | \$ 1,300,434 | \$ 4,465,778 | \$ 4,411,943 |

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2023 and 2022

| | 2023 | 2022 |
|--|--------------|--------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | \$ 327,799 | \$ (158,638) |
| Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities: | | |
| Depreciation | 175,172 | 166,614 |
| Realized and unrealized (gain) loss on investments | (40,638) | 134,163 |
| Loss on disposal of property | 6,000 | -- |
| Amortization of operating right of use assets | 74,884 | -- |
| Changes in assets and liabilities: | | |
| (Increase) decrease in: | | |
| Accounts receivable | 397,494 | (359,113) |
| Contributions receivable | (291,590) | -- |
| Prepaid expenses | 4,862 | 24,168 |
| Deposits | 2,000 | -- |
| (Decrease) increase in: | | |
| Accounts payable | (75,557) | (18,403) |
| Accrued vacation | (7,680) | (8,216) |
| Accrued payroll and benefits | (16,688) | 14,811 |
| Accrued expenses | (2,822) | (13,951) |
| Advance collections | (2,500) | 2,500 |
| Right of use liability | (74,591) | -- |
| Net cash provided by (used in) operating activities | 476,145 | (216,065) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisition of property, furniture and equipment | (143,157) | (131,071) |
| Proceeds from sale of investments | 156,080 | 574,667 |
| Purchases of investments | (173,890) | (586,947) |
| Net cash provided by (used in) investing activities | (160,967) | (143,351) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Payments on notes payable, net | (12,388) | (11,892) |
| Net cash provided by (used in) financing activities | (12,388) | (11,892) |
| Net increase (decrease) in cash and cash equivalents | 302,790 | (371,308) |
| Cash and cash equivalents, beginning of year | 840,122 | 1,211,430 |
| Cash and cash equivalents, end of year | \$ 1,142,912 | \$ 840,122 |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION: | | |
| Cash paid for interest | \$ 9,750 | \$ 10,242 |
| SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES: | | |
| Acquisition of property, furniture and equipment with accounts payable | \$ -- | \$ 81,098 |

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies

STAND! for Families Free of Violence, a Nonprofit Corporation, (the Organization) formerly STAND! Against Domestic Violence, incorporated September 14, 1977, and merged with the Family Stress Center, Inc. on July 1, 2010. The Organization operates a 24 hour crisis line; emergency housing for women, men, and their children who are victims or survivors of domestic violence and/or intimate partner violence; group and individual counseling; legal services; a batterer's intervention program; and domestic violence/intimate partner violence prevention programs for teens and adults.

A summary of significant accounting policies applied in the preparation of the financial statement follows:

Basis of Accounting:

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

Basis of Presentation:

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

The Organization is required to report information regarding their financial position and activities according to the following net asset classifications:

Net assets without donor restrictions:

Net assets without donor restrictions are those net assets presently available for use by the Organization at the discretion of the Board of Directors. If the Board specifies a purpose where none has been stated by the original donor, such assets are classified as Board designated operating net assets.

Net assets with donor restrictions:

Net assets with donor restrictions are those net assets that are subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated funds be maintained in perpetuity.

Cash and Cash Equivalents:

For purposes of the Statements of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization periodically maintains cash on deposit at a bank in excess of the Federal Deposit Insurance Corporation limit. The Organization has not experienced any losses in such accounts.

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies (Cont.)

Fair Value of Financial Instruments:

The Organization did not hold financial instruments for trading purposes at June 30, 2023 and 2022.

The carrying amount of financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses approximate their fair value due to the short-term maturities of these instruments.

The carrying amounts (which are fair value) of long-term investments are based on values provided by quoted market values.

The carrying amount of notes payable approximates fair value because those financial instruments bear interest at variable rates that approximate current market rates for notes with similar maturities and credit quality.

Investments:

The Organization carries the endowment investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair value in the Statement of Financial Position. The Organization also carries some investments in a pooled investment account at their fair value in the Statement of Financial Position. The realized and unrealized gains and losses are allocated to the individual investors on a time and dollar weighted basis for the pool. The realized and unrealized gains and losses of the investment accounts are included in the change in net assets in the accompanying Statement of Activities.

In August 2008, the Financial Accounting Standards Board issued FASB Staff Position No. FAS 117-1, "Endowments of Not-for-Profit Organization: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Organizational Funds Act (UPMIFA), and Enhances Disclosures for All Endowment Funds". FAS 117-1 provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to UPMIFA. FAS 117-1 also requires additional disclosures about an organization's endowment funds.

The State of California enacted UPMIFA effective January 1, 2009, the provisions of which apply to endowment funds existing on or established after that date. The Organization has adopted FSP FAS 117-1. The Board of Directors has determined their permanently restricted net assets meet the definition of endowment funds under UPMIFA.

Accounts Receivable:

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts and other circumstances, which may affect the ability of patients to meet their obligations.

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies (Cont.)

Accounts Receivable (Cont.):

Receivables are considered impaired if principal payments are not received in accordance with contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collectible. At June 30, 2023 and 2022, allowance for doubtful accounts on accounts receivable was \$0.

Contributions Receivable:

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured at the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Due to the immaterial amount of the calculated discount, the Organization has not recorded the discount amount.

The Organization continually monitors donor's creditworthiness and recognizes allowances for estimated bad debts on donor accounts that are no longer estimated to be collectible. The Organization adjusts any allowance for subsequent collections upon final determination that a contribution receivable is no longer collectible. At June 30, 2023 and 2022, allowance for doubtful accounts on contributions receivable was \$0.

Property and Equipment:

Property and equipment are stated at cost if purchased or at the approximate fair value at the date placed in service, if donated. Depreciation is computed on the straight-line basis over the estimated useful lives:

| | <u>Years</u> |
|----------------------------|--------------|
| Buildings and improvements | 10-30 |
| Furniture and equipment | 5-10 |
| Leasehold improvements | 15 |
| Vehicles | 5 |

It is the policy of the Organization to capitalize additions with costs greater than \$5,000.

Accumulated Vacation:

Accumulated unpaid employee vacation benefits are recognized as liabilities of the Organization. The amount of accumulated vacation at June 30, 2023 and 2022 was \$116,304 and \$123,984, respectively.

Accumulated Sick Leave:

Sick leave benefits are accumulated for each employee. The employees do not gain a vested right to accumulated sick leave. Accumulated employee sick leave benefits are not recognized as liabilities of the agency since payment of such benefits is not probable or estimable. Therefore, sick leave benefits are recorded as expenditures in the period sick leave is taken.

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies (Cont.)

Notes Payable:

The Organization does not accrue interest on the note payable to Contra Costa County. The Organization expects the note to be forgiven at the maturity date.

Right of Use Assets and Liabilities:

The Organization has implemented new guidance issued by the Financial Accounting Standards Board (FASB), Topic Accounting Standards Codification (ASC) 842 *Leases* supersedes the accounting for leases requirements in FASB ASC 840 *Lease*. The guidance requires the recognition of lease assets, called right of use assets, and lease liabilities for operating and financing leases in the statements of financial position. The Organization adopted the guidance effective July 1, 2022.

The Organization recognizes a right of use asset at cost, which comprises the initial amount of the lease liability plus any initial payments and initial direct costs. The right of use asset is amortized using the straight-line method over the earlier of the useful life of the right of use asset or the end of the lease term. The right of use asset is evaluated periodically for impairment losses.

The Organization recognizes a lease liability measured at the present value of the scheduled lease payments at the commencement date and reduced using a risk-free discount rate comparable with that of the lease term.

The Organization has elected not to recognize right of use assets and lease liabilities for short-term leases with a lease term of 12 months or less and leases of low-value assets. These lease payments are recognized as an expense over the lease term.

Revenue Recognition:

All support is considered available for unrestricted use unless specifically restricted by donor in accordance with ASC Topic 958-605. Support and unconditional contributions are recognized immediately and classified as either net assets with donor restrictions or net assets without donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as satisfaction of restrictions on net assets with donor restrictions. Conditional contributions received are accounted for as a refundable advance on the statement of financial position or are unrecognized initially, that is, until the barriers to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with restrictions or net assets without restrictions.

All other revenue is recognized when earned based on an exchange of goods and/or services in accordance with ASC Topic 606. Amounts not earned during the reporting period are recognized as deferred revenue.

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies (Cont.)

Income Tax Status:

The Organization has been granted tax-exempt status by the Internal Revenue Service under IRC Section 501(c)3 and the California Franchise Tax Board under Section 23701(d). The Organization is classified by the Internal Revenue Service as an other-than-private foundation. Accordingly, no provision for federal or state income taxes is made in the accompanying financial statements. The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, are subject to examination by the IRS, generally for three years after they were filed.

Functional Expenses:

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among program services management and general and fundraising costs. Salaries and benefits, training, travel, contract and outside services, and program supplies have been allocated by time and effort. Office supplies, rent, and other expenses have been allocated by full time equivalent and depreciation is allocated by square footage. Expenses directly attributable to a specific functional are reported as expenses of those functional activity.

Nature 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications:

Certain amounts in the June 30, 2022 financial statements have been classified for comparative purposes to conform to the presentation in the June 30, 2023 financial statements.

New Accounting Pronouncements:

Effective July 1, 2022, the Corporation implemented Accounting Standards Codification (ASC) 842 *Leases*, which among other things, requires the recognition of right of use lease assets and lease liabilities on the statement of financial position of lessees for leases, along with the disclosure of key information about leasing arrangements. A lessee is required to record lease assets and lease liabilities for all leases with a term of greater than 12 months. Leases with a term of 12 months or less will be accounted for in a manner similar to existing guidance for operating leases today. ASC 842 is expected to impact the financial statements as the Corporation has certain leases for which it is the lessee. The Corporation elected to apply Topic 842 prospectively. (See Note. 11)

Subsequent Events:

Management has evaluated subsequent events through March 22, 2024, the date on which the financial statements were available to be issued and determined no events or transactions have occurred that require recognition or disclosure in the financial statements.

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 2. Availability and Liquidity

The following represents the Organization's financial assets at June 30, 2023:

| Financial assets at year end: | |
|---|---------------------|
| Cash and cash equivalents | \$ 1,142,912 |
| Accounts receivable | 699,371 |
| Contribution receivable, current | 291,590 |
| Investments | 734,389 |
| Total financial assets | <u>2,868,262</u> |
| Less amounts not available to be used within one year: | |
| Financial net assets with donor restrictions | <u>(124,171)</u> |
| Financial assets available to meet general expenditures over the next twelve months. | <u>\$ 2,744,091</u> |

The Organization's goal is generally to maintain financial assets to meet 45 business days of operating expenses (approximately \$675,000). As part of its liquidity plan, excess cash is invested in short-term investments, including cash, treasuries and fixed income securities.

Note 3. Concentrations of Credit Risk

The Organization had uninsured investments of \$0 and \$66,204 for the years ended June 30, 2023 and 2022, respectively.

Note 4. Investments and Fair Value Measurement

Financial Accounting Standards Board (FASB) *Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The hierarchy is broken down into three levels based on the observability of inputs as follows:

Level 1—quoted prices in active markets for identical investments.

Level 2—observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted price for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3—unobservable inputs not corroborated by market data, therefore requiring the entity to use the best information available in the circumstances, including the entity's own data.

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 4. Investments and Fair Value Measurement (Cont.)

The categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. All of the cash and cash equivalents and investments invested in marketable securities are deemed to be Level 1 within the valuation hierarchy with the exception of the pooled investment account. The pooled investment account funds are valued at net asset value per unit. These pooled investment account funds are a fund of funds and are directly held funds, which in aggregate; represent a number of underlying funds with a wide range of investment strategies. These funds are deemed to be Level 2 within the valuation hierarchy. There are no Level 3 valuations.

Investments consisted of the following at June 30, 2023:

| | Investments at Fair Value | | | Total |
|---------------------------|---------------------------|------------|---------|------------|
| | Level 1 | Level 2 | Level 3 | |
| Money market | \$ 6,856 | \$ -- | \$ -- | \$ 6,856 |
| Mutual funds | 460,465 | -- | -- | 460,465 |
| Pooled investment account | -- | 267,068 | -- | 267,068 |
| Total | \$ 467,321 | \$ 267,068 | \$ -- | \$ 734,389 |

Investments consisted of the following at June 30, 2022:

| | Investments at Fair Value | | | Total |
|---------------------------|---------------------------|------------|---------|------------|
| | Level 1 | Level 2 | Level 3 | |
| Money market | \$ 20,108 | \$ -- | \$ -- | \$ 20,108 |
| Mutual funds | 413,688 | -- | -- | 413,688 |
| Pooled investment account | -- | 242,145 | -- | 242,145 |
| Total | \$ 433,796 | \$ 242,145 | \$ -- | \$ 675,941 |

Note 5. Endowment

The Organization's endowment consists of one endowment fund – Rollie Mullen Endowment Fund. Its endowment includes only donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Organization has interpreted the State Prudent Management of Organizational Funds Act (SPMIFA) 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. As a result of this interpretation, the Organization classifies as net asset with donor restriction (a) the original value of gifts donated to the permanent endowment, and (b) the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is also classified as net assets with donor restrictions in a manner consistent with the standard of prudence prescribed by SPMIFA.

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 5. Endowment (Cont.)

However, in accordance with the Organization's accounting policy of restricted revenue and support (see Note 1), these earnings are reflected as activity without donor restrictions. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (a) the duration and preservation of the endowment fund, (b) the purposes of the Organization and the donor-restricted endowment fund, (c) general economic conditions, (d) the possible effect of inflation and deflation, (e) the expected total return from income and the appreciation of investments, (f) other resources of the Organization, and (g) the investment policies of the Organization

Endowment net asset consisted of donor-restricted endowment funds of \$124,171 as of June 30, 2023 and 2022. There was no change in endowment net assets for the year ended June 30, 2023 and 2022.

The Organization has adopted an investment policy for its endowment assets that attempt to provide a stream of funding for its mission supported by the endowment. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. The Organization expects its endowment funds, over time, to provide an average rate of return of approximately 5 percent annually. Actual returns in any given year may vary from this amount. To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The earnings on the Organization endowment assets are classified as earnings without donor restrictions.

Note 6. Property and Equipment

Property and equipment and the related accumulated depreciation consisted of the following at June 30:

| | 2023 | 2022 |
|-------------------------------|---------------------|---------------------|
| Buildings and improvements | \$ 3,523,616 | \$ 3,466,383 |
| Land | 505,000 | 505,000 |
| Furniture and equipment | 494,567 | 494,567 |
| Leasehold improvements | 2,550 | 12,550 |
| Vehicles | 115,227 | 29,303 |
| | <u>4,640,960</u> | <u>4,507,803</u> |
| Less accumulated depreciation | <u>(3,185,353)</u> | <u>(3,014,181)</u> |
| | <u>\$ 1,455,607</u> | <u>\$ 1,493,622</u> |

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 7. Line of Credit

The Organization maintains an unsecured \$250,000 operating line of credit which matures in March 2024. There was no amount outstanding at June 30, 2023 and 2022. The interest rate is 9.25% as of June 30, 2023.

Note 8. Notes Payable

Notes payable consisted of the following at June 30:

| | 2023 | 2022 |
|---|------------|------------|
| Note payable to Contra Costa County, no annual payments, interest accrues at 3%, and the note matures in September, 2046. The intention of Contra Costa County is to forgive the loans and interest at maturity. At June 30, 2023 and 2022, the note is secured by a building with a net book value of \$320,870 and \$400,616, respectively. Restrictions have been imposed on the use of the building whereby the grant funds must be repaid if the building is not used permanently as housing for battered women and their children. These financial statements do not reflect an adjustment to discount this note. | \$ 412,800 | \$ 412,800 |
| Note payable to Farmers and Merchants Bank, monthly payments of \$1,841 including variable interest at 2.82% over the bank's current index; the rate was 4.21% at June 30, 2023. The note is unsecured and matures July 2026. | 221,452 | 233,840 |
| Total notes payable | 634,252 | 646,640 |
| Less current maturities | (13,059) | (12,522) |
| Totals | \$ 621,193 | \$ 634,118 |

Maturities of notes payable are as follows at June 30:

| | |
|------------|------------|
| 2024 | \$ 13,059 |
| 2025 | 13,620 |
| 2026 | 14,205 |
| 2027 | 180,568 |
| 2028 | -- |
| Thereafter | 412,800 |
| Total | \$ 634,252 |

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 9. Net Assets with Donor Restrictions

Net assets with donor restrictions reconciled as follows at June 30, 2023:

| | <u>Beginning</u> | <u>Additions</u> | <u>Releases</u> | <u>Ending</u> |
|---|-------------------|-------------------|-------------------|-------------------|
| Specific Purpose: | | | | |
| Chevron Products Company grant | \$ 17,500 | \$ 17,500 | \$ 17,500 | \$ 17,500 |
| DVAP program | 41,940 | 41,940 | 41,940 | 41,940 |
| Covid related expenses | 25,000 | -- | 25,000 | -- |
| Kaiser Permanente | 7,141 | -- | 7,141 | -- |
| Balo Charitable Fund | 9,263 | 4,646 | 9,263 | 4,646 |
| Passage of Time: | | | | -- |
| Lesher Foundation grant | 50,000 | 50,000 | 50,000 | 50,000 |
| Miscellaneous time restricted contributions | 2,500 | -- | 2,500 | -- |
| Donor restricted endowment | 124,171 | -- | -- | 124,171 |
| | <u>\$ 277,515</u> | <u>\$ 114,086</u> | <u>\$ 153,344</u> | <u>\$ 238,257</u> |

Net assets with donor restrictions reconciled as follows at June 30, 2022:

| | <u>Beginning</u> | <u>Additions</u> | <u>Releases</u> | <u>Ending</u> |
|---|-------------------|-------------------|------------------|-------------------|
| Specific Purpose: | | | | |
| Chevron Products Company grant | \$ 15,000 | \$ 17,500 | \$ 15,000 | \$ 17,500 |
| DVAP program | -- | 41,940 | -- | 41,940 |
| Covid related expenses | 12,000 | 25,000 | 12,000 | 25,000 |
| Kaiser Permanente | -- | 7,141 | -- | 7,141 |
| Balo Charitable Fund | -- | 9,263 | -- | 9,263 |
| Passage of Time: | | | | |
| Lesher Foundation grant | 50,000 | 50,000 | 50,000 | 50,000 |
| Miscellaneous time restricted contributions | -- | 2,500 | -- | 2,500 |
| Donor restricted endowment | 124,171 | -- | -- | 124,171 |
| | <u>\$ 201,171</u> | <u>\$ 153,344</u> | <u>\$ 77,000</u> | <u>\$ 277,515</u> |

Note 10. In-kind Donations

Contributed services recognized include contractor fees for administration, fund development and for the intervention and prevention programs. The Organization did not monetize any contributed nonfinancial assets and unless otherwise noted, contributed nonfinancial assets did not have donor restrictions.

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 10. In-kind Donations (Cont.)

In-kind contributions revenue is recorded at fair market value as both revenue and expense, in accordance with GAAP, and are valued as follows:

Services: Based on fair value of services provided.
 Materials: Based on fair value of items donated.

Total in-kind revenues and expenditures for the years ended June 30, 2023 and 2022 were as follows:

| | 2023 | 2022 |
|----------------------|-----------|------------|
| Contributed services | \$ 71,478 | \$ 107,323 |
| | \$ 71,478 | \$ 107,323 |

Note 11. Right of Use Assets and Lease Liabilities

The Organization leases office space under non-cancellable operating leases. At June 30, 2023, the components of these operating leases were as follows:

| | |
|-------------------------------------|------------|
| Right of use asset - operating | \$ 329,646 |
| Amortization of right of use asset | (74,884) |
| Right of use asset - operating, net | \$ 254,762 |

At June 30, 2023, the lease liabilities were as follows:

| | |
|--|------------|
| Operating lease liability for grounds and office space, monthly payments range from \$1,833 to \$5,000 and lease termination dates ranging from September 2024 to June 2027. | \$ 255,055 |
| Less current portion | (76,734) |
| Lease liability - operating, less current portion | \$ 178,321 |

During the year ended June 30, 2023, amortization of right of use asset and accretion of interest expense of \$74,884 and \$7,407, respectively, is included in rent and equipment rental on the statement of functional expense.

As of June 30, 2023, the weighted-average remaining lease term in years is 3.62 and the weighted-average discount was 2.63%.

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 11. Right of Use Assets and Lease Liabilities (Cont.)

The aggregate amounts of principal payments due are as follows for the years ending June 30:

| | | |
|-----------------------------|----|-----------------------|
| 2024 | \$ | 82,492 |
| 2025 | | 65,664 |
| 2026 | | 60,000 |
| 2027 | | 60,000 |
| 2028 | | -- |
| | | <u>268,156</u> |
| Less present value discount | | <u>(13,101)</u> |
| | \$ | <u><u>255,055</u></u> |

Note 12. Retirement Plan

The Organization sponsors a salary deferral plan in accordance with the provision of the Internal Revenue Code Section 403(b). An employee is defined as any person regularly employed by the Organization. According to the Plan, each employee may defer up to the smaller of an exclusion allowance of 20% of compensation or the maximum allowed by the Internal Revenue Service. The Organization matches contributions annually up to 2% of compensation, not to exceed \$2,000. For the year ended June 30, 2023 and 2022, the Organization's matching contributions were \$32,183 and \$28,117, respectively.

Note 13. Contingencies

The Organization's grants and contract activities are subject to inspection and audit by the appropriate 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 and, accordingly, the Organization has no provision for the possible disallowance of program costs.



B O W M A N

CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Directors

**STAND! For Families Free of Violence
(A Nonprofit Corporation)**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of STAND! For Families Free of Violence (the 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, and have issued our report thereon dated March 22, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of Organization's 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 Organization's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described 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 our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Established 1949
www.cpaBowman.com

Bowman & Company, LLP
10100 Trinity Parkway, Suite 310
Stockton, CA 95219

Telephone: 209.473.1040
Facsimile: 209.473.9771

Purpose of this Report

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

Bowman & Company, LLP

Stockton, California
March 22, 2024



B O W M A N

CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Directors
STAND! For Families Free of Violence
(A Nonprofit Corporation)
Concord, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited STAND! For Families Free of Violence' compliance of the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2023. The Organization's major federal programs are identified in the summary of Auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, STAND! For Families Free of Violence 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Organization's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Bowman & Company, LLP

Established 1949
www.cpbowman.com

10100 Trinity Parkway, Suite 310
Stockton, CA 95219

Telephone: 209.473.1040
Facsimile: 209.473.9771

Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about STAND! For Families Free of Violence' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding STAND! For Families Free of Violence' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of STAND! For Families Free of Violence' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of STAND! For Families Free of Violence' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Bowman & Company, LLP

Stockton, California
March 22, 2024

SUPPLEMENTARY INFORMATION

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

SCHEDULE OF CALIFORNIA OFFICE
OF EMERGENCY SERVICES PROGRAMS

For the Year Ended June 30, 2023

| CalOES Cost Category STAND! expense accounts | DVAP | |
|---|------------------------|-------------|
| | DV20341136/ DV22361136 | |
| | Total Costs | Match Costs |
| Personnel services | \$ 278,805 | \$ -- |
| Operating expenses | 191,860 | -- |
| DVAP advances | (41,940) | -- |
| Total expenditures | \$ 428,725 | \$ -- |

| CalOES Cost Category STAND! expense accounts | CHAT | |
|---|-----------------------|-------|
| | AT21021136/AT22031136 | |
| Personnel services | \$ 199,483 | \$ -- |
| Operating expenses | 89,458 | -- |
| Total expenditures | \$ 288,941 | \$ -- |

| CalOES Cost Category STAND! expense accounts | TH-XH | |
|---|-----------------------|-------|
| | XH21041136/XH22011136 | |
| Personnel services | \$ 201,874 | \$ -- |
| Operating expenses | 95,731 | -- |
| Total expenditures | \$ 297,605 | \$ -- |

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2023

| Federal or State Grantor/ Program Title/ Pass-Through Grantor | Assistance Listing Number | Award #/ Pass- Through Grantor's Number | Federal Expenditures |
|--|---------------------------------|---|-------------------------|
| U.S. Department of Housing and Urban Development | | | |
| CDBG - Entitlement Grants - Cluster | | | |
| Community Development Block Grants / Entitlement Grants | | | |
| <u>Office of Community Planning and Development</u> | | | |
| Pass-through Contra Costa County | 14.218 | N/A | \$ 24,800 |
| Pass-through City of Walnut Creek | 14.218 | N/A | 7,670 |
| Pass-through City of Antioch | 14.218 | N/A | 10,000 |
| Pass-through City of Concord | 14.218 | N/A | 10,000 |
| Total Office of Community | | | <u>52,470</u> |
| Emergency Solutions Grant Program | | | |
| Pass-through Contra Costa County | 14.231 | 22-44E-ESG | 49,500 |
| Total Emergency Solutions Grant Program | | | <u>49,500</u> |
| Total U.S. Department of Housing and Urban Development | | | <u>101,970</u> |
| U.S. Department of Justice | | | |
| Office of Violence Against Women | | | |
| Transitional Housing Assistance Program | 16.526 | 2020-WH-AX-0050 | 106,838 |
| Total Office of Violence Against Women | | | <u>106,838</u> |
| <u>Office for Victims of Crime</u> | | | |
| Pass-through Cal OES | | | |
| Domestic Violence Assistance Program | 16.575 | DV 22 36 1136 | 57,324 |
| Child Abuse Treatment Program (CHAT) | 16.575 | AT 21 02 1136 | 163,574 |
| Child Abuse Treatment Program (CHAT) | 16.575 | AT 22 03 1136 | 120,590 |
| Transitional Housing Assistance Program | 16.575 | XH21 04 1136 | 187,241 |
| Transitional Housing Assistance Program | 16.575 | XH22 01 1136 | 108,000 |
| Total Office for Victims of Crime | | | <u>636,729</u> |
| Total U.S. Department of Justice | | | <u>743,567</u> |

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Cont.)

For the Year Ended June 30, 2023

| Federal or State Grantor/ Program Title/ Pass-Through Grantor | Assistance Listing Number | Award #/ Pass- Through Grantor's Number | Federal Expenditures |
|--|---------------------------------|---|----------------------------|
| U.S. Department of Health and Human Services | | | |
| Community Services Block Grant | | | |
| Pass-through Contra Costa County EHS | 93.569 | 38-051-0 | 31,028 |
| Pass-through Contra Costa County EHS | 93.569 | 38-051-1 | 3,316 |
| Total Community Services Block Grant | | | <u>34,344</u> |
| Fatherhood FIRE Grant | | | |
| Pass-through Rubicom, Inc - FACT+C115 | 93.086 | N/A | 70,143 |
| Total Fatherhood FIRE Grant | | | <u>70,143</u> |
| Pass-through Cal OES | | | |
| Domestic Violence Assistance Program | 93.671 | DV 20 34 1136 | 1,166 |
| Domestic Violence Assistance Program | 93.671 | DV 22 36 1136 | 79,897 |
| Total Pass-through Cal OES | | | <u>81,063</u> |
| Employment and Human Services | | | |
| Pass-through Contra Costa County | 93.558 | 20-379-1 | 306,657 |
| Total Employment and Human Services | | | <u>306,657</u> |
| Total U.S. Department of Health and Human Services | | | <u>492,207</u> |
| U.S. Department of Homeland Security | | | |
| Pass-through United Way | | | |
| Emergency Food and Shelter National Board Program | 97.024 | Phase 39 | 11,196 |
| Emergency Food and Shelter National Board Program | 97.024 | Phase 40 | 10,000 |
| Total Pass-through United Way | | | <u>21,196</u> |
| Total U.S. Department of Homeland Security | | | <u>21,196</u> |
| Total Expenditures of Federal Awards | | | \$ <u>1,358,940</u> |

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Cont.)
For the Year Ended June 30, 2023

Note A - Basis of Presentation:

The schedule expenditures of federal awards includes the federal award activity of STAND! For Families Free of Violence (A Nonprofit Corporation) 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 (CFR), 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 STAND! For Families Free of Violence, it is not intended to and does not present the financial position, changes in net assets, or cash flows of STAND! For Families Free of Violence.

Note B – Summary of Significant Accounting Policies:

Expenditures reported on the accompanying schedule are reported on the accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements of the federal program. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note C – Indirect Cost Rate:

STAND! For Families Free of Violence has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Note D - Sub-recipients:

STAND! For Families Free of Violence provided federal awards to sub-recipients as follows:

| Program Title | CFDA Number | Amount Provided |
|--------------------|----------------|------------------|
| Bay Area Legal Aid | 16.575 | 16,979 |
| | | \$ <u>16,979</u> |

STAND! FOR FAMILIES FREE OF VIOLENCE
(A Nonprofit Corporation)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified
Internal control over financial report:
Material weakness(es) identified? _____ yes no
Significant deficiency identified that is
not considered to be material weakness? _____ yes none reported
Noncompliance material to financial
statements noted? _____ yes no

Federal Awards

Internal control over major programs:
Material weakness(es) identified? _____ yes no
Significant deficiency identified that is
not considered to be material weakness? _____ yes none reported

Type of auditor's report issued on compliance
for major programs: unmodified

Any audit findings disclosed that are required
to be reported in accordance with 2CFR
Section 200.516(a)? _____ yes no

Identification of major programs:

CFDA Number(s) Name of Federal Program or Cluster

16.575 Crime Victim Assistance

Dollar threshold used to distinguish
between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? yes _____ no

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Section IV - Prior Year Federal Award Findings and Questioned Costs

None