EL HOGAR DEL NIÑO

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION (Including Reports Required by OMB's Uniform Guidance)

For the Year Ended June 30, 2022

El Hogar del Niño

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D&A
Desmond &Ahern, Ltd.
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report

To the Board of Directors
El Hogar del Niño
Chicago, IL

Opinion

We have audited the accompanying financial statements of El Hogar del Niño (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of El Hogar del Niño as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis 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 El Hogar del Niño and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of El Hogar del Niño'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 El Hogar del Niño's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal 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 report dated February 27, 2023, on our consideration of El Hogar del Niño'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 El Hogar del Niño'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 El Hogar del Niño's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited El Hogar del Niño's financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 13, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Desmond & Ahern, Ltd

February 27, 2023
Chicago, IL

EL HOGAR DEL NIÑO
STATEMENT OF FINANCIAL POSITION
As of June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 5,926,832	$ 4,399,972
Government receivables	1,243,657	1,996,265
Accounts and grants receivable	100,225	225
Program service fees, net of allowance	4,976	4,976
Prepaid expenses	19,620	13,620
Total current assets	7,295,310	6,415,058
Property and Equipment		
Land	46,569	46,569
Building and improvements	6,461,812	6,436,681
Furniture and equipment	432,147	432,147
	6,940,528	6,915,397
Less accumulated depreciation and amortization	(6,174,256)	(5,963,003)
Net property and equipment	766,272	952,394
Total Assets	$ 8,061,582	$ 7,367,452
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	$ 60,596	$ 82,758
Accrued expenses	25,276	39,816
Mortgage note, current portion	87,204	83,349
PPP loan	-	688,625
Total current liabilities	173,076	894,548
Long-Term		
Mortgage note, net of current portion	1,140,107	1,226,359
Total liabilities	1,313,183	2,120,907
Net Assets		
Without donor restrictions	6,641,000	5,239,146
With donor restrictions	107,399	7,399
Total net assets	6,748,399	5,246,545
Total Liabilities and Net Assets	$ 8,061,582	$ 7,367,452

See independent auditor's report and notes to financial statements.

EL HOGAR DEL NIÑO
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022 (with summarize comparative totals for 2021)

	Without Donor Restrictions	With Donor Restrictions	Total 2022	Total 2021
Public Support and Revenue				
Government contracts	$ 7,106,208	$ -	$ 7,106,208	$ 7,035,071
Grants and contributions	40,952	150,000	190,952	10,312
Parent fees	81,155	-	81,155	55,104
Special events	-	-	-	1,000
Total public support	7,228,315	150,000	7,378,315	7,101,487
Other revenue:				
Interest income	122	-	122	205
Extinguishment of debt	224,419	-	224,419	-
Other income	832	-	832	2,060
Total other revenue	225,373	-	225,373	2,265
Net assets released from restrictions	50,000	(50,000)	-	-
Total public support and other revenue	7,503,688	100,000	7,603,688	7,103,752
Expenses				
Program services	5,765,322	-	5,765,322	5,559,122
Management and general	298,036	-	298,036	485,047
Fundraising	38,476	-	38,476	44,133
Total Expenses	6,101,834	-	6,101,834	6,088,302
Change in Net Assets	1,401,854	100,000	1,501,854	1,015,450
Net assets, beginning of year	5,239,146	7,399	5,246,545	4,231,095
Net assets, end of year	$ 6,641,000	$ 107,399	$ 6,748,399	$ 5,246,545

See independent auditor's report and notes to financial statements.

EL HOGAR DEL NIÑO
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2022 (with summarized comparative totals for 2021)

	Preschool	Toddler	After School	Early Head Start / Home Visiting	Home Day Care	Prevention Initiative	Total Program Services	Management and General	Fundraising	Total 2022	Total 2021
Functional Expenses											
Salaries and wages	$ 1,170,787	$ 1,955,052	$ 239,306	$ 221,896	$ 29,410	$ 128,106	$ 3,744,557	$ 71,470	$ 6,988	$ 3,823,015	$ 3,396,643
Fringe benefits and related taxes	201,931	236,019	42,575	17,900	5,628	17,277	521,330	49,738	4,640	575,708	502,331
	1,372,718	2,191,071	281,881	239,796	35,038	145,383	4,265,887	121,208	11,628	4,398,723	3,898,974
Professional fees	153,165	155,685	13,855	2,636	52,895	2,582	380,818	48,833	20,818	450,469	449,063
Office expense	6,674	9,020	815	5,745	12	234	22,500	3,897	89	26,486	35,834
Occupancy	99,978	117,642	18,658	245	278	5,230	242,031	50,243	1,104	293,378	377,475
Travel and meetings	2,354	2,904	413	5,482	6	2,828	13,987	2,988	55	17,030	6,887
Parent meetings	5,142	5,817	44	5,619	-	2,070	18,692	-	-	18,692	19,584
Interest	20,831	23,825	4,579	1,205	64	1,199	51,703	14,268	614	66,585	63,986
Insurance	10,549	12,304	2,318	610	33	607	26,421	3,120	64	29,605	26,793
Child and infant meals and snacks	131,962	133,009	41,491	502	23	418	307,405	1,981	185	309,571	239,089
Classroom and educational supplies	31,282	125,867	5,566	2,190	2,099	889	167,893	10,689	6	178,588	478,191
Postage and shipping	62	71	14	4	-	4	155	242	2	399	341
Telecommunications	10,065	11,623	2,112	4,769	30	1,969	30,568	3,549	114	34,231	26,714
Professional development	5,586	7,497	1,201	1,641	17	579	16,521	3,788	161	20,470	17,209
Equipment	8,907	10,237	1,945	512	27	512	22,140	2,621	85	24,846	23,495
Miscellaneous	3,515	4,911	931	110	6	2,359	11,832	8,343	1,333	21,508	20,340
Bad debt	-	-	-	-	-	-	-	-	-	-	117,854
Depreciation and amortization	75,248	86,065	16,541	4,352	232	4,331	186,769	22,266	2,218	211,253	286,473
Total Expenses	$ 1,938,038	$ 2,897,548	$ 392,364	$ 275,418	$ 90,760	$ 171,194	$ 5,765,322	$ 298,036	$ 38,476	$ 6,101,834	$ 6,088,302

See independent auditor's report and notes to financial statements.

EL HOGAR DEL NIÑO
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2022 and 2021

	2022	2021
Reconciliation of Change in Net Assets to Net Cash Provided by Operating Activities		
Change in net assets	$ 1,501,854	$ 1,015,450
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	211,253	286,473
Extinguishment of debt	(464,206)	-
(Increase) decrease in		
Government receivables	752,608	111,398
Accounts and grants receivable	(100,000)	-
Program service fees receivable, net	-	63,889
Prepaid expense	(6,000)	-
Increase (decrease) in		
Accounts payable	(22,162)	26,902
Accrued expenses	(14,540)	(7,243)
Net cash provided by operating activities	1,858,807	1,496,869
Cash Flows used in Investing Activities		
Purchase of furniture and equipment	(25,131)	(205,899)
Net cash used in investing activities	(25,131)	(205,899)
Cash Flows from Financing Activities		
Payments on capital leases	-	(1,604)
Payment on PPP loan	(224,419)	-
Payments on mortgage note	(82,397)	(76,892)
Net cash used in financing activities	(306,816)	(78,496)
Net increase in cash and cash equivalents	1,526,860	1,212,474
Cash and cash equivalents, beginning of year	4,399,972	3,187,498
Cash and cash equivalents, end of year	$ 5,926,832	$ 4,399,972
Supplemental Disclosure of Cash Flows		
Cash paid for interest	$ 66,585	$ 63,986

See independent auditor's report and notes to financial statements.

Note 1 – Nature of Operations and Summary of Significant Accounting Policies

Organization
El Hogar Del Nino (the "Organization") is an Illinois not-for-profit corporation incorporated in 1972. The Organization's mission is to provide and demonstrate comprehensive bilingual/bicultural early childhood development programs for infants, toddlers, preschool, school-age children, and their families. The Organization provides the following services: full-day Head Start and Child Care for toddlers and pre-school aged children, before and after-school childcare, Early Head Start and Home Visiting and Family Child Care Homes in Chicago, Illinois. The Organization receives most of its support from government entities, private corporations, foundations, and individual contributions. The following describes the Organizations programs:

Infant, Toddlers, & Twos: offers high-quality early childhood care, education and family support for infants, toddlers, and their families. Using Creative Curriculum for Infants, Toddlers & Twos, our teachers engage their students with a variety of fun activities that focus on several key areas such as social/emotional, physical, cognitive, and language development.

Preschool: combines Head Start and Child Care to offer full-day, yearlong programming to at risk children 3-5 years old. This full-day model allows parents to work full-time or pursue their education while knowing their children are in a safe, caring learning environment.

After School: serves children between the ages of five and twelve years. Many of the 80 students enrolled throughout our four classrooms are former El Hogar Head Start students or have siblings currently enrolled in our Head Start program. Our ability to offer families a continuation of care once their children have entered the public school system is fundamental to the child and family's sense of stability.

Home Visiting: provides individualized services to pregnant women, infants, and toddlers to promote the school readiness of young children from low-income families. If you are expecting or have children from birth to 3 years old you are eligible to participate and obtain support to enhance your child's cognitive, social, and emotional development.

Family & Child Care Home Day Care: coordinates one home located around Chicago's southwest side, Rosa's Daycare has been a partner since 2001 in which provide services to children ranging from six weeks to five years of age. The family child care setting promotes small group sizes of 5–8 children within the home and offers opportunities for siblings to be cared for together. It also promotes an environment that is comfortable and feels like home, while supporting children's needs and their learning experiences to the fullest potential.

Tax-Exempt Status
The Organization was granted an exemption from federal income taxes by the Internal Revenue Service pursuant to the provisions of Internal Revenue Code Section 501(c)(3). The Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization that is not a private foundation under Section 509(a)(1). The tax-

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

exempt purpose of the Organization and the nature in which it operates is described above. The Organization continues to operate in compliance with its tax-exempt purpose. The Organization's annual information and income tax returns filed with the federal and state governments are subject to examination generally for three years after they are filed.

The Organization has adopted the requirements for accounting for uncertain tax positions and management has determined that Organization was not required to record a liability related to uncertain tax positions as of June 30, 2022.

Basis of Accounting
The accounts and financial statements are maintained on the accrual basis of accounting and accordingly, reflect all significant accounts receivable, payable, and other liabilities in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis of Presentation
As required by the generally accepted accounting principles for Not-for-Profit accounting, the Organization is required to report information regarding its financial position and activities according to two classes:

Without donor restrictions – Net assets that are not subject to donor-imposed restrictions. Such gifts include gifts without restrictions, including an investment account designated by the Board to function as restricted and restricted gifts whose donor-imposed restrictions were met during the fiscal year.

With Donor Restrictions – Net assets subject to donor-imposed restrictions which will be met either by actions of the Organization or the passage of time. Items that affect this net asset category are gifts for which donor-imposed restrictions have not been met in the year of receipt. Restrictions that have been met on net assets with donor restrictions are reported as net assets released from restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions. Also included in this category are net assets subject to donor-imposed restrictions to be maintained perpetually by the Organization, including gifts and pledges wherein donors stipulate that the corpus of the gift is to be held in perpetuity and that only the income be made available for programs. As of June 30, 2022, there are no donor-imposed restrictions to be maintained permanently.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the revenues, expenses, gains, losses and

EL HOGAR DEL NIÑO
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents
Cash and cash equivalents consist of bank deposits in federally insured accounts. The accounts may, at times, exceed the federally insured limit of $250,000. For purposes of the Statement of Cash Flows, the Organization considers all highly liquid debt instruments, if any, purchased with an original maturity of three months or less to be cash equivalents. No taxes were paid during the year ended June 30, 2022.

Property and Equipment
Expenditures for property and equipment and items which substantially increase the useful lives of existing assets are capitalized at cost. The Organization provides for depreciation and amortization on the straight-line method at rates designed to depreciate the cost of assets over estimated useful lives as follows:

Building and improvements	30 years
Furniture and equipment	3 - 10 years

Accounts and Government Grants Receivable
Accounts and grants receivable consist of both unconditional promises to give by donors and amounts due from governmental agencies for services. Unconditional promises to give are recorded in the year the promises are made, either unrestricted, or restricted for the subsequent period. Amounts due from governmental agencies are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. The Organization has conditional grants from the City of Chicago Department of Family and Support Services and Start Early to provide childcare and education services in the total amounts of approximately $5,600,000 that are available to be used during the 2023 and 2024 fiscal years on qualifying expenses.

Accounts and grants receivable are carried net an allowance for doubtful accounts. The Organization records an allowance for doubtful accounts based on specifically identified amounts that are not certain to be collected. The Organization has an allowance for uncollectible promises to give at June 30, 2022 of $11,421.

Support and Revenue

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. The Organization reports gifts of cash and

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. It is the Organization's policy to immediately liquidate donations of common stock.

The Organization reports gifts of land, buildings, and equipment as without donor restriction support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations regarding how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. During the year ending June 30, 2022 no such gifts of land, buildings, or equipment were received.

The Organization recognizes contract revenue at an amount that reflects consideration to which the Organization expects to be entitled to in exchange for transferring goods or services to a customer. There is currently one type of contract that the Organization is engaged, which is based on performance reporting. Due to the nature and varying performance obligations of these contracts, the timing and methods of recognizing revenue from these contracts will vary. All contracts recognize revenue in accordance with ASU No. 2014-09.

For performance reporting contracts, a customer pays the agreed upon amounts after the completion and submission of specified deliverables in the contract. For these contracts, the Organization will allocate the transaction price of the contract to the specific performance obligations based on the contract. The Organization recognizes revenue when the performance obligations are met and delivered to the customer. The Organization had no contracts during 2022 that were performance reporting contracts. There are no contract assets or liabilities.

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/or 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. These expenditures are subject to audit and acceptance by the granting organization and, as a result of such audit, adjustments could be required. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization had no amounts in refundable advances from government agencies recorded at June 30, 2022.

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Donated Services
Contributions of services are required to be recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. For the year ended June 30, 2022, the Organization did not receive any donated legal and other services meeting the above criteria.

In-Kind Contributions
In addition to receiving cash contributions, the Organization receives in-kind contributions from various donors. It is the policy of the Organization to record the estimated fair value of certain in-kind donations as an expense in its financial statements, and similarly increase donations by a like amount. For the year ended June 30, 2022, the Organization did not receive any in-kind donations

Certain Vulnerabilities and Concentrations
The Organization's total revenue for the year ended June 30, 2022 amounted to $7,603,688. Of this amount, approximately 97% of its funding was from four government sources. Furthermore, 100% of the government receivable is due from four different agencies. Possible cuts in governmental funding for social service programs could result in a reduction of funding to the Organization. The Organization continues to pursue additional sources of funding.

Functional Allocation of Expenses
The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, interest, office and occupancy, which are allocated on a square-footage basis, as well as salaries and benefits, which are allocated on the basis of estimates of time and effort. Although the methods of allocation used are considered reasonable, other methods could be used that would produce a different amount.

Subsequent Events
Accounting principles generally accepted in the United States of America establish general standards of accounting for, and disclosure of, events that occur after the balance sheet date but before financial statements are issued or are available to be issued. The Organization has evaluated subsequent events through February 27, 2023, which is the date the statements were available to be issued. No subsequent events have been identified that are required to be disclosed.

EL HOGAR DEL NIÑO
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

Note 2 – Financial Assets and Liquidity Resources

As of June 30, 2022, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, were as follows:

Financial assets at June 30, 2022	
Cash and cash equivalents	$ 5,926,832
Government receivables	1,243,657
Accounts receivable	100,225
Program service fees	16,397
Total financial assets and liquity resources	7,287,111
Less allowance for doubtful accounts	(11,421)
Less net assets with donor restrictions	(107,399)
Total financial assets available within one year	$ 7,168,291

The Organization provides various contractual program services from which it receives city, state and federal reimbursement as well as unrestricted and restricted gift pledges and contributions from individual, corporation and foundation donors; and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general operating purposes. The organization manages its liquidity and reserves following three guiding principles: 1) operating within a prudent range of financial soundness and stability; 2) maintaining adequate liquid assets to fund near-term operating needs; and 3) maintaining sufficient reserves to provide reasonable assurance that programming is continued, and obligations will be adequately discharged in the future. During the year ended June 30, 2022 the level of liquidity and reserves was managed within the policy requirements.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. General expenditures include payroll and related benefits, supplies, occupancy, interest, and professional services.

Note 3 – Long Term Debt

The Organization refinanced their mortgage on January 1, 2014. The mortgage matures on January 15, 2024 and requires monthly payments of principal and interest of $11,740, with the interest rate is fixed at 4.53%. The loan is collateralized by land and buildings location at 1710-18 South Loomis. The Organization must comply with certain covenants per the loan agreement. The Organization is in compliance with required loan covenants as of the year ended June 30, 2022.

Note 3 – Long Term Debt (cont.)

Future maturities of long-term debt at June 30, 2022 are estimated as follows:

2023	$ 87,204
2024	1,140,107
	$ 1,227,311

Note 4 – Retirement Plan

The Organization maintains a 403(b) defined contribution plan for the benefit of substantially all of its employees who complete 1,000 hours of service, and which allows for both employee and employer contributions. Employees may defer up to 80% of their pre-tax compensation. There were no employer contributions for the year ending June 30, 2022.

Note 5 – Commitments

In September 2021 the Organization entered into a lease agreement for office space that expires on September 30, 2023. The lease called for monthly payments beginning at $1,470 and escalating to $1,611 in the final year. In connection with this lease, the Organization made a security deposit of $2,940 that is recorded as an asset on the Statement of Financial Position. Rent expense for the year ended June 30, 2022 amounted to $24,475.

Future minimum rental payments are as follows:

2023	$ 19,194
2024	4,833
	$ 24,027

Note 6 –Net Assets with Donor Restrictions

Net assets with donor restrictions of $107,399 consists of $7,399 which is available for construction and renovation projects and $100,000 for future periods as of June 30, 2022.

Note 7 – Contingency

The Organization has received significant revenue from federal, state, and city agencies. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. Management believes that any disallowance would not be material to the financial statements.

Note 8 – Paycheck Protection Loan

In April 2020, the Organization received loan proceeds in the amount of approximately $688,625 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after eight or twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the eight-week period.

The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. The Organization has elected to follow ASC 470 and record the entire amount of the loan as debt and accrue interest in accordance with the interest method under ASC Subtopic 835-30, *Imputation of Interest* until the debt is extinguished, which is in accordance with FASB ASC 405-20, when the debtor has been "legally released" as the primary obligor or the debtor satisfies the outstanding balance of the debt. Once the debt is extinguished, the liability would be eliminated and a gain on extinguishment of debt will be recorded. As of June 30, 2022, $224,419 was forgiven and was recorded as extinguishment on debt on the Statement of Activities with the remaining $464,206 and $8,104 in interest paid back during the year. There was no outstanding balance.

Reports Required by
OMB's Uniform Guidance

EL HOGAR DEL NIÑO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-through Contract Number	Passed Through to Subrecipients		Disbursements or Expenditures
U.S. Department of Health and Human Services					
Passed through the City of Chicago Department of Family and Support Services					
Child Care Mandatory and Matching Funds of the Child Care and Development	93.596	108150	$ -		$ 41,374
			-		41,374
Passed through the City of Chicago Department of Family and Support Services					
Head Start	93.600	113806	-		438,379
Passed through Start Early					
Head Start	93.600	05CH011953			2,340,533
Total Head Start			-	(1)	2,778,912
Total U.S. Department of Health and Human Services			-		2,820,286
U.S. Department of Agriculture					
Passed through Illinois State Board of Education					
Child and Adult Care Food Program	10.558	15-016577P00	-		261,138
Total U.S. Department of Agriculture			-		261,138
Total Expenditures of Federal Awards			$ -		$ 3,081,424

(1) Major Program

See accompanying notes to schedule of federal awards.

EL HOGAR DEL NIÑO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2022

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "SEFA") includes the Federal award activity of El Hogar del Niño under programs of the federal government for the year June 30, 2022. 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 this schedule presents only a selected portion of the operations of El Hogar del Niño, it is not intended to and does not present the financial position, changes in net assets or cash flows of El Hogar del Niño.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in *2 CFR Part 230 – Cost Principles for Non-Profit Organizations (OMB Circular A-122),* wherein certain types or expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the SEFA represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Organization has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3 – Sub-Recipients

El Hogar del Niño did not provide any Federal awards to sub-recipients during the year ended June 30, 2022.

Note 4 – Other Matters

Amount of non-cash assistance	None
Amount of insurance	None
Amount of loans	None
Amount of loan guarantees	None

D&A
Desmond &Ahern, Ltd.
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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
El Hogar del Niño
Chicago, IL

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 El Hogar del Niño (the Organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 27, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Organization's internal control over financial reporting (internal control) 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 El Hogar del Niño's internal control. Accordingly, we do not express an opinion on the effectiveness of El Hogar del Niño'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 over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 and 2022-002 that we consider to be a material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2022-002.

El Hogar del Niño's Response to Findings

El Hogar del Niño's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. El Hogar del Niño's response was not subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

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.

Desmond & Ahern, Ltd

February 27, 2023
Chicago, IL

D&A
Desmond &Ahern, Ltd.
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by Uniform Guidance

To the Board of Directors
El Hogar del Niño
Chicago, IL

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited El Hogar del Niño's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of El Hogar del Niño's major federal programs for the year ended June 30, 2022. El Hogar del Niño'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, El Hogar del Niño complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of El Hogar del Niño 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 El Hogar del Niño'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, statues, regulations, rules, and provisions of contracts or grant agreements applicable to El Hogar del Niño's federal programs.

Auditor's Responsibility

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 El Hogar del Niño's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about El Hogar del Niño'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 El Hogar del Niño'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 El Hogar del Niño'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 El Hogar del Niño'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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-002 to be material weaknesses.

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 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.

Government Auditing Standards requires the auditor to perform limited procedures on El Hogar del Niño's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs.

El Hogar del Niño's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Desmond & Ahern, Ltd

February 27, 2023
Chicago, IL

EL HOGAR DEL NIÑO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2022

<u>Section I – Summary of Auditor's Results</u>

<u>Financial Statements</u>
Type of auditor's report issued: Unmodified

Internal control over financial reporting:

• Material weakness identified?	X	yes		no
• Significant deficiencies identified that are not considered to be material weaknesses?		yes	X	no
Noncompliance material to financial statements noted?		yes	X	no

<u>Federal Awards</u>
Internal control over major programs:

• Material weakness identified?	X	yes		no
• Significant deficiencies identified that are not considered to be material weakness?		yes	X	no

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516 (a)?	X	yes		no

Certification of Major Programs

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.600	Head Start

Dollar threshold used to distinguish between type A and type B Programs: $750,000

Auditee qualified as low-risk auditee?		yes	X	no

EL HOGAR DEL NIÑO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2022

Section II – Financial Statement Findings

2022-001 Preparation of Generally Accepted Accounting Principles (GAAP) Financial Statements

Criteria: This absence of fiscal monitoring controls and knowledge does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements in a timely manner.

Condition: We noted an absence of monitoring and knowledge in the preparation of financial statements that are fairly presented in conformity with generally accepted accounting principles (GAAP).

Cause: This material weakness is due to a combination of the size of the accounting department, as well as needing additional training and lack of management oversight, which may have identified the additional journal entries required to present GAAP financial statements. Management also did not make all the necessary entries to properly reconcile its accounting activity to award billings for the year ended June 30, 2022. The Organization consistently adjusts the revenue in a subsequent month when the funds are received. Expenditures for each federal grant are only tracked through an excel document rather than in the general ledger sub accounts.

Effect: Material adjusting entries were necessary to accounts including government revenue, receivables, fixed assets and expenses to present the financial statement and related footnotes in accordance with GAAP for the year ending June 30, 2022.

Recommendation: We recommend that someone independent of the report's preparation (who is knowledgeable of GAAP, including specific not for profit pronouncements) review the statements to ensure all transactions have been properly recorded. We also recommend that the Organization track grant expenditures by grant within the general ledger to support that expenses are not being allocated to more than one grant as well as recommend that amounts vouchered for and recorded to revenue are properly recorded based on the actual amounts submitted and not budgeted to record the revenue in the period of performance.

Grantee Response: El Hogar del Niño implemented a new chart of accounts and new financial software in February 2023 which will provide the Organziation the tools it needs to strengthen fiscal monitoring controls. In addition, starting in March 2023 El Hogar del Niño will engage the services of a contractual Controller through its existing financial consultants. The Controller will have extensive experience in preparing financial statements in accordance with generally accepted accounting principles. Altogether, these improvements will allow more accurate financials to be produced monthly, which will prevent the need for extensive year-end adjustments and will greatly increase the likelihood that misstatements are prevented or if they occur, are detected and corrected on a monthly basis.

Section III – Federal Award Findings and Questioned Costs

2022-002 Allowable Costs/Cost Principles

Criteria: Reports reflecting the distribution of activity of each employee must be maintained for all staff members whose compensation is charged, in whole or in part, directly to awards, in accordance with *Cost Principles for Non-Profit Organizations (2 CFR Part 230.8).* Charges to Federal awards must also be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated. These records must also support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.

Condition: The Organization provided time records that account for the number of hours worked by the selected employees and the departments employees are charged. The Organization is using projected salaries including vacant positions in order to calculate their full-time equivalent rate to be used for administrative allocations and not using actual time. We noted that the expenses are not being properly tracked by federal grant within the general ledger properly to show expenses are not being allocated to multiple grants.

Cause: The Organization asserts that time records are consistently maintained to support the allocation of staff time to different functions however, budget estimates are used to support for charges to Federal awards.

Effect: Budget estimates (i.e., estimates determined before the services are performed) alone, do not qualify as support for charges to Federal awards.

Questioned Costs: None.

Recommendation: We again recommend that quarterly recaps of the time sheets be done and that the time analysis be compared to the actual percent being allocated. If necessary, the projected allocation percentages, including full time equivalents, should be changed to reflect the actual time spent as required under 2 CFR 230. Also, the previous quarter should also be adjusted if the revised percentages would cause the financials to be materially misstated. We further again recommend that all employees receive additional training on filling out time sheets and that supervisors receive written procedures on reviewing the time sheets before approving to ensure that they are properly completed. With regards to allocations to awards, we recommend that the Organization properly allocate expenses within the general ledger to reflect the actual expenditures submitted for reimbursement and to ensure no expenses are being reimbursed from multiple grants.

EL HOGAR DEL NIÑO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2022

Section III – Federal Award Findings and Questioned Costs (cont.)

Grantee Response: El Hogar del Niño will strengthen its internal controls. An expense allocation method will be developed that will more closely reflect the benefit each funding source receives from the expense and is supportable either by an amendable allocation method such as, real time tracking of time, number of students served or square footage to name a few possible examples. Where estimates are used in budgeting, quarterly after-the-fact adjustments will be made when there is a material variance from budget.

Section IV – Federal Award Findings and Questioned Costs - Prior Year

2021-001 Preparation of Generally Accepted Accounting Principles (GAAP) Financial Statements

Criteria: This absence of fiscal monitoring controls and knowledge does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements in a timely manner.

Condition: We noted an absence of monitoring and knowledge in the preparation of financial statements that are fairly presented in conformity with generally accepted accounting principles (GAAP).

Cause: This material weakness is due to a combination of the size of the accounting department, as well as needing additional training and lack of management oversight, which may have identified the additional journal entries required to present GAAP financial statements. Management also did not make all the necessary entries to properly reconcile its accounting activity to award billings for the year ended June 30, 2021. The Organization consistently books the invoices based on budgeted amounts and then adjusts the revenue in a subsequent month when the funds are received. Expenditures are only tracked through an excel document rather than in the general ledger

Effect: Material adjusting entries were necessary to accounts including government revenue, receivables, fixed assets and expenses to present the financial statement and related footnotes in accordance with GAAP for the year ending June 30, 2022.

Recommendation: We recommend that someone independent of the report's preparation (who is knowledgeable of GAAP, including specific not for profit pronouncements) review the statements to ensure all transactions have been properly recorded. We also recommend that the Organization track grant expenditures by grant within the general ledger to support that expenses are not being allocated to more than one grant as well as recommend that amounts vouchered for and recorded to revenue are properly recorded based on the actual amounts submitted and not budgeted to record the revenue in the period of performance.

Current Status: See finding 2022-001. We noted there were less adjusting entries needed however still material.

2021-002 Allowable Costs/Cost Principles

Criteria: Reports reflecting the distribution of activity of each employee must be maintained for all staff members whose compensation is charged, in whole or in part, directly to awards, in accordance with *Cost Principles for Non-Profit Organizations (2 CFR Part 230.8).* The reports must reflect an after-the-fact determination of the actual activity of each employee. Charges to Federal awards must also be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated. These records must also support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.

Condition: The Organization provided time records that account for the number of hours worked by the selected employees and the departments employees are charged to, however, details for the time worked in each individual program were not representative of actual time recorded per activity. The Organization is using projected salaries including vacant positions in order to calculate their full time equivalent rate to be used for administrative allocations and not using actual. We also noted that the allocations are not being shown on employee timecards and that the time cards of 31 out of 40 employees tested were not signed by their supervisor. D&A also noted that the expenses are not being properly tracked by federal grant within the general ledger properly to show expenses are not being allocated to multiple grants.

Cause: The Organization asserts that time records are consistently maintained to support the allocation of staff time to different functions however, budget estimates are used to support for charges to Federal awards. The Organization also asserts that they are not double dipping with any expenditures for multiple grants.

Effect: Budget estimates (i.e., estimates determined before the services are performed) alone, do not qualify as support for charges to Federal awards.

Questioned Costs: None.

Recommendation: We recommend that quarterly recaps of the time sheets be done and that the time analysis be compared to the actual percent being allocated. If necessary, the projected allocation percentages, including full time equivalents, should be changed to reflect the actual time spent as required under 2 CFR 230. Also, the previous quarter should also be adjusted if the revised percentages would cause the financials to be materially misstated. We further recommend that all employees receive additional training on filling out time sheets and that supervisors receive written procedures on reviewing the time sheets before approving to ensure that they are properly completed. With regards to allocations to awards, we recommend that the Organization properly allocate expenses within the general ledger to reflect the actual expenditures submitted for reimbursement and to ensure no expenses are being reimbursed from multiple grants.

Current Status: See finding 2022-002.