Arlington Street People's Assistance Network and Affiliate

Consolidated Financial Statements,
Including Uniform Guidance Reports
and Independent Auditors' Report

June 30, 2020 and 2019

Arlington Street People's Assistance Network and Affiliate

Consolidated Financial Statements
June 30, 2020 and 2019

Contents

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Arlington Street People's Assistance Network and Affiliate

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Arlington Street People's Assistance Network and Affiliate (collectively, "the Organization"), which comprise the consolidated statements of financial position as of June 30, 2020 and 2019; the related consolidated statements of activities, functional expenses, and cash flows for the years then ended; and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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Auditor's Responsibility (continued)

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the consolidated financial statements, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606) and FASB ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.* Our opinion is not modified with respect to this matter.

Supplementary and Other Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information as of and for the year ended June 30, 2020 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects in relation to the consolidated financial statements as a whole.

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

In accordance with *Government Auditing Standards,* we have also issued our report, dated March 17, 2021, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Rogers + Company PLLC

Vienna, Virginia
March 17, 2021

Arlington Street People's Assistance Network and Affiliate

Consolidated Statements of Financial Position
June 30, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	$ 1,195,582	$ 544,439
Investments	1,132,056	533,406
Accounts receivable	35,865	6,804
Grants receivable	106,821	53,368
Contributions receivable, net	152,554	537,549
Prepaid expenses and other assets	22,627	36,898
Property and equipment, net	1,624,242	1,644,469
Total assets	$ 4,269,747	$ 3,356,933
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	$ 169,263	$ 140,191
Refundable advances	218,457	-
Deferred revenue	8,723	-
Loan payable – Paycheck Protection Program	486,137	-
Notes payable	1,476,207	1,479,464
Deposits	20,006	-
Total liabilities	2,378,793	1,619,655
Net Assets		
Without donor restrictions:		
Undesignated	304,215	333,121
Board-designated	644,682	673,248
Total without donor restrictions	948,897	1,006,369
With donor restrictions	942,057	730,909
Total net assets	1,890,954	1,737,278
Total liabilities and net assets	$ 4,269,747	$ 3,356,933

See accompanying notes.

Arlington Street People's Assistance Network and Affiliate

Consolidated Statement of Activities
For the Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contributions	$ 889,871	$ 619,097	$ 1,508,968
Grants	2,063,016	-	2,063,016
Contract services	1,900,299	-	1,900,299
In-kind contributions	179,000	-	179,000
Special events	58,215	-	58,215
Rental income	119,944	-	119,944
Investment return, net	6,172	-	6,172
Other income	32,237	-	32,237
Released from restrictions	407,949	(407,949)	-
Total revenue and support	5,656,703	211,148	5,867,851
Expenses			
Program services:			
Day Program	381,387	-	381,387
Permanent Supportive Housing	2,149,812	-	2,149,812
Homeless Services Center	1,442,518	-	1,442,518
Other housing	411,516	-	411,516
Sibert House	203,586	-	203,586
Total program services	4,588,819	-	4,588,819
Supporting services:			
Management and general	802,669	-	802,669
Fundraising	303,520	-	303,520
Cost of direct benefits to donors	19,167	-	19,167
Total supporting services	1,125,356	-	1,125,356
Total expenses	5,714,175	-	5,714,175
Change in Net Assets	(57,472)	211,148	153,676
Net Assets, beginning of year	1,006,369	730,909	1,737,278
Net Assets, end of year	$ 948,897	$ 942,057	$ 1,890,954

See accompanying notes.

Arlington Street People's Assistance Network and Affiliate

Consolidated Statement of Activities
For the Year Ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contributions	$ 662,028	$ 797,045	$ 1,459,073
Grants	1,911,389	-	1,911,389
Contract services	1,659,708	-	1,659,708
In-kind contributions	370,092	-	370,092
Special events	69,468	-	69,468
Investment return, net	48,223	-	48,223
Other income	21,434	-	21,434
Released from restrictions	236,857	(236,857)	-
Total revenue and support	4,979,199	560,188	5,539,387
Expenses			
Program services:			
Day Program	578,858	-	578,858
Permanent Supportive Housing	1,958,187	-	1,958,187
Homeless Services Center	1,456,597	-	1,456,597
Other housing	382,814	-	382,814
Volunteer	56,179	-	56,179
Total program services	4,432,635	-	4,432,635
Supporting services:			
Management and general	385,008	-	385,008
Fundraising	146,659	-	146,659
Cost of direct benefits to donors	15,205	-	15,205
Total supporting services	546,872	-	546,872
Total expenses	4,979,507	-	4,979,507
Change in Net Assets	(308)	560,188	559,880
Net Assets, beginning of year	1,006,677	170,721	1,177,398
Net Assets, end of year	$ 1,006,369	$ 730,909	$ 1,737,278

See accompanying notes.

Arlington Street People's Assistance Network and Affiliate

Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2020

	Program Services						Supporting Services			
	Day Program	Permanent Supportive Housing	Homeless Services Center	Other Housing	Sibert House	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Salaries and related expenses	$ 199,388	$ 585,109	$ 1,228,492	$ 197,335	$ 51,555	$ 2,261,879	$ 413,039	$ 244,597	$ 657,636	$ 2,919,515
Supplies and food	995	1,029	76,945	37	-	79,006	5,900	-	5,900	84,906
Professional fees	-	11,812	-	-	11,648	23,460	196,353	19,979	216,332	239,792
Supportive services	174,144	1,538,844	96,752	205,828	7,709	2,023,277	8,133	808	8,941	2,032,218
Depreciation	2,037	3,150	10,584	2,205	30,803	48,779	2,310	714	3,024	51,803
Insurance	2,001	2,973	9,815	1,967	3,486	20,242	19,773	628	20,401	40,643
Telephone	135	3,645	270	705	3,066	7,821	1,370	-	1,370	9,191
Printing	-	-	417	-	-	417	12,771	1,101	13,872	14,289
Advertising	-	-	-	-	-	-	318	17,803	18,121	18,121
Repairs and maintenance	356	68	753	71	5,020	6,268	559	5,280	5,839	12,107
Postage	-	-	-	-	-	-	768	1,438	2,206	2,206
Dues and subscriptions	52	20	143	-	-	215	4,633	1,088	5,721	5,936
Taxes and licenses	-	-	-	-	14,603	14,603	5,735	-	5,735	20,338
Interest	-	-	-	-	73,637	73,637	789	-	789	74,426
Office expense	2,185	2,703	18,347	3,274	2,059	28,568	70,766	9,902	80,668	109,236
Travel	94	459	-	94	-	647	647	182	829	1,476
Bad debt	-	-	-	-	-	-	58,805	-	58,805	58,805
Costs of direct benefits to donors	-	-	-	-	-	-	-	19,167	19,167	19,167
Total Expenses	$ 381,387	$ 2,149,812	$ 1,442,518	$ 411,516	$ 203,586	$ 4,588,819	$ 802,669	$ 322,687	$ 1,125,356	$ 5,714,175

See accompanying notes.

Arlington Street People's Assistance Network and Affiliate

Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2019

	Program Services						Supporting Services			
	Day Program	Permanent Supportive Housing	Homeless Services Center	Other Housing	Volunteer	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Salaries and related expenses	$ 209,917	$ 449,756	$ 1,209,081	$ 200,488	$ 51,955	$ 2,121,197	$ 257,858	$ 110,079	$ 367,937	$ 2,489,134
Supplies and food	52,664	2,372	102,501	-	2,198	159,735	440	100	540	160,275
Professional fees	391	67,231	2,030	423	121	70,196	26,232	2,694	28,926	99,122
Supportive services	296,951	1,416,374	32,484	175,866	-	1,921,675	-	-	-	1,921,675
Depreciation	2,224	6,009	11,554	2,407	688	22,882	1,834	779	2,613	25,495
Insurance	4,049	4,870	9,363	1,866	1,217	21,365	3,496	1,183	4,679	26,044
Telephone	180	2,483	585	900	-	4,148	1,217	165	1,382	5,530
Training	60	-	2,801	-	-	2,861	2,564	3,145	5,709	8,570
Printing	-	-	255	-	-	255	10,927	794	11,721	11,976
Advertising	-	-	-	-	-	-	-	13,978	13,978	13,978
Repairs and maintenance	4,567	1,238	59,421	-	-	65,226	-	16	16	65,242
Postage	-	23	76	-	-	99	124	2,275	2,399	2,498
Dues and subscriptions	-	-	1,117	-	-	1,117	5,223	40	5,263	6,380
Taxes and licenses	2,785	178	596	-	-	3,559	5,448	450	5,898	9,457
Interest	-	-	-	-	-	-	14,207	-	14,207	14,207
Office expense	1,069	2,343	4,933	-	-	8,345	39,664	10,069	49,733	58,078
Travel	4,001	5,310	19,800	864	-	29,975	15,774	892	16,666	46,641
Costs of direct benefits to donors	-	-	-	-	-	-	-	15,205	15,205	15,205
Total Expenses	$ 578,858	$ 1,958,187	$ 1,456,597	$ 382,814	$ 56,179	$ 4,432,635	$ 385,008	$ 161,864	$ 546,872	$ 4,979,507

Arlington Street People's Assistance Network and Affiliate

Consolidated Statements of Cash Flows
For the Years Ended June 30, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities		
Change in net assets	$ 153,676	$ 559,880
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	51,803	25,495
Net unrealized and realized loss (gain) on investments	12,808	(30,533)
Change in present value discount	(22,620)	22,620
Change in allowance for doubtful receivables	31,002	-
Deferred financing costs	860	(26,868)
Change in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(29,061)	(6,804)
Grants receivable	(53,453)	2,433
Contributions receivable	376,613	(518,089)
Prepaid expenses and other assets	14,271	7,596
Increase (decrease) in:		
Accounts payable and accrued expenses	29,072	47,237
Refundable advances	218,457	-
Deferred revenue	8,723	-
Deposits	20,006	-
Net cash provided by operating activities	812,157	82,967
Cash Flows from Investing Activities		
Purchases of investments	(1,351,851)	(207,189)
Proceeds from sale of investments	740,393	519,091
Purchases of property and equipment	(31,576)	(1,616,777)
Net cash used in investing activities	(643,034)	(1,304,875)
Cash Flows from Financing Activities		
Principal payments on notes payable	(4,117)	(1,625)
Proceeds from notes	-	1,498,500
Proceeds from loan – Paycheck Protection Program	486,137	-
Net cash provided by financing activities	482,020	1,496,875
Net Increase in Cash and Cash Equivalents	651,143	274,967
Cash and Cash Equivalents, beginning of year	544,439	269,472
Cash and Cash Equivalents, end of year	$ 1,195,582	$ 544,439
Supplementary Disclosure of Cash Flow Information		
Cash paid for interest	$ 74,426	$ 14,207

See accompanying notes.

1. Nature of Operations

Arlington Street People’s Assistance Network’s (ASPAN) goal is to end homelessness in Arlington, and ASPAN offers a variety of services to homeless individuals who are working toward gaining housing of their own. During 2015, ASPAN transitioned to a year-round Homeless Services Center (HSC). This center allows ASPAN to constantly keep in touch with clients and will shorten the length of time it takes a client to get housing, as well as help to move even more people into housing.

In addition to housing services, ASPAN continues to provide a range of emergency services to help clients work toward housing. These services are offered through the HSC Day Program and Shelter Program, and include laundry, clothing, showers, food, case management, and nursing services. The year-round center further enhances ASPAN’s programs by ensuring the close contact that the case managers need with clients to assist them with such things as getting identification, applying for social security benefits, and, ultimately, helping them get housing.

Finally, ASPAN will continue to maintain contact with homeless clients living on the streets outside of the new center. ASPAN’s Outreach Team workers seek out people living on the streets, in the woods, or other locations unfit for human habitation, and distribute items such as clothing, blankets, bottled water, personal hygiene items, and medical kits. The provision of these items helps staff build relationships with clients over time, and then helps them access higher-level services. In addition to the Outreach Team, the Homeless Bagged Meal Program also provides outreach to clients on the streets. Through this program, volunteers distribute up to 80 meals at two locations in the Ballston-Rosslyn corridor 365 nights a year.

During 2016, ASPAN organized a single-member limited liability company, Opportunity Housing LLC (“the LLC”), under the laws of the Commonwealth of Virginia. The purpose of the LLC is to assist ASPAN with seeking and acquiring permanent housing investment properties in the future, should opportunities arise. ASPAN is the sole member of the LLC. During 2019, the LLC purchased real estate property in Arlington, Virginia known as Sibert House, which has the capacity to house eight individuals who do not otherwise qualify for government subsidies. See Notes 7 and 8 to the accompanying consolidated financial statements.

2. Summary of Significant Accounting Policies

Principles of Consolidation

Consolidated financial statements are presented due to ASPAN's controlling financial interest in the LLC. All intercompany balances and significant transactions have been eliminated in consolidation. Except when referred to separately, all entities are collectively referred to as "the Organization" throughout the accompanying consolidated financial statements and related notes.

Basis of Accounting and Presentation

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

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Net assets without donor restrictions also include the Board-designated fund.

- *Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. The Organization reports contributions and grants restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions and grants are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Cash Equivalents

For the purpose of the consolidated statements of cash flows, the Organization considers as cash equivalents all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of ninety days or less at the time of purchase. Excluded from this definition of cash equivalents are amounts held for investment.

2. Summary of Significant Accounting Policies (continued)

Investments

Investments are recorded at fair value based on quoted market prices. All realized and unrealized gains and losses, net of investment management fees, are reported in net investment return in the accompanying consolidated statements of activities.

Accounts Receivable

The Organization's accounts receivable are all due in less than one year and are recorded at net realizable value. The Organization writes off accounts receivable when they become uncollectible. When necessary, an allowance for uncollectible accounts receivable is determined based on management's best estimate of the outstanding uncollectible accounts. No allowance for doubtful accounts is recorded, as management believes that all accounts receivables are fully collectible.

Grants Receivable

Grants receivable consists of amounts due to be reimbursed to the Organization for expenses incurred under grant agreements with federal and local government agencies. The entire amount is expected to be collected within one year, and is recorded at net realizable value. No allowance for doubtful accounts is recorded, as management believes that all grants receivables are fully collectible.

Contributions Receivable

Contributions receivable represent unconditional amounts committed to the Organization. Contributions receivable are reflected at either net realizable value, or at net present value based on projected cash flows. The Organization's policy is to charge-off uncollectible receivables based upon management's judgement and analysis of the creditworthiness of the donors, collection experience, and other relevant factors. The Organization's management provided an allowance for doubtful receivables of $31,002 at both June 30, 2020 and 2019.

2. Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment acquisitions with a cost in excess of $1,000 and a projected useful life exceeding one year are capitalized and recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from three to thirty years. Upon disposal of depreciable assets, the cost and related accumulated depreciation are eliminated from the accounts and the resulting gain or loss is credited or charged to income. Expenditures for repairs and maintenance are expensed as incurred.

Revenue Recognition

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

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

Contract services revenues are generated from federal and local government agencies and are generally cost reimbursement arrangements where revenue is recognized at the time costs are incurred, which is when the sole performance obligation is satisfied.

Revenue from all other sources is recognized when earned.

2. Summary of Significant Accounting Policies (continued)

In-Kind Contributions

The value of contributions that enhance a nonfinancial asset, which are considered specialized and can be estimated, and would have been purchased if not donated, are reflected in the accompanying consolidated statements of activities as in-kind contributions. In-kind contributions are recognized as revenue and expense in the accompanying consolidated statements of activities at their estimated fair value, as provided by the donor, at the date of receipt, or calculated fair value of use of property in the period the property is used.

Functional Allocation of Expenses

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

Use of Estimates

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

Change in Accounting Principles

Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606), as amended, supersedes or replaces nearly all revenue recognition guidance under accounting principles generally accepted in the United States of America. These standards establish a new contract and control-based revenue recognition model, change the basis for deciding when revenue is recognized over time or at a point in time, and expand disclosures about revenue. The Organization has implemented Topic 606 and has adjusted, if applicable, the presentation in these consolidated financial statements accordingly. The amendments have been applied retrospectively to all periods presented. The implementation had no impact on the previously reported net assets.

2. Summary of Significant Accounting Policies (continued)

Change in Accounting Principles (continued)

In June 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.* This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. The Organization has implemented the provisions of ASU 2018-08 applicable to both contributions received and to contributions made in these consolidated financial statements under a modified prospective basis. The implementation had no impact on the previously reported net assets.

Subsequent Events

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through March 17, 2021, the date the consolidated financial statements were available to be issued.

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen that are likely to impact the Organization. The extent of the impact of COVID-19 on the Organization's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, and its direct impact on the Organization, all of which are uncertain and cannot be predicted at this time. The Organization has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended June 30, 2020 have not been adjusted to reflect their impact.

Subsequent to year end, on January 22, 2021, the full amount of the first loan under the Paycheck Protection Program (PPP) was forgiven by the Small Business Administration (SBA). See Note 9 for details.

Subsequent to year-end, on February 7, 2021, the Organization applied for a second loan under the PPP. The second loan was granted to the Organization on February 9, 2021 in the amount of $318,628. See Note 9 for details.

3. Liquidity and Availability

The Organization has a goal to maintain financial assets on hand to meet 60 days of normal operating expenses. As part of this liquidity management, the Organization invests cash in excess of daily requirements in various investments including money market funds, stocks, and mutual funds. As described in Note 11 to the consolidated financial statements, the Organization also has a committed line of credit available in the amount of $150,000, which it could draw upon in the event of an unanticipated liquidity need. There was no outstanding balance on this line of credit at both June 30, 2020 and 2019.

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

	2020	2019
Cash and cash equivalents	$ 1,195,582	$ 544,439
Investments	1,132,056	533,406
Accounts receivable	35,865	6,804
Grants receivable	106,821	53,368
Contributions receivable, net	152,554	537,549
Total financial assets	2,622,878	1,675,566
Less: contributions receivable in one to five years	-	(306,110)
Less: restricted by donors for purpose and time	(942,057)	(730,909)
Total available for general expenditures	$ 1,680,821	$ 638,547

4. Concentrations of Risk

Credit Risk

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

Revenue Risk

During the years ended June 30, 2020 and 2019, 68% and 64%, respectively, of the Organization's revenue and support was provided by the government of Arlington County, Commonwealth of Virginia, and the U.S. Department of Housing and Urban Development. Government grants that are cost reimbursable in nature are recognized as revenue as the related expenditures are incurred. Reduction in these grants will also reduce the corresponding expenses. Any significant reduction in revenue and support may adversely impact the Organization's financial position and operations. It is expected that support received from these agencies will continue since such funding sources have been historically stable for many years.

5. Investments and Fair Value Measurements

Net investment return consists of the following for the years ended June 30:

	2020	2019
Interest and dividends	$ 24,375	$ 22,808
Net unrealized and realized (loss) gain	(12,808)	30,533
Less: investment management fees	(5,395)	(5,118)
Investment return, net	$ 6,172	$ 48,223

5. Investments and Fair Value Measurements (continued)

The Organization follows FASB Accounting Standards Codification 820, *Fair Value Measurements and Disclosures,* for its financial assets. This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value measurement standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the entity's perceived risk of that instrument.

The inputs used in measuring fair value are categorized into three levels. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and liabilities and have the highest priority. Level 2 is based upon observable inputs other than quoted market prices, and Level 3 is based on unobservable inputs. The Organization recognizes transfers between levels in the fair value hierarchy at the end of the reporting period.

In general, and where applicable, the Organization uses quoted prices in active markets for identical assets to determine fair value. This pricing methodology applies to Level 1 investments.

The following table presents the Organization's fair value hierarchy for those investments measured on a recurring basis at June 30:

	Level 1	Level 2	Level 3	Total
2020:				
Stocks, options, and ETFs	$ 1,106,669	$ -	$ -	$ 1,106,669
Money market funds	25,387	-	-	25,387
Total investments	$ 1,132,056	$ -	$ -	$ 1,132,056
2019:				
Stocks, options, and ETFs	$ 498,645	$ -	$ -	$ 498,645
Mutual funds	30,337	-	-	30,337
Money market funds	4,424	-	-	4,424
Total investments	$ 533,406	$ -	$ -	$ 533,406

6. Contributions Receivable

Contributions receivable consists of the following at June 30:

	2020	2019
Due in less than one year	$ 183,556	$ 285,061
Due in one to five years	-	306,110
Total contributions receivable	183,556	591,171
Less: present value discount (at 3%)	-	(22,620)
Less: allowance for doubtful receivables	(31,002)	(31,002)
Contributions receivable, net	$ 152,554	$ 537,549

7. Property and Equipment

Property and equipment consists of the following at June 30:

	2020	2019
Land	$ 807,773	$ 807,773
Building	780,076	780,076
Vehicles	127,882	127,882
Computer equipment	38,591	29,165
Office furniture and equipment	36,745	36,745
Construction in progress	27,150	5,000
Total property and equipment	1,818,217	1,786,641
Less: accumulated depreciation	(193,975)	(142,172)
Property and equipment, net	$ 1,624,242	$ 1,644,469

Purchase of Real Estate Property

On March 8, 2019, the LLC purchased real estate property in Arlington, Virginia at a gross sale price of $1,560,000. As described in Note 8 to the consolidated financial statements, the acquisition of this real estate property was financed primarily by promissory notes.

8. Notes Payable

On March 8, 2019, the LLC purchased real estate property in Arlington, Virginia at a gross sale price of $1,560,000. The acquisition of this real estate property was financed by multiple promissory notes. There were certain financial and nonfinancial covenants required under these note agreements. The Organization was in compliance with the debt covenants at both June 30, 2020 and 2019.

The Organization had the following notes payable at June 30:

	2020	2019
John Marshall Bank – Original note of $838,500; obtained on March 8, 2019; interest only payments for first 12 months; then monthly payments of principal and interest of $4,938; fixed interest rate at 5%; 10-year term; matures on March 8, 2029	$ 834,383	$ 838,500
Westover Place XV LLC – Original note of $500,000; obtained on March 8, 2019; interest only payments due in annual installments of $20,000; fixed interest rate at 4%; 5-year term; principal is due in full on February 29, 2024	500,000	500,000
Westover Place XV LLC – Original note of $160,000; obtained on March 8, 2019; interest only payments due in annual installments of $8,000; principal payments of $40,000 due in 5-year intervals starting February 28, 2034; fixed interest rate at 5%; 30-year term; matures on February 28, 2049	160,000	160,000
Car Note – Original note of $10,506; obtained on November 17, 2017; monthly payments of principal and interest of $164 fixed interest rate at 3.90%; 6-year term; matures on November 17, 2023	5,983	7,832
Deferred financing costs of $27,094; amortized over 10 years	(24,159)	(26,868)
Total notes payable	$ 1,476,207	$ 1,479,464

8. Notes Payable (continued)

The related interest expense for the years ended June 30, 2020 and 2019 was $74,426 and $14,207, respectively.

Future principal payments under these notes are as follows at June 30:

2021	$	19,111
2022		20,082
2023		21,103
2024		520,583
2025		21,239
Thereafter		898,248
Total notes payable		1,500,366
Less: unamortized debt issuance costs		(24,159)
Total future principal payments	$	1,476,207

9. Loan Payable – Paycheck Protection Program

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

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

The loan was granted to the Organization on April 17, 2020 in the amount of $486,137 and it is management’s intention to use the entire loan amount for qualifying expenses in order to apply for full forgiveness. Once the loan is, in part or wholly, forgiven and legal release is received, the Organization will reduce the liability by the amount forgiven and record a gain on extinguishment in the consolidated statements of activities, which is expected to occur in fiscal year 2021.

9. Loan Payable – Paycheck Protection Program (continued)

Subsequent to year end, on January 22, 2021, the full amount of this loan was forgiven by the SBA.

Subsequent to year-end, on February 7, 2021, the Organization applied for a second loan under the PPP. The second PPP loan was granted to the Organization on February 9, 2021 in the amount of $318,628 and matures on February 9, 2026. This PPP loan bears interest at a fixed rate of 1.00%, which is payable monthly commencing on February 9, 2022. The PPP loan may be repaid by the Organization at any time prior to maturity with no prepayment penalties. Funds from this PPP loan may only be used for payroll costs, benefits, mortgage payments, rent, utilities, and certain supplier costs and expenses for operations. The Organization intends to use the entire loan amount for qualifying expenses and apply for forgiveness of certain amounts up to the full amount of the loan under the terms of the PPP.

10. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes at June 30:

	2020	2019
Time restricted	$ 10,967	$ 27,401
Program restricted:		
Housing	859,170	631,588
Homeless Services Center	70,000	70,000
Day Program	1,920	1,920
Total net assets with donor restrictions	$ 942,057	$ 730,909

11. Line of Credit

The Organization maintains a $150,000 revolving line of credit to finance short-term working capital needs. Borrowings under this facility are payable on demand, and are secured by a security interest in the Organization's assets. The line of credit requires payments of interest on a monthly basis equal to the Prime rate listed in the *Wall Street Journal,* plus 1.00%, but not less than 4.5%. There was no outstanding balance as of June 30, 2020 and 2019.

12. Allocation of Expenses from Management and General Activities

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The majority of expenses are recorded directly to specific programs and functions, using the direct allocation method. Expenses that are allocated include salaries and related expenses, and depreciation, which are allocated on the basis of estimates of time and effort.

13. Commitment and Contingencies

Homeless Services Center Contract

On October 1, 2015, the Organization moved into an office space in Arlington, Virginia as part of the Homeless Services Center contract with Arlington County. The contract was effective May 1, 2015 and was initially set to expire on June 30, 2018, and later extended to December 31, 2024. As part of the contract, the Organization is provided with donated office space by Arlington County as described in Note 14 to the consolidated financial statements.

Federal Cooperative and Grant Agreements

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

14. In-Kind Contributions

The Organization receives in-kind contributions in the form of donated services, goods, and use of facilities. In-kind contributions are valued at comparable market rates.

Donated Services

Contributions of services are recognized when services (a) create or enhance nonfinancial assets, or (b) require specialized skills, which are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed services principally consist of legal, accounting, consulting, and other specialized services and totaled $0 and $15,812 for the years ended June 30, 2020 and 2019, respectively.

14. In-Kind Contributions (continued)

Donated Services (continued)

In addition, a substantial number of volunteers have donated significant amounts of time to the Organization and its programs; however, these donated services are not reflected in the consolidated financial statements as the services do not meet the criteria for recognition as contributed services.

Donated Goods

Also recognized in in-kind contributions was $72,344 and $247,624 of donated goods for the years ended June 30, 2020 and 2019, respectively. Donated goods consist primarily of clothing, supplies, cars, and food. These items are principally included in supplies and food expense in the accompanying consolidated statements of functional expenses.

Donated Facilities

The Organization has recorded the estimated fair value of donated office space in the amount of $106,656 for both years ended June 30, 2020 and 2019, which is included under in-kind contributions in the accompanying consolidated statements of activities.

15. Retirement Plan

ASPAN maintains a 403(b) Employer Contributory Plan under which all employees who work more than 20 hours per week may participate. Additionally, eligible employees who have completed six months of service may receive employer discretionary matching contributions. ASPAN made contributions to the plan totaling $80,343 and $59,321 for the years ended June 30, 2020 and 2019, respectively, which are included in salaries and related expenses in the accompanying consolidated statements of functional expenses.

16. Income Taxes

Under Section 501(c)(3) of the Internal Revenue Code (IRC), ASPAN is exempt from the payment of taxes on income other than net unrelated business income. No provisions for income tax are required for the years ended June 30, 2020 and 2019, as ASPAN had no net unrelated business income. Contributions to the Organization are deductible as provided in IRC Section 170(b)(1)(A)(vi). Management has reviewed all open tax years for all tax jurisdictions and has concluded that the Organization has taken no uncertain tax positions that require adjustment to the consolidated financial statements to comply with the provisions of this guidance.

SUPPLEMENTARY INFORMATION

Arlington Street People's Assistance Network and Affiliate

Consolidating Schedule of Financial Position
June 30, 2020

	ASPAN	The LLC	Eliminations	Total
Assets				
Cash and cash equivalents	$ 999,934	$ 195,648	$ -	$ 1,195,582
Investments	1,132,056	-	-	1,132,056
Accounts receivable	35,117	748	-	35,865
Due from the LLC	3,707	-	(3,707)	-
Grants receivable	106,821	-	-	106,821
Contributions receivable, net	152,554	-	-	152,554
Prepaid expenses and other assets	21,478	1,149	-	22,627
Property and equipment, net	32,487	1,591,755	-	1,624,242
Investment in the LLC	276,114	-	(276,114)	-
Total assets	$ 2,760,268	$ 1,789,300	$ (279,821)	$ 4,269,747
Liabilities and Net Assets				
Liabilities				
Accounts payable and accrued expenses	$ 156,161	$ 13,102	$ -	$ 169,263
Due to ASPAN	-	3,707	(3,707)	-
Refundable advances	218,457	-	-	218,457
Deferred revenue	-	8,723	-	8,723
Loan payable – Paycheck Protection Program	486,137	-	-	486,137
Notes payable	5,983	1,470,224	-	1,476,207
Investment from ASPAN	-	276,114	(276,114)	-
Deposits	-	20,006	-	20,006
Total liabilities	866,738	1,791,876	(279,821)	2,378,793
Net Assets				
Without donor restrictions:				
Undesignated	309,588	(5,373)	-	304,215
Board-designated	641,885	2,797	-	644,682
Total without donor restrictions	951,473	(2,576)	-	948,897
With donor restrictions	942,057	-	-	942,057
Total net assets (deficit)	1,893,530	(2,576)	-	1,890,954
Total liabilities and net assets	$ 2,760,268	$ 1,789,300	$ (279,821)	$ 4,269,747

Arlington Street People's Assistance Network and Affiliate

Consolidating Schedule of Activities
For the Year Ended June 30, 2020

	ASPAN	The LLC	Eliminations	Total
Revenue and Support				
Contributions	$ 1,458,968	$ 50,000	$ -	$ 1,508,968
Grants	2,063,016	-	-	2,063,016
Contract services	1,900,299	-	-	1,900,299
In-kind contributions	179,000	-	-	179,000
Special events	58,215	-	-	58,215
Rental income	-	119,944	-	119,944
Investment return, net	4,789	1,383	-	6,172
Other income	31,905	332	-	32,237
Total revenue and support	5,696,192	171,659	-	5,867,851
Expenses				
Program services:				
Day Program	381,387	-	-	381,387
Permanent Supportive Housing	2,149,812	-	-	2,149,812
Homeless Services Center	1,442,518	-	-	1,442,518
Other housing	411,516	-	-	411,516
Sibert House	-	203,586	-	203,586
Total program services	4,385,233	203,586	-	4,588,819
Supporting services:				
Management and general	802,669	-	-	802,669
Fundraising	303,520	-	-	303,520
Cost of direct benefits to donors	19,167	-	-	19,167
Total supporting services	1,125,356	-	-	1,125,356
Total expenses	5,510,589	203,586	-	5,714,175
Change in Net Assets	185,603	(31,927)	-	153,676
Net Assets, beginning of year	1,707,927	29,351	-	1,737,278
Net Assets (Deficit), end of year	$ 1,893,530	$ (2,576)	$ -	$ 1,890,954

SUPPLEMENTARY SCHEDULE AND REPORTS REQUIRED BY THE UNIFORM GUIDANCE

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

To the Board of Directors of
Arlington Street People's Assistance Network and Affiliate

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Arlington Street People's Assistance Network and Affiliate (collectively, "the Organization"), which comprise the consolidated statement of financial position as of June 30, 2020; 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, and have issued our report thereon dated March 17, 2021.

Internal Control over Financial Reporting

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

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

Internal Control over Financial Reporting (continued)

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

Compliance and Other Matters

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

Purpose of this Report

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

Rogers + Company PLLC

Vienna, Virginia
March 17, 2021

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

To the Board of Directors of
Arlington Street People's Assistance Network and Affiliate

Report on Compliance for Each Major Federal Program

We have audited Arlington Street People's Assistance Network and Affiliate's (collectively, "the Organization") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Organization's major federal program for the year ended June 30, 2020. The Organization's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

Auditor's Responsibility (continued)

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

Opinion on the Major Federal Program

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2020.

Report on Internal Control over Compliance

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

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

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

ROGERS & COMPANY

Report on Internal Control over Compliance (continued)

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

Rogers + Company PLLC

Vienna, Virginia
March 17, 2021

Arlington Street People's Assistance Network and Affiliate

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
Department of Housing and Urban Development				
Direct Awards:				
Continuum of Care Program-InRoads	14.267	n/a	$ -	$ 597,247
Continuum of Care Program-Turning Keys	14.267	n/a	-	712,602
Continuum of Care Program-Homebound	14.267	n/a	-	455,962
Continuum of Care Program-Homeward	14.267	n/a	-	147,340
Total Continuum of Care Program			-	1,913,151
Community Development Block Grant	14.218	n/a	-	25,000
Pass-Through from Virginia Department of Housing and Community Development:				
Emergency Solutions Grant Program	14.231	20-VHSP-021	-	124,865
Total Expenditures of Federal Awards			$ -	$ 2,063,016

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

Arlington Street People's Assistance Network and Affiliate

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal award activity of the Organization under the programs of the federal government for the year ended June 30, 2020. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a selected portion of the operations of the Organization, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of the Organization.

2. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rates

The Organization has elected to use the 10% *de minimis* indirect cost rate allowed under the Uniform Guidance.

Arlington Street People's Assistance Network and Affiliate

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

Section I – Summary of Independent Auditors' Results

Consolidated Financial Statements

Type of auditor's report issued:	Unmodified		
Internal control over financial reporting:			
• Material weakness(es) identified?	______ Yes	X No	
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	______ Yes	X None reported	
Noncompliance material to consolidated financial statements noted?	______ Yes	X No	

Federal Awards

Internal control over the major program:			
• Material weakness(es) identified?	______ Yes	X No	
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	______ Yes	X None reported	
Type of auditor's report issued on compliance for the major program:	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	______ Yes	X No	

Identification of major program:

Agreement Number	Name of Federal Program or Cluster
14.267	Continuum of Care Program

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

Auditee qualified as low-risk auditee? X Yes ______ No

Arlington Street People's Assistance Network and Affiliate

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

Section II – Financial Statement Findings

There were no financial statement findings reported during the 2020 audit.

Section III – Federal Award Findings and Questioned Costs

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

Arlington Street People's Assistance Network and Affiliate

Corrective Action Plan
For the Year Ended June 30, 2020

There were no findings for the year ended June 30, 2020, and, therefore, a corrective action plan was not needed.

Arlington Street People's Assistance Network and Affiliate

Schedule of Prior Audit Findings
For the Year Ended June 30, 2020

There were no findings or questioned costs reported for the 2019 audit.