

## **Next Door Solutions to Domestic Violence**

Financial Statements  
and Single Audit Reports and Schedules

June 30, 2021  
(With Comparative Totals for 2020)



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Next Door Solutions to Domestic Violence  
San Jose, California

We have audited the accompanying financial statements of Next Door Solutions to Domestic Violence (a California nonprofit corporation) (the "Organization"), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year 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.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on 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.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Next Door Solutions to Domestic Violence as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



An independent firm  
associated with Moore  
Global Network Limited

## **Emphasis of Matter**

As discussed in Note 14 to the financial statements, on March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The ultimate financial impact and duration of these events cannot be reasonably estimated at this time. Our opinion is unmodified with respect to that matter here.

## **Other Matter**

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 and other governmental awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2021, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

## **Report on Summarized Comparative Information**

We have previously audited Next Door Solutions to Domestic Violence's 2020 financial statements, and our report dated December 1, 2020 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, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Armanino<sup>LLP</sup>  
San Jose, California

December 27, 2021

Next Door Solutions to Domestic Violence  
Statement of Financial Position  
June 30, 2021  
(With Comparative Totals for 2020)

	2021	2020
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 2,255,581	\$ 2,026,216
Government grants receivable	422,400	544,159
Pledges and grants receivable	152,000	249,200
Accounts receivable	5,409	3,301
Prepaid expenses and other current assets	65,804	59,270
Total current assets	2,901,194	2,882,146
Property and equipment, net	153,119	168,265
Total assets	\$ 3,054,313	\$ 3,050,411
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable	\$ 24,423	\$ 17,033
Accrued expenses	271,971	243,128
Total current liabilities	296,394	260,161
Net assets		
Without donor restrictions		
Undesignated	804,886	649,475
Board designated operating reserve	1,515,000	1,330,000
Board designated administrative reserve	52,526	52,526
Property and equipment fund	153,119	168,265
Board designated COVID-19 client assistance reserve	25,107	200,807
Total without donor restrictions	2,550,638	2,401,073
With donor restrictions		
Restricted for a specific purpose	147,281	219,177
Restricted to a passage of time	60,000	170,000
Total with donor restrictions	207,281	389,177
Total net assets	2,757,919	2,790,250
Total liabilities and net assets	\$ 3,054,313	\$ 3,050,411

The accompanying notes are an integral part of these financial statements.

Next Door Solutions to Domestic Violence  
Statement of Activities  
For the Year Ended June 30, 2021  
(With Comparative Totals for 2020)

	Without Donor Restrictions	With Donor Restrictions	2021 Total	2020 Total
Support and revenue				
Government grants	\$ 3,248,337	\$ -	\$ 3,248,337	\$ 2,632,185
Contributions and grants	1,063,871	564,930	1,628,801	1,965,421
Special events, net of expenses of \$16,204 and \$21,218 for the years ended June 30, 2021 and 2020, respectively	138,205	-	138,205	67,817
Government fees	54,606	-	54,606	77,110
Contributions in-kind	45,895	-	45,895	51,644
Other income	22,631	-	22,631	12,747
Interest	2,826	-	2,826	3,010
Net assets released from restriction	<u>746,826</u>	<u>(746,826)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>5,323,197</u>	<u>(181,896)</u>	<u>5,141,301</u>	<u>4,809,934</u>
Functional expenses				
Program services				
24 Hour Emergency Services	853,903	-	853,903	716,689
Self-Sufficiency	1,581,484	-	1,581,484	1,289,384
Community and Systems Advocacy	900,383	-	900,383	763,341
Prevention	219,255	-	219,255	319,756
COVID-19	<u>811,012</u>	<u>-</u>	<u>811,012</u>	<u>255,628</u>
Total program services	<u>4,366,037</u>	<u>-</u>	<u>4,366,037</u>	<u>3,344,798</u>
Support services				
Management and General	402,029	-	402,029	351,102
Fundraising	<u>405,566</u>	<u>-</u>	<u>405,566</u>	<u>365,877</u>
Total support services	<u>807,595</u>	<u>-</u>	<u>807,595</u>	<u>716,979</u>
Total functional expenses	<u>5,173,632</u>	<u>-</u>	<u>5,173,632</u>	<u>4,061,777</u>
Change in net assets	149,565	(181,896)	(32,331)	748,157
Net assets, beginning of year	<u>2,401,073</u>	<u>389,177</u>	<u>2,790,250</u>	<u>2,042,093</u>
Net assets, end of year	<u>\$ 2,550,638</u>	<u>\$ 207,281</u>	<u>\$ 2,757,919</u>	<u>\$ 2,790,250</u>

The accompanying notes are an integral part of these financial statements.

Next Door Solutions to Domestic Violence  
Statement of Functional Expenses  
For the Year Ended June 30, 2021  
(With Comparative Totals for 2020)

	Program Services					Support Services			2021 Total	2020 Total
	24 Hour Emergency Services	Self- Sufficiency	Community and Systems Advocacy	Prevention	COVID-19	Total Program Services	Management and General	Fundraising		
Salaries and related expenses										
Salaries and wages	\$ 489,810	\$ 679,024	\$ 459,701	\$ 138,019	\$ 20,699	\$ 1,787,253	\$ 271,299	\$ 287,829	\$ 2,346,381	\$ 2,086,218
Employee benefits	69,650	58,827	54,536	15,587	2,236	200,836	29,388	40,155	270,379	218,073
Payroll taxes	42,486	58,451	37,735	11,265	1,744	151,681	21,221	22,170	195,072	180,925
Total salaries and related expenses	601,946	796,302	551,972	164,871	24,679	2,139,770	321,908	350,154	2,811,832	2,485,216
Program supplies and client assistance	137,845	488,985	26,889	17,394	771,645	1,442,758	-	-	1,442,758	829,865
Professional services (includes in-kind)	16,056	179,692	194,963	22,776	-	413,487	19,488	12,558	445,533	278,650
Occupancy	40,442	94,346	87,225	3,345	-	225,358	21,080	11,711	258,149	232,701
Communications	28,492	6,867	8,319	2,096	13,155	58,929	4,861	1,415	65,205	53,992
Other expenses	1,645	479	420	14	1,163	3,721	12,263	13,953	29,937	23,155
Office expenses	3,115	2,987	3,359	5,249	370	15,080	3,446	8,922	27,448	28,552
Insurance	3,882	6,144	5,417	992	-	16,435	6,697	1,289	24,421	27,947
Equipment maintenance and rent	2,087	2,719	1,928	2,279	-	9,013	8,954	4,850	22,817	18,804
In-kind materials	5,650	-	16,345	-	-	21,995	-	-	21,995	50,444
Depreciation and amortization	12,255	1,182	813	203	-	14,453	381	312	15,146	16,543
Travel, conferences, and meetings	488	1,781	2,733	36	-	5,038	2,951	402	8,391	15,908
	<u>\$ 853,903</u>	<u>\$ 1,581,484</u>	<u>\$ 900,383</u>	<u>\$ 219,255</u>	<u>\$ 811,012</u>	<u>\$ 4,366,037</u>	<u>\$ 402,029</u>	<u>\$ 405,566</u>	<u>\$ 5,173,632</u>	<u>\$ 4,061,777</u>
Percentage of total	<u>17 %</u>	<u>31 %</u>	<u>17 %</u>	<u>4 %</u>	<u>15 %</u>	<u>84 %</u>	<u>8 %</u>	<u>8 %</u>	<u>100 %</u>	

The accompanying notes are an integral part of these financial statements.

Next Door Solutions to Domestic Violence  
Statement of Cash Flows  
For the Year Ended June 30, 2021  
(With Comparative Totals for 2020)

	2021	2020
Cash flows from operating activities		
Change in net assets	\$ (32,331)	\$ 748,157
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	15,146	16,543
Changes in operating assets and liabilities		
Government grants receivable	121,759	(194,385)
Pledges and grants receivable	97,200	(13,013)
Accounts receivable	(2,108)	628
Prepaid expenses and other current assets	(6,534)	(8,765)
Accounts payable	7,390	(10,292)
Accrued expenses	28,843	41,067
Deferred revenue	-	(768)
Net cash provided by operating activities	229,365	579,172
Cash flows from investing activities		
Purchases of property and equipment	-	(10,089)
Net cash provided by (used in) investing activities	-	(10,089)
Net increase in cash and cash equivalents	229,365	569,083
Cash and cash equivalents, beginning of year	2,026,216	1,457,133
Cash and cash equivalents, end of year	\$ 2,255,581	\$ 2,026,216

The accompanying notes are an integral part of these financial statements.

Next Door Solutions to Domestic Violence  
Notes to Financial Statements  
June 30, 2021  
(With Comparative Totals for 2020)

1. NATURE OF OPERATIONS

Next Door Solutions to Domestic Violence (the "Organization"), established in 1971, has extensive experience in working with the unique needs of those impacted by domestic violence ("DV") and in the provision of targeted and impactful programs with measurable outcomes that address serious unmet community need in Santa Clara County ("SCC"). The Organization has positioned itself as a recognized and trusted *Thought Leader* in the nonprofit and domestic violence services sector and participates in collaborative efforts to address systemic domestic violence and ensuing issues faced by those escaping violence and seeking safety, stability and self-sufficiency. Currently, the Organization is the only free-standing domestic violence agency in the county that provides a full array of domestic violence services. Organization programs offer a range of culturally and linguistically appropriate services that are comprehensive, compassionate and women-defined in order to meet the unique and diverse needs of SCC's diverse families. In the years ended June 30, 2021 and 2020, the Organization's programs provided 20,863 and 18,873 advocacy services, respectively with 12,728 and 14,665 hotline calls, respectively. As a multi-cultural, public benefit agency dedicated to proactive and progressive solutions to domestic violence through advocates embedded in multiple community entry points, the Organization also conducts community outreach and DV educational activities with the goal of creating a community environment where violence and abuse are not tolerated.

The Organization:

- Believes that domestic violence happens across our community regardless of socio-economic status, ethnicity, gender identity, and language differences and our community environment should be healthy, peaceful and sustainable,
- Affirms that all aspects of domestic violence must be addressed to reduce this problem,
- Believes that addressing the needs of both adults and children impacted by domestic violence is the key to ending domestic violence in the moment and for all time, and
- Believes that community support, advocacy, and multiple community entry points are critical to long-term solutions to the epidemic of domestic violence that affects our local and national population.

2. PROGRAM SERVICES

The Organization serves victims of domestic violence in various advocacy capacities and multiple community entry points. The Organization builds a partnership between advocates and battered women whereby the women define the advocacy and help needed.

24 Hour Emergency Services

- The Shelter Next Door - Clients receive safe respite from potentially life-threatening abuse including shelter, food, toiletries, medicines, links to emergency cash aid and food stamps, peer counseling (case management), housing assistance, financial literacy screening, and emergency transportation. The Shelter houses approximately 19 people at any one time.

Next Door Solutions to Domestic Violence  
Notes to Financial Statements  
June 30, 2021  
(With Comparative Totals for 2020)

2. PROGRAM SERVICES (continued)

24 Hour Emergency Services (continued)

- 24/7 Crisis hotline - Callers receive a live-voice response from a bilingual advocate 24 hours a day, seven days a week; interpreter services are available for other languages. Services received include peer crisis counseling, information, and referrals to other social service agencies as needed.

Self-Sufficiency

The Organization's belief is that with support, a victim can gain confidence and self-empowerment, increase in self-efficacy and resilience and ultimately move to self-sufficiency.

- Case Management - Clients receive comprehensive, survivor-defined case management to assist each client in reaching personal self-sufficiency goals based on eight (8) domains: Income, Education, Housing, Food, Employment, Healthcare, Wellness, and Domestic Violence (abuse/safety). Clients also receive crisis counseling, safety planning, and have access to workshops in the broader subject areas of financial literacy, advance training and education, and job readiness. Services provided at Community Office and HomeSafe (long-term housing provided by Charities Housing and LifeMoves).
- Support Groups - Clients receive peer support aimed at building individual resilience and self-esteem in a group setting. Each group is ongoing and facilitated by two advocates. Clients can choose from a number of customized support groups, including six (6) groups offered in Spanish, one (1) for male survivors, one (1) for LGBTQIAP, and one (1) Quilting Support Group. Eight (8) groups are held at the Community Office and an additional five (5) are held off-site in Mountain View, Los Gatos, Sunnyvale, and East San Jose.
- Youth and Family - Clients receive support services, advocacy, peer-counseling, and interventions that allow the family to heal while avoiding the negative, long-term impacts of exposure to violence.
- Teen Support Groups - Two groups, one for ages 10-14 years and one for ages 15-18 years. Teens experiencing trauma due to exposure to DV participate in weekly groups led by trained facilitators and explore topics of healthy relationships, communication, conflict resolution, boundaries, self-esteem, and stress relief.
- Kids Club - Children of survivors attending Support Groups and those residing at HomeSafe are given the opportunity to participate in thoughtful, engaging, and fun activities through Kids Club. Children ages 5-12 years receive and engage in structured play groups and individual activities in a safe, inviting, and consistent environment that promotes positive play. It is a space for kids who have experienced/witnessed trauma to just be kids.

Next Door Solutions to Domestic Violence  
Notes to Financial Statements  
June 30, 2021  
(With Comparative Totals for 2020)

2. PROGRAM SERVICES (continued)

Self-Sufficiency (continued)

- Therapy - Provided by licensed therapists, clients receive/attend sessions individually or as a family. Therapeutic orientations depend on the client, situation, and timeframe. Families are assisted in increasing stability and ability to feel confident in parenting during transitions from pre- to post-violence through increased support.
- Housing - Working with an Organization advocate, clients increase access to, and retention of, safe permanent housing. Services include tailored case management, rental assistance, and supportive services that are directed at addressing various life domain barriers, i.e. income, employment, health, that may contribute to the client's risk of homelessness.

Community and Systems Advocacy

- Walk-In Crisis Counseling - Clients receive services from an Organization advocate to address barriers to safety, stability and self-sufficiency. Working with the advocate, clients receive an assessment, to determine the client's particular needs, and then help in determining which services would benefit them, and assistance in accessing those services. Services include safety planning, risk assessments, advocacy, restraining order assistance, support, and referrals.
- Legal Services - Working with the Organization's advocates, clients receive legal assistance with temporary restraining orders, court accompaniment and other domestic violence related court hearings and immigration services.

Prevention

- Domestic Violence and Healthcare Initiative - In collaboration with local community health clinics and the East San Jose PEACE Partnership, the Organization provides community outreach and education on DV's impact to the health and well-being of survivors, children, and youth; technical assistance to health clinics for conducting DV screenings and training's for clinical staff to advance universal knowledge of the larger impact of DV on health, and to promote the practice of providing universal education to all patients who come to healthcare providers, not just screening for disclosure.
- Community Outreach Initiative - the Organization with the help of the survivor advisory group, "El Comit e De Mujeres Fuertes" (Committee of Strong Women) conduct education and training on domestic violence in the broader community. The group has undergone training as Community Health Workers (Promotoras) and is partnering with Stanford Medical School to develop a training of trainers for Promotores on the intersection of domestic violence and COVID-19 specifically targeting the Latinx community.

Next Door Solutions to Domestic Violence  
Notes to Financial Statements  
June 30, 2021  
(With Comparative Totals for 2020)

2. PROGRAM SERVICES (continued)

Prevention (continued)

- Men, Boys, and Gender-Based Violence Initiative - 1) Deliver "Coaching Boys Into Men," a violence prevention program from Futures Without Violence, leveraging coach and young school athletes' relationships, focusing on respect for themselves and others - particularly respect for women and girls. 2) Families for Peace, in collaboration with A Turning Point Counseling Services, provides a voluntary support group specifically for men with families who perpetrate abuse and are not yet systems-involved, with the goal of guiding men toward family harmony and healing.

COVID-19

- COVID-19 - In partnership with the County and community partners, the Organization's advocates supported clients during the pandemic with resources and client assistance for basic needs, housing, childcare, and utilities so as to protect clients from becoming homeless.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

The financial statements of Next Door Solutions to Domestic Violence have been prepared on the accrual basis of accounting.

In accordance with accounting principles generally accepted in the United States of America, the Organization reports its financial position and operating activities in two classes of net assets:

- *Net assets without donor restrictions* - include those assets over which the Board of Directors has discretionary control in carrying out the operations of the Organization. Under this category, the Organization maintains an operating fund, any net assets designated by the Board for specific purposes and the property and equipment fund.
- *Net assets with donor restrictions* - include contributions received from donors that are restricted for specific purposes or for subsequent periods. When a donor restriction expires, net assets with donor restrictions are classified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction. Net assets held in perpetuity include those assets which are subject to a non-expiring donor restriction, such as endowments. The Organization had no net assets subject to non-expiring donor restrictions as of June 30, 2021 and 2020.

Next Door Solutions to Domestic Violence  
Notes to Financial Statements  
June 30, 2021  
(With Comparative Totals for 2020)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Adoption of new accounting principle

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU provides a five-step analysis of contracts to determine when and how revenue is recognized and replaces most existing revenue recognition guidance in U.S. GAAP. The core principle of the new guidance is that an entity should reflect the transfer of goods and services to customers in an amount equal to the consideration the entity receives or expects to receive. The Organization adopted ASU 2014-09 with a date of the initial application of July 1, 2020, using the full retrospective method. The adoption of ASU 2014-09 did not have a significant impact on the Organization's financial position, result of operations, or cash flows. No changes were required to previously reported revenue as a result of the adoption of this standard.

Comparative financial information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class or functional expense categories. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of support, revenue, and expenses during the period. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include highly liquid investments and investments with a maturity of three months or less. The Organization maintains its cash in bank deposit accounts which, at times, may exceed Federally insured limits. The Organization has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk on cash accounts.

Fair value measurements

Fair value is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

Next Door Solutions to Domestic Violence  
Notes to Financial Statements  
June 30, 2021  
(With Comparative Totals for 2020)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurements (continued)

A hierarchy has been established to prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). Observable inputs are those that market participants would use in pricing the asset based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumption about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

- *Level 1* - Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.
- *Level 2* - Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads, and yield curves.
- *Level 3* - Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Organization's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

The carrying amounts reported in the statement of financial position for the following items approximate fair value because of the short maturity value of these instruments: government grants receivable, pledges and grants receivable, accounts receivable, accounts payable, and accrued expenses.

Grants, pledges, and accounts receivable

The Organization considers all grants, pledges, and accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is considered necessary.

Property and equipment

Property and equipment are recorded at cost or estimated fair value for donated items. Equipment purchases over \$1,000 are capitalized. The cost of repairs and maintenance which do not improve or extend the lives of the respective assets are expensed currently. Depreciation and amortization is computed on the straight-line method based on the estimated useful lives of the assets, which range from 5 to 39 years. Depreciation and amortization is charged to the activity benefiting from the use of the property or equipment.

Next Door Solutions to Domestic Violence  
Notes to Financial Statements  
June 30, 2021  
(With Comparative Totals for 2020)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accrued vacation

Accrued vacation represents vacation earned, but not taken as of June 30, 2021 and 2020, and is included in "accrued expenses" in the statement of financial position. The accrued vacation balance as of June 30, 2021 and 2020 was \$111,068 and \$99,925, respectively.

Revenue recognition

Contributions, including unconditional promises to give, are recognized as support in the period received. Contributions, including unconditional promises to give, are recorded with donor restrictions depending on the existence and/or nature of any restrictions and are then reclassified to net assets without donor restriction upon satisfaction of any restrictions through the net assets released from restriction. Contributions and unconditional promises to give that are expected to be collected or paid in future years are discounted using a net present value technique, unless management determines the discount amount is insignificant.

Contributions that are considered conditional promises to give which contain barriers and a right of return or right of release are not recognized until the conditions on which they depend are met, at which time, the gifts are recognized as contributions with or without donor restrictions.

The Organization generates a significant amount of revenue from providing services to accomplish its program and support services through cost reimbursement state and federally funded programs. The revenue generated from these services is recorded as government grants in the statement of activities. These government grants meet the criteria to be classified as conditional contributions under GAAP revenue recognition for nonprofit organizations as they contain barriers related to the incurrence of qualifying expenditures and a right of return or release. The Organization has elected a simultaneous release option to account for these grants. Therefore, they are recorded as government grants without donor restriction upon satisfaction of the barriers. In the event amounts are received and have not been earned, the Organization records such amounts as refundable advances until earned. As of June 30, 2021, the Organization had conditional contributions related to open state and federal government grant agreements (see Note 5).

Special event contributions are generally reported as increases in net assets without donor restrictions. However, if the circumstances surrounding the receipt of such contributions make clear the respective donor's implicit restrictions on use, such amounts are classified as increases in net assets with donor restrictions. Special event contributions for an event in a future period are reported as increases in net assets with donor restrictions, and released in the future period, attributable to that event. Any exchange transaction portion of special event income is recognized as income when the event occurs.

Next Door Solutions to Domestic Violence  
Notes to Financial Statements  
June 30, 2021  
(With Comparative Totals for 2020)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Donated equipment and other donated goods are recorded at their estimated fair value as of the date of the donation. Contributed services, which require a specialized skill and which the Organization would have paid for if not donated, are recorded at the estimated fair value at the time the services are rendered. The Organization also receives donated services that do not require specific expertise but which are nonetheless central to the Organization's operations. While these contributed services are not reflected in the financial statements, the estimated value of these services is disclosed in Note 8.

Functional expense allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and support services benefited. Indirect salary allocations are based on timesheets. Other indirect costs are allocated on the basis of full time equivalent staff members in each function.

Income taxes

Next Door Solutions to Domestic Violence is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and state income taxes under Section 23701(d) of the California Revenue Taxation Code. Accordingly, no provision for income taxes has been made in the accompanying statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a)(1) of the Internal Revenue Code.

Uncertainty in income taxes

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more-likely-than-not to be sustained upon examination.

Subsequent events

Management of the Organization has evaluated events and transactions subsequent to June 30, 2021 for potential recognition or disclosure in the financial statements. The Organization did not have subsequent events that required recognition or disclosure in the financial statements. Subsequent events have been evaluated through the date the financial statements became available to be issued, December 27, 2021.

Next Door Solutions to Domestic Violence  
Notes to Financial Statements  
June 30, 2021  
(With Comparative Totals for 2020)

4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	2021	2020
Land	\$ 96,974	\$ 96,974
Building and improvements	275,459	275,459
Equipment and furniture	221,878	223,018
Leasehold improvements	52,642	52,642
Vehicles	-	33,253
	646,953	681,346
Accumulated depreciation and amortization	(493,834)	(513,081)
	\$ 153,119	\$ 168,265

5. CONDITIONAL GOVERNMENT GRANTS

Conditional government grants are recognized as revenue when the Organization meets the terms of the conditions.

Conditional promises to give, expected to be recognizable in one year or less, consisted of the following:

Incurring allowable expenditures for federal, state and other governmental grants	<u>\$ 1,921,743</u>
-----------------------------------------------------------------------------------	---------------------

6. BOARD DESIGNATED NET ASSETS

Operating reserve

The Organization maintains a minimum of three months' reserve to stabilize cash flow and cover any support and revenue shortfalls that occur because of grant delays and seasonal variation in fundraising or receipts that do not meet budget expectations. Government, foundation, and corporation grants can make up a significant portion of the Organization's support and revenue, and there can be significant delays in the receipt of these monies after an award. The operating reserve totaled \$1,515,000 and \$1,330,000 as of June 30, 2021 and 2020, respectively.

Administrative reserve

A second reserve was established during the year ended June 30, 2015, to ensure adequate administrative support for the Organization which will allow for greater efficiency and increased community outreach. The scope of the administrative reserve was expanded in 2017 to ensure the agency is following Santa Clara County living wage compensation recommendations. The administrative reserve totaled \$52,526 as of June 30, 2021 and 2020, respectively.

Next Door Solutions to Domestic Violence  
Notes to Financial Statements  
June 30, 2021  
(With Comparative Totals for 2020)

6. BOARD DESIGNATED NET ASSETS (continued)

COVID-19 client assistance reserve

The Organization established a reserve for client rental and other miscellaneous assistance during the COVID-19 pandemic. The COVID-19 client assistance reserve totaled \$25,107 and \$200,807 as of June 30, 2021 and 2020, respectively (see Note 14).

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

	<u>2021</u>	<u>2020</u>
Purpose restricted		
Self-sufficiency	\$ 88,641	\$ 137,154
Community and systems advocacy	53,482	32,600
24 hour emergency services	3,161	2,802
Quilting	1,997	1,997
COVID-19	-	36,750
Professional development	-	3,250
Cultural responsiveness	-	2,447
Health partnership	-	2,177
	<u>147,281</u>	<u>219,177</u>
Time restricted		
General operating	<u>60,000</u>	<u>170,000</u>
	<u>\$ 207,281</u>	<u>\$ 389,177</u>

Next Door Solutions to Domestic Violence  
Notes to Financial Statements  
June 30, 2021  
(With Comparative Totals for 2020)

7. NET ASSETS WITH DONOR RESTRICTIONS (continued)

Net assets with donor restrictions released from restriction during the year were as follows:

	2021	2020
Purpose restricted		
Self-sufficiency	\$ 516,954	\$ 184,873
COVID-19	36,750	95,650
Community and systems advocacy	36,246	45,511
24 hour emergency services	23,502	42,920
Winter open house	15,500	-
Professional development	3,250	1,250
Cultural responsiveness	2,447	-
Health partnership	2,177	47,823
Coaching Boys Into Men	-	103,647
Quilting	-	10,088
	636,826	531,762
Time restricted		
General operating	110,000	50,000
	\$ 746,826	\$ 581,762

8. CONTRIBUTIONS IN-KIND

During the years ended June 30, 2021 and 2020, volunteers donated 277 and 16 hours, respectively, to the Organization's various programs in professional services such as counseling, legal services, and the shelter hotline. The services, which require a specialized skill and which the Organization would have paid for if not donated, are recorded as part of contributions in-kind in the financial statements at the estimated fair value at the time the services are rendered. For the years ended June 30, 2021 and 2020, management has estimated the value of these services to be \$23,900 and \$1,200, respectively.

Volunteers also donated 142 and 1,207 hours of non-professional services, such as childcare and general administrative services for the years ended June 30, 2021 and 2020, respectively. Management has estimated the value of these services to be \$2,728 and \$23,245. Since these services did not require specialized skills, they have not been recorded as support and expense in the financial statements.

The Organization receives food, clothing and other materials for use in its programs. All donated food items and other materials are primarily used in The Shelter Next Door program. The value of food items and other materials was estimated for the years ended June 30, 2021 and 2020 to be \$21,995 and \$50,444, respectively. All donated clothing and other materials are used by clients in all programs and their value has not been estimated by the Organization.

Next Door Solutions to Domestic Violence  
Notes to Financial Statements  
June 30, 2021  
(With Comparative Totals for 2020)

8. CONTRIBUTIONS IN-KIND (continued)

Contributions in-kind consist of the following:

	2021	2020
Materials	\$ 21,995	\$ 50,444
Professional services	23,900	1,200
	\$ 45,895	\$ 51,644

9. OPERATING LEASE COMMITMENTS

The Organization rents 11,520 square feet of office space at the rate of \$15,298 per month under a four-year operating lease which expires March 31, 2025. The rate is to increase annually by 3%. Rent expense for the years ended June 30, 2021 and 2020 under this lease was \$202,109 and \$196,221, respectively.

The scheduled minimum lease payments under the lease terms are as follows:

<u>Year ending June 30,</u>	
2022	\$ 208,172
2023	214,417
2024	220,850
2025	169,336
	\$ 812,775

10. CONTINGENCIES

Grants and contracts awarded to Next Door Solutions to Domestic Violence are subject to the funding agencies' criteria, contract terms, and regulations under which expenditures may be charged and are subject to audit under such terms, regulations, and criteria. Occasionally, such audits may determine that certain costs incurred in connection with the grants do not comply with the established criteria that govern them. In such cases, the Organization could be held responsible for repayments to the funding agency for the costs or be subject to a reduction of future funding in the amount of the costs. Management does not anticipate any material questioned costs for the contracts and grants administered during the period.

Next Door Solutions to Domestic Violence  
Notes to Financial Statements  
June 30, 2021  
(With Comparative Totals for 2020)

11. CONFLICT OF INTEREST POLICY

Included among the Organization's Board of Directors and Officers are volunteers from the community who provide valuable assistance to the Organization in the development of policies and programs and in the evaluation of business transactions. The Organization has adopted a conflict of interest policy whereby board members are disqualified from participation in the final decisions regarding any action affecting their related company or agency.

12. CONCENTRATIONS

The Organization receives grants from various governmental agencies to provide services with governmental funding representing approximately 63% of all support and revenue for the the year ended June 30, 2021. During the year ended June 30, 2021, two governmental agencies provided approximately 24% and 24% of the total support and revenue. During the year ended June 30, 2020, two governmental agencies provided approximately 48% and 40% of the total support and revenue. In the event that either of these funding opportunities were to be reduced or terminated, the Organization's ability to provide services would be impacted, though not eliminated, and alternative funding sources would be secured.

Grants, pledges, and accounts receivable are principally with governmental organizations and private foundations. As of June 30, 2021, 43%, 15%, and 14% of the government grants receivable were due from three governmental organizations, and 59% and 39% of the (non-government) pledges and grants receivable were due from two private foundations. As of June 30, 2020, 47% and 30% of the government grants receivable were due from two governmental organizations, and 48%, 34%, and 12% of the (non-government) pledges and grants receivable were due from three private foundations.

13. LIQUIDITY AND AVAILABILITY OF RESOURCES

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The Organization is substantially supported by contributions and government grants. The Organization holds all of its cash in bank accounts that can be readily available for operating needs. Short-term receivables consist of accounts, government grants and pledges and grants receivable expected to be received within one year from June 30, 2021. Short-term accounts and pledges and grants receivable without donor restrictions will be available to support general operations of the Organization.

Next Door Solutions to Domestic Violence  
Notes to Financial Statements  
June 30, 2021  
(With Comparative Totals for 2020)

13. LIQUIDITY AND AVAILABILITY OF RESOURCES (continued)

The following is a quantitative disclosure which describes financial assets that are available within one year of June 30, 2021 to fund general expenditures and other obligations when they become due:

Financial assets:	
Cash and cash equivalents	\$ 2,255,581
Government grants receivable	422,400
Pledges and grants receivable	152,000
Accounts receivable	<u>5,409</u>
	<u>2,835,390</u>
Less amounts unavailable for general expenditure within one year due to:	
Board designated operating reserve	(1,515,000)
Board designated administrative reserve	(52,526)
Restricted for a specific purpose	<u>(147,281)</u>
	<u>(1,714,807)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,120,583</u>

14. RISKS AND UNCERTAINTIES

The COVID-19 pandemic has created economic uncertainty for many survivors of domestic violence in Santa Clara County. The loss of income results in other negative impacts including economic stress, housing instability, increased exposure to exploitative relationships, adverse impacts to health and reduced options for support. Sheltering in place, whether living with an abuser or not, heightened social isolation, exacerbating personal and family vulnerabilities while limiting accessible and familiar support options.

Early in the pandemic, Next Door Solutions to Domestic Violence quickly pivoted to a virtual service delivery model wherever possible and implemented numerous safety measures for those working at the Community Office and Shelter. The Organization is now allowing clients to choose whether to receive services in person at its Community Office or virtually and will continue to provide mobile advocacy based on client needs. Additionally, the community inequities that surfaced by COVID-19 have required the agency to focus more deeply on racial equity and justice issues.

As the situation continues to evolve, the Organization will closely monitor the impact of the COVID-19 pandemic on its operations and ability to provide services. The Organization believes the ultimate impact of the COVID-19 pandemic on its program services and financial condition is likely to be determined by factors which are uncertain, unpredictable, and outside of its control.

SINGLE AUDIT REPORTS AND SCHEDULES

INDEPENDENT AUDITOR'S 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  
Next Door Solutions to Domestic Violence  
San Jose, 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 Next Door Solutions to Domestic Violence (a California nonprofit corporation) (the "Organization"), which comprise the statement of financial position as of June 30, 2021, 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 December 27, 2021.

### **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 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 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.



Armanino<sup>LLP</sup>  
San Jose, California

December 27, 2021

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

To the Board of Directors  
Next Door Solutions to Domestic Violence  
San Jose, California

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

We have audited Next Door Solutions to Domestic Violence (a California nonprofit corporation) (the "Organization")'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2021. The Organization's major federal programs are 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs 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* (the "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 the Organization'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 each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

## Opinion on Each Major Federal Program

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 June 30, 2021.

## Report on Internal Control Over Compliance

Management of the Organization 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 the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not 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 the Organization'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 weakness 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Armanino<sup>LLP</sup>  
San Jose, California

December 27, 2021

Next Door Solutions to Domestic Violence  
Schedule of Expenditures of Federal and Other Governmental Awards  
For the Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Expenditures
<u>Expenditures of Federal Awards</u>			
U.S. Department of Housing and Urban Development			
Community Development Block Grants/Entitlement Grants			
Pass-through program from:			
City of Milpitas	14.218	N/A	21,650
City of Mountain View	14.218	N/A	5,000
City of Santa Clara	14.218	N/A	19,177
County of Santa Clara	14.218	PS-20-09	12,118
City of San Jose TBRA Program for Domestic Violence Survivors COVID-19	14.218	HOME-19-003A	1,615
City of San Jose TBRA Program for Domestic Violence Survivors COVID-19	14.218	CSP-20-002	<u>47,510</u>
Total Community Development Block Grants/Entitlement Grants			<u>107,070</u>
Emergency Solutions Grant Program			
Pass-through program from:			
City of San Jose	14.231	HALA-17-001	9,302
City of San Jose Rehousing	14.231	ESG-21-001	<u>26,044</u>
Total Emergency Solutions Grant Program			<u>35,346</u>
Housing Opportunities for Persons With AIDS			
Pass-through program from:			
City of San Jose	14.241	HVAW-16-002B	25,283
City of San Jose	14.241	HVAW-16-002C	<u>8,816</u>
Total Housing Opportunities for Persons With AIDS			<u>34,099</u>
HOME Investment Partnerships Program			
Pass-through program from:			
City of San Jose TBRA for Domestic Violence Survivors COVID-19 (HOME)	14.239	HOME-19-003	242,235
City of San Jose TBRA for Domestic Violence Survivors COVID-19 (HOME)	14.239	HOME-19003A	<u>376,185</u>
Total HOME Investment Partnerships Program			<u>618,420</u>
Total U.S. Department of Housing and Urban Development			<u>794,935</u>

The accompanying notes to the Schedule of Expenditures of Federal and Other Governmental Awards  
are an integral part of this schedule.

Next Door Solutions to Domestic Violence  
Schedule of Expenditures of Federal and Other Governmental Awards  
For the Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Expenditures
U.S. Department of Health and Human Services			
Family Violence Prevention and Services Act Discretionary Grants			
Pass-through program from:			
State of California - California Emergency Management Agency	93.592	DV19 30 1416	30,380
State of California - California Emergency Management Agency	93.592	DV20 31 1416	<u>122,707</u>
Total Family Violence Prevention and Services Act Discretionary Grants			<u>153,087</u>
National Center for Injury Prevention and Control			
Pass-through program from:			
California Coalition Against Sexual Assault-Prevention in Pandemic Action Program	93.136	N/A	<u>12,069</u>
Total U.S. Department of Health and Human Services			<u>165,156</u>
U.S. Department of Homeland Security			
Federal Emergency Management Agency			
Emergency Food and Shelter National Board Program	97.024	CARES ACT	20,000
Emergency Food and Shelter National Board Program	97.024	Phase 38	<u>15,000</u>
Total Federal Emergency Management Agency			<u>35,000</u>
Total U.S. Department of Homeland Security			<u>35,000</u>
U.S. Department of Justice			
Crime Victim Assistance			
Pass-through program from:			
State of California - California Emergency Management Agency	16.575	DV19 30 1416	123,562
State of California - California Emergency Management Agency	16.575	DV20 31 1416	183,536
State of California - California Emergency Management Agency	16.575	XD19 02 1416	87,242
State of California - California Emergency Management Agency	16.575	XD20 03 1416	182,844
State of California - California Emergency Management Agency	16.575	XL19 02 1416	115,653
State of California - California Emergency Management Agency to County of Santa Clara	16.575	XL20 03 1416	96,802
State of California - California Emergency Management Agency to County of Santa Clara	16.575	440007131	<u>31,276</u>
Total U.S. Department of Justice			<u>820,915</u>
U.S. Department of the Treasury			
Coronavirus State and Local Fiscal Recovery Funds			
Pass-through program from: Town of Los Gatos	21.027	N/A	15,000
Emergency Rental Assistance Program			
Passed-through program from: City of San Jose & County of Santa Clara ERAP through Sacred Heart Community Services (HPS-COVID19)	21.023	N/A	<u>1,950</u>
Total U.S. Department of the Treasury			<u>16,950</u>

The accompanying notes to the Schedule of Expenditures of Federal and Other Governmental Awards are an integral part of this schedule.

Next Door Solutions to Domestic Violence  
Schedule of Expenditures of Federal and Other Governmental Awards  
For the Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Expenditures
Total Expenditures of Federal Awards			<u>1,832,956</u>
<u>Expenditures of Other Governmental Awards</u>			
State of California			
California Emergency Management Agency	N/A	DV19 30 1416	34,044
California Emergency Management Agency	N/A	DV19 30 1416	1,782
California Emergency Management Agency	N/A	DV19 31 1416	<u>159,695</u>
Total State of California			<u>195,521</u>
County of Santa Clara			
Department of Social Services - Services to Survivors of Domestic Violence	N/A	4300015338	855,307
Department of Social Services - Services to Survivors of Domestic Violence	N/A	4300020013	278
Department of Social Services - Adult Protective Services	N/A	4300017101	60,000
Department of Social Services - STOPGAP	N/A	4300012084	44,043
Department of Social Services - The Children and Family Shelter Advocacy Program	N/A	4300014192	83,838
Department of Social Services - Men, Boys and Gender Based Violence Initiative	N/A	4300016782	149,794
Pass-through program from:			
Asian Americans for Community Involvement	N/A	RFP-SSA-FY19-0164	<u>9,100</u>
Total County of Santa Clara			<u>1,202,360</u>
City of Campbell			
City of Sunnyvale Human Services Funding	N/A	1920-819720	10,000
Town of Los Gatos	N/A	N/A	<u>5,000</u>
Total Expenditures of Other Governmental Awards			<u>1,415,381</u>
Total Expenditures of Federal and Other Governmental Awards			<u>\$ 3,248,337</u>

The accompanying notes to the Schedule of Expenditures of Federal and Other Governmental Awards  
are an integral part of this schedule.

Next Door Solutions to Domestic Violence  
Notes to Schedule of Expenditures of Federal and Other Governmental Awards  
June 30, 2021

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and other governmental awards (the "Schedule") includes the federal award activity of Next Door Solutions to Domestic Violence (the "Organization") under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of 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 limited as to reimbursement. Pass-through entity identifying numbers are presented where available and applicable.

3. INDIRECT COST RATE

The Organization has elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Next Door Solutions to Domestic Violence  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2021

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	

<u>Name of Federal Program or Cluster</u>	<u>Federal Assistance Listing Number</u>
HOME Investment Partnership Program	14.239
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

Next Door Solutions to Domestic Violence  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2021

SECTION II - SUMMARY OF FINANCIAL STATEMENT FINDINGS

There are no financial statement findings to be reported.

SECTION III - SUMMARY OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no federal award findings to be reported.

Next Door Solutions to Domestic Violence  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2021

There were no prior year findings.