

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**

---

FINANCIAL STATEMENTS

Years Ended June 30, 2016 and 2015

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**FINANCIAL STATEMENTS**  
Years Ended June 30, 2016 and 2015

<b>CONTENTS</b>	<b>Page No.</b>
<b>INDEPENDENT AUDITORS' REPORT</b>	<b>3</b>
<b>FINANCIAL STATEMENTS</b>	
Statements of Financial Position	5
Statement of Activities and Changes in Net Assets	6
Statements of Cash Flows	8
Notes to Financial Statements	9
<b>SUPPLEMENTARY INFORMATION</b>	
Statement of Functional Expenditures	18
Schedule of Revenues and Expenditures	20
Note to Schedule of Revenues and Expenditures	22
Schedule of CalOES Grant Revenues and Expenditures	23
<b>REPORT IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS</b>	
<b>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</b>	<b>25</b>
<b>REPORT IN ACCORDANCE WITH TITLE 2 U.S. CODE OF FEDERAL REGULATIONS PART 200, UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS</b>	
<b>Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance and Report on Schedule of Expenditure of Federal Awards Required by the Uniform Guidance</b>	<b>28</b>
Schedule of Expenditures of Federal Awards	31
Schedule of Expenditures of State and Local Awards	33
Notes to Schedule of Expenditures of Federal, State and Local Awards	34
Schedule of Findings and Questioned Costs	35



**Choi, Kim & Park, LLP**  
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

3435 Wilshire Blvd., Suite 2240  
Los Angeles, CA 90010

Tel (213) 480 - 9100  
Fax (213) 480 - 9107

[www.ckpcpas.com](http://www.ckpcpas.com)

OFFICES IN:

LOS ANGELES, CA  
SAN DIEGO, CA  
SAN MATEO, CA  
IRVINE, CA  
MONTGOMERY, AL  
LAGRANGE, GA  
FORT LEE, NJ

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Center for the Pacific-Asian Family, Inc.  
Los Angeles, California

### Report on the Financial Statements

We have audited the accompanying financial statements of Center for the Pacific-Asian Family, Inc. (CPAF) which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

An independently owned member  
**RSM US Alliance**



RSM US Alliance provides its members with access to resources of RSM US LLP. RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM US LLP. Visit [rsmus.com/aboutus](http://rsmus.com/aboutus) for more information regarding RSM US LLP and RSM International. The RSM™ logo is used under license by RSM US LLP. RSM US Alliance products and services are proprietary to RSM US LLP.



## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial positions of CPAF as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Statement of Functional Expenditure and Schedule of Revenue and Expenditure are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and is not a required part of the basic 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2016 on our consideration of CPAF's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CPAF's internal control over financial reporting and compliance.

## Report on Summarized Comparative Information

We have previously audited CPAF June 30, 2014 financial statements, and our report dated November 7, 2014, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Choi, Kim & Park, LLP*

Los Angeles, California  
November 30, 2016

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
June 30, 2016 and 2015

<b><u>ASSETS</u></b>		
	<u>2016</u>	<u>2015</u>
Current assets:		
Cash and cash equivalents	\$ 1,040,315	\$ 921,962
Grant receivable	559,087	425,850
Other receivable	4,590	2,237
Deposit and prepaid expenses	20,214	17,324
Total current assets	<u>1,624,206</u>	<u>1,367,373</u>
Property, building, and equipment, net	<u>1,354,017</u>	<u>1,380,206</u>
Total assets	<u><u>\$ 2,978,223</u></u>	<u><u>\$ 2,747,579</u></u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>		
Current liabilities:		
Accounts payable	\$ 41,107	\$ 42,951
Accrued expenses	144,229	126,137
Deferred revenue	-	127,639
Notes payable	73,656	73,656
Total current liabilities	<u>258,992</u>	<u>370,383</u>
Long term liabilities:		
Notes payable, net of current	<u>534,946</u>	<u>598,726</u>
Total liabilities	<u>793,938</u>	<u>969,109</u>
Net assets:		
Unrestricted	2,041,883	1,778,470
Temporarily restricted net assets	142,402	-
Total net assets	<u>2,184,285</u>	<u>1,778,470</u>
Total liabilities and net assets	<u><u>\$ 2,978,223</u></u>	<u><u>\$ 2,747,579</u></u>

See auditor's report and accompanying notes to financial statements.

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
Year Ended June 30, 2016 and Summarized Total for 2015

	2016			2015
	Unrestricted	Temporarily Restricted	Total	Summarized Total
Revenue and support				
Federal awards	\$ 1,348,730	\$ -	\$ 1,348,730	\$ 1,238,534
State and local grants	642,906	-	642,906	515,879
Service payback revenue	73,656	-	73,656	215,028
Foundation grants	368,760	142,402	511,162	306,361
Contributions	605,664	-	605,664	968,775
Special events	291,317	-	291,317	165,920
Interest and other income	1,787	-	1,787	6,359
Total revenue and support	3,332,820	142,402	3,475,222	3,416,856
Expenses				
Program expenses				
Emergency program	1,099,748	-	1,099,748	1,137,936
Transitional program	569,756	-	569,756	604,521
Community program	955,530	-	955,530	1,082,060
Total program expenses	2,625,034	-	2,625,034	2,824,517
Support services				
Development expenses				
Direct benefits to donors	39,904	-	39,904	37,889
Development expenses	97,672	-	97,672	87,462
Total development expense	137,576	-	137,576	125,351
Management and general	306,797	-	306,797	237,688
Total support expenses	444,373	-	444,373	363,039
Total expenses	3,069,407	-	3,069,407	3,187,556
Change in net assets	263,413	142,402	405,815	229,300
Net assets, beginning of year	1,778,470	-	1,778,470	1,549,170
Net assets, end of year	\$ 2,041,883	\$ 142,402	\$ 2,184,285	\$ 1,778,470

See auditor's report and accompanying notes to financial statements.

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
Year Ended June 30, 2015 and Summarized Total for 2014

	2015			2014
	Unrestricted	Temporarily Restricted	Total	Summarized Total
Revenue and support				
Federal awards	\$ 1,238,534	\$ -	\$ 1,238,534	\$ 1,205,755
State and local grants	515,879	-	515,879	416,624
Service payback revenue	215,028	-	215,028	98,780
Foundation grants	306,361	-	306,361	335,985
Contributions	968,775	-	968,775	480,264
Special events	165,920	-	165,920	116,947
Interest and other income	6,359	-	6,359	4,594
Net assets released from restrictions	4,675	(4,675)	-	-
Total revenue and support	<u>3,421,531</u>	<u>(4,675)</u>	<u>3,416,856</u>	<u>2,658,950</u>
Expenses				
Program expenses				
Emergency program	1,137,936	-	1,137,936	1,063,790
Transitional program	604,521	-	604,521	553,802
Community program	1,082,060	-	1,082,060	525,845
Total program expenses	<u>2,824,517</u>		<u>2,824,517</u>	<u>2,143,437</u>
Support services				
Development expenses				
Direct benefits to donors	37,896	-	37,889	49,167
Development expenses	87,455	-	87,462	108,396
Total development expenses	125,351	-	125,351	157,563
Management and general	237,688	-	237,688	231,719
Total support expenses	<u>363,039</u>	<u>-</u>	<u>363,039</u>	<u>389,282</u>
Total expenses	<u>3,187,556</u>	<u>-</u>	<u>3,187,556</u>	<u>2,532,719</u>
Change in net assets	233,975	(4,675)	229,300	126,231
Net assets, beginning of year	<u>1,544,495</u>	<u>4,675</u>	<u>1,549,170</u>	<u>1,422,939</u>
Net assets, end of year	<u>\$ 1,778,470</u>	<u>\$ -</u>	<u>\$ 1,778,470</u>	<u>\$ 1,549,170</u>

See auditor's report and accompanying notes to financial statements.

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.****STATEMENTS OF CASH FLOWS**  
Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Change in net assets	\$ 405,815	\$ 229,300
Adjustments to reconcile net assets to net cash provided by operating activities:		
Service payback revenue	(73,656)	(215,028)
Interest accrued and tacked to the loan payable	9,876	9,532
Depreciation	94,157	103,317
(Increase) Decrease in:		
Grants receivable	(133,237)	(32,074)
Other receivable	(2,353)	2,195
Deposit and prepaid expenses	(2,890)	6,620
Increase (Decrease) in:		
Accounts payable	(1,844)	10,072
Accrued expenses	18,092	25,511
Deferred revenue	(127,639)	49,114
Total adjustments	<u>(219,494)</u>	<u>(40,741)</u>
Net cash provided by operating activities	<u>186,321</u>	<u>188,559</u>
Cash flows from investing activities:		
Acquisition of property, building, and equipment	<u>(67,968)</u>	<u>(52,620)</u>
Net cash used in investing activities	<u>(67,968)</u>	<u>(52,620)</u>
Net increase in cash and cash equivalents	118,353	135,939
Cash and cash equivalents, beginning of year	<u>921,962</u>	<u>786,023</u>
Cash and cash equivalents, end of year	<u>\$ 1,040,315</u>	<u>\$ 921,962</u>

See auditor's report and accompanying notes to financial statements.



**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

**Note 1 - General Information**

Organization

Established in 1978, Center for the Pacific-Asian Family, Inc. (CPAF) is a non-profit organization recognized nationally for its pioneering work to serve survivors of domestic violence and sexual assault in the Los Angeles Asian Pacific Islander (API) community. CPAF created the first multi-lingual 24-hour hotline for API survivors of domestic violence and sexual assault in the nation. In 1981, CPAF opened the first multi-lingual and multi-cultural Emergency Shelter in the nation to specialize in serving API survivors of domestic violence, and in 1998 opened a multi-lingual and multi-cultural Transitional Shelter to support survivors who want to establish independent, violence-free lives. In 2010, CPAF opened a walk-in Community Center to expand its advocacy, counseling and referral services. The Community Center serves as a base for CPAF's community outreach and engagement, including education, training and violence prevention programs.

Programs

CPAF's programs are sensitive to the cultural perspective of API communities and address the complex underlying causes of family violence and violence against women. All CPAF services are free and provided in more than 30 Asian and Pacific Islander languages.

Emergency Program

- 24 Hour Hotline and Intervention Services: CPAF responds to crisis-line calls in more than 30 API languages/dialects. Women and men experiencing sexual or domestic abuse receive immediate crisis intervention services, including safety planning, counseling, and referrals to medical, legal and other services. CPAF responds to more than 3,800 calls annually.
- Community Services: CPAF provides walk-in services at its Community Center for survivors seeking counseling, case management, legal aid, information and referrals. CPAF also provides culturally responsive programs, such as trauma-informed yoga and community gardening, in local communities to nurture healing in ways that are accessible both geographically and culturally to the communities we serve.
- Emergency Shelter: Survivors of domestic or sexual violence and their children stay in CPAF's safe and confidential 13-unit shelter facility for up to six months while recovering from trauma. During their stay, families are provided with basic needs (food, clothing, toiletries, etc.) and comprehensive case management, including crisis intervention counseling, financial literacy education and assistance with locating permanent or transitional housing.

Transitional Program

Survivors and children who want to establish their own non-violent households, independent of their abusers, often need a longer transition period than an emergency shelter can provide. CPAF has a safe and confidential 7-unit transitional shelter facility for families to live in for up to 12 months. Services include free childcare, financial support for education and training, counseling and emotional support, and assistance to find safe, permanent housing.

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

**Note 1 - General Information (continued)**

*Community Program*

- Prevention & Community Education Programs: CPAF engages youth to explore the intersections of gender, culture, identity and the root causes of violence. CPAF provides weekly prevention workshops for teenagers and organizes an annual community event to mobilize youth to address intimate partner and family violence in their communities. CPAF also provides educational presentations to community associations, schools, and other groups to raise awareness of domestic violence and sexual assault in the API community.
- Outreach and Community Capacity Building: CPAF provides cultural competency workshops to frontline workers (law enforcement, healthcare providers, shelter and rape crisis center staff, etc.) who assist survivors of domestic violence and sexual assault. Domestic violence and sexual assault trainings are provided to service providers, faith leaders, and community leaders who assist Asian and Pacific Islander families. Broadcasts of CPAF's Public Service Announcements in English, Korean, Mandarin, Vietnamese, Thai, and Tagalog on local TV, radio and online inform survivors of CPAF's services.

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

This summary of significant accounting policies of CPAF is presented to assist in understanding CPAF's financial statements. The financial statements and notes are representations of CPAF's management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

*Use of Estimates*

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Estimates are primarily used for depreciation and amortization, allowance for doubtful accounts. Actual results could differ from those estimates.

*Revenue Recognition*

Grants and other contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the nature of the restrictions.

All donor-restricted contributions are reported as an increase in temporarily restricted net assets. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. CPAF has implemented the policy to show restricted contributions whose restrictions are met in the same reporting period as unrestricted contributions.

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

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

*Contributed Services*

Contributed services that require specialized skills or services that would typically need to be purchased if not provided by contribution, are recognized as revenue. Contributed service include professional services for advertising and legal ad, as well as hotline counselling, interpretation and direct services to clients provided by CPAD volunteers. Contributed services that meet the criteria was in amount of \$537,335 and \$880,118 for the fiscal year ended June 30, 2016 and June 30, 2015, respectively. In addition to these specialized services, CPAF has many volunteers who assist with various aspects of the organization that do not meet the criteria for recognition of contributed services. These include outreach, fundraising, tutoring, ESL classes, music lessons, youth activities and other supportive services to clients.

*Grants Receivable and Allowance for Doubtful Accounts*

CPAF provides various services on behalf of governments and other not-for-profit organizations, and receives program service fees. CPAF considers amounts receivable from grantors including governments and other not-for-profit organizations to be fully collectible; accordingly, no allowance for doubtful accounts has been established.

*Cash and Cash Equivalents*

CPAF considers all highly liquid investments purchased with an original maturity of three months or less to be categorized as cash and cash equivalents. CPAF maintains its cash in bank accounts which, at times may exceed federally insured limits. CPAF has not experienced any losses in such accounts. Management believes CPAF is not exposed to any significant risk on cash balances.

*Property Building and Equipment*

Property and equipment are stated at cost. The building and improvements are depreciated on a straight-line basis over its estimated useful life of 30 years. Furniture, fixture and equipment are depreciated on a straight-line basis over 5 to 7 years. Maintenance and repairs that do not increase the estimated useful life of an asset are expensed as incurred.

*Income Taxes*

CPAF maintains a tax-exempt status under sections 501(c)(3) of the Internal Revenue Code and 23701(d) of the State of California, Revenue and Taxation Code. CPAF's form 990, Return of Organization Exempt from Income Taxes, for the years ended June 30, 2015, 2014 and 2013 are subject to examination by the IRS, generally for three years after they were filed. As required by the Income Taxes Topic for the FASB ASC, CPAF recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. CPAF does not believe its financial statements include any uncertain tax positions.

*Accrued Vacation*

Accumulated unpaid employee vacation benefits are recognized as liabilities of CPAF.

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

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

*Functional Allocation of Expenses*

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

*Fair Value of Financial Instruments*

CPAF's financial instruments, including cash and cash equivalents, grants receivable, accounts payable, accrued liabilities and deferred revenue are carried at cost, which approximates their fair value because of the short-term maturity of these instruments. The fair value of CPAF's debt approximates book value as of June 30, 2016. One loan from the Housing and Community Investment Department of the City of Los Angeles is a residual receipts loan, where the interest is accrued and rolled over annually and added to principal, so long as emergency shelter services are provided. The remaining loans with the Housing and Community Investment Department are service-payback loans, where the principal is repaid at a set annual rate by providing shelter services.

*Recent Pronouncements*

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities. ASU 2016-14 requires a number of changes to the financial statements of NFPs, which will be effective for fiscal years beginning on or after December 15, 2017. For the past 20 years, U.S. GAAP has required NFPs to report net asset balances, and the related changes to those balances, in three classes based on the presence or absence of donor restrictions. The titles for three classes were: unrestricted, temporarily restricted, and permanently restricted. ASU 2016-14 will now require NFPs to use two classes titled "net assets with donor restrictions" and "net assets without donor restrictions". The required change will primarily be a grouping and labeling change for the statement of financial position (SFP). Specifically speaking, the current classes of "temporarily restricted" and "permanently restricted" will be merged into a new single class labeled "net assets with donor restrictions" and the current class of "unrestricted" will simply be relabeled as "net assets without donor restrictions". The Company does not expect adopting this statements to have a material impact on its results of operations, financial position or cash flows at the date of adoption.

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

**Note 3 - Property Building and Equipment**

Property, building, and equipment consist of the following as of June 30, 2016 and 2015:

	2016	2015
Land	\$ 319,754	\$ 319,754
Building	297,600	297,600
Building improvements	1,976,473	1,910,856
Equipment, furniture, and fixtures	70,069	67,718
Vehicles	78,446	78,446
	<u>2,742,342</u>	<u>2,674,374</u>
Less: accumulated depreciation	<u>(1,388,325)</u>	<u>(1,294,168)</u>
Property, building, and equipment, net	<u>\$ 1,354,017</u>	<u>\$ 1,380,206</u>

Total depreciation expense amounted to \$111,182 and \$103,317 for the years ended June 30, 2016 and 2015, respectively.

**Note 4 - Deferred Revenue**

CPAF provides various services on behalf of governments and other not-for-profit organizations, and receives program service fees. Program service fees are recognized in the period in which the services are rendered. Revenues should be recorded as deferred revenue to the extent that it has not been earned. Most program service fees are collected after the services are provided and the invoices are billed. Occasionally, grantors distribute the funds for their accounting periods, which does not correspond to CPAF's fiscal year. Deferred revenues of \$0 and \$127,639 were the amounts received but not earned yet as of June 30, 2016 and 2015, respectively.

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 5 - Notes Payable**

The following is a summary of notes payable on June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Note payable to the City of Los Angeles and to be paid with 100% residual receipts including interest at 3.00% per annum maturing December 27, 2018 or longer, provided the project is feasible, as defined under the agreement; secured by Second Deed of Trust. Unpaid accrued interest is rolled over annually and added to principal.	\$ 337,137	\$ 327,261
Note payable to the City of Los Angeles for the development and rehabilitation of domestic violence shelter housing. These notes are as follows:		
The note, secured by First Deed of Trust, amounts to \$998,500 and is to be repaid by providing services at the rate of \$49,925 per year with no interest from the date of occupancy or completion, with no maturity date.	187,219	237,144
The note, secured by Second Deed of Trust, amounts to \$350,545 and is to be repaid by providing services at the rate of \$17,528 per year with no interest from the date of occupancy or completion, with no maturity date.	65,729	83,256
Note payable to the City of Los Angeles for the acquisition, predevelopment, and rehabilitation of transitional shelter housing. The note, secured by Second Deed of Trust, amounts to \$124,081 and is to be repaid by providing services at the rate of \$6,204 per year with no interest from the date of occupancy or completion, with no maturity date.	<u>18,517</u>	<u>24,721</u>
Total notes payable	608,602	672,382
Less: current portion	<u>(73,656)</u>	<u>(73,656)</u>
Notes payable, net of current	<u>\$ 534,946</u>	<u>\$ 598,726</u>

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 5 - Notes Payable (continued)**

The notes payable will mature as follows:

Years ending June 30,	Amount
2017	\$ 73,656
2018	73,656
2019	410,698
2020	50,592
Total	\$ 608,602

Accrued interest for the City of L.A. Residual Receipts Loan as of June 30, 2016 and 2015 is as follows:

	2016	2015
Accrued interest – Beginning balance	\$ 177,261	\$ 167,729
Interest expense	9,876	9,532
Accrued interest – Ending balance	\$ 187,137	\$ 177,261

**Note 6 - Temporarily Restricted Net Assets**

CPAF receives contributions to which donor-imposed purpose restrictions apply. When CPAF incurs expenses for programs established upon receipt of the contributions, net assets are released from restrictions and reclassified from temporarily restricted to unrestricted net assets. The purpose restrictions of the contributions do not specify as to how expenditure amounts should be incurred, but to restrict CPAF to spend funds received for the directly related purposes of the programs. Temporarily restricted net assets as of June 30, 2016 and 2015 were \$142,402 and \$0. Gross temporarily restricted revenue received from foundation grants was \$511,162, of which \$368,760 was earned and released from restriction as of June 30, 2016.

**Note 7 - Retirement Plan**

CPAF has a defined contribution retirement plan covering employees who have completed 1 year or 1000 hours of service and who are at least 21 years of age. CPAF matches 1 to 1 on the first 1% of employee's wages, and 50% match for the next 2% - 6%, for a total maximum match of 3.5% of employee wages for the year ended June 30, 2016 and June 30, 2015. Effective January 1, 2015 CPAF changed its 403(b) plan to 401(k) and accordingly 403(b) plan was terminated effective April 1, 2015.

Plan expense for the years ended June 30, 2016 and 2015 was \$32,384 and \$28,368, respectively.

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

**Note 8 - Concentration of Credit risk**

CPAF maintains its cash accounts with high quality insured depository financial institutions. As of June 30, 2016, cash balance exceeding the maximum insured amount totaled \$765,816. However, CPAF does not anticipate non-performance by the counter-party.

**Note 9 - Subsequent Events**

CPAF entered into a lease agreement on September 12, 2016 to lease office space under non-cancelable lease agreement. The five year lease term is to begin on December 16, 2016, with total future minimum lease payments of \$446,765.



## **SUPPLEMENTARY INFORMATION**

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENDITURES**  
Year Ended June 30, 2016 with Summarized Total for 2015

	Emergency Program	Transitional Program	Community Program	Management and General	Development	Total 2016	2015 Summarized Total
Salaries and wages	\$ 556,952	\$ 309,891	\$ 341,720	\$ 203,070	\$ 66,109	\$ 1,477,742	\$ 1,310,238
Payroll taxes	48,101	27,190	28,052	16,408	5,515	125,266	110,217
Employee benefits	87,714	60,815	40,857	26,915	7,536	223,837	211,983
In-kind volunteer services	24,387	2,240	6,185	-	-	32,812	82,058
Accounting and audit services	-	-	-	16,500	-	16,500	16,500
Consultants	4,795	3,025	12,324	-	-	20,144	29,207
Program related contracts to other entities	-	14,911	77,812	-	-	92,723	88,255
Outreach and promotion	-	-	372,566	-	3,951	376,517	567,882
Office expenses	17,237	10,276	7,777	6,572	2,782	44,644	37,066
Technology and equipment	12,620	12,190	5,356	8,406	5,085	43,657	40,754
Occupancy	60,214	29,138	6,046	2,615	1,268	99,281	101,534
Travel	14,071	8,967	24,560	1,521	281	49,400	31,635
Meetings, conferences, and trainings	1,126	570	7,022	7,428	1,959	18,105	15,941
Shelter supplies and food	25,380	3,706	-	-	-	29,086	50,716
Program activities	5,097	2,812	15,363	-	-	23,272	17,378
Client assistance	143,196	41,492	-	-	-	184,688	275,052
Interest	9,876	-	-	-	-	9,876	9,532
Depreciation	73,633	33,104	-	4,445	-	111,182	103,317
Insurance	8,899	5,294	4,613	7,499	847	27,152	25,989
Taxes, licenses, and and fees	903	905	2,275	3,805	1,208	9,096	10,491
Fundraising expenses	-	-	-	-	39,904	39,904	37,889
Other expenses	5,547	3,230	3,002	1,613	1,131	14,523	13,929
Total expenditures	<u>\$ 1,099,748</u>	<u>\$ 569,756</u>	<u>\$ 955,530</u>	<u>\$ 306,797</u>	<u>\$ 137,576</u>	<u>\$ 3,069,407</u>	<u>\$ 3,187,563</u>

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENDITURES**  
Year Ended June 30, 2015 with Summarized Total for 2014

	Emergency Program	Transitional Program	Community Program	Management and General	Development	Total 2015	2014 Summarized Total
Salaries and wages	\$ 500,430	\$ 292,444	\$ 316,432	\$ 141,941	\$ 58,991	\$ 1,310,238	\$ 1,215,675
Payroll taxes	41,939	25,172	26,496	11,791	4,819	110,217	109,254
Employee benefits	96,931	54,969	35,415	17,364	7,304	211,983	190,277
In-kind volunteer services	59,083	16,952	6,023	-	-	82,058	94,929
Accounting and audit services	-	-	-	16,500	-	16,500	16,000
Consultants	8,250	3,038	10,268	7,425	226	29,207	55,907
Program related contracts to other entities	-	19,526	68,729	-	-	88,255	42,229
Outreach and promotion	-	-	563,442	894	3,546	567,882	151,547
Office expenses	14,663	8,631	7,021	4,604	2,147	37,066	28,598
Technology and equipment	14,246	6,697	6,653	8,181	4,977	40,754	41,980
Occupancy	63,479	27,756	6,212	2,916	1,171	101,534	111,040
Travel	11,298	7,350	10,915	1,396	676	31,635	26,231
Meetings, conferences, and trainings	2,656	1,051	6,731	4,344	1,159	15,941	10,807
Shelter supplies and food	45,316	5,400	-	-	-	50,716	50,627
Program activities	6,155	2,896	8,252	-	75	17,378	18,442
Client assistance	181,292	93,760	-	-	-	275,052	161,747
Interest	9,532	-	-	-	-	9,532	9,254
Depreciation	68,891	30,301	-	4,125	-	103,317	103,413
Insurance	8,780	5,218	4,131	7,082	778	25,989	28,321
Taxes, licenses, and and fees	617	867	1,313	6,649	1,045	10,491	8,821
Fundraising expenses	-	-	-	-	37,889	37,889	49,167
Other expenses	4,375	2,490	4,025	2,488	551	13,929	8,453
Total expenditures	<u>\$ 1,137,933</u>	<u>\$ 604,518</u>	<u>\$ 1,082,058</u>	<u>\$ 237,700</u>	<u>\$ 125,354</u>	<u>\$ 3,187,563</u>	<u>\$ 2,532,719</u>

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
Year Ended June 30, 2016 and Summarized Total for 2015

	Emergency Program	Transitional Program	Community Program	Management and General	Development	Fixed Assets	Total 2016	2015 Summarized Total
Revenue and Support								
Federal awards	\$ 625,294	\$ 332,050	\$ 286,694	\$ 104,692	\$ -	\$ -	\$ 1,348,730	\$ 1,238,534
State and local awards	222,674	215,842	111,229	93,161	-	-	642,906	515,879
Service payback revenue	-	-	-	-	-	73,656	73,656	215,028
Private awards	17,484	3,160	180,182	100,666	209,670	-	511,162	306,361
Contributions	144,867	27,568	373,491	-	59,738	-	605,664	968,782
Special events	-	-	-	-	291,317	-	291,317	165,920
Interest and other income	-	-	1,787	-	-	-	1,787	6,359
Total revenue and support	1,010,319	578,620	953,383	298,519	560,725	73,656	3,475,222	3,416,863
Salaries and wages	556,952	309,891	341,720	203,070	66,109	-	1,477,742	1,310,238
Payroll taxes	48,101	27,190	28,052	16,408	5,515	-	125,266	110,217
Employee benefits	87,714	60,815	40,857	26,915	7,536	-	223,837	211,983
In-kind volunteer services	24,387	2,240	6,185	-	-	-	32,812	82,058
Accounting and audit services	-	-	-	16,500	-	-	16,500	16,500
Consultants	4,795	3,025	12,324	-	-	-	20,144	29,207
Program related contracts to other entities	-	14,911	77,812	-	-	-	92,723	88,255
Outreach and promotion	-	-	372,566	-	3,951	-	376,517	567,882
Office expenses	17,237	10,276	7,777	6,572	2,782	-	44,644	37,066
Technology and equipment	12,620	12,190	5,356	17,987	5,085	(9,581)	43,657	40,754
Occupancy	77,481	87,283	6,046	2,615	1,268	(75,412)	99,281	101,534
Travel	14,071	8,967	24,560	1,521	281	-	49,400	31,635
Meetings, conferences, and trainings	1,126	570	7,022	7,428	1,959	-	18,105	15,941
Shelter supplies and food	25,380	3,706	-	-	-	-	29,086	50,716
Program activities	5,097	2,812	15,363	-	-	-	23,272	17,378
Client assistance	143,196	41,492	-	-	-	-	184,688	275,052
Interest	-	-	-	-	-	9,876	9,876	9,532
Depreciation	-	-	-	-	-	111,182	111,182	103,317
Insurance	8,899	5,294	4,613	7,499	847	-	27,152	25,989
Taxes, licenses, and and fees	903	905	2,275	3,805	1,208	-	9,096	10,491
Fundraising expenses	-	-	-	-	39,904	-	39,904	37,889
Other expenses	5,547	3,230	3,002	1,613	1,131	-	14,523	13,929
Total expenditures	1,033,506	594,797	955,530	311,933	137,576	36,065	3,069,407	3,187,563
Net income / (loss)	\$ (23,187)	\$ (16,177)	\$ (2,147)	\$ (13,414)	\$ 423,149	\$ 37,591	\$ 405,815	\$ 229,300

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
Year Ended June 30, 2015 with Summarized Total for 2014

	Emergency Program	Transitional Program	Community Program	Management & General	Development	Fixed Assets	Total 2015	2014 Summarized Total
Revenue and Support								
Federal awards	\$ 624,784	\$ 354,856	\$ 258,894	\$ -	\$ -	\$ -	\$ 1,238,534	\$ 1,205,755
State and local awards	242,762	148,125	124,992	-	-	-	515,879	416,626
Service payback revenue	-	-	-	-	-	215,028	215,028	98,780
Private awards	3,902	1,262	140,339	6,781	154,077	-	306,361	335,984
Contributions	230,188	98,968	568,427	-	71,199	-	968,782	480,264
Special events	-	-	-	-	165,920	-	165,920	116,947
Interest and other income	-	-	6,330	29	-	-	6,359	4,594
Total revenue and support	1,101,636	603,208	1,098,978	6,810	391,196	215,028	3,416,863	2,658,950
Salaries and wages	500,430	292,444	316,432	141,941	58,991	-	1,310,238	1,215,675
Payroll taxes	41,939	25,172	26,496	11,791	4,819	-	110,217	109,254
Employee benefits	96,931	54,969	35,415	17,364	7,304	-	211,983	190,277
In-kind volunteer services	59,083	16,952	6,023	-	-	-	82,058	94,929
Accounting and audit services	-	-	-	16,500	-	-	16,500	16,000
Consultants	8,250	3,038	10,268	7,425	226	-	29,207	55,907
Program related contracts to other entities	-	19,526	68,729	-	-	-	88,255	42,229
Outreach and promotion	-	-	563,442	894	3,546	-	567,882	151,547
Office expenses	14,663	8,631	7,021	4,604	2,147	-	37,066	28,598
Technology and equipment	14,246	6,697	6,653	8,181	4,977	-	40,754	41,980
Occupancy	63,479	27,756	6,212	2,916	1,171	-	101,534	111,040
Travel	11,298	7,350	10,915	1,396	676	-	31,635	26,231
Meetings, conferences, and trainings	2,656	1,051	6,731	4,344	1,159	-	15,941	10,807
Shelter supplies and food	45,316	5,400	-	-	-	-	50,716	50,627
Program activities	6,155	2,896	8,252	-	75	-	17,378	18,442
Client assistance	181,292	93,760	-	-	-	-	275,052	161,747
Interest	-	-	-	-	-	9,532	9,532	9,254
Depreciation	-	-	-	-	-	103,317	103,317	103,413
Insurance	8,780	5,218	4,131	7,082	778	-	25,989	28,321
Taxes, licenses, and fees	617	867	1,313	6,649	1,045	-	10,491	8,821
Fundraising expenses	-	-	-	-	37,889	-	37,889	49,167
Other expenses	4,375	2,490	4,025	2,488	551	-	13,929	8,453
Program administration expenses	79,530	46,619	36,620	(169,429)	6,660	-	-	-
Total expenditures	1,139,040	620,836	1,118,678	64,146	132,014	112,849	3,187,563	2,532,719
Net Income / (Loss)	\$ (37,404)	\$ (17,628)	\$ (19,700)	\$ (57,336)	\$ 259,182	\$ 102,179	\$ 229,300	\$ 126,231

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**NOTE TO SCHEDULE OF REVENUES AND EXPENDITURES**

---

**Note 1 - Basis of Presentation**

For the year ended June 30, 2015, the accompanying schedule of revenues and expenditures presents the revenues and expenditures based on the program activities including supporting management and general expenses incurred for operating the programs. In the schedule of functional expenses, supporting expenses incurred for operating the programs are included in the management & general function expenses.

CPAF's loans with the City of Los Angeles Housing and Community Investment Department include service-payback loans, where the principal is repaid at a set annual rate by providing shelter services, and a residual receipts loan, where the interest is accrued and rolled over annually and added to principal. In the schedule of revenues and expenditures, service-payback revenue, capitalized fixed assets and the interest and depreciation expenses are grouped together under fixed asset column, and presented separately.

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**SCHEDULE OF CalOES GRANT REVENUES AND EXPENDITURES**  
Year Ended June 30, 2016

Grant No. DV15301001

Revenues \$475,297

Expenditures:	<u>7/1/15-6/30/16</u>	<u>Cash Match</u>	<u>In-Kind Match</u>	<u>Cash Match</u>	<u>Total</u>
Personal services	\$ 330,247	\$ -	\$ 17,502	\$ -	\$ 347,749
Operating expenses	117,698	-	2,500	-	120,198
Equipment	7,350	-	-	-	7,350
	<u>\$ 455,295</u>	<u>\$ -</u>	<u>\$ 20,002</u>	<u>\$ -</u>	<u>\$ 475,297</u>

Grant No. RC14341001

Revenues \$26,718

Expenditures:	<u>7/1/15-8/31/15</u>	<u>Cash Match</u>	<u>In-Kind Match</u>	<u>Cash Match</u>	<u>Total</u>
Personal services	\$ 23,977	\$ -	\$ 56	\$ -	\$ 24,033
Operating expenses	2,685	-	-	-	2,685
Equipment	-	-	-	-	-
	<u>\$ 26,662</u>	<u>\$ -</u>	<u>\$ 56</u>	<u>\$ -</u>	<u>\$ 26,718</u>

Grant No. RC15351001

Revenues \$173,784

Expenditures:	<u>9/1/15-6/30/16</u>	<u>Cash Match</u>	<u>In-Kind Match</u>	<u>Cash Match</u>	<u>Total</u>
Personal services	\$ 122,161	\$ -	\$ 21,053	\$ 2,500	\$ 145,714
Operating expenses	25,570	-	-	2,500	28,070
Equipment	-	-	-	-	-
	<u>\$ 147,731</u>	<u>\$ -</u>	<u>\$ 21,053</u>	<u>\$ 5,000</u>	<u>\$ 173,784</u>

**REPORT IN ACCORDANCE  
WITH GOVERNMENT  
AUDITING STANDARDS**





**Choi, Kim & Park, LLP**  
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

3435 Wilshire Blvd., Suite 2240  
Los Angeles, CA 90010

Tel (213) 480-9100

Fax (213) 480-9107

[www.ckpcpas.com](http://www.ckpcpas.com)

OFFICES IN:

LOS ANGELES, CA  
SAN DIEGO, CA  
SAN MATEO, CA  
IRVINE, CA  
MONTGOMERY, AL  
LAGRANGE, GA  
FORT LEE, NJ

**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***

To the Board of Directors  
Center for the Pacific-Asian Family, Inc.  
Los Angeles, California

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 the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Center for the Pacific-Asian Family, Inc. (CPAF), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise CPAF's basic financial statements, and have issued our report thereon dated November 30, 2016.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered CPAF's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CPAF's internal control. Accordingly, we do not express an opinion on the effectiveness of CPAF'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 the entity'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 may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether CPAF'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Choi, Kim & Park, LLP*

Los Angeles, California  
November 30, 2016

**REPORT IN ACCORDANCE  
WITH TITLE 2 U.S. CODE OF  
FEDERAL REGULATION PART 200,  
UNIFORM ADMINISTRATIVE REQUIREMENTS,  
COST PRINCIPLES, AND  
AUDIT REQUIREMENTS FOR  
FEDERAL AWARDS**



**Choi, Kim & Park, LLP**  
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

3435 Wilshire Blvd., Suite 2240  
Los Angeles, CA 90010

Tel (213) 480-9100

Fax (213) 480-9107

[www.ckpcpas.com](http://www.ckpcpas.com)

OFFICES IN:

LOS ANGELES, CA  
SAN DIEGO, CA  
SAN MATEO, CA  
IRVINE, CA  
MONTGOMERY, AL  
LAGRANGE, GA  
FORT LEE, NJ

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE;  
AND REPORT ON SCHEDULE OF EXPENDITURE OF  
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE  
(INCLUDES REPORTING ON SCHEDULE OF EXPENDITURES OFFEDERAL AWARDS)**

To the Board of Directors  
Center for the Pacific-Asian Family, Inc.  
Los Angeles, California

**Report on Compliance for the Major Federal Program**

We have audited CPAF's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on CPAF's major federal program for the year ended June 30, 2016. CPAF's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for CPAF's major federal program based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we 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 CPAF's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.



We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of CPAF's compliance.

### Opinion on the Major Federal Program

In our opinion, CPAF complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2016.

### Report on Internal Control over Compliance

Management of CPAF is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered CPAF's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of CPAF's 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



## Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of CPAF as of and for the year ended June 30, 2016, and have issued our report thereon dated November 30, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

*Choi, Kim & Park, LLP*

Los Angeles, California  
November 30, 2016

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2016

CFDA Federal Grantor / Pass-Through Grantor / Program	Agency Number	Award Number	Loan Funds	Federal Expenditures
<u>US Department of Housing &amp; Urban Development</u>				
Pass through:				
Housing and Community Investment Department				
Housing & Community Investment Block Grant	14.218	C-93559	\$ 252,948	
Housing & Community Investment Block Grant	14.218	C-94366	<u>18,517</u>	
			271,465	
Pass through:				
Housing and Community Investment Department				
Housing & Community Investment Block Grant	14.218	126347		\$ 127,569
Pass through:				
Los Angeles Homeless Services Authority				
Continuum of Care Program	14.267	CA0363L9D001407		119,847
				<u>119,847</u>
Total US Department of Housing & Urban Development			271,465	247,416
<u>US Department of Health &amp; Human Services</u>				
Pass through:				
California Office of Emergency Services				
Family Violence Prevention & Services	93.671*	DV15301001		212,100
Pass through:				
California Department of Community Services and Development				
LA County Department of Public Social Services				
Community Services Block Grant	93.569	4DVD1310PP		55,036
Pass through:				
California Department of Social Services				
LA County Department of Public Social Services				
Temporary Assistance for Needy Families	93.558	SSC-000009		110,699
Pass through:				
California Department of Public Health				
Epidemiology and Prevention for injury Control (EPIC) Branch				
Rape Prevention and Education Program	93.136	14-10651		74,141
Pass through:				
Department of Children & Family Services (DCFS)				
Special Services for Groups				
Prevention & Aftercare Services	93.556	2015-01-18		<u>5,773</u>
Total US Department of Health & Human Services				457,749

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2016

<u>CFDA Federal Grantor / Pass-Through Grantor / Program</u>	<u>CFDA Number</u>	<u>Award Number</u>	<u>Loan Funds</u>	<u>Federal Expenditures</u>
<u>US Department of Justice</u>				
Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault	16.736	2012-WH-AX-0004		19,783
Dating Violence, Stalking, or Sexual Assault	16.736	2015-WH-AX-0010		<u>66,029</u>
				85,812
Sexual Assault Services Culturally Specific Grant Program	16.017	2013-KS-AX-0001		112,575
Culturally and Linguistically Specific Grant Program	16.016	2013-UW-AX-0019		58,945
Culturally and Linguistically Specific Grant Program	16.016	2015-UW-AX-0005		<u>88,173</u>
				147,118
Pass through:				
California Office of Emergency Services				
Crime Victim Assistance	16.575*	RC14341001		19,515
Crime Victim Assistance	16.575*	RC15351001		100,443
Sexual Assault Services Program	16.017	RC15351001		25,348
Crime Victim Assistance	16.575*	DV15301001		<u>63,176</u>
				208,482
Pass through:				
Legal Aid Foundation of Los Angeles				
Legal Assistance for Victims	16.524	2014-X0163-CA-WL		4,573
Office for Victims of Crime	16.582	2012-VF-GX-K021		21,667
Office for Victims of Crime	16.582	2012-VF-GX-K021		22,848
Asian Americans Advancing Justice, Los Angeles				
Legal Assistance for Victims	16.524	2010-WL-AX-0060		<u>2,338</u>
				51,426
Pass through:				
City of Los Angeles				
FY2014 Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	C-125913		<u>14,527</u>
Total US Department of Justice				619,940
<u>US Department of Homeland Security</u>				
Pass through:				
Los Angeles Emergency Food & Shelter Local Program Board				
Emergency Food & Shelter National Board Prog.	97.024	Phase 33		<u>23,625</u>
Total Federal Awards			<u>\$ 271,465</u>	<u>\$ 1,348,730</u>

\* : Tested as Major Program



**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**SCHEDULE OF EXPENDITURES OF STATE AND LOCAL AWARDS**  
Year Ended June 30, 2016

<u>Program – State &amp; Local Awards</u>	<u>Award Number</u>	<u>Local Expenditures</u>
California Office of Emergency Services		
Statewide Domestic Violence Assistance Program	DV15301001	\$ 180,019
State Penalty Assessment Fund	RC14341001	7,147
State Penalty Assessment Fund	RC15361001	21,940
AB1733		
Special Services for Groups-CAPIT	2015-01-61	36,492
Special Services for Groups-CAPIT	2015-01-61	20,115
State of California Department of Education		
Little Tokyo Service Center		14,956
California Department of Public Health		
Safe and Active Communities Branch, Violence Prevention Unit		
Domestic Violence and Teen Dating Violence Primary		
Prevention Projects	14-10184	57,505
First 5 LA		
Koreatown Youth and Community Center		15,989
Best Start Metro LA		
County of Los Angeles - Department of Public Social Services		
Domestic Violence Shelter Based Program	SSC-000045 Shelter #1	65,517
Domestic Violence Shelter Based Program	SSC-000045 Shelter #2	65,517
Community Development Commission of the County of LA		
Homeless Services Fund	HCAP02	28,048
City of Los Angeles - Housing and Community Investment Department		
General Funds	126347	<u>129,661</u>
Total State and Local Awards		<u>\$ 642,906</u>

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF STATE AND LOCAL AWARDS**  
Year Ended June 30, 2016

---

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of CPAF under programs of the federal government for the year ended June 30, 2016. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The accompanying schedule of expenditures of state and local awards (the "Schedule") includes the state and local grant activity of CPAF under programs of the state and local government for the year ended June 30, 2016. Because the schedules present only a selected portion of the operations of CPAF, they are not intended to and do not present the financial position, changes in net assets or cash flows of CPAF.

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

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-122, Cost Principles for Non-Profit Organizations, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement. CPAF has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
Year Ended June 30, 2016

---

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness (es) identified? \_\_\_\_\_ Yes \_\_\_\_\_ X No

Significant deficiency (ies) identified not considered to be material weaknesses? \_\_\_\_\_ Yes \_\_\_\_\_ X None reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes \_\_\_\_\_ X No

**Federal Awards**

Internal Control over major programs:

Material weakness (es) identified? \_\_\_\_\_ Yes \_\_\_\_\_ X No

Significant deficiency (ies) identified not considered to be material weaknesses? \_\_\_\_\_ Yes \_\_\_\_\_ X No

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

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? \_\_\_\_\_ Yes \_\_\_\_\_ X No

**Identification of major programs:**

**CFDA Number(s)**

93.671

16.575

**Name of Federal Program or Cluster**

Family Violence Prevention and Services

Crime Victim Assistance

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

Auditee qualified as low-risk auditee? \_\_\_\_\_ X Yes \_\_\_\_\_ No

**CENTER FOR THE PACIFIC-ASIAN FAMILY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
Year Ended June 30, 2016

---

**SECTION II - FINANCIAL STATEMENT FINDINGS**

1. No Current Year Findings
2. No Prior Year Findings

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None