

# Community Action Marin

San Rafael, California

Financial Statements and  
Supplementary Information

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



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# Community Action Marin

Years Ended June 30, 2023 and 2022

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## **Independent Auditor's Report**

Board of Directors  
Community Action Marin  
San Rafael, California

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of Community Action Marin (the "Agency"), a nonprofit organization, which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Community Action Marin as of June 30, 2023, 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 for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") 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 Community Action Marin 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.

#### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, during the year ended June 30, 2023, Community Action Marin changed its accounting policy for promises to give for discounted rent in-kind contributions and this change was applied retrospectively to the financial statements for the year ended June 30, 2022. Our opinion is not modified with respect to this matter.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Marin's ability to continue as a going concern for one year after the date 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 Community Action Marin'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 Community Action Marin'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 state awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the supplementary information on pages 25-38, and the additional supplementary information on pages 38-69 required by the *Audit Guide* issued by the California Department of Education and the *Audit Guide* issued by the California Department of Social Services, 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. In our opinion, the information is fairly stated in all materiality respects in relation to the financial statements as a whole.

We also have previously audited, in accordance with GAAS, the statement of financial position of Community Action Marin as of June 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and we expressed an unmodified opinion on those financial statements. That audit was conducted for purposes of forming an opinion on the financial statements as a whole. The prior year revenue and expenses included in the schedules on pages 32, 34, and 36, are presented for purposes of additional analysis. Such information is the responsibility of management, and the prior year revenue and expenses were derived from and relate directly to the underlying accounting and other records used to prepare June 30, 2022, financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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. In our opinion, the prior year revenue and expenses included in the schedules of pages 31, 33, and 35 are fairly stated, in all material respects, in relation to the financial statements from which it was derived.

#### ***Report on Summarized Comparative Information***

We previously audited Community Action Marin's 2022 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated December 15, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2023 on our consideration of Community Action Marin's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Community Action Marin'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 Community Action Marin's internal control over financial reporting and compliance.



Wipfli LLP

Madison, Wisconsin  
December 12, 2023

# Community Action Marin

## Statement of Financial Position

June 30, 2023 (With Comparative Totals for June 30, 2022)

<i>Assets</i>	<b>2023</b>	<b>2022, As Restated</b>
Current assets:		
Cash and cash equivalents	\$ 3,966,178	\$ 1,566,814
Restricted cash	764,184	458,631
Beneficial interest in assets held by community foundation	2,758,287	2,597,514
Grants and contracts receivable	1,894,494	3,040,106
Contribution Receivable - discounted rent	25,547	24,832
Prepaid expenses and other current assets	183,720	157,729
Total current assets	9,592,410	7,845,626
Contribution Receivable - discounted rent, Long-Term	232,721	258,268
Right of use lease asset	853,721	-
Property and equipment, net	2,719,943	2,178,151
<b>TOTAL ASSETS</b>	<b>\$ 13,398,795</b>	<b>\$ 10,282,045</b>
<i>Liabilities and Net Assets</i>		
Current liabilities:		
Lease liability	\$ 498,360	\$ -
Accounts payable	637,717	377,273
Accrued payroll and related	621,603	718,560
Accrued vacation	772,622	733,077
Accrued unemployment	273,431	314,539
Refundable advances	2,261,179	879,515
Due to fiscal agents	57,216	1,292
Total current liabilities	5,122,128	3,024,256
Long-term liabilities:		
Lease liability	293,822	-
Note payable	44,705	44,705
Total liabilities	5,460,655	3,068,961
Net assets:		
Without donor restrictions:		
Undesignated	5,782,478	4,784,156
Board designated	538,952	507,539
Total net assets without donor restrictions	6,321,430	5,291,695
With donor restrictions	1,616,710	1,921,389
Total net assets	7,938,140	7,213,084
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 13,398,795</b>	<b>\$ 10,282,045</b>

See accompanying notes to financial statements

# Community Action Marin

## Statement of Activities

Year Ended June 30, 2023 (With Comparative Totals for year ended June 30, 2022)

	2023			2022, As Restated
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenue:				
Government grants and contracts	\$ 18,461,935	\$ 6,468,156	\$ 24,930,091	\$ 16,742,930
Grants income	1,966,947	-	1,966,947	2,115,764
Contributions	163,726	-	163,726	702,531
Other income	30,500	-	30,500	93,269
Childcare fees	-	-	-	4,344
Rental income	122,469	-	122,469	116,334
Investment income (loss)	229,689	-	229,689	( 391,261)
In-kind contributions	110,438	-	110,438	102,285
Net assets released from restrictions	6,772,835	( 6,772,835)	-	-
<b>Total revenue</b>	<b>27,858,539</b>	<b>( 304,679)</b>	<b>27,553,860</b>	<b>19,486,196</b>
Expenses:				
Program services:				
Energy programs	350,441	-	350,441	254,771
Mental health programs	185,220	-	185,220	1,549,770
Food justice programs	773,754	-	773,754	710,245
Child development programs	9,906,473	-	9,906,473	7,087,681
Head Start programs	4,963,713	-	4,963,713	5,199,843
Economic justice programs	678,917	-	678,917	409,813
Safety net programs	6,510,487	-	6,510,487	2,057,866
<b>Total program services</b>	<b>23,369,005</b>	<b>-</b>	<b>23,369,005</b>	<b>17,269,989</b>
Support services:				
Management and general	3,076,280	-	3,076,280	2,311,922
Fundraising	383,519	-	383,519	785,075
<b>Total support services</b>	<b>3,459,799</b>	<b>-</b>	<b>3,459,799</b>	<b>3,096,997</b>
<b>Total expenses</b>	<b>26,828,804</b>	<b>-</b>	<b>26,828,804</b>	<b>20,366,986</b>
Change in net assets	1,029,735	( 304,679)	725,056	( 880,790)
Net assets - Beginning of year, as previously stated	5,291,695	1,921,389	7,213,084	7,786,638
Change in accounting policy	-	-	-	307,236
Net assets - Beginning of year, as restated	5,291,695	1,921,389	7,213,084	8,093,874
<b>Net assets - End of year</b>	<b>\$ 6,321,430</b>	<b>\$ 1,616,710</b>	<b>\$ 7,938,140</b>	<b>\$ 7,213,084</b>

See accompanying notes to financial statements.

# Community Action Marin

## Statement of Functional Expenses

Year Ended June 30, 2023 (With Comparative Totals for year ended June 30, 2022)

	2023											As restated 2022
	Energy Programs	Mental Health Programs	Food Justice Programs	Child Development Programs	Head Start Programs	Economic Justice Programs	Safety Net Programs	Program Services Total	Management and General	Fundraising	Total Expenses	Total Expenses
Salaries	\$ 256,016	\$ 18,882	\$ 262,246	\$ 6,150,545	\$ 2,897,680	\$ 458,586	\$ 983,497	\$ 11,027,452	\$ 1,198,672	\$ 138,436	\$ 12,364,560	\$ 11,430,745
Payroll taxes	19,618	1,444	19,184	454,499	216,690	33,933	73,265	818,633	119,417	8,512	946,562	868,471
Worker's compensation	1,075	113	6,979	107,027	79,314	2,270	4,682	201,460	17,686	679	219,825	248,943
Employee benefits	18,002	-	27,416	658,517	282,455	41,305	92,095	1,119,790	118,332	3,167	1,241,289	1,018,262
Client expenses	25,056	148,052	288,629	7,062	1,404	39,298	5,124,656	5,634,157	-	9,375	5,643,532	1,464,190
Professional fees	8,386	16,163	11,556	596,345	459,487	56,856	124,587	1,273,380	851,156	171,166	2,295,702	1,620,916
Contract services	-	-	-	495,153	72,632	(2,825)	-	564,960	400	-	565,360	599,923
Facility costs	-	-	1,556	149,322	19,863	-	-	170,741	(104,505)	-	66,236	40,303
Occupancy	6,973	457	35,631	506,226	229,059	11,284	49,983	839,613	31,628	6,661	877,902	1,100,638
Tools & small equipment	-	-	234	60,617	47,408	-	-	108,259	(81,237)	-	27,022	73,381
Equipment vehicle & maintenance	10,406	-	9,093	16,615	7,951	-	12,738	56,803	9,234	-	66,037	115,510
Building repairs & maintenance	-	-	77,819	937,013	214,938	-	1,594	1,231,364	(521,009)	232	710,587	443,249
Miscellaneous	250	101	4,215	19,220	8,630	179	913	33,508	315,762	5,223	354,493	10,645
Program supplies	-	-	37,263	114,262	101,267	46	-	252,838	3,560	211	256,609	293,449
Insurance	17	8	3,351	41,371	19,667	3,213	5,659	73,286	20,793	2,289	96,368	89,946
Employee development	-	-	-	44,656	69,249	1,328	2,004	117,237	31,079	569	148,885	120,381
Telephone	1,928	-	5,200	96,459	44,642	5,485	13,156	166,870	26,633	740	194,243	142,842
Travel	-	-	9,631	10,280	4,134	996	7,720	32,761	12,107	691	45,559	35,692
Depreciation	-	-	16,338	-	-	-	-	16,338	175,850	-	192,188	175,766
Printing & publications	1,134	-	978	34,801	16,403	6,984	6,009	66,309	18,712	27,850	112,871	43,448
Interest expense	-	-	-	-	-	-	-	-	-	-	-	1,388
Office supplies	-	-	167	19,167	8,860	17,370	4,886	50,450	63,075	7,412	120,937	93,524
Equipment rental	1,580	-	1,115	16,539	7,839	1,580	-	28,653	14,359	-	43,012	36,906
Food service charge	-	-	-	25,265	12,281	8	63	37,617	20,121	-	57,738	13,005
Advertising	-	-	587	13,862	6,590	1,021	2,980	25,040	20,671	306	46,017	159,042
In-Kind Expense	-	-	-	-	135,270	-	-	135,270	-	-	135,270	126,421
Total expenses before allocation of indirect costs and GAAP adjustment	350,441	185,220	819,188	10,574,823	4,963,713	678,917	6,510,487	24,082,789	2,362,496	383,519	26,828,804	20,366,986
GAAP Adjustment for Grant Funded Property & Equipment	-	-	(45,434)	(668,350)	-	-	-	(713,784)	713,784	-	-	-
Subtotal expenses	350,441	185,220	773,754	9,906,473	4,963,713	678,917	6,510,487	23,369,005	3,076,280	383,519	26,828,804	20,366,986
Indirect costs	29,471	27,168	77,656	1,006,254	687,740	88,890	168,042	2,085,221	(2,060,822)	(24,399)	-	-
Total expenses	\$ 379,912	\$ 212,388	\$ 851,410	\$ 10,912,727	\$ 5,651,453	\$ 767,807	\$ 6,678,529	\$ 25,454,226	\$ 1,015,458	\$ 359,120	\$ 26,828,804	\$ 20,366,986

See accompanying notes to financial statements.

# Community Action Marin

## Statement of Cash Flows

Year Ended June 30, 2023 (With Comparative Totals for year ended June 30, 2022)

	2023	2022, As Restated
Changes in cash, cash equivalents, and restricted cash:		
Cash flows from operating activities:		
Changes in net assets	\$ 725,056	(\$ 880,790)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	192,188	175,766
Realized and unrealized (gains) losses on beneficial interest in assets held by community foundation	( 160,773)	416,980
Accrued interest	-	( 24,694)
Noncash lease expense	( 350,954)	-
Amortization of discount on promises to give to in-kind contributions	( 8,153)	( 8,849)
Non-cash promises to give recognized in in-kind expenses	32,985	32,985
Changes in operating assets and liabilities:		
Grants and contracts receivable	1,145,612	( 726,942)
Prepaid expenses and other current assets	( 89,370)	( 47,193)
Operating lease liabilities	352,794	-
Accounts payable	260,444	23,574
Accrued payroll and related	( 96,957)	185,776
Accrued vacation	39,545	26,612
Accrued unemployment	( 41,108)	6,354
Refundable advances	1,381,664	(1,614,584)
Due to fiscal agents	55,924	-
Net cash from operating activities	3,438,897	( 2,435,005)
Cash flows from investing activities:		
Purchase of property and equipment	( 733,980)	( 596,344)
Purchase of investments	-	( 524,143)
Proceeds from sale of investments	-	2,884,012
Net cash from investing activities	( 733,980)	1,763,525
Changes in cash, cash equivalents, and restricted cash	2,704,917	( 671,480)
Cash, cash equivalents, and restricted cash - Beginning of year	2,025,445	2,696,925
Cash, cash equivalents, and restricted cash - End of year	\$ 4,730,362	\$ 2,025,445
<b>Reconciliation of cash, cash equivalents and restricted cash:</b>		
Cash and cash equivalents	\$ 3,966,178	\$ 1,566,814
Restricted cash	764,184	458,631
Total cash, cash equivalents and restricted cash	\$ 4,730,362	\$ 2,025,445
<b>Supplemental schedule of other cash activity:</b>		
Interest paid	\$ 1,788	\$ 26,082
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 378,877	\$ -
<b>Supplemental schedule of noncash operating activities:</b>		
Right of use assets obtained in exchange for new operating lease liabilities	\$ 712,651	\$ -

See accompanying notes to financial statements.

# Community Action Marin

## Notes to Financial Statements

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### Note 1: Summary of Significant Accounting Policies

#### Nature of Operations

Community Action Marin (the "Agency") is Marin County's largest nonprofit social services provider. Created in 1966 with federal Economic Opportunity Act funds, Community Action Marin's staff of 200 works to alleviate the causes and consequences of poverty as the county's official anti-poverty agency.

The Agency receives a substantial amount of revenue for its programs funded by the United States Department of Health & Human Services (DHHS), the California Department of Education (CDE), and California Department of Social Services (CDSS), and accordingly, operates under the guidelines and regulations of these funding sources.

Dedicated to racial and economic justice, the team assists low-income Marin residents with achieving a quality of life based on self-sufficiency through work to transform systems and respond to urgent as well as long-term needs through the following programs and services:

#### *Children and Family Services*

Community Action Marin has provided high-quality early childhood education to the families of Marin for over 30 years. The Agency is the largest provider of subsidized childcare in the county, serving families of low income from Marin City to Novato, San Rafael to West Marin. 25% of families with children under 18 in Marin County have low enough income to qualify for subsidized child-care, and the Agency ensures that children from infancy to school-age do well by giving them a safe, caring, home-away-from-home to have fun, learn, and explore, setting them up for school and life success.

#### *Head Start & Early Head Start*

The Agency is the county's Head Start and Early Head Start grant recipient, helping to ensure that children ages 0-5 from income-eligible families get a high-quality childhood education and support with health, nutrition, social services, and family development. The Agency ensures family well-being, positive parent child relationships, and nurtures parent connections to peers and community, helping families to be successful life-long learners and contributing members of the society. By braiding federal and state sources of funding, the Agency creates increased fiscal and operating efficiencies and better outcomes in community.

#### *Central Kitchen*

The Agency's Central Kitchen prepares daily breakfast, lunch, and snack for children and older adults across all ten of its free and affordable childcare sites and at county-operated senior community centers. The Agency uses fresh ingredients grown in its Production Farm and school gardens to help educate children about healthy eating and active living, providing organic, nutrient-dense food in all of its meals. The kitchen also provides a vital space for select local business owners and entrepreneurs to operate and grow small food service businesses.

#### *Economic Justice*

The Agency promotes prosperity and hope through a powerful set of coaching and workforce development programs to foster agency, build community power, and support self-sufficiency of Marin's residents. Bilingual and bicultural coaches partner with clients for household budgeting, rebuilding credit, managing debt, navigating housing, or getting trained for a new career. The team helps people to put dreams within reach and supports access to living-wage jobs, whether through food service apprenticeships, commercial driver's license training, or other pathways. The Agency's free tax prep program provided over 600 people with free tax assistance, returning over \$1M to the community this past year.

# Community Action Marin

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Nature of Operations (Continued)**

##### *Safety Net Services & Emergency Family Needs*

Community Action Marin offers one-time emergency support for clients who need help with rent or mortgage payments, rental deposits and, in limited cases, emergency car repairs, durable medical equipment or other essential needs. The Agency's Safety Net Services team helps to keep people out of crisis and onto pathways toward thriving. Across generations, support can help families with children living in the home, veterans, victims of domestic violence, seniors, or disabled adults.

Community Action Marin is also the local administrator of the federally funded Low-Income Home Energy Assistance Program (LIHEAP) and Low-Income Home Water Assistance Program (LIHWAP). The team also acts as a conduit to other energy assistance and residential conservation programs. Reaching over 800 households each year, staff ensure that people get assistance with utility payments, wood and propane home energy costs, and payment of water bills. The Agency also provides housing navigation and supportive housing services in partnership with others in the county focused on a Housing First approach to ending homelessness.

The Agency receives a substantial amount of revenue for its programs funded by the United States Department of Health & Human Services (DHHS), the California Department of Education (CDE), and California Department of Social Services (CDSS), and accordingly, operates under the guidelines and regulations of these funding sources. During the years ended June 30, 2023 and 2022, the Agency received 20% and 33% of total revenue from DHHS, 20% and 23% of total revenue from CDE, 20% and 16% of total revenue from CDSS.

#### **Basis of Presentation**

The financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

#### **Classification of Net Assets**

Net assets and revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Agency and changes therein are classified and reported as follows:

**Net Assets Without Donor Restrictions** - Net assets that are not subject to donor-imposed stipulations or where donor-imposed stipulations are met in the year of the contribution. The board of Directors has designated a portion of the net assets without donor restrictions of the Agency as a reserve for children and family services programs. As these amounts are only designated by board policy, the amounts are classified as net assets without donor restrictions.

# Community Action Marin

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Classification of Net Assets (Continued)**

Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations that may or may not be met either by actions of the Agency and/or the passage of time. When a restriction expires, net assets with donor restrictions are transferred to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. If a restriction is satisfied in the year of contribution, the contribution is recorded as revenue without restrictions.

#### **Use of Estimates**

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

#### **Cash and Cash Equivalents**

Cash and cash equivalents consist of demand deposits and highly liquid debt instruments with original maturities of 90 days or less.

#### **Beneficial Interest in Assets Held by Community Foundation**

Accounting standards require, among other things, that assets held by an unrelated not-for-profit solely for the benefit of another not-for-profit (beneficiary) be recorded on the beneficiary not-for-profit's financial statements. The fair value of the beneficial interest in assets held by the community foundation is recorded on the statement of financial position. Investment earnings from the beneficial interest in assets held by the community foundation are included in investment income on the statement of activities.

#### **Grants and Contracts Receivable**

The Agency considers the grants and contracts receivable to be fully collectible, accordingly, no allowance for doubtful accounts receivable is recorded. If amounts become uncollectible, they will be charged to operations when that determination is made.

# Community Action Marin

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Property and Equipment**

Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful life of the asset. The Agency capitalizes property and equipment purchased with a cost greater than \$5,000 and a useful life of more than one year. Donations of property and equipment are recorded as support at their estimated fair value on the date of donation. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose.

Property and equipment purchased with grant funds are owned by the Agency while used in the program for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the property and equipment purchased with grant funds. Its disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations. The net book value of property and equipment purchased with grant funds was \$2,043,366 and \$1,466,179 as of June 30, 2023 and 2022.

#### **Revenue Recognition**

##### Grants and Contributions

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identifying of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Conditional contributions are recognized when the barriers to entitlement are overcome and the promises become unconditional. Unconditional contributions are recognized as revenue when received.

# Community Action Marin

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Revenue Recognition (Continued)**

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

##### **A. Grant Awards That Are Contributions**

Grants that qualify as contributions are recorded as invoiced to the funding sources in accordance with the terms of the award. Revenue is recognized in the accounting period when the related expenses are incurred. Amounts received or receivable in excess of expenses are reflected as a refundable advance.

##### **B. Grant Awards That Are Exchange Transactions**

Exchange transactions are reimbursed based on a predetermined rate for services performed in accordance with the terms of the award. Revenue is recognized when control of the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as a contract liability.

#### **Rental Income**

Rental income is recognized when earned.

#### **Income Taxes**

The Agency is qualified for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and a similar provision of California law.

The Agency is required to assess whether it is more likely than not that a tax position will be sustained upon examination on the technical merits of the position assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more likely than not recognition threshold, the benefit of that position is not recognized in the financial statements. The Agency has determined there are no amounts to record as assets or liabilities related to uncertain tax positions.

#### **Functional Allocation**

The costs of providing the various programs and activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Personnel costs are allocated based on time and effort reporting. Occupancy and related costs are allocated based on square footage.

# Community Action Marin

## Notes to Financial Statements

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### Note 1: Summary of Significant Accounting Policies (Continued)

#### In-Kind Contributions

The Agency has recorded in-kind contributions for space and supplies on the statements of activities and functional expenses in accordance with a financial accounting standard that requires that only contributions of service received that create or enhance a nonfinancial asset or required specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation be recorded. The requirements of this standard are different than the in-kind requirements of several of the Agency's grant awards. During the years ended June 30, 2023 and 2022, a substantial number of volunteers have donated significant amount of their time to its programs, the value of which is not determinable or recorded in the accompanying financial statements.

#### Changes in Accounting Policy

##### ASU No. 2016-02, *Leases* (Topic 842)

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases* (Topic 842). ASU 2016-02 is intended to improve financial reporting of leasing transactions by requiring organizations that lease assets to recognize assets and liabilities for the rights and obligations created by leases on the statement of financial position. This accounting update also requires additional disclosures surrounding the amount, timing, and uncertainty of cash flows arising from leases. The Agency adopted this guidance for the year ended June 30, 2023 with modified retrospective application to July 1, 2022 through a cumulative-effect adjustment. The Agency has elected the package of practical expedients permitted in ASC Topic 842. Accordingly, the Agency accounted for its existing operating leases as operating leases under the new guidance, without reassessing (a) whether the contracts contain a lease under ASC Topic 842, (b) whether the classification of the leases would be different in accordance with ASC Topic 842, or (c) whether any unamortized initial direct costs before transition adjustments (as of June 30, 2022) would have met the definition of initial direct costs in ASC Topic 842 at lease commencement. Similarly, the Agency did not reassess service contracts evaluated for lease treatment under ASC 840 for embedded leases under ASC 842.

As a result of the adoption of the new lease accounting guidance, the Agency recognized the following Right-of-use (ROU) assets and lease liabilities as of July 1, 2022:

ROU assets - Operating leases	\$	439,388
Lease obligation - Operating leases	\$	439,388

This standard did not have a material impact on the Agency's net assets or cash flows from operations and had an immaterial impact on the Agency's operating results. The most significant impact was the recognition of the ROU assets and lease obligations for operating leases.

# Community Action Marin

## Notes to Financial Statements

### Note 1: Summary of Significant Accounting Policies (Continued)

#### Changes in Accounting Policy (Continued)

##### Contribution Receivable - Discounted Rent

During the year ended June 30, 2023, the Agency changed its accounting policy for promises to give for discounted rent in-kind contributions. The Agency now considers future in-kind contributions for discounted rent to be unconditional contributions and, accordingly, has recorded promises to give for such contributions. This treatment is preferable as it more accurately reflects the long-term nature of these contributions. The impact of this change in accounting policy was to increase net assets with donor restrictions by \$307,236 as of July 1, 2021, increase contribution receivable - discounted rent and net assets with donor restrictions by \$283,100 as of June 30, 2022, and increase in-kind expenses and change in net assets by \$24,136 for the year ended June 30, 2022.

The following table summarizes the restatement of previously reported amounts presented in the accompanying financial statements as of and for the year ended June 30, 2022:

<i>As of and for the year ended June 30, 2022</i>	<b>As Previously Reported</b>	<b>Adjustments</b>	<b>As Restated</b>
Statement of Financial Position:			
Contribution receivable - discounted rent, current	\$ -	\$ 24,832	\$ 24,832
Contribution receivable - discounted rent, long-term	-	258,268	258,268
Total assets	\$ -	\$ 283,100	\$ 283,100
Net assets with donor restrictions	\$ 1,638,289	\$ 283,100	\$ 1,921,389
Total net assets	\$ 6,929,984	\$ 283,100	\$ 7,213,084
Statement of Activities:			
Total expenses	\$ 20,342,850	\$ 24,136	\$ 20,366,986
Change in net assets	\$ (856,654)	\$ (24,136)	\$ (880,790)

# Community Action Marin

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **ASC 842 Lease Accounting**

The Agency is a lessee in multiple noncancelable operating leases. If the contract provides the Agency the right to substantially all the economic benefits and the right to direct the use of the identified asset, it is considered to be or contain a lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. The ROU asset is also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred.

The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. Increases (decreases) to variable lease payments due to subsequent changes in an index or rate are recorded as variable lease expense (income) in the future period in which they are incurred.

The Agency has elected to use a risk-free rate for a term similar to the underlying lease as the discount rate if the implicit rate in the lease contract is not readily determinable.

The ROU asset for operating leases is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized.

For all underlying classes of assets, the Agency has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that the Agency is reasonably certain to exercise. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases with lease costs included in short-term lease expense. The Agency recognizes short-term lease cost on a straight-line basis over the lease term.

The Agency made an accounting policy election for all classes of leases to not separate the lease components of a contract and its associated non-lease components.

#### **Contribution Receivable - Discounted Rent**

Contributions are recognized when the donor makes an unconditional promise to give to the Agency. Promises to be collected in less than one year are reported at net realizable value. Promises that are expected to be collected in future years are recorded at the present value of estimated future benefit received on a discounted basis applicable to the years in which the promises were received. The amortization of the discount is recognized as contribution income over the duration of the promises to give. The Agency considers these receivables to be collectible, and therefore, no allowance for uncollectible amounts has been recorded. If an amount becomes delinquent after all collection efforts have failed, the account is written off.

# Community Action Marin

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Summarized Financial Information**

The financial statements include certain summarized financial information in total but not by net asset class, and certain expenses in total but not on a functional basis. Such information does not include sufficient detail to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Agency's financial statements for the year ended June 30, 2022, from which the summarized financial information was derived.

#### **Reclassifications**

Certain program services expenses as previously reported on the 2022 statement of activities have been reclassified to conform to the 2023 presentation. Such reclassifications have no effect on reported amounts of net assets or change in net assets.

#### **Subsequent Events**

Subsequent events have been evaluated through December 12, 2023, which is the date the financial statements were available to be issued.

### **Note 2: Concentration of Credit Risk**

The Agency maintains their cash balances in two financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times during the year, balances in these accounts may exceed the insurance limits. Management believes the financial institutions have strong credit ratings and credit risk related to these deposits is minimal.

# Community Action Marin

## Notes to Financial Statements

### Note 3: Liquidity and Availability of Financial Resources

Financial assets available for general expenditure, that is, without donor or other restrictions or designations limiting their use, within twelve months of the statement of financial position date, are comprised of the following as of June 30:

	2023	2022
Cash and cash equivalents	\$ 3,966,178	\$ 1,566,814
Beneficial interest in assets held by community foundation	2,758,287	2,597,514
Grants and contracts receivable	1,894,494	3,040,106
 Total financial assets	 8,618,959	 7,204,434
Less: Accounts payable	637,717	377,273
Less: Accrued expenses and cash held for fiscal agents	1,724,872	1,767,468
Less: Refundable advances	2,261,179	879,515
Less: board designated net assets	538,952	507,539
Less: Net assets with donor restrictions included in financial assets	1,358,442	1,638,289
 Totals	 \$ 2,097,797	 \$ 2,034,350

The Agency has no formal liquidity policy and relies on available grant funding that is requested and received shortly thereafter to ensure it has cash available to meet its current obligations to vendors and employees. In addition, the Agency had grant commitments for future expenses as described further in Note 15.

### Note 4: Restricted Cash

Restricted cash consists of the following as of June 30, 2023 and 2022:

	2023	2022
Season of Sharing fund	\$ 49,436	\$ 135,702
California Department of Education (CDE) reserve	714,748	322,929
 Totals	 \$ 764,184	 \$ 458,631

# Community Action Marin

## Notes to Financial Statements

### Note 5: Beneficial Interest in Assets Held by Community Foundation

The Agency has established a fund at the Marin Community Foundation for the benefit of the Agency. The foundation holds the assets in a fund and the Agency has the discretionary authority to require funds to be paid to the Agency; therefore, the net assets have been recorded as without donor restrictions. A schedule of activity for the years ended June 30, 2023 and 2022, is as follows:

Balance, July 1, 2021	\$ 3,135,391
Donations by the Organization to the fund	500,000
Distributions by the Organization from the fund	(620,000)
Investment losses, net of fees	(417,877)
Balance, June 30, 2022	2,597,514
Investment earnings, net of fees	160,773
Balance, June 30, 2023	\$ 2,758,287

Investment income (loss) consisted of the following for the years ended June 30, 2023 and 2022:

	2023	2022
Interest and dividends	\$ 68,916	\$ 25,719
Net realized and unrealized gain (loss) on investments	160,773	(416,980)
Total Investment Income (Loss)	\$ 229,689	\$ (391,261)

Interest and dividends includes interest on balances included in cash and cash equivalents in the statement of financial position for the year ended June 30, 2023.

### Note 6: Fair Value Measurements

Accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under professional standards are described as follows:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are observable for the asset or liability;

# Community Action Marin

## Notes to Financial Statements

### Note 6: Fair Value Measurements (Continued)

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Information regarding the fair value of assets measured at fair value on a recurring basis as of June 30, 2023 and 2022, was as follows:

June 30, 2023	Level 1	Level 2	Level 3	Total Assets at Fair Value
Beneficial interest in assets held by community foundation:				
Community Action Marin fund	\$ -	\$ -	\$ 2,758,287	\$ 2,758,287
Totals	\$ -	\$ -	\$ 2,758,287	\$ 2,758,287

June 30, 2022	Level 1	Level 2	Level 3	Total Assets at Fair value
Beneficial interest in assets held by community foundation:				
Community Action Marin fund	\$ -	\$ -	\$ 2,597,514	\$ 2,597,514
Totals	\$ -	\$ -	\$ 2,597,514	\$ 2,597,514

The following is a description of the valuation methodology used for each asset measured at fair value on a recurring basis:

- Community Action Marin fund is valued based on the Agency's allocable share in the market value of the underlying investments made by the community foundation as reported to the foundation by a third-party trustee from published market quotes. The information used to record the fair value of these investments is provided by the foundation and are considered to be significant unobservable inputs that are not verified by management.

# Community Action Marin

## Notes to Financial Statements

### Note 6: Fair Value Measurements (Continued)

See details of the changes in the Level 3 assets in Note 5.

The Agency does not have any liabilities measured at fair value on a recurring basis or any assets or liabilities measured at fair value on a nonrecurring basis.

### Note 7: Grants and Contracts Receivable

Grants and contracts receivable consist of the following at June 30, 2023 and 2022:

	2023	2022
Energy and housing programs	\$ 67,050	\$ 104,110
Mental health programs	28,616	190,334
Food Justice	65,901	71,711
Child development programs	953,374	735,906
Head Start and Early Head Start	254,418	1,405,529
Economic Justice	33,889	19,389
Other programs	491,246	513,127
Totals	\$ 1,894,494	\$ 3,040,106

### Note 8: Contribution Receivable - Discounted Rent

The Agency has a lease agreement which provides for the free use of land for a child care classroom through August 2031. The contribution receivable is valued based on comparable land in the area. The contribution receivable for the donated use of land as of June 30, 2023, are due as follows:

2024	\$ 25,547
2025	26,283
2026	27,040
2027	27,818
2028	28,619
Thereafter	122,961
Total	\$ 258,268

During the year ended June 30, 2023, \$8,153 of in-kind revenue was recognized for amortization of the contribution receivable discount, in-kind expense of \$32,985 was reported, and \$24,832 of net assets with donor restrictions were released to net assets without donor restrictions due to satisfaction of the time restriction during the year. During the year ended June 30, 2022, \$8,849 of in-kind revenue was recognized for amortization of the contribution receivable discount, in-kind expense of \$32,985 was reported, and \$24,136 of net assets with donor restrictions were released to net assets without donor restrictions due to satisfaction of the time restriction during the year.

# Community Action Marin

## Notes to Financial Statements

### Note 9: Property and Equipment

Property and equipment consists of the following as of June 30, 2023 and 2022:

	2023	2022
Land	\$ 363,030	\$ 363,030
Buildings and improvements	2,376,230	2,376,230
Leasehold improvements	1,935,038	1,245,631
Equipment	242,986	198,413
Vehicles	82,434	82,434
Subtotals	4,999,718	4,265,738
Less accumulated depreciation	(2,279,775)	(2,087,587)
Totals	\$ 2,719,943	\$ 2,178,151

### Note 10: Accrued Unemployment

The Agency has elected to be self-insured for the purpose of California State Unemployment Insurance. As of June 30, 2023 and 2022, the amount of accrued unemployment liability was \$273,431 and \$314,539, which represents the estimated future claims arising from payroll paid through June 30, 2023 and 2022, respectively. Unemployment claims paid for the years ended June 30, 2023 and 2022 were \$98,555 and \$75,903, respectively.

### Note 11: Refundable Advances

Refundable advances consists of the following as of June 30, 2023 and 2022:

	2023	2022
Tipping Point	\$ 501,848	\$ -
County rental assistance	-	250,000
Community Services Block Grant program	73,409	69,278
State child development programs	1,685,922	363,104
Rental assistance recovered payments	-	197,133
Totals	\$ 2,261,179	\$ 879,515

### Note 12: Note Payable

The Agency purchased a modular building for the Head Start and Marin Community Child Development programs in a previous year. To finance the purchase, the Agency obtained Community Development Block Grant funds in the amount of \$44,705 from the County of Marin. The Community Development Block Grant has a reversionary interest in the modular building. If the Agency, for any reason whatsoever, sells, conveys, encumbers, grants, leases, or otherwise alienates the premises, this 0% loan will be repaid, as an implementer of the Community Development Block Grant Program.

# Community Action Marin

## Notes to Financial Statements

### Note 13: Board-Designated Net Assets

The Board of Directors has designated a portion of the net assets without donor restrictions of the Agency as a reserve for children and family services programs. This reserve is only to be used with board approval. A schedule of activity for the years ended June 30, 2023 and 2022, is as follows:

Balance, July 1, 2021	\$ 612,636
Investment loss allocated to reserve	(105,097)
Balance, June 30, 2022	507,539
Investment earnings allocated to reserve	31,413
Balance, June 30, 2023	\$ 538,952

### Note 14: Net Assets with Donor Restrictions

Net assets with donor restrictions were available for the following programs as of June 30, 2023 and 2022:

	2023	2022
Mental health program	\$ 286,061	\$ 357,650
Economic Justice	13,840	137,308
Food Justice	164,384	192,324
Children and family services	721,032	662,406
Season of sharing / Rapid rehousing	125,209	233,816
Other programs	47,916	54,785
Time restriction - Contribution receivable - discounted rent	258,268	283,100
Totals	\$ 1,616,710	\$ 1,921,389

During the years ended June 30, 2023 and 2022, net assets with donor restrictions of \$6,772,835 and \$2,405,691 were released from restriction through satisfaction of purpose and time restrictions.

### Note 15: Grant Awards

As of June 30, 2023, the Agency had commitments under various grants of approximately \$372,000. These commitments are not recognized in the accompanying financial statements as receivables and revenue as they are conditional awards.

# Community Action Marin

## Notes to Financial Statements

### Note 16: Leases

The Agency leases various office space and vehicles. The majority of leases entered into include one or more options to renew. The renewal terms for office space can extend the lease term up to 5 years and for vehicles would allow the option to continue month to month for an unlimited period of time. The exercise of lease renewal options is at the Agency's sole discretion. Renewal option periods are included in the measurement of the ROU asset and lease liability when the exercise is reasonably certain to occur.

The depreciable life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise.

The Agency's lease agreements do not contain any material residual value guarantees or material restrictive covenants. Payments due under the lease contracts include fixed payments plus, for many of the Agency's leases, variable payments. The Agency's office space leases require it to make variable payments for the Agency's proportionate share of the building's property taxes, insurance, and common area maintenance. These variable lease payments are not included in lease payments used to determine the lease liability and are recognized as variable costs when incurred.

Components of lease expense were as follows for the year ended June 30, 2023:

Lease cost	
Operating lease cost	\$ 380,717
<b>Total lease cost</b>	<b>\$ 380,717</b>
Weighted-average remaining lease term - Operating leases	2.45
Weighted-average discount rate - Operating leases	2.04 %
Maturities of lease liabilities are as follows as of June 30, 2023:	
2024	\$ 498,360
2025	280,723
2026	12,296
2027	5,000
2028	5,000
Thereafter	20,000
<b>Total lease payments</b>	<b>821,379</b>
<b>Less imputed interest</b>	<b>(29,197)</b>
<b>Total</b>	<b>\$ 792,182</b>

# Community Action Marin

## Notes to Financial Statements

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### Note 17: Operating Lease Agreements Under ASC 840

The Agency leases various facilities for operation of its programs. The rental expense for the year ended June 30, 2022 was \$995,602.

Future minimum lease payments, by year and in the aggregate, on leases having noncancelable terms beyond June 30, 2022 (before implementation of ASC 842), are as follows:

2023	\$	594,382
2024		23,923
Total		\$ 618,305

### Note 18: Contingencies

#### Federal and State Grant Programs

The Agency participates in a number of federally assisted and state grant programs. These programs are subject to program compliance audits by the grantors and their representatives. Any disallowed costs may constitute a liability of the Agency. The Agency believes that it is in substantial compliance with all grant requirements, including those related to matching and disallowed costs, and any noncompliance, if any, would not be significant.

### Note 19: Employee Retirement Plan

The Agency has a contributory tax deferred defined contribution plan under Section 403(b) of the Internal Revenue Code. Employees are eligible to participate in the plan at the beginning of their employment with the Agency. The Agency started matching contributions of 1.5% of employee's deferrals up to 1% of their salary. The employer contributions remitted were \$39,273 and \$41,008 for the years ended June 30, 2023 and 2022.

### Note 20: Contributed Nonfinancial Assets

Contributed nonfinancial assets reported on the statements of activities for the years ended June 30, 2023 and 2022 was \$110,438 and \$102,285, respectively, and consisted of donated space. The contributed space is used for operation of the Agency's Head Start/Early Head Start and child development programs. In valuing the contributed space, the Agency estimated the fair market rental value based on certified appraisals.

The Agency recognizes contributed nonfinancial assets as in-kind contributions revenue on the statements of activities. Promises to give related to contributed space are reported as net assets with donor restrictions due to the time restriction of the promises to give; otherwise, contributed nonfinancial assets did not have donor-imposed restrictions.

## **Supplementary Information**

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## Community Action Marin

Schedule of Expenditures of Federal and State Awards  
Year Ended June 30, 2023

Grantor/Program Title	Federal AL Number	Funding Source/ Pass-through Entity	Grant Number	Federal Expenditures
<b>DEPARTMENT OF AGRICULTURE</b>				
Child and Adult Care Food Program	10.558	California Department of Social Services	N053-21-1371-OJ	\$ 323,015
<b>Total Department of Agriculture Expenditures</b>				<b>323,015</b>
<b>DEPARTMENT OF LABOR</b>				
<b>WIOA Cluster</b>				
Adult Program	17.258	California Employment Development Dept	AA211101	175,908
Adult Program	17.258	Career Point North Bay	AA311018	77,126
<b>Total AL #17.258</b>				<b>253,034</b>
<b>Total WIOA Cluster and Department of Labor Expenditures</b>				<b>253,034</b>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
<b>Aging Cluster</b>				
Title III Congregate Meals	93.045	Marin County Department of Health and Human Services	21Z-9559	42,719
<b>Total Aging Cluster Expenditures AL #93.045</b>				<b>42,719</b>
COVID-19 Low Income Home Water Assistance	93.499	California Department of Community Services	21Z-9559	8,167
<b>Total AL #93.499</b>				<b>8,167</b>
<b>Child Care and Development Fund Cluster</b>				
California State Preschool Program	93.575	California Department of Education	CSPP-2275	1,775,160
General Child Care and Development Programs	93.575	California Department of Social Services	CCTR-2145	2,372,015
Family Child Care Homes	93.575	California Department of Social Services	CFCC-2012	83,344
<b>Total AL #93.575</b>				<b>4,230,519</b>
General Child Care and Development Programs	93.596	California Department of Social Services	CCTR-2145	561,009
Family Child Care Homes	93.596	California Department of Social Services	CFCC-2012	126,388
<b>Total AL #93.596</b>				<b>687,397</b>
<b>Total Child Care and Development Fund Cluster Expenditures AL #93.575 and #93.596</b>				<b>4,917,916</b>
COVID-19 Low Income Home Energy Assistance	93.568	California Department of Community Services	21V-5569	256,883
Low Income Home Energy Assistance	93.568	California Department of Community Services	22B-4020	84,765
Low Income Home Energy Assistance	93.568	California Department of Community Services	23B-5020	35,305
<b>Total AL #93.568</b>				<b>376,953</b>
Community Services Block Grant	93.569	California Department of Community Services	22F-5024	108,055
Community Services Block Grant Discretionary	93.569	California Department of Community Services	22F-5024	31,000
Community Services Block Grant	93.569	California Department of Community Services	23F-4024	144,595
<b>Total AL #93.569</b>				<b>283,650</b>

# Community Action Marin

Schedule of Expenditures of Federal and State Awards (Continued)  
Year Ended June 30, 2023

Grantor/Program Title	Federal AL Number	Funding Source/ Pass-through Entity	Grant Number	Federal Expenditures
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</b>				
<b>Head Start Cluster</b>				
Head Start and Early Head Start	93.600	U.S Department of Health and Human Services	09CH011669-03	5,464,982
COVID-19 American Rescue Plan	93.600	U.S Department of Health and Human Services	09HE000641-01	133,133
<b>Total Head Start Cluster Expenditures AL #93.600</b>				<b>5,598,115</b>
<b>Total Department of Health and Human Services Expenditures</b>				<b>11,227,520</b>
<b>DEPARTMENT OF THE TREASURY</b>				
COVID-19 Emergency Rental Assistance	21.023	County of Marin	ERA0138	135,470
<b>Total Department of Treasury Expenditures</b>				<b>135,470</b>
<b>TOTAL FEDERAL EXPENDITURES</b>				<b>\$ 11,939,039</b>
<b>STATE OF CALIFORNIA FUNDING</b>				<b>State Expenditures</b>
Child and Adult Care Food Program	N/A	California Department of Social Services	N053-21-1371-OJ	16,273
General Child Care and Development Programs	N/A	California Department of Social Services	CCTR-2145	1,734,488
Family Child Care Homes	N/A	California Department of Social Services	CFCC-2012	405,226
California State Preschool Program	N/A	California Department of Education	CSPP-2275	3,929,762
Emergency Rental Assistance	N/A	County of Marin	ERA0138	4,438,405
<b>TOTAL STATE EXPENDITURES</b>				<b>\$ 10,524,154</b>

## Notes to Schedule of Expenditures of Federal and State Awards

### Note 1 - Basis of Presentation

The Schedule of Expenditures of Federal and State Awards (the "Schedule") includes the federal and state grant activity of Community Action Marin under programs of the federal and state governments for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations 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 Community Action Marin, it is not intended to and does not present the financial position, changes in net assets or cash flows of Community Action Marin.

### Note 2 - Summary of Significant Accounting Policies

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

### Note 3 - Subrecipients

No federal grant awards were passed through to subrecipients during the year ended June 30, 2023.

### Note 4 - Indirect Cost Rate

Community Action Marin has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

See Independent Auditor's Report.

**Community Action Marin**  
**COMBINING STATEMENT OF ACTIVITIES**

All Program Services

For the Year Ended June 30, 2023

	Energy Programs	Mental Health Programs	Food Justice Program	Child Development Programs	Head Start Programs	Economic Justice Programs	Safety Net Programs	Program Services Total	Management and General	Development	Eliminations	2023 Total
<b>Revenues</b>												
Government contracts	\$ 385,121	\$ 170,260	\$ 57,933	\$ 12,091,661	\$ 5,889,035	\$ 303,681	\$ 5,749,756	\$ 24,647,447	\$ 282,644	\$ -	\$ -	\$ 24,930,091
Grants income	-	-	21,329	309,718	-	314,056	776,559	1,421,662	362,116	183,169	-	1,966,947
Contributions	-	-	-	-	-	-	17,371	17,371	-	146,355	-	163,726
Other income	-	-	-	-	-	-	28,650	28,650	-	1,850	-	30,500
Rental income	-	-	-	-	-	-	-	-	122,469	-	-	122,469
In-Kind revenue	-	-	-	-	1,534,423	-	-	1,534,423	-	-	(1,423,985)	110,438
Investment income	-	-	-	-	-	-	-	-	229,689	-	-	229,689
<b>Total Revenues</b>	<b>385,121</b>	<b>170,260</b>	<b>79,262</b>	<b>12,401,379</b>	<b>7,423,458</b>	<b>617,737</b>	<b>6,572,336</b>	<b>27,649,553</b>	<b>996,918</b>	<b>331,374</b>	<b>(1,423,985)</b>	<b>27,553,860</b>
<b>Expenses</b>												
Salaries	256,016	18,882	262,246	6,150,545	2,897,680	458,586	983,497	11,027,452	1,198,672	138,436	-	12,364,560
Payroll taxes	19,618	1,444	19,184	454,499	216,690	33,933	73,265	818,633	119,417	8,512	-	946,562
Worker's compensation	1,075	113	6,979	107,027	79,314	2,270	4,682	201,460	17,686	679	-	219,825
Employee benefits	18,002	-	27,416	658,517	282,455	41,305	92,095	1,119,790	118,332	3,167	-	1,241,289
Client expenses	25,056	148,052	(50,659)	120,353	227,401	39,298	5,124,656	5,634,157	-	9,375	-	5,643,532
Professional fees	8,386	16,163	11,556	596,345	459,487	56,856	124,587	1,273,380	851,156	171,166	-	2,295,702
Contract services	-	-	-	495,153	72,632	(2,825)	-	564,960	400	-	-	565,360
Facility costs	-	-	1,556	149,322	19,863	-	-	170,741	(104,505)	-	-	66,236
Occupancy	6,973	457	35,631	506,226	229,059	11,284	49,983	839,613	31,628	6,661	-	877,902
Tools & small equipment	-	-	234	60,617	47,408	-	-	108,259	(81,237)	-	-	27,022
Equipment vehicle & maintenance	10,406	-	9,093	16,615	7,951	-	12,738	56,803	9,234	-	-	66,037
Building repairs & maintenance	-	-	77,819	937,013	214,938	-	1,594	1,231,364	(521,009)	232	-	710,587
Miscellaneous	250	101	4,215	19,220	8,630	179	913	33,508	315,762	5,223	-	354,493
Program supplies	-	-	37,263	114,262	101,267	46	-	252,838	3,560	211	-	256,609
Insurance	17	8	3,351	41,371	19,667	3,213	5,659	73,286	20,793	2,289	-	96,368
Employee development	-	-	-	44,656	69,249	1,328	2,004	117,237	31,079	569	-	148,885
Telephone	1,928	-	5,200	96,459	44,642	5,485	13,156	166,870	26,633	740	-	194,243
Travel	-	-	9,631	10,280	4,134	996	7,720	32,761	12,107	691	-	45,559
Depreciation	-	-	16,338	-	-	-	-	16,338	175,850	-	-	192,188
Printing & publications	1,134	-	978	34,801	16,403	6,984	6,009	66,309	18,712	27,850	-	112,871
Office supplies	-	-	167	19,167	8,860	17,370	4,886	50,450	63,075	7,412	-	120,937
Equipment rental	1,580	-	1,115	16,539	7,839	1,580	-	28,653	14,359	-	-	43,012
Food service charge	-	-	(449,821)	327,379	159,139	109	811	37,617	20,121	-	-	57,738
Advertising	-	-	587	13,862	6,590	1,021	2,980	25,040	20,671	306	-	46,017
In-Kind Expense	-	-	-	-	1,559,255	-	-	1,559,255	-	-	(1,423,985)	135,270
Indirect cost allocation	29,471	27,168	77,656	1,006,254	687,740	88,890	168,042	2,085,221	(2,060,822)	(24,399)	-	-
<b>Total Expenses</b>	<b>379,912</b>	<b>212,388</b>	<b>107,735</b>	<b>11,996,482</b>	<b>7,448,293</b>	<b>767,908</b>	<b>6,679,277</b>	<b>27,591,995</b>	<b>301,674</b>	<b>359,120</b>	<b>(1,423,985)</b>	<b>26,828,804</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>5,209</b>	<b>(42,128)</b>	<b>(28,473)</b>	<b>404,897</b>	<b>(24,835)</b>	<b>(150,171)</b>	<b>(106,941)</b>	<b>57,558</b>	<b>695,244</b>	<b>(27,746)</b>	<b>-</b>	<b>725,056</b>

See Independent Auditor's Report.

Community Action Marin  
**COMBINING SCHEDULE OF ACTIVITIES**  
**HEAD START AND EARLY HEAD START PROGRAM**  
For the Year Ended June 30, 2023

	<u>Grant No. 09CH011669 &amp; 09HE00064101</u>						Head Start &
	Head Start*	Head Start T&A	Head Start MCF	Other Grants/ Contracts	Head Start Total	Early Head Start Total	EHS Total
<b>Revenues:</b>							
Government contracts	\$ 3,341,590	\$ 9,325	\$ -	\$ 131,985	\$ 3,482,900	\$ 2,340,204	\$ 5,823,104
Grants income	-	-	65,930	-	65,930	-	65,930
Contributions	-	-	-	-	-	-	-
Program service fees	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-
In-kind revenue	800,208	-	-	-	800,208	734,216	1,534,424
Total revenues	<u>4,141,798</u>	<u>9,325</u>	<u>65,930</u>	<u>131,985</u>	<u>4,349,038</u>	<u>3,074,420</u>	<u>7,423,458</u>
<b>Expenses:</b>							
Salaries	1,627,562	-	-	84,084	1,711,646	1,186,034	2,897,680
Payroll taxes	128,465	-	-	-	128,465	88,225	216,690
Worker's compensation	48,638	-	-	-	48,638	30,676	79,314
Employee benefits	167,285	-	-	-	167,285	115,170	282,455
Client expenses	184,513	-	-	-	184,513	42,888	227,401
Professional fees	297,845	(9,164)	14,312	-	302,993	219,962	522,955
Contract services	-	9,164	-	-	9,164	-	9,164
Facility costs	13,604	300	-	-	13,904	5,959	19,863
Occupancy	149,525	-	-	-	149,525	79,534	229,059
Tools and equipment	28,706	-	11,882	-	40,588	6,820	47,408
Equipment & vehicle maintenance	4,457	-	-	-	4,457	3,494	7,951
Building repairs & maintenance	133,137	-	14,066	654	147,857	67,081	214,938
Miscellaneous	4,601	-	-	-	4,601	4,029	8,630
Program supplies	26,318	-	16,722	33,934	76,974	24,293	101,267
Insurance	9,958	-	-	-	9,958	9,709	19,667
Employee development	8,860	8,177	2,955	-	19,992	49,257	69,249
Telephone	24,637	-	-	-	24,637	20,005	44,642
Travel	2,449	-	-	-	2,449	1,685	4,134
Depreciation	-	-	-	-	-	-	-
Printing & publications	11,732	-	-	-	11,732	11,261	22,993
Interest	-	-	-	-	-	-	-
Office supplies	4,949	-	-	-	4,949	3,911	8,860
Equipment rental	4,783	-	-	-	4,783	3,056	7,839
In-kind expenses	800,204	-	-	-	800,204	759,051	1,559,255
Food service charge	83,160	-	-	-	83,160	75,979	159,139
Indirect cost allocation	376,410	848	5,994	13,313	396,565	291,175	687,740
Total expenses	<u>4,141,798</u>	<u>9,325</u>	<u>65,931</u>	<u>131,985</u>	<u>4,349,039</u>	<u>3,099,254</u>	<u>7,448,293</u>
Change in net assets	-	-	(1)	-	(1)	(24,834)	(24,835)
Net assets, beginning of period	(22)	-	(11,185)	(18,271)	(29,478)	12,258	(17,220)
Net assets, end of period	<u>\$ (22)</u>	<u>\$ -</u>	<u>\$ (11,186)</u>	<u>\$ (18,271)</u>	<u>\$ (29,479)</u>	<u>\$ (12,576)</u>	<u>\$ (42,055)</u>

\* Includes in-kind revenue and expenses which are not recognized in the financial statements.

Community Action Marin  
COMBINING SCHEDULE OF ACTIVITIES  
EARLY HEAD START PROGRAM  
For the Year Ended June 30, 2023

Grant No. 09CH011669 & 09HE00064101

	Early Head Start*	Early Head Start T&A	EHS CalWorks	Other Grants/ Contracts	Total
Revenues:					
Government contracts	\$ 2,294,086	\$ 46,118	\$ -	\$ -	\$ 2,340,204
Grants income	-	-	-	-	-
Contributions	-	-	-	-	-
Program service fees	-	-	-	-	-
Fundraising	-	-	-	-	-
Other income	-	-	-	-	-
In-kind revenue	734,216	-	-	-	734,216
Total revenues	3,028,302	46,118	-	-	3,074,420
Expenses:					
Salaries	1,186,034	-	-	-	1,186,034
Payroll taxes	88,225	-	-	-	88,225
Worker's compensation	30,676	-	-	-	30,676
Employee benefits	115,170	-	-	-	115,170
Client expenses	42,888	-	-	-	42,888
Professional fees	219,961	1	-	-	219,962
Contract services	-	-	-	-	-
Facility costs	5,959	-	-	-	5,959
Occupancy	79,534	-	-	-	79,534
Tools and equipment	6,820	-	-	-	6,820
Equipment & vehicle maintenance	3,494	-	-	-	3,494
Building Repairs & Maintenance	67,081	-	-	-	67,081
Miscellaneous	4,029	-	-	-	4,029
Program supplies	24,093	200	-	-	24,293
Insurance	9,709	-	-	-	9,709
Employee development	7,533	41,724	-	-	49,257
Telephone	20,005	-	-	-	20,005
Travel	1,685	-	-	-	1,685
Depreciation	-	-	-	-	-
Printing & publications	11,261	-	-	-	11,261
Interest	-	-	-	-	-
Office supplies	3,912	-	-	-	3,912
Equipment rental	3,056	-	-	-	3,056
In-kind expenses	759,051	-	-	-	759,051
Food service charge	75,979	-	-	-	75,979
Indirect cost allocation	286,982	4,193	-	-	291,175
Total expenses	3,053,137	46,118	-	-	3,099,255
Change in net assets	(24,835)	-	-	-	(24,835)
Net assets, beginning of period	-	(1)	11,810	449	12,258
Net assets, end of period	<u>\$ (24,835)</u>	<u>\$ (1)</u>	<u>\$ 11,810</u>	<u>\$ 449</u>	<u>\$ (12,577)</u>

\* Includes in-kind revenue and expenses which are not recognized in the financial statements.

See Independent Auditor's Report.

Community Action Marin  
SCHEDULE OF REVENUE AND EXPENSES  
HEAD START AND EARLY HEAD START PROGRAM  
Grant No. 09CH011669 & 09HE00064101  
For the Period July 1, 2022 through June 30, 2023

	Audited Costs* Head Start	Audited Costs* Early Head Start	Total Audited Costs*	Total Budgets
Revenues:				
U.S. Dept. of Health & Human Services	\$ 3,299,859	\$ 2,298,256	\$ 5,598,115	\$ 6,138,914
Child Care Food Program	183,041	41,948	224,989	225,000
Grants income	65,930	-	65,930	65,930
In-kind revenue	800,208	734,216	1,534,424	1,423,985
Total revenues	<u>4,349,038</u>	<u>3,074,420</u>	<u>7,423,458</u>	<u>7,853,829</u>
Expenses:				
Personnel	1,888,748	1,304,935	3,193,683	3,367,569
Fringe benefits	167,284	115,170	282,454	297,833
Travel	22,440	50,942	73,382	77,377
Equipment	49,827	13,371	63,198	66,639
Supplies	89,390	34,482	123,872	130,616
Contractual	312,158	219,961	532,119	561,091
Facilities/construction	303,869	146,345	450,214	474,727
Other	318,549	163,823	482,372	508,636
In-kind expenses	800,208	759,051	1,559,259	1,644,156
Indirect costs	396,566	291,174	687,740	725,185
Total expenses	<u>4,349,039</u>	<u>3,099,254</u>	<u>7,448,293</u>	<u>7,853,829</u>
Revenue over (under) expenses	<u>\$ (1)</u>	<u>\$ (24,834)</u>	<u>\$ (24,835)</u>	<u>\$ -</u>

\* Includes in-kind revenue and expenses which are not recognized in the financial statements.

See Independent Auditor's Report.

Community Action Marin  
COMBINING SCHEDULE OF ACTIVITIES  
ENERGY PROGRAM  
For the Year Ended June 30, 2023

	LIHEAP 20U-2569 EHA	LIHEAP 21B-5020 EHA	LIHEAP 21V-5569 EHA	LIHEAP 21Z-5569 EHA	LIHEAP 22B-4020 EHA	LIHEAP 23B-5020 EHA	Other Grants and Contracts	Total
Revenues:								
Government grants	\$ -	\$ -	\$ 256,884	\$ 8,167	\$ 84,765	\$ 35,305	\$ -	\$ 385,121
Other income	-	-	-	-	-	-	-	-
Total revenues	-	-	256,884	8,167	84,765	35,305	-	385,121
Expenses:								
Salaries	-	-	201,395	5,351	45,725	3,544	-	256,015
Employee benefits	-	-	30,436	435	7,501	321	-	38,693
Professional Fees	-	-	813	1,248	2,981	3,361	-	8,403
ECIP and HEAP payments	-	-	-	-	7,149	17,907	-	25,056
Supplies	-	-	-	-	-	250	-	250
Equipment	-	-	-	-	5,500	6,487	-	11,987
Communication	-	-	1,056	-	452	420	-	1,928
Occupancy	-	-	-	-	4,604	2,369	-	6,973
Indirect costs	-	-	23,183	579	5,323	387	-	29,472
Program support	-	-	-	554	322	259	-	1,135
Total expenses	-	-	256,883	8,167	79,557	35,305	-	379,912
Change in net assets	-	-	1	-	5,208	-	-	5,209
Net assets, beginning of period	(2,811)	(6,655)	(1)	-	(139)	-	5,000	(4,606)
Repayment of funds (application of funds)	2,811	6,655	-	-	(5,069)	-	-	4,397
Net assets, end of period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000

See Independent Auditor's Report.

Community Action Marin  
DEPT OF CSD SCHEDULE OF REVENUE AND EXPENSES  
 Contract No. 21V-5569 (ARPA LIHEAP EHA)  
 For the Year Ended June 30, 2023

	8/1/2021 through 6/30/2022	7/1/2022 through 6/30/2023	Total Audited Costs	Total Reported Costs	Total Budgets
Revenues:					
Government grants	\$ 17,540	\$ 256,884	\$274,424		\$ 274,423
Revenue adjustment (deferred)	-	-	-		-
Total revenues	<u>17,540</u>	<u>256,884</u>	<u>274,424</u>		<u>274,423</u>
Expenses:					
Assurance 16 costs	<u>3,833</u>	<u>46,552</u>	<u>50,385</u>	<u>50,385</u>	<u>50,385</u>
Administrative costs	<u>3,833</u>	<u>45,247</u>	<u>49,080</u>	<u>49,080</u>	<u>49,080</u>
Program support costs (ECIP and HEAP)					
Intake	5,196	84,448	89,644	89,644	89,644
Outreach	3,248	61,406	64,654	64,653	64,653
Training and Technical Assistance	1,299	17,362	18,661	18,661	18,661
General operating expenditures	132	1,868	2,000	2,000	2,000
Automation supplemental	-	-	-	-	-
Subtotal program support costs	<u>9,875</u>	<u>165,084</u>	<u>174,959</u>	<u>174,958</u>	<u>174,958</u>
Program services costs:					
ECIP Emergency Heating & Cooling Services	-	-	-	-	-
Wood, Propane and Oil (ECIP & HEAP WPO)	-	-	-	-	-
Subtotal program services costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>\$ 17,541</u>	<u>\$ 256,883</u>	<u>\$274,424</u>	<u>\$274,423</u>	<u>\$ 274,423</u>

See Independent Auditor's Report.

Community Action Marin  
DEPT OF CSD SCHEDULE OF REVENUE AND EXPENSES  
 Contract No. 21Z-9559 (LIHWAPARPA LIHEAP EHA)  
 For the Year Ended June 30, 2023

	4/1/2022 through 6/30/2022	7/1/2022 through 12/31/2023	Total Audited Costs	Total Reported Costs	Total Budgets
Revenues:					
Government grants	\$ -	\$ 8,167	\$ 8,167		\$ 39,581
Revenue adjustment (deferred)	-	-	-		-
Total revenues	-	8,167	8,167		39,581
Expenses:					
Assurance 16 costs	-	-	-	-	-
Administrative costs	-	3,819	3,819	3,819	35,453
Program support costs (ECIP and HEAP)					
Intake	-	-	-	-	-
Outreach	-	-	-	-	-
Training and Technical Assistance	-	-	-	-	-
General operating expenditures	-	4,348	4,348	4,348	4,128
Automation supplemental	-	-	-	-	-
Subtotal program support costs	-	4,348	4,348	4,348	4,128
Program services costs:					
ECIP Emergency Heating & Cooling Services					
Wood, Propane and Oil (ECIP & HEAP WPO)	-	-	-	-	-
Subtotal program services costs	-	-	-	-	-
Total expenses	\$ -	\$ 8,167	\$ 8,167	\$ 8,167	\$ 39,581

See Independent Auditor's Report.

Community Action Marin  
DEPT OF CSD SCHEDULE OF REVENUE AND EXPENSES  
 Contract No. 22B-4020 (LIHEAP EHA)  
 For the Year Ended June 30, 2023

	11/1/2021 through 6/30/2022	7/1/2022 through 12/31/2023	Total Audited Costs	Total Reported Costs	Total Budgets
Revenues:					
Government grants	\$ 117,644	\$ 84,765	\$ 202,409		\$ 207,445
Revenue adjustment (deferred)	-	-	-		-
Total revenues	<u>117,644</u>	<u>84,765</u>	<u>202,409</u>		<u>207,445</u>
Expenses:					
Assurance 16 costs	<u>22,944</u>	<u>11,261</u>	<u>34,205</u>	<u>34,205</u>	<u>34,205</u>
Administrative costs	<u>22,944</u>	<u>11,261</u>	<u>34,205</u>	<u>34,205</u>	<u>34,205</u>
Program support costs (ECIP and HEAP)					
Intake	31,107	15,238	46,345	46,345	46,345
Outreach	19,441	9,525	28,966	28,966	28,966
Training and Technical Assistance	7,779	3,809	11,588	11,586	11,586
General operating expenditures	-	-	-	-	-
Automation supplemental	-	-	-	-	-
Subtotal program support costs	<u>58,327</u>	<u>28,572</u>	<u>86,899</u>	<u>86,897</u>	<u>86,897</u>
Program services costs:					
ECIP Emergency Heating & Cooling Services					
Wood, Propane and Oil (ECIP & HEAP WPO)	<u>13,568</u>	<u>28,463</u>	<u>42,031</u>	<u>47,103</u>	<u>52,138</u>
Subtotal program services costs	<u>13,568</u>	<u>28,463</u>	<u>42,031</u>	<u>47,103</u>	<u>52,138</u>
Total expenses	<u>\$ 117,783</u>	<u>\$ 79,557</u>	<u>\$ 197,340</u>	<u>\$ 202,410</u>	<u>\$ 207,445</u>

See Independent Auditor's Report.

Community Action Marin  
DEPT OF CSD SCHEDULE OF REVENUE AND EXPENSES  
 Contract No. 23B-5020 (LIHEAP EHA)  
 For the Year Ended June 30, 2023

	11/1/2022 through 6/30/2023	Total Audited Costs	Total Reported Costs	Total Budgets
Revenues:				
Government grants	\$ 35,305	\$ 35,305		\$ 218,561
Revenue adjustment (deferred)	-	-		-
Total revenues	<u>35,305</u>	<u>35,305</u>		<u>218,561</u>
Expenses:				
Assurance 16 costs	<u>935</u>	<u>935</u>	<u>935</u>	<u>36,745</u>
Administrative costs	<u>935</u>	<u>935</u>	<u>935</u>	<u>36,745</u>
Program support costs (ECIP and HEAP)				
Intake	1,270	1,270	1,270	49,889
Outreach	794	794	794	31,181
Training and Technical Assistance	317	317	317	12,472
General operating expenditures	13,146	13,146	13,146	-
Automation supplemental	-	-	-	-
Subtotal program support costs	<u>15,527</u>	<u>15,527</u>	<u>15,527</u>	<u>93,542</u>
Program services costs:				
ECIP Emergency Heating & Cooling Services	-	-	-	-
Wood, Propane and Oil (ECIP & HEAP WPO)	<u>17,908</u>	<u>17,908</u>	<u>17,908</u>	<u>51,529</u>
Subtotal program services costs	<u>17,908</u>	<u>17,908</u>	<u>17,908</u>	<u>51,529</u>
Total expenses	<u>\$ 35,305</u>	<u>\$ 35,305</u>	<u>\$ 35,305</u>	<u>\$ 218,561</u>

See Independent Auditor's Report.

Community Action Marin  
DEPT OF CSD SCHEDULE OF REVENUE AND EXPENSES  
 Contract No. 22F-5024 (CSBG ADMIN)  
 For the Year Ended June 30, 2023

	1/1/2022 through 6/30/2022	7/1/2022 through 5/31/2023	Total Audited Costs	Total Reported Expenses	Total Budgets
Revenues:					
Government grants	\$ 175,561	\$ 108,055	\$ 283,616		\$ 283,616
Other revenue	-	-	-		-
Total revenues	<u>175,561</u>	<u>108,055</u>	<u>283,616</u>		<u>283,616</u>
Expenses:					
Administrative costs:					
Salaries and wages	122,068	78,217	200,285	200,285	200,285
Fringe benefits	19,658	9,817	29,475	29,475	29,475
Operating expenses and equipment	-	-	-	-	-
Training costs	-	-	-	-	-
Subcontractor services	-	-	-	-	-
Other costs	-	-	-	-	-
Subtotal administrative costs	<u>141,726</u>	<u>88,034</u>	<u>229,760</u>	<u>229,760</u>	<u>229,760</u>
Program costs:					
Salaries and wages	29,142	17,298	46,440	46,440	46,440
Fringe benefits	4,693	2,723	7,416	7,416	7,416
Operating expenses and equipment	-	-	-	-	-
Training costs	-	-	-	-	-
Subcontractor services	-	-	-	-	-
Other costs	-	-	-	-	-
Subtotal program costs	<u>33,835</u>	<u>20,021</u>	<u>53,856</u>	<u>53,856</u>	<u>53,856</u>
Total expenses	<u>\$ 175,561</u>	<u>\$ 108,055</u>	<u>\$ 283,616</u>	<u>\$ 283,616</u>	<u>\$ 283,616</u>

See Independent Auditor's Report.

Community Action Marin  
DEPT OF CSD SCHEDULE OF REVENUE AND EXPENSES  
 Contract No. 22F-5024 (CSBG DISCRETIONARY)  
 For the Year Ended June 30, 2023

	1/1/2022 through 6/30/2022	7/1/2022 through 5/31/2023	Total Audited Costs	Total Reported Expenses	Total Budgets
Revenues:					
Government grants	\$ -	\$ 31,000	\$ 31,000		\$ 31,000
Other revenue	-	-	-		-
Total revenues	-	31,000	31,000		31,000
Expenses:					
Administrative costs:					
Salaries and wages	-	-	-	-	-
Fringe benefits	-	-	-	-	-
Operating expenses and equipment	-	-	-	-	-
Training costs	-	-	-	-	-
Subcontractor services	-	31,000	31,000	-	31,000
Other costs	-	-	-	-	-
Subtotal administrative costs	-	31,000	31,000	-	31,000
Program costs:					
Salaries and wages	-	-	-	-	-
Fringe benefits	-	-	-	-	-
Operating expenses and equipment	-	-	-	-	-
Training costs	-	-	-	-	-
Subcontractor services	-	-	-	-	-
Other costs	-	-	-	-	-
Subtotal program costs	-	-	-	-	-
Total expenses	\$ -	\$ 31,000	\$ 31,000	\$ -	\$ 31,000

See Independent Auditor's Report.

Community Action Marin  
DEPT OF CSD SCHEDULE OF REVENUE AND EXPENSES  
 Contract No. 23F-4024 (CSBG ADMIN)  
 For the Year Ended June 30, 2023

	1/1/2023 through 6/30/2023	Total Audited Costs	Total Reported Expenses	Total Budgets
Revenues:				
Government grants	\$ 144,595	\$ 144,595		\$ 296,430
Other revenue	-	-		-
Total revenues	<u>144,595</u>	<u>144,595</u>		<u>296,430</u>
Expenses:				
Administrative costs:				
Salaries and wages	125,962	125,962	125,962	252,300
Fringe benefits	18,633	18,633	18,633	44,130
Operating expenses and equipment	-	-	-	-
Training costs	-	-	-	-
Subcontractor services	-	-	-	-
Other costs	-	-	-	-
Subtotal administrative costs	<u>144,595</u>	<u>144,595</u>	<u>144,595</u>	<u>296,430</u>
Program costs:				
Salaries and wages	-	-	-	-
Fringe benefits	-	-	-	-
Operating expenses and equipment	-	-	-	-
Training costs	-	-	-	-
Subcontractor services	-	-	-	-
Other costs	-	-	-	-
Subtotal program costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>\$ 144,595</u>	<u>\$ 144,595</u>	<u>\$ 144,595</u>	<u>\$ 296,430</u>

See Independent Auditor's Report.

Community Action Marin  
**COMBINING SCHEDULE OF ACTIVITIES**  
**CHILD DEVELOPMENT PROGRAM**  
For the Year Ended June 30, 2023

	Center CCTR-2145	Center CSPP-2275	CFCC-2012				
	General Child Care & Development	Full Day Preschool	Family Child Care Homes	Total CDP Contracts	Other Grants	Admin	Total
Revenues:							
Government grants	\$ 4,667,512	\$ 5,704,922	\$ 614,958	\$ 10,987,392	\$ 990,978	\$ -	\$ 11,978,370
Government contracts - Other	-	-	-	-	-	-	-
Child care food program	25,415	87,876	-	113,291	-	-	113,291
Grants income	185,874	-	-	185,874	123,844	-	309,718
Contribution	-	-	-	-	-	-	-
In-Kind Contribution	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-
Parent fees	-	-	-	-	-	-	-
Total revenues	<u>4,878,801</u>	<u>5,792,798</u>	<u>614,958</u>	<u>11,286,557</u>	<u>1,114,822</u>	<u>-</u>	<u>12,401,379</u>
Expenses:							
Salaries	2,461,601	3,177,622	81,756	5,720,979	63,811	365,755	6,150,545
Payroll taxes	203,519	215,188	6,028	424,735	2,359	27,405	454,499
Employee benefits	369,559	367,885	12,691	750,135	(25,331)	40,740	765,544
Client expenses	28,225	90,684	-	118,909	1,444	-	120,353
Professional fees	282,787	270,936	473,145	1,026,868	49,206	15,424	1,091,498
Contract services	-	-	-	-	-	-	-
Facility costs	53,708	55,651	-	109,359	39,963	-	149,322
Occupancy	155,637	198,862	-	354,499	67,943	83,784	506,226
Tools and equipment	13,818	44,295	-	58,113	2,504	-	60,617
Equipment & vehicle maintenance	13,455	15,827	-	29,282	(14,878)	2,211	16,615
Building repairs & maintenance	250,901	251,074	-	501,975	434,590	448	937,013
Miscellaneous	8,763	8,887	-	17,650	1,571	(1)	19,220
Program supplies	55,925	51,285	-	107,210	7,052	-	114,262
Insurance	21,196	20,174	-	41,370	1	-	41,371
Employee development	13,776	13,856	-	27,632	10,485	6,539	44,656
Telephone	46,973	44,823	480	92,276	2,455	1,728	96,459
Travel	3,251	4,588	-	7,839	2,441	-	10,280
Depreciation	-	-	-	-	-	-	-
Printing & publications	17,355	16,391	-	33,746	-	1,055	34,801
Office supplies	9,395	9,726	-	19,121	-	46	19,167
Equipment rental	-	-	-	-	16,539	-	16,539
Advertising	7,102	6,760	-	13,862	1	(1)	13,862
Postage	135	94	-	229	(229)	-	-
Food service charge	168,696	158,683	-	327,379	-	-	327,379
Direct admin costs	266,072	325,199	-	591,271	-	(591,271)	-
Indirect cost allocation	426,934	444,310	57,433	928,677	31,442	46,135	1,006,254
Total expenses	<u>4,878,783</u>	<u>5,792,800</u>	<u>631,533</u>	<u>11,303,116</u>	<u>693,369</u>	<u>(3)</u>	<u>11,996,482</u>
Change in net assets	<u>\$ 18</u>	<u>\$ (2)</u>	<u>\$ (16,575)</u>	<u>\$ (16,559)</u>	<u>\$ 421,453</u>	<u>\$ 3</u>	<u>\$ 404,897</u>

See Independent Auditor's Report.

Community Action Marin  
Child Development Programs  
COMBINING SCHEDULE OF EXPENSES BY STATE CATEGORIES  
For the Year Ended June 30, 2023

	Center CCTR-2145 General Child Care & Development	Center CSPP-2275 Full Day Preschool	CFCC-2012 Family Child Care Homes	Total
Expenses:				
Direct payments to Providers	\$ -	\$ -	\$ -	\$ -
1000 Certificated salaries	1,367,206	1,740,512	45,033	3,152,751
2000 Classified salaries	1,297,914	1,652,298	42,751	2,992,963
3000 Employee benefits	369,559	367,885	12,691	750,135
4000 Books and supplies				-
4300 Instructional and program supplies	55,925	51,285	-	107,210
4500 Food and other food service supplies	196,922	249,366	-	446,288
4700 Other supplies	42,749	41,858	-	84,607
	<u>3,330,275</u>	<u>4,103,204</u>	<u>100,475</u>	<u>7,533,954</u>
5000 Services and other operating expenses				
5100 Contracts for personal services	282,787	270,936	473,145	1,026,868
5110 Travel, conferences and other expenses	17,027	18,444	-	35,471
5400 Insurance	21,196	20,174	-	41,370
5500 Utilities and other operating expenses	100,681	100,474	480	201,635
5600 Rental, leases and repairs	406,538	449,936	-	856,474
5800 Other services and operating expenses	693,006	769,510	57,433	1,519,949
	<u>1,521,235</u>	<u>1,629,474</u>	<u>531,058</u>	<u>3,681,767</u>
6000 Capital Outlay				
6100/6200 Other approved capital outlay	-	-	-	-
6500 Replacement Equipment ( <i>program-related</i> )	27,273	60,122	-	87,395
Depreciation or Use allowance	-	-	-	-
	<u>27,273</u>	<u>60,122</u>	<u>-</u>	<u>87,395</u>
Total reimbursable expenses	<u>\$ 4,878,783</u>	<u>\$ 5,792,800</u>	<u>\$ 631,533</u>	<u>\$ 11,303,116</u>

See Independent Auditor's Report.

Community Action Marin  
Child Development Programs  
**RECONCILIATION OF CDE AND GAAP EXPENSE REPORTING**  
For the Year Ended June 30, 2023

	<b><u>Center CCTR-2145</u></b>	<b><u>Center CSPP-2275</u></b>	<b><u>CFCC-2012</u></b>	<b><u>Total Reimbursable</u></b>
Expenses:				
Schedule of Expenditures by State Categories (CDE)	\$4,878,783	\$5,792,800	\$ 631,533	\$ 11,303,116
Adjustments to reconcile differences in reporting:				
Depreciation of assets funded by CDE-CD	-	-	-	-
Capitalized renovation and repairs expenses on AUD forms	-	-	-	-
Capitalized equipment expensed on AUD form	-	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Combining Statement of Activities (GAAP)	<u>\$4,878,783</u>	<u>\$5,792,800</u>	<u>\$ 631,533</u>	<u>\$ 11,303,116</u>

See Independent Auditor's Report.

Community Action Marin  
Child Development Programs  
SCHEDULE OF REIMBURSABLE EQUIPMENT EXPENDITURES  
For the Year Ended June 30, 2023

	<b>Center CCTR-2145</b>	<b>Center CSPP-2275</b>	<b>CFCC-2012</b>	
	General Child Care & Development	Full Day Preschool	Family Child Care Homes	Total
Unit cost items under \$7,500:				
None	\$ -	\$ -	\$ -	\$ -
Total	-	-	-	-
Unit cost over \$7,500 with written approval:				
None	-	-	-	-
Total	-	-	-	-
Unit cost over \$7,500 without written approval:				
None	-	-	-	-
Total	-	-	-	-
Total capital outlay and equipment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report.

Community Action Marin  
Child Development Programs  
SCHEDULE OF REIMBURSABLE EXPENDITURES FOR RENOVATIONS AND REPAIRS  
For the Year Ended June 30, 2023

	<b>Center CCTR-2145</b>	<b>Center CSPP-2275</b>	<b>CFCC-2012</b>	
	General Child Care & Development	Full Day Preschool	Family Child Care Homes	Total
Unit cost items under \$10,000:				
None	\$ -	\$ -	\$ -	\$ -
Total	-	-	-	-
Unit cost over \$10,000 with written approval:				
None	-	-	-	-
Total	-	-	-	-
Unit cost over \$10,000 without written approval:				
None	-	-	-	-
Total	-	-	-	-
 Total capital outlay and equipment	 \$ -	 \$ -	 \$ -	 \$ -

See Independent Auditor's Report.

Community Action Marin  
Child Development Programs  
SCHEDULE OF REIMBURSABLE ADMINISTRATIVE COSTS  
For the Year Ended June 30, 2023

	Center CCTR-2145 General Child Care & Development	Center CSPP-2275 Full Day Preschool	CFCC-2012 Family Child Care Homes	Total
Expenses:				
1000 Certificated salaries	\$ 74,563	\$ 97,710	\$ -	\$ 172,273
2000 Classified salaries	70,784	92,758	-	163,542
3000 Employee benefits	20,154	20,653	-	40,807
4000 Books and supplies	-	-	-	-
4300 Instructional and program supplies	3,050	2,879	-	5,929
4500 Food and other food service supplies	10,739	13,999	-	24,738
4700 Other supplies	2,331	2,350	-	4,681
	<u>181,621</u>	<u>230,349</u>	<u>-</u>	<u>411,970</u>
5000 Services and other operating expenses				
5100 Contracts for personal services	15,422	15,212	-	30,634
5110 Travel, conferences and other expenses	929	1,035	-	1,964
5400 Insurance	1,156	1,133	-	2,289
5500 Utilities and other operating expenses	5,491	5,640	-	11,131
5600 Rental, leases and repairs	22,171	25,259	-	47,430
5800 Other services and operating expenses	37,795	43,196	-	80,991
	<u>82,964</u>	<u>91,475</u>	<u>-</u>	<u>174,439</u>
6000 Capital Outlay				
6100/6200 Other approved capital outlay	-	-	-	-
6500 Replacement Equipment ( <i>program-related</i> )	1,487	3,375	-	4,862
Depreciation or Use allowance	-	-	-	-
	<u>1,487</u>	<u>3,375</u>	<u>-</u>	<u>4,862</u>
Indirect costs	<u>426,934</u>	<u>444,310</u>	<u>57,433</u>	<u>928,677</u>
	<u>426,934</u>	<u>444,310</u>	<u>57,433</u>	<u>928,677</u>
Total	<u>\$ 693,006</u>	<u>\$ 769,509</u>	<u>\$ 57,433</u>	<u>\$ 1,519,948</u>

See Independent Auditor's Report.

Community Action Marin  
Child Development Programs  
SCHEDULE OF REIMBURSABLE START-UP EXPENSES  
For the Year Ended June 30, 2023

	Center CCTR-2145 General Child Care & Development	Center CSPP-2275 Full Day Preschool	CFCC-2012 Family Child Care Homes	Total
Reimbursable start-up expenses:				
1000 Certificated salaries	\$ -	\$ -	\$ -	\$ -
2000 Classified salaries	-	-	-	-
3000 Employee benefits	-	-	-	-
4000 Books and supplies	-	-	-	-
5000 Services and other operating expenses	-	-	-	-
6100/6200 Other Approved Capital Outlay	-	-	-	-
Indirect costs	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report.

# AUDITED ENROLLMENT, ATTENDANCE AND FISCAL REPORT FOR CHILD CARE AND DEVELOPMENT PROGRAMS

Fiscal Year Ending	June 30, 2023
Contract Number	CCTR2145
Vendor Code	N0530

Full Name of Contractor **COMMUNITY ACTION MARIN**

## Section 1 - Number of Counties Where Services are Provided

Number of counties where the agency provided services to certified children (Form AUD 9500.1):

Number of counties where the agency provided mental health consultation services to certified children (Form AUD 9500.2):

Number of counties where the agency provided services to non-certified children (Form AUD 9500.3):

Number of counties where the agency provided mental health consultation services to non-certified children (Form AUD 9500.4):

Total enrollment and attendance forms to attach:

Note: For each of the above categories, submit one form for each service county for the fiscal year.

## Section 2 - Days of Enrollment, Attendance and Operation

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjusted Days per Audit
Total Certified Days of Enrollment			0	
Total Certified Days of Enrollment with Mental Health Consultation Services	26,715		26715	33,952.5464
Days of Attendance (including MHCS)	26,642		26642	N/A
Total Non-Certified Days of Enrollment			0	
Total Non-Certified Days of Enrollment with Mental Health Consultation Services	33		33	33.0000
Days of Operation	244		244	N/A

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Full Name of Contractor **COMMUNITY ACTION MARIN**Contract Number **CCTR2145****Section 3 - Revenue**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs	30,326	-4,911	25415
Restricted Income - County Maintenance of Effort (WIC Section 10308.5)			0
Restricted Income - American Rescue Plan Act (ARPA)			0
Restricted Income - Other:			0
<b>Restricted Income - Subtotal</b>	<b>30326</b>	<b>-4911</b>	<b>25415</b>
Transfer From Reserve			0
Waived Family Fees for Certified Children*	53,675	-53,675	0
Interest Earned on Child Development Apportionment Payments			0
Unrestricted Income - Fees for Non-Certified Children			0
Unrestricted Income - Head Start			0
Unrestricted Income - Other:			0
<b>Total Revenue (*Waived Family Fees Not Included)</b>	<b>30326</b>	<b>-4911</b>	<b>25415</b>

Comments:

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Full Name of Contractor **COMMUNITY ACTION MARIN**Contract Number **CCTR2145****Section 4 - Reimbursable Expenses**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers (FCCH only)			0
1000 Certificated Salaries	1,107,279	-7,037	1100242
2000 Classified Salaries	1,628,481	-3,065	1625416
3000 Employee Benefits	599,700	3,757	603457
4000 Books and Supplies	89,418	2,348	91766
5000 Services and Other Operating Expenses	970,239	60,729	1030968
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (program-related)			0
6500 Equipment Replacement (program-related)			0
Depreciation or Use Allowance			0
Start-up Expenses (service level exemption)			0
Budget Impasse Credit			0
Indirect Costs (include in Total Administrative Cost)	439,374	-12,440	426934
Non-Reimbursable (State use only)			0
<b>Total Reimbursable Expenses</b>	<b>4834491</b>	<b>44292</b>	<b>4878783</b>
Total Administrative Cost (included in Section 4 above)	702,224	-9,218	693006
Total Staff Training Cost (included in Section 4 above)			0

Approved Indirect Cost Rate:

☐ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 4.

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Full Name of Contractor **COMMUNITY ACTION MARIN**Contract Number **CCTR2145****Section 5 - Supplemental Revenue**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding		185,874	185874
Other:			0
Other:			0
<b>Total Supplemental Revenue</b>	<b>0</b>	<b>185874</b>	<b>185874</b>

**Section 6 - Supplemental Expenses**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries			0
2000 Classified Salaries			0
3000 Employee Benefits			0
4000 Books and Supplies			0
5000 Services and Other Operating Expenses			0
6000 Equipment / Capital Outlay			0
Depreciation or Use Allowance			0
Indirect Costs			0
Non-Reimbursable Supplemental Expenses			0
<b>Total Supplemental Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>

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Full Name of Contractor **COMMUNITY ACTION MARIN**Contract Number **CCTR2145****Section 7 - Summary**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment (including MHCS)	26715	0	26715
Days of Operation	244		244
Days of Attendance (including MHCS)	26642		26642
Restricted Program Income	30326	-4911	25415
Transfer from Reserve			0
Waived Family Fees for Certified Children	53675	-53675	0
Interest Earned on Child Development Apportionment Payments			0
Direct Payments to Providers			0
Start-up Expenses (service level exemption)			0
Total Reimbursable Expenses	4834491	44292	4878783
Total Administrative Cost	702224	-9218	693006
Total Staff Training Cost			0

Total Certified Adjusted Days of Enrollment (including MHCS) **33,952.5464**Total Non-Certified Adjusted Days of Enrollment (including MHCS) **33.0000**

Independent auditor's assurances on agency's compliance with contract funding terms and conditions and program requirements for programs that transferred to the California Department of Social Services on July 1, 2021 pursuant to WIC Section 10203(b):

Eligibility, enrollment and attendance records are being maintained as required (select YES or NO from the drop-down box): **Yes**

Reimbursable expenses claimed on page 3 are eligible for reimbursement, reasonable, necessary, and adequately supported (select YES or NO from the drop-down box):

**Yes**

Include any comments in the comments box on page 2. If necessary, attach additional sheets to explain adjustments.

Audit Report Page

Contractor Name: COMMUNITY ACTION MARIN

Contract Number: CSPP2275

**California Department of Education  
Audited Enrollment, Attendance and Fiscal  
Report for California State Preschool Program**

Fiscal Year Ended: June 30, 2023

Vendor Code: N053

**Section 1 – Number of Counties Where Services are Provided**

Number of counties where the agency provided services to certified children (Form 1): **0**

Number of counties where the agency provided mental health consultation services to certified children (Form 2): **1**

Number of counties where the agency provided services to non-certified children (Form 3): **0**

Number of counties where the agency provided mental health consultation services to non-certified children (Form 4): **0**

Total enrollment and attendance forms to attach: **1**

**Section 2 – Days of Enrollment, Attendance and Operation**

Enrollment and Attendance Form Summary	Column A Cumulative FY per CPARIS	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjusted Days per Audit
Total Certified Days of Enrollment	0	0	0	0.0000
Total Certified Days of Enrollment with Mental Health Consultation Services	38,877	0	38,877	50,555.7032
Days of Attendance (including MHCS)	38,848	0	38,848	N/A
Total Non-Certified Days of Enrollment	0	0	0	0.0000
Total Non-Certified Days of Enrollment with Mental Health Consultation Services	0	0	0	0.0000

Days of Operation	Column A Cumulative FY per CPARIS	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjusted Days per Audit
Days of Operation	244		244	N/A

**Section 3 – Revenue**

Restricted Income	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Child Nutrition Programs	96,831	(8,955)	87,876
County Maintenance of Effort (EC Section 8260)			0
Other:			0
Other:			0
<b>TOTAL RESTRICTED INCOME</b>	<b>96,831</b>	<b>(8,955)</b>	<b>87,876</b>

Transfer from Reserve	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Transfer from Preschool Reserve Account			0

Other Income	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Waived Family Fees for Certified Children	128,346	(128,346)	0
Interest Earned on Child Development Apportionment Payments			0
Unrestricted Income: Fees for Non-Certified Children			0
Unrestricted Income: Head Start			0
Other:			0
Other:			0

**Section 4 - Reimbursable Expenses**

Cost Category	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Direct Payments to Providers (FCCH only)			0
1000 Certificated Salaries	1,290,796	71,105	1,361,901
2000 Classified Salaries	1,892,689	106,351	1,999,040
3000 Employee Benefits	620,483	(828)	619,655
4000 Books and Supplies	94,185	1,379	95,564
5000 Services and Other Operating Expenses	1,042,026	230,304	1,272,330
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (program-related)			0
6500 Equipment Replacement (program-related)			0
Depreciation or Use Allowance			0
Start-up Expenses (service level exemption)			0
Indirect Costs (include in Total Administrative Cost)	489,801	(45,491)	444,310
<b>TOTAL REIMBURSABLE EXPENSES</b>	<b>5,429,980</b>	<b>362,820</b>	<b>5,792,800</b>

Does the agency have an indirect cost rate approved by its cognizant agency (Select YES or NO)? ☐ Yes ☒ No

Approved Indirect Cost Rate:

Specific Items of Reimbursable Expenses	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Total Administrative Cost (included in Reimbursable Expenses)	783,083	(13,574)	769,509
Total Staff Training Cost (included in Reimbursable Expenses)			0

☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 4.

**Section 6 - Summary**

Description	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Total Certified Days of Enrollment (including MHCS)	38,877	0	38,877
Days of Operation	244	0	244
Days of Attendance (including MHCS)	38,848	0	38,848
Total Certified Adjusted Days of Enrollment	N/A	N/A	50,555.7032
Total Non-Certified Adjusted Days of Enrollment	N/A	N/A	0.0000
Restricted Program Income	96,831	(8,955)	87,876
Transfer from Preschool Reserve Account	0	0	0
Interest Earned on Apportionment Payments	0	0	0
Direct Payments to Providers	0	0	0
Start-up Expenses (service level exemption)	0	0	0
Total Reimbursable Expenses	5,429,980	362,820	5,792,800
Total Administrative Cost	783,083	(13,574)	769,509
Total Staff Training Cost	0	0	0
Non-Reimbursable Cost (State Use Only)	N/A	N/A	

### Section 7 – Auditor's Assurances

Independent auditor's assurances on agency's compliance with the contract funding terms and conditions and program requirements of the California Department of Education, Early Education Division:

Eligibility, enrollment and attendance records are being maintained as required (Select YES or NO): ☒ Yes ☐ No

Reimbursable expenses claimed in Section 4 are eligible for reimbursement, reasonable, necessary, and adequately supported (Select YES or NO): ☒ Yes ☐ No

### Section 8 – Comments

Include any comments in the comment box. If necessary, attach additional sheets to explain adjustments.

**California State Preschool Program – Form 2**  
**Certified Children Receiving Mental Health Consultation Services**  
**Days of Enrollment and Attendance**

**Service County: Marin**

Enrollment Description	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Three Years Old Full-time-plus			0	2.2240	0.0000
Three Years Old Full-time	3,301		3,301	1.9000	6,271.9000
Three Years Old Part-time	4,361		4,361	1.1872	5,177.3792
Four Years and Older Full-time-plus			0	1.2800	0.0000
Four Years and Older Full-time	1,249		1,249	1.1000	1,373.9000
Four Years and Older Part-time	1,027		1,027	0.7040	723.0080
Exceptional Needs Full-time-plus			0	2.9320	0.0000
Exceptional Needs Full-time	3,548		3,548	2.5000	8,870.0000
Exceptional Needs Part-time	3,560		3,560	1.5496	5,516.5760
Dual Language Learner Full-time-plus			0	1.5160	0.0000
Dual Language Learner Full-time	12,171		12,171	1.3000	15,822.3000
Dual Language Learner Part-time	9,660		9,660	0.7040	6,800.6400

Enrollment Description	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
At Risk of Abuse or Neglect Full-time-plus			0	1.3980	0.0000
At Risk of Abuse or Neglect Full-time			0	1.2000	0.0000
At Risk of Abuse or Neglect Part-time			0	0.7040	0.0000
Severely Disabled Full-time-plus			0	2.9320	0.0000
Severely Disabled Full-time			0	2.5000	0.0000
Severely Disabled Part-time			0	1.5496	0.0000
<b>TOTAL CERTIFIED DAYS OF ENROLLMENT WITH MENTAL HEALTH CONSULTATION SERVICES</b>	<b>38,877</b>	<b>0</b>	<b>38,877</b>	N/A	<b>50,555.7032</b>

Attendance	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
<b>DAYS OF ATTENDANCE</b>	<b>38,848</b>		<b>38,848</b>	N/A	N/A

**AUDITED FISCAL REPORT FOR CALWORKS, ALTERNATIVE  
PAYMENT OR FAMILY CHILD CARE HOME PROGRAMS**Fiscal Year Ending **June 30, 2023**Contract Number **CFCC2012**Vendor Code **N053**Full Name of Contractor **COMMUNITY ACTION MARIN****Section 1 - Revenue**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (WIC Section 10308.5)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
<b>Restricted Income - Subtotal</b>				
Transfer from Reserve (alternative payment only)				
Waived Family Fees for Certified Children*				
Family Fees Collected for Certified Children				
Interest Earned on Child Development Apportionment Payments				
Unrestricted Income - Other:				
<b>Total Revenue (*Waived Family Fees Not Included)</b>				

Audit Report Page

Contract Number

CFCC2012

Full Name of Contractor **COMMUNITY ACTION MARIN****Section 2 - Reimbursable Expenses**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers		473,145		473,145
1000 Certificated Salaries			45,033	45,033
2000 Classified Salaries		87,784	-45,033	42,751
3000 Employee Benefits		12,690	1	12,691
4000 Books and Supplies				
5000 Services and Other Operating Expenses		480		480
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance				
Indirect Costs (include in Total Administrative Cost)		57,433		57,433
Non-Reimbursable (State use only)				
<b>Total Reimbursable Expenses</b>		<b>631,532</b>	<b>1</b>	<b>631,533</b>
Total Administrative Cost (included in Section 2 above)		57,433		57,433
Days of Operation		242		242

Approved Indirect Cost Rate:

☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 3.

Audit Report Page

Contract Number

CFCC2012

Full Name of Contractor **COMMUNITY ACTION MARIN****Section 3 - Supplemental Revenue**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding				
Other:				
<b>Total Supplemental Revenue</b>				

**Section 4 - Supplemental Expenses**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers				
1000 Certificated Salaries				
2000 Classified Salaries				
3000 Employee Benefits				
4000 Books and Supplies				
5000 Services and Other Operating Expenses				
6000 Equipment / Capital Outlay				
Depreciation or Use Allowance				
Indirect Costs				
Non-Reimbursable Supplemental Expenses				
<b>Total Supplemental Expenses</b>				

Audit Report Page

Contract Number

CFCC2012

Full Name of Contractor **COMMUNITY ACTION MARIN****Section 5 - Summary**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Transfer from Reserve (alternative payment only)				
Family Fees Collected for Certified Children				
Interest Earned on Child Development Apportionment Payments				
Direct Payments to Providers		473,145		473,145
Total Administrative Cost		57,433		57,433
Days of Operation		242		242
Total Reimbursable Expenses		631,532	1	631,533

Comments:

Audit Report Page

**AUDITED RESERVE ACCOUNT  
ACTIVITY REPORT**

Fiscal Year End

June 30, 2023

Reserve Account Type

Center-Based

Vendor Code

N053

Full Name of Contractor **COMMUNITY ACTION MARIN****Section 1 - Prior Year Reserve Account Activity**

1. Beginning Balance (2021–22 AUD 9530A Ending Balance)	322,929
2. Plus Transfers to Reserve Account:	Per 2021–22 Post-Audit CDNFS 9530
Contract No.CSPP	216,952
Contract No.CCTR	174,826
Contract No.	
Contract No.	
Contract No.	
Contract No.	
<b>Total Transferred from 2021–22 Contracts to Reserve</b>	<b>391,778</b>
3. Less Excess Reserve to be Billed	
<b>4. Ending Balance per 2021-22 Post-Audit CDNFS 9530</b>	<b>714,707</b>

**Section 2 - Current Year (2022–23) Reserve Account Activity**

	Column A CDNFS 9530A	Column B Audit Adjustments	Column C per Audit
5. Plus Interest Earned This Year on Reserve:	41		41
6. Less Transfers to Contracts from Reserve:			
Contract No.			
Contract No.			
Contract No.			
Contract No.			
Contract No.			
Contract No.			
<b>Total Transferred to Contracts from Reserve Account</b>			
<b>7. Ending Balance on June 30, 2023</b>	<b>714,748</b>		<b>714,748</b>

COMMENTS - If necessary, attach additional sheets to explain adjustments.

Audit Report Page

Community Action Marin  
Child Development Programs  
STATEMENT OF CLAIM  
Agreement No: N053-21-1371-OJ  
For the Period July 1, 2022 to June 30, 2023

Federal Fund Reimbursement Variance (Overpaid):

Federal Fund Payments to Date	\$	307,483	
Less: Amount Reimbursable from Federal Fund		<u>307,483</u>	\$ -

State Fund Reimbursement Variance (Overpaid):

State Fund Payments to Date	\$	16,273	
Less: Amount Reimbursable from State Fund		<u>16,273</u>	\$ -

Cash-In-Lieu Reimbursement:

Allowed	\$	15,532	
Less: Paid		<u>15,532</u>	\$ -

Total Program Reimbursement Refund (Overpayment)			<u><u>\$ -</u></u>
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See Independent Auditor's Report.

Community Action Marin  
Child Development Programs  
STATEMENT OF CLAIM  
Agreement No: N053-21-1371-OJ  
For the Period July 1, 2022 to June 30, 2023

Reimbursement per Examination	\$ 339,288
Less: Program Reimbursements Claimed and Received	<u>339,288</u>
Amount Due From Agency	<u><u>\$ -</u></u>

See Independent Auditor's Report.

Community Action Marin  
Child Development Programs  
SCHEDULE OF REPORTED, ADJUSTED AND  
ALLOWED MEALS AND EARNED REIMBURSEMENT  
Agreement No: N053-21-1371-OJ  
For the Period July 1, 2022 to June 30, 2023

FIXED PERCENTAGE METHOD

Federal Meal	MEALS			Food Service	Revenue	Audit	Earned
Compensation	Reported	Adjusted	Allowed	Rates	Recognized	Adjustments	Reimbursement
<u>Breakfast</u>							
Free	31,565	-	31,565	\$ 2.2100	\$ 69,758	\$ -	\$ 69,758
Reduced	9,209	-	9,209	1.9100	17,589	-	17,589
Base	10,382	-	10,382	0.4500	4,672	-	4,672
Total	<u>51,156</u>	<u>-</u>	<u>51,156</u>		<u>92,019</u>	<u>-</u>	<u>92,019</u>
<u>Lunch</u>							
Free	32,892	-	32,892	\$ 4.0300	\$ 132,555	-	132,555
Reduced	8,728	-	8,728	3.6300	31,683	-	31,683
Base	10,154	-	10,154	0.4700	4,772	-	4,772
Total	<u>51,774</u>	<u>-</u>	<u>51,774</u>		<u>169,010</u>	<u>-</u>	<u>169,010</u>
<u>Supplements</u>							
Free	31,825	-	31,825	\$ 1.1800	\$ 37,554	-	37,554
Reduced	10,665	-	10,665	0.6400	6,826	-	6,826
Base	10,916	-	10,916	0.1900	2,074	-	2,074
Total	<u>53,406</u>	<u>-</u>	<u>53,406</u>		<u>46,454</u>	<u>-</u>	<u>46,454</u>
Total Federal Meal Reimbursement					307,483	-	307,483
Total State Meal Reimbursement	82,394			0.1975	16,273	-	16,273
Cash-In-Lieu	<u>51,774</u>	<u>-</u>	<u>51,774</u>	\$ 0.3000	<u>15,532</u>	<u>-</u>	<u>15,532</u>
Total Reimbursement					<u>\$ 339,288</u>	<u>\$ -</u>	<u>\$ 339,288</u>
Total Program Reimbursement Overpaid - Refund due to the State						<u>\$ -</u>	

See Independent Auditor's Report.

Community Action Marin  
Child Development Programs  
SCHEDULE OF REPORTED, ADJUSTED AND  
ALLOWED MEALS  
Agreement No: N053-21-1371-OJ  
For the Period July 1, 2022 to June 30, 2023

FIXED PERCENTAGE METHOD

	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed
	July 2022			August 2022			September 2022		
<u>Breakfast</u>									
Free	3,371	-	3,371	2,658	-	2,658	2,549	-	2,549
Reduced	988	-	988	752	-	752	687	-	687
Base	1,053	-	1,053	818	-	818	796	-	796
Total	<u>5,412</u>	<u>-</u>	<u>5,412</u>	<u>4,228</u>	<u>-</u>	<u>4,228</u>	<u>4,032</u>	<u>-</u>	<u>4,032</u>
<u>Lunch</u>									
Free	3,752	-	3,752	2,889	-	2,889	2,569	-	2,569
Reduced	1,148	-	1,148	780	-	780	562	-	562
Base	1,167	-	1,167	852	-	852	701	-	701
Total	<u>6,067</u>	<u>-</u>	<u>6,067</u>	<u>4,521</u>	<u>-</u>	<u>4,521</u>	<u>3,832</u>	<u>-</u>	<u>3,832</u>
<u>Supplements</u>									
Free	3,175	-	3,175	2,646	-	2,646	2,753	-	2,753
Reduced	964	-	964	831	-	831	909	-	909
Base	991	-	991	838	-	838	907	-	907
Total	<u>5,130</u>	<u>-</u>	<u>5,130</u>	<u>4,315</u>	<u>-</u>	<u>4,315</u>	<u>4,569</u>	<u>-</u>	<u>4,569</u>
	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed
	October 2022			November 2022			December 2022		
<u>Breakfast</u>									
Free	2,647	-	2,647	2,323	-	2,323	1,908	-	1,908
Reduced	743	-	743	653	-	653	543	-	543
Base	851	-	851	743	-	743	615	-	615
Total	<u>4,241</u>	<u>-</u>	<u>4,241</u>	<u>3,719</u>	<u>-</u>	<u>3,719</u>	<u>3,066</u>	<u>-</u>	<u>3,066</u>
<u>Lunch</u>									
Free	2,668	-	2,668	2,372	-	2,372	1,971	-	1,971
Reduced	631	-	631	612	-	612	507	-	507
Base	778	-	778	708	-	708	589	-	589
Total	<u>4,077</u>	<u>-</u>	<u>4,077</u>	<u>3,692</u>	<u>-</u>	<u>3,692</u>	<u>3,067</u>	<u>-</u>	<u>3,067</u>
<u>Supplements</u>									
Free	2,702	-	2,702	2,393	-	2,393	2,048	-	2,048
Reduced	919	-	919	800	-	800	672	-	672
Base	922	-	922	805	-	805	680	-	680
Total	<u>4,543</u>	<u>-</u>	<u>4,543</u>	<u>3,998</u>	<u>-</u>	<u>3,998</u>	<u>3,400</u>	<u>-</u>	<u>3,400</u>

See Independent Auditor's Report.

Community Action Marin  
Child Development Programs  
SCHEDULE OF REPORTED, ADJUSTED AND  
ALLOWED MEALS (Continued)  
Agreement No: N053-21-1371-OJ  
For the Period July 1, 2022 to June 30, 2023

FIXED PERCENTAGE METHOD

	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed
	January 2023			February 2023			March 2023		
<u>Breakfast</u>									
Free	2,409	-	2,409	2,265	-	2,265	2,795	-	2,795
Reduced	642	-	642	662	-	662	849	-	849
Base	756	-	756	753	-	753	980	-	980
Total	3,807	-	3,807	3,680	-	3,680	4,624	-	4,624
<u>Lunch</u>									
Free	2,480	-	2,480	2,370	-	2,370	2,842	-	2,842
Reduced	591	-	591	623	-	623	750	-	750
Base	729	-	729	736	-	736	924	-	924
Total	3,800	-	3,800	3,729	-	3,729	4,516	-	4,516
<u>Supplements</u>									
Free	2,443	-	2,443	2,250	-	2,250	2,874	-	2,874
Reduced	821	-	821	787	-	787	1,037	-	1,037
Base	830	-	830	798	-	798	1,068	-	1,068
Total	4,094	-	4,094	3,835	-	3,835	4,979	-	4,979
	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed
	April 2023			May 2023			June 2023		
<u>Breakfast</u>									
Free	2,571	-	2,571	2,957	-	2,957	3,112	-	3,112
Reduced	837	-	837	924	-	924	929	-	929
Base	932	-	932	1,054	-	1,054	1,031	-	1,031
Total	4,340	-	4,340	4,935	-	4,935	5,072	-	5,072
<u>Lunch</u>									
Free	2,635	-	2,635	2,975	-	2,975	3,369	-	3,369
Reduced	766	-	766	782	-	782	976	-	976
Base	905	-	905	980	-	980	1,085	-	1,085
Total	4,306	-	4,306	4,737	-	4,737	5,430	-	5,430
<u>Supplements</u>									
Free	2,457	-	2,457	3,099	-	3,099	2,985	-	2,985
Reduced	906	-	906	1,113	-	1,113	906	-	906
Base	939	-	939	1,151	-	1,151	987	-	987
Total	4,302	-	4,302	5,363	-	5,363	4,878	-	4,878

See Independent Auditor's Report.

Community Action Marin  
Child Development Programs  
SCHEDULE OF REPORTED, ADJUSTED AND  
ALLOWED ELIGIBILITY  
Agreement No: N053-21-1371-OJ  
For the Period July 1, 2022 to June 30, 2023

FIXED PERCENTAGE METHOD

	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
<u>Eligibility</u>												
<u>Total</u>												
Reported	396	396	396	396	396	396	396	396	396	396	396	396
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	396	396	396	396	396	396	396	396	396	396	396	396
Free												
Reported	239	239	239	239	239	239	239	239	239	239	239	239
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	239	239	239	239	239	239	239	239	239	239	239	239
Reduced												
Reported	77	77	77	77	77	77	77	77	77	77	77	77
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	77	77	77	77	77	77	77	77	77	77	77	77
Base												
Reported	80	80	80	80	80	80	80	80	80	80	80	80
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	80	80	80	80	80	80	80	80	80	80	80	80

See Independent Auditor's Report.

# **Community Action Marin**

## **Notes to the Child Care and Development Program Supplemental Information**

June 30, 2023

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### **Note 1: General**

In accordance with the applicable requirements from the Funding Terms & Conditions:

1. Interest expense is only allowable as a reimbursable cost in certain circumstances when it has been preapproved by the administering state department or relates to the lease purchase, acquisition, or repair or renovation of early learning and care facilities owned or leased by the contractor. For the year ended June 30, 2023, there was no interest expense incurred and charged to a child development contract.
2. All expenses claimed for reimbursement under a related party rent transaction must be supported by a fair market rental estimate from an independent appraiser, licensed by the California Office of Real Estate Appraisers. For the year ended June 30, 2023, Community Action Marin did not rent any facilities or equipment from related parties.
3. Bad debt expense is unallowable unless it relates to uncollected family fees where documentation of adequate collection attempts exists. No bad debt expense was claimed to a child development contract for the year ended June 30, 2023.

## **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***

Board of Directors  
Community Action Marin  
San Rafael, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Community Action Marin (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 12, 2023.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Community Action Marin'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 Community Action Marin's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Action Marin'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 reasonable possibility that a material misstatement of Community Action Marin'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a deficiency in internal control described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a significant deficiency.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Community Action Marin'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*.

### **Community Action Marin's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on Community Action Marin's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. Community Action Marin's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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 Community Action Marin's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Action Marin's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Wipfli LLP

Madison, Wisconsin  
December 12, 2023

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

Board of Directors  
Community Action Marin  
San Rafael, California

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

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

We have audited Community Action Marin'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 its major federal programs for the year ended June 30, 2023. Community Action Marin'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, Community Action Marin complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

#### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Community Action Marin 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 Community Action Marin'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 Community Action Marin's federal programs.

### ***Auditor's Responsibility 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 Community Action Marin'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 GAAS, *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 Community Action Marin's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Community Action Marin'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 Community Action Marin'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 Community Action Marin'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 a 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 weaknesses 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 "Wipfli LLP". The script is cursive and fluid, with the letters "W", "i", "p", "f", "l", and "i" being particularly prominent and connected.

Wipfli LLP

Madison, Wisconsin  
December 12, 2023

# Community Action Marin

## Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

### Section I - Summary of Auditor's Results

#### Financial Statements

Type of auditor's report issued

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☒ Yes ☐ None Reported

Noncompliance material to financial statements noted?

☐ Yes ☒ No

#### Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None Reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

☐ Yes ☒ No

Identification of major federal programs:

<u>AL Number</u>	<u>Name of Federal Program or Cluster</u>
93.600	Head Start Cluster
93.575/93.596	Child Care Development Fund Cluster

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

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

# Community Action Marin

## Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2023

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### Section II - Financial Statement Findings

#### **Finding 2023-001: Internal Controls Over Financial Reporting**

**Condition:** During the audit, Wipfli LLP noted that there were instances where there were no documented reviews of monthly activity by management in accordance with policies and procedures established by Community Action Marin. This is a repeat of finding 2022-001. Observed through the following testing:

- ◆ Transactions from the January 2023 credit card statement did not have the required signatures on the respective check request transmittal forms.

In addition, Wipfli LLP proposed and Community Action Marin recorded adjusting journal entries to properly record property and equipment and accounts payable.

**Criteria:** Internal controls are effective if they are properly designed and implemented to prevent or detect account misstatements prior to the audit.

**Cause:** The internal controls of Community Action Marin were not in place during this timeframe due to transitions in the fiscal department leading to no chief financial officer being employed by Community Action Marin.

**Effect:** As a result of the matters identified in the condition paragraph, a significant deficiency exists in Community Action Marin's internal controls over financial reporting.

**Recommendation:** We recommend Community Action Marin implement mitigating controls to ensure that there are back up review processes established in cases of staffing transition.

**View of responsible officials:** Management agrees with the assessment and has committed to a corrective action plan.

### Section III – Federal Award Findings and Questioned Costs

None.

# Community Action Marin

## Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2023

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### Section IV – Summary Schedule of Prior Year Findings

#### **Finding 2022-001: Internal Controls Over Financial Reporting**

**Current Year Status:** Wipfli noted that this finding has been partially resolved as of the year ended June 30, 2023. Auditor observed through testing procedures that the review of the bank reconciliations and the accounts payable listing being reconciled to the general ledger balance were present during the year ended June 30, 2023. This finding is being repeated due to observed instances of missing approvals on check transmittal forms through credit card testing. (See Finding 2023-001)

#### **Finding 2022-002: Reporting**

**Current Year Status:** Wipfli noted the SF429A was filed timely during the year ended June 30, 2023, resulting in the finding being considered resolved.