

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

FINANCIAL STATEMENTS

December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees

The Homeless Families Foundation DBA Home For Families (hereafter "HFF");

Columbus, Ohio

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of HFF (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of HFF as of December 31, 2021, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are required to be independent of HFF 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 (GAAP); 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 HFF's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually, or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement 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 HFF'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 HFF'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.

Report on Comparative Information

We have previously audited HFF's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 23, 2021. In our opinion, the comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our reported dated September 29, 2022 on our consideration of HFF'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 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 HFF's internal control over financial reporting and compliance.


Winkel Green & Company LLP

Columbus, Ohio
September 29, 2022

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Statement of Financial Position
December 31, 2021 with Comparative Totals for 2020 and 2019

	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>			
Current Assets			
Cash and Cash Equivalents	\$ 2,001,325	\$ 2,376,622	\$ 1,126,098
Gift Cards	10,635	9,404	13,878
Cash Advance	-	3,021	2,681
Accounts Receivable	1,295,457	826,045	366,448
Pledges Receivable (net of discount of \$1,169, \$3,983, \$5,844)	158,831	198,139	294,156
Prepaid Maintenance Fees	2,583	4,764	6,983
Prepaid Expenses	3,386	74,402	1,381
Security Deposits	25,888	25,888	-
Funds Held by The Columbus Foundation	195,482	171,976	157,886
Total Current Assets	<u>3,693,587</u>	<u>3,690,261</u>	<u>1,969,511</u>
Property and Equipment			
Land	91,378	91,378	91,378
Building	2,408,583	2,408,583	2,258,326
Equipment	458,556	446,625	446,625
Less: Accumulated Depreciation	<u>(1,859,049)</u>	<u>(1,769,712)</u>	<u>(1,692,618)</u>
Net Property and Equipment	<u>1,099,468</u>	<u>1,176,874</u>	<u>1,103,711</u>
Total Assets	<u>\$ 4,793,055</u>	<u>\$ 4,867,135</u>	<u>\$ 3,073,222</u>
<u>LIABILITIES</u>			
Current Liabilities			
Accounts Payable	\$ 272,308	\$ 123,319	\$ 61,539
Accrued Payroll	79,453	49,158	69,538
Other Accrued Expenses	77,232	100,027	65,160
Deferred Revenue	419,981	411,137	-
Current Portion of Long-Term Liabilities	3,378	5,598	5,972
Total Current Liabilities	<u>852,352</u>	<u>689,239</u>	<u>202,209</u>
Long-Term Liabilities			
Capital Lease	9,181	14,778	19,365
Line of Credit	197,117	71,354	119,354
Less: Current Portion of Long-Term Liabilities	<u>(3,378)</u>	<u>(5,598)</u>	<u>(5,972)</u>
Total Long-Term Liabilities	<u>202,920</u>	<u>80,534</u>	<u>132,747</u>
Total Liabilities	<u>1,055,272</u>	<u>769,773</u>	<u>334,956</u>
<u>NET ASSETS</u>			
Net Assets Without Donor Restrictions	2,335,548	2,498,307	2,301,259
Net Assets With Donor Restrictions	1,402,235	1,599,055	437,007
Total Net Assets	<u>3,737,783</u>	<u>4,097,362</u>	<u>2,738,266</u>
Total Liabilities and Net Assets	<u>\$ 4,793,055</u>	<u>\$ 4,867,135</u>	<u>\$ 3,073,222</u>

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Statement of Activities
For the year ended December 31, 2021 with comparative totals for 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2021</u>	<u>Total 2020</u>
Public Support and Revenue:				
Contributions	\$ 1,307,654	\$ 189,832	\$ 1,497,486	\$ 1,536,242
In-Kind Donated Goods/Services	40,000	-	40,000	5,500
Interest Income	810	-	810	1,716
Other Income	1,631	-	1,631	45,170
Change In Pledge Value	-	1,168	1,168	3,966
Restricted Operating Grants	-	6,346,755	6,346,755	4,660,641
Income from Funds Held at the Columbus Foundation	23,507	-	23,507	14,089
	<u>1,373,602</u>	<u>6,537,755</u>	<u>7,911,357</u>	<u>6,267,324</u>
Net Assets Released from Restrictions	<u>6,734,575</u>	<u>(6,734,575)</u>	<u>-</u>	<u>-</u>
 Total Revenues and Support	 8,108,177	 (196,820)	 7,911,357	 6,267,324
Expenses:				
Program Services	7,322,638	-	7,322,638	4,467,608
Administrative and General	603,888	-	603,888	436,011
Fundraising	344,410	-	344,410	285,821
Total Expenses	<u>8,270,936</u>	<u>-</u>	<u>8,270,936</u>	<u>5,189,440</u>
Other Income				
Pass Through Grant Funding Revenue	-	-	-	-
Pass Through Grant Funding Expense	-	-	-	-
Paycheck Protection Program Loan Forgiveness	-	-	-	281,212
Total Other Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>281,212</u>
(Decrease) Increase in Net Assets	(162,759)	(196,820)	(359,579)	1,359,096
Net Assets, Beginning of Year	<u>2,498,307</u>	<u>1,599,055</u>	<u>4,097,362</u>	<u>2,738,266</u>
Net Assets, End of Year	<u>\$ 2,335,548</u>	<u>\$ 1,402,235</u>	<u>\$ 3,737,783</u>	<u>\$ 4,097,362</u>

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Statement of Activities
For the year ended December 31, 2020 with comparative totals for 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2020</u>	<u>Total 2019</u>
Public Support and Revenue:				
Contributions	\$ 1,361,492	\$ 174,750	\$ 1,536,242	\$ 1,459,837
In-Kind Donated Goods/Services	5,500	-	5,500	180,279
Interest Income	1,716	-	1,716	3,183
Other Income	45,170	-	45,170	24,756
Change In Pledge Value	3,966	-	3,966	(5,844)
Restricted Operating Grants	-	4,660,641	4,660,641	1,610,387
Income from Funds Held at the Columbus Foundation	14,089	-	14,089	23,681
	<u>1,431,933</u>	<u>4,835,391</u>	<u>6,267,324</u>	<u>3,296,279</u>
Net Assets Released from Restrictions	<u>3,673,343</u>	<u>(3,673,343)</u>	<u>-</u>	<u>-</u>
 Total Revenues and Support	 5,105,276	 1,162,048	 6,267,324	 3,296,279
Expenses:				
Program Services	4,467,608	-	4,467,608	2,288,428
Administrative and General	436,011	-	436,011	337,055
Fundraising	285,821	-	285,821	420,426
Total Expenses	<u>5,189,440</u>	<u>-</u>	<u>5,189,440</u>	<u>3,045,909</u>
Other Income and Expense				
Pass Through Grant Funding Revenue	-	-	-	1,234
Pass Through Grant Funding Expense	-	-	-	(1,234)
Paycheck Protection Program Loan Forgiveness	281,212	-	281,212	-
Total Other Income and Expense	<u>281,212</u>	<u>-</u>	<u>281,212</u>	<u>-</u>
 Increase (Decrease) in Net Assets	 197,048	 1,162,048	 1,359,096	 250,370
Net Assets, Beginning of Year	<u>2,301,259</u>	<u>437,007</u>	<u>2,738,266</u>	<u>2,487,896</u>
 Net Assets, End of Year	 <u>\$ 2,498,307</u>	 <u>\$ 1,599,055</u>	 <u>\$ 4,097,362</u>	 <u>\$ 2,738,266</u>

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Statement of Functional Expenses
For the year ended December 31, 2021 with comparative totals for 2020

	Program Services	Supporting Services			Total Expenses	
	Community Service	Administrative and General		Total Supporting Services	2021	2020
		Fund Raising				
Salaries and Related Expenses	\$ 3,194,641	\$ 468,950	\$ 247,023	\$ 715,973	\$ 3,910,614	\$ 2,834,322
Supplies	17,054	4,044	6,804	10,848	27,902	22,268
Postage	-	4,211	808	5,019	5,019	3,677
Utilities	74,734	6,485	1,431	7,916	82,650	51,410
Repairs and Maintenance	92,443	19,608	4,654	24,262	116,705	108,237
Direct Assistance	3,012,656	16,180	202	16,382	3,029,038	1,151,184
Subcontractor Expense	350,859	-	-	-	350,859	379,298
Equipment	54,414	5,907	33	5,940	60,354	165,566
Education Center	118,900	-	-	-	118,900	60,071
Audit Fees	-	16,000	-	16,000	16,000	14,125
Consultant Fees	138,057	33,189	8,363	41,552	179,609	114,072
Travel and Transportation	24,708	372	154	526	25,234	22,819
Mortgage and Line of Credit Interest	6,560	-	-	-	6,560	4,895
Insurance	37,735	4,975	-	4,975	42,710	27,656
Fundraising	91	2,010	47,941	49,951	50,042	79,070
Marketing	2,455	-	13,414	13,414	15,869	8,985
Storage	15,624	-	-	-	15,624	-
Miscellaneous	43,383	17,851	9,291	27,142	70,525	29,991
Total Before Depreciation and Donated Services	7,184,314	599,782	340,118	939,900	8,124,214	5,077,646
Depreciation	98,324	4,106	4,292	8,398	106,722	106,294
In-Kind Donations	40,000	-	-	-	40,000	5,500
Total	\$ 7,322,638	\$ 603,888	\$ 344,410	\$ 948,298	\$ 8,270,936	\$ 5,189,440

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Statement of Functional Expenses
For the year ended December 31, 2020 with comparative totals for 2019

	Program Services	Supporting Services			Total Expenses	
	Community Service	Management and General	Fund Raising	Total Supporting Services	2020	2019
Salaries and Related Expenses	\$ 2,330,762	\$ 331,084	\$ 172,476	\$ 503,560	\$ 2,834,322	\$ 1,859,561
Supplies	17,589	4,162	517	4,679	22,268	19,564
Postage	-	1,463	2,214	3,677	3,677	2,553
Utilities	48,415	2,006	989	2,995	51,410	51,218
Repairs and Maintenance	72,097	28,821	7,319	36,140	108,237	82,511
Direct Assistance	1,150,231	953	-	953	1,151,184	295,425
Subcontractor Expense	379,298	-	-	-	379,298	-
Equipment	140,550	25,016	-	25,016	165,566	12,168
Education Center	60,071	-	-	-	60,071	85,571
Audit Fees	3,610	10,515	-	10,515	14,125	9,975
Consultant Fees	100,779	10,070	3,223	13,293	114,072	101,906
Travel and Transportation	22,195	64	560	624	22,819	42,790
Mortgage and Line of Credit Interest	3,977	918	-	918	4,895	7,732
Insurance	25,366	2,268	22	2,290	27,656	25,456
Fundraising	250	58	78,762	78,820	79,070	176,073
Marketing	-	-	8,985	8,985	8,985	2,760
Database Measurement Resources	-	-	-	-	-	-
Miscellaneous	8,136	15,423	6,432	21,855	29,991	29,151
Total Before Depreciation and Donated Services	4,363,326	432,821	281,499	714,320	5,077,646	2,804,414
Depreciation	98,782	3,190	4,322	7,512	106,294	104,445
In-Kind Donations	5,500	-	-	-	5,500	137,050
Total	\$ 4,467,608	\$ 436,011	\$ 285,821	\$ 721,832	\$ 5,189,440	\$ 3,045,909

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Statements of Cash Flows

For the year ended December 31, 2021, with Comparative Totals for 2020 and 2019

	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>Cash Flows from Operating Activities</u>			
(Decrease) Increase in Net Assets	\$ (359,579)	\$ 1,359,096	\$ 250,370
Adjustments to Reconcile Change in Net Assets to Net Cash (Used) Provided by Operating Activities:			
(Increase) in Funds Held by The Columbus Foundation	(23,506)	(14,090)	(40,859)
Depreciation	106,722	106,293	104,445
Decrease (Increase) in Cash Advance	3,021	(340)	(2,481)
Change in Pledge Value	(2,815)	(1,861)	5,844
(Increase) Decrease in Gift Cards	(1,231)	4,474	120
(Increase) in Accounts Receivable	(469,412)	(459,597)	(134,347)
Decrease (Increase) in Pledges Receivable	42,123	97,878	(300,000)
(Increase) in Security Deposits	-	(25,888)	-
Decrease in Prepaid Maintenance Fees	2,181	2,219	2,200
Decrease (Increase) in Prepaid Expenses	71,016	(73,021)	961
Increase in Accounts Payable	148,989	61,780	37,074
Increase in Deferred Revenue	8,844	411,137	-
Increase in Accrued Expenses	7,500	14,487	35,745
	<u>(466,147)</u>	<u>1,482,567</u>	<u>(40,928)</u>
<u>Cash Flows (Used) by Investing Activities</u>			
Fixed Asset Expenditures	<u>(29,316)</u>	<u>(179,456)</u>	<u>(63,581)</u>
Net Cash (Used) by Investing Activities	(29,316)	(179,456)	(63,581)
<u>Cash Flows Used by Financing Activities</u>			
Change in Capital Lease Payable	(5,597)	(4,587)	(12,375)
Increase (Decrease) in Line of Credit	<u>125,763</u>	<u>(48,000)</u>	<u>(64,636)</u>
Net Cash Provided (Used) by Financing Activities	<u>120,166</u>	<u>(52,587)</u>	<u>(77,011)</u>
Net (Decrease) Increase in Cash and Cash Equivalents	(375,297)	1,250,524	(181,520)
Cash and Cash Equivalents Beginning of Year	<u>2,376,622</u>	<u>1,126,098</u>	<u>1,307,618</u>
Cash and Cash Equivalents End of Year	<u>\$ 2,001,325</u>	<u>\$ 2,376,622</u>	<u>\$ 1,126,098</u>
<u>Additional Disclosures</u>			
Total Interest Paid During the Year	<u>\$ 6,560</u>	<u>\$ 4,895</u>	<u>\$ 7,732</u>

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Notes to the Financial Statements
December 31, 2021 with Comparative Totals for 2020

Note 1 – Summary of Significant Accounting Policies

Nature of Organization

The Homeless Families Foundation DBA Home For Families (hereafter HFF) has worked to improve the lives and stability of impoverished children and their families since 1986. HFF's mission is to educate and nurture children while empowering families to achieve stable housing and self-sufficiency. HFF is an experienced non-profit provider, providing unique housing and education services to families, pregnant women, and transition age youth parents. Through comprehensive case management services embedded within extensive homeless and education programming, HFF annually assists nearly 1,000 Columbus families in achieving financial, housing and family stability. HFF is a valued community partner which regularly participates in community planning processes related to homelessness, prevention, food insecurity, education, employment, and poverty. HFF Housing, Education Center and Family Stability staff have extensive experience working with people living in crisis and poverty; providing trauma-informed service/intervention designed to move families and children toward stability and well-being.

Tax Status

HFF is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal income taxes has been made in the financial statements.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, HFF may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of HFF and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for the fiscal year ending December 31, 2021 and 2020.

HFF files its forms 990 in the U.S. federal jurisdiction and the office of the state's attorney general for the State of Ohio. HFF is generally no longer subject to examination by the Internal Revenue Service for years ending before December 31, 2018.

Revenue Recognition

For the periods ending December 31, 2021 and 2020, the ASC 958 (Update) has modified the revenue recognition regarding contribution, which are effective for the reporting year beginning January 1, 2019. The modified standard stipulates that a contribution is recognized as unconditional and therefore recognized as revenue if any donor-imposed conditions are met (barriers and right of return to contributor or release from obligation by the donor.) The organization believes that all contributions recognized meet the modified standard as unconditional. Those contributions that were deemed as conditional are reflected as deferred revenue as of December 31, 2021 and 2020. Prior to the implementation of ASU 958 (Update) the organization was recognizing its revenue under the originally issued ASU 958.

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Notes to the Financial Statements
December 31, 2021 with Comparative Totals for 2020

Note 1 – Summary of Significant Accounting Policies (Continued)

Basis of Presentation

HFF has adopted Accounting Standards Update (ASU) 2016-14, “Not-For-Profit Entities – Revenue Recognition”. In accordance with ASU 2016-14, contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

HFF has also adopted “Not-For-Profit Entities – Presentation of Financial Statements”, under which HFF is required to report information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions, and net assets with donor restrictions.

The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment at the Columbus Foundation. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

The Organization's unspent contributions are reported in net assets with donor restrictions if the donor has limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service. Net assets with donor restrictions are further delineated in Note 3.

Accrual Basis

The financial statements of HFF have been prepared on the accrual basis. The statement of activities is a statement of financial activities related to the current reporting period.

Depreciation

Expenditures for equipment and furnishings, and expenditures for repairs that extend the life of the asset of over \$2,500 are capitalized at cost or fair market value at the date of donation in the case of gifts.

For buildings, furniture, fixtures and autos, depreciation is charged on a straight-line basis over the estimated useful lives of the assets.

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Notes to the Financial Statements
December 31, 2021 with Comparative Totals for 2020

Note 1 – Summary of Significant Accounting Policies (Continued)

Cash and Equivalents

For purposes of the statements of cash flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less.

Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on a reasonable basis that is consistently applied.

For the years ended December 31, 2021 and 2020, HFF has elected to utilize the 10% de minimis indirect cost rate applicable to federal funding. De minimis costs are allocated amongst Program expense line items, and are reflected in total by program on the Schedule of Expenditures of Federal Awards.

Donations

Donations received are recorded as net assets without donor restrictions, or net assets with donor restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted support is reported as an increase in Net Assets with Donor Restrictions. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the restricted net assets are reclassified to Net Assets Without Donor Restrictions and reported in the statement of activities as net assets released from restrictions.

Note 2 – Long-Term Debt

During a prior year, HFF entered into a line of credit agreement with Park National Bank. The line permits the organization to draw up to \$235,000 and is due April 27, 2024, and as such, is classified as long-term debt on the statement of financial position. The note carries a floating interest rate of prime + 0.25% and is collateralized by the current assets of the company.

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Notes to the Financial Statements
December 31, 2021 with Comparative Totals for 2020

Note 3 – Net Assets

Net Assets With Donor Restrictions

Net Assets with Donor Restrictions for December 31, 2021 are comprised of the following:

<u>Purpose</u>	<u>Balance</u> <u>12/31/20</u>	<u>Current</u> <u>Donations</u>	<u>Restrictions</u> <u>Satisfied</u>	<u>Balance</u> <u>12/31/21</u>
AEP – 2020- 2023 Pledge	\$198,139	\$ ---	\$(98,139)	\$100,000
ADAMH – Youth Leadership	26,296	36,350	(56,049)	6,597
Bezos Day One Fund	1,240,100	---	(250,000)	990,100
Cardinal Health	50,000	---	(50,000)	---
Catholic Diocese – Food for Families	3,058	---	(3,058)	---
City of Columbus – Celebrate One - Reimbursement	---	48,196	(48,196)	---
City of Columbus – Parks and Rec	---	107,000	---	107,000
City of Columbus Family Stability - Reimbursement	---	30,451	(30,451)	---
Columbus Foundation – YOGA	5,898	---	(5,000)	898
COHHIO	---	1,064,289	(1,064,289)	---
Columbus Foundation – Gifts of Kindness	---	50,000	(36,600)	13,400
Columbus Foundation – Resiliency Bridge	---	36,000	---	36,000
CSB – HP Pregnant Women – Reimbursement	---	412,758	(412,758)	---
CSB – Family Intensive RRH - Reimbursement	---	334,769	(334,769)	---
CSB – Emergency Solutions Grant - Reimbursement	---	543,213	(543,213)	---
CSB – Transitional Age Youth - Reimbursement	---	1,576,696	(1,576,696)	---
CSB – Resiliency Bridge – Reimbursement	---	31,180	(31,180)	---
CSB – HPEM – Reimbursement	---	172,179	(172,179)	---
C1 ERA Funding- Reimbursement	---	427,515	(427,515)	---
CSCC – Success Bridge	---	494,549	(494,549)	---
Discover Brighter Futures Fund	15,000	---	(15,000)	---
Early Childhood Resource Center	---	31,440	(31,440)	---
Harry C Moores Foundation	---	20,000	---	20,000
Hexion - COVID	10,000	---	(6,382)	3,618
Ingram-White Castle – 2022-2024 Pledge	---	60,000	(1,169)	58,831
Montei Foundation – Master Leases	---	30,000	---	30,000
ODH Youth	---	287,473	(287,473)	---
Peggy Kelley Fund – Beyond Housing	30,564	---	(14,773)	15,791
Reinberger Foundation	---	15,000	(15,000)	---
Siemer Family Foundation	20,000	20,000	(20,000)	20,000
State of Ohio Food Program – Reimbursement	---	13,839	(13,839)	---
FCDJFS – TANF Summer Program - Reimbursement	---	116,602	(116,602)	---
FCDJFS – TANF School Year – Reimbursement	---	327,502	(327,502)	---
FCDJFS – SPARK TANF – Reimbursement	---	250,754	(250,754)	---
	<u>\$1,599,055</u>	<u>\$6,537,755</u>	<u>\$(6,734,575)</u>	<u>\$1,402,235</u>

Changes in pledge value of \$1,169 on restricted grants included on the statement of activities are included as a reduction of Restrictions Satisfied above.

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Notes to the Financial Statements
December 31, 2021 with Comparative Totals for 2020

Note 3 – Net Assets (Continued)

Net Assets With Donor Restrictions

Net Assets with Donor Restrictions for December 31, 2020 are comprised of the following:

<u>Purpose</u>	<u>Balance 12/31/19</u>	<u>Current Donations</u>	<u>Restrictions Satisfied</u>	<u>Balance 12/31/20</u>
AEP – 2020- 2023 Pledge	\$294,156	\$ ---	\$(96,017)	\$198,139
ADAMH – Youth Leadership	12,634	18,750	(5,088)	26,296
Anthem	49,153	---	(49,153)	---
Bezos Day One Fund	---	1,240,100	---	1,240,100
Cardinal Health	---	100,000	(50,000)	50,000
Catholic Diocese – Food for Families	---	6,000	(2,942)	3,058
City of Columbus – Celebrate One - Reimbursement	---	185,519	(185,519)	---
City of Columbus Family Stability - Reimbursement	---	176,743	(176,743)	---
Columbus Foundation – YOGA	7,898	---	(2,000)	5,898
COHHIO	---	25,365	(25,365)	---
CSB – HP Pregnant Women - Reimbursement	---	138,907	(138,907)	---
CSB – Family Intensive RRH - Reimbursement	---	97,097	(97,097)	---
CSB – Emergency Solutions Grant - Reimbursement	---	490,310	(490,310)	---
CSB – Transitional Age Youth - Reimbursement	---	1,151,165	(1,151,165)	---
CSCC – Success Bridge	---	135,829	(135,829)	---
Discover Brighter Futures Fund	15,000	---	---	15,000
Hexion - COVID	---	10,000	---	10,000
Ingram-White Castle – 2016 – 2018 Pledge	18,178	---	(18,178)	---
ODH Youth	---	204,000	(204,000)	---
Peggy Kelley Fund – Beyond Housing	35,113	---	(4,549)	30,564
Resilience Funding - CARES	---	320,287	(320,287)	---
Siemer Family Foundation	---	40,000	(20,000)	20,000
State of Ohio Food Program – Reimbursement	---	10,187	(10,187)	---
FCDJFS – TANF Summer Program - Reimbursement	---	88,511	(88,511)	---
FCDJFS – SPARK TANF – Reimbursement	---	396,621	(396,621)	---
TJX Foundation	4,875	---	(4,875)	---
	<u>\$437,007</u>	<u>\$4,835,391</u>	<u>\$(3,673,343)</u>	<u>\$1,599,055</u>

Changes in pledge value of \$3,966 on restricted grants included on the statement of activities are included as a reduction of Restrictions Satisfied above.

Net Assets Without Donor Restrictions

Net assets without donor restrictions may be used by HFF to achieve any of HFF’s purposes.

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Notes to the Financial Statements
December 31, 2021 with Comparative Totals for 2020

Note 4 – Liquidity

The following reflects the organization’s financial assets as of the date of the statement of financial position. Financial assets at year-end are reduced by amounts not available for general use due to donor-imposed restrictions that will not expire within one year of the financial position date. Donor restricted amounts that will become available for general use within the year subsequent to December 31, 2021 and 2020 are detailed below:

	<u>2021</u>	<u>2020</u>
Financial Assets at Year End	\$3,661,730	\$3,582,186
AEP Pledge Receivable Due in 2022	---	(98,139)
Portion of Ingram WhiteCastle Pledge Receivable Due in 2023 and 2024	(40,000)	---
Endowment Fund	<u>(195,482)</u>	<u>(171,976)</u>
Financial Assets Available for Use Within 1 Year	<u>\$ 3,426,248</u>	<u>\$3,312,071</u>

The Organization defines financial assets as Cash, Gift Cards, Accounts Receivable, Pledges Receivable, and Funds Held by The Columbus Foundation.

	<u>2021</u>	<u>2020</u>
Cash	\$2,001,325	\$2,376,622
Gift Cards	10,635	9,404
Accounts Receivable	1,295,457	826,045
Pledges Receivable	158,831	198,139
Funds Held by Columbus Foundation	<u>195,482</u>	<u>171,976</u>
	<u>\$3,661,730</u>	<u>\$3,582,186</u>

Note 5 – Deferred Revenue

Deferred revenue results from HFF recognizing reimbursable grant revenue from grantors related to future rental obligations in the period in which the rental obligations are met. Accordingly, reimbursable grant revenue requested/received in the current fiscal year, pertaining to the subsequent year’s rental obligations, are deferred until the period which rent is applicable. Deferred revenue of \$70,202 is reflected on the statement of financial position related to future rental obligations as of December 31, 2020.

As of December 31, 2021 and 2020, additional deferred revenue is reflected on the statement of financial position related to conditional grant funding. Under ASU 958-606, contributions for which conditions have not yet been met are not recognized as revenue. Deferred revenue of \$419,981 and \$340,935 on the statement of financial position is related conditional grants as of December 31, 2021 and 2020, respectively.

	<u>2021</u>	<u>2020</u>
Deferred Revenue at		
Future Rental Obligations	\$ ---	\$ 70,202
Conditional Grant Advances		
COHHIO	---	340,935
City of Columbus C1 ERA	135,432	---
City of Columbus HPW Housing Stabilization	250,000	---
City of Columbus Family Stability	<u>34,549</u>	---
	<u>\$419,981</u>	<u>\$411,137</u>

Subsequent to year-end 2020, it was determined that \$246,856 of the COHHIO advanced funding would be returned to the grantor based on conditions not having been met. HFF anticipates meeting all conditions of funding for conditional grants recognized as of December 31, 2021.

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Notes to the Financial Statements
December 31, 2021 with Comparative Totals for 2020

Note 6 -- Donated Services and Materials

HFF receives donated services consisting of professional and general volunteer hours and donated materials. In accordance with Accounting Standards Codification (ASC) 958-605, the contribution of services are recognized in the financial statements if the services received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Rates used in the calculations of the professional volunteer services are based on the average rate charged by the respective professions in the Columbus area.

A summary of donated services follows:

	<u>2021</u>	<u>2020</u>
Supplies for Families	<u>\$40,000</u>	<u>\$5,500</u>
	<u>\$40,000</u>	<u>\$5,500</u>

HFF has general volunteer hours for various operations. General volunteer hours have not been recognized in the financial statements because they do not meet the criteria of Accounting Standards Codification (ASC) 958-605 "Not-For-Profit Entities – Revenue Recognition". Estimated hours of general volunteer service received were 352 for 2021 and 2,203 for 2020.

HFF also receives various small (under \$1,000) donations of food, clothing and household items. The value of these items is not reflected in these statements since it is not susceptible to objective measurement or valuation.

Note 7 – Pledges Receivable

Included in the pledges receivable balance on the statements of financial position are two grants. The AEP Foundation grant stipulates that an amount of \$300,000 would be paid over the three years subsequent to December 31, 2019. The Ingram White Castle foundation grant stipulates that an amount of \$60,000 would be paid over the three years subsequent to December 31, 2021. Pledges receivable are shown net of discount of \$1,169 and \$3,983 as of December 31, 2021 and 2020, respectively.

	<u>2021</u>	<u>2020</u>
AEP Foundation	\$100,000	\$198,139
Ingram WhiteCastle Foundation	<u>58,831</u>	<u> </u>
	<u>\$158,831</u>	<u>\$198,139</u>

Note 8 – Paycheck Protection Program Loan Forgiveness

On April 22, 2020, HFF received \$281,212, from the Small Business Administration (SBA) through the Paycheck Protection Program (PPP). Prior to year-end December 31, 2020, HFF was notified that the loan had been forgiven in its entirety as it was spent in accordance with SBA requirements. As of December 31, 2020, the entirety of the loan is reflected as income on the Statement of Activities.

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Notes to the Financial Statements
December 31, 2021 with Comparative Totals for 2020

Note 9 – **Capital Lease**

In October 2015, HFF entered into a capital lease for two copiers. In accordance with ASC 840, the amount capitalized was the present value of future cash flows at an imputed discount rate of 4.5% (\$17,295), which approximates the fair market value of the copiers. Accordingly, the copiers contained in the capital lease are recorded in HFF's assets and liabilities.

The aforementioned-leased assets are included in the financial statements at December 31, 2021 and 2020 as follows:

	<u>2021</u>	<u>2020</u>
Equipment	\$---	\$17,295
Accumulated Depreciation	---	<u>(17,295)</u>
Net	---	---
Depreciation Expense	\$---	<u>\$ 1,729</u>

This capital lease was fully paid off during the year ended December 31, 2020.

During September 2018, HFF entered into a new lease for an additional two copiers. In accordance with ASC 840, the amount capitalized was the fair market value of the copiers, which was determined at \$9,684. Accordingly, the copiers contained in the capital lease are included as fixed assets on HFF's statement of financial position. The corresponding capital lease payable includes the present value of the prepaid maintenance fees calculated at \$9,923, capitalized assets, and cash received from leasing agent.

The aforementioned leased assets are included in the financial statements at December 31, 2021 and 2020 as follows:

	<u>2021</u>	<u>2020</u>
Equipment	\$9,684	\$9,684
Accumulated Depreciation	<u>(6,778)</u>	<u>(4,842)</u>
Net	<u>\$2,906</u>	<u>\$4,842</u>
Depreciation Expense	<u>\$(1,937)</u>	<u>\$(1,937)</u>

The following is a schedule by years of future minimum payments required under the lease obligation:

<u>Year Ending:</u>	
2022	7,500
2023	<u>5,000</u>
	\$12,500
Imputed interest	<u>(3,319)</u>
Present value of future minimum lease payments	<u>\$9,181</u>

HFF has elected to recognize imputed interest using a straight-line method, which does not materially differ from the GAAP-prescribed Interest Method (ASC 835-30-20).

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Notes to the Financial Statements
December 31, 2021 with Comparative Totals for 2020

Note 10 – Lease Commitments

Program Facilities

During 2020, HFF entered into multiple master leases for housing units, which are utilized for program participants under the Organization's housing programs. These master leases each call for one-year terms, with various monthly rental payments. Future minimum lease payments are as follows:

<u>Lessor</u>	<u>Year-Ended December 31, 2022</u>
Access More Property Management	\$24,000
Kenmore Youth Housing LLC	<u>124,992</u>
	<u>\$148,992</u>

Vehicles

During 2020, HFF entered into multiple leases for Organizational vehicles. The terms of the various leases are as follows:

Beginning January 1, 2020, HFF entered into a vehicle lease. The lease term runs for 36 months, and calls for monthly payments of \$770. Beginning March 1, 2020, HFF entered into two additional vehicle leases under the same lessor. Each lease term runs for 36 months, and calls for monthly payments of \$479 and \$467, respectively. Future minimum lease payments for leased vehicles are as follows:

<u>Year End Date</u>	<u>Minimum Payments</u>
December 31, 2022	\$ 20,592
December 31, 2023	<u>1,892</u>
	<u>\$22,484</u>

Note 11 – Defined Contribution Plan

HFF established a qualified 401(k) Defined Contribution Plan beginning January 1, 2006. All employees are eligible to participate the first day of the month following the date they become 21 years of age and obtain 6 months of employment. Employees may elect to defer a portion of their compensation for contribution to the plan. HFF as the employer will contribute 50% for every dollar of employee elective deferrals up to a total employer contribution totaling 2% of the employee's annual compensation. The plan includes the following vesting schedule:

Less than 1 year of service:	0% vested
1 year of service:	25% vested
2 years of service:	50% vested
3 years of service:	75% vested
4+ years of service:	100% vested

HFF's total contributions to the 401(k) Defined Contribution Plan totaled \$22,891 and \$17,135 for the years ended December 31, 2021 and 2020, respectively.

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Notes to the Financial Statements
December 31, 2021 with Comparative Totals for 2020

Note 12 – **Fair Value of Assets**

HFF adopted Accounting Standards Codification 825 “Financial Instruments” (ASC 825) related to the endowment fund. ASC 825 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value and 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 ASC 825 are as follows:

Level 1 Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access at the measurement date;

Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active;

Level 3 Inputs that are unobservable.

Inputs are used in applying the various techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility, statistics, specific and broad credit data, liquidity statistics, and other factors. 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. However, the determination of what constitutes “observable” requires significant judgment by management. Management considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the manager’s perceived risk of that instrument.

In making the aforementioned valuations, management will consult with their brokers, investment managers and various other entities in analyzing data which determines fair market values.

Fair values of assets measured on a recurring basis at December 31, 2021 are as follows:

	Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Funds held by The Columbus Foundation	\$195,482	\$---	\$195,482	\$---

Fair values of assets measured on a recurring basis at December 31, 2020 are as follows:

	Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Funds held by The Columbus Foundation	\$171,976	\$---	\$171,976	\$---

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Notes to the Financial Statements
December 31, 2021 with Comparative Totals for 2020

13 – Funds Held by The Columbus Foundation

In a prior year, HFF transferred assets to The Columbus Foundation, a federated fundraising organization, to establish a fund for HFF's own benefit. It is the hope of HFF that other individuals, organizations and corporations will also add to the fund. The fund shall be administered subject to all the terms and conditions as provided for in the Articles of Incorporation and Code of Regulations establishing the Columbus Foundation. As a component fund of The Columbus Foundation it is subject to the variance power of the board of The Columbus Foundation but because HFF established the fund naming itself as the sole beneficiary the funds belong solely to HFF and, accordingly, are reflected as an asset in the financial statements. The entire fund may be distributed to HFF with the approval of at least a two-thirds majority vote of the board of HFF. Accordingly, the fund is included in Net Assets Without Donor Restrictions. The fund is carried at its fair market value of \$195,482 and \$171,796 at December 31, 2021 and 2020, respectively. Activity in this fund is as follows for the years ended December 31:

	<u>2021</u>	<u>2020</u>
Beginning Balance at January 1:	\$171,976	\$157,886
Interest and Dividends	4,245	3,909
Administration Fees	(710)	(667)
Unrealized/Realized Gains and Losses	<u>19,971</u>	<u>10,848</u>
Ending Balance at December 31:	<u>\$195,482</u>	<u>\$171,976</u>

Note 14 – Concentration of Business Risk

HFF has concentrated its credit risk for cash by maintaining deposits in banks located within the same geographic region. During 2021 and 2020, HFF's cash accounts were insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per banking institution. HFF has amounts on deposit in excess of the insured limits. HFF does not deem there to be a significant risk associated with the deposits in excess of insured limits given the reputation and financial stability of the banking institutions. HFF continuously reviews and manages their banking relationships to mitigate any risks associated with deposits in excess of insured limits.

HFF donors are located primarily in the Central Ohio area.

During 2021, HFF received \$2,719,936 (approximately 34% of its revenues) from The Community Shelter Board, through multiple federally funded grant programs. Despite this concentration of revenue, the programs are diversified, and a failure to renew any single CSB-funded grant component would not directly impact the remaining grants or programs. Additionally, HFF received \$1,064,289 (approximately 13% of its revenues) from Coalition on Homelessness and Housing in Ohio (COHHIO).

During 2020, HFF received \$1,877,480 (approximately 30% of its revenues) from The Community Shelter Board, through multiple federally funded grant programs. Despite this concentration of revenue, the programs are diversified, and a failure to renew any single CSB-funded grant component would not directly impact the remaining grants or programs. Additionally, HFF received \$1,240,100 (approximately 19% of its revenues) from The Bezos Day One Fund.

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

Notes to the Financial Statements
December 31, 2021 with Comparative Totals for 2020

Note 15 – **Reclassification**

Certain December 31, 2020 financial statement line items have been reclassified to conform to the current year's presentation.

Note 16 – **Subsequent Events**

Subsequent events were evaluated through September 29, 2022, which is the date the financial statements were available to be issued.

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES
REPORT ON FEDERAL AWARDS IN ACCORDANCE WITH UNIFORM GUIDANCE
FEDERAL ENTITY IDENTIFICATION NUMBER 31-1179492
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grant Identification Number	Passed Through to Subrecipients	Expended by HFF	Total Federal Expenditures
U.S. Department of Health and Human Services Passed through Coalition on Homelessness and Housing in Ohio Housing Now for Homeless Families	93.558	N/A	\$ -	\$ 1,064,289	\$ 1,064,289
U.S. Department of Health and Human Services Passed through Franklin County Department of Jobs and Family Services Temporary Assistance for Needy Families (TANF) SPARK	93.558	NA	-	250,754	250,754
U.S. Department of Health and Human Services Passed through Franklin County Department of Jobs and Family Services Temporary Assistance for Needy Families (TANF) Summer Program	93.558	NA	-	116,602	116,602
U.S. Department of Health and Human Services Passed through Franklin County Department of Jobs and Family Services Temporary Assistance for Needy Families (TANF) School Year Program	93.558	NA	-	327,502	327,502
U.S. Department of Health and Human Services Passed through Community Shelter Board HPEM	93.558	NA	-	142,679	142,679
U.S. Department of Health and Human Services Passed through Community Shelter Board Family Intensive Rapid Rehousing	93.558	NA	-	168,198	168,198
Total U.S. Department of Health and Human Services - 93.558			-	2,070,024	2,070,024
U.S. Department of the Treasury Passed through City of Columbus C1 ERA Program	21.023	NA	-	427,515	427,515
US Department of the Treasury Passed through Community Shelter Board HPEM	21.023	NA	-	29,500	29,500
U.S. Department of the Treasury Passed through Community Shelter Board Homeless Pregnant Women	21.023	NA	-	4,779	4,779
Total U.S. Department of the Treasury - 21.023			-	461,794	461,794

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES
 REPORT ON FEDERAL AWARDS IN ACCORDANCE WITH UNIFORM GUIDANCE
 FEDERAL ENTITY IDENTIFICATION NUMBER 31-1179492
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grant Identification Number	Passed Through to Subrecipients	Expended by HFF	Total Federal Expenditures
U.S. Department of Housing and Urban Development Passed through Community Shelter Board Emergency Solutions Grant Programs	14.231	NA	-	543,213	543,213
U.S. Department of Housing and Urban Development Passed through Community Shelter Board Homeless Pregnant Women Programs	14.231	NA	-	407,979	407,979
U.S. Department of Housing and Urban Development Passed through Community Shelter Board Family Intensive Rapid Rehousing	14.231	NA	-	166,571	166,571
Total U.S. Department of Housing and Urban Development - 14.231			-	1,117,763	1,117,763
U.S. Department of Housing and Urban Development Passed through Community Shelter Board Transitional Age Youth Program	14.267	N/A	-	1,576,696	1,576,696
Total US Department of Housing and Urban Development - 14.267			-	1,576,696	1,576,696
Total US Department of Housing and Urban Development			-	2,694,459	2,694,459
U.S. Department of Agriculture Passed through Ohio Department of Education Child and Adult Care Food Program	10.558	N/A	-	13,839	13,839
Total U.S. Department of Agriculture - 10.558			-	13,839	13,839
Total Federal Expenditures			\$ -	\$ 5,240,116	\$ 5,240,116

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of HFF under programs of the federal government for the year ended December 31, 2021. The information in this schedule is presented in accordance with the requirements of the 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 HFF, it is not intended to and does not present the financial position, changes in net assets or cash flows of HFF.

Note 2 – Summary of Significant Accounting Policies

The Schedule has been prepared on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. HFF has elected to use the 10% de minimis as allowed under the Uniform Guidance.

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
The Homeless Families Foundation DBA Home for Families (hereafter "HFF")
Columbus, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of HFF (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 29, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the HFF's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of HFF's internal control. Accordingly, we do not express an opinion on the effectiveness of HFF's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. 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 HFF's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Winkler Green & Company LLP
Columbus, Ohio

September 29, 2022

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL OVER
COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of
The Homeless Families Foundation DBA Home For Families (hereafter "HFF")
Columbus, Ohio

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited HFF's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of HFF's major federal programs for the year ended December 31, 2021. HFF's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, HFF complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis of Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of the report.

We are required to be independent of HFF 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 obtain is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of HFF'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 requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to HFF's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on HFF's compliance based on our audit. Reasonable assurance is a high level of assurance, but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, representations, 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 judgement made by a reasonable user of the report on compliance about HFF's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding HFF'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 HFF'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 HFF's internal control. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Report on Internal Control Over Compliance (Continued)

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of HFF as of and for the year ended December 31, 2021, and have issued our report thereon dated September 29, 2022 which contained an unmodified opinion on those financial statements. 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 awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.


Winkler Green & Company LLP
Columbus, Ohio

September 29, 2022

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
December 31, 2021**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Part A:

Summary of Audit Results:

1. The audited financial statements were prepared in accordance with GAAP.
2. The auditor's report expresses an unmodified opinion on the financial statements of HFF.
3. No material weaknesses were identified in relation to internal control over financial reporting.
4. No significant deficiencies were reported in relation to internal control over financial reporting.
5. No instance of noncompliance material to the financial statements of HFF were disclosed during the audit.
6. No material weaknesses related to internal control over major federal programs were identified during the audit.
7. No significant deficiencies related to internal control over major federal programs were reported during the audit.
8. The auditor's report on compliance for the major federal award programs for HFF expresses an unmodified opinion.
9. There were no audit findings relative to the major federal award programs for HFF in accordance with 2 CFR 200.516(a).
10. Identification of major federal programs:
 - Assistance Listing Number 93.558
 - Assistance Listing Number 21.023
11. The programs tested as major programs were:
 12. Assistance Listing Number 93.558
 13. Assistance Listing Number 21.023
14. The threshold for distinguishing Types A and B programs was \$750,000.
15. HFF was determined to be a low-risk auditee.

Part B:

Findings at the financial statement level: None

Part C:

Findings and Questioned Costs – Major Federal Award Program Audit: None

THE HOMELESS FAMILIES FOUNDATION DBA HOME FOR FAMILIES

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

December 31, 2021

Prior Audit Reports

None.