

**Friendship Place**

Financial Statements  
Including Uniform Guidance Reports  
and Independent Auditors' Report

September 30, 2021 and 2020

# Friendship Place

Financial Statements  
September 30, 2021 and 2020

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Friendship Place

### *Report on the Financial Statements*

We have audited the accompanying financial statements of Friendship Place, which comprise the statements of financial position as of September 30, 2021 and 2020; the related statements of activities, functional expenses, and cash flows for the years 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 controls 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 audits. 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. 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.

***Auditor's Responsibility (continued)***

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 Friendship Place as of September 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Supplementary and Other Information***

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2022, on our consideration of Friendship Place's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Friendship Place's internal control over financial reporting and compliance.



Vienna, Virginia  
March 23, 2022

## Friendship Place

### Statements of Financial Position September 30, 2021 and 2020

	2021	2020
<b>Assets</b>		
Cash and cash equivalents	\$ 7,209,787	\$ 3,772,486
Accounts receivable	530	80,339
Grants receivable	978,367	1,041,158
Contributions receivable, net	694,608	475,698
Prepaid expenses	116,387	86,155
Deposits and other assets	51,167	33,441
Property and equipment, net	416,748	363,547
Total assets	<u>\$ 9,467,594</u>	<u>\$ 5,852,824</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 884,162	\$ 760,210
Refundable advances	205,193	38,239
Security deposit payable	131,009	119,333
Loan payable – Paycheck Protection Program	-	466,207
Note payable	-	210,589
Deferred rent	21,364	28,276
Total liabilities	<u>1,241,728</u>	<u>1,622,854</u>
<b>Net Assets</b>		
Without donor restrictions	6,368,477	3,248,744
With donor restrictions	1,857,389	981,226
Total net assets	<u>8,225,866</u>	<u>4,229,970</u>
Total liabilities and net assets	<u>\$ 9,467,594</u>	<u>\$ 5,852,824</u>

See accompanying notes.

## Friendship Place

### Statement of Activities For the Year Ended September 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Support</b>			
Contributions and grants	\$ 4,488,794	\$ 1,294,930	\$ 5,783,724
Federal grants	7,184,452	-	7,184,452
Fee for service income	7,729,132	-	7,729,132
Interest income	14,946	-	14,946
Other income	44,060	-	44,060
Released from restrictions	418,767	(418,767)	-
<b>Total revenue and support</b>	<u>19,880,151</u>	<u>876,163</u>	<u>20,756,314</u>
<b>Expenses</b>			
Program services:			
Veterans services	6,488,749	-	6,488,749
Permanent supportive housing	3,702,491	-	3,702,491
Short-term family facility	2,699,582	-	2,699,582
Outreach services	1,265,869	-	1,265,869
Volunteer and community engagement	151,086	-	151,086
<b>Total program services</b>	<u>14,307,777</u>	<u>-</u>	<u>14,307,777</u>
Supporting services:			
Management and general	1,624,482	-	1,624,482
Fundraising	828,159	-	828,159
<b>Total supporting services</b>	<u>2,452,641</u>	<u>-</u>	<u>2,452,641</u>
<b>Total expenses</b>	<u>16,760,418</u>	<u>-</u>	<u>16,760,418</u>
<b>Change in Net Assets</b>	3,119,733	876,163	3,995,896
<b>Net Assets, beginning of year</b>	<u>3,248,744</u>	<u>981,226</u>	<u>4,229,970</u>
<b>Net Assets, end of year</b>	<u><u>\$ 6,368,477</u></u>	<u><u>\$ 1,857,389</u></u>	<u><u>\$ 8,225,866</u></u>

See accompanying notes.

## Friendship Place

### Statement of Activities For the Year Ended September 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Support</b>			
Contributions and grants	\$ 2,937,959	\$ 281,248	\$ 3,219,207
Federal grants	5,469,493	-	5,469,493
Fee for service income	5,864,918	-	5,864,918
Interest income	20,202	-	20,202
Other income	13,767	-	13,767
Released from restrictions	632,826	(632,826)	-
<b>Total revenue and support</b>	<u>14,939,165</u>	<u>(351,578)</u>	<u>14,587,587</u>
<b>Expenses</b>			
Program services:			
Veterans services	4,772,083	-	4,772,083
Permanent supportive housing	3,283,704	-	3,283,704
Short-term family facility	1,303,414	-	1,303,414
Outreach services	1,440,774	-	1,440,774
Volunteer and community engagement	83,719	-	83,719
<b>Total program services</b>	<u>10,883,694</u>	<u>-</u>	<u>10,883,694</u>
Supporting services:			
Management and general	1,404,395	-	1,404,395
Fundraising	795,939	-	795,939
<b>Total supporting services</b>	<u>2,200,334</u>	<u>-</u>	<u>2,200,334</u>
<b>Total expenses</b>	<u>13,084,028</u>	<u>-</u>	<u>13,084,028</u>
<b>Change in Net Assets</b>	1,855,137	(351,578)	1,503,559
<b>Net Assets, beginning of year</b>	<u>1,393,607</u>	<u>1,332,804</u>	<u>2,726,411</u>
<b>Net Assets, end of year</b>	<u><u>\$ 3,248,744</u></u>	<u><u>\$ 981,226</u></u>	<u><u>\$ 4,229,970</u></u>

See accompanying notes.

**Friendship Place**

Statement of Functional Expenses  
For the Year Ended September 30, 2021

	Program Services					Supporting Services			Total Expenses	
	Veterans Services	Permanent Supportive Housing	Short-Term Family Facility	Outreach Services	Volunteer and Community Engagement	Total Program Services	Management and General	Fundraising		Total Supporting Services
Salaries	\$ 1,828,427	\$ 2,367,039	\$ 1,303,688	\$ 813,423	\$ 120,006	\$ 6,432,583	\$ 951,833	\$ 483,143	\$ 1,434,976	\$ 7,867,559
Payroll taxes	161,797	199,468	113,538	82,276	11,276	568,355	81,160	41,578	122,738	691,093
Employee benefits	192,002	228,403	94,211	106,394	15,207	636,217	85,664	34,051	119,715	755,932
Pension expense	43,507	33,458	14,495	12,989	3,504	107,953	25,926	17,518	43,444	151,397
<b>Total personnel</b>	<b>2,225,733</b>	<b>2,828,368</b>	<b>1,525,932</b>	<b>1,015,082</b>	<b>149,993</b>	<b>7,745,108</b>	<b>1,144,583</b>	<b>576,290</b>	<b>1,720,873</b>	<b>9,465,981</b>
Accounting services	-	-	-	-	-	-	39,946	-	39,946	39,946
Bank fees and licenses	-	-	-	-	-	-	10,590	19,196	29,786	29,786
Client assistance	3,948,422	540,610	74,550	103,720	-	4,667,302	-	299	299	4,667,601
Conference and workshops	-	500	4,471	463	-	5,434	1,385	19,835	21,220	26,654
Depreciation and amortization	-	-	1,303	-	-	1,303	28,351	-	28,351	29,654
Dues and subscriptions	20	295	80	352	-	747	2,476	4,333	6,809	7,556
Equipment leases	8,408	4,548	4,649	4,753	-	22,358	657	4,495	5,152	27,510
Insurance	-	-	-	-	-	-	73,494	-	73,494	73,494
Interest	-	-	-	968	-	968	-	-	-	968
Occupancy	193,470	223,988	23,580	94,363	-	535,401	96,621	7,118	103,739	639,140
Postage and printing	3,550	4,220	1,093	853	-	9,716	1,103	52,156	53,259	62,975
Professional fees	19,069	18,556	975,018	3,759	150	1,016,552	148,105	105,456	253,561	1,270,113
Supplies	53,773	38,031	61,397	23,490	631	177,322	49,697	32,595	82,292	259,614
Other	-	-	-	-	-	-	15,354	-	15,354	15,354
Telephone, internet, and cable	29,970	39,692	27,301	15,514	312	112,789	11,835	3,355	15,190	127,979
Travel	6,334	3,683	208	2,552	-	12,777	285	3,031	3,316	16,093
<b>Total Expenses</b>	<b>\$ 6,488,749</b>	<b>\$ 3,702,491</b>	<b>\$ 2,699,582</b>	<b>\$ 1,265,869</b>	<b>\$ 151,086</b>	<b>\$ 14,307,777</b>	<b>\$ 1,624,482</b>	<b>\$ 828,159</b>	<b>\$ 2,452,641</b>	<b>\$ 16,760,418</b>

See accompanying notes.



**Friendship Place**

Statement of Functional Expenses  
For the Year Ended September 30, 2020

	Program Services					Supporting Services			Total Expenses	
	Veterans Services	Permanent Supportive Housing	Short-Term Family Facility	Outreach Services	Volunteer and Community Engagement	Total Program Services	Management and General	Fundraising		Total Supporting Services
Salaries	\$ 1,509,087	\$ 2,069,430	\$ 581,667	\$ 699,831	\$ 59,612	\$ 4,919,627	\$ 846,087	\$ 447,159	\$ 1,293,246	\$ 6,212,873
Payroll taxes	129,069	163,824	46,799	65,030	5,877	410,599	65,651	37,786	103,437	514,036
Employee benefits	158,995	233,905	66,458	97,536	8,641	565,535	58,985	43,167	102,152	667,687
Pension expense	36,579	34,719	5,723	14,316	479	91,816	21,610	13,935	35,545	127,361
<b>Total personnel</b>	<b>1,833,730</b>	<b>2,501,878</b>	<b>700,647</b>	<b>876,713</b>	<b>74,609</b>	<b>5,987,577</b>	<b>992,333</b>	<b>542,047</b>	<b>1,534,380</b>	<b>7,521,957</b>
Accounting services	73	-	-	-	-	73	38,829	-	38,829	38,902
Bank fees and licenses	-	-	-	-	-	-	3,743	961	4,704	4,704
Client assistance	2,634,463	449,109	13,191	148,640	-	3,245,403	-	-	-	3,245,403
Conference and workshops	-	2,416	461	3,667	7,737	14,281	5,558	1,456	7,014	21,295
Depreciation and amortization	-	-	-	-	-	-	29,811	34	29,845	29,845
Loss on disposal of assets	-	-	-	-	-	-	39,481	-	39,481	39,481
Dues and subscriptions	-	58	94	744	-	896	909	7,770	8,679	9,575
Equipment leases	21,131	12,272	30,576	53,018	741	117,738	13,155	8,292	21,447	139,185
Insurance	-	-	-	-	-	-	54,208	-	54,208	54,208
Interest	-	-	-	10,323	-	10,323	-	-	-	10,323
Occupancy	186,265	180,481	-	247,751	-	614,497	27,377	46,384	73,761	688,258
Postage and printing	1,654	3,342	126	256	-	5,378	2,834	49,231	52,065	57,443
Professional fees	5,770	66,174	487,930	59,399	335	619,608	145,213	95,189	240,402	860,010
Supplies	7,519	15,354	58,587	20,971	47	102,478	13,651	12,364	26,015	128,493
Other	-	-	-	-	-	-	17,344	26,724	44,068	44,068
Telephone, internet, and cable	29,767	38,239	11,483	13,660	250	93,399	10,633	4,558	15,191	108,590
Travel	51,711	14,381	319	5,632	-	72,043	9,316	929	10,245	82,288
<b>Total Expenses</b>	<b>\$ 4,772,083</b>	<b>\$ 3,283,704</b>	<b>\$ 1,303,414</b>	<b>\$ 1,440,774</b>	<b>\$ 83,719</b>	<b>\$ 10,883,694</b>	<b>\$ 1,404,395</b>	<b>\$ 795,939</b>	<b>\$ 2,200,334</b>	<b>\$ 13,084,028</b>

See accompanying notes.

## Friendship Place

### Statements of Cash Flows For the Years Ended September 30, 2021 and 2020

	2021	2020
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 3,995,896	\$ 1,503,559
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	29,654	29,845
Loss on disposal of assets	-	39,481
Change in allowance for contributions receivable	27,873	(16,320)
Change in discount for contributions receivable	(1,237)	(1,519)
Forgiveness of loan – Paycheck Protection Program	(466,207)	-
Change in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	79,809	(77,043)
Grants receivable	62,791	(494,217)
Contributions receivable	(245,546)	163,202
Prepaid expenses	(30,232)	6,005
Deposits and other assets	(17,726)	-
Increase (decrease) in:		
Accounts payable and accrued expenses	123,952	270,772
Refundable advances	166,954	38,239
Security deposit payable	11,676	(7,013)
Deferred rent	(6,912)	(29,677)
Net cash provided by operating activities	3,730,745	1,425,314
<b>Cash Flows from Investing Activity</b>		
Purchases of property and equipment	(82,855)	-
Net cash used in investing activity	(82,855)	-
<b>Cash Flows from Financing Activities</b>		
Principal payments – notes payable	(210,589)	(7,261)
Principal payments – capital lease obligation	-	(1,631)
Proceeds from loan – Paycheck Protection Program	-	466,207
Net cash (used in) provided by financing activities	(210,589)	457,315
<b>Net Increase in Cash and Cash Equivalents</b>	3,437,301	1,882,629
<b>Cash and Cash Equivalents, beginning of year</b>	3,772,486	1,889,857
<b>Cash and Cash Equivalents, end of year</b>	\$ 7,209,787	\$ 3,772,486
<b>Supplementary Disclosure of Cash Flow Information</b>		
Cash paid for interest	\$ 968	\$ 10,323

See accompanying notes.

## Friendship Place

Notes to Financial Statements  
September 30, 2021 and 2020

### 1. Nature of Operations

Friendship Place is a leader in the Washington, DC, metro area in developing solutions to homelessness that have measurable results and a lasting impact. Friendship Place's mission is to empower people who are experiencing or at risk of homelessness to attain stable housing and rebuild their lives. Friendship Place helped 3,468 and 3,432 people in the years ended September 30, 2021 and 2020, respectively, with comprehensive, wraparound services that included street outreach, drop-in, free medical and psychiatric services, job placement, case management, transitional shelter, rapid rehousing, homelessness prevention, permanent supportive housing, and specialized services for families, youth, and veterans.

Friendship Place administers the following programs:

#### *Veterans Services*

*Veterans First:* Provides short-term, intensive case management and rental assistance to help homeless veterans and their families get back into housing quickly and to prevent homelessness for veteran households at risk of eviction. The program targets extremely low-income households (less than 30% of the Area Median Income) and serves the District of Columbia and eight surrounding counties in Maryland and Virginia. The program received additional funding from the U.S. Department of Veterans Affairs for a long-term shallow subsidy initiative for single veteran households in the District of Columbia. During the year ended September 30, 2021, 538 households were served (encompassing 706 total family members) through all services; of those who exited the program during the year, 88% graduated to stable permanent housing.

#### *Permanent Supportive Housing (PSH)*

Friendship Place is a leading DC provider of PSH for highly vulnerable, chronically homeless individuals and families. The PSH programs are based on a low-barrier, Housing First service model and include scattered-site apartments and an apartment building for 40 men. Case managers help participants transition directly from homelessness into housing and then provide long-term support to address the full range of their needs and empower them to achieve personal goals for recovery, wellness, self-sufficiency, and integration into the community. During the year ended September 30, 2021, 588 families and 245 individuals were housed, with a housing retention rate of 99%.

## Friendship Place

Notes to Financial Statements  
September 30, 2021 and 2020

### 1. Nature of Operations (continued)

#### Short-Term Family Facility

*The Brooks:* The short-term family housing facility was opened in April 2020 as part of the District's efforts to end homelessness among families. With the capacity to serve up to 50 families at a time, The Brooks is designed to address the needs of resident families with wrap-around supportive services, clinical supports, child programming, and housing-solutions with a goal of moving families from shelter to stable housing within 90 days of entry. During the year ended September 30, 2021, 154 families were served (encompassing 445 total persons), exited 131 households (70% to stable housing) with an average length of stay of less than 71 days (71% of families exited in less than 90 days).

#### Outreach Services

Outreach services include employment services, welcome center, and youth services as follows:

#### *Employment Services*

- *AimHire:* Empowers homeless and at-risk adults to secure stable employment and housing, through individualized, person-centered, wraparound services. The program addresses the needs of people with significant barriers to employment and housing, such as criminal records, histories of substance abuse or mental illness, spotty work histories, and poor credit and rental records. During the year ended September 30, 2021, 126 people were placed into jobs, with a 3-month retention rate of 70%.
- *Other Employment Services:* Job placement services that are integrated into Friendship Place's other programs placed an additional 126 people into jobs during the year ended September 30, 2021.

#### *Welcome Center*

- *Street Outreach:* Friendship Place conducts Street Outreach to men and women experiencing homelessness in upper Northwest DC and in the Georgetown Business Improvement District, with a special focus on the hardest-to-serve – those who have been on the streets for an extended period of time, who have mental health and/or substance abuse issues, and who are disconnected from DC's continuum of care. During the year ended September 30, 2021, 187 individuals were served.

## Friendship Place

Notes to Financial Statements  
September 30, 2021 and 2020

### 1. Nature of Operations (continued)

#### Outreach Services (continued)

##### *Welcome Center (continued)*

- *Drop-in:* At Friendship Place's Welcome Center, visitors can help themselves to a cup of coffee, a meal, and free necessities such as toiletries, Metro passes, undergarments, and rain ponchos. Visitors can also use the phone or a computer or do laundry, receive mail, and meet with a case manager to take steps to rebuild their lives. During the year ended September 30, 2021, 536 individuals received service, including 89 who received assistance to successfully obtain vital documents. Roughly 3,085 total service tasks were completed on behalf of these individuals.
- *Free Clinic:* Anyone who comes through the door of Friendship Place's Welcome Center can get free access to a doctor, nurse, or psychiatrist. There is no insurance or even ID requirements, and same-day appointments are available. During the year ended September 30, 2021, 46 consultations were provided. Services were scaled back during the year due to COVID-19 and the availability of practitioners.
- *Access to Housing:* Friendship Place's staff can help visitors access housing services anywhere in the District, not just at Friendship Place. During the year ended September 30, 2021, staff conducted housing assessments for 381 individuals and entered them into DC's Coordinated Entry System.

##### *Youth Services*

- *Before Thirty:* Provides individualized, person-centered, and developmentally-informed supportive services and counseling to homeless and at-risk 17- to 29-year-olds. During the year ended September 30, 2021, 73 young people were served with 31 placed in housing.
- *Youth Connect:* Outreaches to youth between the ages of 18 and 24 who are economically or emotionally detached from their families and are homeless, unstably housed, living in doubled-up circumstances, in transitional housing, in shelter, or on the street. During the year ended September 30, 2021, 163 youth were served.

## Friendship Place

Notes to Financial Statements  
September 30, 2021 and 2020

### 1. Nature of Operations (continued)

#### Volunteer and Community Engagement

Friendship Place actively solicits the support of volunteers. During the year ended September 30, 2021, more than 247 people provided volunteer service in every program and at every level of the organization, providing over 11,745 volunteer hours. The community engagement program also involves community members in advocacy for positive solutions to homelessness at the Federal and DC levels, and coordinates a speakers' bureau that offers educational presentations to community groups.

### 2. Summary of Significant Accounting Policies

#### Basis of Accounting and Presentation

Friendship Place's financial statements are prepared on the accrual basis of accounting. Net assets are reported based on the presence or absence of donor-imposed restrictions, as follows:

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Friendship Place reports contributions and grants restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions and grants are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

#### Cash Equivalents

For the purpose of the statements of cash flows, Friendship Place considers as cash equivalents all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of 90 days or less at the time of purchase.

## Friendship Place

Notes to Financial Statements  
September 30, 2021 and 2020

### 2. Summary of Significant Accounting Policies (continued)

#### Restricted Cash

Restricted cash consists of deposits held by Friendship Place on behalf of clients that lease space through Friendship Place. Restricted cash totaled \$178,189 and \$145,432 at September 30, 2021 and 2020, respectively, and is included in cash and cash equivalents in the accompanying statements of financial position.

#### Accounts Receivable

Accounts receivable primarily represent amounts due from program operations and are recorded at net realizable value. Friendship Place writes off accounts receivable when they become uncollectible. When necessary, an allowance for uncollectible accounts receivable is determined based on management's best estimate of the outstanding uncollectible accounts. At September 30, 2021 and 2020, management deems all accounts receivable to be fully collectible, and no allowance for uncollectible accounts was established.

#### Grants Receivable

Grants receivable consist mainly of amounts to be reimbursed to Friendship Place for expenses incurred under its agreements with the U.S. Department of Veterans Affairs and the U.S. Department of Housing and Urban Development. The entire amount is expected to be collected within one year, and is recorded at net realizable value. At September 30, 2021 and 2020, management deems all grants receivable to be fully collectible, and no allowance for uncollectible accounts was established.

#### Contributions Receivable

Contributions receivable represent unconditional promises to be paid in future periods and are recorded at net present value. Contributions due in more than one year are discounted to present value based on management's estimate of the risk adjusted rate of return.

Friendship Place provides an allowance for doubtful contributions using the allowance method, which is based on management's judgment considering historical information. Accounts are individually analyzed for collectability, and will be reserved based on individual evaluation and specific circumstances. When all collection efforts have been exhausted, the amounts are written off against the related allowance.

## Friendship Place

Notes to Financial Statements  
September 30, 2021 and 2020

### 2. Summary of Significant Accounting Policies (continued)

#### Property and Equipment

Property and equipment acquisitions with a cost in excess of \$5,000 and a projected useful life exceeding one year are capitalized and recorded at cost. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the individual assets, which range from three to seven years. Leasehold improvements are stated at cost, and are amortized using the straight-line method over the shorter of their estimated useful lives or the term of the lease. Repairs and maintenance costs are expensed as incurred.

#### Revenue Recognition

Friendship Place recognizes contributions and grants when cash, securities, or other assets, or an unconditional promise to give, is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

A portion of Friendship Place's revenue is derived from cost-reimbursable grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when Friendship Place has incurred expenditures in compliance with specific grant provisions. Costs incurred in excess of cash received are reflected as grants receivable in the accompanying statements of financial position. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the accompanying statements of financial position.

Fee for service income is recognized as revenue when services are performed, which is when the sole performance obligation is satisfied. Revenue from all other sources is recognized when earned.

#### Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.



## Friendship Place

Notes to Financial Statements  
September 30, 2021 and 2020

### 2. Summary of Significant Accounting Policies (continued)

#### Advertising Costs

Advertising costs are expensed as incurred.

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

#### Reclassifications

Certain amounts in the 2020 financial statements have been reclassified to conform to the 2021 presentation. These reclassifications have no effect on the change in net assets previously reported.

#### Recently Issued Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases*. The update requires a lessee to recognize a right-of-use asset and lease liability, initially measured at the present value of the lease payments, in its statements of financial position. The guidance also expands the required quantitative and qualitative lease disclosures. The guidance is effective beginning in 2023.

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This guidance is intended to increase transparency of contributed nonfinancial assets for nonprofit entities through enhancements in presentation and disclosure requirements. Nonprofit entities will be required to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash and other financial contributions. Nonprofit entities will also be required to disclose various information related to the contributed nonfinancial assets. The amendments in ASU 2020-07 should be applied on a retrospective basis and are effective for annual reporting periods beginning after June 15, 2021. Early adoption of the ASU is permitted. Friendship Place is currently evaluating the impact of this ASU on the financial statements.

## Friendship Place

Notes to Financial Statements  
September 30, 2021 and 2020

### 2. Summary of Significant Accounting Policies (continued)

#### Subsequent Events

In preparing these financial statements, Friendship Place has evaluated events and transactions for potential recognition or disclosure through March 23, 2022, the date the financial statements were available to be issued.

### 3. Liquidity and Availability

Friendship Place strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. As part of this liquidity management, Friendship Place invests cash in excess of daily requirements in various cash equivalents. As described in Note 7 to the financial statements, Friendship Place also has a committed line of credit in the amount of \$700,000, which it could draw upon in the event of an unanticipated liquidity need. There was no outstanding balance on this line of credit at both September 30, 2021 and 2020.

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following at September 30:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 7,209,787	\$ 3,772,486
Accounts receivable	530	80,339
Grants receivable	978,367	1,041,158
Contributions receivable, net	<u>694,608</u>	<u>475,698</u>
Total financial assets	8,883,292	5,369,681
Less: restricted by donors	<u>(1,857,389)</u>	<u>(981,226)</u>
Total available for general expenditures	<u>\$ 7,025,903</u>	<u>\$ 4,388,455</u>

## Friendship Place

Notes to Financial Statements  
September 30, 2021 and 2020

### 4. Concentrations of Risk

#### Credit Risk

Financial instruments that potentially subject Friendship Place to significant concentrations of credit risk consist of cash and cash equivalents. Friendship Place maintains cash deposit and transaction accounts with various financial institutions and these values, from time to time, exceed insurable limits under the Federal Deposit Insurance Corporation (FDIC). Friendship Place has not experienced any credit losses on its cash and cash equivalents to date as it relates to FDIC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

#### Revenue and Receivable Risk

During the years ended September 30, 2021 and 2020, 35% and 37%, respectively, of Friendship Place's revenue and support was provided by federal grants. Any significant reduction in revenue and support may significantly impact Friendship Place's financial position and operations. Friendship Place was owed \$255,665 and \$265,665 from two donors, which accounted for 32% and 48% of contributions receivable at September 30, 2021 and 2020, respectively.

### 5. Contributions Receivable

Contributions receivable are promised as follows at September 30:

	2021	2020
Due in one year or less	\$ 278,244	\$ 239,736
Due in one to five years	494,062	280,894
Due in more than five years	28,465	34,595
Total contributions receivable	800,771	555,225
Less: allowance for doubtful accounts	(83,396)	(55,523)
Less: present value discount (at 2%)	(22,767)	(24,004)
Contributions receivable, net	\$ 694,608	\$ 475,698

## Friendship Place

Notes to Financial Statements  
September 30, 2021 and 2020

### 6. Property and Equipment

Property and equipment consists of the following at September 30:

	<u>2021</u>	<u>2020</u>
Land	\$ 95,225	\$ 95,225
Building	380,902	380,902
Building improvements	477,070	464,597
Leasehold improvements	10,404	10,404
Equipment, furniture, and fixtures	45,311	45,311
Automobiles	<u>132,315</u>	<u>61,933</u>
Total property and equipment	1,141,227	1,058,372
Less: accumulated depreciation	<u>(724,479)</u>	<u>(694,825)</u>
Property and equipment, net	<u><u>\$ 416,748</u></u>	<u><u>\$ 363,547</u></u>

### 7. Line of Credit

In August 2018, Friendship Place secured a line of credit with Capital One Bank in the amount of \$700,000, payable on demand. Amounts borrowed under this agreement bear a fixed interest rate of 5.0%. The line is collateralized by the assets of Friendship Place. There was no outstanding balance on this line of credit at both September 30, 2021 and 2020.

### 8. Loan Payable – Paycheck Protection Program

Friendship Place applied for a loan under the Paycheck Protection Program (PPP) pursuant to Division A, Title 1 of the CARES Act, which was enacted on March 27, 2020. The PPP is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll through the COVID-19 pandemic, for which Friendship Place qualified. After the loans are granted, the Small Business Administration (SBA) will forgive loans if all employee retention criteria are met, and the funds are used for eligible expenses (which primarily consist of payroll costs, costs used to continue group healthcare benefits, rent, and utilities).

The Paycheck Protection Program Flexibility Act of 2020 was enacted on June 5, 2020, and amends the PPP to give borrowers more freedom in how and when loan funds are spent, while retaining the possibility of full forgiveness.

## Friendship Place

Notes to Financial Statements  
September 30, 2021 and 2020

### 8. Loan Payable – Paycheck Protection Program (continued)

The loan was granted to Friendship Place on May 5, 2020 in the amount of \$1,053,208, at a fixed rate of 1.00%, and would mature on May 5, 2022. The management used the entire loan amount for qualifying expenses and applied full forgiveness. For the year ended September 30, 2020, Friendship Place recognized \$587,001 as grant revenue. The remaining \$466,207 was recorded as loan payable in the accompanying statements of financial position. On November 10, 2020, the full amount of this loan was forgiven by the SBA and the remaining \$466,207 was recognized as grant revenue and is included in contributions and grants in the accompanying statement of activities.

### 9. Note Payable

In August 2018, Friendship Place refinanced the note for the property at 4713 Wisconsin Avenue, NW, Washington, DC, dated May 2014, with Capital One Bank for the principal amount of \$255,000, with a fixed interest rate of 4.75% per annum. Monthly payments on this note, including principal and interest, were \$1,465 until June 2028, when the remainder of the principal and any unpaid interest is due. This note is secured by the first deed of trust on the building. On November 2, 2020, Friendship Place fully paid off this note.

### 10. Net Assets With Donor Restrictions

Net assets with donor restrictions were restricted for the following at September 30:

	<u>2021</u>	<u>2020</u>
Purpose restricted:		
Homeless and residential	\$ 867,217	\$ 336,965
Youth programs	247,672	112,997
Professional development	33,315	24,601
Client education	11,427	5,499
Homeless Veterans Initiative	3,150	466
Friendship Walk	-	25,000
Time restricted	<u>694,608</u>	<u>475,698</u>
Total net assets with donor restrictions	<u>\$ 1,857,389</u>	<u>\$ 981,226</u>

## Friendship Place

Notes to Financial Statements  
September 30, 2021 and 2020

### 11. Allocation of Expenses from Management and General Activities

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Expenses that are allocated include salaries, payroll taxes, employee benefits, pension expense, conference and workshops, dues and subscriptions, occupancy, postage and printing, professional fees, supplies, telephone, internet and cable, and travel, which are allocated on the basis of estimates of time and effort.

### 12. Commitments and Contingencies

#### Operating Leases

In August 2016, Friendship Place entered into an agreement to lease office space at 5100 Wisconsin Avenue, NW under the terms of an operating lease that commenced on November 1, 2016 and was set to expire on December 31, 2021. The terms of the lease included incentives in the form of a two-month rental abatement. The terms of the lease included fixed base rental payments of \$8,948 due monthly, with annual escalations of 2.75%. On October 31, 2020, this lease was terminated.

In October 2016, Friendship Place entered into an agreement to lease office space at Bladensburg Road, NE under the terms of an operating lease that commenced on October 11, 2016 and expired on October 11, 2021. The terms of the lease included fixed base rental payments of \$12,288 due monthly, with annual escalations of 3%.

In March 2019, Friendship Place entered into an agreement to lease office space at 1140 3<sup>rd</sup> Street, NE under the terms of an operating lease that commenced on March 1, 2019 and is set to expire on March 31, 2022. The terms of the lease include incentives in the form of a half-month rental abatement of the first month's payment. The terms of the lease include fixed base rental payments of \$12,648 due monthly, with annual escalations of 4%.

In December 2021, Friendship Place entered into an agreement to lease office space at 1436 U Street, NW under the terms of an operating lease that commenced on January 1, 2022 and is set to expire on December 31, 2026. The terms of the lease include fixed base rental payments of \$28,720 due monthly, with annual escalations of 3%.

## Friendship Place

Notes to Financial Statements  
September 30, 2021 and 2020

### 12. Commitments and Contingencies (continued)

#### Operating Leases (continued)

The unamortized portion of the cumulative difference between the actual rent paid and the straight-line rent is reflected as deferred rent in the accompanying statements of financial position. Rent expenses under these leases totaled \$411,181 and \$489,611 for the years ended September 30, 2021 and 2020, respectively, which is included in occupancy expenses in the statements of functional expenses.

Friendship Place also leases certain office equipment under operating leases expiring through November 2023.

Future minimum payments under all operating leases are as follows for the years ending September 30:

2022	\$	373,733
2023		363,893
2024		364,128
2025		373,861
2026		385,076
Thereafter		<u>96,975</u>
Total minimum lease payments	\$	<u><u>1,957,666</u></u>

#### Federal Grants

Funds received from federal and other government agencies are subject to an audit under the provisions of the grant agreements. The ultimate determination of amounts received under these grants is based upon the allowance of costs reported to and accepted by the oversight agencies. Until such grants are closed out, a potential contingency exists to refund any amounts received in excess of allowable costs. Management is of the opinion that no material liability exists.

## **Friendship Place**

Notes to Financial Statements  
September 30, 2021 and 2020

### **13. Retirement Plan**

Friendship Place maintains a 403(b) annuity retirement plan for its employees. Friendship Place may make a discretionary employer matching contribution up to a specified dollar amount or percentage of a participating employee's compensation, as determined by the Board of Directors. Employees must complete twelve consecutive months of service and must have worked at least 20 hours a week, or 1,000 hours during the year, to be eligible for the matching contribution. During the years ended September 30, 2021 and 2020, Friendship Place matched 5% of compensation and pension expense totaling \$151,397 and \$127,361, respectively.

### **14. Income Taxes**

Friendship Place is exempt from payment of taxes on income other than net unrelated business income under Section 501(c)(3) of the Internal Revenue Code (IRC). For the years ended September 30, 2021 and 2020, there was no unrelated business income and, accordingly, no federal or state income taxes have been recorded. Contributions to Friendship Place are deductible as provided in IRC Section 170(b)(1)(A)(vi). Management has evaluated Friendship Place's tax positions and concluded that the financial statements do not include any uncertain tax positions.



**SUPPLEMENTARY SCHEDULE AND REPORTS REQUIRED  
BY THE UNIFORM GUIDANCE**

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**INDEPENDENT AUDITORS' 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  
Friendship Place

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 Friendship Place, which comprise the statement of financial position as of September 30, 2021; the related statements of activities, functional expenses, and cash flows for the year then ended; and the related notes to the financial statements; and have issued our report thereon dated March 23, 2022.

***Internal Control over Financial Reporting***

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

***Internal Control over Financial Reporting (continued)***

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 whether Friendship Place'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 *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Rogers + Company PLLC". The signature is written in a cursive, slightly stylized font.

Vienna, Virginia  
March 23, 2022

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

To the Board of Directors of  
Friendship Place

***Report on Compliance for the Major Federal Program***

We have audited Friendship Place's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Friendship Place's major federal program for the year ended September 30, 2021. Friendship Place's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for Friendship Place's major federal program based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Friendship Place's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

***Auditor's Responsibility (continued)***

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Friendship Place's compliance.

***Opinion on the Major Federal Program***

In our opinion, Friendship Place complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2021.

***Report on Internal Control over Compliance***

Management of Friendship Place is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Friendship Place's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Friendship Place's internal control over compliance.

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

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

*Report on Internal Control over Compliance (continued)*

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.

Handwritten signature in black ink that reads "Rogers + Company PLLC". The signature is written in a cursive, slightly stylized font.

Vienna, Virginia  
March 23, 2022

## Friendship Place

### Schedule of Expenditures of Federal Awards For the Year Ended September 30, 2021

<b>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</b>	<b>Assistance Listing Number</b>	<b>Pass-through Entity Identifying Number</b>	<b>Passed Through to Subrecipients</b>	<b>Total Federal Expenditures</b>
<b>U.S. Department of Veterans Affairs</b>				
VA Supportive Services for Veteran Families Program	64.033	n/a	\$ -	\$ 6,745,196
Total U.S. Department of Veterans Affairs			-	6,745,196
<b>U.S. Department of Housing and Urban Development</b>				
<i>Pass-Through from the Community Partnership for the Prevention of Homelessness:</i>				
Supportive Housing Program	14.235	DC0005L3G001912	-	243,454
Continuum of Care Program	14.267	DC0100L3G001801	-	184,392
Total U.S. Department of Housing and Urban Development			-	427,846
<b>U.S. Department of Labor</b>				
Homeless Veterans Reintegration Program	17.805	n/a	-	11,410
Total U.S. Department of Labor			-	11,410
<b>Total Expenditures of Federal Awards</b>			<b>\$ -</b>	<b>\$ 7,184,452</b>

See accompanying notes to the schedule of expenditures of federal awards.

## Friendship Place

Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2021

### 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal award activity of Friendship Place under the programs of the federal government for the year ended September 30, 2021. The information in the SEFA 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 SEFA presents only a selected portion of the operations of Friendship Place, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of Friendship Place.

### 2. Summary of Significant Accounting Policies

Expenditures reported in the SEFA 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.

### 3. Indirect Cost Rates

Friendship Place has elected not to use the 10% *de minimis* indirect cost rate, which is allowed in accordance with the Uniform Guidance.



## Friendship Place

### Schedule of Findings and Questioned Costs For the Year Ended September 30, 2021

#### Section I – Summary of Independent Auditors' Results

##### *Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes  X  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes  X  None reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes  X  No

##### *Federal Awards*

Internal control over the major program:

- Material weakness(es) identified? \_\_\_\_\_ Yes  X  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes  X  None reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? \_\_\_\_\_ Yes  X  No

Identification of the major program:

Assistance Listing Number	Name of Federal Program or Cluster Title
64.033	VA Supportive Services for Veteran Families Program

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

Auditee qualified as low-risk auditee?  X  Yes \_\_\_\_\_ No

## **Friendship Place**

Schedule of Findings and Questioned Costs (continued)  
For the Year Ended September 30, 2021

### **Section II – Financial Statement Findings**

There were no financial statement findings reported during the 2021 audit.

### **Section III – Federal Award Findings and Questioned Costs**

There were no federal award findings or questioned costs reported during the 2021 audit.

## **Friendship Place**

### Corrective Action Plan For the Year Ended September 30, 2021

There were no findings for the year ended September 30, 2021, and, therefore, a corrective action plan was not needed.

**Friendship Place**

Schedule of Prior Audit Findings  
For the Year Ended September 30, 2021

There were no federal award findings or questioned costs reported for the 2020 audit.