

Community Action Marin

San Rafael, California

Financial Statements and
Supplementary Information

Year Ended June 30, 2024
(With Comparative Totals for the Year
Ended June 30, 2023)



Community Action Marin

Years Ended June 30, 2024 and 2023

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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, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Community Action Marin as of June 30, 2024, 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.

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 26-40, 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, 2023, 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 31-34, 38 and 40, 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, 2023, 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 GAAS. In our opinion, the prior year revenue and expenses included in the schedules of pages 31-34, 38 and 40, 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 2023 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated December 12, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, 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 13, 2024, 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 13, 2024

Community Action Marin

Statement of Financial Position

June 30, 2024 (With Comparative Totals for June 30, 2023)

<i>Assets</i>	2024	2023
Current assets:		
Cash and cash equivalents	\$ 2,542,934	\$ 1,920,012
Restricted cash	966,727	764,184
Short-term investments	2,991,633	2,046,166
Beneficial interest in assets held by community foundation	2,845,948	2,758,287
Grants and contracts receivable	951,450	1,894,494
Contribution Receivable - discounted rent	26,283	25,547
Prepaid expenses and other current assets	355,334	183,720
Total current assets	10,680,309	9,592,410
Contribution Receivable - discounted rent, Long-Term	206,438	232,721
Right of use lease asset	1,335,487	853,721
Property and equipment, net	3,113,676	2,719,943
TOTAL ASSETS	\$ 15,335,910	\$ 13,398,795
<i>Liabilities and Net Assets</i>		
Current liabilities:		
Lease liability	\$ 650,876	\$ 498,360
Accounts payable	676,880	637,717
Accrued payroll and related	1,936,496	621,603
Accrued vacation	1,085,355	772,622
Accrued unemployment	258,923	273,431
Refundable advances	1,943,872	2,261,179
Due to fiscal agents	7,670	57,216
Total current liabilities	6,560,072	5,122,128
Long-term liabilities:		
Lease liability	697,364	293,822
Note payable	44,705	44,705
Total liabilities	7,302,141	5,460,655
Net assets:		
Without donor restrictions:		
Undesignated	5,514,531	5,782,478
Board designated	556,081	538,952
Total net assets without donor restrictions	6,070,612	6,321,430
With donor restrictions	1,963,157	1,616,710
Total net assets	8,033,769	7,938,140
TOTAL LIABILITIES AND NET ASSETS	\$ 15,335,910	\$ 13,398,795

See accompanying notes to financial statements

Community Action Marin

Statement of Activities

Year Ended June 30, 2024 (With Comparative Totals for year ended June 30, 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenue:				
Government grants and contracts	\$ 23,014,350	\$ 5,502,650	\$ 28,517,000	\$ 24,930,091
Grants income	2,870,107	-	2,870,107	1,966,947
Contributions	127,185	-	127,185	163,726
Other income	143,727	-	143,727	30,500
Childcare fees	3,671	-	3,671	-
Rental income	88,818	-	88,818	122,469
Investment income	418,467	-	418,467	229,689
Noncash contributions	76,738	-	76,738	110,438
Net assets released from restrictions	5,156,203	(5,156,203)	-	-
Total revenue	\$ 31,899,266	\$ 346,447	\$ 32,245,713	\$ 27,553,860
Expenses:				
Program services:				
Energy programs	393,444	-	393,444	350,441
Mental health programs	493,024	-	493,024	185,220
Food justice programs	1,051,032	-	1,051,032	773,754
Child development programs	12,762,212	-	12,762,212	9,906,473
Head Start programs	5,883,890	-	5,883,890	4,963,713
Economic justice programs	763,003	-	763,003	678,917
Safety net programs	5,988,806	-	5,988,806	6,510,487
Total program services	27,335,411	-	27,335,411	23,369,005
Support services:				
Management and general	4,352,369	-	4,352,369	3,076,280
Fundraising	462,304	-	462,304	383,519
Total support services	4,814,673	-	4,814,673	3,459,799
Total expenses	32,150,084	-	32,150,084	26,828,804
Change in net assets	(250,818)	346,447	95,629	725,056
Net assets - Beginning of year	6,321,430	1,616,710	7,938,140	7,213,084
Net assets - End of year	\$ 6,070,612	\$ 1,963,157	\$ 8,033,769	\$ 7,938,140

See accompanying notes to financial statements.

Community Action Marin

Statement of Functional Expenses

Year Ended June 30, 2024 (With Comparative Totals for year ended June 30, 2023)

	2024										2023	
	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	\$ 268,808	\$ 15,890	\$ 322,861	\$ 8,555,002	\$ 3,629,545	\$ 407,909	\$ 1,330,590	\$ 14,530,605	\$ 1,688,399	\$ 312,861	\$ 16,531,865	\$ 12,364,560
Payroll taxes	20,035	1,193	24,570	626,463	265,739	31,413	99,580	1,068,993	110,202	21,094	1,200,289	946,562
Worker's compensation	986	89	21,518	208,880	83,436	1,661	41,607	358,177	5,818	1,255	365,250	219,825
Employee benefits	27,656	696	30,833	846,179	347,116	49,918	130,721	1,433,119	109,962	18,885	1,561,966	1,241,289
Client expenses	20,039	10,610	360,396	-	46	98,100	4,081,394	4,570,585	83	500	4,571,168	5,643,532
Professional fees	17,469	21,761	94,895	563,162	249,865	12,456	135,423	1,095,031	1,397,667	18,858	2,511,556	2,295,702
Contract services	-	5,400	-	573,511	330,283	11,934	-	921,128	30,396	800	952,324	565,360
Facility costs	-	79,525	3,408	78,869	31,848	916	-	194,566	(23,547)	-	171,019	66,236
Occupancy	23,752	-	44,986	456,688	209,755	39,047	85,219	859,447	241,498	4,952	1,105,897	877,902
Tools & small equipment	-	10,331	-	210,153	77,103	9,458	-	307,045	3,703	1,118	311,866	27,022
Equipment vehicle & maintenance	6,622	-	20,324	37,168	17,286	-	45,051	126,451	4,692	-	131,143	66,037
Building repairs & maintenance	-	370,171	42,256	528,703	197,867	3,181	-	1,142,178	(576,873)	-	565,305	710,587
Miscellaneous	5,455	48	5,048	53,730	49,734	1,641	2,310	117,966	264,727	17,989	400,682	354,493
Program supplies	-	26,333	44,580	160,623	69,987	10,630	1,119	313,272	774	9,529	323,575	256,609
Insurance	-	-	2,489	33,608	15,797	2,389	1,068	55,351	66,080	1,716	123,147	96,368
Employee development	253	700	3,309	97,913	40,988	4,598	7,437	155,198	64,234	4,496	223,928	148,885
Telephone	636	(16,337)	3,524	34,446	24,854	1,186	11,889	60,198	25,684	476	86,358	194,243
Travel	-	4,818	8,195	11,364	5,015	3,295	13,279	45,966	8,305	2,580	56,851	45,559
Depreciation	-	-	16,338	-	-	-	-	16,338	193,889	-	210,227	192,188
Printing & publications	-	-	176	8,044	3,786	5,912	308	18,226	15,338	23,242	56,806	112,871
Interest expense	-	-	137	-	-	-	-	137	-	-	137	-
Office supplies	-	(38,204)	-	247,782	115,958	65,599	-	391,135	62,586	949	454,670	120,937
Equipment rental	1,733	-	1,082	14,431	6,507	1,733	-	25,486	12,797	1,557	39,840	43,012
Food service charge	-	-	107	19,454	9,090	27	11	28,689	15,184	357	44,230	57,738
Advertising	-	-	-	-	-	-	1,800	1,800	26,810	19,090	47,700	46,017
In-Kind Expense	-	-	-	-	102,285	-	-	102,285	-	-	102,285	135,270
Total expenses before allocation of indirect costs and GAAP adjustment	393,444	493,024	1,051,032	13,366,173	5,883,890	763,003	5,988,806	27,939,372	3,748,408	462,304	32,150,084	26,828,804
GAAP Adjustment for Grant Funded Property & Equipment	-	-	-	(603,961)	-	-	-	(603,961)	603,961	-	-	-
Total functional expenses	393,444	493,024	1,051,032	12,762,212	5,883,890	763,003	5,988,806	27,335,411	4,352,369	462,304	32,150,084	26,828,804
Indirect costs	27,402	(1,149)	116,912	1,291,610	711,026	83,874	256,514	2,486,189	(2,456,435)	(29,754)	-	-
Total expenses	\$ 420,846	\$ 491,875	\$ 1,167,944	\$ 14,053,822	\$ 6,594,916	\$ 846,877	\$ 6,245,320	\$ 29,821,600	\$ 1,895,934	\$ 432,550	\$ 32,150,084	\$ 26,828,804

See accompanying notes to financial statements.

Community Action Marin

Statement of Cash Flows

Year Ended June 30, 2024 (With Comparative Totals for year ended June 30, 2023)

	2024	2023
Changes in cash, cash equivalents, and restricted cash:		
Cash flows from operating activities:		
Changes in net assets	\$ 95,629	\$ 725,056
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	210,227	192,188
Change in beneficial interest in assets held by community foundation	(87,661)	(160,773)
Noncash lease expense	857,335	352,794
Amortization of discount on promises to give to in-kind contributions	(7,438)	(8,153)
Non-cash promises to give recognized in in-kind expenses	32,985	32,985
Changes in operating assets and liabilities:		
Grants and contracts receivable	943,044	1,145,612
Prepaid expenses and other current assets	(171,614)	(89,370)
Operating lease liabilities	(783,043)	(350,954)
Accounts payable	(76,770)	260,444
Accrued payroll and related	1,314,893	(96,957)
Accrued vacation	312,733	39,545
Accrued unemployment	(14,508)	(41,108)
Refundable advances	(317,307)	1,381,664
Due to fiscal agents	(49,546)	55,924
Net cash from operating activities	2,258,959	3,438,897
Cash flows from investing activities:		
Purchase of property and equipment	(488,027)	(733,980)
Purchase of short-term investments	(2,677,840)	(2,046,166)
Proceeds from sale of short-term investments	1,732,373	0
Net cash from investing activities	(1,433,494)	(2,780,146)
Changes in cash, cash equivalents, and restricted cash	825,465	658,751
Cash, cash equivalents, and restricted cash - Beginning of year	2,684,196	2,025,445
Cash, cash equivalents, and restricted cash - End of year	\$ 3,509,661	\$ 2,684,196
Reconciliation of cash, cash equivalents and restricted cash:		
Cash and cash equivalents	\$ 2,542,934	\$ 1,920,012
Restricted cash	966,727	764,184
Total cash, cash equivalents and restricted cash	\$ 3,509,661	\$ 2,684,196
Supplemental schedule of other cash activity:		
Interest paid	\$ 137	\$ 1,788
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 853,968	\$ 378,877
Supplemental schedule of noncash operating activities:		
Right of use assets obtained in exchange for new operating lease liabilities	\$ 1,339,101	\$ 712,651
Purchase of property and equipment included in accounts payable	\$ 115,933	\$ 0

See accompanying notes to financial statements.

Community Action Marin

Notes to Financial Statements

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.

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

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, 2024 and 2023, the Agency received 21% and 20% of total revenue from DHHS, 25% and 20% of total revenue from CDE, 22% and 20% 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

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.

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.

Short-Term Investments

The Agency carries investments in marketable securities with readily determined fair values at fair value in the statement of financial position. Quoted market prices in active markets are used as the basis of measurement. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Investments are generally recorded at fair value based upon quoted market prices, when available, or estimates of fair value. Donated assets are recorded at fair value at the date of donation, or, if sold immediately after receipt, at the amount of sales proceeds received (which are considered a fair measure of the value at the date of donation). Those investments for which fair value is not readily determinable are carried at cost or, if donated, at fair value at the date of donation, or if no value can be estimated, at a nominal value. Investment income or loss and unrealized gains or losses are included in the statement of activities as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by donor or law.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Community Action Marin

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

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 analyzes grants and contracts receivables and records an allowance that management believes will reserve for possible losses on existing receivables that may become uncollectible. The evaluations take into consideration such factors as changes in the customer's creditworthiness, prior loss experience, and current and projected economic conditions. An account is considered uncollectible when all collection efforts prove worthless. The Organization considers grants and contracts receivable to be fully collectible. Accordingly, no allowance for doubtful accounts has been recorded as of June 30, 2024 or 2023.

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. The Agency reports gifts of property and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

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 \$2,456,603 and \$2,257,578 as of June 30, 2024 and 2023.

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 identification of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized

Community Action Marin

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

- 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

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

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.

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

A. Grants and Contracts That Are Contributions

Grants and contracts 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 conditions in the award are satisfied. Amounts received or receivable in excess of expenses are reflected as a refundable advance.

B. Grant and Contracts 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 from operating leases and is recognized as revenue when earned. For leases with payments that fluctuate over the term of the lease, rental income is recognized on a straight-line basis over the lease term.

Community Action Marin

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

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.

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, 2024 and 2023, 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.

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.

Community Action Marin

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Lease Accounting (Continued)

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

Noncash contributions consisting of donated use of property are recognized when the donor makes an unconditional promise to give to the Agency the use of property in a lease agreement. Leases that are less than one year are reported at net realizable value. Leases that extend into future years are recorded at the present value of estimated future benefit received on a discounted basis applicable to the number of years of the lease. The amortization of the discount is recognized as contribution income over the duration of the promises to give. No allowance for uncollectible receivables is recorded since the Agency is expecting to occupy the respective properties for the duration of the lease agreements.

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, 2023, from which the summarized financial information was derived.

Reclassifications

Cash and cash equivalents and short-term investments as previously reported on the 2023 statement of financial position and statement of cash flows have been reclassified to conform to the 2024 presentation. Such reclassifications have no effect on reported amounts of net assets or change in net assets.

Community Action Marin

Notes to Financial Statements

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.

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:

	2024	2023
Cash and cash equivalents	\$ 2,542,934	\$ 1,920,012
Short-term investments	2,991,633	2,046,166
Beneficial interest in assets held by community foundation	2,845,948	2,758,287
Grants and contracts receivable	951,450	1,894,494
Total financial assets	9,331,965	8,618,959
Less: Accounts payable	676,880	637,717
Less: Accrued expenses and cash held for fiscal agents	3,288,444	1,724,872
Less: Refundable advances included in financial assets	1,228,768	1,546,353
Less: board designated net assets	556,081	538,952
Less: Net assets with donor restrictions included in financial assets	1,730,436	1,358,442
Totals	\$ 1,851,356	\$ 2,812,623

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, 2024 and 2023:

	2024	2023
Season of Sharing fund	\$ 251,623	\$ 49,358
California Department of Education (CDE) reserve	467,706	467,524
California Department of Social Services (CDSS) reserve	247,398	247,302
Totals	\$ 966,727	\$ 764,184

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, 2024 and 2023, is as follows:

Balance, July 1, 2022	\$	2,597,514
Investment earnings, net of fees		160,773
<hr/>		
Balance, June 30, 2023		2,758,287
Distributions by the Organization from the fund		(127,368)
Investment earnings, net of fees		215,029
<hr/>		
Balance, June 30, 2024	\$	2,845,948

Investment income consisted of the following for the years ended June 30, 2024 and 2023:

	2024		2023
Interest and dividends	\$ 203,438	\$	68,916
Net realized and unrealized gains on investments	215,029		160,773
<hr/>			
Total Investment Income	\$ 418,467	\$	229,689

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, 2024.

Note 6: Fair Value Measurements and Short-Term Investments

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.

Community Action Marin

Notes to Financial Statements

Note 6: Fair Value Measurements and Short-Term Investments (Continued)

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;
- 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, 2024 and 2023, was as follows:

June 30, 2024	Level 1	Level 2	Level 3	Total Assets at Fair Value
Beneficial interest in assets held by community foundation:				
Community Action Marin fund	\$ -	\$ -	\$ 2,845,948	\$ 2,845,948
Short-term investments:				
U.S. Treasury Bills	2,991,633	-	-	2,991,633
Totals	\$ 2,991,633	\$ -	\$ 2,845,948	\$ 5,837,581

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
Short-term investments:				
U.S. Treasury Bills	2,046,166	-	-	2,046,166
Totals	\$ 2,046,166	\$ -	\$ 2,758,287	\$ 4,804,453

Community Action Marin

Notes to Financial Statements

Note 6: Fair Value Measurements and Short-Term Investments (Continued)

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.
- U.S. treasury bills are valued at quoted market prices.

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, 2024 and 2023:

	2024	2023
Energy and housing programs	\$ 68,074	\$ 67,050
Mental health programs	32,775	28,616
Food Justice	73,491	7,143
Child development programs	174,804	953,374
Head Start and Early Head Start	-	254,418
Economic Justice	9,034	33,889
Housing Justice	83,071	39,255
Care Teams	144,852	122,941
Food service program	72,208	65,901
Safety net programs	132,890	49,178
Other programs	160,251	272,730
Totals	\$ 951,450	\$ 1,894,495

Community Action Marin

Notes to Financial Statements

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, 2024, are due as follows:

2025	\$	26,283
2026		27,040
2027		27,818
2028		28,619
2029		29,444
Thereafter		93,517
<hr/>		
Total	\$	232,721
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During the year ended June 30, 2024, \$7,438 of in-kind revenue was recognized for amortization of the contribution receivable discount, in-kind expense of \$32,985 was reported, and \$25,547 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, 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.

Note 9: Property and Equipment

Property and equipment consists of the following as of June 30, 2024 and 2023:

	2024	2023
Land	\$ 363,030	\$ 363,030
Buildings and improvements	2,376,230	2,376,230
Leasehold improvements	2,375,151	1,935,038
Equipment	242,985	242,986
Vehicles	82,434	82,434
Construction in progress	163,848	-
Subtotals	5,603,678	4,999,718
Less accumulated depreciation	(2,490,002)	(2,279,775)
<hr/>		
Totals	\$ 3,113,676	\$ 2,719,943
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Construction in progress relates to improvements in process at one of the Agency's locations. The construction was substantially complete as of June 30, 2024, so there were no material construction commitments as of June 30, 2024.

Community Action Marin

Notes to Financial Statements

Note 10: Accrued Unemployment

The Agency has elected to be self-insured for the purpose of California State Unemployment Insurance. As of June 30, 2024 and 2023, the amount of accrued unemployment liability was \$258,923 and \$273,431, which represents the estimated future claims arising from payroll paid through June 30, 2024 and 2023, respectively. Unemployment claims paid for the years ended June 30, 2024 and 2023 were \$68,110 and \$98,555, respectively.

Note 11: Refundable Advances

Refundable advances consists of the following as of June 30, 2024 and 2023:

	2024	2023
Tipping Point	\$ 698,985	\$ 501,848
Community Services Block Grant program	74,856	73,409
Federal Head Start and Early Head Start	53,322	-
State child development programs	921,403	1,685,922
Other	195,306	-
Totals	\$ 1,943,872	\$ 2,261,179

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.

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, 2024 and 2023, is as follows:

Balance, July 1, 2022	\$	507,539
Interest income allocated to reserve		31,413
Balance, June 30, 2023		538,952
Interest income allocated to reserve		17,129
Balance, June 30, 2024	\$	556,081

Community Action Marin

Notes to Financial Statements

Note 14: Net Assets with Donor Restrictions

Net assets with donor restrictions were available for the following programs as of June 30, 2024 and 2023:

	2024	2023
Mental health program	\$ 286,061	\$ 286,061
Economic Justice	13,418	13,840
Food Justice	51,280	164,384
Children and family services	772,739	721,032
Season of sharing / Rapid rehousing	377,029	125,209
Advocacy	160,000	-
Other programs	69,909	47,916
Time restriction - Contribution receivable - discounted rent	232,721	258,268
Totals	\$ 1,963,157	\$ 1,616,710

During the years ended June 30, 2024 and 2023, net assets with donor restrictions of \$5,156,203 and \$6,772,835 were released from restriction through satisfaction of purpose and time restrictions.

Note 15: Grant Awards

As of June 30, 2024, the Agency had commitments under various grants of approximately \$298,000. These commitments are not recognized in the accompanying financial statements as receivables and revenue as they are conditional awards.

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. The agency made an accounting policy election for all assets to not separate the lease components of a contract and its associated non-lease components such as lessor provided maintenance.

Community Action Marin

Notes to Financial Statements

Note 16: Leases (Continued)

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

	2024	2023
Lease cost		
Operating lease cost	\$ 864,881	\$ 380,717
Total lease cost	\$ 864,881	\$ 380,717

	2024	2023
Weighted-average remaining lease term - Operating leases, in years	2.82	2.45
Weighted-average discount rate - Operating leases	4.41 %	2.04 %

Maturities of lease liabilities are as follows as of June 30, 2024:

2025		\$ 689,803
2026		352,564
2027		163,366
2028		163,366
2029		31,394
Thereafter		15,000
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Total lease payments		1,415,493
Less imputed interest		(67,253)
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Total		\$ 1,348,240

Note 17: Contingencies

The Agency is subject to legal proceedings and claims that arise in the ordinary course of business. While any proceeding or litigation has an element of uncertainty, management of the Agency believes that the outcome of any pending or threatened actions will not have a material adverse effect on the financial condition of the Agency.

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.

Community Action Marin

Notes to Financial Statements

Note 18: 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 \$56,464 and \$39,273 for the years ended June 30, 2024 and 2023.

Note 19: Contributed Nonfinancial Assets

Contributed nonfinancial assets reported on the statements of activities for the years ended June 30, 2024 and 2023 was \$76,738 and \$110,438, 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.

Note 20: Subsequent Events

Subsequent events have been evaluated through December 13, 2024, which is the date the financial statements were available to be issued.

Subsequent to June 30, 2024, the Agency purchased a building for \$5,000,000. The Agency obtained a loan to finance the purchase of the Redwood building in the amount of \$4,050,000. The loan was issued on October 31, 2024 and matures on November 15, 2034. It requires monthly principal and interest payments of \$25,098 and has a variable interest rate at no less than 6.25% per annum.

Supplementary Information

Community Action Marin

Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2024

Grantor/Program Title	Federal AL Number	Funding Source/ Pass-through Entity	Grant Number	Federal Expenditures
DEPARTMENT OF AGRICULTURE				
Child and Adult Care Food Program	10.558	California Department of Education	N053-21-1371-OJ	<u>372,860</u>
Total Department of Agriculture Expenditures				<u>372,860</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
CDBG - Entitlement Grants cluster				
Community Development Block Grants	14.218	County of Marin	N/A	<u>141,492</u>
Total Community Development Block Grants/CDBG - Entitlement Grants Cluster AL #14.218				<u>141,492</u>
DEPARTMENT OF LABOR				
WIOA Cluster				
Adult Program	17.258	California Employment Development Dept	AA211101	<u>259,149</u>
Adult Program	17.258	Career Point North Bay	AA311018	<u>57,921</u>
Total WIOA Cluster and Department of Labor Expenditures				<u>317,070</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Aging Cluster				
Title III Congregate Meals	93.045	Marin County Department of Health and Human Services	32400377	66,884
Total Aging Cluster Expenditures AL #93.045				<u>66,884</u>
Child Care and Development Fund Cluster				
General Child Care and Development Programs	93.575	California Department of Social Services	CCTR-3166	184,230
Family Child Care Homes	93.575	California Department of Social Services	CFCC-3012	57,816
Total AL #93.575				<u>242,046</u>
General Child Care and Development Programs	93.596	California Department of Social Services	CCTR-3166	395,149
Family Child Care Homes	93.596	California Department of Social Services	CFCC-3012	125,770
Total AL #93.596				<u>520,919</u>
Total Child Care and Development Fund Cluster Expenditures AL #93.575 and #93.596				<u>762,965</u>
COVID-19 Low Income Home Water Assistance	93.499	California Department of Community Services	21Z-9559	34,914
Total AL #93.499				<u>34,914</u>
Low Income Home Energy Assistance	93.568	California Department of Community Services	21B-5020	(1,305)
Low Income Home Energy Assistance	93.568	California Department of Community Services	22B-4020	4,298
Low Income Home Energy Assistance	93.568	California Department of Community Services	23B-5020	183,977
Low Income Home Energy Assistance	93.568	California Department of Community Services	23J-5724	101,249
Supplemental Low-Income Home Energy Assistance Program	93.568	California Department of Community Services	23Q-5569	5,363
Low Income Home Energy Assistance	93.568	California Department of Community Services	24B-2020	90,967
Total AL #93.568				<u>384,549</u>

See Independent Auditor's Report.

Community Action Marin

Schedule of Expenditures of Federal and State Awards (Continued)
Year Ended June 30, 2024

Grantor/Program Title	Federal AL Number	Funding Source/ Pass-through Entity	Grant Number	Federal Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)				
Community Services Block Grant Discretionary	93.569	California Department of Community Services	23F-4024	15,884
Community Services Block Grant	93.569	California Department of Community Services	23F-4024	154,829
Community Services Block Grant	93.569	California Department of Community Services	24F-3024	163,331
			Total AL #93.569	334,044
Head Start Cluster				
Head Start and Early Head Start	93.600	U.S Department of Health and Human Services	09CH011669-04	6,846,832
			Total Head Start Cluster Expenditures AL #93.600	6,846,832
			Total Department of Health and Human Services Expenditures	8,430,188
			TOTAL FEDERAL EXPENDITURES	\$ 9,261,610

Grantor/Program Title	Federal AL Number	Funding Source/ Pass-through Entity	Grant Number	State Expenditures
STATE OF CALIFORNIA FUNDING				
Child and Adult Care Food Program	N/A	California Department of Education	N053-21-1371-OJ	19,976
General Child Care and Development Programs	N/A	California Department of Social Services	CCTR-3166	6,576,403
Family Child Care Homes	N/A	California Department of Social Services	CFCC-3012	420,585
California State Preschool Program	N/A	California Department of Education	CSPP-3285	7,168,429
Emergency Rental Assistance	N/A	County of Marin	ERA0138	3,092,372
			TOTAL STATE EXPENDITURES	\$ 17,277,765

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, 2024. 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

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, 2024.

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, 2024

	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 Development General	Eliminations	2024 Total	
Revenues												
Government contracts	\$ 419,463	\$ 436,995	\$ 477,191	\$ 15,044,898	\$ 6,846,832	\$ 385,518	\$ 4,773,690	\$ 28,384,587	\$ 525,250	\$ -	\$ (392,837)	\$ 28,517,000
Grants income	-	119,822	175,006	-	-	655,619	1,478,662	2,429,109	-	440,998	-	2,870,107
Contributions	-	-	-	-	-	-	17,864	17,864	-	109,321	-	127,185
Other income	-	-	-	-	-	31,472	112,580	144,052	(3,075)	2,750	-	143,727
Childcare fees	-	-	-	3,671	-	-	-	3,671	-	-	-	3,671
Rental income	-	-	-	-	-	-	-	-	88,818	-	-	88,818
Investment income	-	-	-	-	-	-	-	-	418,467	-	-	418,467
Noncash contributions	-	-	-	-	1,732,166	-	-	1,732,166	-	-	(1,655,428)	76,738
Total Revenues	419,463	556,817	652,197	15,048,569	8,578,998	1,072,609	6,382,796	32,711,449	1,029,460	553,069	(2,048,265)	32,245,713
Expenses												
Salaries	268,808	15,890	322,861	8,555,002	3,629,545	407,909	1,330,590	14,530,605	1,688,399	312,861	-	16,531,865
Payroll taxes	20,035	1,193	24,570	626,463	265,739	31,413	99,580	1,068,993	110,202	21,094	-	1,200,289
Worker's compensation	986	89	21,518	208,880	83,436	1,661	41,607	358,177	5,818	1,255	-	365,250
Employee benefits	27,656	696	30,833	846,179	347,116	49,918	130,721	1,433,119	109,962	18,885	-	1,561,966
Client expenses	20,039	10,548	360,503	114,578	278,305	98,127	4,081,405	4,963,505	-	500	(392,837)	4,571,168
Professional fees	17,469	21,761	94,895	563,162	249,865	12,456	135,423	1,095,031	1,397,667	18,858	-	2,511,556
Contract services	-	5,400	-	573,511	330,283	11,934	-	921,128	30,396	800	-	952,324
Facility costs	-	79,525	3,408	78,869	31,848	916	-	194,566	(23,547)	-	-	171,019
Occupancy	23,752	-	44,986	456,688	209,755	39,047	85,219	859,447	241,498	4,952	-	1,105,897
Tools & small equipment	-	10,331	-	210,153	77,103	9,458	-	307,045	3,703	1,118	-	311,866
Equipment vehicle & maintenance	6,622	-	20,324	37,168	17,286	-	45,051	126,451	4,692	-	-	131,143
Building repairs & maintenance	-	370,171	42,256	528,703	197,867	3,181	-	1,142,178	(576,873)	-	-	565,305
Miscellaneous	5,455	48	5,048	53,730	49,734	1,641	2,310	117,966	264,727	17,989	-	400,682
Program supplies	-	26,333	44,580	160,623	69,987	10,630	1,119	313,272	774	9,529	-	323,575
Insurance	-	-	2,489	33,608	15,797	2,389	1,068	55,351	66,080	1,716	-	123,147
Employee development	253	700	3,309	97,913	40,988	4,598	7,437	155,198	64,234	4,496	-	223,928
Telephone	636	(16,337)	3,524	34,446	24,854	1,186	11,889	60,198	25,684	476	-	86,358
Travel	-	4,818	8,195	11,364	5,015	3,295	13,279	45,966	8,305	2,580	-	56,851
Depreciation	-	-	16,338	-	-	-	-	16,338	193,889	-	-	210,227
Printing & publications	-	-	176	8,044	3,786	5,912	308	18,226	15,338	23,242	-	56,806
Interest	-	-	137	-	-	-	-	137	-	-	-	137
Office supplies	-	(38,204)	-	247,782	115,958	65,599	-	391,135	62,586	949	-	454,670
Equipment rental	1,733	-	1,082	14,431	6,507	1,733	-	25,486	12,797	1,557	-	39,840
Food service charge	-	-	(429,627)	311,543	146,177	428	168	28,689	15,184	357	-	44,230
Advertising	-	-	-	-	-	-	1,800	1,800	26,810	19,090	-	47,700
In-Kind Expense	-	-	-	-	1,757,713	-	-	1,757,713	-	-	(1,655,428)	102,285
Indirect cost allocation	27,402	(1,149)	116,912	1,291,610	711,026	83,874	256,514	2,486,189	(2,456,435)	(29,754)	-	-
Total Expenses	420,846	491,813	738,317	15,064,450	8,665,690	847,305	6,245,488	32,473,909	1,291,890	432,550	(2,048,265)	32,150,084
NET SURPLUS/(DEFICIT)	\$ (1,383)	\$ 65,004	\$ (86,120)	\$ (15,881)	\$ (86,692)	\$ 225,304	\$ 137,308	\$ 237,540	\$ (262,430)	\$ 120,519	\$ -	\$ 95,629

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, 2024

	Grant No. 09CH011669						Head Start &
	Head Start*	Head Start T&A	Head Start MCF	Other Grants/ Contracts	Head Start Total	Early Head Start Total	EHS Total
Revenues:							
Government contracts	\$ 4,199,062	\$ 19,645	\$ -	\$ -	\$ 4,218,707	\$ 2,628,125	\$ 6,846,832
Grants income	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-
Program service fees	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-
In-kind revenue	805,593	-	-	-	805,593	926,573	1,732,166
Total revenues	5,004,655	19,645	-	-	5,024,300	3,554,698	8,578,998
Expenses:							
Salaries	2,315,038	-	-	-	2,315,038	1,314,507	3,629,545
Payroll taxes	167,762	-	-	-	167,762	97,977	265,739
Worker's compensation	55,713	-	-	-	55,713	27,723	83,436
Employee benefits	220,416	-	-	-	220,416	126,700	347,116
Client expenses	221,309	-	-	-	221,309	56,996	278,305
Professional fees	152,092	-	-	-	152,092	97,773	249,865
Contract services	57,961	-	-	-	57,961	272,322	330,283
Facility costs	21,569	-	-	-	21,569	10,279	31,848
Occupancy	160,850	-	-	-	160,850	48,905	209,755
Tools and equipment	48,556	-	-	-	48,556	28,547	77,103
Equipment & vehicle maintenance	9,466	-	-	-	9,466	7,820	17,286
Building repairs & maintenance	141,517	-	-	-	141,517	56,350	197,867
Miscellaneous	8,693	17,859	-	-	26,552	23,182	49,734
Program supplies	41,132	-	-	-	41,132	28,855	69,987
Insurance	8,839	-	-	-	8,839	6,958	15,797
Employee development	27,010	-	-	-	27,010	13,978	40,988
Telephone	10,542	-	-	-	10,542	14,312	24,854
Travel	3,359	-	-	-	3,359	1,656	5,015
Depreciation	-	-	-	-	-	-	-
Printing & publications	2,127	-	-	-	2,127	1,659	3,786
Interest	-	-	-	-	-	-	-
Office supplies	64,969	-	-	-	64,969	50,989	115,958
Equipment rental	4,243	-	-	-	4,243	2,264	6,507
Food service charge	82,017	-	-	-	82,017	64,160	146,177
In-kind expenses	831,140	-	-	-	831,140	926,573	1,757,713
Indirect cost allocation	435,027	1,786	-	-	436,813	274,213	711,026
Total expenses	5,091,347	19,645	-	-	5,110,992	3,554,698	8,665,690
Change in net assets	(86,692)	-	-	-	(86,692)	-	(86,692)
Net assets, beginning of period	(22)	-	(11,186)	(18,271)	(29,479)	(12,576)	(42,055)
Net assets, end of period	\$ (86,714)	\$ -	\$ (11,186)	\$ (18,271)	\$ (116,171)	\$ (12,576)	\$ (128,747)

* 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
EARLY HEAD START PROGRAM
For the Year Ended June 30, 2024

Grant No. 09CH011669

	Early Head Start*	Early Head Start T&A	EHS CalWorks	Other Grants/ Contracts	Total
Revenues:					
Government contracts	\$ 2,608,370	\$ 19,755	\$ -	\$ -	\$ 2,628,125
Grants income	-	-	-	-	-
Contributions	-	-	-	-	-
Program service fees	-	-	-	-	-
Fundraising	-	-	-	-	-
Other income	-	-	-	-	-
In-kind revenue	926,573	-	-	-	926,573
Total revenues	<u>3,534,943</u>	<u>19,755</u>	<u>-</u>	<u>-</u>	<u>3,554,698</u>
Expenses:					
Salaries	1,314,507	-	-	-	1,314,507
Payroll taxes	97,977	-	-	-	97,977
Worker's compensation	27,723	-	-	-	27,723
Employee benefits	126,700	-	-	-	126,700
Client expenses	56,996	-	-	-	56,996
Professional fees	97,673	100	-	-	97,773
Contract services	272,322	-	-	-	272,322
Facility costs	10,279	-	-	-	10,279
Occupancy	48,905	-	-	-	48,905
Tools and equipment	28,547	-	-	-	28,547
Equipment & vehicle maintenance	7,820	-	-	-	7,820
Building Repairs & Maintenance	56,350	-	-	-	56,350
Miscellaneous	5,323	17,859	-	-	23,182
Program supplies	28,855	-	-	-	28,855
Insurance	6,958	-	-	-	6,958
Employee development	13,978	-	-	-	13,978
Telephone	14,312	-	-	-	14,312
Travel	1,656	-	-	-	1,656
Depreciation	-	-	-	-	-
Printing & publications	1,659	-	-	-	1,659
Interest	-	-	-	-	-
Office supplies	50,989	-	-	-	50,989
Equipment rental	2,264	-	-	-	2,264
In-kind expenses	926,573	-	-	-	926,573
Food service charge	64,160	-	-	-	64,160
Indirect cost allocation	272,417	1,796	-	-	274,213
Total expenses	<u>3,534,943</u>	<u>19,755</u>	<u>-</u>	<u>-</u>	<u>3,554,698</u>
Change in net assets	-	-	-	-	-
Net assets, beginning of period	<u>(24,835)</u>	<u>-</u>	<u>11,810</u>	<u>449</u>	<u>(12,576)</u>
Net assets, end of period	<u>\$ (24,835)</u>	<u>\$ -</u>	<u>\$ 11,810</u>	<u>\$ 449</u>	<u>\$ (12,576)</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
For the Year Ended June 30, 2024

	Audited Costs* Head Start	Audited Costs* Early Head Start	Total Audited Costs*	Total Budgets
Revenues:				
U.S. Dept. of Health & Human Services	\$ 3,998,719	\$ 2,571,793	\$ 6,570,512	\$ 6,623,912
Child Care Food Program	219,988	56,332	276,320	275,000
In-kind revenue	<u>805,593</u>	<u>926,573</u>	<u>1,732,166</u>	<u>1,724,728</u>
Total revenues	<u>5,024,300</u>	<u>3,554,698</u>	<u>8,578,998</u>	<u>8,623,640</u>
Expenses:				
Personnel	2,547,061	1,444,981	3,992,042	3,972,671
Fringe benefits	211,868	121,926	333,794	332,174
Travel	30,367	15,636	46,003	45,780
Equipment	62,266	38,630	100,896	100,406
Supplies	114,655	86,491	201,146	200,170
Contractual	210,053	370,095	580,148	577,333
Facilities/construction	315,389	108,893	424,282	422,223
Other	351,379	167,260	518,639	516,122
In-kind expenses	831,140	926,573	1,757,713	1,749,184
Indirect costs	<u>436,814</u>	<u>274,213</u>	<u>711,027</u>	<u>707,577</u>
Total expenses	<u>5,110,992</u>	<u>3,554,698</u>	<u>8,665,690</u>	<u>8,623,640</u>
Revenue over (under) expenses	<u>\$ (86,692)</u>	<u>\$ -</u>	<u>\$ (86,692)</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, 2024

	LIHEAP 21B-5020 EHA	LIHEAP 21Z-9559 EHA	LIHEAP 22B-4020 EHA	LIHEAP 23B-5020 EHA	LIHEAP 23J-5724 EHA	LIHEAP 23Q-5569 EHA	LIHEAP 24B-2020 EHA	Other Grants and Contracts	Total
Revenues:									
Government grants	\$ (1,305)	\$ 34,914	\$ 4,298	\$ 183,977	\$ 101,249	\$ 5,363	\$ 90,967	\$ -	\$ 419,463
Other income	-	-	-	-	-	-	-	-	-
Total revenues	(1,305)	34,914	4,298	183,977	101,249	5,363	90,967	-	419,463
Expenses:									
Salaries	-	29,120	(1)	120,139	66,875	4,291	48,384	-	268,808
Employee benefits	-	5,961	-	21,520	11,333	800	9,063	-	48,677
Professional Fees	-	104	-	2,463	-	-	14,902	-	17,469
ECIP and HEAP payments	-	-	2,176	8,914	6,601	-	2,348	-	20,039
Supplies	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	7,778	-	-	577	-	8,355
Communication	-	43	-	253	114	7	219	-	636
Occupancy	-	265	2,201	8,750	8,252	-	4,284	-	23,752
Indirect costs	-	(579)	-	14,150	7,821	265	5,745	-	27,402
Program support	-	-	-	10	253	-	5,445	-	5,708
Total expenses	-	34,914	4,376	183,977	101,249	5,363	90,967	-	420,846
Change in net assets	(1,305)	-	(78)	-	-	-	-	-	(1,383)
Net assets, beginning of period	-	-	-	-	-	-	-	5,000	5,000
Repayment of funds (application of funds)	-	-	-	-	-	-	-	-	-
Net assets, end of period	\$ (1,305)	\$ -	\$ (78)	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 3,617

See Independent Auditor's Report.

Community Action Marin
DEPT OF CSD SCHEDULE OF REVENUE AND EXPENSES
 Contract No. 21B-5020 (LIHEAP EHA)
 For the Year Ended June 30, 2024

	11/1/2020 through 6/30/2022	7/1/2023 through 6/30/2024	Total Audited Costs	Total Reported Costs	Total Budgets
Revenues:					
Government grants	\$191,812	\$ (1,305)	\$190,507		\$ 204,208
Revenue adjustment (deferred)	-	-	-		-
Total revenues	<u>191,812</u>	<u>(1,305)</u>	<u>190,507</u>		<u>204,208</u>
Expenses:					
Assurance 16 costs	<u>33,660</u>	-	<u>33,660</u>	<u>33,660</u>	<u>33,660</u>
Administrative costs	<u>33,660</u>	-	<u>33,660</u>	<u>33,660</u>	<u>33,660</u>
Program support costs (ECIP and HEAP)					
Intake	45,628	-	45,628	45,628	45,629
Outreach	28,518	-	28,518	28,518	28,518
Training and Technical Assistance	11,407	-	11,407	11,407	11,407
General operating expenditures	13,579	-	13,579	-	-
Automation supplemental	4,238	-	4,238	-	-
Subtotal program support costs	<u>103,370</u>	-	<u>103,370</u>	<u>85,553</u>	<u>85,554</u>
Program services costs:					
ECIP Emergency Heating & Cooling Services	-	-	-	-	-
Wood, Propane and Oil (ECIP & HEAP WPO)	27,777	-	27,777	40,524	51,334
Subtotal program services costs	<u>27,777</u>	-	<u>27,777</u>	<u>40,524</u>	<u>51,334</u>
Total expenses	<u>\$198,467</u>	<u>\$ -</u>	<u>\$198,467</u>	<u>\$193,397</u>	<u>\$ 204,208</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, 2024

	4/1/2022 through 6/30/2023	7/1/2023 through 3/31/2024	Total Audited Costs	Total Reported Costs	Total Budgets
Revenues:					
Government grants	\$ 8,167	\$ 34,914	\$ 43,081		\$ 43,081
Revenue adjustment (deferred)	-	-	-		-
Total revenues	<u>8,167</u>	<u>34,914</u>	<u>43,081</u>		<u>43,081</u>
Expenses:					
Assurance 16 costs	-	-	-	-	-
Administrative costs	<u>3,819</u>	<u>31,400</u>	<u>35,219</u>	<u>35,219</u>	<u>36,953</u>
Program support costs (ECIP and HEAP)					
Intake	-	-	-	-	-
Outreach	-	-	-	-	-
Training and Technical Assistance	-	-	-	-	-
General operating expenditures	4,348	3,514	7,862	7,862	6,128
Automation supplemental	-	-	-	-	-
Subtotal program support costs	<u>4,348</u>	<u>3,514</u>	<u>7,862</u>	<u>7,862</u>	<u>6,128</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>\$ 8,167</u>	<u>\$ 34,914</u>	<u>\$ 43,081</u>	<u>\$ 43,081</u>	<u>\$ 43,081</u>

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, 2024

	<u>11/1/2021 through 6/30/2023</u>	<u>7/1/2023 through 12/31/2023</u>	<u>Total Audited Costs</u>	<u>Total Reported Costs</u>	<u>Total Budgets</u>
Revenues:					
Government grants	\$ 202,409	\$ 4,298	\$ 206,707		\$ 207,445
Revenue adjustment (deferred)	-	-	-		-
Total revenues	<u>202,409</u>	<u>4,298</u>	<u>206,707</u>		<u>207,445</u>
Expenses:					
Assurance 16 costs	<u>34,205</u>	<u>-</u>	<u>34,205</u>	<u>34,205</u>	<u>34,205</u>
Administrative costs	<u>34,205</u>	<u>-</u>	<u>34,205</u>	<u>34,205</u>	<u>34,205</u>
Program support costs (ECIP and HEAP)					
Intake	46,345	-	46,345	46,345	46,345
Outreach	28,966	-	28,966	28,966	28,966
Training and Technical Assistance	11,588	-	11,588	11,586	11,586
General operating expenditures	-	2,200	2,200	-	-
Automation supplemental	-	-	-	-	-
Subtotal program support costs	<u>86,899</u>	<u>2,200</u>	<u>89,099</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>42,031</u>	<u>2,176</u>	<u>44,207</u>	<u>50,379</u>	<u>52,138</u>
Subtotal program services costs	<u>42,031</u>	<u>2,176</u>	<u>44,207</u>	<u>50,379</u>	<u>52,138</u>
Total expenses	<u>\$ 197,340</u>	<u>\$ 4,376</u>	<u>\$ 201,716</u>	<u>\$ 205,686</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, 2024

	11/1/2022 through 6/30/2023	7/1/2023 through 6/30/2024	Total Audited Costs	Total Reported Costs	Total Budgets
Revenues:					
Government grants	\$ 35,305	\$ 183,977	\$ 219,282		\$ 219,282
Revenue adjustment (deferred)	-	-	-		-
Total revenues	<u>35,305</u>	<u>183,977</u>	<u>219,282</u>		<u>219,282</u>
Expenses:					
Assurance 16 costs	<u>935</u>	<u>34,283</u>	<u>35,218</u>	<u>35,218</u>	<u>36,882</u>
Administrative costs	<u>935</u>	<u>34,283</u>	<u>35,218</u>	<u>35,218</u>	<u>36,882</u>
Program support costs (ECIP and HEAP)					
Intake	1,270	46,529	47,799	47,799	50,038
Outreach	794	29,082	29,876	29,876	31,274
Training and Technical Assistance	317	11,632	11,949	11,949	12,510
General operating expenditures	13,146	17,271	30,417	30,417	-
Automation supplemental	-	1,983	1,983	1,983	-
Subtotal program support costs	<u>15,527</u>	<u>106,497</u>	<u>122,024</u>	<u>122,024</u>	<u>93,822</u>
Program services costs:					
ECIP Emergency Heating & Cooling Services	-	-	-	-	-
Wood, Propane and Oil (ECIP & HEAP WPO)	<u>17,908</u>	<u>8,914</u>	<u>26,822</u>	<u>26,822</u>	<u>51,696</u>
Subtotal program services costs	<u>17,908</u>	<u>8,914</u>	<u>26,822</u>	<u>26,822</u>	<u>51,696</u>
Total expenses	<u>\$ 35,305</u>	<u>\$ 183,977</u>	<u>\$ 219,282</u>	<u>\$ 219,282</u>	<u>\$ 219,282</u>

See Independent Auditor's Report.

Community Action Marin
DEPT OF CSD SCHEDULE OF REVENUE AND EXPENSES
 Contract No. 23J-5724 (ESLIHEAP EHA)
 For the Year Ended June 30, 2024

	4/23/2023 through 6/30/2023	7/1/2023 through 6/30/2024	Total Audited Costs	Total Reported Costs	Total Budgets
Revenues:					
Government grants	\$ -	\$ 101,249	\$ 101,249		\$ 101,249
Revenue adjustment (deferred)	-	-	-		-
Total revenues	<u>-</u>	<u>101,249</u>	<u>101,249</u>		<u>101,249</u>
Expenses:					
Assurance 16 costs	<u>-</u>	<u>18,168</u>	<u>18,168</u>	<u>18,168</u>	<u>19,531</u>
Administrative costs	<u>-</u>	<u>18,168</u>	<u>18,168</u>	<u>18,168</u>	<u>19,531</u>
Program support costs (ECIP and HEAP)					
Intake	-	26,562	26,562	26,562	26,562
Outreach	-	16,602	16,602	16,602	16,602
Training and Technical Assistance	-	6,641	6,641	6,641	6,641
General operating expenditures	-	8,507	8,507	8,507	-
Automation supplemental	-	-	-	-	-
Subtotal program support costs	<u>-</u>	<u>58,312</u>	<u>58,312</u>	<u>58,312</u>	<u>49,805</u>
Program services costs:					
ECIP Emergency Heating & Cooling Services	-	-	-	-	-
Wood, Propane and Oil (ECIP & HEAP WPO)	<u>-</u>	<u>6,601</u>	<u>6,601</u>	<u>6,601</u>	<u>12,382</u>
Subtotal program services costs	<u>-</u>	<u>6,601</u>	<u>6,601</u>	<u>6,601</u>	<u>12,382</u>
Total expenses	<u>\$ -</u>	<u>\$ 101,249</u>	<u>\$ 101,249</u>	<u>\$ 101,249</u>	<u>\$ 101,249</u>

See Independent Auditor's Report.

Community Action Marin
DEPT OF CSD SCHEDULE OF REVENUE AND EXPENSES
 Contract No. 23Q-5569 (SLIHEAP EHA)
 For the Year Ended June 30, 2024

	5/1/2023 through 6/30/2023	7/1/2023 through 6/30/2024	Total Audited Costs	Total Reported Costs	Total Budgets
Revenues:					
Government grants	\$ -	\$ 5,363	\$ 5,363		\$ 5,363
Revenue adjustment (deferred)	-	-	-		-
Total revenues	<u>-</u>	<u>5,363</u>	<u>5,363</u>		<u>5,363</u>
Expenses:					
Assurance 16 costs	-	1,141	1,141	1,141	1,141
Administrative costs	-	1,141	1,141	1,141	1,141
Program support costs (ECIP and HEAP)					
Intake	-	1,643	1,643	1,643	1,643
Outreach	-	1,027	1,027	1,027	1,027
Training and Technical Assistance	-	411	411	411	411
General operating expenditures	-	-	-	-	-
Automation supplemental	-	-	-	-	-
Subtotal program support costs	<u>-</u>	<u>3,081</u>	<u>3,081</u>	<u>3,081</u>	<u>3,081</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>\$ -</u>	<u>\$ 5,363</u>	<u>\$ 5,363</u>	<u>\$ 5,363</u>	<u>\$ 5,363</u>

See Independent Auditor's Report.

Community Action Marin
DEPT OF CSD SCHEDULE OF REVENUE AND EXPENSES
 Contract No. 24B-2020 (LIHEAP EHA)
 For the Year Ended June 30, 2024

	11/1/2023 through 6/30/2024	Total Audited Costs	Total Reported Costs	Total Budgets
Revenues:				
Government grants	\$ 90,967	\$ 90,967		\$ 254,416
Revenue adjustment (deferred)	-	-		-
Total revenues	<u>90,967</u>	<u>90,967</u>		<u>254,416</u>
Expenses:				
Assurance 16 costs	<u>13,904</u>	<u>13,904</u>	<u>13,904</u>	<u>41,886</u>
Administrative costs	<u>13,904</u>	<u>13,904</u>	<u>13,904</u>	<u>41,886</u>
Program support costs (ECIP and HEAP)				
Intake	18,871	18,871	18,871	56,881
Outreach	11,795	11,795	11,795	35,551
Training and Technical Assistance	4,718	4,718	4,718	14,220
General operating expenditures	19,982	19,982	19,982	-
Automation supplemental	<u>5,445</u>	<u>5,445</u>	<u>5,445</u>	-
Subtotal program support costs	<u>60,811</u>	<u>60,811</u>	<u>60,811</u>	<u>106,652</u>
Program services costs:				
ECIP Emergency Heating & Cooling Services	-	-	-	-
Wood, Propane and Oil (ECIP & HEAP WPO)	<u>2,348</u>	<u>2,348</u>	<u>2,348</u>	<u>63,992</u>
Subtotal program services costs	<u>2,348</u>	<u>2,348</u>	<u>2,348</u>	<u>63,992</u>
Total expenses	<u>\$ 90,967</u>	<u>\$ 90,967</u>	<u>\$ 90,967</u>	<u>\$ 254,416</u>

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, 2024

	1/31/2023 through 6/30/2023	7/1/2023 through 5/31/2024	Total Audited Costs	Total Reported Expenses	Total Budgets
Revenues:					
Government grants	\$ 144,595	\$ 154,829	\$ 299,424		\$ 299,424
Other revenue	-	-	-		-
Total revenues	<u>144,595</u>	<u>154,829</u>	<u>299,424</u>		<u>299,424</u>
Expenses:					
Administrative costs:					
Salaries and wages	125,962	134,826	260,788	260,788	248,800
Fringe benefits	18,633	20,003	38,636	38,636	50,624
Operating expenses and equipment	-	-	-	-	-
Training costs	-	-	-	-	-
Subcontractor services	-	-	-	-	-
Other costs	-	-	-	-	-
Subtotal administrative costs	<u>144,595</u>	<u>154,829</u>	<u>299,424</u>	<u>299,424</u>	<u>299,424</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>	<u>-</u>
Total expenses	<u>\$ 144,595</u>	<u>\$ 154,829</u>	<u>\$ 299,424</u>	<u>\$ 299,424</u>	<u>\$ 299,424</u>

See Independent Auditor's Report.

Community Action Marin
DEPT OF CSD SCHEDULE OF REVENUE AND EXPENSES
 Contract No. 23F-4024 (CSBG DISCRETIONARY)
 For the Year Ended June 30, 2024

	7/1/2023 through 5/31/2024	Total Audited Costs	Total Reported Expenses	Total Budgets
Revenues:				
Government grants	\$ 15,884	\$ 15,884		\$ 15,884
Other revenue	-	-		-
Total revenues	<u>15,884</u>	<u>15,884</u>		<u>15,884</u>
Expenses:				
Administrative costs:				
Salaries and wages	-	-	-	-
Fringe benefits	-	-	-	-
Operating expenses and equipment	-	-	-	-
Training costs	-	-	-	-
Subcontractor services	1,900	1,900	-	1,900
Other costs	-	-	-	-
Subtotal administrative costs	<u>1,900</u>	<u>1,900</u>	<u>-</u>	<u>1,900</u>
Program costs:				
Salaries and wages	-	-	-	-
Fringe benefits	-	-	-	-
Operating expenses and equipment	-	-	-	-
Training costs	-	-	-	-
Subcontractor services	13,984	13,984	-	13,984
Other costs	-	-	-	-
Subtotal program costs	<u>13,984</u>	<u>13,984</u>	<u>-</u>	<u>13,984</u>
Total expenses	<u>\$ 15,884</u>	<u>\$ 15,884</u>	<u>\$ -</u>	<u>\$ 15,884</u>

See Independent Auditor's Report.

Community Action Marin
DEPT OF CSD SCHEDULE OF REVENUE AND EXPENSES
 Contract No. 24F-3024 (CSBG ADMIN)
 For the Year Ended June 30, 2024

	1/1/2023 through 6/30/2023	7/1/2023 through 12/31/2023	Total Audited Costs	Total Reported Expenses	Total Budgets
Revenues:					
Government grants	\$ 144,595	\$ 154,829	\$ 299,424		\$ 299,424
Other revenue	-	-	-		-
Total revenues	<u>144,595</u>	<u>154,829</u>	<u>299,424</u>		<u>299,424</u>
Expenses:					
Administrative costs:					
Salaries and wages	125,962	134,826	260,788	260,788	248,800
Fringe benefits	18,633	20,003	38,636	38,636	50,624
Operating expenses and equipment	-	-	-	-	-
Training costs	-	-	-	-	-
Subcontractor services	-	-	-	-	-
Other costs	-	-	-	-	-
Subtotal administrative costs	<u>144,595</u>	<u>154,829</u>	<u>299,424</u>	<u>299,424</u>	<u>299,424</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>	<u>-</u>
Total expenses	<u>\$ 144,595</u>	<u>\$ 154,829</u>	<u>\$ 299,424</u>	<u>\$ 299,424</u>	<u>\$ 299,424</u>

See Independent Auditor's Report.

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, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 13, 2024.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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*.

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 13, 2024

Independent Auditor's Report on Compliance for the 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 the Major Federal Program

Opinion on the 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 its major federal program for the year ended June 30, 2024. Community Action Marin's major federal program is 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 its major federal program for the year ended June 30, 2024.

Basis for Opinion on the 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 the 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 the 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.

Wipfli LLP

Wipfli LLP

Madison, Wisconsin

December 13, 2024

Community Action Marin

Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

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

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, 2024

Section II - Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

Section IV – Summary Schedule of Prior Year 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.

Current Year Status: We noted this finding has been resolved for the year ended June 30, 2024.