BORCHARDT, CORONA,
FAETH & ZAKARIAN
Certified Public Accountants

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Thomas R. Borchardt, CPA
Consultant

To the Board of Directors
Central California Family Crisis Center, Inc

In planning and performing our audit of the financial statements of the Central California Family Crisis Center, Inc (the "Center") for the year ending June 30, 2018, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

During our audit, nothing came to our attention that would indicate that the present internal controls were not functioning, in all material respects, as planned. However, we identified internal controls matters below where we feel there is an opportunity for strengthening the internal controls. The information below summarizes our comments and suggestions regarding these matters.

This letter does not affect our report dated June 18, 2019 on the financial statements of the Center.

Internal Controls – Authorization on Credit Card Charges

During our sample testing of 15 credit card expenses from two different Bank of America credit cards, a Walmart credit card and a Chevron credit card over four different monthly periods and a total population of 139 processed charges, we found the following exceptions:

- **Bank of America:** Two expenses ($381 for a Youth Summit expense in November 2017 and $100 for telephone expense in March 2018) where the authorization was missing on the purchase order form and payment on the credit card.
- **Bank of America:** Payments made on the credit card statements ending in November 2017 and April 2018 were made via a telephone call. However, the Executive Director did not document her approval of the amount paid.
- **Chevron:** Payments made on the credit card statements ending in October 2017 were made via a telephone call. However, the Executive Director did not document her approval of the amount paid.
- **Bank of America, Walmart and Chevron:** Viewed the credit card log noting there was not a sign in/sign out of the credit card for most charges. Discussed with personnel, noting employees save the credit card information on their computer or in their files then place credit card charges without going through the sign/sign out log.

Recommendation:

The Center should continue to monitor credit card activity, ensure authorization is on the purchase order forms and all credit card payments contain a documented authorization to pay. Since the credit card log is not consistently used, we recommend they convert to a credit card agreement to assign cards to employees to ensure proper accountability.

Internal Controls – Proper Period Credit Card Charges and Use of Purchase Orders in QuickBooks

During our analysis of year end accruals, we noticed expenses incurred using the Center's credit cards were posted on the books when the credit card bill was paid. As a result, we observed credit card expenses incurred in June 2017 that were recorded in 2017-18 fiscal year. We also noted credit card expenses incurred in May and June of 2018 that were recorded in the 2018-19 fiscal year. The Center used the purchase order feature in QuickBooks to record expenses on the date incurred however, this feature in QuickBooks is a budget tool which only encumbers expenses rather than recording actual expenses on the books.

Recommendation:

We encourage the Center personnel to utilize accounting features in QuickBooks which properly record expenses charged on credit cards when they are incurred and to keep in mind the P.O feature should only be used if considered needed for purposes of analyzing encumbered expenses on the budget.

Internal Controls – Authorization of Expenses

During our sample testing of 25 expenses, we found the following exceptions regarding authorization on the invoice:

- **Wireless Internet Service:** An expense of $885 paid in September 2017 was missing the approval of the Executive Director on the invoice.
- **Repair and Maintenance:** An expense of $351 paid in September 2017 was missing the approval of the Executive Director on the invoice
- **Credit Card Payment Authorization:** Eight of the 25 expenses selected related to credit card charges occurring throughout the year. We noted the payments made on the credit card statements were made via a telephone call. However, the Executive Director did not document her approval of the amount paid.

Recommendation:

The business department should continue to monitor expense activity to ensure written authorization is on all invoices. As previously noted, all credit card payments should contain a documented authorization to pay.

Internal Controls – Authorization of Payroll Prelist & Supervisor Approval of Timesheets

During our internal control analysis over payroll, we noted a lack of internal controls related to the following payroll related issues:

- Although we found no issues during our payroll testing, management's signed authorizations were not documented on the monthly payroll prelist prior to the final payroll being processed (QuickBooks through March 2018 and BBSI beginning in April 2018) by accounting personnel.

- When tracing employee gross payroll disbursed during the pay period of 3/1/18- 3/15/18 to originating source documentation, we observed an employee's timesheet was missing the approval signature of their supervisor.

Recommendation:
We recommend the Center implement an internal control procedure in which management reviews and documents their authorization of the monthly payroll prelist. This is an important internal control related to payroll processing that would catch clerical errors prior to the final payroll. We also recommend the Center implement a consistent process when supervisors approve employee time sheets, this ensures payroll expenses charged against the Center's funds are appropriate and complete.

Federal/State Grant Compliance – Functional timesheets

During our analysis of payroll and testing of the Cal OES Domestic Violence Assistance Program Grant (DV Grant), we noted that functional timesheets were not maintained by the Center during the 4th quarter (April through June). The Center had a procedure in place to complete and maintain the functional timesheets until March of 2018. Subsequently, the Executive Director had instructed employees that the functional timesheets were no longer necessary. Although the Center did not provide approved timesheets for work performed during the last quarter, we were able to satisfy the reasonableness of the payroll allocations to the DV Grant via verbal confirmation from their supervisor therefore, we have no questioned costs.

Recommendation
The Center should complete and maintain functional timesheets signed by each employee designating the work performed for each program. Supervisors should review and approve the timesheet to ensure the allocations are in line with their job duties.

Uniform Federal Grant Guidance – Written Policies & Procedures

The Uniform Guidance (2 CFR 200.0-200.521 and Appendices I-XII) mandates that all entities that receive federal awards have written procedures related to procurement, cash management, and allowable costs, and that they have written standards of conduct covering conflict of interest for employees engaged in the selection, award and administration of contracts. During our federal compliance audit, we noted that the Center did not adopt the Uniform Guidance written policies and procedures as required. The change in personnel resulted in them not being adopted.

Recommendation
We have provided a sample policy which can be used as a guide while developing your written policies and procedures to properly adopt during the year ended June 30, 2019.

Internal Controls – Grant Management

During our internal control analysis over grants, we noted a lack of internal controls related to the following:

- While reconciling annual activity for the United Way Grant, we noted no income recorded for the 4th quarter (April through June). Upon inquiry we found that the 4th quarter request was filed late, due to personnel turnover, thus funding was not approved. The amount would have been a few thousand dollars.
- The grant application for Housing and Urban Development (HUD) - Ridge Connections 1 (Rapid Rehousing) was filed late which caused funding for the 2019-20 fiscal year to not be approved. The award amount would have been approximately $100,000.
- HUD- Ridge Connections 1 (Rapid Rehousing) and HUD- Ridge Connections 2 (Permanent Supportive Housing) both had requests for funds filed late (Oct thru May filed in May 2018) in the amount of $56,445 and $65,911 respectively due to change in personnel. Filing the requests late could result in cash flow issues.
- HUD- Ridge Connections 1 (Rapid Rehousing) and HUD- Ridge Connections 2 (Permanent Supportive Housing) HUD-1 and HUD-2 June claims were combined with the July 2018 claim which led to $16,739 being recorded as 2018-19 revenue prior to our adjustment.

Recommendation:

The Center should continue to monitor grant activity to ensure grant applications and request for funds are filed timely. We understand that these issues were the result of personnel turnover and recommend that the new accounting and management personnel closely monitor all grant activity.

Internal Controls – Program Fees

During our audit, we noted the following related to the program fees revenue collected by the Center:

- The Center's list of clients on which program fees are assessed during the year contained clients which were no longer active in the program. We reviewed a sample of enrolled clients during the year noting their client files were not being maintained current.

- The Center collects program fees for different types of programs like the Batterer's Program, Child Abuse Intervention Program, and Anger Management Program. We noted the Center did not track fees collected from each client separately for each of these programs. Rather, the fees collected for the Batterer's program were mixed with fees collected for the Child Abuse Intervention and Anger Management program; this increased difficulty in identifying fees collected for each program. Also, it seemed there is currently not a process of routinely reconciling program fees collected against fees posted to QuickBooks as revenue.

Recommendation:

A formal procedure should be established to review and update client enrollment lists and client files for each program routinely. Useful information to maintain current lists should include client enrollment status, client attendance records, if client qualifies for reduced payment rate, if client fees are paid by the county, etc. In addition, we recommend that a list of client enrollment by fiscal year be maintained on file to help with proper review and reconciliation of client enrollment by fiscal year.

A formal procedure should be established to breakout fees by program type (Batterer's, Child Abuse Intervention, and Anger Management) on a tracking sheet and in QuickBooks. The tracking sheet should also identify the payment plan (Regular, Reduced, Free-County Payment)) for each client enrolled. A reconciliation of Program Fees on the tracking sheet to QuickBooks should be performed routinely. The reconciliation of the Program Fees should be reviewed and approved by management on a monthly basis.

Internal Controls – Thrift Store Sales

During our audit, we noted the following related to the Thrift Store Sales revenue generated by the Center:

- The Thrift Store personnel prepare a Shift Balance Worksheet on a daily basis to reconcile sales per the cash register against cash on hand. The cash bag along with the Shift Balance Worksheet are turned into the Center's office where an accounting clerk and an administrative staff at the Center review the cash in the bag against the Shift Balance Worksheet for completeness of cash. After verification, the accounting clerk and the administrative staff dually sign on the Shift Balance Worksheet. In auditing a sample of the Shift Balance Worksheet reconciliations and reviews, we noticed two Shift Balance Worksheets were missing the dual signatures of the accounting clerk and administrative staff and one Shift Balance Worksheet was missing and could not be found by Center staff. By expanding our sample to review further Shift Balance Worksheets processed during the year, we noted the two incidents seemed isolated and we were able to perform alternative procedures to confirm cash receipts seemed to be reasonably complete for Thrift Store Sales during those days.

Recommendation:

The Center should ensure internal control procedures like the Shift Balance Worksheet review process are consistently implemented to help reduce the risk of cash receipt misappropriation.

Internal Controls – Contributions

During our audit, we noted the following related to Contributions revenue received by the Center:

- The Center has a process by which a front desk staff receive cash donations and track them by entering them into a tracking system. After this is done, the front desk staff hands the cash collections to the accounting clerks at the Center for them to deposit in the bank and record in QuickBooks. During our auditing of donations recorded in QuickBooks against donations recorded by front desk staff, we encountered reconciling differences. After inquiry with staff, it was noted that some donations would be received directly by accounting clerks and not be logged in by front desk staff, specially donations with higher dollar amounts. Furthermore, a review of donations recorded in QuickBooks was not routinely reviewed by management to ensure the receipts were reasonable and complete. We also noted donations received were not reviewed to determine whether donor restrictions existed relating to spending the funds donated.

Recommendation:

The Center has a good control by segregating the process of logging in donations from staff who takes the donations to the bank and records them in QuickBooks. This is a good checks and balance process. The Center should ensure this process is implemented without breaks in order to properly reduce the risk of cash receipts misappropriation. It is also a good checks and balance control for management to implement a routine review of donations received by the Center as recorded in QuickBooks. Lastly, to ensure donor funds are properly spent at the Center, the Center should review all contributions to identify any restrictions on how funds are to be spent as stipulated by donors. Documentation for restricted donations should be kept on hand for operational reference.

Thrift Store Inventory

The Thrift Store should take a physical inventory annually along with an entry to record the ending inventory in QuickBooks as well as record the annual contributions received as part of their year-end close. However, during our audit we noted that a physical inventory was not performed until June 2019, an entry was not made to record the ending inventory value nor was an entry made to record the 2017-18 contributions made to the Thrift Store. Recording contributed inventory only when sold does not comply with the accounting requirements to recognize contributions when received.

Recommendation:

Since the Thrift Store is a significant source of financial support for the Center, the Thrift Store should perform an annual inventory count at year-end followed by an accounting entry to record the inventory value in QuickBooks. In addition, an entry should be made to recognize the contributed inventory as revenue and related cost of sales on an annual basis.

* * * * * * * * * *

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with the Management. We would like to thank the Center for the cooperation extended to us during the course of our examination. We will be pleased to discuss any questions or concerns, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This report is intended solely for the information and use of management, the Board, and others within the Organization and is not intended to be and should not be used by anyone other than these specified parties.

Borchardt, Corona, Faeth & Zakarian

Date June 18, 2019

CENTRAL CALIFORNIA FAMILY CRISIS CENTER, INC.
PORTERVILLE, CALIFORNIA
AUDITED FINANCIAL STATEMENTS

JUNE 30, 2018

BORCHARDT, CORONA, FAETH & ZAKARIAN
Certified Public Accountants
1180 E. Shaw Ave., Ste. 110
Fresno, California 93710-7809

CENTRAL CALIFORNIA FAMILY CRISIS CENTER, INC.
AUDITED FINANCIAL STATEMENTS
JUNE 30, 2018

TABLE OF CONTENTS

BORCHARDT, CORONA, FAETH & ZAKARIAN
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Consultant

Independent Auditor's Report

To the Board of Directors
Central California Family Crisis Center, Inc.
Porterville, California

Report on the Financial Statements

We have audited the accompanying financial statements of Central California Family Crisis Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Central California Family Crisis Center, Inc. as of June 30, 2018, 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.

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Financial Section

CENTRAL CALIFORNIA FAMILY CRISIS CENTER, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2018

ASSETS	
CURRENT ASSETS	
Cash and Equivalents (Note 2)	$ 239,485
Grants Receivable (Note 3)	270,286
Accounts Receivable (Note 4)	24,884
Thrift Store Inventory	28,329
Total Current Assets	562,984
Property and Equipment, Net (Note 5)	1,069,607
Total Assets	$ 1,632,591
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable	$ 6,239
Accrued Liabilities	43,324
Compensated Absences	42,892
Refundable Advances (Note 6)	5,096
Total Current Liabilities	97,551
NET ASSETS	
Unrestricted Net Assets	1,533,964
Unrestricted Net Assests- Board Designated (Note 10)	1,076
Total Net Assets	1,535,040
Total Liabilities and Net Assets	$ 1,632,591

The accompanying notes are an integral part of the financial statements.

CENTRAL CALIFORNIA FAMILY CRISIS CENTER, INC.
STATEMENT OF CASH FLOWS
JUNE 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	$ 69,087
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:	
Net Realized Gain on Sale of Vehicle	(4,000)
Depreciation	33,638
(Increase) Decrease in:	
Grants Receivable	(96,373)
Accounts Receivable	(10,393)
Increase (Decrease) in:	
Accounts Payable	3,206
Accrued Liabilities	2,429
Compensated Absences	7,690
Refundable Advances	5,096
NET CASH PROVIDED BY OPERATING ACTIVITIES	10,380
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of Property and Equipment	(38,992)
Proceeds from Sale of a Vehicle	4,000
NET CASH USED FOR INVESTING ACTIVITIES	(34,992)
NET DECREASE IN CASH AND EQUIVALENTS	(24,612)
BEGINNING CASH AND EQUIVALENTS	264,097
ENDING CASH AND EQUIVALENTS	$ 239,485

The accompanying notes are an integral part of the financial statements.

E. Accounts Receivable

Accounts receivable consist of amounts due from participants in the Center's various programs. Accounts determined to be uncollectible are directly written off from this account.

F. Thrift Store Inventory

Inventories consist of noncash donations and are stated at fair value. When evidence exists that the net realizable value of inventory is lower than its fair value the difference is recognized as a loss in the statement of activities in the period in which it occurs.

G. Property and Equipment

Property and equipment are stated at cost, if purchased, or estimated fair market value when received, if donated.

The Center follows the practice of capitalizing all expenditures for property and equipment furnishings in excess of $2,000. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets generally as follows:

Buildings and Improvements	7-40 Years
Vehicles	5-7 Years
Furniture and Fixtures	5-7 Years

H. Revenue Recognition for Contributions

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. It is the policy of the Center to show restricted contributions whose restrictions are met in the same reporting period as unrestricted contributions.

All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, (this is, when a stipulated time restriction ends, or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Federal, state and local grant revenue is earned when expended and is reported as an increase in the unrestricted class of net assets. Program service fees are recognized in the period in which the services are rendered. Refundable advances are recorded to the extent that the grant has not been earned.

I. Promises to Give

Unconditional promises to give are recognized as revenue or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received and approximate fair value at June 30, 2018. Conditional promises to give are recognized when the conditions on which they depend are substantially met. No amounts were recognized as promises to give for the year ended June 30, 2018.

J. Donated Services

No amounts have been reflected in the financial statements for donated services. The Center generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Center with specific program activities. The Center receives hours of volunteer service from individuals, community groups, and businesses every year. Services the Center receives without charge can be found on the Center's website.

NOTE 4 - ACCOUNTS RECEIVABLE

Accounts receivable consists mainly of amounts due from participants in the Center's Batterer's program and are shown net of an allowance for doubtful accounts. No allowance for doubtful accounts has been recorded since management feels that the entire balance will be collected.

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of June 30, 2018:

Land	$ 455,269
Buildings and Improvements	875,908
Vehicles	57,733
Furniture and Fixtures	29,689
	1,418,599
Accumulated Depreciation	(348,992)
Property and Equipment, Net	$ 1,069,607

Depreciation expense for the year ended June 30, 2018 was $33,638.

Land includes $272,950 of vacant parcels of land and development costs located in Springville, CA that were originally purchased to build a new shelter and transitional apartment buildings. However, the Center realized that they would need to raise approximately a million dollars locally in order to complete the project. As a result, the plans were dropped, and the land is currently idle. In March of 2018, the Center listed the parcels for sale for $650,000 but as of the audit report date they have not been sold.

NOTE 6 – REFUNABLE ADVANCES

The Center has been awarded several federal, state, and local grants to provide services to program participants. The grants recognized as the required services are performed. Accordingly, revenue is recognized when earned and expenses are recognized as incurred. Grant funds received but unearned are recorded as refundable and amounted to $5,096 as of June 30, 2018.

NOTE 7 - LINE-OF-CREDIT

The Center was liable on the following line-of-credit during the year ended June 30, 2018:

Bank of the Sierra, $75,000 line-of-credit. There were no amounts drawn from the line-of-credit during the year ended June 30, 2018 and on June 30, 2018 there was no outstanding balance.

NOTE 8 - ADVERTISING

The Center uses advertising to promote its programs among the community it serves. Advertising costs are expensed as incurred. During the year ended June 30, 2018, advertising costs totaled approximately $3,433 as noted in the Schedule of Functional Expenses.

Supplementary Information Section

CENTRAL CALIFORNIA FAMILY CRISIS CENTER, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
JUNE 30, 2018

	Cal OES DV Grant	Cal OES XC Grant	ESG Grants	HUD PSH Grants	HUD RRH Grants	Other Grants	Blue Shield Grants	United Way Of Tulare Grants	Batterer's Program	Other Programs	Total Program Services	Management and General	Thrift Store	Fundraising	Total Support Services	Total
Computer & Library Expenses	$ 566	$ 406	$ -	$ 897	$ 897	$ -	$ -	$ -	$ 732	$ -	$ 3,498	$ 7,319	$ 692	$ -	$ 8,011	$ 11,509
Conference & Training	811	55	-	87	32	-	-	520	248	-	1,753	364	120	-	484	2,237
Cost of Sales	-	-	-	-	-	-	-	-	-	-	-	-	230,179	-	230,179	230,179
Food	4,859	-	4,299	-	-	-	-	-	-	-	9,158	155	-	-	155	9,313
Youth Summit Expense		-	-	-	-	-	-	-	-	-	-	-	-	5,162	5,162	5,162
Insurance	10,487	1,038	3,313	853	853	-	-	-	1,042	-	17,586	7,339	1,080	-	8,419	26,005
Repair & Maintenance	5,697	528	7,380	247	131	-	-	-	250	-	14,233	2,687	9,446	-	12,133	26,366
Occupancy	15,240	-	-	46,061	36,118	1,000	-	-	-	-	98,419	1,595	676	-	2,271	100,690
Postage	411	7	-	-	2	-	-	-	55	-	475	626	-	-	626	1,101
Professional Fees Accounting	5,025	451	-	263	263	-	-	-	1,102	-	7,104	750	1,102	-	1,852	8,956
Professional Dues & Membership	750	-	-	-	-	-	-	-	250	-	1,000	2,091	280	-	2,371	3,371
Taxes	-	-	-	-	-	-	-	-	-	-	-	(308)	1,439	-	1,131	1,131
Printing	8,936	692	-	332	332	-	-	-	1,219	-	11,511	4,334	45	-	4,379	15,890
Non-capitalized Assets	11,111	316	(4,667)	1,941	115	-	-	3,159	1,906	547	14,428	5,330	736	-	6,066	20,494
Advertising	-	-	-	621	507	-	-	-	-	-	1,128	2,306	-	-	2,306	3,434
Salaries & Benefits	325,287	55,338	82,522	48,232	50,214	1,657	14,904	13,997	75,163	17,337	684,651	257,593	143,727	-	401,320	1,085,971
Supplies	9,806	1,375	5,332	69	81	-	-	-	668	-	17,331	1,711	2,231	-	3,942	21,273
Telephone	18,265	1,000	-	263	263	-	-	-	884	-	20,675	1,202	1,126	-	2,328	23,003
Transportation & Travel	7,269	426	531	453	377	275	-	-	827	126	10,284	2,898	-	3	2,901	13,185
Utilities	28,477	878	3,000	3,294	635	-	-	-	632	-	36,916	1,518	6,580	-	8,098	45,014
Yard Care	800	-	1,950	-	-	-	-	-	-	-	2,750	50	-	-	50	2,800
Merchant Bank Fee	-	-	-	-	-	-	-	-	-	-	-	2,928	-	-	2,928	2,928
Fundraising Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	5,663	5,663	5,663
Other Expense	-	-	383	745	325	-	-	-	147	43	1,643	6,108	2,353	27	8,488	10,131
Janitorial Services	-	-	-	59	59	-	-	-	367	-	485	3,480	-	-	3,480	3,965
Total Expenses Before Depreciation	453,797	62,510	104,043	104,417	91,204	2,932	14,904	17,676	85,492	18,053	955,028	312,076	401,812	10,855	724,740	1,679,768
Depreciation	20,436	-	-	-	-	-	-	-	-	-	20,436	13,202	-	-	13,202	33,638
Total Expenses	$ 474,233	$ 62,510	$ 104,043	$ 104,417	$ 91,204	$ 2,932	$ 14,904	$ 17,676	$ 85,492	$ 18,053	$ 975,464	$ 325,278	$ 401,812	$ 10,855	$ 737,942	$ 1,713,406

This schedule presents expenses by natural and functional classification for analysis purposes.

Other Independent Auditor's Reports

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
Central California Family Crisis Center, Inc.
Porterville, California

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 Central California Family Crisis Center, Inc. (a nonprofit organization), which comprise of the statement of financial position as of June 30, 2018, and the related statements of activities and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated June 18, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Central California Family Crisis Center, Inc.'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Central California Family Crisis Center, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Central California Family Crisis Center, Inc.'s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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.

Compliance and Other Matters

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

Purpose of this Report

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

Borchardt, Corona, Faeth & Zakarian

Fresno, California
June 18, 2019