

**COMMUNITY ACTION STOPS ABUSE, INC.
AND SUBSIDIARIES**

**Consolidated Financial Statements
and Supplementary Information**

**June 30, 2023 and 2022
(With Independent Auditors' Report Thereon)**

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1 - 3
Consolidated Financial Statements:	
Consolidated Statements of Financial Position	4
Consolidated Statements of Activities	5 - 6
Consolidated Statement of Functional Expenses	7
Consolidated Statements of Cash Flows	8
Notes to Consolidated Financial Statements	9 - 24
Supplementary Information:	
Schedule of Expenditures of Federal Awards	25 - 26
Schedule of Expenditures of Federal Awards Summarized by Federal Program	27
Notes to Schedule of Expenditures of Federal Awards	28
Consolidating Statement of Financial Position	29
Consolidating Statement of Activities	30
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Consolidated Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	31 - 32
Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	33 - 35
Schedule of Findings and Questioned Costs	36



Independent Auditors' Report

To the Board of Directors of
Community Action Stops Abuse, Inc. and Subsidiaries:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Community Action Stops Abuse, Inc. and Subsidiaries (collectively the "Organization"), which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities and cash flows for the years then ended, the related consolidated statement of functional expenses for the year ended June 30, 2023, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Community Action Stops Abuse, Inc. and Subsidiaries as of June 30, 2023 and 2022, and the changes in their net assets and their cash flows for the years then ended, and their functional expenses for the year ended June 30, 2023, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As discussed in Note 1(s) to the financial statements, the Organization changed its method of accounting for leases as a result of the adoption of Accounting Standards Codification Topic 842, *Leases*, effective July 1, 2022, under the modified retrospective transition method. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated 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 consolidated 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 the Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

Other Matters

Other Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating statement of financial position, consolidating statement of activities, and 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*, are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2023 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited Community Action Stops Abuse, Inc. and Subsidiaries' 2022 consolidated financial statements, and our report dated November 30, 2022 expressed an unmodified opinion on those consolidated financial statements. In our opinion, the summarized comparative information presented herein for the year ended June 30, 2022, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Mayer Hoffman McCann P.C.

November 15, 2023
St. Petersburg, Florida

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Consolidated Statements of Financial Position

June 30, 2023 and 2022

Assets	2023	2022
Current assets:		
Cash and cash equivalents	\$ 1,055,006	337,025
Grants receivable	723,743	851,155
Current portion of contributions receivable	160,239	220,733
Current portion of gifted facility	3,202	3,116
Inventories	77,100	70,620
Prepaid expenses and other current assets	65,376	149,406
Total current assets	2,084,666	1,632,055
Investments	9,911,296	9,959,167
Contributions receivable, less current portion	-	74,979
Gifted facility, less current portion	75,310	78,511
Property and equipment, net	10,613,174	10,870,699
Right-of-use assets under operating leases	51,669	-
Other assets	60,810	8,567
Interest in net assets of the Foundation	24,887	24,765
Total assets	\$ 22,821,812	22,648,743
Liabilities and Net Assets		
Current liabilities:		
Current portion of operating lease liabilities	\$ 24,228	-
Accounts payable	137,415	315,612
Accrued expenses	292,175	253,614
Total current liabilities	453,818	569,226
Long-term liabilities:		
Operating lease liabilities, less current portion	27,585	-
Deferred payment mortgages	224,370	255,521
Total long-term liabilities	251,955	255,521
Total liabilities	705,773	824,747
Net assets:		
Without donor restrictions:		
Investment in property and equipment, net	10,388,804	10,615,178
Undesignated	9,999,577	9,691,393
	20,388,381	20,306,571
With donor restrictions	1,727,658	1,517,425
Total net assets	22,116,039	21,823,996
Total liabilities and net assets	\$ 22,821,812	22,648,743

See accompanying independent auditors' report and notes to consolidated financial statements.

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Consolidated Statement of Activities

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

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	
			<u>2023</u>	<u>2022</u>
Operating support and revenue:				
Public support:				
Net special event revenue	\$ 341,292	-	341,292	192,872
Contributions and donations	664,890	980,584	1,645,474	12,023,240
Government grants and contracts	4,902,314	-	4,902,314	4,493,448
	<u>5,908,496</u>	<u>980,584</u>	<u>6,889,080</u>	<u>16,709,560</u>
Revenue:				
Thrift store sales	925,197	-	925,197	860,386
Contributions of nonfinancial assets	925,198	-	925,198	891,245
Investment return	245,487	-	245,487	(10,762)
Other income	62,048	-	62,048	31,338
Change in net assets of the Foundation	122	-	122	18
	<u>2,158,052</u>	<u>-</u>	<u>2,158,052</u>	<u>1,772,225</u>
Net assets released from restrictions:				
Expiration of time restrictions	35,247	(35,247)	-	-
Satisfaction of purpose restrictions	735,104	(735,104)	-	-
	<u>770,351</u>	<u>(770,351)</u>	<u>-</u>	<u>-</u>
Total operating support and revenue	8,836,899	210,233	9,047,132	18,481,785
Operating expenses:				
Program services:				
Domestic Violence	6,255,089	-	6,255,089	5,494,391
Thrift Store	1,295,575	-	1,295,575	1,133,090
Supporting services:				
General and Administrative	1,064,109	-	1,064,109	790,256
Development	406,733	-	406,733	419,487
Total expenses	<u>9,021,506</u>	<u>-</u>	<u>9,021,506</u>	<u>7,837,224</u>
Change in net assets before other changes	(184,607)	210,233	25,626	10,644,561
Other changes:				
Capital grants	152,616	-	152,616	354,621
Forgiveness of deferred payment mortgage	113,801	-	113,801	-
Contributed interest in limited liability corporation	-	-	-	520,000
Change in net assets	81,810	210,233	292,043	11,519,182
Net assets, beginning of year	<u>20,306,571</u>	<u>1,517,425</u>	<u>21,823,996</u>	<u>10,304,814</u>
Net assets, end of year	\$ <u>20,388,381</u>	<u>1,727,658</u>	<u>22,116,039</u>	<u>21,823,996</u>

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Consolidated Statement of Activities

For the Year Ended June 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Operating support and revenue:			
Public support:			
Net special event revenue	\$ 192,872	-	192,872
Contributions and donations	10,334,044	1,689,196	12,023,240
Government grants and contracts	4,493,448	-	4,493,448
	<u>15,020,364</u>	<u>1,689,196</u>	<u>16,709,560</u>
Revenue:			
Thrift store sales	860,386	-	860,386
Contributions of nonfinancial assets	891,245	-	891,245
Investment return	(10,762)	-	(10,762)
Other income	31,338	-	31,338
Change in net assets of the Foundation	18	-	18
	<u>1,772,225</u>	<u>-</u>	<u>1,772,225</u>
Net assets released from restrictions:			
Expiration of time restrictions	72,491	(72,491)	-
Satisfaction of purpose restrictions	301,586	(301,586)	-
	<u>374,077</u>	<u>(374,077)</u>	<u>-</u>
Total operating support and revenue	17,166,666	1,315,119	18,481,785
Operating expenses:			
Program services:			
Domestic Violence	5,494,391	-	5,494,391
Thrift Store	1,133,090	-	1,133,090
Supporting services:			
General and Administrative	790,256	-	790,256
Development	419,487	-	419,487
Total expenses	<u>7,837,224</u>	<u>-</u>	<u>7,837,224</u>
Change in net assets before other changes	9,329,442	1,315,119	10,644,561
Other changes:			
Capital grants	354,621	-	354,621
Contributed interest in a limited liability company	520,000	-	520,000
Change in net assets	10,204,063	1,315,119	11,519,182
Net assets, beginning of year	<u>10,102,508</u>	<u>202,306</u>	<u>10,304,814</u>
Net assets, end of year	<u>\$ 20,306,571</u>	<u>1,517,425</u>	<u>21,823,996</u>

See accompanying independent auditors' report and notes to consolidated financial statements.

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Consolidated Statement of Functional Expenses

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

	Program Services			Supporting Services			Total Expenses	
	Domestic Violence	Thrift Store	Total Program Services	General and Administrative	Development	Total Supporting Services	2023	2022
Personnel costs	\$ 4,064,879	255,571	4,320,450	746,644	312,150	1,058,794	5,379,244	4,484,581
Professional fees	198,082	-	198,082	96,542	-	96,542	294,624	164,795
Printing, advertising and awareness	9,850	-	9,850	3,965	28,810	32,775	42,625	95,192
Postage and direct mailings	112	-	112	2,010	9,042	11,052	11,164	29,170
Supplies	23,210	739	23,949	5,247	1,481	6,728	30,677	49,378
Information technology	178,942	13,513	192,455	46,668	30,777	77,445	269,900	214,807
Property management	302,769	38,327	341,096	19,339	3,530	22,869	363,965	315,857
Food and operating supplies	260,915	3,828	264,743	9,622	1,388	11,010	275,753	256,583
Client assistance	502,646	-	502,646	25	-	25	502,671	447,656
Insurance	174,405	20,904	195,309	10,012	2,979	12,991	208,300	153,981
Employee and volunteer development	34,302	474	34,776	24,891	730	25,621	60,397	55,904
Interest	-	-	-	-	-	-	-	25,490
Membership dues and licenses	9,960	193	10,153	23,816	2,241	26,057	36,210	21,856
Bank and merchant fees	109	-	109	49,311	13,815	63,126	63,235	52,680
Bad debt expense (recoveries)	-	-	-	-	(9,140)	(9,140)	(9,140)	61,580
In-kind expenses	-	925,198	925,198	-	-	-	925,198	891,245
Total expenses before depreciation and amortization	5,760,181	1,258,747	7,018,928	1,038,092	397,803	1,435,895	8,454,823	7,320,755
Depreciation and amortization	494,908	36,828	531,736	26,017	8,930	34,947	566,683	516,469
Total expenses	\$ 6,255,089	1,295,575	7,550,664	1,064,109	406,733	1,470,842	9,021,506	7,837,224

See accompanying independent auditors' report and notes to consolidated financial statements.

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Change in net assets	\$ 292,043	11,519,182
Adjustments to reconcile the change in net assets to net cash provided by operating activities:		
Depreciation and amortization	566,683	516,469
Contributed interest in limited liability corporation	-	(520,000)
Forgiveness of deferred payment mortgage	(113,801)	-
Grants received for capital needs	(152,616)	(354,621)
Donated securities	(21,468)	(59,421)
Loss on disposal of property and equipment	-	63,316
Realized and unrealized losses on investments	2,460	18,397
Change in net assets of the Foundation	(122)	(18)
Noncash lease expense	52,297	-
Decrease (increase) in grants receivable	127,412	(214,829)
Decrease (increase) in contributions receivable	135,473	(276,980)
Decrease in gifted facilities	3,115	3,033
Increase in inventories	(6,480)	(12,970)
Decrease (increase) in prepaid expenses and other assets	31,787	(56,221)
Increase (decrease) in accounts payable	(178,197)	102,388
Increase (decrease) in accrued expenses	38,561	(66,213)
Decrease in operating lease liabilities	(52,153)	-
	<u>724,994</u>	<u>10,661,512</u>
Net cash provided by operating activities		
Cash flows from investing activities:		
Purchases of investments	(129,899)	(9,501,509)
Proceeds received from sale of investments	196,778	57,912
Purchases of property and equipment	(309,158)	(498,445)
	<u>(242,279)</u>	<u>(9,942,042)</u>
Net cash used in investing activities		
Cash flows from financing activities:		
Grants received for capital needs	152,616	354,621
Proceeds from issuance of deferred payment mortgages	82,650	74,220
Principal payments on mortgage notes payable	-	(1,760,000)
	<u>235,266</u>	<u>(1,331,159)</u>
Net cash provided by (used in) financing activities		
Net increase (decrease) in cash and cash equivalents	717,981	(611,689)
Cash and cash equivalents at beginning of year	<u>337,025</u>	<u>948,714</u>
Cash and cash equivalents at end of year	\$ <u><u>1,055,006</u></u>	\$ <u><u>337,025</u></u>
Supplemental cash flow information:		
Cash paid for interest	\$ <u><u>-</u></u>	\$ <u><u>25,490</u></u>
Supplemental cash flow information:		
Capital additions financed in accounts payable	\$ <u><u>-</u></u>	\$ <u><u>173,000</u></u>
Additions to operating lease right-of-use assets and operating lease liabilities from:		
Adoption of ASC Topic 842	\$ 96,083	-
Execution of new lease agreements	7,884	-
	\$ <u><u>103,967</u></u>	\$ <u><u>-</u></u>

See accompanying independent auditors' report and notes to consolidated financial statements.

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2023 and 2022

(1) **Organization and Summary of Significant Accounting Policies**

(a) **Description of Organization and Nature of Activities**

Community Action Stops Abuse, Inc. (“CASA”) is a Florida not-for-profit organization. CASA’s mission is to influence our community to stand up to silence through advocacy, empowerment, and social change to prevent and end domestic violence. CASA promotes social change through advocacy, community education, outreach, and support for victims/survivors of Intimate Partner Violence. CASA provides comprehensive services to empower survivors of Intimate Partner Violence and their families with a safe supportive emergency shelter environment; rapid rehousing; a 24-hour crisis hotline; support groups; youth programs; substance abuse advocacy; information and referral programs; justice advocacy; outreach to under-served populations; peacemakers programs to preschools, elementary and middle schools; a very active volunteer program; and a thrift shop. Funding is provided primarily through individual donors; local fundraising activities; federal, state, and local government grants; and a private foundation.

During 2014, Victoria’s Place St. Pete, Inc. (“Victoria’s Place”), a Florida not-for-profit organization, was formed to work in conjunction with CASA’s mission by constructing a 100-bed emergency shelter for domestic violence survivors.

During 2022, a donor contributed 100% of the membership interest in 1019 Arlington, LLC (“1019 Arlington”), a limited liability company created to acquire certain real property located in St. Petersburg, Florida. CASA now operates certain program and administrative services from this property.

Effective January 1, 2012, CASA’s board of directors approved formation of Community Action Stops Abuse Foundation, Inc. (the “Foundation”). CASA has recorded an interest in the net assets of the Foundation, since CASA and the Foundation are deemed to be financially interrelated. The net assets of the Foundation totaled \$24,765 and \$24,747 as of June 30, 2023 and 2022, respectively.

(b) **Principles of Consolidation**

The accompanying consolidated financial statements include the financial statements of CASA, Victoria’s Place, and 1019 Arlington (collectively the “Organization” or “CASA”). All significant inter-organizational balances and transactions have been eliminated in consolidation.

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(1) Organization and Summary of Significant Accounting Policies - Continued

(c) Financial Statement Presentation

These consolidated financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Organization as a whole and to present net assets and revenues, expenses, gains and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net Assets Without Donor Restrictions include net assets that are not subject to donor-imposed stipulations and net assets that have been designated for a specific purpose by the Board of Directors of the Organization.

Net Assets With Donor Restrictions represent those amounts which are not available until future periods or are donor restricted for specific purposes. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying consolidated statement of activities as released from restrictions.

The consolidated statement of functional expenses includes certain prior-year summarized comparative information in total but not by functional category. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2022, from which the summarized comparative information was derived.

(d) Cash Equivalents

For purposes of the statements of cash flows, CASA considers all highly liquid investments with a maturity of three months or less at time of purchase to be cash equivalents.

(e) Contributions

The Organization recognizes contributions when cash, securities or other assets or an unconditional promise to give is received. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of the net assets without donor restrictions class.

Conditional contributions are recorded as revenue when such amounts become unconditional which generally involves the meeting of a barrier to entitlement. This can include items like meeting a matching provision, incurring specified allowable expenses in accordance with a framework of allowable costs or other barriers.

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(1) **Organization and Summary of Significant Accounting Policies - Continued**

(e) **Contributions - Continued**

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the consolidated statement of financial position. The Organization received cost-reimbursable grants of approximately \$2,047,000 that have not been recognized at June 30, 2023 because qualifying expenditures have not yet been incurred.

(f) **Receivables**

Grants receivable are stated at the amount management expects to collect from balances outstanding at year-end and are primarily due from Federal and State governmental agencies. Based on management's assessment of the credit history with parties having outstanding balances and current relationships with them, management has concluded that an allowance for doubtful accounts is not necessary as of June 30, 2023 and 2022.

Contributions receivable are comprised of unconditional promises to give and are stated at the amount management expects to collect from outstanding balances. The carrying amount of contributions receivable is reduced by a valuation allowance that reflects management's best estimate of the amount that will not be collected. At the time contributions receivable are determined by management to be uncollectible, the receivables are charged against this allowance.

(g) **Inventories**

Inventories of thrift store merchandise consist of donated clothes and miscellaneous household items and are recorded at estimated fair value when contributed based on an average turnover rate which is not in excess of expected realizable amounts.

(h) **Property and Equipment**

Property and equipment with a cost in excess of \$1,000 are capitalized, if purchased, or at estimated fair value at date of receipt if acquired by gift. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets, except for leasehold improvements, which are amortized over the shorter of the lease term or the useful life of the leased asset.

Property acquired with governmental funds is considered to be owned by CASA while used in the program for which it was purchased or in future authorized programs; however, its disposition as well as the ownership of any proceeds therefrom is subject to applicable regulations.

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(1) **Organization and Summary of Significant Accounting Policies - Continued**

(i) **Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are carried at their fair value in the Organization's consolidated statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying consolidated statement of activities. Restrictions on investment earnings are reported as increases in net assets without donor restrictions if the restrictions are satisfied in the fiscal year in which the earnings are recognized.

(j) **Unamortized Loan Costs**

The Organization presents loan costs as a reduction of long-term debt in accordance with Accounting Standards Codification ("ASC") Topic 835, *Interest*, in the accompanying consolidated statements of financial position. Loan costs are amortized over the life of the related loan and recorded as interest expense in the accompanying consolidated statements of activities.

(k) **Income Taxes**

CASA and Victoria's Place have been recognized as exempt from Federal income taxes under section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been presented in these consolidated financial statements. CASA and Victoria's Place have not reported any unrelated business income; however, such status is subject to final determination upon examination, if any, of the related income tax returns by the appropriate taxing authorities.

The Organization is not aware of any tax positions it has taken that are subject to a significant degree of uncertainty. Tax filings for tax years after 2019 remain subject to examination by federal and state taxing authorities.

(l) **Functional Expense Allocations**

The costs of providing CASA's various programs and other activities have been summarized on a functional basis in the consolidated statement of functional expenses. Expenses directly attributable to a specific functional area of CASA are reported as direct expenses of those functional areas while indirect costs that benefit multiple functional areas have been allocated among the functional areas based on either time spent by employees on each functional area or based on a square footage analysis for all indirect occupancy-related expenses.

(m) **Advertising**

Advertising costs are expensed as incurred. Total advertising expense for the years ended June 30, 2023 and 2022 was approximately \$28,600 and \$87,200, respectively.

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(1) **Organization and Summary of Significant Accounting Policies - Continued**

(n) **Donated Materials and Services**

Donations of materials are recorded as support at their estimated fair value at the date of donation. Donations of services are recorded as support at their estimated fair value if they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. In-kind support for the years ended June 30, 2023 and 2022 consists of donated facilities and materials donated to the Thrift Store program. In valuing donated materials, the Organization estimates the fair value based on values received for selling similar items in the Thrift Store the preceding month. There were no in-kind professional services received in 2023 or 2022.

(o) **Leases**

The Organization leases office space and certain office equipment. The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (“ROU”) assets and operating lease liabilities on the accompanying statement of financial position.

ROU assets represent the Organization’s right to use an underlying asset for the lease term and lease liabilities represent the Organization’s obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the Organization’s leases do not provide an implicit rate, the Organization uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. Operating lease ROU assets also include any lease payments made and exclude any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization’s lease terms may include options to extend or terminate the lease when it is reasonably certain the Organization will exercise the option. The Organization’s lease agreements do not contain any material residual value guarantees or material restrictive covenants.

(p) **Estimates in Consolidated Financial Statements**

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

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(1) **Organization and Summary of Significant Accounting Policies - Continued**

(q) **Going Concern Evaluation**

On an annual basis, as required by ASC Topic 205, *Presentation of Financial Statements - Going Concern*, the Organization performs an evaluation to determine whether there are conditions or events (known and reasonably knowable), considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued. Management's assessment did not indicate that substantial doubt is raised about the ability to remain a going concern for one year from the date the consolidated financial statements were available for issuance.

(r) **Reclassifications**

Certain amounts in the 2022 consolidated financial statements have been reclassified to conform with the 2023 presentation.

(s) **Recent Accounting Pronouncement**

In February 2016, the Financial Accounting Standards Board (FASB) issued guidance under ASC Topic 842, *Leases*, to increase transparency and comparability among organizations by requiring the recognition of ROU assets and lease liabilities on the consolidated statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of the financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization adopted the standard effective July 1, 2022 and recognized and measured leases existing at, or entered into after, July 1, 2022 (the beginning of the period of adoption) through a cumulative effect adjustment, with certain practical expedients available. Lease disclosures for the year ended June 30, 2022 are made under prior lease guidance in FASB ASC Topic 840.

The Organization elected the available practical expedients to account for their existing capital leases and operating leases as finance leases and operating leases, respectively, under the new guidance, without reassessing (a) whether the contracts contain leases under the new standard; (b) whether classification of capital leases or operating leases would be different in accordance with the new guidance; or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

As a result of the adoption of the new leasing accounting guidance, the Organization recognized on July 1, 2022, operating lease liabilities of \$96,083, which represent the present value of the remaining operating lease payments of \$99,641 discounted using risk-free rates of return ranging from 2.79% to 2.88%, and ROU assets of \$96,083 which represents the operating lease liabilities. The adoption of the new leasing accounting guidance had no effect on the Organization's net assets as of July 1, 2022.

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(1) Organization and Summary of Significant Accounting Policies - Continued

(s) Recent Accounting Pronouncement - Continued

The standard had an impact on the Organization's statement of financial position as of June 30, 2023 but did not have an impact on the Organization's statement of changes in net assets or cash flows for the year then ended. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases.

(t) Subsequent Events Evaluation

Management has evaluated all events subsequent to the consolidated statement of financial position date of June 30, 2023 through November 15, 2023, the date these consolidated financial statements were available to be issued.

In July 2023, the Organization acquired a parcel of land in Pinellas County, Florida to be used to provide transitional housing services. The land was purchased for approximately \$1.2 million.

(2) Investments

At June 30, 2023 and 2022, the cost and market values of investments were as follows:

	June 30, 2023		June 30, 2022	
	Cost	Market	Cost	Market
Money market funds	\$ 5,064,366	5,064,366	9,498,015	9,498,015
Certificates of deposit	4,392,000	4,392,000	-	-
Fixed income:				
Corporate bonds	174,750	172,275	324,775	334,592
U.S. Treasury and Agency obligations	290,330	282,655	125,663	126,560
	<u>\$ 9,921,446</u>	<u>9,911,296</u>	<u>9,948,453</u>	<u>9,959,167</u>

The Organization's investments in debt securities are not concentrated in a single entity or in a few entities, nor are there any specific industry concentrations.

In 2020, the Organization entered into an agreement with Community Foundation of Tampa Bay ("Community Foundation") pursuant to which the Community Foundation has established "The David and Virginia Baldwin Endowment for CASA" (the "Endowment Fund") for the purpose of allowing donors to make contributions to the Community Foundation for the benefit of CASA. Contributions to the Endowment Fund are not reflected in CASA's consolidated financial statements as the Community Foundation retains the right to re-direct assets held in the Endowment Fund. As of June 30, 2023 and 2022, the market value of the Endowment Fund, as reported by the Community Foundation, was \$1,439,052 and \$1,370,706, respectively. For the years ended June 30, 2023 and 2022, the Endowment Fund distributed earnings to CASA of \$60,874 and \$105,201, respectively.

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(2) Investments - Continued

Investment return for the years ended June 30, 2023 and 2022 is summarized as follows:

	<u>2023</u>	<u>2022</u>
Dividend and interest income	\$ 248,643	8,357
Realized and unrealized losses	(2,460)	(18,397)
Investment management fees	<u>(696)</u>	<u>(722)</u>
	<u>\$ 245,487</u>	<u>(10,762)</u>

(3) Contributions Receivable

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

	<u>2023</u>	<u>2022</u>
Special events	\$ 47,949	36,780
Capital Campaign	<u>182,050</u>	<u>341,533</u>
	229,999	378,313
Less allowance for doubtful accounts	(69,760)	(78,900)
Less unamortized discount	<u>-</u>	<u>(3,701)</u>
Total	<u>\$ 160,239</u>	<u>295,712</u>
Amounts due in:		
Less than one year	\$ 229,999	272,713
One to five years	<u>-</u>	<u>105,600</u>
	<u>\$ 229,999</u>	<u>378,313</u>

Contributions receivable due from trustees, staff, and board members total approximately \$45,900 and \$60,800 as of June 30, 2023 and 2022, respectively. Contributions receivable in more than one year are reflected at the present value of estimated future cash flows using a discount rate of 1.80%.

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(4) Gifted Facility

Gifted facility consists of a parcel of land that has been used for transitional housing. In fiscal year 1997 CASA entered into a lease agreement for a parcel of land with a local hospital (“Landlord”). In September 2016, the lease was extended to September 2042. Accordingly, the Organization has recorded a gifted facility contribution which represents the present value of the excess of the aggregate fair rental value of the land lease over below market rent payments due over the remaining term of the lease.

Recognition of the fair value of these leases as of and for the years ended June 30, 2023 and 2022 is summarized below:

Fair value of gifted facility at June 30, 2021	\$	84,660
Recognition of fair value of gifted land lease		2,328
Recognition of rent expense for the year ended June 30, 2022		<u>(5,361)</u>
 Fair value of gifted facility at June 30, 2022		 81,627
Recognition of fair value of gifted land lease		2,246
Recognition of rent expense for the year ended June 30, 2023		<u>(5,361)</u>
 Fair value of gifted facility at June 30, 2023		 78,512
 Current portion of gifted facility		 <u>3,202</u>
 Gifted facility, less current portion	\$	<u><u>75,310</u></u>

(5) Contributed Nonfinancial Assets

For the years ended June 30, 2023 and 2022, contributed nonfinancial assets recognized within the statements of activities included the following:

	<u>2023</u>	<u>2022</u>
Interest in limited liability corporation	\$ -	520,000
Rent	-	38,830
Donated thrift inventory	925,198	847,415
Other	-	5,000
	<u>925,198</u>	<u>1,411,245</u>
	\$ <u><u>925,198</u></u>	<u><u>1,411,245</u></u>

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(5) Contributed Nonfinancial Assets - Continued

Effective May 31, 2022, CASA recognized contributed nonfinancial assets within the statements of activities which included a 100% membership interest in 1019 Arlington Avenue, LLC, a limited liability corporation. The assets of 1019 Arlington Avenue, LLC include a parcel of land, valued at approximately \$406,000 and a building valued at approximately \$114,000. CASA estimated the fair value of its interest in 1019 Arlington Avenue, LLC based on recent comparable sales prices of commercial real estate in nearby locations.

Prior to receiving the contributed interest in 1019 Arlington Avenue, LLC, CASA leased the property from the donor under a month-to-month lease agreement for \$10 per month. CASA recognized contributed rent of approximately \$3,500 per month from July 2021 through May 2022, based on comparable lease rates for commercial real estate in nearby locations.

(6) Property and Equipment

Property and equipment consist of the following at June 30, 2023 and 2022:

	Estimated Useful Lives		2023	2022
Land	-	\$	1,338,350	1,338,350
Building and improvements	5 - 40 years		11,427,283	12,087,333
Leasehold improvements	5 - 20 years		575,607	575,607
Furniture and equipment	3 - 15 years		1,090,235	1,680,983
Vehicles	7 years		209,613	260,836
			<u>14,641,088</u>	<u>15,943,109</u>
Less accumulated depreciation			<u>4,027,914</u>	<u>5,072,410</u>
Net property and equipment		\$	<u><u>10,613,174</u></u>	<u><u>10,870,699</u></u>

Depreciation and amortization expense for the years ended June 30, 2023 and 2022 was \$566,683 and \$516,469, respectively.

(7) Leases

CASA is obligated under operating leases for office space and office equipment that expire at various dates through September 2027. Leases with initial lease terms of 12 months or less are not recorded in the consolidated statement of financial position. Expense under short-term leases is recognized on a straight-line basis over the lease term. Security deposits related to operating leases are included in other assets.

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(7) Leases - Continued

The following information summarizes the line items in the accompanying consolidated statement of financial position as of June 30, 2023:

Operating leases:	
Operating lease right-of-use assets	\$ <u>51,669</u>
Current portion of operating lease liabilities	\$ 24,228
Operating lease liabilities, less current portion	<u>27,585</u>
	\$ <u>51,813</u>

The weighted average remaining lease term under operating leases is 2.8 years and the weighted average discount rate used to measure operating lease liabilities is 3.05%. For the year ended June 30, 2023, the components of total lease costs under operating leases included the following:

Operating lease cost	\$ 54,292
Short-term leases	2,041
Variable lease costs	<u>3,947</u>
Total lease costs	\$ <u>60,280</u>

Cash flow information related to operating leases for the year ended June 30, 2023 is summarized as follows:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 54,148
Lease assets obtained in exchange for lease obligations:	
Operating leases	103,967

The maturities of operating lease liabilities as of June 30, 2023 were as follows:

	<u>Year Ending June 30,</u>	
	2024	\$ 24,228
	2025	10,353
	2026	10,353
	2027	6,200
	2028	<u>2,023</u>
Total payments		53,157
Less interest		<u>(1,344)</u>
Present value of lease liabilities		\$ <u>51,813</u>

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(7) Leases - Continued

Rent expense on all operating leases in fiscal 2022 was approximately \$47,000. Future minimum lease payments under non-cancellable operating leases (with initial or remaining lease terms in excess of one year) as of June 30, 2022 were as follows:

<u>Year Ending June 30,</u>	
2023	\$ 53,035
2024	23,659
2025	8,683
2026	8,683
2027	4,531
Thereafter	<u>1,049</u>
	<u>\$ 99,640</u>

(8) Deferred Payment Mortgages

In 2016, the City of St. Petersburg provided financing through a deferred payment mortgage to renovate certain facilities funded by the US Department of Housing and Urban Development (“HUD”) Community Development Block Grant (“CDBG”) Program. As a condition of the CDBG funding, the Organization must continue the programs associated with the grant at these facilities for a period of five years through December 2021. If the programs associated with the grant are terminated prior to the maturity date, the entire principal balance shall become immediately due and payable. At June 30, 2022, the outstanding balance of the deferred payment mortgage was \$113,801. In Fiscal 2023, CASA received notification of the forgiveness of this mortgage from the City of St. Petersburg.

In 2019, the City of St. Petersburg provided financing through a deferred payment mortgage to renovate certain facilities funded by the HUD CDBG Program. As a condition of the CDBG funding, the Organization must continue the programs associated with the grant at these facilities for a period of five years through December 2024. If the programs associated with the grant are terminated prior to the maturity date, the entire principal balance shall become immediately due and payable. At both June 30, 2023 and 2022, the outstanding balance of the deferred payment mortgage was \$22,500.

In 2020, the City of St. Petersburg provided financing through a deferred payment mortgage to renovate certain facilities funded by the HUD CDBG Program. As a condition of the CDBG funding, the Organization must continue the programs associated with the grant at these facilities for a period of approximately six years through January 2026. If the programs associated with the grant are terminated prior to the maturity date, the entire principal balance shall become immediately due and payable. At June 30, 2023 and 2022, the outstanding balance of the deferred payment mortgage was \$45,000.

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(8) Deferred Payment Mortgages – Continued

In Fiscal 2022, the City of St. Petersburg provided financing through a deferred payment mortgage to renovate the Organization’s parking lot funded by the HUD CDBG Program in the amount of \$74,220. The Organization must continue to operate the programs associated with the grant through January 1, 2027. If the Organization terminates these programs prior to the maturity date, the entire principal balance shall become immediately due and payable. At June 30, 2023 and 2022, the outstanding balance of the deferred payment mortgage was \$74,220.

In Fiscal 2023, the City of St. Petersburg provided financing through a deferred payment mortgage to renovate the Organization’s elevator funded by the HUD CDBG Program in the amount of \$69,900. The Organization must continue to operate the programs associated with the grant through January 1, 2030. The Organization also received financing through the City of St. Petersburg through a deferred payment mortgage to replace the roof on this building funded by the HUD CDGB Program in the amount of \$12,750. Under this mortgage, the Organization is required to operate programs in this building through January 1, 2029. If the Organization terminates its programs in this facility prior to the maturity dates defined above, the entire principal balance of each mortgage shall become immediately due and payable. At June 30, 2023, the outstanding balance of these two deferred payment mortgages was \$82,650.

(9) Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Subject to time restrictions:		
Special event pledges	\$ 47,949	36,780
Gifted facilities	78,512	81,627
	<u>126,461</u>	<u>118,407</u>
Subject to use restrictions:		
Shelter programs	32,974	29,071
Youth programs	500	6,242
Outreach programs	-	14,525
Thrift Store program	25,000	25,000
Hotline	45,000	30,000
Capital Campaign contributions	1,497,723	1,289,180
Other	-	5,000
	<u>1,601,197</u>	<u>1,399,018</u>
Total net assets with donor restrictions	<u>\$ 1,727,658</u>	<u>1,517,425</u>

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(10) Fair Value Measurements

Financial instruments measured at fair value are classified and disclosed in the following categories:

Level 1: Quoted prices are available in active markets for identical investments as of the reporting date. The types of investments included in Level 1 are money market mutual funds, fixed income mutual funds, equity mutual funds, and real asset funds.

Level 2: Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. The types of investments included in Level 2 are corporate bonds and certain U.S. government and agency obligations.

Level 3: Valuation is based on unobservable inputs.

There have been no changes in the valuation methodologies used at June 30, 2023 and 2022. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, a financial instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Fair value of assets measured on a recurring basis at June 30, 2023 and 2022 are as follows:

	Fair Value at June 30, 2023	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Money market funds	\$ 5,064,366	5,064,366	-	-
Certificates of deposit	4,392,000	-	4,392,000	-
Fixed income:				
Corporate bonds	172,275	-	172,275	-
U.S. Treasury and Agency obligations	282,655	-	282,655	-
Total investments at fair value	\$ 9,911,296	5,064,366	4,846,930	-
	Fair Value at June 30, 2022	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Money market funds	\$ 9,498,015	9,498,015	-	-
Fixed income:				
Corporate bonds	334,592	-	334,592	-
U.S. Treasury and Agency obligations	126,560	-	126,560	-
Total investments at fair value	\$ 9,959,167	9,498,015	461,152	-

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(11) Concentrations of Credit Risk

The Organization maintains cash balances at two financial institutions. Cash accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000 per depositor. At June 30, 2023, cash balances exceeded federal deposit insurance limits by approximately \$606,000.

Substantially all of the Organization's activities are supported by funds provided by various federal agencies, including pass-through awards received from the State of Florida Department of Children and Families, under cost reimbursement contracts. The Organization also receives direct federal support from the U.S. Department of Housing and Urban Development, and local support from Pinellas County and the City of St. Petersburg.

At June 30, 2023 and 2022, the Organization's receivables from four funding sources represented approximately 89% and 83% of grant receivables, respectively. Revenues from four local, state, and federal contract awards represented approximately 81% and 84% of total support and revenue for the years ended June 30, 2023 and 2022, respectively.

(12) Contingencies

The Organization routinely enters into grant agreements with governmental agencies that provide for reimbursement of the eligible direct and indirect costs of providing certain of the Organization's program services. The grants and contracts are subject to audit or review and retroactive adjustment based on a final determination by the grantor of eligible reimbursable expenditures. The effect of such adjustments, if any, on the Organization's consolidated financial statements cannot be determined at this time and no provision has been made for any such adjustment in the accompanying consolidated financial statements.

During the years ended June 30, 2015 and 2014, the Organization received a total of \$2,370,364 and \$129,636, respectively, totaling \$2.5 million, from the State of Florida Department of Children and Families through a Fixed Capital Outlay Grants and Aids for the purchase and construction of the 100-bed emergency shelter. Under the terms of this program, the Organization must use the facility as a domestic violence shelter for 20 years. The funder may require repayment of the grant if the Organization does not use the property for its intended use during the specified time frame. It is the intent of the Organization to maintain and use the shelter for the entire 20-year period.

During the year ended June 30, 2017, the Organization received a total of \$287,830 from Pinellas County through the Community Development Block Grant Program ("CDBG") for the purchase and installation of solar panels at the 100-bed emergency shelter. Under the terms of this program, the Organization must maintain the shelter and benefit area residents, and 51% of the households benefiting from services shall be households whose annual incomes do not exceed 80% of the median family income for the area, as determined and made available by U.S. Department of Housing and Urban Development, for 13 years. The funder may require repayment of the grant if the Organization does not use the property for its intended use during the specified time frame. It is the intent of the Organization to maintain and use the shelter for the entire 13-year period.

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements - Continued

(13) Matching Requirements

The Organization receives a substantial portion of its support from various funding sources which require a local match. The Organization has satisfied all of its matching requirements through local grants and by incurring sufficient eligible expenses.

(14) Liquidity and Availability of Resources

CASA is supported by contributions with and without donor restrictions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Organization regularly monitors liquidity to meet its operating needs and other contractual commitments. The Organization has various sources of liquidity at its disposal including cash, cash equivalents, and investments.

As of June 30, 2023 and 2022, the Organization's financial assets available to meet general expenditures within one year were as follows:

	2023	2022
Cash and cash equivalents	\$ 1,055,006	337,025
Grants receivable	723,743	851,155
Contributions receivable	160,239	295,712
Investments	9,911,296	9,959,167
Financial assets available to meet cash needs for general expenditures	11,850,284	11,443,059
Less those unavailable for general expenditures within one year due to:		
Donor use restrictions	1,601,197	1,399,018
Time restrictions	-	2,700
Financial assets available to meet cash needs for general expenditures	\$ 10,249,087	10,041,341

SUPPLEMENTARY INFORMATION

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Agency/ Pass-through Entity/ Federal Program	AL Number	Contract/Grant Number	Total Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture				
Passed through Florida Department of Health: Child and Adult Care Food Program	10.558	H-4807	\$ 4,482	-
Subtotal - U.S. Department of Agriculture			4,482	-
U.S. Department of Housing and Urban Development				
Direct federal award:				
Continuum of Care (COC) Program	14.267	FL0447L4H022008	126,671	-
		FL0766L4H022102	200,065	-
		FL0766L4H022001	7,127	-
		FL0767D4H022102	264,999	-
		FL0767D4H022001	90,970	-
		FL0882D4H022100	126,246	-
Passed-through Boley Centers, Inc.: Continuum of Care (COC) Program	14.267	n/a	73,749	-
Passed-through City of St. Petersburg, Florida:				
<i>CDBG - Entitlement Grants Cluster:</i>				
Community Development Block Grants/Entitlement Grants	14.218	2016 Mortgage	113,801	-
		2019 Mortgage	22,500	-
		2020 Mortgage	45,000	-
		B-20-MC-12-0017	74,220	-
		B-21-MC-12-0017	69,900	-
		B-22-MC-12-0017	12,750	-
Passed through County of Pinellas, Florida: Community Development Block Grants/Entitlement Grants	14.218	B-21-UC-12-0005	26,820	-
Emergency Solutions Grant Program	14.231	E-22-MC-12-0017	41,859	-
		E-21-MC-12-0017	5,663	-
Subtotal - U.S. Department of Housing and Urban Development			1,302,340	-
U.S. Department of Justice				
Passed through County of Pinellas, Florida:				
Justice Systems Response to Families	16.021	OVW2020	44,562	-
Passed through Florida Office of the Attorney General:				
Crime Victim Assistance	16.575	Action Stops Ab-00771	1,241,765	-
		Action Stops Ab-00755	464,642	-
Passed through Florida Department of Children and Families:				
Violence Against Women Formula Grants	16.588	LN254	1,565	-
Passed through County of Pinellas, Florida:				
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	OVW2018	11,070	-
Subtotal - U.S. Department of Justice			1,763,604	-

(Continued)

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Schedule of Expenditures of Federal Awards - Continued

Federal Agency/ Pass-through Entity/ Federal Program	AL Number	Contract/Grant Number	Total Expenditures	Passed Through to Subrecipients
U.S. Department of the Treasury				
Passed through Pinellas County Foundation:				
Coronavirus State and Local Fiscal Recovery Funds - American Rescue Plan Act	21.027	SLFRP4653	\$ 41,920	-
Subtotal - U.S. Department of the Treasury			41,920	-
U.S. Department of Health and Human Services				
Passed through Florida Department of Children and Families:				
<i>TANF Cluster:</i>				
Temporary Assistance for Needy Families (TANF)	93.558	LN240	118,146	-
Temporary Assistance for Needy Families (TANF)		LN131	39,598	-
Shelter and Supportive Services	93.671	LN240	99,430	-
Shelter and Supportive Services		LN131	38,887	-
Shelter and Supportive Services - American Rescue Plan		LN240	22,016	-
Subtotal - U.S. Department of Health and Human Services			318,077	-
U.S. Department of Homeland Security				
Passed-through United Way Worldwide:				
Emergency Food and Shelter National Board Program	97.024	36-1694-00 016 E1	2,749	-
Subtotal - U.S. Department of Homeland Security			2,749	-
Total Federal Expenditures			\$ 3,433,172	-

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

**Schedule of Expenditures of Federal Awards
Summarized by Federal Program**

For the Year Ended June 30, 2023

<u>AL Number</u>	<u>Federal Program</u>	<u>Total</u>
	<i>CDBG - Entitlement Grants Cluster:</i>	
14.218	Community Development Block Grants/Entitlement Grants	\$ 364,991
	Total CDBG - Entitlement Grants Cluster	364,991
	<i>TANF Cluster:</i>	
93.558	Temporary Assistance for Needy Families (TANF)	157,744
	Total TANF Cluster	157,744
10.558	Child and Adult Care Food Program	4,482
14.231	Emergency Solutions Grant Program	47,522
14.267	Continuum of Care (COC) Program	889,827
16.021	Justice Systems Response to Families	44,562
16.575	Crime Victim Assistance	1,706,407
16.588	Violence Against Women Formula Grants	1,565
16.590	Enforcement of Protection Orders Program	11,070
21.027	Coronavirus State and Local Fiscal Recovery Funds	41,920
93.671	Shelter and Supportive Services	160,333
97.024	Emergency Food and Shelter National Board Program	2,749
	Total Federal Expenditures	\$ <u>3,433,172</u>

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Notes to Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

(1) **Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of Community Action Stops Abuse, Inc. and Subsidiaries under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (“CFR”) 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 Stops Abuse, Inc. and Subsidiaries, it is not intended to and does not present the consolidated financial position, changes in net assets, or cash flows of Community Action Stops Abuse, Inc. and Subsidiaries.

(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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) **Other**

The accompanying Schedule includes federal expenditures awarded by federal agencies and certain pass-through agencies. Expenditures of certain federal programs were awarded to Community Action Stops Abuse, Inc. and Subsidiaries by more than one pass-through agency or under more than one contract.

The Organization has elected to use the 10% de minimus rate allowed under the Uniform Guidance.

(4) **Loans**

Loans outstanding at the beginning of the year and loans received during the year, if any, are included in the federal expenditures presented in the Schedule. The balance of outstanding loans as of June 30, 2023 consists of:

AL Number	Federal Program	Balance at June 30, 2023
14.218	Community Development Block Grants/Entitlement Grants	22,500
14.218	Community Development Block Grants/Entitlement Grants	45,000
14.218	Community Development Block Grants/Entitlement Grants	74,220
14.218	Community Development Block Grants/Entitlement Grants	69,900
14.218	Community Development Block Grants/Entitlement Grants	12,750

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Consolidating Statement of Financial Position

June 30, 2023

Assets	Community Action Stops Abuse, Inc.	Victoria's Place St. Pete, Inc.	1019 Arlington Avenue, LLC	Eliminations	Consolidated Totals
Current assets:					
Cash and cash equivalents	\$ 499,708	555,298	-	-	1,055,006
Grants receivable	723,743	-	-	-	723,743
Current portion of contributions receivable	160,239	-	-	-	160,239
Current portion of gifted facility	3,202	-	-	-	3,202
Inventories	77,100	-	-	-	77,100
Due from subsidiary	-	1,063,342	-	(1,063,342)	-
Prepaid expenses and other current assets	65,376	-	-	-	65,376
Total current assets	1,529,368	1,618,640	-	(1,063,342)	2,084,666
Investments	9,911,296	-	-	-	9,911,296
Gifted facility, less current portion	75,310	-	-	-	75,310
Property and equipment, net	2,231,825	7,875,523	505,826	-	10,613,174
Right-of-use assets under operating leases	51,669	-	-	-	51,669
Investment in subsidiaries	9,999,989	-	-	(9,999,989)	-
Other assets	60,810	-	-	-	60,810
Interest in net assets of the Foundation	24,887	-	-	-	24,887
Total assets	\$ 23,885,154	9,494,163	505,826	(11,063,331)	22,821,812
Liabilities and Net Assets					
Current liabilities:					
Current portion of operating lease liabilities	\$ 24,228	-	-	-	24,228
Accounts payable	137,415	-	-	-	137,415
Accrued expenses	1,355,517	-	-	(1,063,342)	292,175
Total current liabilities	1,517,160	-	-	(1,063,342)	453,818
Long-term liabilities:					
Operating lease liabilities, less current portion	27,585	-	-	-	27,585
Deferred payment mortgages	224,370	-	-	-	224,370
Total long-term liabilities	251,955	-	-	-	251,955
Total liabilities	1,769,115	-	-	(1,063,342)	705,773
Net assets:					
Without donor restrictions	20,388,381	9,494,163	505,826	(9,999,989)	20,388,381
With donor restrictions	1,727,658	-	-	-	1,727,658
Total net assets	22,116,039	9,494,163	505,826	(9,999,989)	22,116,039
Total liabilities and net assets	\$ 23,885,154	9,494,163	505,826	(11,063,331)	22,821,812

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Consolidating Statement of Activities

For the Year Ended June 30, 2023

	<u>Community Action Stops Abuse, Inc.</u>	<u>Victoria's Place St. Pete, Inc.</u>	<u>1019 Arlington Avenue, LLC</u>	<u>Eliminations</u>	<u>Consolidated Totals</u>
Operating support and revenue:					
Public support:					
Net special event revenue	\$ 341,292	-	-	-	341,292
Contributions and donations	1,645,474	-	-	-	1,645,474
Government grants and contracts	4,902,314	-	-	-	4,902,314
	<u>6,889,080</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,889,080</u>
Revenue:					
Thrift store sales	925,197	-	-	-	925,197
Contributions of nonfinancial assets	925,198	-	-	-	925,198
Investment return	245,487	-	-	-	245,487
Other income	58,613	3,435	-	-	62,048
Change in net assets of the Foundation	122	-	-	-	122
	<u>2,154,617</u>	<u>3,435</u>	<u>-</u>	<u>-</u>	<u>2,158,052</u>
Total operating support and revenue	9,043,697	3,435	-	-	9,047,132
Operating expenses:					
Program services:					
Domestic Violence	5,915,084	326,463	13,542	-	6,255,089
Thrift Store	1,295,575	-	-	-	1,295,575
Supporting services:					
General and Administrative	1,064,109	-	-	-	1,064,109
Development	406,733	-	-	-	406,733
Total expenses	8,681,501	326,463	13,542	-	9,021,506
Other changes:					
Equity in earnings of subsidiary	(336,570)	-	-	336,570	-
Capital grants	152,616	-	-	-	152,616
Forgiveness of deferred payment mortgage	113,801	-	-	-	113,801
Change in net assets	292,043	(323,028)	(13,542)	336,570	292,043
Net assets, beginning of year	21,823,996	9,817,191	519,368	(10,336,559)	21,823,996
Net assets, end of year	\$ <u>22,116,039</u>	<u>9,494,163</u>	<u>505,826</u>	<u>(9,999,989)</u>	<u>22,116,039</u>



Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Consolidated Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Directors of
Community Action Stops Abuse, Inc. and Subsidiaries:

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 consolidated financial statements of Community Action Stops Abuse, Inc. and Subsidiaries (the "Organization"), which comprise the consolidated statement of financial position as of June 30, 2023, the related consolidated statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the consolidated financial statements, and have issued our report thereon dated November 15, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of the obtaining reasonable assurance about whether the Organization's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Mayer Hoffman McCann P.C.

November 15, 2023
St. Petersburg, Florida



**Independent Auditors’ Report on Compliance for Each Major Federal Program and
Report on Internal Control Over Compliance Required by the Uniform Guidance**

To the Board of Directors of
Community Action Stops Abuse, Inc. and Subsidiaries:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Community Action Stops Abuse, Inc. and Subsidiaries’ (collectively, the “Organization”) 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, 2023. The Organization’s major federal program is identified in the summary of auditors’ results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (“GAAS”); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; 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 Auditors’ Responsibilities for the Audit of Compliance section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

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 to do with fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of the major 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 the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for 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.

Mayer Hoffman McCann P.C.

November 15 2023
St. Petersburg, Florida

COMMUNITY ACTION STOPS ABUSE, INC. AND SUBSIDIARIES

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2023

(A) Summary of Auditors' Results

1. The Auditors' report expresses an unmodified opinion on the consolidated financial statements of Community Action Stops Abuse, Inc. and Subsidiaries.
2. No significant deficiencies or material weaknesses relating to the audit of the consolidated financial statements were reported in the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Consolidated Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the consolidated financial statements of Community Action Stops Abuse, Inc. and Subsidiaries which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major federal award program are reported in the Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance.
5. The auditors' report on compliance for the major federal award program for Community Action Stops Abuse, Inc. and Subsidiaries expresses an unmodified opinion.
6. Audit findings, if any, relative to the major federal award program that are required to be reported in accordance with 2 CFR Section 200.516(a) are reported in Part C of this Schedule.
7. The program tested as a major federal program was:

Continuum of Care (COC) Program - AL #14.267
8. The threshold for distinguishing Types A and B programs was \$750,000 for major federal programs.
9. Community Action Stops Abuse, Inc. and Subsidiaries were determined to be low-risk auditees.

(B) Findings - Audit of Consolidated Financial Statements

None.

(C) Findings and Questioned Costs - Major Federal Award Program Audit

None.

(D) Other Matters

None.