



Consolidated Financial Statements

and Supplementary Information

ACCESS

For the year ended June 30, 2025

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ACCESS

YEAR ENDED JUNE 30, 2025

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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 subsidiaries (ACCESS), which comprise the consolidated statement of financial position as of June 30, 2025, 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, 2025, 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.

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 including 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 including the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Supplementary Information

The functional expense descriptions, consolidating schedule of financial position, consolidating schedule of activities and consolidating schedule of functional expense are 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2025, 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.

Sorren CPAs P.C.

Sorren CPAs P.C.
Medford, Oregon
March 20, 2026



**CONSOLIDATED FINANCIAL
STATEMENTS**

ACCESS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025

ASSETS:

Current Assets:

Cash and cash equivalents:		
Cash and cash equivalents	\$	4,463,507
Restricted cash and cash equivalents		387,518
Investments		145,389
Receivables:		
Accounts, net		43,016
Grants and contracts		7,086,381
Bequests		32,917
Inventory		320,688
Prepaid and other assets		<u>212,318</u>
Total Current Assets		<u>12,691,734</u>

Non-Current Assets:

Right-of-use assets - operating lease		1,042,218
Right-of-use assets - financing lease		110,257
Property and equipment, net		10,658,156
Beneficial interests		<u>457,165</u>
Total Non-Current Assets		<u>12,267,796</u>

TOTAL ASSETS \$ 24,959,530

LIABILITIES AND NET ASSETS:

Current Liabilities:

Accounts payable	\$	1,591,776
Tenant deposits		63,425
Accrued payroll and related liabilities		695,681
Accrued interest payable		3,163
Unearned revenue		4,226,926
Current maturities - notes payable, net of debt issuance costs		96,782
Current portion of operating lease liability		457,607
Current portion of financing lease liability		<u>31,991</u>
Total Current Liabilities		<u>7,167,351</u>

Long-Term Liabilities:

Notes payable - less current maturities, net of debt issuance costs		1,053,946
Operating lease liability - net of current portion		627,575
Financing lease liability - net of current portion		<u>90,459</u>
Total Long-Term Liabilities		<u>1,771,980</u>

TOTAL LIABILITIES 8,939,331

Net Assets:

Without Donor Restrictions:		
ACCESS - Operating		9,448,049
ACCESS Development Corporation		3,018,309
Conifer Gardens		<u>1,054,489</u>
Total Net Assets Without Donor Restrictions		<u>13,520,847</u>

With Donor Restrictions:		
Time and/or purpose		2,042,187
In perpetuity		<u>457,165</u>
Total Net Assets With Donor Restrictions		<u>2,499,352</u>

TOTAL NET ASSETS 16,020,199

TOTAL LIABILITIES AND NET ASSETS \$ 24,959,530

ACCESS
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTIONS</u>	<u>TOTAL NET ASSETS</u>
Public Support and Revenue:			
Public Support:			
Contributions	\$ 1,032,369	\$ 602,283	\$ 1,634,652
Non-cash contributions	5,757,462	-	5,757,462
Fundraising events	284,791	-	284,791
Grants:			
Federal and state	42,111,926	-	42,111,926
USDA-federal food commodities (non-cash)	1,184,907	-	1,184,907
City and county	145,001	-	145,001
Private	767,815	59,712	827,527
Total Public Support	<u>51,284,271</u>	<u>661,995</u>	<u>51,946,266</u>
Revenue:			
Program income	771,061	-	771,061
Rental income	1,151,331	-	1,151,331
Investment income	114,893	-	114,893
Miscellaneous	6,876	-	6,876
Total Revenue	<u>2,044,161</u>	<u>-</u>	<u>2,044,161</u>
Net assets released from restrictions	806,579	(806,579)	-
Total Public Support and Revenue	<u>54,135,011</u>	<u>(144,584)</u>	<u>53,990,427</u>
Expenses:			
Program services	50,581,506	-	50,581,506
Management and general	4,043,974	-	4,043,974
Fundraising	966,854	-	966,854
Total Expenses	<u>55,592,334</u>	<u>-</u>	<u>55,592,334</u>
Change in Net Assets to be held in perpetuity:			
Total change in beneficial interests	-	28,825	28,825
CHANGE IN NET ASSETS	(1,457,323)	(115,759)	(1,573,082)
NET ASSETS, BEGINNING OF YEAR	<u>14,978,170</u>	<u>2,615,111</u>	<u>17,593,281</u>
NET ASSETS, END OF YEAR	<u>\$ 13,520,847</u>	<u>\$ 2,499,352</u>	<u>\$ 16,020,199</u>

ACCESS
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025

	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	Total Program Services	
	ACCESS	ACCESS Development Corporation	Resource Development	Total Support Services								
Functional Expenses:												
Personnel and benefits	\$ 2,416,133	\$ -	\$ 639,113	\$ 3,055,246	\$ 44,304	\$ 1,217,299	\$ 939,708	\$ 956,952	\$ 5,883,615	\$ 2,041	\$ 9,043,919	\$ 12,099,165
Contracted services	192,007	-	20,445	212,452	-	28,123	12,196	10,982	10,577,344	-	10,628,645	10,841,097
Energy assistance	-	-	-	-	-	-	3,953,662	-	222,705	-	4,176,367	4,176,367
Shelter assistance	-	-	-	-	-	3,173	-	-	10,002,148	-	10,005,321	10,005,321
Emergency assistance	-	-	-	-	-	-	-	-	3,999,423	-	3,999,423	3,999,423
Food assistance	-	-	-	-	-	-	-	640,478	23,972	-	664,450	664,450
Food contributions distributed	-	-	-	-	-	-	-	5,466,184	-	-	5,466,184	5,466,184
Non-cash equipment, goods and service	-	-	-	-	-	-	-	109,546	1,366,639	-	1,476,185	1,476,185
Rent, utilities and security	470,397	-	42,468	512,865	-	478,825	38,148	179,545	1,684,407	94,679	2,475,604	2,988,469
Building and equipment maintenance	33,868	-	-	33,868	-	214,765	10,939	11,770	11,047	14,541	263,062	296,930
Tools and Supplies	80,090	-	1,472	81,562	-	95,245	11,844	11,560	25,108	4,510	148,267	229,829
Vehicle gas and oil	5,499	-	-	5,499	-	8,232	2,525	19,067	10,900	-	40,724	46,223
Vehicle insurance and maintenance	16,936	-	-	16,936	-	5,229	5,170	40,854	85,990	-	137,243	154,179
Travel and training	23,335	-	9,077	32,412	5,707	10,536	26,484	4,785	73,174	-	120,686	153,098
Office and computer	152,154	-	81,952	234,106	468	24,539	8,708	15,511	288,734	57	338,017	572,123
Telephone	31,095	-	6,233	37,328	-	15,786	39,811	16,714	118,012	2,318	192,641	229,969
Taxes, licenses and fees	16,996	166	4,694	21,856	-	6,825	495	824	9,660	-	17,804	39,660
Advertising and promotion	11,522	-	57,525	69,047	-	2,571	3,334	3,190	44,751	-	53,846	122,893
Professional fees	319,836	2,200	15,198	337,234	18,115	44,695	42,191	17,349	739,387	7,034	868,771	1,206,005
Fundraising	-	-	66,683	66,683	-	-	-	-	-	-	-	66,683
Miscellaneous	52,792	-	21,994	74,786	-	3,268	489	740	7,644	-	12,141	86,927
Depreciation	85,961	86,201	-	172,162	-	200,069	-	113,639	57,287	27,865	398,860	571,022
Interest expense	-	46,786	-	46,786	-	53,346	-	-	-	-	53,346	100,132
Total Functional Expenses	\$ 3,908,621	\$ 135,353	\$ 966,854	\$ 5,010,828	\$ 68,594	\$ 2,412,526	\$ 5,095,704	\$ 7,619,690	\$ 35,231,947	\$ 153,045	\$ 50,581,506	\$ 55,592,334

See accompanying notes to the consolidated financial statements

ACCESS
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ (1,573,082)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation	571,022
Reduction in carrying amount of right-of-use assets	408,915
Cash paid for operating leases	(380,662)
Amortization of deferred financing costs	293
Unrealized (gain) loss on investments	(585)
Unrealized (gain) loss on beneficial interests	(28,825)
(Increase) decrease in:	
Accounts receivable	36,161
Grants and contracts receivable	(1,650,255)
Bequests receivable	411,707
Inventory	97,320
Prepays and deposits	(24,632)
Increase (decrease) in:	
Accounts payable	(336,996)
Tenant deposits	(15,725)
Accrued payroll liabilities	93,400
Unearned revenue	4,008,979

Net Cash Provided (Used) by Operating Activities 1,617,035

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of property and equipment	<u>(722,231)</u>
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Net Cash Provided (Used) by Investing Activities (722,231)

CASH FLOWS FROM FINANCING ACTIVITIES:

Principal payments on notes payable	(224,237)
Principal payments on finance leases	<u>(26,398)</u>

Net Cash Provided (Used) by Financing Activities (250,635)

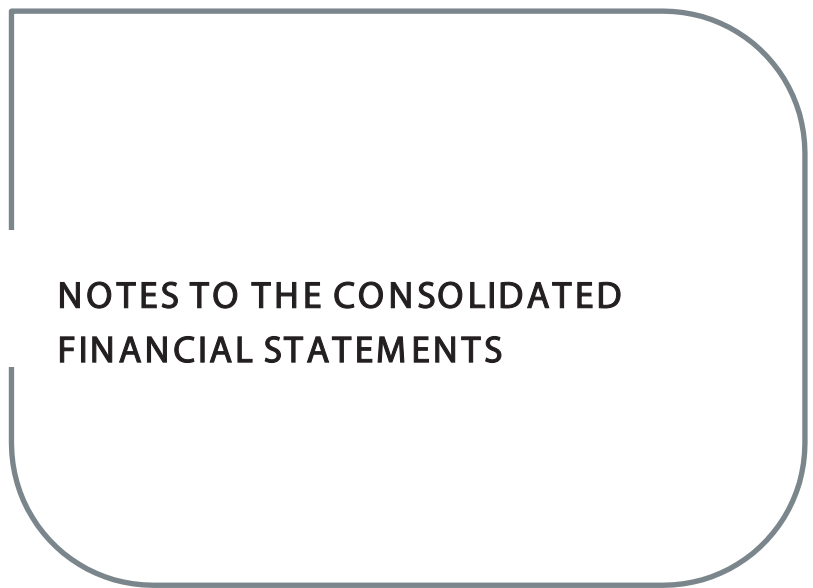
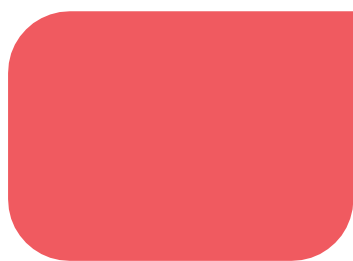
NET CHANGE IN CASH AND CASH EQUIVALENTS 644,169

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR 4,206,856

CASH AND CASH EQUIVALENTS, END OF YEAR \$ 4,851,025

**SUPPLEMENTAL DISCLOSURE OF NON-CASH
INVESTING AND FINANCING ACTIVITIES:**

Cash paid during the year for interest	\$ 96,969
Right-of-use assets obtained in exchange for operating lease liabilities	\$ 51,272
Right-of-use assets obtained in exchange for finance lease liabilities	\$ 114,716



**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS**

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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: Community Services Block Grant (CSBG) Programs, Housing Programs, Energy Assistance and Weatherization Programs, Food Programs, Support Services Programs, 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. All material inter-company balances and transactions have been eliminated in these financial statements.

The consolidated financial statements also include the accounts of Conifer Gardens Limited Partnership (The Partnership) organized under the laws of the State of Oregon. ACCESS Conifer Gardens, LLC is the Managing General Partner in the Partnership with a 0.01% ownership interest. ACCESS Conifer Gardens II, LLC is the Limited Partner in the Partnership with a 99.99% ownership interest. The Partnership began operating in July 2008. Subject to funding from the Low-Income Housing Tax Credit (LIHTC) program, the Partnership has agreed to rent and tenant eligibility restrictions for a 50-year period beginning 2007. The Partnership has entered into a Management Agreement with the Cascade Management, Inc. (CM), to manage the day-to-day operations of the property located at 700 Royal Ave., Medford, Oregon 97504, also known as Conifer Gardens. In turn, the CM has entered into a Services Contract with ACCESS to administer and carry out the landscape, maintenance and cash handling responsibilities for the property for a fee of 7.59% of the total actual monthly gross receipts from the project. All material inter-company balances and transactions have been eliminated in these financial statements.

Basis of Accounting:

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

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

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.

The Organization has a 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, 2025 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, 2025, management has determined, based on historical experience, that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

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.

Property and Equipment:

The Organization records acquisitions of property and equipment at cost. Contributed property and equipment are recorded at fair value as of the acquisition date. 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:

Buildings and land improvements	-	5-40 years
Furniture, fixtures and equipment	-	3-20 years
Vehicles	-	5 years
Right-of-use assets	-	Based on life of lease

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 2025.

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. Financing and operating leases are included in associated lease right of use (ROU) assets, 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.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

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.

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.

Unearned 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.

Accounting standards update No. 2018-08 clarified the conditions under which an entity would record unearned revenue. There must exist a donor-imposed condition, which is a barrier to overcome and a right of return of assets transferred or a right of release of the promisor's obligation to transfer assets, in order for the contribution to be considered conditional. When grant monies are received in advance for such grants, the Organization only records such balances as unearned revenue if the contribution is conditional as defined above.

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.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

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.

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 \$1.63 per pound at June 30, 2025. 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 2025 was \$1.05 for the TEFAP program.

Approximately 3.8 million pounds of donated food were received from the above referenced sources during the year ended June 30, 2025.

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 and Allocation:

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. All other costs are charged directly to the appropriate functional category.

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.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

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 is not subject to income taxes. Income or loss from the Partnership is reported on the returns of the individual partners. Management believes that the Partnership has adequately addressed all relevant tax positions and there are no unrecorded tax liabilities.

At June 30, 2025, there were no uncertain tax positions.

Advertising Costs:

Advertising costs are expensed as incurred. The amount spend on advertisement by ACCESS for the year ended June 30, 2025 was \$103,588.

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, 2025, the amount that exceeded FDIC coverage was approximately \$8.5 million.

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.

NOTE 2: CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following at June 30, 2025:

Petty cash	\$	257
Cash in checking accounts:		
ACCESS - general		3,865,599
ACCESS Development Corporation - general		372,018
Conifer Gardens - general		225,633
Restricted cash accounts:		
Conifer Gardens - replacement reserve		195,821
Conifer Gardens - residual receipts reserve		78,757
Conifer Gardens - other reserve		95,589
Client trust-security deposits		<u>17,351</u>
Total cash and cash equivalents	\$	<u>4,851,025</u>

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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, 2025:

Liquidity	
Financial assets:	
Cash and cash equivalents	\$ 4,463,507
Investments	145,389
Accounts receivable, net	43,016
Grants and contracts receivable	7,086,381
Bequests receivable	<u>32,917</u>
Total financial assets to meet general expenditures within one year	<u>11,771,210</u>
Unused line of credit	<u>500,000</u>
Financial assets available to meet general expenditures within one year	<u>\$ 12,271,210</u>

The Organization has a liquidity policy to maintain a board-designated cash reserve. 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: RESTRICTED CASH

Replacement Reserve

Pursuant to the Partnership Agreement, the Partnership was required to fund a replacement reserve in the amount of \$52,000 during the month following the completion of the rehabilitation of the Project. Notwithstanding such requirements, the Partnership funded the replacement reserve upon acquisition of the Project.

Commencing the month after the completion of the rehabilitation of the Project, the Partnership is required to make monthly deposits of not less than \$300 per unit per year, subject to a CPI adjustment on January 1st of every fifth year thereafter, and further subject to any additional requirements of the permanent lender. Withdrawals are subject to approval by the administrative limited partner. As of June 30, 2025, the replacement reserve totaled \$195,821, respectively. During the period, the Partnership did not make the CPI adjustment to reserve deposits and the reserve account was underfunded.

HAP Reserve

Commencing in the month following the completion of the rehabilitation of the Project, the Partnership is required to fund a housing assistance payments reserve account ("the HAP reserve") in the amount of \$25,000. Withdrawals from the HAP reserve are subject to the review and approval of the administrative limited partner. Any balance remaining at the end of the fifteen year compliance period may then be released as cash flow. As of June 30, 2025, the HAP reserve totaled \$25,649.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 4: RESTRICTED CASH (Continued)

Operating Deficit Reserve

The Partnership is obligated to fund, from capital contributions, an operating reserve in the amount of \$68,000. The reserve shall be required through the operating deficit guarantee period, and, if the Partnership meets the benchmarks set forth in the Partnership Agreement, the reserve may then be released as cash flow. Withdrawals from the reserve are subject to review and approval of the administrative limited partner and the lenders. As of June 30, 2025, the balance in the reserve totaled \$69,940.

Residual Receipts Reserve

Pursuant with the regulatory agreement with HUD, funds may be released from this account only with prior approval of HUD. As of June 30, 2025, the reserve totaled \$78,757. During the period, no deposits were required to be made to the reserve.

NOTE 5: INVESTMENTS

Investments consist of the following at June 30, 2025:

17-month CD matures February 7, 2026, interest 0.40%	<u>\$ 145,389</u>
Total investments - certificates of deposit	<u><u>\$ 145,389</u></u>

NOTE 6: 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, 2025 was \$343,498.

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 \$4,547 during the year ended June 30, 2025. 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, 2025 the estimated fair value of the perpetual trust was \$113,667.

NOTE 7: LINE OF CREDIT

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%. On August 16, 2023, ACCESS extended the line of credit through September 15, 2025 with an initial rate of 9.50%

At June 30, 2025, there were no amounts outstanding on the line of credit.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 8: PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2025:

	Balance at June 30, 2024	Additions/ Transfers	Deletions/ Transfers	Balance at June 30, 2025
Land	\$ 2,729,792	\$ -	\$ -	\$ 2,729,792
Construction in progress	74,785	478,811	(74,785)	478,811
Buildings and land improvements	11,720,131	43,206	-	11,763,337
Furniture, fixtures and equipment	981,001	40,008	-	1,021,009
Vehicles	1,244,602	234,991	(20,178)	1,459,415
Total historical cost	16,750,311	797,016	(94,963)	17,452,364
Less: accumulated depreciation	(6,243,364)	(571,022)	20,178	(6,794,208)
Total net book value	<u>\$ 10,506,947</u>	<u>\$ 225,994</u>	<u>\$ (74,785)</u>	<u>\$ 10,658,156</u>

NOTE 9: LONG-TERM DEBT

The Organization's long-term debt consists of the following at June 30, 2025:

ADC:		
Banner Bank 2008 loan, net		\$ 538,072
The Partnership:		
Umpqua note payable, net		458,992
The Organization:		
People's Bank 2016 loan		113,280
People's Bank 2016 loan #2		<u>40,384</u>
Total consolidated long-term debt		<u>\$ 1,150,728</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. During the fiscal year ending June 30, 2025, the interest rate was 8.14% per annum, and monthly payments of principal and interest were \$7,478.

ADC incurred \$10,115 in debt issuance costs, which are amortized using the effective interest method. Unamortized costs of \$1,420 are outstanding at June 30, 2025. Total debt outstanding at June 30, 2025 was \$539,492 (\$538,072 gross debt net of issuance costs of \$1,420).

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 9: LONG-TERM DEBT (Continued)

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, 2025 totaled \$46,786 which includes \$293 of amortized debt issuance costs.

The Partnership:

The Partnership has executed a promissory note payable to Umpqua Bank in the amount of \$730,000 which is secured by a deed of trust and matures in November 2028. As of June 30, 2025, the balance of the note was \$478,823. Debt issuance costs, net of accumulated amortization, as of June 30, 2025, totaled \$19,831. Debt issuance costs of the note are being amortized using the straight-line method which approximates the effective-interest method over the term of the promissory note. Interest charged to expense for the year totaled \$50,598.

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 7.49% per annum during the current year. The note was paid in full in April 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 during the current year. The note was paid in full in June 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 during the current year. The note was paid in full in June 2025.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 9: LONG-TERM DEBT (Continued)

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 9, 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.

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 \$13,066 for the above notes payable in interest to expense for the year ended June 30, 2025.

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

	<u>Principal</u>	<u>Deferred Financing Costs</u>	<u>Total</u>
2026	\$ 97,084	(302)	\$ 96,782
2027	104,280	(270)	104,010
2028	111,635	(235)	111,400
2029	464,026	(200)	463,826
2030	94,146	(162)	93,984
Thereafter	280,977	(251)	280,726
	<u>\$ 1,152,148</u>	<u>\$ (1,420)</u>	<u>\$ 1,150,728</u>

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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, 2025 amounted to \$423,118 and \$27,971, respectively.

Future minimum payments required under the remaining non-cancellable lease terms are as follows at June 30:

	<u>Operating</u>	<u>Finance</u>
2026	\$ 457,607	\$ 31,991
2027	460,739	30,191
2028	211,007	28,391
2029	-	28,391
2030	-	14,196
Total undiscounted cash flows	1,129,353	133,160
Less: present value adjustment	<u>(44,171)</u>	<u>(10,710)</u>
Total lease liabilities	<u>\$ 1,085,182</u>	<u>\$ 122,450</u>

Weighted average discount rates and remaining lease terms in years were as follows as of June 30, 2025:

Weighted average discount rate for operating leases	3.25%
Weighted average discount rate for finance leases	3.94%
Weighted average remaining lease term in years for operating leases	2.48
Weighted average remaining lease term in years for finance leases	4.37

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 ends 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, 2025. The transactions are eliminated in the financial statements and have not been included in the future minimum payments schedule.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 11: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at June 30, 2025:

Net assets with time/purpose restrictions:	
Housing Programs	\$ 459,222
Nutrition Programs	1,402,130
Support Services	147,918
Bequests receivable	<u>32,917</u>
Total time/purpose restricted net assets	<u>2,042,187</u>
Net assets to be held in perpetuity:	
Beneficial interests	<u>457,165</u>
Total net assets to be held in perpetuity	<u>457,165</u>
Total net assets with donor restrictions	<u><u>\$ 2,499,352</u></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, 2025:

Housing Programs	\$ 104,585
Nutrition Programs	231,390
Support Services	25,980
Bequests receivable	<u>444,624</u>
Total net assets released from restrictions	<u><u>\$ 806,579</u></u>

NOTE 12: CONCENTRATIONS OF SUPPORT AND REVENUE

At June 30, 2025, the Organization received approximately 80 percent of its total public support and revenue from Federal and State agencies. Additionally, 75 percent of total public support and revenue passed through Oregon Housing and Community Services during the year ended June 30, 2025.

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, 2025, employer contributions to the plan were \$182,406.

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 14: NON-CASH CONTRIBUTIONS

Non-cash contributions consisted of the following for year ended June 30, 2025:

	Property and Equipment, Goods and Services	Food Contributed	Total
Non-cash contributions by program			
Support services	\$ 1,366,639	\$ -	\$ 1,366,639
Nutrition	54,767	4,281,277	4,336,044
Medical supplies and materials	54,779	-	54,779
Total non-cash contributions	1,476,185	4,281,277	5,757,462
Non-cash grants consisting of USDA commodities	-	1,184,907	1,184,907
Total non-cash revenues	<u>\$ 1,476,185</u>	<u>\$ 5,466,184</u>	<u>\$ 6,942,369</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.

The following table presents the fair value hierarchy for those assets measured at fair value on a recurring basis at June 30, 2025:

	Level 1	Level 2	Level 3	Total
Investments (certificates of deposit)	\$ -	\$ 145,389	\$ -	\$ 145,389
Total investments	-	145,389	-	145,389
Beneficial interest in perpetual trust	-	-	113,667	113,667
Beneficial interest in assets held by OCF	-	-	343,498	343,498
Total beneficial interests	-	-	457,165	457,165
Total assets at fair value	<u>\$ -</u>	<u>\$ 145,389</u>	<u>\$ 457,165</u>	<u>\$ 602,554</u>

ACCESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 15: FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

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.

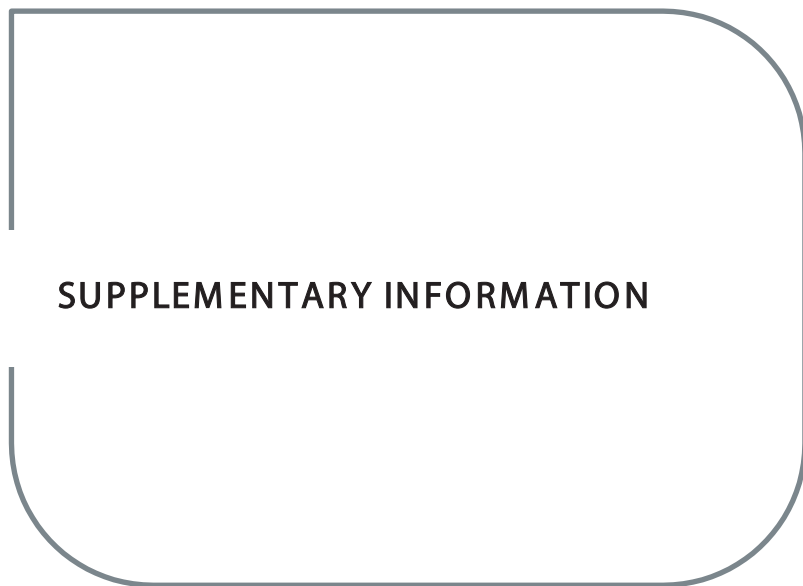
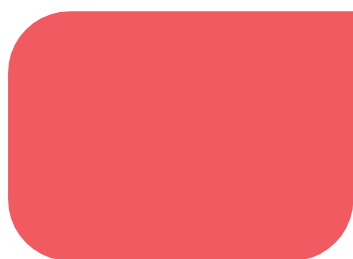
The beneficial interest in perpetual trust is estimated at fair value based on the Organization's percent of the underlying assets held in the trust. Due to the perpetual existence of the trust, the beneficial interest is categorized as a Level 3 financial instrument.

The carrying values of cash and cash equivalents, grants and contracts receivable, 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, 2025 through March 20, 2026, the date the financial statements were available for issuance, for recognition and/or disclosure in the financial statements.



SUPPLEMENTARY INFORMATION

**ACCESS
FUNCTIONAL EXPENSE DESCRIPTIONS
YEAR ENDED JUNE 30, 2025**

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 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 by telephone to persons seeking assistance, including current information regarding programs offered by ACCESS and other human services agencies in Jackson County.

Community Needs Assessment – Provides an assessment of community-wide needs to provide more effective services and programs.

HOUSING PROGRAMS:

Property/Asset Management – ACCESS has 108 units of affordable rental housing located in Jackson County. Of these, 52 units (Conifer Gardens) 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.

Homebuyer Education Courses – Provides a pre-purchase educational program delivered virtually or via in-person in a classroom setting.

Down Payment Assistance Programs (DPAP) – Provides 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:

Weatherization – This program assists low-income seniors, people with disabilities, and households in need of energy efficiency improvements, which can help to conserve energy and reduce energy bills.

**ACCESS
FUNCTIONAL EXPENSE DESCRIPTIONS
YEAR ENDED JUNE 30, 2025**

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 a requirement.

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 whose services have been disconnected.

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 food pantries, as well as supplemental food programs and residential feeding. Product comes to the ACCESS Food Bank through local community donations, the Oregon Food Bank, the USDA through Oregon Food Bank, and local producers such as Harry & David and Amy's Kitchen.

Healthy Mobile Food Pantry – The Healthy Mobile Pantry accounts for almost one-third of our pantries, focusing on rural areas and food deserts. At some locations, the Healthy Mobile Food Pantry also collaborates with local health centers.

Fresh Alliance – Fresh Alliance recovers produce, dairy, bread, meat, and ready-to-eat items, from area grocery stores on or before the product's best-by date. This product is transported in refrigerated box trucks and is boxed and sorted before being distributed throughout our food pantry network following food safety best practices.

Senior Focused Food Pantries – These five pantries distribute food boxes once per month, focusing on providing food that best meets the needs of low-income seniors in Jackson County.

Rogue Powerpack Program – Provides bags of non-perishable, nutritious, child-friendly food to elementary-aged children identified by teachers and staff as potentially experiencing food insecurity at home over the weekend. This program bridges the weekend food gap as bags are sent home with students on Fridays to ensure they have food support while away from school. As of March 2026, this program supports 933 students across 35 elementary schools in Jackson County.

Volunteer Programs – Provides opportunities for citizens in Jackson County to assist community members by helping support various ACCESS programs. Over 550 volunteers support our food pantries, the severe weather shelter, Rogue Powerpack Program, Durable Medical Equipment Program, educational programs, and the wig program.

SUPPORT SERVICES PROGRAMS:

Housing Retention – Housing Retention utilizes state and federal funds to assist low-income and extremely low-income households that are unhoused or at imminent risk of becoming unhoused. This team provides case management and financial assistance to these households to support them to gain stability in their housing. Housing Retention offers homelessness prevention and rapid rehousing interventions. Housing Retention also provides eviction prevention services that are state funded, which offer one-time financial assistance to prevent an eviction. This same team administers the Health-Related Social Needs (HRSN) Housing benefit through the 1115 Medicaid waiver. This is an entitlement benefit that offers 6 months of rent and utility assistance for eligible households.

**ACCESS
FUNCTIONAL EXPENSE DESCRIPTIONS
YEAR ENDED JUNE 30, 2025**

Veteran Services – Veteran Services utilizes state and federal funds to assist very low-income and extremely low-income Veterans who are unhoused or at imminent risk of becoming unhoused. This team provides case management and financial assistance to Veterans to support them to help them achieve stability in their housing. Veteran Services offers homelessness prevention and rapid rehousing interventions.

Center for Community Resilience (CCR)– CCR utilizes federal funds to assist low-income households who have been impacted by the 2020 Jackson County fires.

Medford Severe Weather Shelter – ACCESS operates a Severe Weather Shelter in partnership with the City of Medford. When the City declares a severe weather event, ACCESS staff and volunteers open the shelter to provide a safe place for unhoused individuals to seek protection from extreme weather conditions. The shelter offers sleeping accommodations, dry storage for personal belongings, meals, and access to resource navigation to help connect guests with services and support.

Shelter Program – ACCESS operates a low-barrier shelter program that provides non-congregate shelter to unhoused community members. There are on-site peer support and case management staff that work with shelter participants to help them work toward stable housing. Financial assistance is available to shelter participants who actively work with their case managers.

Outreach Program – ACCESS partners with community organizations including the Medford Livability Team, Options for Southern Oregon, Jackson County Mental Health, Rogue Community Health, and others to connect unhoused and unstably housed individuals with vital resources throughout Jackson County. Staff conduct outreach visits to encampments and host resource fairs in rural communities, working to connect individuals with services that support housing stability.

Resource Desk – A partnership with Providence, ACCESS hosts 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.

Durable Medical Equipment Program – Provides medical equipment on loan to senior citizens, individuals with disabilities, and those experiencing short-term medical needs. Equipment is available at no cost and may be used for as long as it is needed. Commonly available items include hospital beds, walkers, crutches, and wheelchairs.

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 connecting people experiencing homelessness or housing instability to agencies who offer housing and services. 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.

ACCESS
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
JUNE 30, 2025

	ACCESS	ACCESS Development Corporation	Conifer Gardens	Consolidation Eliminations	Total
ASSETS:					
Current Assets:					
Cash and cash equivalents:					
Cash and cash equivalents	\$ 3,865,856	\$ 372,018	\$ 225,633	\$ -	\$ 4,463,507
Restricted cash and cash equivalents	-	-	387,518	-	387,518
Investments	145,389	-	-	-	145,389
Receivables:					
Accounts, net	43,016	-	-	-	43,016
Grants and contracts	7,086,381	-	-	-	7,086,381
Notes	1,281,862	-	-	(1,281,862)	-
Bequests receivable	32,917	-	-	-	32,917
Accrued interest	36,820	-	-	(36,820)	-
Inventory	320,688	-	-	-	320,688
Prepaid and other assets	193,461	-	18,857	-	212,318
Total Current Assets	13,006,390	372,018	632,008	(1,318,682)	12,691,734
Non-Current Assets:					
Right-of-use assets - operating lease	1,042,218	-	-	-	1,042,218
Right-of-use assets - financing lease	110,257	-	-	-	110,257
Non-depreciable capital assets:					
Land	1,421,892	741,430	566,470	-	2,729,792
Construction in progress	-	478,811	-	-	478,811
Depreciable capital assets:					
Buildings and land improvements	4,961,051	3,646,507	3,155,779	-	11,763,337
Furniture, fixtures and equipment	984,029	-	36,980	-	1,021,009
Vehicles	1,459,415	-	-	-	1,459,415
Accumulated depreciation	(3,701,998)	(1,663,379)	(1,428,831)	-	(6,794,208)
Subtotal right-of-use assets and property and equipment, net	6,276,864	3,203,369	2,330,398	-	11,810,631
Other non-current assets:					
Beneficial interests	457,165	-	-	-	457,165
Subtotal other non-current assets	457,165	-	-	-	457,165
Total Non-Current Assets	6,734,029	3,203,369	2,330,398	-	12,267,796
TOTAL ASSETS	\$ 19,740,419	\$ 3,575,387	\$ 2,962,406	\$ (1,318,682)	\$ 24,959,530

ACCESS
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION (CONTINUED)
JUNE 30, 2025

	ACCESS	ACCESS Development Corporation	Conifer Gardens	Consolidation Eliminations	Total
LIABILITIES AND NET ASSETS:					
Current Liabilities:					
Accounts payable	\$ 1,464,964	\$ 19,006	\$ 107,806	\$ -	\$ 1,591,776
Tenant deposits	46,074	-	17,351	-	63,425
Accrued payroll and related liabilities	695,681	-	-	-	695,681
Accrued interest payable	-	-	39,983	(36,820)	3,163
Unearned revenue	4,225,003	-	1,923	-	4,226,926
Current portion of notes payable, net of debt issuance costs	23,920	47,330	25,532	-	96,782
Current portion of operating lease liability	457,607	-	-	-	457,607
Current portion of financing lease liability	31,991	-	-	-	31,991
Total Current Liabilities	6,945,240	66,336	192,595	(36,820)	7,167,351
Long-Term Liabilities:					
Notes payable, net of current portion and debt issuance costs	129,744	490,742	1,715,322	(1,281,862)	1,053,946
Operating lease liability, net of current portion	627,575	-	-	-	627,575
Financing lease liability, net of current portion	90,459	-	-	-	90,459
Total Long Term Liabilities	847,778	490,742	1,715,322	(1,281,862)	1,771,980
TOTAL LIABILITIES	7,793,018	557,078	1,907,917	(1,318,682)	8,939,331
Net Assets:					
Without Donor Restrictions:					
ACCESS - Operating	9,448,049	-	-	-	9,448,049
ACCESS Development Corporation	-	3,018,309	-	-	3,018,309
Conifer Gardens	-	-	1,054,489	-	1,054,489
Total Net Assets Without Donor Restrictions	9,448,049	3,018,309	1,054,489	-	13,520,847
With Donor Restrictions:					
Time and/or purpose	2,042,187	-	-	-	2,042,187
In perpetuity	457,165	-	-	-	457,165
Total Net Assets With Donor Restrictions	2,499,352	-	-	-	2,499,352
TOTAL NET ASSETS	11,947,401	3,018,309	1,054,489	-	16,020,199
TOTAL LIABILITIES AND NET ASSETS	\$ 19,740,419	\$ 3,575,387	\$ 2,962,406	\$ (1,318,682)	\$ 24,959,530

ACCESS
CONSOLIDATING SCHEDULE OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

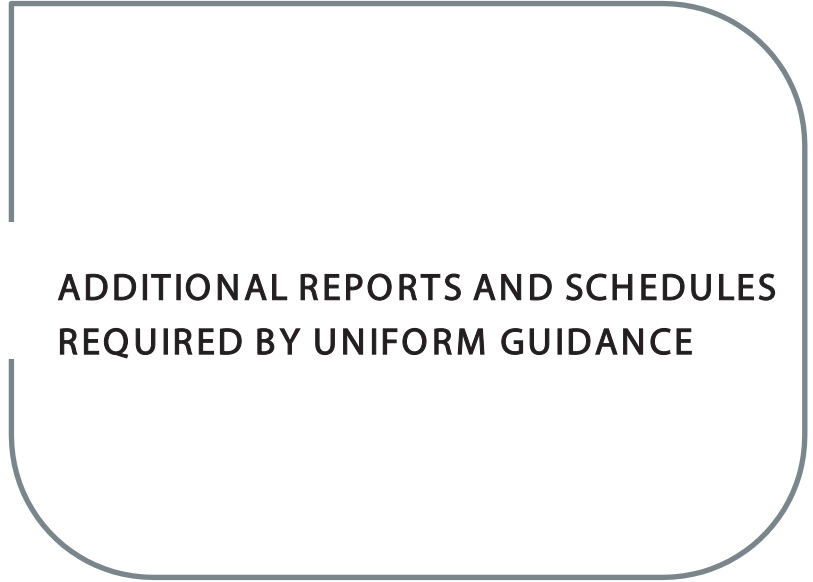
	ACCESS	ACCESS Development Corporation	Conifer Gardens	Consolidation Eliminations	TOTAL
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:					
Public Support and Revenue:					
Public support:					
Contributions	\$ 1,032,369	\$ -	\$ -	\$ -	\$ 1,032,369
Non-cash contributions	5,757,462	-	-	-	5,757,462
Fundraising events	284,791	-	-	-	284,791
Grants:					
Federal and state	42,111,926	-	-	-	42,111,926
USDA-federal food commodities	1,184,907	-	-	-	1,184,907
City and county	145,001	-	-	-	145,001
Private	767,815	-	-	-	767,815
Total Public Support	51,284,271	-	-	-	51,284,271
Revenue:					
Program income	813,473	-	-	(42,412)	771,061
Rental income	611,263	210,330	540,068	(210,330)	1,151,331
Investment income	124,400	811	-	(10,318)	114,893
Miscellaneous	29,038	-	4,938	(27,100)	6,876
Total Revenue	1,578,174	211,141	545,006	(290,160)	2,044,161
Net assets released from restrictions	806,579	-	-	-	806,579
Total Public Support and Revenue	53,669,024	211,141	545,006	(290,160)	54,135,011
Expenses:					
Program services	50,302,711	-	541,855	(263,060)	50,581,506
Management and general	3,908,621	162,453	-	(27,100)	4,043,974
Fundraising	966,854	-	-	-	966,854
Total Expenses	55,178,186	162,453	541,855	(290,160)	55,592,334
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(1,509,162)	48,688	3,151	-	(1,457,323)
CHANGES IN NET ASSETS WITH TIME/PURPOSE RESTRICTIONS:					
Public support:					
Contributions	602,283	-	-	-	602,283
Grants:					
Private	59,712	-	-	-	59,712
Total Public Support	661,995	-	-	-	661,995
Net assets released from restrictions	(806,579)	-	-	-	(806,579)
CHANGE IN NET ASSETS WITH TIME/PURPOSE RESTRICTIONS	(144,584)	-	-	-	(144,584)
CHANGES IN NET ASSETS TO BE HELD IN PERPETUITY:					
Change in beneficial interests	28,825	-	-	-	28,825
CHANGE IN NET ASSETS	(1,624,921)	48,688	3,151	-	(1,573,082)
NET ASSETS, BEGINNING OF YEAR	13,572,322	2,969,621	1,051,338	-	17,593,281
NET ASSETS, END OF YEAR	\$ 11,947,401	\$ 3,018,309	\$ 1,054,489	\$ -	\$ 16,020,199

ACCESS
CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025

	Support Services				Program Services								Consolidation Eliminations	TOTAL
	Management, General and Administration		Fundraising		Community Service Block Grant	Housing Programs	Energy and Weatherization Programs	Nutrition Programs	Support Services	Olsrud Family Nutrition Center	Total Program Services			
	ACCESS	ACCESS Development Corporation	Resource Development	Total Support Services										
Functional Expenses:														
Personnel and benefits	\$ 2,416,133	\$ -	\$ 639,113	\$ 3,055,246	\$ 44,304	\$ 1,217,299	\$ 939,708	\$ 956,952	\$ 5,883,615	\$ 2,041	\$ 9,043,919	\$ -	\$ 12,099,165	
Contracted services	192,007	-	20,445	212,452	-	70,535	12,196	10,982	10,577,344	-	10,671,057	(42,412)	10,841,097	
Energy assistance	-	-	-	-	-	-	3,953,662	-	222,705	-	4,176,367	-	4,176,367	
Shelter assistance	-	-	-	-	-	3,173	-	-	10,002,148	-	10,005,321	-	10,005,321	
Emergency assistance	-	-	-	-	-	-	-	-	3,999,423	-	3,999,423	-	3,999,423	
Food assistance	-	-	-	-	-	-	-	640,478	23,972	-	664,450	-	664,450	
Food contributions distributed	-	-	-	-	-	-	-	5,466,184	-	-	5,466,184	-	5,466,184	
Non-cash equipment, goods and service	-	-	-	-	-	-	-	109,546	1,366,639	-	1,476,185	-	1,476,185	
Rent, utilities and security	470,397	-	42,468	512,865	-	689,155	38,148	179,545	1,684,407	94,679	2,685,934	(210,330)	2,988,469	
Building and equipment maintenance	33,868	-	-	33,868	-	214,765	10,939	11,770	11,047	14,541	263,062	-	296,930	
Insurance	80,090	-	1,472	81,562	-	95,245	11,844	11,560	25,108	4,510	148,267	-	229,829	
Vehicle gas and oil	5,499	-	-	5,499	-	8,232	2,525	19,067	10,900	-	40,724	-	46,223	
Vehicle insurance and maintenance	16,936	-	-	16,936	-	5,229	5,170	40,854	85,990	-	137,243	-	154,179	
Travel and training	23,335	-	9,077	32,412	5,707	10,536	26,484	4,785	73,174	-	120,686	-	153,098	
Office and computer	152,154	-	81,952	234,106	468	24,539	8,708	15,511	288,734	57	338,017	-	572,123	
Telephone	31,095	-	6,233	37,328	-	15,786	39,811	16,714	118,012	2,318	192,641	-	229,969	
Taxes, licenses and fees	16,996	166	4,694	21,856	-	6,825	495	824	9,660	-	17,804	-	39,660	
Advertising and promotion	11,522	-	57,525	69,047	-	2,571	3,334	3,190	44,751	-	53,846	-	122,893	
Professional fees	319,836	2,200	15,198	337,234	18,115	44,695	42,191	17,349	739,387	7,034	868,771	-	1,206,005	
Fundraising	-	-	66,683	66,683	-	-	-	-	-	-	-	-	66,683	
Miscellaneous	52,792	27,100	21,994	101,886	-	3,268	489	740	7,644	-	12,141	(27,100)	86,927	
Depreciation and amortization expense	85,961	86,201	-	172,162	-	200,069	-	113,639	57,287	27,865	398,860	-	571,022	
Interest expense	-	46,786	-	46,786	-	63,664	-	-	-	-	63,664	(10,318)	100,132	
Total Functional Expenses	\$ 3,908,621	\$ 162,453	\$ 966,854	\$ 5,037,928	\$ 68,594	\$ 2,675,586	\$ 5,095,704	\$ 7,619,690	\$ 35,231,947	\$ 153,045	\$ 50,844,566	\$ (290,160)	\$ 55,592,334	

* Consolidation eliminations are removed from support services and program services balances as applicable as presented on the Consolidated Statement of Functional Expenses on page 3.

** Miscellaneous expense was eliminated against ACCESS Development Corporation, all others were eliminated against Housing Programs.



**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 (*Government Auditing Standards*), the consolidated financial statements of ACCESS and its subsidiaries (ACCESS), which comprise the consolidated statement of financial position as of June 30, 2025, 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 20, 2026.

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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sorren CPAs P.C.

Sorren CPAs P.C.
Medford, Oregon
March 20, 2026

**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 of ACCESS

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited ACCESS' and its subsidiaries' (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, 2025. 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, 2025.

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.

Sorren CPAs P.C.

Sorren CPAs P.C.
Medford, Oregon
March 20, 2026

ACCESS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

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	16167OROR2Y8105	\$ -	\$ 61,823
Emergency Food Assistance Program (Food Commodities) TEFAP	10.569	16167OROR2Y8105	-	1,184,907
Total Food Distribution Cluster			-	1,246,730
Total U. S. Department of Agriculture			\$ -	\$ 1,246,730
U. S. Department of Housing and Urban Development:				
Direct Program:				
Continuum of Care Program	14.267	OR0278L0E021900, OR0317L0E022100	\$ -	\$ 69,193
Total AL 14.267			-	69,193
Passed through Rural Community Assistance Corporation:				
Housing Counseling Assistance Program	14.169	HC240011002	-	36,931
Total AL 14.169			-	36,931
Passed through Oregon Housing and Community Services:				
Community Development Block Grant - Wildfire Response Grants	14.228	CDBG-DR-23-001, CDBG-DR-24-011, CDBG-DR-9023	-	2,339,253
HSS Down Payment Assistance and Housing Counseling	14.228	B-21-DZ-41-0001	-	16,356
Total AL 14.228			-	2,355,609
Emergency Solutions Grant Program	14.231	E-22-DC-41-0001, E-23-DC-41-0001, E-24-DC-41-0001	-	223,863
Total AL 14.231			-	223,863
Home Investment Partnerships Program	14.239	M-21-SG-41-0100, M-22-SG-41-0100, M-23-SG-41-0100	-	383,515
Total AL 14.239			-	383,515
Total U. S. Department of Housing and Urban Development			\$ -	\$ 3,069,111
U. S. Department of the Treasury				
Passed through Oregon Housing and Community Services:				
COVID-19 Emergency Rental Assistance Programs 2 Fire Funds	21.023	ERA3-0388	\$ -	\$ 2,983,869
Total AL 21.023			-	2,983,869
Treasury Homeowner Assistance Fund (Fee for Service)	21.026	HAF0027	-	12,000
Total AL 21.026			-	12,000
Passed through City of Medford:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	C0004243	-	20,000
Total AL 21.027			-	20,000
Total U. S. Department of the Treasury			\$ -	\$ 3,015,869
U. S. Department of Veterans Affairs:				
Direct Programs:				
VA Supportive Services for Veteran Families Program	64.033	19-OR-128, 19-OR-128-LT	\$ 2,305,912	\$ 7,038,579
Total AL 64.033			2,305,912	7,038,579
Total U. S. Department of Veterans Affairs			\$ 2,305,912	\$ 7,038,579
U. S. Department of Energy:				
Passed Through Oregon Housing and Community Services:				
Weatherization Assistance For Low-Income Persons (DOE)	81.042	00088993, DE-EE0009926, DE-EE0010011	\$ -	\$ 257,309
Total AL 81.042			-	257,309
Total U. S. Department of Energy			\$ -	\$ 257,309

ACCESS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

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:				
Temporary Assistance for Needy Families (TANF) Total AL 93.558	93.558	2001ORTANF	\$ -	\$ 140,504
Low-Income Home Energy Assistance Total AL 93.568	93.568	2302ORLIEA, 2302ORLIEE, 2402ORLIEA	-	2,473,355
Community Services Block Grant Total AL 93.569	93.569	G-2302ORCOSR, 2402ORCOSR	-	275,930
Passed Through Jackson Care Connect:				
Grants to States for Medicaid Medicaid Cluster	93.778	N/A	-	241,311
Total U. S. Department of Health and Human Services			\$ -	\$ 3,131,100
U. S. Department of Homeland Security:				
Direct Programs:				
Emergency Food and Shelter National Board Program Total AL 97.024	97.024	711800006	\$ -	\$ 15,290
Total U. S. Department of Homeland Security			\$ -	\$ 15,290
Total Expenditures of Federal Awards			\$ 2,305,912	\$ 17,773,988

ACCESS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

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, 2025. 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, 2025, the Organization received food commodities totaling \$1,184,907 for Assistance Listing #10.569.

ACCESS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025

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>
#14.228	Community Development Block Grant
#64.033	VA Supportive Services for Veteran Families Program
#93.778	Medicaid Cluster

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 (Continued)
YEAR ENDED JUNE 30, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS

None

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

None