

Next Door Solutions to Domestic Violence

Financial Statements
and Single Audit Reports and Schedules

June 30, 2022
(With Comparative Totals for 2021)



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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying financial statements of Next Door Solutions to Domestic Violence (the "Organization"), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Next Door Solutions to Domestic Violence as of June 30, 2022, 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.

Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Next Door Solutions to Domestic Violence and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Report on Summarized Comparative Information

We have previously audited Next Door Solutions to Domestic Violence's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 27, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Responsibilities of Management for the Financial Statements

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



An independent firm
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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 Next Door Solutions to Domestic Violence's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's 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, including omissions, 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 Next Door Solutions to Domestic Violence'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 Next Door Solutions to Domestic Violence'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 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 12, 2022, 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.



Armanino^{LLP}
San Jose, California

December 12, 2022

Next Door Solutions to Domestic Violence
Statement of Financial Position
June 30, 2022
(With Comparative Totals for 2021)

	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,935,199	\$ 2,255,581
Government grants receivable	341,510	361,261
Pledges and grants receivable	306,442	213,139
Accounts receivable	8,840	5,409
Prepaid expenses and other current assets	68,284	65,804
Total current assets	3,660,275	2,901,194
Property and equipment, net	166,649	153,119
Total assets	\$ 3,826,924	\$ 3,054,313
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 51,312	\$ 24,423
Accrued expenses	278,716	271,971
Deferred revenue	19,562	-
Deferred rent	10,307	-
Total current liabilities	359,897	296,394
Net assets		
Without donor restrictions		
Undesignated	1,224,581	804,886
Board designated operating reserve	1,515,000	1,515,000
Board designated administrative reserve	52,526	52,526
Property and equipment fund	166,649	153,119
Board designated COVID-19 client assistance reserve	-	25,107
Total without donor restrictions	2,958,756	2,550,638
With donor restrictions		
Restricted for a specific purpose	458,271	147,281
Restricted to a passage of time	50,000	60,000
Total with donor restrictions	508,271	207,281
Total net assets	3,467,027	2,757,919
Total liabilities and net assets	\$ 3,826,924	\$ 3,054,313

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, 2022
(With Comparative Totals for 2021)

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
Support and revenue				
Government grants	\$ 2,863,903	\$ 122,000	\$ 2,985,903	\$ 3,248,337
Contributions and grants	1,494,098	723,792	2,217,890	1,628,801
Special events, net of expenses of \$66,685 and \$16,204 for the years ended June 30, 2022 and 2021, respectively	246,533	-	246,533	138,205
Government fees	53,399	-	53,399	54,606
Contributions in-kind	35,810	-	35,810	45,895
Other income	30,556	-	30,556	22,631
Interest	2,909	-	2,909	2,826
Net assets released from restriction	<u>544,802</u>	<u>(544,802)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>5,272,010</u>	<u>300,990</u>	<u>5,573,000</u>	<u>5,141,301</u>
Functional expenses				
Program services				
24 Hour Emergency Services	803,112	-	803,112	853,903
Self-Sufficiency	1,747,544	-	1,747,544	1,581,484
Community and Systems Advocacy	913,866	-	913,866	900,383
Prevention	338,347	-	338,347	219,255
COVID-19	<u>190,422</u>	<u>-</u>	<u>190,422</u>	<u>811,012</u>
Total program services	<u>3,993,291</u>	<u>-</u>	<u>3,993,291</u>	<u>4,366,037</u>
Support services				
Management and General	474,740	-	474,740	402,029
Fundraising	<u>395,861</u>	<u>-</u>	<u>395,861</u>	<u>405,566</u>
Total support services	<u>870,601</u>	<u>-</u>	<u>870,601</u>	<u>807,595</u>
Total functional expenses	<u>4,863,892</u>	<u>-</u>	<u>4,863,892</u>	<u>5,173,632</u>
Change in net assets	408,118	300,990	709,108	(32,331)
Net assets, beginning of year	<u>2,550,638</u>	<u>207,281</u>	<u>2,757,919</u>	<u>2,790,250</u>
Net assets, end of year	<u>\$ 2,958,756</u>	<u>\$ 508,271</u>	<u>\$ 3,467,027</u>	<u>\$ 2,757,919</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, 2022
(With Comparative Totals for 2021)

	Program Services					Support Services			2022 Total	2021 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	\$ 478,180	\$ 769,783	\$ 437,041	\$ 217,693	\$ 11,408	\$ 1,914,105	\$ 258,347	\$ 274,158	\$ 2,446,610	\$ 2,346,381
Employee benefits	65,411	78,507	40,340	26,468	874	211,600	28,610	36,532	276,742	270,379
Payroll taxes	39,283	63,823	35,900	17,515	898	157,419	20,760	21,721	199,900	195,072
Total salaries and related expenses	582,874	912,113	513,281	261,676	13,180	2,283,124	307,717	332,411	2,923,252	2,811,832
Program supplies and client assistance	67,442	596,948	54,243	28,043	176,561	923,237	-	-	923,237	1,442,758
Professional services (includes in-kind)	16,083	113,205	228,741	29,553	-	387,582	79,936	13,588	481,106	445,533
Occupancy	59,035	83,530	79,731	10,261	-	232,557	44,103	17,868	294,528	258,149
Communications	24,022	13,274	5,355	2,838	90	45,579	2,883	2,232	50,694	65,205
Equipment maintenance and rent	21,215	4,956	2,148	2,669	-	30,988	5,516	4,740	41,244	22,817
Office expenses	4,024	13,287	2,522	672	591	21,096	7,372	10,562	39,030	27,448
Other expenses	1,648	701	699	299	-	3,347	17,669	12,805	33,821	29,937
In-kind materials	8,878	-	21,880	-	-	30,758	-	-	30,758	21,995
Insurance	3,399	6,325	3,339	1,286	-	14,349	7,149	1,314	22,812	24,421
Depreciation and amortization	14,391	1,357	696	288	-	16,732	356	286	17,374	15,146
Travel, conferences, and meetings	101	1,848	1,231	762	-	3,942	2,039	55	6,036	8,391
	<u>\$ 803,112</u>	<u>\$ 1,747,544</u>	<u>\$ 913,866</u>	<u>\$ 338,347</u>	<u>\$ 190,422</u>	<u>\$ 3,993,291</u>	<u>\$ 474,740</u>	<u>\$ 395,861</u>	<u>\$ 4,863,892</u>	<u>\$ 5,173,632</u>
Percentage of total	<u>17 %</u>	<u>36 %</u>	<u>19 %</u>	<u>7 %</u>	<u>4 %</u>	<u>83 %</u>	<u>9 %</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, 2022
(With Comparative Totals for 2021)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Change in net assets	\$ 709,108	\$ (32,331)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	17,374	15,146
Changes in operating assets and liabilities		
Government grants receivable	29,948	121,759
Pledges and grants receivable	(103,500)	97,200
Accounts receivable	(3,431)	(2,108)
Prepaid expenses and other current assets	(2,480)	(6,534)
Accounts payable	26,889	7,390
Accrued expenses	6,745	28,843
Deferred revenue	19,562	-
Deferred rent	10,307	-
Net cash provided by operating activities	<u>710,522</u>	<u>229,365</u>
Cash flows from investing activities		
Purchases of property and equipment	<u>(30,904)</u>	<u>-</u>
Net cash provided by (used in) investing activities	<u>(30,904)</u>	<u>-</u>
Net increase in cash and cash equivalents	679,618	229,365
Cash and cash equivalents, beginning of year	<u>2,255,581</u>	<u>2,026,216</u>
Cash and cash equivalents, end of year	<u>\$ 2,935,199</u>	<u>\$ 2,255,581</u>

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

Next Door Solutions to Domestic Violence
Notes to Financial Statements
June 30, 2022
(With Comparative Totals for 2021)

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, 2022 and 2021, the Organization's programs provided 19,318 and 20,863 advocacy services, respectively with 14,526 and 12,728 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, 2022
(With Comparative Totals for 2021)

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. Eleven (11) support groups are offered virtually and include five (5) offered in English, four (4) groups offered in Spanish, one (1) for male survivors, and one (1) for LGBTQIAP.
- 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.
- 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.

Next Door Solutions to Domestic Violence
Notes to Financial Statements
June 30, 2022
(With Comparative Totals for 2021)

2. PROGRAM SERVICES (continued)

Self-Sufficiency (continued)

- 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 Comite 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 (Promotores) 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.
- 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.

Next Door Solutions to Domestic Violence
Notes to Financial Statements
June 30, 2022
(With Comparative Totals for 2021)

2. PROGRAM SERVICES (continued)

COVID-19

- COVID-19 - For the year ended June 30, 2022, the Organization continued supporting clients 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, 2022 and 2021.

Adoption of new accounting standard updates

In September 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-07, *Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The update requires nonprofits to expand their financial statement presentation and disclosure of contributed nonfinancial assets, including fixed assets, supplies, services, and other items. The update includes disclosure of information on an entity's policies on contributed nonfinancial assets about monetization and utilization during the reporting period, information on donor-imposed restrictions, and valuation techniques. The Organization adopted ASU 2020-07 with a date of the initial application of July 1, 2021, using the full retrospective method.

The adoption of ASU 2020-07 did not have a significant impact on the Organization's financial position, results of operations, or cash flows. The Organization has updated disclosures as necessary.

Next Door Solutions to Domestic Violence
Notes to Financial Statements
June 30, 2022
(With Comparative Totals for 2021)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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, 2021, 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."

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.

Next Door Solutions to Domestic Violence
Notes to Financial Statements
June 30, 2022
(With Comparative Totals for 2021)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurements (continued)

- *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.

Accrued vacation

Accrued vacation represents vacation earned, but not taken as of June 30, 2022 and 2021, and is included in "accrued expenses" in the statement of financial position. The accrued vacation balance as of June 30, 2022 and 2021 was \$99,820 and \$111,068, respectively.

Next Door Solutions to Domestic Violence
Notes to Financial Statements
June 30, 2022
(With Comparative Totals for 2021)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 restrictions 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, 2022, 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.

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.

Next Door Solutions to Domestic Violence
Notes to Financial Statements
June 30, 2022
(With Comparative Totals for 2021)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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, 2022 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 12, 2022.

Next Door Solutions to Domestic Violence
Notes to Financial Statements
June 30, 2022
(With Comparative Totals for 2021)

4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	2022	2021
Land	\$ 96,974	\$ 96,974
Building and improvements	280,314	275,459
Equipment and furniture	228,127	221,878
Leasehold improvements	52,642	52,642
	658,057	646,953
Accumulated depreciation and amortization	(491,408)	(493,834)
	\$ 166,649	\$ 153,119

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	\$ 1,905,125
---	--------------

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 as of June 30, 2022 and 2021, 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, 2022 and 2021, respectively.

Next Door Solutions to Domestic Violence
Notes to Financial Statements
June 30, 2022
(With Comparative Totals for 2021)

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 \$0 and \$25,107 as of June 30, 2022 and 2021, respectively (see Note 14).

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

	<u>Balance at June 30, 2021</u>	<u>Additions</u>	<u>Releases</u>	<u>Balance at June 30, 2022</u>
Purpose restricted				
Self-sufficiency	\$ 88,641	\$ 231,463	\$ (106,788)	\$ 213,316
Community and systems advocacy	53,482	144,437	(64,607)	133,312
24 hour emergency services	3,161	44,385	(42,825)	4,721
Quilting	1,997	-	-	1,997
COVID-19	-	52,000	(52,000)	-
Professional development	-	70,000	(9,295)	60,705
Health partnership	-	158,995	(116,009)	42,986
Coaching boys into men	-	4,000	(2,766)	1,234
Winter open house	-	40,512	(40,512)	-
	<u>147,281</u>	<u>745,792</u>	<u>(434,802)</u>	<u>458,271</u>
Time restricted				
General operating	<u>60,000</u>	<u>100,000</u>	<u>(110,000)</u>	<u>50,000</u>
	<u>\$ 207,281</u>	<u>\$ 845,792</u>	<u>\$ (544,802)</u>	<u>\$ 508,271</u>

8. CONTRIBUTIONS IN-KIND

During the years ended June 30, 2022 and 2021, volunteers donated 126 and 277 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 based on the actual hours and billing rate provided by third parties, at the time the services are rendered. For the years ended June 30, 2022 and 2021, management has estimated the value of these services to be \$5,052 and \$23,900, respectively.

Next Door Solutions to Domestic Violence
Notes to Financial Statements
June 30, 2022
(With Comparative Totals for 2021)

8. CONTRIBUTIONS IN-KIND (continued)

Volunteers also donated 497 and 142 hours of non-professional services, such as childcare and general administrative services for the years ended June 30, 2022 and 2021, respectively. Management has estimated the value of these services to be \$9,485 and \$2,728. 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, 2022 and 2021 to be \$30,758 and \$21,995, respectively. All donated clothing and other materials are used by clients in all programs and their value has not been estimated by the Organization.

Contributions in-kind consist of the following:

	2022	2021
Materials	\$ 30,758	\$ 21,995
Professional services	5,052	23,900
	\$ 35,810	\$ 45,895

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, 2022 and 2021 under this lease was \$218,479 and \$202,109, respectively.

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

<u>Year ending June 30,</u>	
2023	\$ 214,417
2024	220,850
2025	169,336
	\$ 604,603

Next Door Solutions to Domestic Violence
Notes to Financial Statements
June 30, 2022
(With Comparative Totals for 2021)

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.

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 54% of all support and revenue for the the year ended June 30, 2022. During the year ended June 30, 2022, two governmental agencies provided approximately 43% and 42% of the total support and revenue. During the year ended June 30, 2021, two governmental agencies provided approximately 24% and 24% 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, 2022, 62% and 17% of the government grants receivable were due from two governmental organizations, and 35%, 35%, 12%, and 10% of the (non-government) pledges and grants receivable were due from four 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.

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.

Next Door Solutions to Domestic Violence
Notes to Financial Statements
June 30, 2022
(With Comparative Totals for 2021)

13. LIQUIDITY AND AVAILABILITY OF RESOURCES (continued)

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, 2022. Short-term accounts and pledges and grants receivable without donor restrictions will be available to support general operations of the Organization.

The following is a quantitative disclosure which describes financial assets that are available within one year of June 30, 2022 to fund general expenditures and other obligations when they become due:

Financial assets:	
Cash and cash equivalents	\$ 2,935,199
Government grants receivable	341,510
Pledges and grants receivable	306,442
Accounts receivable	8,840
	<u>3,591,991</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	(458,271)
	<u>(2,025,797)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,566,194</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.

Next Door Solutions to Domestic Violence
Notes to Financial Statements
June 30, 2022
(With Comparative Totals for 2021)

14. RISKS AND UNCERTAINTIES (continued)

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 (the "Organization"), which comprise the statement of financial position as of June 30, 2022, 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 12, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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^{LLP}
San Jose, California

December 12, 2022

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

Opinion on Each Major Federal Program

We have audited Next Door Solutions to Domestic Violence (the "Organization")'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 the Organization's major federal programs for the year ended June 30, 2022. 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.

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, 2022.

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 Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's 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 auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. 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 Auditor's 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 weakness or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not 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.

A handwritten signature in black ink that reads "Armanino LLP". The signature is written in a cursive, flowing style.

Armanino^{LLP}
San Jose, California

December 12, 2022

Next Door Solutions to Domestic Violence
Schedule of Expenditures of Federal and Other Governmental Awards
For the Year Ended June 30, 2022

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 Health and Human Services			
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services			
Direct awards			
Pass-through program from:			
State of California - California Emergency Management Agency	93.671	DV20 31 1416	<u>166,701</u>
Total U.S. Department of Health and Human Services			<u>166,701</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	\$ 60,550
City of Mountain View	14.218	N/A	11,200
City of Santa Clara	14.218	N/A	22,197
County of Santa Clara	14.218	PS-21-09-2	12,290
City of San Jose TBRA Program for Domestic Violence Survivors COVID-19 (HOME)	14.218	HOME-19-003A	2,992
City of San Jose TBRA Program for Domestic Violence Survivors COVID-19	14.218	CSP-20-002	18,064
City of San Jose Sacred Hearts HPS CDBG-CV	14.218	N/A	<u>27,778</u>
Total Community Development Block Grants/Entitlement Grants			<u>155,071</u>
Emergency Solutions Grant Program			
Pass-through program from:			
City of San Jose Rehousing	14.231	ESG-21-001	<u>54,267</u>
Total Emergency Solutions Grant Program			<u>54,267</u>
HOME Investment Partnership Program			
Pass-through program from:			
City of San Jose TBRA Program for Domestic Violence Survivors COVID-19 (HOME)	14.251	HOME-19-003A	<u>143,473</u>
Total HOME Investment Partnership Program			<u>143,473</u>
Total U.S. Department of Housing and Urban Development			<u>352,811</u>
Federal Emergency Management Agency			
Emergency Food and Shelter National Board Program	97.024	Phase 39	<u>9,735</u>
Total Federal Emergency Management Agency			<u>9,735</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, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Expenditures
U.S. Department of Justice			
Crime Victim Assistance			
Pass-through program from:			
State of California - California Emergency Management Agency	16.575	DV20 31 1416	139,078
State of California - California Emergency Management Agency	16.575	XD20 03 1416	344,893
State of California - California Emergency Management Agency	16.575	XL20 03 1416	109,198
State of California - California Emergency Management Agency	16.575	XL21 04 1416	<u>39,701</u>
Total Crime Victim Assistance			<u>632,870</u>
Family Violence Prevention Services Act			
Program Name			
Direct awards			
Pass-through program from:			
Office on Violence Against Women - Justice for Families			
Pass-through			
ProBono Project	16.021	15JOVW-21-GG- 00219-JFFX	<u>2,481</u>
Total U.S. Department of Justice			<u>802,052</u>
U.S. Department of Treasury			
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>12,610</u>
Total U.S. Department of Treasury			<u>12,610</u>
Total Expenditures of Federal Awards			<u>1,177,209</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, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Expenditures
<u>Expenditures of Other Governmental Awards</u>			
State of California			
California Emergency Management Agency	N/A	DV20 31 1416	308,172
California Emergency Management Agency	N/A	XL21 04 1416	57,581
California Emergency Management Agency	N/A	XD20 03 1416	<u>124,107</u>
Total State of California			<u>489,860</u>
County of Santa Clara			
Department of Social Services - Services to Survivors of Domestic Violence	N/A	4300015338	855,309
Department of Social Services - Adult Protective Services	N/A	4300017101	60,000
Department of Social Services - Survivor Intervention Services	N/A	4300020013	87,783
Department of Social Services - The Children and Family Shelter Advocacy Program	N/A	4300014192	83,836
Department of Social Services - Men, Boys and Gender Based Violence Initiative	N/A	4300016782	32,893
Department of Social Services - Inventory	N/A	N/A	<u>19,610</u>
Total County of Santa Clara			<u>1,139,431</u>
City of San Jose Police Department General Fund	N/A	AC 32271	28,210
City of San Jose General Fund	N/A	N/A	10,000
City of Campbell	N/A	N/A	4,000
City of Sunnyvale Human Services Funding	N/A	1920-819720	10,192
Town of Los Gatos	N/A	N/A	<u>5,000</u>
Total local cities			<u>57,402</u>
Total Expenditures of Other Governmental Awards			<u>1,686,693</u>
Total Expenditures of Federal and Other Governmental Awards			<u>\$ 2,863,902</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, 2022

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, 2022. 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, 2022

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>
Crime Victims Assistance	16.575
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, 2022

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, 2022

There were no prior year findings.