

| ACCESS

CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2023
WITH
INDEPENDENT AUDITOR'S REPORT





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ACCESS

YEAR ENDED JUNE 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
ACCESS

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of ACCESS and its subsidiary (ACCESS), which comprise the consolidated statement of financial position as of June 30, 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of ACCESS as of June 30, 2023, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ACCESS and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As described in Note 1 to the financial statements, ACCESS adopted Accounting Standards Update (ASU) 2016-02, *Leases* (Topic 842). Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ACCESS' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ACCESS' ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2024, on our consideration of ACCESS' 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 ACCESS' 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' internal control over financial reporting and compliance.

KDP Certified Public Accountants, LLP

KDP Certified Public Accountants, LLP
Medford, Oregon
March 28, 2024



**| CONSOLIDATED
FINANCIAL STATEMENTS**

ACCESS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023

ASSETS:

Current Assets:

Cash and cash equivalents	\$ 7,876,105
Investments	144,441
Accounts receivable, net	38,416
Grants and contracts receivable	4,006,166
Notes receivable	1,281,862
Accrued interest receivable	13,203
Inventory	82,142
Prepays and deposits	159,628
Total Current Assets	<u>13,601,963</u>

Other Assets:

Right of use asset - operating lease	611,215
Right of use asset - finance lease	51,845
Property and equipment, net	7,992,277
Bequests receivable	814,000
Beneficial interests	402,757
Total Other Assets	<u>9,872,094</u>

TOTAL ASSETS \$ 23,474,057

LIABILITIES AND NET ASSETS:

Current Liabilities:

Accounts payable	\$ 850,165
Accrued payroll liabilities	639,597
Tenant deposits	60,041
Deferred revenue	3,137,212
Current portion of notes payable, net of debt issuance costs	70,685
Current portion of operating lease liability	275,558
Current portion of financing lease liability	28,044
Total Current Liabilities	<u>5,061,302</u>

Long-Term Liabilities:

Notes payable, net of current portion and debt issuance costs	935,536
Operating lease liability, net of current portion	365,306
Financing lease liability, net of current portion	25,438
Total Long-Term Liabilities	<u>1,326,280</u>

TOTAL LIABILITIES 6,387,582

Net Assets:

Without Donor Restrictions:	
Operating	11,614,031
ACCESS Development Corporation	2,894,691
Total Net Assets Without Donor Restrictions	<u>14,508,722</u>

With Donor Restrictions:	
Time and/or purpose	2,174,996
In perpetuity	402,757
Total Net Assets With Donor Restrictions	<u>2,577,753</u>

TOTAL NET ASSETS 17,086,475

TOTAL LIABILITIES AND NET ASSETS \$ 23,474,057

ACCESS
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTIONS</u>	<u>TOTAL NET ASSETS</u>
Public Support and Revenue:			
Public Support:			
Contributions	\$ 1,601,916	\$ 1,329,401	\$ 2,931,317
Non-cash contributions	6,248,072	-	6,248,072
Fundraising events	281,132	-	281,132
Grants:			
Federal and state	33,614,181	619,438	34,233,619
USDA-federal food commodities (non-cash)	859,256	-	859,256
City and county	67,395	18,000	85,395
Private	876,813	80,584	957,397
Total Public Support	<u>43,548,765</u>	<u>2,047,423</u>	<u>45,596,188</u>
Revenue:			
Program income	215,448	-	215,448
Rental income	461,826	-	461,826
Interest income	80,124	-	80,124
Change in beneficial interests	-	(13,951)	(13,951)
Miscellaneous	9,922	-	9,922
Total Revenue	<u>767,320</u>	<u>(13,951)</u>	<u>753,369</u>
Net Assets Released From Restrictions	966,503	(966,503)	-
Total Public Support and Revenue	<u>45,282,588</u>	<u>1,066,969</u>	<u>46,349,557</u>
Expenses:			
Program service	41,300,903	-	41,300,903
Management and general	3,049,978	-	3,049,978
Fundraising	769,489	-	769,489
Total Expenses	<u>45,120,370</u>	<u>-</u>	<u>45,120,370</u>
Other Revenue and Expenses:			
Change in present value discount on notes receivable	5,889	-	5,889
Total Other Revenue and Expenses	<u>5,889</u>	<u>-</u>	<u>5,889</u>
CHANGE IN NET ASSETS	168,107	1,066,969	1,235,076
NET ASSETS, BEGINNING OF YEAR	<u>14,340,615</u>	<u>1,510,784</u>	<u>15,851,399</u>
NET ASSETS, END OF YEAR	<u>\$ 14,508,722</u>	<u>\$ 2,577,753</u>	<u>\$ 17,086,475</u>

ACCESS
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

	Support Services				Program Services								TOTAL
	Management, General and Administration		Fundraising		Community Service Block Grant	Housing Programs	Energy and Weatherization Programs	Nutrition Programs	Support Services	Olsrud Family Nutrition Center	Consolidation Eliminations	Total Program Services	
	ACCESS	ACCESS Development Corporation	Resource Development	Total Support Services									
Functional Expenses:													
Personnel and benefits	\$ 1,806,959	\$ -	\$ 489,296	\$ 2,296,255	\$ 6,327	\$ 906,994	\$ 910,300	\$ 728,769	\$ 3,716,170	\$ 3,799	\$ -	\$ 6,272,359	\$ 8,568,614
Contracted services	110,912	-	1,000	111,912	27,000	413,689	1,228,997	6,310	2,622,861	4,061	(35,082)	4,267,836	4,379,748
Energy assistance	-	-	-	-	-	-	3,052,771	-	84,470	-	-	3,137,241	3,137,241
Shelter assistance	-	-	75	75	-	-	-	-	9,678,964	-	-	9,678,964	9,679,039
Emergency assistance	-	-	-	-	-	-	-	-	1,732,867	-	-	1,732,867	1,732,867
Food assistance	-	-	23	23	-	-	-	587,504	43	-	-	587,547	587,570
Food contributions distributed	-	-	-	-	-	-	-	5,793,599	-	-	-	5,793,599	5,793,599
Non-cash equipment, goods and services	-	-	-	-	-	-	-	49,905	1,280,119	-	-	1,330,024	1,330,024
Weatherization and maintenance materials	14,502	-	32	14,534	-	20,149	7	90	2,655	810	-	23,711	38,245
Rent, utilities and security	290,290	-	44,227	334,517	-	6,546,684	58,013	139,777	313,101	108,868	(210,330)	6,956,113	7,290,630
Building and equipment maintenance	90,796	4,258	15,355	110,409	-	74,995	2,095	43,276	10,378	32,446	-	163,190	273,599
Insurance	39,194	-	1,606	40,800	-	23,286	5,605	15,798	11,866	6,817	-	63,372	104,172
Vehicle gas and oil	3,622	-	-	3,622	-	8,247	2,959	32,532	7,661	-	-	51,399	55,021
Vehicle insurance and maintenance	18,791	-	-	18,791	-	8,842	5,781	35,874	96,710	-	-	147,207	165,998
Travel and training	21,898	-	730	22,628	105	17,150	48,750	432	23,888	-	-	90,325	112,953
Office and computer	143,078	-	88,381	231,459	7,226	64,111	67,532	71,233	248,035	1,563	-	459,700	691,159
Telephone	30,919	-	3,971	34,890	-	9,963	13,470	10,276	87,740	544	-	121,993	156,883
Taxes, licenses and fees	21,533	199	10,101	31,833	-	6,727	5	1,624	12,538	200	-	21,094	52,927
Advertising and promotion	37,392	-	112,422	149,814	-	2,419	2,380	4,713	24,292	-	-	33,804	183,618
Professional fees	208,763	-	1,122	209,885	38,258	2,177	11,224	2,055	23,316	187	-	77,217	287,102
Miscellaneous	17,661	-	1,148	18,809	-	3,668	-	222	10,333	4,860	-	19,083	37,892
Depreciation	60,982	84,447	-	145,429	-	107,018	-	66,124	11,302	27,755	-	212,199	357,628
Interest expense	612	43,170	-	43,782	-	17,282	-	-	-	42,777	-	60,059	103,841
Total Functional Expenses	\$ 2,917,904	\$ 132,074	\$ 769,489	\$ 3,819,467	\$ 78,916	\$ 8,233,401	\$ 5,409,889	\$ 7,590,113	\$ 19,999,309	\$ 234,687	\$ (245,412)	\$ 41,300,903	\$ 45,120,370

See accompanying notes to the consolidated financial statements

ACCESS
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	\$ 1,235,076
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	357,628
Amortization of right-of-use assets	287,883
Amortization of deferred financing costs	393
Unrealized (gain) loss on investments	(132)
Unrealized (gain) loss on beneficial interests	13,951
Change in present value discount on notes receivable	(5,889)
(Increase) decrease in:	
Accounts receivable, net	11,817
Grants and contracts receivable	952,734
Bequests receivable	(814,000)
Accrued interest receivable	644
Inventory	16,295
Prepays and deposits	(144,495)
Increase (decrease) in:	
Accounts payable	(684,171)
Accrued payroll liabilities	234,019
Tenant deposits	12,672
Deferred revenue	3,137,212
Operating lease liability	(260,880)
Net Cash Provided (Used) by Operating Activities	<u>4,350,757</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Proceeds from principal payments on notes receivable	7,375
Purchase of property and equipment	(1,004,755)
Net Cash Provided (Used) by Investing Activities	<u>(997,380)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Principal payments on notes payable	(76,916)
Principal payments on finance leases	(27,258)
Net Cash Provided (Used) by Financing Activities	<u>(104,174)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	3,249,203
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>4,626,902</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 7,876,105</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS:	
Cash paid during the year for interest	<u>\$ 61,211</u>



**| NOTES TO THE
CONSOLIDATED
FINANCIAL STATEMENTS**

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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, Housing, Support Services and Olsrud Family Nutrition Center.

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:

Under the provisions of Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ACS) Topic 810-10, *Consolidation*, the consolidated financial statements reconcile the activities of the subsidiary entities. The consolidated financial statements (the 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 financial statements.

Basis of Accounting:

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation:

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

- Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.
- Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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

The Organization's beneficial interest in a perpetual charitable trust held by a bank as trustee and another beneficial interest held by the Oregon Community Foundation, both of which are to be maintained in perpetuity, are classified in net assets with donor restrictions.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Use of Estimates:

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

Cash and Cash Equivalents:

For the purposes of the Consolidated Statement of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents, unless held by an investment advisor or the amounts are held for meeting regulatory restrictions or reserves.

Investments:

Investments at June 30, 2023 consist entirely of certificates of deposit.

Grants and Contracts Receivable:

Grants and contracts receivable represent amounts that have been billed under agency contracts but not collected as of the date of the financial statements. All grants and contracts receivable represent amounts owed by federal, state, and local government agencies. Grants and contracts receivable are stated at the amount management expects to be collected from the outstanding balance. As of June 30, 2023, management has determined, based on historical experience, that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

Bequests Receivable:

Bequests receivable represent amounts which the Organization has been notified of its interest by wills or estates and estimates the value of its interest at liquidation.

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.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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

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 one year. Depreciation is charged to expense using the straight-line method over the estimated useful lives of each asset.

The estimated useful lives of each major depreciable classification of property and equipment are as follows:

Property	-	5-40 years
Equipment	-	3-20 years

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 property 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 fiscal year 2023.

Leases:

The Organization determines if an arrangement contains a lease at the inception of a contract. The lease classification is determined at the commencement date. Operating leases are included in operating lease right of use (ROU) assets, current liabilities, and long-term liabilities on the Consolidated Statement of Financial Position. Finance leases are included in property and equipment, current liabilities, and long-term liabilities on the Consolidated Statement of Financial Position.

Right-of-use assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease during the lease term. Right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of the remaining future minimum lease payments during the lease term. Lease commencement is the date the Organization has the right to control the property. The Organization utilizes its incremental borrowing rate to discount the lease payments. The incremental borrowing rate is based on the Organization's estimated rate of interest for a collateralized borrowing over a similar term as the lease term.

The operating lease right-of-use assets also include lease payments made before commencement, lease incentives, and are recorded net of impairment. Operating leases are expensed on a straight-line basis over the lease term. The Organization accounts for lease components and non-lease components as a single lease component. Variable lease payment amounts that cannot be determined at the commencement of the lease such as increases in lease payments based on changes in index rates or usage, are not included in the right-of-use assets or lease liabilities. These are expensed as incurred. The Organization has real estate leases which require additional payments based on reimbursement for real estate taxes and common area maintenance and insurance, which are expensed as incurred as variable lease costs and hence are not included in the lease payments used to calculate lease liability. Other real estate leases contain one fixed lease payment that includes real estate taxes, common area maintenance and insurance. These fixed payments are considered part of the lease payment and included in the right-of-use assets and lease liabilities. The Organization does not separately account for the land portion of the leases involving land and building.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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

Beneficial Interests:

The Organization is the beneficiary of perpetual irrevocable trusts held and administered by independent trustees. Under the terms of the trusts, the Organization has the irrevocable right to receive the income earned on trust assets in perpetuity. The fair value of the beneficial interest in a trust is recognized as an asset and as a contribution with donor restrictions at the date the trust was established. The Organization's estimate of fair value at each reporting date is based on fair value information about the trust's assets received from trustees. Trust assets consist of, but are not limited to, cash and cash equivalents, corporate and government bonds, mutual funds, and equity securities. These assets are not subject to control or direction by the Organization. Distributions of income from the trust are reported as investment income. Gains and losses, which are not distributed by the trusts, are reflected as the unrealized change in beneficial interests in the Consolidated Statement of Activities.

Deferred Financing Costs:

Costs incurred in connection with financing activities are deferred and amortized using the effective interest method over the terms of the related debt agreements. Amortization of these costs is included as a component of interest expense in the accompanying financial statements.

Deferred Revenue:

The Organization is the recipient of grants that require expenditure for specified activities before the Organization is reimbursed by the grantor for the costs incurred. Documentation showing actual costs expended is included when submitting a monthly or quarterly report for reimbursement. Certain grantors pay in advance of incurring the specified costs; in those cases, the amount received in excess of amounts spent on reimbursable costs is reported as deferred revenue.

Revenue Recognition:

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

Revenue with and without Donor Restrictions:

Contributions that are restricted by the donor are reported 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. Contributions of property and equipment are reported as net assets with donor restrictions if the donor restricted the use of the property or equipment to a particular program, as are contributions of cash restricted to the purchase of property and equipment. Otherwise, donor restrictions on contributions of property and equipment or assets restricted for purchase of property and equipment are considered to expire when the assets are placed in service. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets with donor restrictions and reported in the Consolidated Statement of Activities as net assets released from restrictions.

Grants and contributions with donor restrictions are reported as an increase in net assets without donor restrictions if the funds are received and released in the same reporting period in which the grant/contribution is recognized.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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

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 \$1.44 per pound at June 30, 2023. To arrive at the estimated wholesale fair value per pound, ACCESS uses the approximate average value based on an independent accountant's report to Feeding America (national domestic hunger-relief charity).

Additionally, the Organization also receives USDA commodities for the Emergency Food Assistance Program (TEFAP). Estimated price per pound for fiscal year 2023 was \$1.15 for the TEFAP program.

Approximately 4.1 million pounds of donated food were received from the above referenced sources during the year ended June 30, 2023.

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.

Functional Expenses:

The costs of providing various programs and other activities have been summarized on a functional basis in the Consolidated Statement of Activities. The Consolidated Statement of Functional Expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include occupancy and depreciation, which are allocated on a square footage basis, as well as personnel costs, professional services, office expenses, information technology, insurance, and other expense, which are allocated on the basis of estimates of time and effort.

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 Consolidated 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.

At June 30, 2023, 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, 2023, the amount that exceeded FDIC coverage was approximately \$1,017,602.

The Organization uses a service provided by IntraFi Cash Service through Banner Bank which deposits amounts in the Organization's name across various banks to reduce the balance in excess of FDIC coverages.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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

New Accounting Pronouncements:

During the year ended June 30, 2023, the Organization implemented the following accounting pronouncements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, and has subsequently been amended by multiple ASUs. ASU 2016-02 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e., lessees and lessors). ASU 2016-02 requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease or accounting purposes is effectively a financed purchase of the leased asset by the lessee. This classification will determine whether the lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to the current guidance in ASC 840 "Leases" ("Topic 840"). ASU 2016-02 requires lessors to account for lease using an approach that is substantially equivalent to Topic 840 for sales-type leases, direct financing leases and operating leases. ASU 2016-02 was codified as ASC 842 and will supersede ASC 840. ASU 2016-02 was effective on July 1, 2022 for the Organization. The implementation of this pronouncement had no impact on previously reported total net assets.

The New Lease Standard requires lessees to recognize a right-of-use asset and a lease liability on the balance sheet for all leases (with the exception of short-term leases, as defined in the New Lease Standard) at the lease commencement date and recognize expenses on the income statement in a similar manner to the legacy guidance in ASC 840, Leases ("ASC 840").

In July 2018, the FASB issued ASU 2018-11, *Leases (Topic 842): Targeted Improvements*, which provides an optional transition method of applying the new lease standard. Topic 842 can be applied using either a modified retrospective approach at the beginning of the earliest period presented, or as permitted by ASU 2018-11, at the beginning of the period in which it is adopted.

The Organization adopted the provisions of the New Lease Standard effective July 1, 2022, using the modified retrospective adoption method, utilizing the simplified transition option available in the New Lease Standard. The Organization elected the package of practical expedients available under the transition provisions of the New Lease Standard, including (i) not reassessing whether expired or existing contracts contain leases, (ii) not reassessing lease classification, and (iii) not revaluing initial direct costs for existing leases.

The following table provides the Consolidated Statement of Financial Position impact of applying the New Lease Standard effective July 1, 2022. The impact to the Organization's result of operations and cash flows was not significant:

	Balance at June 30, 2022	Adjustments due to ASC 842	Balance at July 1, 2022
Assets:			
Operating lease right-of-use assets	\$ -	\$ 870,203	\$ 870,203
Finance lease right-of-use assets	-	80,740	80,740
Total Assets	\$ -	\$ 950,943	\$ 950,943
Liabilities:			
Operating lease liability	\$ -	\$ 901,744	\$ 901,744
Finance lease liability	-	80,740	80,740
Total Liabilities	\$ -	\$ 982,484	\$ 982,484

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 2: CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following at June 30, 2023:

Petty cash	\$ 160
Cash in checking accounts:	
General	7,195,578
Client trust-security deposits	60,041
Access Development Corporation	620,326
Total cash and cash equivalents	\$ 7,876,105

NOTE 3: AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets that are available to meet cash needs for general expenditures at June 30, 2023:

Financial assets:

Cash and cash equivalents	\$ 7,876,105
Investments	144,441
Accounts receivable	38,416
Grants and contracts receivable	4,006,166
Notes receivable	1,281,862
Bequests receivable	814,000
Beneficial interests	402,757
Total financial assets	14,563,747

Less amounts not available to be used within one year

Bequests receivable	(814,000)
Beneficial interests	(402,757)

Financial assets not available to be used within one year (1,216,757)

Unused line of credit 500,000

Financial assets available to meet general expenditures within one year \$ 13,846,990

The Organization has a liquidity policy to maintain a board-designated cash reserve of \$603,912. The cash reserve policy was implemented to ensure financial assets were available to fund general expenses, liabilities and other obligations as they come due. To meet this policy, the Organization monitors liquidity on an ongoing basis.

In addition, the Organization has a line of credit of \$500,000, which could be drawn upon in the event of an unanticipated liquidity deficiency; however, the Organization has not elected to draw upon the line.

NOTE 4: INVESTMENTS

Investments consist of the following at June 30, 2023:

17-month CD matures July 31, 2024, interest 0.150%	\$ 144,441
Total investments - certificates of deposit	\$ 144,441

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 5: BENEFICIAL INTERESTS

OCF:

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 fair value of the funds held by OCF at June 30, 2023 was \$302,895.

Perpetual Trust:

The Organization is the partial beneficiary of a perpetual trust 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 \$3,995 during the year ended June 30, 2023. The perpetual trust is valued annually at December 31. There were no significant changes in value of the perpetual trust at the Organization's fiscal year end. At June 30, 2023 the estimated fair value of the perpetual trust was \$99,862.

NOTE 6: 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 notes receivable (\$723,043 note and \$386,400 note) have a rate of 1.00% interest per annum and the third note receivable (\$250,000) has a 0.00% interest rate. The \$250,000 and \$386,400 notes receivable have a maturity date of December 31, 2047 and the \$723,043 note receivable has a maturity date of December 31, 2057. Principal and interest on all three notes are due upon maturity. The notes receivable are secured by a second deed of trust on the real property. The notes receivable are adjusted to present value using the borrowing rate of the Organization which is 3.75% less the interest rate on the notes receivable. During the year ended June 30, 2023, \$7,374 of principal was paid on the \$723,043 note leaving \$645,462 outstanding at June 30, 2023. No payments have been made to date on the \$386,400 note or \$250,000 note. ACCESS has a \$13,203 accrued interest receivable at June 30, 2023.

In fiscal year 2023, ACCESS had a purchase option agreement and right of first refusal on the Conifer Gardens property. At this event the notes will either be refinanced or ACCESS will obtain ownership of the Conifer Gardens property and the notes receivable will become an inter-entity receivable. As of June 30, 2023, ACCESS has begun the initial steps to exercise this purchase option which include depositing \$100,000 in earnest money and plans to complete the purchase in fiscal year 2024. Notes receivable at June 30, 2023 was \$1,281,862

NOTE 7: LINE OF CREDIT

ACCESS had a line of credit agreement with a loan date of July 6, 2020 and a maturity date of July 15, 2023. The line of credit was for \$250,000 and carried a variable interest rate that was based on the U.S. Prime Rate plus 2.00 percentage points and reduced 1.00% preferred rate. The initial rate on the line of credit was 4.25%.

On September 3, 2021, ACCESS amended its agreement to increase the line of credit to \$500,000 and mature on September 15, 2022. The agreement carries a variable interest rate that is based on the U.S. Prime Rate plus 1.00 percentage point. The initial rate was 4.25%. Subsequent to year-end, ACCESS extended the line of credit through September 15, 2025 with an initial rate of 9.50%

At June 30, 2023, there were no amounts outstanding on the line of credit.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 8: PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2023:

	<u>June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2023</u>
Land	\$ 2,163,322	\$ -	\$ -	\$ 2,163,322
Buildings and improvements	7,860,981	299,808	-	8,160,789
Equipment and furnishings	807,752	271,120	(136,773)	942,099
Vehicles	727,514	433,827	-	1,161,341
Total historical cost	11,559,569	1,004,755	(136,773)	12,427,551
Less: accumulated depreciation	(4,214,419)	(357,628)	136,773	(4,435,274)
Total net book value	<u>\$ 7,345,150</u>	<u>\$ 647,127</u>	<u>\$ -</u>	<u>\$ 7,992,277</u>

Depreciation expense for the year ended June 30, 2023 was \$357,628.

NOTE 9: LONG-TERM DEBT

The Organization's long-term debt consists of the following at June 30, 2023:

ADC:	
Banner Bank 2008 loan, net	\$ 621,356
The Organization:	
Banner Bank 2004 loan	39,198
Banner Bank 2005 loan	58,619
Banner Bank 2002 loan	54,806
US Bank 2018 loan	31,489
People's Bank 2016 loan	148,727
People's Bank 2016 loan #2	52,026
Total consolidated long-term debt	<u>\$ 1,006,221</u>

ADC:

On October 17, 2008, ADC entered into a note payable to Banner Bank in the original amount of \$1,057,000. The note is secured by land and buildings and matures on October 17, 2033. The interest rate is subject to change from time to time based on changes in the Weekly Average Five Year Constant Maturity Treasury rate (0.74% at the time of the loan) plus 3.50 percentage points. The interest rate change will not occur more often than each five years. The interest rate was 6.53% per annum at June 30, 2023. Current monthly payments of principal and interest are \$6,958.

ADC incurred \$10,115 in debt issuance costs, which are amortized using the effective interest method. ADC amortized \$393 of debt issuance costs during 2023 and unamortized costs of \$2,118 are outstanding at June 30, 2023. Total debt outstanding at June 30, 2023 was \$623,474 (\$621,356 gross debt net of issuance costs of \$2,118).

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 year ended June 30, 2023 totaled \$43,170 which includes \$393 of amortized debt issuance costs.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 9: LONG-TERM DEBT (Continued)

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%. The note is secured by land and improvements. The interest rate is subject to change from time to time based on changes in the Weekly Average Five Year Constant Maturity Treasury rate (1.36% at the time of the change in terms) plus 3.50 percentage points. The interest rate change will not occur more often than each five years. The interest rate was 3.95% per annum at June 30, 2023. Current monthly payments of principal and interest are \$553. The note requires a final payment of \$30,998 on April 15, 2025.

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. The note is secured by land and improvements. The interest rate is subject to change from time to time based on changes in the Weekly Average Five Year Constant Maturity Treasury rate (4.24% at the time of the modification) plus 2.06 percentage points. The interest rate change will not occur more often than each five years. The interest rate was 2.39% per annum at June 30, 2023. Current monthly payments of principal and interest are \$438. The note requires a final payment of \$57,823 on October 17, 2025.

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. The note is secured by land and improvements. The interest rate is subject to change from time to time based on changes in the Weekly Average Five Year Constant Maturity Treasury rate (0.74% at the time of the change in terms) plus 3.50 percentage points. The interest rate change will not occur more often than each five years. The interest rate was 6.41% per annum at June 30, 2023. Current monthly payments of principal and interest are \$671. The note 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, as modified in the Amendment to Note dated October 29, 2018, require 60 monthly payments of \$334, including interest computed at 5.46% per annum. The note is secured by land and improvements. The note requires a final payment of \$31,063 on October 1, 2023.

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 note is secured by land and improvements. The terms of the note require 61 monthly payments of \$1,893 including interest computed at 4.00% per annum. A final payment of \$183,877 was due March 22, 2021. The Organization refinanced the outstanding balance on that date which extended the maturity date to March 22, 2031. The interest rate on the new loan is 4.00% until paid in full, with 60 principal and interest payments of \$1,867 due monthly.

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 note is secured by land and improvements. The terms of the note require 64 monthly payments of \$634 including interest computed at 4.00% per annum. A final payment of \$62,172 was due June 9, 2021. The Organization refinanced the outstanding balance on that date which extended the maturity date to June 8, 2031. The interest rate on the new loan is 4.00% until paid in full, with 60 principal and interest payments of \$631 due monthly.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 9: LONG-TERM DEBT (Continued)

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 \$17,894 for the above notes payable in interest to expense for the year ended June 30, 2023.

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

	<u>Principal</u>	<u>Deferred Financing Costs</u>	<u>Total</u>
2024	\$ 71,049	(364)	\$ 70,685
2025	82,423	(334)	82,089
2026	112,895	(302)	112,593
2027	130,766	(270)	130,496
2028	86,942	(199)	86,743
Thereafter	524,264	(649)	523,615
	<u>\$ 1,008,339</u>	<u>\$ (2,118)</u>	<u>\$ 1,006,221</u>

NOTE 10: LEASES

ACCESS has entered into a non-cancellable operating lease related to office space and finance leases related to equipment. Operating and financing leases and associated expenses for the year ended June 30, 2023 amounted to \$287,397 and \$39,136, respectively. The office space lease includes an extension option which is estimated will be for one additional year, through September 2023.

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

	<u>Operating</u>	<u>Finance</u>
Year ended June 30,		
2024	\$ 289,524	\$ 29,136
2025	296,761	17,491
2026	75,246	7,767
2027	-	693
Total undiscounted cash flows	661,531	55,087
Less: present value adjustment	(20,667)	(1,605)
Total lease liabilities	<u>\$ 640,864</u>	<u>\$ 53,482</u>

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 10: LEASES (Continued)

Weighted average discount rates and remaining lease terms in years were as follows for the year ended June 30, 2023:

Weighted average discount rate for operating leases	2.84%
Weighted average discount rate for finance leases	2.85%
Weighted average remaining lease term in years for operating leases	2.25
Weighted average remaining lease term in years for finance leases	2.17

Additionally, ACCESS leases office and warehouse facilities from ADC, an affiliated corporation which has been consolidated in these financial statements. One lease is from July 1, 2022 and ended June 30, 2027. An additional lease is from July 1, 2022 through June 30, 2027. Leased space includes the main office facility and warehouse of the Organization, the Olsrud Family Nutrition Center, a warehouse building on Lear Way in Medford, Oregon, and a housing shelter. Rent expense totaled \$210,330 for fiscal year ending June 30, 2023. The transactions are eliminated in the consolidated financial statements and have not been included in the future minimum payments schedule.

NOTE 11: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at June 30, 2023:

Net assets with time/purpose restrictions:	
Housing	\$ 598,603
Nutrition	485,926
Support services	276,467
Bequests receivable	814,000
	<hr/>
Total time/purpose restricted net assets	2,174,996
	<hr/>
Net assets to be held in perpetuity:	
Beneficial interests	402,757
	<hr/>
Total net assets to be held in perpetuity	402,757
	<hr/>
Total net assets with donor restrictions	<u>\$ 2,577,753</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restriction purpose or by the passage of time or other events specified by the donors for the year ended June 30, 2023:

Housing	\$ 3,672
Nutrition	734,882
Support services	227,949
	<hr/>
Total net assets released from restrictions	<u>\$ 966,503</u>

NOTE 12: CONCENTRATIONS OF SUPPORT AND REVENUE

At June 30, 2023, the Organization received approximately 69 percent of its total public support and revenue from Federal and State agencies. Additionally, 80 percent of total public support and revenue passed through Oregon Housing and Community Services during the year ended June 30, 2023.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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 seven 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 year ended June 30, 2023, employer contributions to the plan were \$100,381.

NOTE 14: NON-CASH CONTRIBUTIONS

Non-cash contributions consisted of the following for year ended June 30, 2023:

	Property and Equipment, Goods and Services	Food Contributed	Total
Non-cash contributions by program			
Support services	\$ 1,204,738	\$ -	\$ 1,204,738
Nutrition	33,610	4,890,943	4,924,553
Medical supplies and materials	118,781	-	118,781
Total non-cash contributions	1,357,129	4,890,943	6,248,072
Non-cash grants consisting of USDA commodities	-	859,256	859,256
Total non-cash revenues	<u>\$ 1,357,129</u>	<u>\$ 5,750,199</u>	<u>\$ 7,107,328</u>

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.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 15: FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The following table presents the fair value hierarchy for those assets measured at fair value on a recurring basis at June 30, 2023:

	Level 1	Level 2	Level 3	Total
Investments (certificates of deposit)	\$ -	\$ 144,441	\$ -	\$ 144,441
Total investments	-	144,441	-	144,441
Beneficial interest in perpetual trust	-	-	99,862	99,862
Beneficial interest in assets held by OCF	-	-	302,895	302,895
Total beneficial interests	-	-	402,757	402,757
Total assets at fair value	<u>\$ -</u>	<u>\$ 144,441</u>	<u>\$ 402,757</u>	<u>\$ 547,198</u>

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 Foundation's 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 may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized. Due to the perpetual existence of the assets held by OCF, the interest is categorized as a Level 3 financial instrument.

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 beneficial 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 approximate 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.

NOTE 16: SUBSEQUENT EVENTS

Management of the Organization has evaluated events and transactions occurring after June 30, 2023 through March 28, 2024, the date the financial statements were available for issuance, for recognition and/or disclosure in the financial statements.

As addressed in *Note 6*, ACCESS exercised the option to purchase the 52-unit low-income housing project in Medford, Oregon called Conifer Gardens Limited Partnership which will be completed during fiscal year 2024. Previously ACCESS was the managing general partner with 0.005% ownership.



| SUPPLEMENTARY
INFORMATION

**ACCESS
FUNCTIONAL EXPENSE DESCRIPTIONS
YEAR ENDED JUNE 30, 2023**

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, including events, campaigns, solicitations, and donations from individuals, corporations, and foundations to fund general operating and restricted programs. Funds raised through resource development support existing programs as well as help advance new strategic initiatives to further the agency's mission.

PROGRAM SERVICES:

COMMUNITY SERVICES BLOCK GRANT (CSBG):

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.

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

HOUSING 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 108 units of affordable rental housing, located in Jackson County. Of this, 52 units are managed by a third-party management company while the remaining 56 units are self-managed.

Housing Counseling – Provides pre-purchase, post-purchase, or foreclosure counseling to participants interested in purchasing a home or maintaining ownership.

Realizing the American Dream (RAD) – Provides a pre-purchase educational program delivered virtually or via in-person classroom setting.

**ACCESS
FUNCTIONAL EXPENSE DESCRIPTIONS
YEAR ENDED JUNE 30, 2023**

HOUSING PROGRAMS (Continued):

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.

Individual Development Account (IDA) – A program that encourages participants to build assets and financial independence through a matched savings program. Participants can save for home purchase or home repair.

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 needed 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 this is 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.

LIHEAP American Rescue Plan Act (ARPA) – Provides Energy assistance and Weatherization assistance to households who have been impacted by COVID-19.

NUTRITION PROGRAMS:

Food Share – Provides emergency and supplemental food to food insecure citizens of Jackson County. The Food Share Program provides food and non-food products to 29 food pantries as well as to 14 supplemental food programs and residential feeding sites (i.e. Salvation Army and Dunn House). Product comes to the ACCESS Food Bank through local community donations, the Oregon Food Bank, the USDA, and local producers such as Harry & David and Amy's Kitchen.

Healthy Mobile Food Pantry – The Healthy Mobile Pantry accounts for almost 1/3 of our pantries, focusing on rural areas and food deserts, collaborating at some locations with local health centers.

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.

**ACCESS
FUNCTIONAL EXPENSE DESCRIPTIONS
YEAR ENDED JUNE 30, 2023**

NUTRITION PROGRAMS (Continued):

Senior Focused Food Pantries – These five pantries, which distribute food boxes once per month, focus on providing food that best serves low-income seniors in Jackson County.

Rogue Powerpack Program – Provides bags of nutritious, child-friendly food to elementary school children who are receiving free breakfast or lunch at school during the week, but may lack adequate food at home over the weekend. Bags are delivered every Friday to ensure they do not go hungry while away from school. The Powerpack Program provides food for 469 Jackson County students at 19 schools in 6 school districts.

Donate-a-Row – Local gardeners and farmers donate excess produce to ACCESS food pantries and agencies.

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).

Volunteer Program – Provides opportunities for citizens in Jackson County to assist community members by helping support various ACCESS programs. Over 700 volunteers support our food pantries, severe weather shelter, Rogue Powerpack Program, educational programs, and wig program.

SUPPORT SERVICES PROGRAMS:

HOME Tenant Based Assistance Program (HTBA) – Provides up to two years rental subsidy depending upon housing need identified in partnership with Oregon Department of Human Services (ODHS) Housing Authority of Jackson County (HAJC), and other community partners. 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.

State Homeless Assistance Program (SHAP) – Offers state funds to help meet the emergency needs of unhoused 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 unhoused or are unstably housed and at risk of becoming unhoused. We can help with transitional housing, supportive in-home services, rental assistance, and case management.

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

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 nonrecurring crisis situation. A household can use HSP assistance for a maximum of four months.

Emergency Solutions Grant Program (ESG) – 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.

ACCESS
FUNCTIONAL EXPENSE DESCRIPTIONS
YEAR ENDED JUNE 30, 2023

SUPPORT SERVICES PROGRAMS (Continued):

EO 23-02 Rapid Rehousing Program – Provides case management, housing navigation, general housing stabilization services, and rent assistance for unsheltered households.

Support Services for Veteran Families (SSVF) – The SSVF program assists very low-income and extremely low-income Veterans who are unhoused or at imminent risk of becoming unhoused. SSVF provides case management to Veterans to support them to gain stability in their housing. SSVF offers homelessness prevention and rapid rehousing interventions.

Rent Relief Program – Assists low-income households who have a demonstrated COVID-19 impact with emergency, short-term rental assistance to gain stability in their homes.

Fire Relief Program – Assists low-income households with case management, rental assistance, and emergency assistance who have been impacted by the 2020 Jackson County fires.

Medford Severe Weather Shelter – ACCESS operates a severe weather shelter that is in partnership with the City of Medford. When the city declares a severe weather event, ACCESS and its volunteers open a shelter that can support our unhoused populations with protection from the elements. We provide sleeping arrangements, dry storage, and food. We also provide resource navigation.

Non-Congregate Shelter Program – ACCESS operates a low-barrier shelter program at the Roxy in partnership with Fortify Holdings that offers non-congregate shelter to unhoused community members. There are on-site peer support and case management staff that work with shelter participants to gain housing and stability in their lives.

Outreach Program – ACCESS partners with many community organizations including Medford Livability team, Options, Jackson County Mental Health, Rogue Community Health, and others to share resources with our unhoused and unstably housed households in Jackson County. We visit encampments and have resource fairs in the rural parts of the county. We work to connect individuals to the resources they need to gain stability.

Resource Desk – A partnership with Providence, ACCESS houses a full-time employee that works to connect individuals who are in the hospital to resources. This program also provides funds to support low-income families who need support paying for medical costs.

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

Continuum of Care (CoC) – ACCESS is the lead agency for the Jackson County Continuum of Care (CoC). The CoC is a HUD-mandated, community-wide effort to end homelessness by providing stable housing for those experiencing homelessness and offering preventative services to those at risk of becoming homeless. The Jackson County CoC seeks to end homelessness in Jackson County through the collaborative efforts and resources of all sectors of our community.

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.



**| ADDITIONAL REPORTS AND
SCHEDULES REQUIRED BY
UNIFORM GUIDANCE**



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

To the Board of Directors of
ACCESS

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 and its subsidiary (ACCESS), which comprise the consolidated statement of financial position as of June 30, 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements), and have issued our report thereon dated March 28, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered ACCESS' internal control over financial reporting (internal control) as a basis for designing 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 ACCESS' internal control. Accordingly, we do not express an opinion on the effectiveness of ACCESS' internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether ACCESS' 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 financial statements. 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.

KDP Certified Public Accountants, LLP

KDP Certified Public Accountants, LLP
Medford, Oregon
March 28, 2024



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

To the Board of Directors
ACCESS

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited ACCESS' and its subsidiary's (ACCESS) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of ACCESS' major federal programs for the year ended June 30, 2023. ACCESS' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, ACCESS complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of ACCESS and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of ACCESS' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statues, regulations, rules, and provisions of contracts or grant agreements applicable to ACCESS' federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on ACCESS' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about ACCESS' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design, and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding ACCESS' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of ACCESS' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of ACCESS' internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

KDP Certified Public Accountants, LLP

KDP Certified Public Accountants, LLP
Medford, Oregon
March 28, 2024

ACCESS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal AL Number	Grant/Contract Number	Passed Through to Sub-recipients	Federal Expenditures
U. S. Department of Agriculture:				
Passed Through Oregon Food Bank:				
Emergency Food Assistance Program (Administrative Costs) TEFAP	10.568	150327-0	\$ -	\$ 18,751
Emergency Food Assistance Program (Food Commodities)TEFAP	10.569	150327-0	-	859,256
Total Food Distribution Cluster			-	878,007
Total U. S. Department of Agriculture			\$ -	\$ 878,007
U. S. Department of Housing and Urban Development:				
Passed through Rural Community Assistance Corporation:				
Housing Counseling Assistance Program	14.169	HC21-FED-A258, HC22-FED-A258	\$ -	\$ 75,133
Total AL 14.169			-	75,133
Passed through City of Talent:				
COVID-19 Community Development Block Grants	14.228	IA2204	-	224,999
Total CDBG-Entitlement Grants Cluster			-	224,999
Passed through Oregon Housing and Community Services:				
Emergency Solutions Grant Program	14.231	E-20-DC-41-0001, E-21-DC-41-0001	-	176,343
COVID-19 Emergency Solutions Grant Program	14.231	E-20-DW-41-0001	-	81,178
Total AL 14.231			-	257,521
Home Investment Partnerships Program	14.239	M-19-SG-41-0100, M-21-SG-41-0100,	-	448,609
Total AL 14.239		M-22-SG-41-0100	-	448,609
Total U. S. Department of Housing and Urban Development			\$ -	\$ 1,006,262
U. S. Department of the Treasury				
Passed through Oregon Housing and Community Services:				
COVID-19 Emergency Rental Assistance Program	21.023	ERA-2101123321	\$ 253,300	\$ 879,698
Total AL 21.023			253,300	879,698
Direct Program:				
Homeowner Assistance Fund	21.026	7228	-	23,450
Total AL 21.026			-	23,450
Passed through City of Medford:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	ARE0008180	-	45,852
Total AL 21.027			-	45,852
Total U. S. Department of the Treasury			\$ 253,300	\$ 949,000
U. S. Department of Veterans Affairs:				
Direct Programs:				
VA Supportive Services for Veteran Families Program	64.033	19-OR-128	\$ 1,431,108	\$ 3,814,827
COVID-19 VA Supportive Services for Veteran Families Program	64.033	19-OR-128	208,287	342,650
Total AL 64.033			1,639,395	4,157,477
Total U. S. Department of Veterans Affairs			\$ 1,639,395	\$ 4,157,477
U. S. Department of Energy:				
Passed Through Oregon Housing and Community Services:				
Weatherization Assistance For Low-Income Persons (DOE)	81.042	DE-EE0007945, DE-EE0010011	\$ -	\$ 123,507
Total AL 81.042			-	123,507
Total U. S. Department of Energy			\$ -	\$ 123,507

ACCESS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal AL Number	Grant/Contract Number	Passed Through to Sub-recipients	Federal Expenditures
U. S. Department of Health and Human Services:				
Passed Through Oregon Housing and Community Services:				
COVID-19 Low-Income Household Water Assistance	93.499	2102ORLWC6	\$ -	\$ 68,769
Low-Income Household Water Assistance	93.499	2102ORLWC5	-	232,818
Total AL 93.499			-	301,587
Temporary Assistance for Needy Families (TANF)	93.558	2001ORTANF	-	216,832
Total AL 93.558			-	216,832
Low-Income Home Energy Assistance	93.568	2102ORLIEA, 2202ORLIEA, 2302ORLIEA	-	2,147,177
COVID-19 Low-Income Home Energy Assistance	93.568	2001ORE5C3, 2102ORE5C6, 2102ORE5C6	-	575,258
Total AL 93.568			-	2,722,435
Community Services Block Grant	93.569	G-2102ORCOSR, G-2202ORCOSR	-	287,516
COVID-19 Community Services Block Grant	93.569	G-2001ORCSC3	-	180,025
Total AL 93.569			-	467,541
Total U. S. Department of Health and Human Services			\$ -	\$ 3,708,395
Department of Homeland Security:				
Direct Programs:				
Emergency Food and Shelter National Board Program	97.024	711800006	\$ -	\$ 15,396
COVID-19 Emergency Food and Shelter National Board Program	97.024	711800006	-	29,702
Total AL 97.024			-	45,098
Total U. S. Department of Homeland Security			\$ -	\$ 45,098
Total Expenditures of Federal Awards			\$ 1,892,695	\$ 10,867,746

ACCESS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

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, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of 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, 2023, the Organization received food commodities totaling \$859,256 for Assistance Listing #10.569.

**ACCESS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

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

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

Identification of major federal programs:

<u>AL Number(s)</u>	<u>Name of Federal Program or Clusters</u>
#10.568/10.569	Food Distribution Cluster
#14.239	Home Investment Partnership Program
#21.023	Emergency Rental Assistance Program

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

Auditee qualified as a low-risk auditee? Yes No

ACCESS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS
AUDIT

None