

**DISASTER SERVICES CORPORATION - SOCIETY OF ST. VINCENT DE PAUL USA**

**FINANCIAL STATEMENTS  
WITH SUPPLEMENTARY INFORMATION,  
INDEPENDENT AUDITORS' REPORT,  
AND UNIFORM GUIDANCE  
REPORTS AND SCHEDULES  
YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

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## Independent Auditors' Report

Board of Directors  
Disaster Services Corporation - Society of St. Vincent de Paul USA  
Irving, Texas

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of Disaster Services Corporation - Society of St. Vincent de Paul USA (a not-for-profit organization), which comprise the statements of financial position as of September 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Disaster Services Corporation - Society of St. Vincent de Paul USA as of September 30, 2024 and 2023, 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.

#### *Basis for Opinion*

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. 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 Disaster Services Corporation - Society of St. Vincent de Paul USA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Responsibilities of Management for the Financial Statements*

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Disaster Services Corporation - Society of St. Vincent de Paul USA'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.

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 Disaster Services Corporation - Society of St. Vincent de Paul USA'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 Disaster Services Corporation - Society of St. Vincent de Paul USA'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.

### **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 awards, as required by Title 2 U.S. Code of Federal Regulations 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 audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2025, on our consideration of Disaster Services Corporation - Society of St. Vincent de Paul USA'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 solely 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 Disaster Services Corporation - Society of St. Vincent de Paul USA'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 Disaster Services Corporation - Society of St. Vincent de Paul USA's internal control over financial reporting and compliance.



March 21, 2025

St. Louis, Missouri

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Statements of Financial Position**  
**September 30, 2024 and 2023**

**Assets**

	2024	2023
Current Assets		
Cash and cash equivalents	\$ 630,794	\$ 1,015,084
Grants receivable	2,604,781	1,296,748
Unbilled grants receivable	155,883	48,372
Prepaid expenses and other current assets	77,669	58,291
Total Current Assets	3,469,127	2,418,495
Operating Right-of-Use Assets	146,946	102,791
Total Assets	\$ 3,616,073	\$ 2,521,286

**Liabilities and Net Assets**

Current Liabilities		
Current maturities of operating lease liabilities	\$ 81,593	\$ 57,989
Current maturities of Paycheck Protection Program loan	179,735	249,509
Accounts payable and accrued expenses	1,500,245	670,651
Accrued salaries and payroll taxes	106,297	149,802
Due to related organization	-	9,628
Grants payable	2,662	10,000
Line of credit	700,000	-
Total Current Liabilities	2,570,532	1,147,579
Long-term Operating Lease Liabilities	66,143	45,936
Paycheck Protection Program Loan	-	179,733
Total Liabilities	2,636,675	1,373,248
Net Assets		
Without donor restrictions	408,235	235,608
With donor restrictions	571,163	912,430
Total Net Assets	979,398	1,148,038
Total Liabilities and Net Assets	\$ 3,616,073	\$ 2,521,286

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Statement of Activities**  
**Year Ended September 30, 2024**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Totals</u>
Revenues and Other Support			
Federal grant revenue	\$ -	\$ 11,102,863	\$ 11,102,863
Private grants	481,628	1,814,891	2,296,519
Contributions	205,400	393,650	599,050
Other income	43,365	-	43,365
Net assets released from restrictions:			
Satisfaction of time and usage restrictions	<u>13,652,671</u>	<u>(13,652,671)</u>	<u>-</u>
Total Revenues and Other Support	<u>14,383,064</u>	<u>(341,267)</u>	<u>14,041,797</u>
Expenses			
Program Services	<u>13,458,392</u>	<u>-</u>	<u>13,458,392</u>
Supporting Activities			
Management and general	674,837	-	674,837
Fundraising	<u>77,208</u>	<u>-</u>	<u>77,208</u>
Total Supporting Activities	<u>752,045</u>	<u>-</u>	<u>752,045</u>
Total Expenses	<u>14,210,437</u>	<u>-</u>	<u>14,210,437</u>
Change in Net Assets	172,627	(341,267)	(168,640)
Net Assets, Beginning of Year	<u>235,608</u>	<u>912,430</u>	<u>1,148,038</u>
Net Assets, End of Year	<u>\$ 408,235</u>	<u>\$ 571,163</u>	<u>\$ 979,398</u>

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Statement of Activities**  
**Year Ended September 30, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Totals</u>
<b>Revenues and Other Support</b>			
Federal grant revenue	\$ -	\$ 6,228,198	\$ 6,228,198
Private grants	200,000	2,601,499	2,801,499
Contributions	688,856	65,789	754,645
Other income	62,195	-	62,195
Net assets released from restrictions:			
Satisfaction of time and usage restrictions	<u>8,963,843</u>	<u>(8,963,843)</u>	<u>-</u>
<b>Total Revenues and Other Support</b>	<u><b>9,914,894</b></u>	<u><b>(68,357)</b></u>	<u><b>9,846,537</b></u>
<b>Expenses</b>			
Program Services	<u>8,828,529</u>	<u>-</u>	<u>8,828,529</u>
<b>Supporting Activities</b>			
Management and general	839,307	-	839,307
Fundraising	<u>67,762</u>	<u>-</u>	<u>67,762</u>
<b>Total Supporting Activities</b>	<u><b>907,069</b></u>	<u><b>-</b></u>	<u><b>907,069</b></u>
<b>Total Expenses</b>	<u><b>9,735,598</b></u>	<u><b>-</b></u>	<u><b>9,735,598</b></u>
<b>Change in Net Assets</b>	179,296	(68,357)	110,939
<b>Net Assets, Beginning of Year</b>	<u>56,312</u>	<u>980,787</u>	<u>1,037,099</u>
<b>Net Assets, End of Year</b>	<u><b>\$ 235,608</b></u>	<u><b>\$ 912,430</b></u>	<u><b>\$ 1,148,038</b></u>

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Statement of Functional Expenses**  
**Year Ended September 30, 2024**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Personnel Costs				
Salaries and payroll taxes	\$ 9,711,036	\$ 313,147	\$ 12,002	\$ 10,036,185
Benefit plan contributions	156,584	20,590	-	177,174
Staff insurance	<u>1,127,519</u>	<u>18,443</u>	-	<u>1,145,962</u>
Total Personnel Costs	10,995,139	352,180	12,002	11,359,321
Accounting	15,342	91,268	-	106,610
Administration	25,759	4,162	-	29,921
Advertising	1,924	20,795	65,206	87,925
Computer maintenance	-	1,260	-	1,260
Dues and subscriptions	6,425	4,354	-	10,779
Disaster Services supplies and assistance	1,098,157	-	-	1,098,157
Grants and allocations	218,000	-	-	218,000
Insurance	34,162	22,313	-	56,475
Legal	43,882	17,559	-	61,441
Materials and printing	5,394	430	-	5,824
Meetings	1,463	8,018	-	9,481
Occupancy	102,779	60,066	-	162,845
Office	177,068	28,193	-	205,261
Other	3,062	19,860	-	22,922
Professional fees	485,786	16,097	-	501,883
Repairs and maintenance	3,153	1,037	-	4,190
Telephone	78,718	2,490	-	81,208
Training	599	4,517	-	5,116
Travel, meals, and entertainment	159,226	19,777	-	179,003
Utilities	<u>2,354</u>	<u>461</u>	-	<u>2,815</u>
Total Expenses	<u>\$ 13,458,392</u>	<u>\$ 674,837</u>	<u>\$ 77,208</u>	<u>\$ 14,210,437</u>

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Statement of Functional Expenses**  
**Year Ended September 30, 2023**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Personnel Costs				
Salaries and payroll taxes	\$ 5,561,644	\$ 456,873	\$ 62,651	\$ 6,081,168
Benefit plan contributions	97,652	24,174	-	121,826
Staff insurance	<u>558,008</u>	<u>12,717</u>	-	<u>570,725</u>
Total Personnel Costs	6,217,304	493,764	62,651	6,773,719
Accounting	17,478	83,212	-	100,690
Administration	22,240	4,379	-	26,619
Advertising	4,680	30,477	5,111	40,268
Computer maintenance	16,620	13,452	-	30,072
Depreciation	2,209	-	-	2,209
Dues and subscriptions	7,264	689	-	7,953
Disaster Services supplies and assistance	1,486,798	-	-	1,486,798
Grants and allocations	311,718	-	-	311,718
Insurance	10,673	4,073	-	14,746
Legal	43,238	13,106	-	56,344
Materials and printing	6,732	1,371	-	8,103
Meetings	1,298	22,093	-	23,391
Occupancy	81,095	51,716	-	132,811
Office	134,675	22,071	-	156,746
Other	6,962	8,264	-	15,226
Professional fees	284,557	32,903	-	317,460
Repairs and maintenance	8,260	-	-	8,260
Telephone	49,221	3,116	-	52,337
Training	-	1,192	-	1,192
Travel, meals, and entertainment	112,354	52,182	-	164,536
Utilities	<u>3,153</u>	<u>1,247</u>	-	<u>4,400</u>
Total Expenses	<u>\$ 8,828,529</u>	<u>\$ 839,307</u>	<u>\$ 67,762</u>	<u>\$ 9,735,598</u>

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Statements of Cash Flows**  
**Years Ended September 30, 2024 and 2023**

	2024	2023
Cash Flows From Operating Activities		
Change in net assets	\$ (168,640)	\$ 110,939
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	-	2,209
Noncash lease expense (revenue)	(344)	1,134
(Increase) decrease in assets:		
Grants receivable and unbilled grants receivable	(1,415,544)	(389,102)
Prepaid expenses and other current assets	(19,378)	17,997
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	829,594	(85,221)
Accrued salaries and payroll taxes	(43,505)	55,739
Due to related organization	(9,628)	5,153
Grants payable	(7,338)	10,000
Net Cash Used in Operating Activities	(834,783)	(271,152)
Cash Flows From Financing Activities		
Borrowings on line of credit	2,703,152	-
Payments on line of credit	(2,003,152)	-
Payments on Paycheck Protection Program loan	(249,507)	(247,046)
Net Cash Provided by (Used in) Financing Activities	450,493	(247,046)
Net Decrease in Cash and Cash Equivalents	(384,290)	(518,198)
Cash and Cash Equivalents, Beginning of Year	1,015,084	1,533,282
Cash and Cash Equivalents, End of Year	\$ 630,794	\$ 1,015,084
Supplemental Disclosures of Cash Flow Information		
Cash Paid for Interest	\$ 16,994	\$ 5,631

**Noncash Operating Activities**

During fiscal years 2024 and 2023, the Organization capitalized operating right-of-use assets totaling \$120,726 and \$152,662, respectively, for assets under leases with corresponding operating lease liabilities for the same amounts.

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Notes to Financial Statements**  
**September 30, 2024 and 2023**

**1. Nature of Operations and Basis of Presentation**

**Organization**

Disaster Services Corporation - Society of St. Vincent de Paul USA ("DSC" or the "Organization") is a not-for-profit organization that provides humanitarian services primarily to poor and low-income families and individuals.

The primary mission of DSC is to provide disaster response and recovery services to clients throughout the United States of America and its territories. DSC's secondary missions include conducting disaster response training sessions and providing disaster response management and consulting services to state and local governments and other nonprofits.

DSC frequently collaborates with other disaster relief and recovery agencies, organizations and businesses to provide post-first responder long-term recovery assistance to those in need.

DSC is a wholly-owned subsidiary of the National Council of the United States, Society of St. Vincent de Paul, Inc. (the "Society"). DSC was incorporated in Missouri in February 2017.

**Basis of Presentation**

The accompanying financial statements have been prepared in accordance with the provisions of the Financial Accounting Standards Board ("FASB"), Accounting Standards Codification (the "FASB ASC"), which is the source of authoritative, non-governmental accounting principles generally accepted in the United States of America ("GAAP"). All references to authoritative accounting guidance contained in our disclosures are based on the general accounting topics within the FASB ASC.

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

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may be satisfied by specific activities or the passage of time, or are required to be maintained in perpetuity by the Organization.

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Notes to Financial Statements**  
**September 30, 2024 and 2023**

**2. Summary of Significant Accounting Policies**

**Use of Estimates**

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

**Fair Value Measurements**

The Organization follows guidance issued by the FASB on fair value measurements, which establishes a framework for measuring fair value, clarifies the definition of fair value within that framework, and expands disclosures about the use of fair value measurements. This guidance applies whenever fair value is the applicable measurement. The three general valuation techniques used to measure fair value are the market approach, cost approach, and income approach.

**Cash and Cash Equivalents**

The Organization considers all short-term investments with an original maturity of three months or less at the time of purchase to be cash equivalents.

**Grants Receivable and Unbilled Grants Receivable**

Grants receivable includes amounts due from various funding sources under binding contracts with the Organization for services rendered prior to year-end. Unbilled grants receivable are receivables from government agencies where expenses were incurred during the fiscal year but invoiced after year end.

**Property and Equipment**

Property and equipment acquisitions with a life of one year or greater and a cost in excess of \$3,000 are capitalized and recorded at cost, while maintenance and repairs are expensed as incurred. When assets are sold or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts. Any gain or loss arising from such disposition is included as income or expense in the year of disposition.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. At September 30, 2024 and 2023, the Organization's property and equipment was fully depreciated.

The estimated lives for computing depreciation on property and equipment are:

<u>Classification</u>	<u>Years</u>
Furniture and equipment	5

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Notes to Financial Statements**  
**September 30, 2024 and 2023**

**Leases**

The Organization leases certain office space. The Organization assesses whether an arrangement qualifies as a lease (conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are modified. The Organization has recognized a liability representing the future lease payments and a right-of-use ("ROU") asset representing its right to use the underlying asset for the lease term. For leases that do not provide an implicit rate, the Organization elected to use the practical expedient to use the risk-free rate of return at the commencement date in determining the present value of lease payments. The Organization has elected to treat leases with a lease term of 12 months or less as short term leases and are not recorded on the statements of financial position. Lease expense is recognized on a straight-line basis over the lease term for short term leases, and variable lease expenses are recognized in the period in which they are incurred. The Organization has elected not to separate lease components from nonlease components when allocating consideration under the terms of the lease.

The Organization's leases may include one or more options to renew, with renewal terms that can extend the lease term in one year increments. The exercise of lease renewal options is at the Organization's sole discretion. The Organization has determined certain lease renewal options will not be exercised, and has not included them in the ROU asset and lease liability. In determining which renewal options the Organization is likely to execute, management reviewed the need for the location, the leasehold improvements at that location, the cost to move operations at that facility, and the possibility of relocation.

**Support and Revenue**

Contributions and grants are recorded as received. All contributions and grants are available for general activities unless specifically restricted by the donor. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Grant and program revenue is generally recognized as income in the period that specific services are provided.

**Donated Materials (In-Kind)**

Donated noncash assets are recorded as contributions at their fair values at the date of donation.

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Notes to Financial Statements**  
**September 30, 2024 and 2023**

**Functional Expense Allocation**

The costs of program services and supporting activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting activities benefited.

**Income Taxes**

DSC is a nonprofit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code"), except on net income derived from unrelated business activities as defined in the Code. Accordingly, DSC files as a tax exempt organization.

The Organization follows guidance issued by the FASB on accounting for income taxes and has evaluated its tax positions, expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings, and believes that no provision for income taxes is necessary to cover any uncertain tax positions. The Organization's returns for tax years 2020 and later remain subject to examination by taxing authorities.

**Reclassifications**

Certain amounts in the 2023 financial statements have been reclassified to conform to the 2024 presentation.

**3. Leases**

The Organization has operating leases for office space. The following summarizes the weighted average remaining lease term and discount rate as of September 30,:

	2024	2023
Weighted Average Remaining Lease Term		
Operating leases	1.80 years	2.04 years
Weighted Average Discount Rate		
Operating leases	4.35 %	4.31 %

The maturities of the lease liabilities as of September 30, 2024, are as follows:

<u>Year Ending September 30,</u>		
	2025	\$ 86,099
	2026	67,228
Total Lease Payments		153,327
Less: Present Value Discount		5,591
Present Value of Lease Liability		\$ 147,736

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Notes to Financial Statements**  
**September 30, 2024 and 2023**

The components of lease expense included in occupancy expense on the statements of functional expenses for the years ended September 30, are as follows.

	<u>2024</u>	<u>2023</u>
Operating lease expense	\$ 82,138	\$ 58,390
Short-term lease expense	<u>64,660</u>	<u>56,695</u>
Total lease expense	<u>\$ 146,798</u>	<u>\$ 115,085</u>

The following summarizes cash flow information related to operating leases for the years ended September 30,:

	<u>2024</u>	<u>2023</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 79,457	\$ 57,256

**4. Line of Credit**

The Organization has a line of credit agreement (the "Agreement") of \$700,000 scheduled to expire on October 16, 2024. Borrowings are charged interest at the 1-month SOFR rate (4.96 percent at September 30, 2024) plus 4.61 percent. At September 30, 2024, there were borrowings outstanding under the Agreement of \$700,000. There were no borrowings outstanding under the Agreement at September 30, 2023.

**5. SBA Paycheck Protection Program Loan**

On April 6, 2020, the Organization applied for and received approval for a loan under the Payroll Protection Program ("PPP") administered by the United States Small Business Administration ("SBA"). The PPP was legislated as part of the CARES Act. The loan may be partially or fully forgiven if the business keeps its employee counts and employee wages stable. The Organization received a PPP loan in the amount of \$1,487,330, which is held by a third-party financial institution. The application for these funds required the Organization to, in good faith, certify that the current economic uncertainty made the loan request necessary to support the ongoing operations of the Organization. This certification further required the Organization to take into account current business activity and its ability to access other sources of liquidity sufficient to support ongoing operations in a manner that is not significantly detrimental to the business. The loan has an interest rate of approximately 1 percent. Principal and interest payments on the loan were deferred until a determination was made on whether the loan, or a portion of the loan, will be forgiven.



**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Notes to Financial Statements**  
**September 30, 2024 and 2023**

During the years ended September 30, 2024 and 2023, the Organization received \$62,111 and \$175,526, respectively, of contributions from various Councils as support for the Organization.

**8. Net Assets With Donor Restrictions**

Net assets with donor restrictions at September 30, are restricted for the following purposes:

	2024	2023
Natural disasters	\$ 89,739	\$ 426,648
House in a box program	414,123	368,384
Other disaster relief	67,301	117,398
	\$ 571,163	\$ 912,430

Net assets released from restrictions of purpose for the years ended September 30, are as follows:

	2024	2023
Disaster case management	\$ 11,104,766	\$ 6,227,793
Natural disasters	853,668	121,789
House in a box program	1,353,463	2,194,298
Other disaster relief	340,774	419,963
	\$ 13,652,671	\$ 8,963,843

**9. Retirement Plan**

The Organization maintains a contributory profit sharing plan under Section 403(b) of the Code covering substantially all employees who meet certain eligibility requirements. Employer contributions to the plan totaled \$177,174 and \$121,826 for the years ended September 30, 2024 and 2023, respectively.

**10. Risks and Uncertainties**

**Business Concentration**

Each year, the Organization receives a significant portion of grant revenue from various pass-through entities providing funding through the Federal Emergency Management Agency ("FEMA"). Approximately 82 and 69 percent of the Organization's grant revenue was received through FEMA during the years ended September 30, 2024 and 2023, respectively.

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Notes to Financial Statements**  
**September 30, 2024 and 2023**

**Concentration of Credit Risk**

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of cash and cash equivalents and grants receivable. The Organization maintains its cash primarily with one financial institution. Deposits at this bank are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At September 30, 2024, there were cash balances of \$401,145 in excess of federally insured limits at the bank. Although the Organization is directly affected by the financial stability of the financial institutions, management does not believe significant credit risk exists at September 30, 2024. The Organization performs ongoing evaluations of its receivables and maintains allowances, as needed. Although the Organization is directly affected by the financial stability of its non-member customer base, management does not believe significant credit risk exists at September 30, 2024.

**11. Subsequent Events**

The Organization has evaluated subsequent events through March 21, 2025, the date the financial statements were available to be issued. In October 2024, the Organization modified its line of credit agreement to extend the scheduled maturity date to October 22, 2026.

Subsequent to year end, the Organization has experienced cash flow constraints resulting from delayed payments by certain federal or state agencies. These payments, which constitute a significant portion of the Organization's grants receivable balance, have been temporarily withheld due to government reviews. As of March 21, 2025, the total amount of withheld payments is approximately \$2,300,000, which has impacted the Organization's liquidity and ability to meet certain short-term obligations. In response, the Organization has implemented various liquidity management strategies and is actively working with the relevant agencies to expedite the release of funds. While the timing of the payments remains uncertain, management believes that the Organization has sufficient resources and financing alternatives to continue operating effectively. However, prolonged delays in receiving payments could further impact cash flow and financial stability.

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended September 30, 2024**

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>U.S. Department of Homeland Security, Federal Emergency Management Agency (FEMA)</b>				
Pass-through program from the Mississippi Department of Human Services Disaster Assistance Projects (DR4697)	97.088	N/A	\$ -	\$ 331,275
Pass-through program from the Michigan Disaster Response and Recovery Disaster Assistance Projects (DR4607)	97.088	N/A	-	905,504
Pass-through program from the Commonwealth of Pennsylvania, Department of Human Services Disaster Assistance Projects (DR4618)	97.088	N/A	-	438,114
Pass-through program from the New Jersey Department of Human Services Disaster Assistance Projects (DR4614)	97.088	N/A	-	720,430
Pass-through program from Volunteer Florida Disaster Assistance Projects (DR4673)	97.088	N/A	-	6,019,200
Pass-through program from the Hawaii Department of Human Services Disaster Assistance Projects (DR4724)	97.088	N/A	-	<u>2,183,375</u>
<b>Total U.S. Department of Homeland Security</b>			<u>-</u>	<u>10,597,898</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ -</u>	<u>\$ 10,597,898</u>

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended September 30, 2024**

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Disaster Services Corporation - Society of St. Vincent de Paul USA ("DSC" or the "Organization") under programs of the federal government for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Pass-through entity identifying numbers are presented where available.

**3. Indirect Cost Rate**

The Organization has elected not to use the 10 percent de minimus indirect cost rate allowed under the Uniform Guidance as current FEMA programs do not allow use of an indirect cost rate.

**4. Relationship to Basic Financial Statements**

Federal awards included in the accompanying Schedule are recorded as grants in the Organization's basic financial statements.

**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  
Disaster Services Corporation - Society of St. Vincent de Paul USA  
Irving, Texas

We have audited, 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, the financial statements of Disaster Services Corporation - Society of St. Vincent de Paul USA (a not-for-profit organization) (the "Organization"), which comprise the statement of financial position as of September 30, 2024, 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 21, 2025.

***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) 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 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.

### ***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 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 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.

A handwritten signature in blue ink that reads "Anders Minkler Heber & Helms LLP". The signature is written in a cursive style.

March 21, 2025

St. Louis, Missouri

**Independent Auditors' Report on Compliance for Each Major  
Federal Program and on Internal Control Over Compliance  
Required by the Uniform Guidance**

Board of Directors  
Disaster Services Corporation - Society of St. Vincent de Paul USA  
Irving, Texas

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

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

We have audited Disaster Services Corporation - Society of St. Vincent de Paul USA's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Disaster Services Corporation - Society of St. Vincent de Paul USA's major federal programs for the year ended September 30, 2024. Disaster Services Corporation - Society of St. Vincent de Paul USA's major federal program is identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Organization 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 September 30, 2024.

***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 Disaster Services Corporation - Society of St. Vincent de Paul USA 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 Disaster Services Corporation - Society of St. Vincent de Paul USA'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 the 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 the 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 audited 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. 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 the Organization's 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 the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's 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 the Organization's 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 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.



March 21, 2025

St. Louis, Missouri

**Disaster Services Corporation - Society of St. Vincent de Paul USA**  
**Schedule of Findings and Questioned Costs**  
**Year Ended September 30, 2024**

**Summary of Auditors' Results**

***Financial Statements***

Type of auditors' report issued: **Unmodified**

Internal control over financial reporting:

Material weaknesses identified? **No**

Significant deficiencies identified not considered to be a material weakness? **None reported**

Noncompliance material to the financial statements noted? **No**

***Federal Awards***

Internal control over major program:

Material weaknesses identified? **No**

Significant deficiencies identified not considered to be a material weakness? **None reported**

Type of auditors' report issued on compliance for major programs: **Unmodified**

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

**Major Programs:**

United States Department of Homeland Security, Federal Emergency Management Agency (FEMA) - **97.088**

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

Auditee qualified as a low-risk auditee? **Yes**

**Findings - Financial Statements Audit**

Year ended September 30, 2024: **None**

Year ended September 30, 2023: **None**

**Findings and Questioned Costs - Major Federal Award Program Audit**

Year ended September 30, 2024: **None**

Year ended September 30, 2023: **None**