ACCESS

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

WITH

INDEPENDENT AUDITOR'S REPORT

Certified Public Accountants, LLP

audit | tax | advisory | wealth management | cfo

ACCESS
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
ACCESS
3630 Aviation Way
Medford, OR 97504

We have audited the accompanying consolidated financial statements of ACCESS (an Oregon nonprofit organization), which comprise the consolidated statements of financial position as of June 30, 2018 and 2017, and the related consolidated statements of activities, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 the consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risks assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of ACCESS as of June 30, 2018 and 2017, and the consolidated changes in net assets and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position, consolidating statement of activities and changes in net assets and consolidating schedule of functional expenses on pages 26 - 29 are 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with 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 consolidated financial statements as a whole.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the consolidated 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 purpose of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with 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 consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2019, on our consideration of ACCESS'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 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 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 ACCESS's internal control over financial reporting and compliance.

Stewart C Parmele CPA, Partner

Stewart C. Parmele CPA, Partner
KDP Certified Public Accountants, LLP
Medford, Oregon
February 28, 2019

CONSOLIDATED FINANCIAL STATEMENTS

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30, 2018 and 2017

	2018	2017
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 1,480,275	$ 1,174,893
Investments	142,219	141,959
Accounts receivable	29,201	86,294
Grants and contracts receivable	1,045,589	1,359,392
Inventory	50,587	-
Prepaids	26,580	33,671
Total Current Assets	2,774,451	2,796,209
Property and Equipment:		
Land	3,059,982	3,059,982
Buildings and improvements	12,647,403	12,560,511
Equipment and furnishings	914,593	914,593
Vehicles	629,152	518,389
Accumulated depreciation	(8,456,237)	(8,004,689)
Property and Equipment, net	8,794,893	9,048,786
Other Assets:		
Beneficial interests	360,807	230,673
Notes receivable, net of present value	1,203,350	1,320,196
Accrued interest receivable	59,241	76,416
Security deposits and funded reserves	410,547	390,163
Total Other Assets	2,033,945	2,017,448
TOTAL ASSETS	$ 13,603,289	$ 13,862,443

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Continued)

June 30, 2018 and 2017

	2018	2017
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	$ 175,427	$ 309,740
Accrued payroll liabilities	231,264	212,542
Other current liabilities	98,155	110,836
Custodial fund	31,340	29,123
Accrued interest payable	7,289	7,381
Current portion of notes payable	153,183	108,923
Unearned revenue	28,881	906
Total Current Liabilities	725,539	779,451
Long-Term Liabilities:		
Notes payable, net of current portion	3,688,890	3,840,524
Total Long-Term Liabilities	3,688,890	3,840,524
TOTAL LIABILITIES	4,414,429	4,619,975
Net Assets:		
Barnett Townhomes Limited Partnership capital	(244,006)	(131,274)
Unrestricted Net Assets:		
Operating	4,648,813	4,803,064
ACCESS Development Corporation	1,472,864	1,434,457
Total Unrestricted Net Assets	6,121,677	6,237,521
Temporarily Restricted Net Assets:		
Reserves	444,314	333,662
Fixed assets	2,506,068	2,571,886
Total Temporarily Restricted Net Assets	2,950,382	2,905,548
Permanently Restricted Net Assets	360,807	230,673
TOTAL NET ASSETS	9,188,860	9,242,468
TOTAL LIABILITIES AND NET ASSETS	$ 13,603,289	$ 13,862,443

See accompanying notes to the financial statements

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CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended June 30, 2018

	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
Public Support and Revenue				
Public Support:				
Contributions	$ 898,804	$ -	$ 109,163	$ 1,007,967
Non-cash contributions	4,766,126	-	-	4,766,126
Fundraising events	309,236	-	-	309,236
Grants				
Federal and state	8,053,538	-	-	8,053,538
USDA-federal food commodities	494,796	-	-	494,796
City and county	74,027	-	-	74,027
Private	307,703	207,653	-	515,356
Total Public Support	14,904,230	207,653	109,163	15,221,046
Revenue:				
Program income	383,866	-	-	383,866
Rental income	942,990	-	-	942,990
Utility rebates	31	-	-	31
Investment income	11,744	-	-	11,744
Change in beneficial interests	-	-	20,971	20,971
Miscellaneous	92,335	-	-	92,335
Total Revenue	1,430,966	-	20,971	1,451,937
Net Assets Released From Restrictions	162,819	(162,819)		-
Total Public Support and Revenue	16,498,015	44,834	130,134	16,672,983
Expenses:				
Program service	14,580,175	-	-	14,580,175
Management and general	995,161	-	-	995,161
Fundraising	424,359	-	-	424,359
Depreciation	451,531	-	-	451,531
Interest expense	158,519	-	-	158,519
Total Expenses	16,609,745	-	-	16,609,745
Other Revenue and Expenses:				
Change in present value discount on notes receivable	(116,846)	-	-	(116,846)
Total Other Revenue and Expenses	(116,846)	-	-	(116,846)
CHANGE IN NET ASSETS	(228,576)	44,834	130,134	(53,608)
NET ASSETS, BEGINNING OF YEAR	6,106,247	2,905,548	230,673	9,242,468
NET ASSETS, END OF YEAR	$ 5,877,671	$ 2,950,382	$ 360,807	$ 9,188,860

See accompanying notes to the financial statements

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CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended June 30, 2017

	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
Public Support and Revenue				
Public Support:				
Contributions	$ 1,267,887	$ -	$ -	$ 1,267,887
Non-cash contributions	4,577,695	-	-	4,577,695
Fundraising	235,335	-	-	235,335
Grants				
Federal and state	8,899,201	-	-	8,899,201
USDA-federal food commodities	960,227	-	-	960,227
City and county	79,925	-	-	79,925
Private	328,427	152,404	-	480,831
Total Public Support	16,348,697	152,404	-	16,501,101
Revenue:				
Program income	268,050	-	-	268,050
Rental income	916,704	-	-	916,704
Utility rebates	2,093	-	-	2,093
Investment income	18,601	-	-	18,601
Change in beneficial interests	-	-	25,605	25,605
Miscellaneous	116,314	-	-	116,314
Total Revenue	1,321,762	-	25,605	1,347,367
Net Assets Released From Restrictions	288,064	(288,064)		-
Total Public Support and Revenue	17,958,523	(135,660)	25,605	17,848,468
Expenses:				
Program service	16,090,314	-	-	16,090,314
Management and general	888,373	-	-	888,373
Fundraising	428,069	-	-	428,069
Depreciation	440,563	-	-	440,563
Interest expense	171,822	-	-	171,822
Total Expenses	18,019,141	-	-	18,019,141
Other Revenue and Expenses:				
Change in present value discount on notes receivable	38,096	-	-	38,096
Total Other Revenue and Expenses	38,096	-	-	38,096
CHANGE IN NET ASSETS	(22,522)	(135,660)	25,605	(132,577)
NET ASSETS, BEGINNING OF YEAR	6,128,769	3,041,208	205,068	9,375,045
NET ASSETS, END OF YEAR	$ 6,106,247	$ 2,905,548	$ 230,673	$ 9,242,468

See accompanying notes to the financial statements

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CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended June 30, 2018 and 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ (53,608)	$ (132,577)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	451,531	440,563
Amortization	5,794	(11,232)
Donated fixed assets	-	8,600
Change in beneficial interests	(20,971)	(25,605)
Change in present value discount on notes receivable	116,846	(38,096)
Non-cash contributions restricted for long-term purposes	(109,163)	-
(Increase) decrease in:		
Accounts receivable	57,093	(64,770)
Grants and contracts receivable	313,803	(199,391)
Accrued interest receivable	17,175	19,688
Inventory	(50,587)	-
Prepaids	7,091	(568)
Restricted deposit and funded reserves	(20,384)	(26,593)
Increase (decrease) in:		
Accounts payable	(134,313)	(164,708)
Accrued payroll liabilities	18,722	24,868
Other current liabilities	(12,681)	11,278
Custodial fund	2,217	(807)
Unearned revenue	27,975	(419)
Net Cash Provided (Used) by Operating Activities	616,540	(159,769)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Change in investments	(260)	(283)
Proceeds from sale of investments	-	88,174
Purchase of property and equipment	(197,638)	(163,420)
Net Cash Used by Investing Activities	(197,898)	(75,529)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Decrease (increase) in accrued interest payable	(92)	7,381
Principal payments on notes payable	(113,168)	(109,359)
Net Cash Used by Financing Activities	(113,260)	(101,978)
NET CHANGE IN CASH AND CASH EQUIVALENTS	305,382	(337,276)
CASH AND CASH EQUIVALENTS		
BEGINNING OF YEAR	1,174,893	1,512,169
END OF YEAR	$ 1,480,275	$ 1,174,893
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS:		
Cash paid during the year for interest	$ 158,611	$ 164,441

See accompanying notes to the financial statements

NOTE 1: NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations:
ACCESS (the Organization) was formed in 1976 as a non-profit corporation to develop and administer programs and services designed to assist low-income residents and senior citizens in Southern Oregon communities in Jackson and Josephine Counties. The Organization provides these services through the following programs: Nutrition, Energy Assistance and Weatherization, Community Services Block Grant (CSBG) programs (Community Needs Planning, Information and Referral, Medical Equipment, and Program Support), Housing Development, and Family and Senior Services.

Federal and State grant funds managed by Oregon Housing and Community Services, Oregon Food Bank, U.S. Department of Veterans Affairs, and the U.S. Department of Housing and Urban Development are the primary sources of funding for the social service programs of the Organization. Contributions, program income, and other grants provide additional support. Grants require periodic reporting, restrict the use of grant funding to provision of specified services, and may require matching revenue from other sources.

Principles of Consolidation:
The consolidated financial statements include the accounts of ACCESS Development Corporation (ADC), a 100 percent owned affiliate of the Organization. ADC was created March 2, 1994, and is organized as a Title Holding Corporation under Internal Revenue Code Section 501(c)(2). ADC owns and manages the buildings of the Organization which it uses for office space, program administration, commercial kitchens, and warehouse storage. ADC is governed by a board of directors consisting of the chair, vice-chair, and secretary/treasurer of the Organization's Board of Directors. Net income of ADC is distributed annually to the Organization and all material inter-company transactions have been eliminated in these consolidated statements.

The consolidated financial statements include the accounts of Barnett Townhomes Limited Partnership (The Partnership) organized under the laws of the State of Oregon. ACCESS is the Managing General Partner in the Partnership with a 1% ownership interest. ACCESS Barnett LLC is the Limited Partner in the Partnership with a 99% ownership interest. The Partnership began operating under Section 207 pursuant to Section 223(f) of the National Housing Act, with mortgage insurance provided by the Federal Housing Administration (FHA) of the Department of Housing and Urban Development (HUD) on April 1, 2013. The Partnership has entered into a Management Agreement with the Housing Authority of Jackson County (HAJC), to manage the day-to-day operations of the property located at 1852 E. Barnett Rd., Medford, Oregon 97504, also known as Barnett Townhomes. In turn, the HAJC has entered into a Services Contract with ACCESS to administer and carry out the landscape, maintenance and cash handling responsibilities for the property.

For the fiscal years ended June 30, 2018 and 2017, the Organization received $112,982 and $54,868, respectively, for the services provided to the Partnership. All material inter-company transactions have been eliminated in these consolidated financial statements.

NOTE 1: NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation:
The financial statements of the Organization have been presented in accordance with accounting for financial statement of not-for-profit organizations, which requires classification of an organization's net assets and its revenues, expenses, gains and losses based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the three classes of net assets – permanently restricted, temporarily restricted, and unrestricted – be presented in a statement of financial position and that the amounts of change in each of those classes of net assets be presented in a statement of activities. The assets, liabilities, revenues, expenses, and net assets of the Organization are reported in the following categories:

> *Unrestricted net assets:* represent unrestricted resources available to support the Organization's operations and temporarily restricted resources which have become available for use by the Organization in accordance with the intention of the donor.
>
> *Temporarily restricted net assets:* represent contributions that are limited in use by the Organization in accordance with temporary donor-imposed stipulations. These stipulations may expire with time or may be satisfied by the actions of the Organization according to the intention of the donor. Upon satisfaction of such stipulations, the associated net assets are released from temporarily restricted net assets and recognized as unrestricted net assets. Temporarily restricted net assets are available primarily for capital projects as designated by the donors.
>
> *Permanently restricted net assets:* represent net assets subject to donor-imposed stipulations that they be maintained by the Organization in perpetuity. The Board of Directors has interpreted Oregon's enacted Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of permanently restricted donations absent explicit donor stipulations to the contrary. As a result of the interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated, (b) the original value of subsequent gifts, and (c) accumulations to the permanently restricted fund made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Generally, the donors of these assets permit the Organization to use all or part of the investment return on these assets.

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

Cash and Cash Equivalents:
For the purposes of the statement of cash flows, the Organization considers all unrestricted investment instruments purchased with original maturities of three months or less to be cash equivalents.

Receivables:
The Organization extends unsecured credit to its tenants in the ordinary course of business but mitigates the associated risk by actively pursuing past due accounts. Accounts receivable are considered past due if not collected within 90 days. At June 30, 2018 and 2017 all receivables are current. An allowance for doubtful accounts has not been established since management is of the opinion that all accounts receivable at year-end are fully collectible.

Grants receivables are recorded to the extent of qualifying grant expenditures made during the current year that are to be reimbursed after year end.

NOTE 1: NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventory:
Donated food and USDA commodities are recorded directly in the financial statements as non-cash contributions received and as non-cash expenditures within the nutrition program. Food inventory is counted monthly. Non-cash contributions of food commodities flow through the Organization directly to distribution centers and recipients.

Property and Equipment:
The Organization records acquisitions of property and equipment at cost. Maintenance, repairs and minor renewals are charged to expense as incurred. It is the policy of the Organization to capitalize all property, plant and equipment whose value exceeds $5,000 and whose expected life exceeds five years. Depreciation has been provided using the straight-line method over the estimated useful lives of the rated assets ranging from 5 to 50 years.

Vehicles and Equipment of the Organization include items purchased with funds provided by Oregon Housing and Community Services (OHCS) under various programs. OHCS requires written approval before purchasing equipment with a cost in excess of $5,000 and for purchases of any motor vehicle. OHCS retains a security interest in vehicles purchased with funds provided.

Valuation of Long-Lived Assets:
The Organization reviews its property for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the property, including any estimated proceeds from the eventual disposition of the property. If the property is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the property exceeds the fair value of such property. There were no impairment losses recognized in 2018 and 2017.

Grants and Contracts:
The Organization records grant revenues over the period of the award and the provisions of the grant determine the timing of revenue recognition. Grant expenses are recognized when incurred. Amounts that have been received but not earned are included in unearned revenue.

Contributions:
Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. Contributions are recorded at fair value. All donor-restricted support is reported as an increase in temporarily restricted net assets. However, if the restrictions on grant funds are met in the same year the funds are awarded, it is the Organization's policy to report the contributions as unrestricted on the statement of activities and changes in net assets. When a stipulated time restriction ends or a 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 restrictions.

Donated Materials and Services:
Donations of food and grocery products by the food industry, other businesses, community organizations and individuals are recorded as support at their estimated wholesale fair value stated at $1.25 per pound at June 30, 2018 and 2017. To arrive at the estimated wholesale fair value per pound, ACCESS uses the approximate average value based on an independent accountants' report to Feeding America (national domestic hunger-relief charity).

Additionally, the Organization also receives USDA commodities for the Commodity Supplemental Food Program (CSFP) and the Emergency Food Assistance Program (TEFAP). Estimated price per pound for FY 2018 was $0.58 and $0.76 for the CSFP and TEFAP programs, respectively.

NOTE 1: NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Approximately 4.3 million and 4.2 million pounds of donated food were received from the above referenced sources during the years ended June 30, 2018 and 2017, respectively.

Donations of property, equipment, materials and other assets are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

The Organization recognizes donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. A substantial number of volunteers have donated their time in various ACCESS programs and special events, but are not recorded because they do not meet the recognition criteria.

Revenue Recognition:
The Organization recognizes revenue as the related services are provided. Rent revenues are recognized in the month in which the services are provided. Public support from grants is recognized (accrued) when qualifying expenditures under the grant are made. Grant funds received in advance are accounted for as temporarily restricted or unrestricted as provided in the particular terms of the respective grant agreements. However, if the restrictions on grant funds are met in the same year the funds are awarded, it is the Organization's policy to report the grant funds as unrestricted on the statement of activities and changes in net assets.

Advertising Costs:
The Organization expenses advertising production costs the first time the advertising takes place and placement costs as incurred. Advertising expense for the years ended June 30, 2018 and 2017 were $27,114 and $74,446, respectively.

Tax Status:
The Organization is a non-profit entity exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state incomes taxes on related activities. No tax provision has been made in the accompanying statement of activities. The Organization recognizes the tax benefit from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by the tax authorities, based on the technical merits of the position. The tax benefit is measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Organization recognizes interest and penalties related to income tax matters in operating expenses.

ADC is exempt from income tax under Section 501(c)(2) of the U.S. Internal Revenue Code. Therefore, no provision for income taxes is necessary.

The Partnership files a partnership return for federal and state income tax purposes. Consequently, income taxes are not payable by the Partnership. The partners include their share of profits and losses in their respective income tax returns.

As of June 30, 2018 there were no uncertain tax positions.

Deposits in Excess of Insured Limits:
The Federal Deposit Insurance Corporation (FDIC) insures account balances at each insured institution. The Organization frequently maintains cash balances greater than the FDIC insurance. At June 30, 2018, the amount that exceeded FDIC coverage was $1,351,658.

NOTE 1: NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassifications:
Certain amounts in prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

Change in Estimate:
Certain notes receivables ACCESS has with the Conifer Gardens Limited Partnership were expected to be refinanced or taken over by the Partnership in fiscal year 2018. The event date is now expected to be September 25, 2022. A change in accounting estimate of the net present value of the Conifer Gardens notes receivables resulted due to the change in expected event date. See *NOTE 5: NOTES RECEIVABLE*.

NOTE 2: CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following at June 30:

	2018	2017
Petty cash	$ 2,261	$ 1,915
Cash in checking accounts:		
General	1,190,088	869,470
Client trust-security deposits	14,997	11,122
Barnett Townhomes Limited Partnership	76,062	166,127
Access Development Corporation	196,867	126,259
Total cash and cash equivalents	$ 1,480,275	$ 1,174,893

NOTE 3: INVESTMENTS

Investments consist of the following at June 30:

	2018	2017
17-month CD matures January 7, 2019, interest 0.20%	$ 142,219	$ 141,959
Total investments - certificates of deposit	$ 142,219	$ 141,959

NOTE 4: BENEFICIAL INTERESTS

On February 25, 2004, the Organization elected to participate in the Oregon Community Foundation (OCF). The Organization transferred assets to OCF which is holding them as an endowed component fund (Fund) for the benefit of the Organization. The Organization has granted OCF variance power which gives OCF's Board of Trustees the power to use the Fund for other purposes in certain circumstances. The Fund is subject to OCF's investment and spending policies which currently result in a distribution to the Organization of a certain percent of the average quarterly value over time. The Organization reports the fair value of the Fund as Beneficial Interest in Assets Held by OCF in the statement of financial position and reports distributions received as investment income. Unrealized changes in the value of the Fund are reported in the statement of activities. The fair value of the funds held by OCF at December 31, 2018 and 2017 was $251,644 and $230,673, respectively.

The Organization is the partial beneficiary of a trust, the assets of which are not in the possession of the Organization. The Organization has the legally enforceable rights or claims to such assets, including the right to income therefrom. The trust is perpetual whereby the Organization receives the income or a designated portion of the income into perpetuity. Income earned on trust assets is distributed to the Organization as provided in the agreements and was $4,500 during the year ended June 30 2018. Consistent with accounting principles generally accepted in the United States of America, these funds and changes in their fair value are included in the accompanying financial statements. The fair value of the funds held in trust by others at December 31, 2017 was $109,163.

NOTE 5: NOTES RECEIVABLE

During the fiscal year ended June 30, 2008, the Organization became a general partner with a 0.005% ownership in a 52-unit low-income housing project called Conifer Gardens Limited Partnership. During that fiscal year, the Organization made three loans to Conifer Gardens Limited Partnership for a total of $1,359,443. Two of the loans have a rate of 1.00% interest per annum and the third loan has a 0.00% interest rate. The loans are secured by a second deed of trust on the real property. The notes receivables are adjusted to present value using the borrowing rate of the Organization which is 3.75% less the interest rate of the notes receivable.

	2018	2017
Notes receivable	$ 1,359,443	$ 1,359,443
Present value adjustment	(156,093)	(39,247)
Notes receivable, net of present value	$ 1,203,350	$ 1,320,196

NOTE 6: RESTRICTED DEPOSITS AND FUNDED RESERVES

Tenant security deposits - The Partnership holds a separate account that represents security deposits made by tenants.

Asset replacement reserve - The Partnership was required to establish an asset replacement reserve of an initial deposit of $606,753 and deposit $3,027 monthly to the account. Interest earned on the deposited amounts is retained in the reserve, and the reserve is subject to withdrawals restricted to certified property improvements.

Additionally, ACCESS holds separate accounts that represent amounts held for managed properties.

NOTE 6: RESTRICTED DEPOSITS AND FUNDED RESERVES (Continued)

Total restricted deposits and funded reserves reflected on the consolidated financial statements at June 30 are summarized as follows:

	2018	2017
Barnett Townhomes, LP:		
Tenant security deposit account	$ 50,419	$ 45,796
Asset replacement reserve account	308,224	295,132
Mortgage escrow	26,600	17,686
	385,243	358,614
Managed properties:		
Operating account	19,867	27,112
Tenant security deposit account	5,437	4,437
	25,304	31,549
Total restricted deposits and funded reserves	$ 410,547	$ 390,163

NOTE 7: LINE OF CREDIT

ACCESS has a line of credit with Banner Bank in the amount of $250,000. The line of credit agreement originated from prior years, was extended on July 3,2018 through July 15, 2019. The interest rate is subject to change from time to time and is based on the U.S. Prime Rate plus 0.50%, resulting in an initial rate of 5.50%. At June 30, 2018 and 2017, there were no amounts outstanding on the line of credit.

NOTE 8: LONG-TERM DEBT

The Organization’s long-term debt consists of the following:

	2018	2017
ADC:		
Banner Bank 2008 loan, net	$ 800,305	$ 833,856
The Partnership:		
Walker & Dunlop HUD loan, net	2,487,943	2,531,825
The Organization:		
Banner Bank 2004 loan	61,556	65,275
Banner Bank 2005 loan	75,899	78,882
Banner Bank 2002 loan	75,279	78,806
US Bank 2013 loan	41,454	43,395
People's Bank 2016 loan	223,502	236,853
People's Bank 2016 loan	76,135	80,555
Total consolidated long-term debt	$ 3,842,073	$ 3,949,447

NOTE 8: LONG-TERM DEBT (Continued)

ADC:

On October 17, 2008, ADC entered into a note payable to Banner Bank in the original amount of $1,057,000. The terms of the note, as modified in the Change of Terms Agreement dated January 2, 2013 require 10 monthly payments of $5,775, with interest calculated on the unpaid principal balance using an interest rate of 4.00% per annum, followed by 239 monthly payments, beginning November 17, 2013, including interest computed at the Weekly Average Five Year Constant Maturity Treasury rate (1.43% at the time of determination) plus 3.50 percentage points. Current monthly payments of principal and interest are $6,267. The interest rate of 4.93% per annum applied at June 30, 2018 and 2017. The note matures on October 17, 2033. The note is secured by land and buildings. ADC incurred $10,115 in debt issuance costs, which are amortized using the effective interest method. ADC amortized $504 of debt issuance costs during 2018 and unamortized costs of $4,054 are outstanding at June 30, 2018. Total debt outstanding at June 30, 2018 was $800,305 ($804,359 gross debt net of issuance costs of $4,054).

The loan agreement contains a subjective acceleration clause, which gives the Bank the right to accelerate repayment upon the Bank's determination of a material adverse change in the ADC's financial position. Management has evaluated the likelihood of the Bank exercising the clause to be remote. As a result, the amounts owed are classified based upon the stated payment schedule.

Interest charged to expense for the years ended June 30, 2018 and 2017 totaled $41,647 and $45,317, respectively.

The Partnership:

On April 1, 2013, The Partnership entered into a note payable to Walker & Dunlop, LLC in the original amount of $2,813,900. The terms of the note require 420 monthly payments of $11,386, including interest computed at 3.35% per annum. The note is secured by land, buildings and improvements and matures on April 1, 2048. The Partnership incurred $119,413 in debt issuance costs, which are amortized using the effective interest method. ADC amortized $5,288 of debt issuance costs during 2018 and unamortized costs of $91,503 are outstanding at June 30, 2018. Total debt outstanding at June 30, 2018 was $2,487,943 ($2,579,446 gross debt net of issuance costs of $91,503).

Interest charged to expense for the years ended June 30, 2018 and 2017 totaled $92,598 and $94,039, respectively.

The Organization:

On December 3, 2004, the Organization entered into a note payable to Banner Bank in the original amount of $64,384. On April 14, 2015 a change in terms occurred where the commitment amount was increased to $72,683 and the interest rate and floor rate was revised from 4.06% per annum to 4.94% resulting in a revised monthly principal and interest payment of $575 for 60 months, followed by 59 monthly payments of principal and interest based on interest computed at the Weekly Average Five Year Constant Maturity Treasury rate (1.75% at June 30, 2017) plus 3.50 percentage points. The note requires a final payment of $30,998 on April 15, 2025. The interest rate of 4.94% per annum applied at June 30, 2018 and 2017. The note is secured by land and improvements.

NOTE 8: LONG-TERM DEBT (Continued)

On October 17, 2005, the Organization entered into a note payable to Banner Bank in the original amount of $150,000. The terms of the note, as modified in the Change of Terms Agreement dated June 22, 2006, require 52 monthly payments of $907, including interest computed at 5.99% per annum, followed by 179 monthly payments of $474 in principal and interest. Interest computed at the Weekly Average Five Year Constant Maturity Treasury rate (1.37% at the time of determination) plus 2.06 percentage points. A final payment of $57,823 will be due when the note matures on October 17, 2025. The interest rate of 3.43% per annum applied at June 30, 2018 and 2017. The note is secured by land and improvements.

On June 14, 2002, the Organization entered into a note payable to Banner Bank in the original amount of $110,000. On January 2, 2013 a change in terms occurred where the initial interest rate and floor rate was revised from 7.00% to 4.00% for 53 monthly principal and interest payments of $585, followed by 179 monthly payments of principal and interest based on interest computed at the Weekly Average Five Year Constant Maturity Treasury rate (1.75% at June 30, 2017) plus 3.50 percentage points resulting in a revised monthly principal and interest payment of $637. The interest rate of 5.25% and 4.00% per annum applied at June 30, 2018 and 2017, respectively. The note is secured by land and improvements and matures on June 10, 2032.

On October 2, 2013, the Organization entered into a note payable to US Bank in the original amount of $50,000. The terms of the note require 59 monthly installments of $302, including interest computed at 3.89% per annum beginning November 1, 2013, plus a final payment of $41,084 on October 1, 2018, the maturity date. The note is secured by land and improvements.

On January 22, 2016 the Organization entered into a note payable to People’s Bank of Commerce in the amount of $255,238. The note was re-negotiated with the bank and assumed by the Organization after previously being held by the Ashland Community Land Trust of Oregon (ACLT). The ACLT, as part of its dissolution, donated property located on Bridge St, Ashland to the Organization. The terms of the note require 61 monthly payments of $1,893 including interest computed at 4.00% per annum. A final payment of $186,012 is due March 22, 2021. The note is secured by land and improvements.

On January 28, 2016 the Organization entered into a note payable to People’s Bank of Commerce in the amount of $86,644. The note was re-negotiated with the bank and assumed by the Organization after previously being held by the ACLT. The ACLT, as part of its dissolution, donated property located on Garfield St, Ashland to the Organization. The terms of the note require 64 monthly payments of $634 including interest computed at 4.00% per annum. A final payment of $62,397 is due June 9, 2021. The note is secured by land and improvements.

Each of the loan agreements with Banner Bank, US Bank, and People’s Bank of Commerce contain a subjective acceleration clause, which gives the Bank the right to accelerate repayment upon the Bank’s determination of a material adverse change in the Organization’s financial position. Management has evaluated the likelihood of the Bank exercising the clause to be remote. As a result, the amounts owed are classified based upon the stated payment schedule.

The Organization charged $24,274 and $32,466 for the above notes payable in interest to expense for the years ended June 30, 2018 and 2017, respectively.

NOTE 8: LONG-TERM DEBT (Continued)

The annual requirement to amortize all long-term debt outstanding at June 30 is as follows:

	2018	2017
Total consolidated long-term debt	$ 3,842,073	$ 3,949,447
Less: portion due within one year	(153,183)	(108,923)
Long-term debt, net of current portion	$ 3,688,890	$ 3,840,524

Maturities of long-term debt were as follows at June 30:

	Principal	Deferred Financing	Total
2019	$ 158,860	$ (5,677)	$ 153,183
2020	122,202	(5,547)	116,655
2021	369,130	(5,412)	363,718
2022	111,626	(5,273)	106,353
2023	115,863	(5,128)	110,735
Thereafter	3,059,949	(68,520)	2,991,429
	$ 3,937,630	$ (95,557)	$ 3,842,073

NOTE 9: LEASE COMMITMENTS

ACCESS has entered into several non-cancellable operating leases. Operating lease expenditures for the years ended June 30, 2018 and 2017 amounted to $33,098 and $78,090 respectively.

Future minimum rental payments required under the remaining non-cancellable lease terms are as follows:

Year ended June 30,	2019	$ 168,952
	2020	164,556
	2021	161,406
	2022	152,026
		$ 646,940

Additionally, the Organization leases office and warehouse facilities from ADC, an affiliated corporation which has been consolidated in these statements. Leased space includes the main office facility and warehouse of the Organization, the Olsrud Family Nutrition Center and a warehouse building on Lear Way in Medford, Oregon. For the years ended June 30, 2018 and 2017, the lease provides for a monthly rental payment of $12,513 and $9,000, respectively. Rent expense totaled $150,150 and $108,000 for fiscal years ending June 30, 2018 and 2017, respectively. This amount is included in the schedule above but is eliminated in the consolidation of the Organization and ADC financial statements.

On June 23, 2017, the Organization entered into a new lease agreement with ADC. The new agreement requires monthly rental payments of $12,513 beginning July 1, 2017 and ending June 30, 2022.

NOTE 10: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were available for the following purposes as of June 30:

	2018	2017
Reserves		
Housing	$ 126,862	$ 48,921
Nutrition	78,022	198,561
Support services	239,430	86,180
Total temporarily restricted net assets	444,314	333,662
Fixed assets		
Low income housing	2,506,068	2,571,886
Total temporarily restricted for fixed assets	2,506,068	2,571,886
Total temporarily restricted net assets	$ 2,950,382	$ 2,905,548

Low income housing includes land and buildings that have been restricted by granting agencies to be used for the purpose of providing affordable housing to low income recipients. At June 30, 2018 and 2017, the land and buildings had a net book value of $2,943,156 and $3,006,530, respectively, and the assets secured notes payable in the amounts of $437,088 and $434,644, respectively.

During the fiscal years ended June 30, 2018 and 2017, net assets were released from donor restrictions by incurring expenses satisfying the purpose specified by the donors as follows:

	2018	2017
Released from restrictions		
Housing	$ 72,790	$ 136,275
Warehouse expansion	-	24,175
Nutrition	40,000	2,553
Support services	50,029	125,061
Total released From restrictions	$ 162,819	$ 288,064

Temporarily restricted contributions that are received and expended within the same fiscal year are reported as unrestricted resources.

NOTE 11: PERMANENTLY RESTRICTED NET ASSETS

The Board transferred certain assets to the Oregon Community Foundation (Foundation or OCF). In accordance with generally accepted accounting principles, when this transfer was made, the assets were deemed to be permanently restricted net assets. For the years ending June 30, 2018 and 2017 the value of those assets was $251,644 and $230,673, respectively.

Interpretation of Relevant Law

In relation to the Board Designated net assets held by the Foundation, the Foundation's Board of Trustees controls the Funds investment and spending policies, the Organization has no control of such policies. The Foundations investment policies and the performance of the investment managers are reviewed quarterly by an investment committee made up of community volunteers and the Foundation's board members.

In relation to the permanently restricted funds, the Board of Directors of the Organization has interpreted the State of Oregon Uniform Prudent Management of Institutional Funds Act (SPMIFA), adopted January 1, 2008, as allowing the Organization, absent of any donor stipulations to the contrary, to appropriate so much of an endowment fund as the Organization determines is prudent for uses, benefits, purposes, and duration for which the endowment is established.

The Organization received a notification in fiscal year 2018 that it was named as a partial beneficiary in a perpetual trust. For the year ending June 30, 2018, the value of the perpetual trust was $109,163.

NOTE 12: CONCENTRATIONS OF SUPPORT AND REVENUE

As of June 30, 2018 and 2017 Organization received approximately 56 percent and 58 percent, respectively, of its total public support and revenue from Federal and State agencies. As of June 30, 2018 and 2017, 38 percent and 41 percent, respectively, of total public support and revenue passed through Oregon Housing and Community Services.

NOTE 13: RETIREMENT PLAN

The Organization maintains a retirement plan qualified under Section 403(b) of the Internal Revenue Code. The Plan covers employees who have completed one year of service with the Organization. For employees that were participants of the plan as of June 30, 2009, the Organization contributes amounts ranging from two percent to twelve percent of qualified compensation for the benefit of qualified employees based on years of service and employee elective contributions to the plan. Employees that became participants in the plan after June 30, 2009 receive contributions from the Organization that match up to five percent of their qualified compensation. For the years ended June 30, 2018 and 2017, employer contributions to the plan were $71,688 and $64,149, respectively.

NOTE 14: NON-CASH CONTRIBUTIONS AND EXPENSES

At June 30, 2018 and 2017, non-cash contributions consisted of the following:

	2018		
	Property and Equipment, Goods and Services	Food Distributed	Total
Non-cash contributions by program			
General agency	$ 11,278	$ -	$ 11,278
Support services	65,928	-	65,928
Nutrition	25,510	4,488,597	4,514,107
Medical equipment	137,817	-	137,817
Resource development	36,996	-	36,996
Total non-cash contributions	277,529	4,488,597	4,766,126
Non-cash grants consisting of USDA commodities	-	494,796	494,796
Total non-cash revenues	$ 277,529	$ 4,983,393	$ 5,260,922

	2017		
	Property and Equipment, Goods and Services	Food Distributed	Total
Non-cash contributions by program			
General agency	$ 30,410	$ -	$ 30,410
Family and senior services	63,733	-	63,733
Nutrition	51,118	4,225,105	4,276,223
Medical equipment	161,149	-	161,149
Resource development	46,180	-	46,180
Total non-cash contributions	352,590	4,225,105	4,577,695
Non-cash grants consisting of USDA commodities	-	960,227	960,227
Total non-cash revenues	$ 352,590	$ 5,185,332	$ 5,537,922

NOTE 15: FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following table presents the fair value hierarchy for those assets measured at fair value on a recurring basis as of June 30, 2018 and 2017:

Assets at fair value as of June 30, 2018

	Level 1	Level 2	Level 3	Total
Certificates of deposit	$ -	$ 142,219	$ -	$ 142,219
Beneficial interest in perpetual trust	-	-	109,163	109,163
Beneficial interest in assets held by OCF	-	-	251,644	251,644
Total assets at fair value	$ -	$ 142,219	$ 360,807	$ 503,026

Assets at fair value as of June 30, 2017

	Level 1	Level 2	Level 3	Total
Certificates of deposit	$ -	$ 141,959	$ -	$ 141,959
Beneficial interest in assets held by OCF	-	-	230,673	230,673
Total assets at fair value	$ -	$ 141,959	$ 230,673	$ 372,632

The beneficial interest in assets held by the Oregon Community Foundation (OCF) has been valued, as a practical expedient, at the fair value of the Organization's share of the Foundations' investment pool as of the measurement date. The Foundation values securities and other financial instruments on a fair value basis of accounting. The estimated fair value of certain investments of the Foundation, which includes private placements and other securities for which prices are not readily available, are determined by the management of the Foundation and my not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized.

Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments. The Foundation's asset allocation target as of June 30, 2018 are 48% global equity, 15% absolute return, 15% private equity/venture capital, 10% real assets, and 12% fixed income. As a result of these factors, the assets held by the Oregon Community Foundation have been categorized as a Level 3 financial instrument.

NOTE 15: FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The beneficial interest in perpetual trust is estimated at fair value based on the Organization's percent of the underlying assets held in the trust. Due to the perpetual existence of the trust, the interest is categorized as a Level 3 financial instrument.

The carrying values of cash and cash equivalents, grants and contracts receivable, notes receivable, accounts payable and accrued expenses approximates fair value due to the short maturity of such instruments.

The carrying value of the long-term debt approximates its fair value due to the variable interest pay rate of such instrument.

The following table reconciles the beginning and ending balances of recurring fair value measurements for recognized in the accompanying financial statements using significant unobservable (Level 3) financial inputs:

	OCF	Beneficial Interest in Perpetual Trust
Balance as of July 1, 2016	$ 205,068	$ -
Net change in value included in change in net assets	25,605	-
Balance as of June 30, 2017	230,673	-
Contributions	-	109,163
Net change in value included in change in net assets	20,971	-
Balance as of June 30, 2018	$ 251,644	$ 109,163

NOTE 16: ACCESS AGREEMENTS WITH EXEMPT ORGANIZATIONS

Southern Oregon Lions Sight and Hearing Center (SOLS) - The Organization entered into commercial lease agreements with SOLS in connection with two low income housing projects (Holly Court and Lions Cottage). Terms of the agreements require that the Organization pay a monthly sum of $108 for each housing project to SOLS. The Organization then rents the units to low income senior or disabled individuals and manages the projects. The Organization's financial statements do not include the operations of the projects. The agreements automatically renew each year.

The cash for this organization is included in the Organization's bank accounts with an offsetting entry to custodial fund on the consolidated statement of financial position. As of June 30, 2018 and 2017, the balance was $31,340 and $29,123, respectively.

Jackson County Health & Human Services (the County) - The Organization entered into several agreements with the County to provide housing to mental health clients using the Organization's residences located at 29 Summit, 717 and 723 Ross Lane, and 2622 Wyatt Drive in Medford. The County provides services to the clients and pays the Organization an agreed upon monthly or annual rent. The agreements automatically renew each year.

NOTE 17: SUBSEQUENT EVENTS

Management of the Organization has evaluated events and transactions occurring after June 30, 2018 through the date the financial statements were available for issuance, for recognition and/or disclosure in the financial statements.

- On July 3, 2018 the Organization entered into a lease agreement with Rogue Valley Council of Governments for the commercial kitchen facility located at 3630 Aviation Way. The annual rent payment of $84,181 includes base rent and additional rent for pro-rata share of building expenses. The term of the lease ends June 30, 2019 and includes a renewal option.

- On October 29, 2018, the Organization refinanced the 2013 US Bank note payable. The amended terms of the note include a principal balance of $40,959 with an interest rate of 5.46%. Additional terms of the note require 59 monthly installments of $334 beginning October 1, 2018, plus a final payment of $31,603 on October 1, 2023. The note continues to be secured by land and improvements.

SUPPLEMENTARY INFORMATION

Functional expenses are grouped together on these financial statements into three expense categories including, but not limited to, the following expenses:

MANAGEMENT, GENERAL AND ADMINISTRATION:

ACCESS AGENCY:

Accounts for the general activity of ACCESS that are not presented in the other programs including land, building, and equipment owned by ACCESS.

ACCESS DEVELOPMENT CORPORATION:

Accounts for the activity of ACCESS Development Corporation, the entity of which owns the land and building that houses ACCESS.

FUNDRAISING:

RESOURCE DEVELOPMENT:

Fundraising activities and donations for ACCESS to fund general operating and restricted programs.

PROGRAM SERVICES:

COMMUNITY SERVICES BLOCK GRANT (CSBG):

Medical Equipment Loan Program - Provides medical equipment on loan to senior citizens or disabled persons. There is no charge for the use of this equipment and, it may be used as long as there is a need for it. Hospital beds, walkers, crutches, and wheelchairs are examples of equipment available.

Information and Referral - Provides information via the telephone to persons seeking assistance. Current information regarding programs offered by ACCESS is provided. Information regarding programs offered by other human services agencies in Jackson County is also available.

Community Planning - Provides for assessment of community wide needs in order to provide more effective services and programs. Coordinates Jackson County’s Continuum of Care.

Program Support - Provides additional funding to support administrative and program costs of other programs.

HOUSING DEPARTMENT PROGRAMS:

Development - Acquisition and new construction of affordable housing for low-income individuals, families, seniors and people with disabilities.

Property/Asset Management - ACCESS has an ownership interest in 179 units of affordable rental housing, located in Jackson County. Of this, 134 units are managed by 2 third-party management companies while the remaining 45 units are self-managed. In addition to the self-managed units, ACCESS manages another 12 units of housing owned by the Southern Oregon Lion’s Sight & Hearing Center.

Housing Counseling - Provides pre-purchase counseling to participants enrolled in the following programs: Realizing the American Dream (RAD), E-Home America, and a variety of down-payment assistance programs.

HOUSING DEPARTMENT PROGRAMS (Continued):

Realizing the American Dream (RAD) – Provides pre-purchase educational program delivered in a classroom setting. Classes are offered in both Jackson and Josephine Counties.

E-Home America – Provides an approved online pre-purchase educational course that allows the participant an opportunity to complete the education at their own pace and convenience.

DreamSavers - Individual development account (IDA) program that encourages participants to build assets and financial independence through a matched savings program. Participants can save for higher education, home purchase, or to start or expand a small business, home repair and for adaptive technology supports that increase the participant's employability.

Down Payment Assistance Programs (DPAP) - Financial support to assist low-income, first-time home purchasers in covering a portion of the needed down payment and closing cost expenses.

ENERGY AND WEATHERIZATION PROGRAMS:

Federal Department of Energy (DOE), Low Income Home Energy Assistance Program (LIHEAP), Bonneville Power Administration (BPA), Avista Weatherization and Energy Conservation Helping Oregonians (ECHO) are all weatherization programs. These programs assist low-income seniors, people with disabilities and households with energy efficient improvements on their home, which can help to conserve energy and reduce energy bills.

LIHEAP - Provides energy assistance to low income Jackson County residents with preference given to seniors and disabled individuals.

Oregon Energy Assistance - Provides assistance to eligible low-income households to offset the costs of home energy for Pacific Power and Light customers only. Priority is given to households whose services have been disconnected but not required.

Low-Income Ratepayer Assistance Program - Provides assistance to eligible low-income households to offset the costs of home energy for Avista customers only. Priority is given to households who have been disconnected.

Oregon Energy Fund – Provides energy assistance to low-income Jackson County residents. Priority is given to households whose services have been disconnected.

NUTRITION PROGRAMS:

Food Share - Provides emergency and supplemental food to the hungry in Jackson County. Food Share supplies twenty-one food pantries, over 25 supplemental food programs and residential feeding sites (i.e. Salvation Army and Dunn House) with food donated through local community donations, Oregon Food Bank, and USDA.

Fresh Alliance - Fresh Alliance recovers milk, produce, dairy and frozen meat from area grocery stores on or before the product pull date. This product is transported in a refrigerated truck, sorted, re-boxed and distributed to people in need across Jackson County.

Commodity Supplemental Food Program (CSFP) - A federal commodity program targeting income qualifying seniors over the age of 60. Commodity food boxes are provided monthly to qualifying clients.

ACCESS Food Share Gardens - Six large community gardens, run by volunteers growing health produce for ACCESS food pantries and agencies.

NUTRITION PROGRAMS (Continued):

Plant-a-Row - Local gardeners grow extra rows of healthy produce and donate to ACCESS food pantries and agencies.

Cooking Skills Education Program - Inspires and educates community members to eat more fresh, local fruits, vegetables and whole foods through cooking classes and food demonstrations taught by a group of trained volunteers.

Healthy Mobile Food Pantry - Collaborative project with local health centers using the ACCESS mobile food pantry truck to provide food and nutritional services to low-income individuals and families suffering from diet-related chronic disease.

Community Food Systems - Coordination and support for programs that encourage low-income community members to access fresh, local, healthy food such as Double Up Food Bucks (matches SNAP benefits at farmer's markets) and Screen and Intervene (screens patients for hunger and connects them to food resources).

SUPPORT SERVICES PROGRAMS:

ACCESS is a partner with DHS, Employment Division, Jackson County Health Department, On-Track, and area schools at various service integration sites in Jackson County.

HOME Tenant Based Assistance Program (HTBA) - Provides up to two years rental subsidy depending upon housing need identified in partnership with the Housing Authority of Jackson County. The maximum amount of HOME funds that may be paid for a security deposit is no greater than the equivalent of two months' rent for the unit.

The Low-Income Rental Housing Fund Program (LIRHF) - Provides short-term and medium-term rental assistance to verylow-income tenants who are unstably housed and at risk of homelessness. Funds are available for the following program components: homelessness prevention; rapid re-housing; and data collection.

State Homeless Assistance Program (SHAP) - Offers state funds to help meet the emergency needs of homeless Oregonians by providing operational support for emergency shelters and supportive services to shelter residents.

Elderly Rental Assistance Program (ERA) - Assists very low-income seniors, at least 58 years old, who are homeless or are unstably housed and at risk of becoming homeless. We can help with transitional housing, supportive in-home services, and case management.

Emergency Housing Assistance Program (EHA) – Provides assistance to low or very low-income persons who are homeless, are unstably housed, or at risk of becoming homeless and can pay for street outreach, emergency and transitional shelter/housing, shelter and transitional housing facility acquisition.

Housing Stabilization Program (HSP) - Provides temporary financial assistance and support services to stabilize housing for low-income eligible families who are homeless or unstably housed and at risk of losing their housing. The program provides short term benefits for families who are in a specific no-recurring crisis situation. A household can use HSP assistance for a maximum of four months.

SUPPORT SERVICES PROGRAMS (Continued):

Emergency Solutions Grant Program (ESGP) - Provides federal funds to assist individuals and families to quickly regain stability in permanent housing after experiencing a housing crisis or homelessness. ESG funds are available for five program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and data collection through the Homeless Management Information System; as well as administrative activities.

Support Services for Veteran Families (SSVF) - The SSVF program assists Veterans who are homeless or at-risk of homelessness to end their housing crisis and stabilize in housing. There are two primary forms of assistance: Homelessness Prevention and Rapid Re-housing

Navigator Program: Senior & Disabled - Provides assessments for seniors or persons with disabilities to help them navigate through resources for important issues they face on a day-to-day basis including remaining independent in their homes. Companions provide a friendly visit to homebound-seniors who may want that extra connection.

OLSRUD FAMILY NUTRITION CENTER:

Operation of a community nutrition center used to provide a meeting facility with catering options to other agencies in the community.

ACCESS
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
June 30, 2018

	ACCESS	Barnett Townhomes Limited Partnership	ACCESS Development Corporation	Consolidation Eliminations	Total
ASSETS					
Current Assets:					
Cash and cash equivalents	$ 1,206,782	$ 76,626	$ 196,867	$ -	$ 1,480,275
Investments	142,219	-	-	-	142,219
Accounts receivable	59,976	4,950	18,000	(53,725)	29,201
Grants and contracts receivable	1,045,589	-	-	-	1,045,589
Inventory	50,587	-	-	-	50,587
Prepaids	6,834	19,746	-	-	26,580
Total Current Assets	2,511,987	101,322	214,867	(53,725)	2,774,451
Property and Equipment:					
Land	1,421,892	1,057,616	580,474	-	3,059,982
Buildings and improvements	4,011,213	6,050,128	2,586,062	-	12,647,403
Equipment and furnishings	693,024	221,569	-	-	914,593
Vehicles	629,152	-	-	-	629,152
Accumulated depreciation	(2,158,099)	(5,191,879)	(1,106,259)	-	(8,456,237)
Property and Equipment, net	4,597,182	2,137,434	2,060,277	-	8,794,893
Other Assets:					
Beneficial interests	360,807	-	-	-	360,807
Notes receivable, net of present value	1,463,457	-	-	(260,107)	1,203,350
Accrued interest receivable	69,645	-	-	(10,404)	59,241
Security deposits and funded reserves	25,304	385,243	-	-	410,547
Total Other Assets	1,919,213	385,243	-	(270,511)	2,033,945
TOTAL ASSETS	$ 9,028,382	2,623,999	$ 2,275,144	$ (324,236)	$ 13,603,289

ACCESS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION (Continued)

June 30, 2018

	ACCESS	Barnett Townhomes Limited Partnership	ACCESS Development Corporation	Consolidation Eliminations	Total
LIABILITIES AND NET ASSETS					
Current Liabilities:					
Accounts payable	$ 176,004	$ 51,173	$ 1,975	$ (53,725)	$ 175,427
Accrued payroll liabilities	231,264	-	-	-	231,264
Other current liabilities	47,736	50,419	-	-	98,155
Custodial fund	31,340	-	-	-	31,340
Accrued interest payable	42	7,247	-	-	7,289
Current portion of notes payable	70,917	45,951	36,315	-	153,183
Unearned revenue	28,169	712	-	-	28,881
Total Current Liabilities	585,472	155,502	38,290	(53,725)	725,539
Long-Term Liabilities:					
Notes payable, net of current portion	482,908	2,702,099	763,990	(260,107)	3,688,890
Accrued interest payable	-	10,404	-	(10,404)	-
Total Long Term Liabilities	482,908	2,712,503	763,990	(270,511)	3,688,890
TOTAL LIABILITIES	1,068,380	2,868,005	802,280	(324,236)	4,414,429
Net Assets:					
Barnett Townhomes Limited Partnership capital	-	(244,006)	-	-	(244,006)
Unrestricted Net Assets:					
Operating	4,648,813	-	1,472,864	-	6,121,677
Total Unrestricted Net Assets	4,648,813	-	1,472,864	-	6,121,677
Temporarily Restricted Net Assets:					
Reserves	444,314	-	-	-	444,314
Fixed assets	2,506,068	-	-	-	2,506,068
Total Temporarily Restricted Net Assets	2,950,382	-	-	-	2,950,382
Permanently Restricted Net Assets	360,807	-	-	-	360,807
TOTAL NET ASSETS	7,960,002	(244,006)	1,472,864	-	9,188,860
TOTAL LIABILITIES AND NET ASSETS	$ 9,028,382	$ 2,623,999	$ 2,275,144	$ (324,236)	$ 13,603,289

ACCESS

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended June 30, 2018

	ACCESS	Barnett Townhomes Limited Partnership	ACCESS Development Corporation	Consolidation Eliminations	TOTAL
CHANGES IN UNRESTRICTED NET ASSETS:					
Public Support and Revenue					
Public Support					
Contributions	$ 898,804	$ -	$ -	$ -	$ 898,804
Non-cash contributions	4,766,126	-	-	-	4,766,126
Fundraising events	309,236	-	-	-	309,236
Grants					
Federal and state	8,053,538	-	-	-	8,053,538
USDA-federal food commodities	494,796	-	-	-	494,796
City and county	74,027	-	-	-	74,027
Private	307,703	-	-	-	307,703
Total Public Support	14,904,230	-	-	-	14,904,230
Revenue					
Program income	412,322	-	-	(28,456)	383,866
Rental income	323,525	619,465	150,150	(150,150)	942,990
Utility rebates	31	-	-	-	31
Investment income	34,686	173	-	(23,115)	11,744
Miscellaneous	153,879	22,982	-	(84,526)	92,335
Total Revenue	924,443	642,620	150,150	(286,247)	1,430,966
Total Public Support and Revenue Before Net Assets Released from Restrictions	15,828,673	642,620	150,150	(286,247)	16,335,196
Net Assets Released from Restrictions	162,819	-	-	-	162,819
Total Public Support and Revenue	15,991,492	642,620	150,150	(286,247)	16,498,015
Expenses					
Program services	14,430,746	412,561	-	(263,132)	14,580,175
Management and general	981,021	-	14,140	-	995,161
Fundraising	424,359	-	-	-	424,359
Depreciation	168,497	227,078	55,956	-	451,531
Interest expense	24,274	115,713	41,647	(23,115)	158,519
Total Expenses	16,028,897	755,352	111,743	(286,247)	16,609,745
Other Revenue and Expenses					
Change in present value discount on notes receivable	(116,846)	-	-	-	(116,846)
Total Other Revenue and Expenses	(116,846)	-	-	-	(116,846)
CHANGE IN UNRESTRICTED NET ASSETS	(154,251)	(112,732)	38,407	-	(228,576)
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:					
Grants - private	207,653	-	-	-	207,653
Total Temporarily Restricted Public Support	207,653	-	-	-	207,653
Net Assets Released from Restrictions	(162,819)	-	-	-	(162,819)
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	44,834	-	-	-	44,834
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS:					
Contributions	109,163	-	-	-	109,163
Change in beneficial interests	20,971	-	-	-	20,971
CHANGE IN PERMANENTLY RESTRICTED NET ASSETS	130,134	-	-	-	130,134
CHANGE IN NET ASSETS	20,717	(112,732)	38,407	-	(53,608)
NET ASSETS, BEGINNING OF YEAR	7,939,285	(131,274)	1,434,457	-	9,242,468
NET ASSETS, END OF YEAR	$ 7,960,002	$ (244,006)	$ 1,472,864	$ -	$ 9,188,860

ACCESS

CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES

Year Ended June 30, 2018

	Management, General and Administration		Fundraising	Program Services								
	ACCESS	ACCESS Development Corporation	Resource Development	CSBG	Barnett Townhomes Limited Partnership	Housing Development Programs	Energy and Weatherization Programs	Nutrition Programs	Support Services	Olsrud Family Nutrition Center	Consolidation Eliminations	TOTAL
Functional Expenses												
Personnel and Benefits	$ 495,903	$ -	$ 254,899	$ 84,937	$ 147,222	$ 405,350	$ 470,328	$ 570,449	$ 1,160,397	$ 6,998	$ (112,982)	$ 3,483,501
Contracted Services	62,088	1,490	-	18,375	51,433	48,706	1,079,394	60,494	871,935	-	-	2,193,915
Energy Assistance	-	-	-	-	-	-	2,310,364	-	42,457	-	-	2,352,821
Shelter Assistance	-	-	-	-	-	-	-	-	1,105,040	-	-	1,105,040
Emergency Assistance	-	-	-	-	-	-	85	40	92,750	-	-	92,875
Food Assistance	-	-	-	-	-	37	-	43,205	47	-	-	43,289
Food Contributions Distributed	-	-	-	-	-	-	-	4,932,806	-	-	-	4,932,806
Weatherization and Maintenance Materials	2,554	-	947	146	-	17,183	2,091	115	2,046	1,033	-	26,115
Non-cash Equipment, Goods and Services	11,278	-	36,996	-	-	-	-	25,510	203,745	-	-	277,529
Rent, Utilities and Security	48,906	-	13,143	56,349	50,767	145,415	20,143	57,610	28,591	53,685	(150,150)	324,459
Building and Equipment Maintenance	32,655	12,630	8,446	805	107,100	87,052	4,921	23,186	11,392	9,130	-	297,317
Insurance	16,655	-	951	776	25,787	18,029	1,761	6,404	2,709	-	-	73,072
Vehicle Gas and Oil	2,929	-	-	-	-	6,683	2,670	14,430	1,264	-	-	27,976
Vehicle Insurance and Maintenance	5,349	-	54	33	-	4,555	3,774	15,685	5,514	-	-	34,964
Travel and Training	11,567	-	995	913	304	9,612	25,167	7,833	38,687	-	-	95,078
Office and Computer	65,912	-	67,562	7,569	2,553	14,909	21,192	14,292	50,343	3	-	244,335
Telephone	6,101	-	792	1,065	3,896	4,994	7,199	6,897	15,680	734	-	47,358
Taxes, Licenses and Fees	11,402	20	2,610	30	23,055	17,472	338	2,442	1,522	-	-	58,891
Advertising and Promotion	2,692	-	35,438	2,542	10	61	730	11,807	6,586	-	-	59,866
Professional Fees	185,775	-	-	3,271	-	5,763	-	1,820	-	-	-	196,629
Investment Fees	2,171	-	-	-	-	-	-	-	-	-	-	2,171
Miscellaneous	17,084	-	1,526	104	434	3,483	763	4,065	2,161	68	-	29,688
Depreciation	19,362	55,956	63	11	227,078	107,375	6,385	20,888	252	14,161	-	451,531
Interest Expense	53	41,647	-	-	115,713	24,221	-	-	-	-	(23,115)	158,519
Total Functional Expenses	$ 1,000,436	$ 111,743	$ 424,422	$ 176,926	$ 755,352	$ 920,900	$ 3,957,305	$ 5,819,978	$ 3,643,118	$ 85,812	$ (286,247)	$ 16,609,745

ADDITIONAL REPORTS AND SCHEDULES REQUIRED BY UNIFORM GUIDANCE

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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
ACCESS
3630 Aviation Way
Medford, OR 97504

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 ACCESS (the Organization), which comprise the consolidated statement of financial position as of June 30, 2018 and the related consolidated statement of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated February 28, 2019.

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency: 2018-001

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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 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.*

ACCESS' Response to Finding

ACCESS' response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. ACCESS' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Stewart C Parmele CPA, Partner

Stewart C. Parmele CPA, Partner
KDP Certified Public Accountants, LLP
Medford, Oregon
February 28, 2019

ACCESS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Idetifying Number	Grant/Contract Number	Passed Through to Sub-recipients	Federal Expenditures
U. S. Department of Agriculture					
Direct Program:					
Community Food Projects	10.225		GRANT12044140	$ -	$ 121,174
Total CFDA 10.225				-	121,174
Passed Through Oregon Department of Human Services:					
Commodity Supplemental Food Program (Administrative Costs) CSFP	10.565		150327-0	-	28,491
Commodity Supplemental Food Program (Food Commodities) CSFP	10.565		150327-0	-	96,336
Passed Through Oregon Food Bank:					
Emergency Food Assistance Program (Administrative Costs) TEFAP	10.568		T16R20	-	15,922
Emergency Food Assistance Program (Food Commodities)TEFAP	10.569		T16R20	-	398,460
Total Food Distribution Cluster				-	539,209
	Total U. S. Department of Agriculture			**$ -**	**$ 660,383**
U. S. Department of Housing and Urban Development					
Direct Program:					
Supportive Housing Program	14.235		OR0050L0E021609	$ -	$ 11,446
Total CFDA 14.235				-	11,446
Continuum of Care Program	14.267		OR0206L0E021500, OR0227L0E021600	-	16,529
Total CFDA 14.267				-	16,529
Passed through Rural Community Assistance Corporation:					
Housing Counseling Assistance Program	14.169		HOC17-A258	-	19,989
Total CFDA 14.169				-	19,989
Passed through Oregon Housing and Community Services:					
Emergency Solutions Grant Program	14.231		E15-DC-41-0001 & E16-DC-41-0001	14,149	158,253
Total CFDA 14.231				14,149	158,253
Home Investment Partnerships Program	14.239		M-13-SG-41-0100, M-14-SG-41- 0100, M-15-SG-41-0100, M-16-SG-41-0100, & & M-17-SG-41-0100	-	264,299
Total CFDA 14.239				-	264,299
	Total U. S. Department of Housing and Urban Development			**$ 14,149**	**$ 470,516**
U. S. Department of Veterans Affairs					
Direct Programs:					
VA Supportive Services for Veteran Families Program	64.033		C2015-OR-502B & 13-OR-128	$ 615,255	$ 1,982,909
Total CFDA 64.033				615,255	1,982,909
	Total U. S. Department of Veterans Affairs			**$ 615,255**	**$ 1,982,909**
U. S. Department of Energy					
Passed Through Oregon Housing and Community Services:					
Weatherization Assistance For Low-Income Persons (DOE)	81.042		DE-EE0007945	$ -	$ 125,885
Weatherization Assistance For Low-Income Persons (BPA Funds)	81.042		70589, 77347	-	41,272
Total CFDA 81.042				-	167,157
	Total U. S. Department of Energy			**$ -**	**$ 167,157**
U. S. Department of Health and Human Services					
Passed Through Oregon Housing and Community Services:					
Temporary Assistance for Needy Families (TANF)	93.558		149368	$ -	$ 32,630
Community Services Block Grant	93.569		G-18B1ORCOSR & G-17B1ORCOSR	-	312,319
Total 477 Cluster				-	344,949
Low-Income Home Energy Assistance	93.568		G-18B1ORLIEA & G-17B1ORLIEA	-	1,969,488
Total CFDA 93.568				-	1,969,488
	Total U. S. Department of Health and Human Services			**$ -**	**$ 2,314,437**
Federal Emergency Management Agency					
Direct Programs:					
Emergency Food & Shelter Program National Board Program	97.024		711800	$ -	$ 2,251
Total CFDA 97.024				-	2,251
	Total U. S. Federal Emergency Management Agency			**$ -**	**$ 2,251**
	Total Expenditures of Federal Awards			**$ 629,404**	**$ 5,597,653**

NOTE A – BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of ACCESS (the Organization) under programs of the federal government for the year ended June 30, 2018. 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 the Organization, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Organization.

NOTE B – 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 C – INDIRECT COST RATE:

The Organization has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE D – FOOD DISTRIBUTION:

Non-monetary assistance is reported on the Schedule at the fair market value of the commodities received and disbursed. For the year ended June 30, 2018, the Organization received food commodities totaling $494,796.