

INFO LINE of San Diego County DBA 2-1-1 San Diego and Subsidiary

Consolidated Financial Statements and Supplemental Information

Years Ended June 30, 2023 and 2022



INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY
Consolidated Financial Statements and Supplemental Information
Years Ended June 30, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary (nonprofit organizations) which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary as of June 30, 2023 and 2022, and the changes in their net assets and their cash flows for the years then ended 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 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 Consolidated Financial Statements section of our report. We are required to be independent of INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary 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 opinions.

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 of INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's 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 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 consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT, CONTINUED

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements, continued

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 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 INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary'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 of INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary'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.

Supplemental Information

Our audits were 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 schedule of expenditures of federal awards 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 March 12, 2024, on our consideration of INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary'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 INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary'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 of INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary's internal control over financial reporting and compliance.

Very truly yours,

Aldrich CPAs + Advisors LLP
San Diego, California
March 12, 2024

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY**Consolidated Statements of Financial Position**

June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets:		
Cash	\$ 8,079,924	\$ 7,086,787
Accounts receivable, net of allowance for doubtful accounts	2,534,345	2,256,649
CalFresh program receivable	206,556	146,193
Promises to give	90,000	25,000
Prepays and other assets	149,219	159,476
	<u>11,060,044</u>	<u>9,674,105</u>
Total Current Assets		
Non-current Assets:		
Operating lease right-of-use assets, net of accumulated amortization	1,725,214	-
Property and equipment, net of accumulated depreciation	590,930	850,516
Deposits and other assets	52,428	52,428
	<u>2,368,572</u>	<u>902,944</u>
Total Assets	<u>\$ 13,428,616</u>	<u>\$ 10,577,049</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 575,202	\$ 558,776
CalFresh program payable	253,829	146,193
Accrued expenses	1,305,183	1,285,159
Deferred revenue	295,362	295,353
Current portion of operating lease liability	567,809	-
Current portion of deferred rent	-	12,624
	<u>2,997,385</u>	<u>2,298,105</u>
Total Current Liabilities		
Long-Term Liabilities:		
Operating lease liability, net of current portion	1,174,612	-
Deferred rent, net of current portion	-	36,821
	<u>1,174,612</u>	<u>36,821</u>
Total Liabilities	4,171,997	2,334,926
Net Assets:		
Without Donor Restrictions	9,191,868	8,144,502
With Donor Restrictions	64,751	97,621
	<u>9,256,619</u>	<u>8,242,123</u>
Total Net Assets		
Total Liabilities and Net Assets	<u>\$ 13,428,616</u>	<u>\$ 10,577,049</u>

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY**Consolidated Statements of Activities**

Year Ended June 30, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and Revenue:			
Grants and contracts	\$ 26,366,830	\$ -	\$ 26,366,830
Contributions	301,000	53,317	354,317
Special event, net of expenses of \$65,740	302,415	-	302,415
Fee for service	200,600	-	200,600
Miscellaneous	10,823	-	10,823
Net assets released from restrictions, satisfaction of program restrictions	86,187	(86,187)	-
Total Support and Revenue	27,267,855	(32,870)	27,234,985
Program and Supporting Expenses:			
Program services:			
County Access	9,880,054	-	9,880,054
211 Call Center	5,904,707	-	5,904,707
Enrollment Center	2,900,528	-	2,900,528
Community Information Exchange (CIE)	1,800,022	-	1,800,022
Client Experience	807,456	-	807,456
Informatics	621,967	-	621,967
Training	596,402	-	596,402
Disaster	219,973	-	219,973
Navigation	111,241	-	111,241
Total Program Expenses	22,842,350	-	22,842,350
Supporting services:			
General and administrative	2,403,512	-	2,403,512
Fundraising	974,627	-	974,627
Total Program and Supporting Expenses	26,220,489	-	26,220,489
Change in Net Assets	1,047,366	(32,870)	1,014,496
Net Assets, beginning	8,144,502	97,621	8,242,123
Net Assets, ending	\$ <u>9,191,868</u>	\$ <u>64,751</u>	\$ <u>9,256,619</u>

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY**Consolidated Statements of Activities**

Year Ended June 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and Revenue:			
Grants and contracts	\$ 23,949,448	\$ -	\$ 23,949,448
Contributions	734,599	78,857	813,456
Fee for service	492,619	-	492,619
Special event, net of expenses of \$73,565	270,545	-	270,545
Miscellaneous	9,307	-	9,307
Net assets released from restrictions, satisfaction of program restrictions	<u>228,252</u>	<u>(228,252)</u>	<u>-</u>
Total Support and Revenue	25,684,770	(149,395)	25,535,375
Program and Supporting Expenses:			
Program services:			
County Access	8,258,334	-	8,258,334
211 Call Center	5,372,900	-	5,372,900
Enrollment Center	2,546,341	-	2,546,341
CIE	1,262,019	-	1,262,019
Navigation	1,042,406	-	1,042,406
Client Experience	731,533	-	731,533
Other	471,165	-	471,165
VETS	427,002	-	427,002
Total Program Expenses	<u>20,111,700</u>	<u>-</u>	<u>20,111,700</u>
Supporting services:			
General and administrative	2,422,883	-	2,422,883
Fundraising	<u>1,802,281</u>	<u>-</u>	<u>1,802,281</u>
Total Program and Supporting Expenses	<u>24,336,864</u>	<u>-</u>	<u>24,336,864</u>
Change in Net Assets	1,347,906	(149,395)	1,198,511
Net Assets, beginning	<u>6,796,596</u>	<u>247,016</u>	<u>7,043,612</u>
Net Assets, ending	<u>\$ 8,144,502</u>	<u>\$ 97,621</u>	<u>\$ 8,242,123</u>

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY

Consolidated Statements of Functional Expenses

Year Ended June 30, 2023

	Program Services										Supporting Services		
	County Access	211 Call Center	Enrollment Center	CIE	Client Experience	Informatics	Training	Disaster	Navigation	Total	General and Administrative	Fundraising	Total
Salaries and benefits	\$ 7,638,466	\$ 4,353,578	\$ 1,873,948	\$ 1,024,002	\$ 727,206	\$ 552,371	\$ 525,119	\$ 147,521	\$ 96,429	\$ 16,938,640	\$ 1,497,610	\$ 789,118	\$ 19,225,368
Subcontractor payments	994,601	-	675,833	110,000	-	-	-	-	-	1,780,434	-	-	1,780,434
Consultants	354,056	464,261	66,656	478,979	8,809	5,524	5,162	28,968	2,598	1,415,013	263,349	72,566	1,750,928
Telephone	212,505	323,793	97,885	29,188	19,073	12,546	11,757	3,862	4,095	714,704	19,780	8,627	743,111
Occupancy	313,748	159,589	74,796	22,449	25,791	15,303	15,964	2,185	3,712	633,537	58,605	10,225	702,367
Software licenses	149,591	213,393	50,179	77,474	9,533	24,285	5,840	6,629	1,838	538,762	52,379	3,372	594,513
Depreciation	123,546	60,333	28,932	8,468	9,845	5,907	5,907	1,247	984	245,169	12,360	2,055	259,586
Office supplies	6,076	26,008	5,792	1,184	143	61	84	11,590	67	51,005	110,688	35,071	196,764
Temporary labor	779	146,303	199	176	-	-	-	2,397	-	149,854	39,518	7,195	196,567
Insurance	-	-	-	-	-	-	-	-	-	-	166,101	-	166,101
Dues, licenses and permits	9,733	23,527	4,004	15,833	1,280	2,093	6,122	4,404	690	67,686	51,277	13,244	132,207
Staff development	19,818	9,332	5,921	2,176	1,757	888	18,718	145	828	59,583	54,467	689	114,739
Travel	7,990	60,883	2,372	6,529	3,266	2,180	1,557	2,751	-	87,528	13,751	9,801	111,080
Equipment	35,733	46,263	4,921	7,373	432	19	-	1,732	-	96,473	5,144	1,103	102,720
Food and catering	4,471	7,511	236	212	-	155	-	2,799	-	15,384	32,664	10,381	58,429
Employee and volunteer recognition	5,637	2,528	117	390	172	511	98	863	-	10,316	5,083	2,534	17,933
Postage	1,609	1,633	5,844	49	-	50	-	435	-	9,620	5,535	1,307	16,462
Partner participation expenses	-	-	-	15,000	-	-	-	-	-	15,000	-	-	15,000
Printing and duplicating	391	2,879	100	88	149	74	74	1,202	-	4,957	3,577	3,608	12,142
Generator fuel and maintenance	388	2,566	99	88	-	-	-	1,195	-	4,336	3,862	3,587	11,785
Advertising	16	102	2,694	4	-	-	-	48	-	2,864	1,087	144	4,095
Bank fees	-	225	-	360	-	-	-	-	-	585	3,575	-	4,160
Miscellaneous	900	-	-	-	-	-	-	-	-	900	3,100	-	4,000
Total Program and Supporting Expenses	9,880,054	5,904,707	2,900,528	1,800,022	807,456	621,967	596,402	219,973	111,241	22,842,350	2,403,512	974,627	26,220,489
Special Events	-	-	-	-	-	-	-	-	-	-	-	65,740	65,740
Total Expenses	\$ 9,880,054	\$ 5,904,707	\$ 2,900,528	\$ 1,800,022	\$ 807,456	\$ 621,967	\$ 596,402	\$ 219,973	\$ 111,241	\$ 22,842,350	\$ 2,403,512	\$ 1,040,367	\$ 26,286,229

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY

Consolidated Statements of Functional Expenses

Year Ended June 30, 2022

	Program Services									Supporting Services		
	County Access	211 Call Center	Enrollment Center	CIE	Navigation	Client Experience	Other	VETS	Total	General and Administrative	Fundraising	Total
Salaries and benefits	\$ 6,639,089	\$ 3,910,885	\$ 1,770,999	\$ 614,898	\$ 892,473	\$ 672,383	\$ 411,622	\$ 376,511	\$ 15,288,860	\$ 1,316,575	\$ 1,477,939	\$ 18,083,374
Consultants	38,171	287,553	17,561	590,371	24,510	545	6,627	702	966,040	320,413	75,604	1,362,057
Subcontractor payments	556,545	-	526,922	-	-	-	-	-	1,083,467	-	-	1,083,467
Temp labor	294,620	600,703	433	-	-	-	-	-	895,756	63,287	-	959,043
Telephone	189,991	264,704	93,103	8,148	44,665	13,879	4,954	21,138	640,582	76,160	14,726	731,468
Occupancy	290,210	152,218	72,568	13,567	32,873	25,372	10,698	14,020	611,526	35,164	23,686	670,376
Software licenses	22,670	19,579	9,355	11,795	3,033	1,908	22,201	4,073	94,614	363,476	3,049	461,139
Depreciation	112,374	58,943	28,100	5,254	12,729	9,825	4,142	5,429	236,796	13,616	9,172	259,584
Equipment and maintenance	90,784	52,009	16,849	3,113	7,746	5,462	2,303	3,018	181,284	30,591	8,486	220,361
Insurance	-	-	-	-	-	-	-	-	-	125,856	-	125,856
Dues, licenses and permits	8,207	13,431	662	13,256	5,736	52	5,692	2,013	49,049	32,246	16,535	97,830
Advertising	8,244	29	1,761	-	2,178	-	-	-	12,212	-	77,213	89,425
Employee and volunteer recognition	98	98	125	1,617	85	-	512	98	2,633	5,240	56,232	64,105
Travel	-	4,314	12	-	15,273	-	1,443	-	21,042	4,285	8,140	33,467
Office supplies	596	-	1,629	-	-	-	-	-	2,225	17,299	4,121	23,645
Staff development	5,811	7,961	698	-	990	1,800	845	-	18,105	2,401	179	20,685
Food and catering	259	-	110	-	30	307	126	-	832	5,405	10,641	16,878
Generator fuel and maintenance	-	-	-	-	-	-	-	-	-	460	10,863	11,323
Postage	665	473	3,699	-	85	-	-	-	4,922	4,369	1,074	10,365
Printing and duplicating	-	-	1,755	-	-	-	-	-	1,755	-	4,621	6,376
Bank fees	-	-	-	-	-	-	-	-	-	6,040	-	6,040
Total Program and Supporting Expenses	8,258,334	5,372,900	2,546,341	1,262,019	1,042,406	731,533	471,165	427,002	20,111,700	2,422,883	1,802,281	24,336,864
Special Events	-	-	-	-	-	-	-	-	-	-	73,565	73,565
Total Expenses	\$ 8,258,334	\$ 5,372,900	\$ 2,546,341	\$ 1,262,019	\$ 1,042,406	\$ 731,533	\$ 471,165	\$ 427,002	\$ 20,111,700	\$ 2,422,883	\$ 1,875,846	\$ 24,410,429

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY**Consolidated Statements of Cash Flows**

Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 1,014,496	\$ 1,198,511
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	259,586	259,584
Non-cash operating lease expense	17,207	-
Changes in operating assets and liabilities:		
Accounts receivable	(277,696)	(34,565)
CalFresh program receivable	(60,363)	(10,901)
Promises to give	(65,000)	26,836
Prepaid expenses and other assets	10,257	(95,053)
Deposits and other assets	-	9,018
Accounts payable	16,426	134,413
CalFresh program payable	107,636	8,933
Accrued expenses	20,024	(40,930)
Deferred revenue	9	179,269
Deferred rent	(49,445)	(12,625)
Net Cash Provided by Operating Activities	993,137	1,622,490
Cash Flows Used by Investing Activities:		
Purchases of property and equipment	-	(8,956)
Net Increase in Cash	993,137	1,613,534
Cash, beginning	7,086,787	5,473,253
Cash, ending	\$ <u>8,079,924</u>	\$ <u>7,086,787</u>
Supplemental Disclosures of Noncash Investing and Financing Activities:		
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ <u>2,284,369</u>	\$ <u>-</u>

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY

Notes to Consolidated Financial Statements

Years Ended June 30, 2023 and 2022

Note 1 - Organization and Summary of Significant Accounting Policies

Nature of Activities

Serving the entire population of its region, INFO LINE of San Diego County dba 2-1-1 San Diego (2-1-1 San Diego) is a California nonprofit organization formed in 2003 that connects people with community, health, and disaster services through a free, 24/7 stigma-free phone service and searchable online database. 2-1-1 San Diego's mission is to seamlessly connect people to resources, and partner with the community to transform how people access help. 2-1-1 San Diego's support and revenue comes primarily from contracts and grants.

CIE facilitates care coordination among social service and care providers in the greater San Diego region by using technology and processes to bring together information and people across safety net organizations.

Principles of Consolidation

The consolidated financial statements include, 2-1-1 San Diego and its wholly owned subsidiary, CIE (collectively referred to as the Organization). 2-1-1 San Diego's acquisition of CIE occurred on February 11, 2016. The integration allows for a client record that includes the client's history so providers can be better informed when interacting with that client, allowing for improved service delivery, care coordination, and ultimately positive social outcomes for the client and the service delivery community. Significant inter-company transactions and balances have been eliminated in consolidation.

Financial Statement Presentation

The consolidated financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP), which require the Organization to report information regarding their financial position and activities according to the following net asset classifications:

- Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.
- Net assets with donor restrictions - Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Organization did not have any donor restrictions that were perpetual in nature for the years ended June 30, 2023 and 2022.

Use of Estimates

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

Accounts and CalFresh Program Receivable

Accounts receivable and CalFresh program receivable (collectively "receivables") arise in the normal course of operations. CalFresh receivables are the result of grant and contract transactions that arise from timing differences related to the cost reimbursement process. It is the policy of management to review the outstanding receivables at year end, as well as the bad debt write-offs experienced in the past, and establish an allowance for doubtful accounts for uncollectible amounts. As of June 30, 2023 and 2022, accounts receivable is recorded net of a \$0 and \$5,649 allowance for doubtful accounts, respectively.

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY

Notes to Consolidated Financial Statements

Years Ended June 30, 2023 and 2022

Note 1 - Organization and Summary of Significant Accounting Policies, continued

Promises to Give

Promises to give that are expected to be collected within one year are recorded at their net realizable value. Promises to give that are expected to be collected in future years are discounted to their estimated net present value. After promises to give are originally recorded, an allowance for uncollectable promises may be established based on specific circumstances. No allowance was considered necessary at June 30, 2023 and 2022, because management believes all amounts are collectible. All amounts are due within one year as of June 30, 2023 and 2022, therefore there is no present value discount.

Property and Equipment

Acquisitions of property and equipment of \$5,000 or more are capitalized. Property and equipment are recorded at cost, or if donated, at the approximate fair market value at the date of donation. Expenditures for maintenance and repairs are charged against operations. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets of three to ten years.

Leases

Adoption of New Policy

Effective July 1, 2022, the Organization adopted Accounting Standards Update (ASU) 2016-02 *Leases*, which hereinafter will be referred to as ASC Topic 842, using the permitted modified retrospective method. The standard provides guidance on the recognition, measurement, presentation, and disclosure of leases. The new standard supersedes previous US GAAP guidance on leases and requires substantially all leases to be reported on the consolidated statement of financial position as right-of-use assets and lease liabilities, as well as additional disclosures (See Note 6). Upon adoption the Organization recognized right-of-use assets and lease liabilities of \$2,284,369 and removed deferred rent lease liabilities from the previous standard of \$49,445.

Support and Revenue

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction.

When a 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 consolidated statements of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are satisfied within the same reporting period are reported as support without donor restrictions and increase net assets without donor restrictions.

Grants and other revenues which are considered contracts for services and exchange transactions, are not recorded as restricted contributions. Grants received are recognized in the period in which the related work is performed or when qualified expenses are incurred in accordance with the terms of the grant or contract. Prepaid grants are recorded as deferred revenue.

Contributions may be solicited by special events such as fund-raising dinners, benefit concerts, or by "sales" of items, where the price charged is substantially greater than the cost of the items and the excess represents a contribution. The portion of a special event payment that is a contribution is recognized as revenue when received if the contribution is not conditioned on the event taking place. If the contribution portion of the special event payment is conditioned upon the event taking place, the contribution is conditional and recognition is deferred.

Professional services are comprised of technology consulting services, training memberships, and providing subject matter expertise. The Organization provides consulting services to communities and businesses both locally and nationally. Consulting and training services are valued and reported at the estimated fair value in the financial statements based on current rates for similar services.

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY

Notes to Consolidated Financial Statements

Years Ended June 30, 2023 and 2022

Note 1 - Organization and Summary of Significant Accounting Policies, continued

Contributed Materials and Services

Contributed goods are recorded at their estimated fair market value at the time of donation. Such items are capitalized or charged to operations as appropriate. The fair market value of contributed professional services is reported as support and expense in the period in which the services are performed.

The Organization receives donated services from a variety of unpaid volunteers. No amounts have been recognized in the consolidated financial statements because the criteria for recognition as contributions of such volunteer effort have not been satisfied.

Advertising

The Organization follows the policy of charging the cost of advertising as incurred.

Functional Allocation of Expenses

The consolidated 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. Salaries and related expenses (benefits, payroll taxes, etc.) are allocated on the basis of time. All other expenses are broken out by accounts and are charged to the program or service based on direct usage or using full-time equivalents as an allocation method.

Income Taxes

2-1-1 San Diego and CIE are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. 2-1-1 San Diego has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. CIE is a private foundation. The Organization may be subject to tax on income which is not related to its exempt purpose. For the years ended June 30, 2023 and 2022, no such unrelated business income was reported and, therefore, no provision for income taxes has been made.

The Organization follows the provisions of uncertain tax positions as addressed in the Financial Accounting Standards Board (FASB) Accounting Standards Codification. The Organization recognizes accrued interest and penalties associated with uncertain tax positions as part of the income tax provision, when applicable. There are no amounts accrued in the consolidated financial statements related to uncertain tax positions for the years ended June 30, 2023 and 2022.

Future Accounting Standard

In June 2016, the FASB issued ASU No. 2016-13 *Financial Instruments-Credit Losses*. The standard requires timelier recording of credit losses on loans and other financial instruments by transitioning from an incurred-loss model to expected loss model. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. The new guidance affects, loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash, but does not require a specific credit loss method, allowing an organization to use judgment in determining the relevant information and estimation methods that are appropriate in its circumstances. ASU 2016-13 is effective for fiscal years beginning after December 15, 2022. The Organization is still evaluating the effects that the provisions of ASU 2016-13 will have on its consolidated financial statements and related disclosures.

Subsequent Events

The Organization has evaluated subsequent events through March 12, 2024, which is the date the consolidated financial statements were available to be issued.

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY

Notes to Consolidated Financial Statements

Years Ended June 30, 2023 and 2022

Note 2 - Liquidity and Availability

The following reflects the Organization's financial assets as of the consolidated statement of financial position date, reduced by amounts not available for general use because of contractual obligations within one year of the consolidated statement of financial position date.

	<u>2023</u>	<u>2022</u>
Cash	\$ 8,079,924	\$ 7,086,787
Accounts receivable, net	2,534,345	2,256,649
CalFresh program receivable	206,556	146,193
Promises to give	<u>90,000</u>	<u>25,000</u>
Total Current Assets	10,910,825	9,514,629
Less amounts not available to be used within one year for general purposes:		
Net Assets with donor restrictions	<u>(64,751)</u>	<u>(97,621)</u>
Financial Assets available to meet general expenditures within one year	<u>\$ 10,846,074</u>	<u>\$ 9,417,008</u>

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 manages its liquidity and reserves through maintaining and reviewing budget to actual amounts and forecasted cash flows on a regular basis. The Organization also operates within a prudent range of financial soundness and stability and constantly maintains adequate liquid assets to fund near term operating needs.

Note 3 - Concentrations of Credit Risk

Cash

The Organization maintains cash accounts at various financial institutions. The balances at time may exceed Federal Deposit Insurance Corporation (FDIC) limits. Accounts at each financial institution are insured by the FDIC up to \$250,000.

Customers

Approximately 66% and 63% of the Organization's support and revenue came from one and two sources for the years ended June 30, 2023 and 2022, respectively. Approximately 51% and 46% of accounts receivable, promises to give, and CalFresh program receivables came from three different sources for the years ended June 30, 2023 and 2022, respectively. All receivables are unsecured and, thus, subject to credit risk.

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY**Notes to Consolidated Financial Statements**

Years Ended June 30, 2023 and 2022

Note 4 - Property and Equipment

Property and equipment consist of the following at June 30:

	<u>2023</u>		<u>2022</u>
Leasehold improvements	\$ 1,555,662	\$	1,555,662
Generator	379,007		379,007
Furniture and equipment	277,436		277,436
Computers	277,259		277,259
Website upgrade	137,785		137,785
Telecommunications system	54,295		54,295
	<u>2,681,444</u>		<u>2,681,444</u>
Less accumulated depreciation	<u>(2,090,514)</u>		<u>(1,830,928)</u>
	<u>\$ 590,930</u>	\$	<u>850,516</u>

Note 5 - Restrictions on Net Assets

Net assets with donor restrictions consist of the following at June 30:

	<u>2023</u>		<u>2022</u>
Purpose Restrictions:			
CIE	\$ 53,317	\$	-
Disaster preparedness	8,934		17,131
Veterans-Military	2,500		22,500
Outreach and education	-		42,299
Professional development	-		11,589
COVID-19 response	-		4,102
	<u>\$ 64,751</u>	\$	<u>97,621</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30:

	<u>2023</u>		<u>2022</u>
Satisfaction of Purpose Restrictions:			
Outreach and education	\$ 42,299	\$	82,597
Veterans-Military	20,000		105,145
Professional development	11,589		40,510
Disaster preparedness	8,197		-
COVID-19 response	4,102		-
	<u>\$ 86,187</u>	\$	<u>228,252</u>

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY

Notes to Consolidated Financial Statements

Years Ended June 30, 2023 and 2022

Note 6 - Leasing Arrangements

The Organization leases office space from an unrelated party under a long-term non-cancelable operating lease agreement expiring in May 2026. Some of the Organization's leases contain one or more options to extend. The exercise of lease renewal options is generally at the Company's sole discretion. Options that are reasonably certain to be exercised, considering all relevant economic and financial factors, are included in the lease term. Certain lease agreements also contain lease incentives, such as tenant improvement allowances and rent abatement. In addition to the base monthly payments, the Organization is responsible for the expenses of operating the building, including but not limited to utilities, real estate taxes and insurance.

Leases with an initial term of 12 months or less are not recorded on the consolidated statement of financial position. Lease expense is recognized for these leases on a straight-line basis over the lease term. The lease agreements do not contain any material residual value guarantees.

The Organization has elected the practical expedient to account for the lease and non-lease components as a single lease component (e.g. maintenance and operating services). Therefore, for those leases, the lease payments used to measure the lease liability include all of the fixed consideration in the contract. All variable payments not based on a market rate or an index are expensed as incurred.

The Organization determines if an arrangement is or contains a lease at contract inception. The Organization recognizes a right-of-use asset and a lease liability at the lease commencement date. The lease liability is initially measured at the present value of the unpaid lease payments at the lease commencement date. Key estimates and judgments include how the Organization determines the discount rate, the lease term, and the lease payments.

When the discount rate implicit in a lease is not readily determinable, the Organization calculates the lease liability using the incremental borrowing rate, which is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms. These are estimated using actual borrowing costs and making necessary adjustments.

The following summarizes the operating lease as of June 30, 2023:

<u>Operating Leases</u>	
Operating lease right-of-use-assets	\$ <u>1,725,214</u>
Current portion of operating lease liability	\$ 567,809
Operating lease liability, net of current portion	<u>1,174,612</u>
Total operating lease liabilities	\$ <u>1,742,421</u>

The amounts contractually due on lease liabilities as of June 30, 2023, were as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Operating</u>
2024	\$ 609,168
2025	629,136
2026	<u>576,708</u>
Total lease payments	1,815,012
Less amount representing imputed interest	<u>(72,591)</u>
Present value of lease liability	\$ <u>1,742,421</u>

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY

Notes to Consolidated Financial Statements

Years Ended June 30, 2023 and 2022

Note 6 - Leasing Arrangements, continued

The following summarizes the line items in the consolidated statement of functional expenses which include the components of lease expense for the year ended June 30, 2023:

Operating lease:

Operating lease expense, included in occupancy	\$	<u>616,390</u>
Total lease cost	\$	<u><u>616,390</u></u>

Supplemental cash flow information related to leases were as follows for the year ended June 30, 2023:

Cash paid for amounts included in measurement of lease liability:

Operating cash flows from operating leases	\$	599,184
Right-of-use assets obtained in exchange for new operating lease liabilities	\$	2,284,369

Supplemental Consolidated Statement of Financial Position information related to leases were as follows at June 30, 2023:

Weighted average remaining lease term - Operating leases	2.9
Weighted average discount rate - Operating leases	2.88%

Under previous leasing standards, future lease payments for non-cancellable operating leases were as follows at June 30, 2022:

<u>Year Ending</u> <u>December 31,</u>		
2023	\$	586,560
2024		596,548
2025		616,524
2026		<u>565,146</u>
	\$	<u><u>2,364,778</u></u>

Note 7 - Related Party Transactions

2-1-1 San Diego utilizes a law firm for legal guidance and matters pertaining to human resources and personnel. A former board member of 2-1-1 San Diego is a partner at this same firm. The board member rolled off 2-1-1 San Diego's board December 7, 2022. During the years ended June 30, 2023 and 2022, 2-1-1 San Diego paid the firm fees of \$80,063 and \$40,951, respectively.

Note 8 - Contingencies

Litigation

The Organization may periodically be a party in litigation cases incidental to its business activities. While any litigation or investigation has an element of uncertainty, management believes that the outcome of any of these matters will not have a materially adverse effect on its financial position, results of operations, or liquidity.

SUPPLEMENTAL INFORMATION

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

To the Board of Directors of
INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary

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 INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary (collectively referred to as the Organization), which comprise the consolidated statement of financial position as of June 30, 2023, and 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 March 12, 2024.

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) to determine the 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 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 obtaining reasonable assurance about whether the Organization's consolidated financial statements are free of 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 consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits, 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*.

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*, CONTINUED

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.

Very truly yours,

Aldrich CPAs + Advisors LLP

San Diego, California
March 12, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of
INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary

Report on Compliance for Each Major Federal Programs

Opinion on Each Major Federal Program

We have audited INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary'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 INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary's major federal programs for the year ended June 30, 2023. INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary'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, INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary 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 INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary'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 INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary's federal programs.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE, CONTINUED**

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary'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 INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary'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 INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary's with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary'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 INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE, CONTINUED**

Report on Internal Control over Compliance, continued

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Very truly yours,

Aldrich CPAs + Advisors LLP

San Diego, California
March 12, 2024

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Federal/Pass-Through Grantor and Program Title	Federal Assistance Listing Number	Agency or Pass-Through Grantor No.	Passed through to Sub recipients	Total Federal Expenditures
<u>U.S. Department of Agriculture</u>				
Pass Through Awards:				
Food and Nutrition Service - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	21-1004	\$ 675,833	\$ 2,399,613
California Department of Social Services Pandemic EBT Administrative Costs	10.649	21-3106	-	150,000
			675,833	2,549,613
<u>U.S. Department of Housing and Urban Development</u>				
Pass Through Awards:				
City of San Marcos Community Development Block Grants/ Entitlement Grants	14.218	6784	-	69,300
City of Poway	14.218		-	16,946
County Department of Housing and Community Development County of San Diego Housing Opportunities for Persons With AIDS (HOPWA)	14.241	558957	-	102,140
			-	188,386
<u>US Treasury: Volunteer Income Tax Assistance</u>				
Pass Through Awards:				
Volunteer Income Tax Assistance (VITA) Matching Grant Program	21.009	22VITA0288	-	5,000
			-	5,000
<u>Coronavirus Relief Fund</u>				
Pass Through Awards:				
San Diego Housing Commission HSAP Coronavirus Relief Fund	21.019	RAD-22-05	-	194,720
			-	194,720

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY

Schedule of Expenditures of Federal Awards, continued

Year Ended June 30, 2023

Federal/Pass-Through Grantor and Program Title	Federal Assistance Listing Number	Agency or Pass-Through Grantor No.	Passed through to Sub recipients	Total Federal Expenditures
<u>U.S. Department of Health and Human Services</u>				
Pass Through Awards:				
United Way of San Diego County Community Programs to Improve Minority Health	93.137	1 CPIMP201207-01-00	-	6,069
University of California San Francisco Research on Healthcare Costs, Quality and Outcomes	93.226	5R18HS027394-03 Subaward 11695sc	-	114,989
			-	121,058
<u>Centers for Disease Control</u>				
Pass Through Awards:				
County of San Diego Health & Human Services Agency The Innovative Cardiovascular Health Program	93.435	560458	-	65,886
County of San Diego Health & Human Services Agency Racial and Ethnic Approaches to Community Health (REACH) Program financed solely by Public prevention and Health Funds	93.738	560458	-	36,544
			-	102,430
			\$ 675,833	\$ 3,161,207

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary 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* 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 INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary, it is not intended to and does not present the consolidated financial position, changes in net assets or cash flows of INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary.

Note 2 - Summary of Significant Accounting Policies

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

Note 3 - Indirect Cost Rate

INFO LINE of San Diego County dba 2-1-1 San Diego and Subsidiary did not elect to use the 10% de minimus cost rate as covered in the Uniform Guidance 2.CFR.200.414 Indirect costs.

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY

Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Consolidated Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:
Significant deficiency(ies) identified? ___yes x none reported
Material weakness(es) identified? ___yes x no

Noncompliance material to the financial statements noted? ___yes x no

Federal Awards

Internal control over major programs:
Significant deficiency(ies) identified? ___yes x none reported
Material weakness(es) identified? ___yes x no

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

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, 2.CFR.200.516(a)? ___yes x no

Identification of major programs:

<u>Federal Assistance Living Number</u>	<u>Name of Federal Program or Cluster</u>
10.561	Food and Nutrition Service – State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
21.019	Coronavirus Relief Fund

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

Auditee qualified as a low-risk auditee with the Uniform Guidance, 2.CFR.200.516(a)? x yes ___no

Section II - Financial Statement Findings

None reported.

Section III - Federal Award Finding and Questioned Costs

None reported.

INFO LINE OF SAN DIEGO COUNTY DBA 2-1-1 SAN DIEGO AND SUBSIDIARY

Schedule of Prior Year Findings and Questioned Costs

Year Ended June 30, 2022

Section IV - Schedule of Prior Year Findings and Questioned Costs

None reported.