

**SACRAMENTO CHILDREN'S
HOME, INC.**

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT
AND SUPPLEMENTAL SCHEDULES**

**YEARS ENDED
JUNE 30, 2023 AND 2022**

SACRAMENTO CHILDREN’S HOME, INC.



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INDEPENDENT AUDITOR'S REPORT

**Board of Directors
Sacramento Children's Home, Inc.
Sacramento, California**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Sacramento Children's Home, Inc. (SCH), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the SCH as of June 30, 2023 and 2022, 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.

Basis for Opinion

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. 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 the SCH and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the SCH's ability to continue as a going concern within one year after the date that the financial statements are 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 generally accepted auditing standards 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 generally accepted auditing standards 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 the SCH's 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 the SCH's 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 accompanying schedule of revenue and expenses for First 5 funding and schedules of group home program costs and revenues are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits 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 October 25, 2023, on our consideration of the SCH's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the SCH's 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 SCH's internal control over financial reporting and compliance.



GILBERT CPAs
Sacramento, California

October 25, 2023

SACRAMENTO CHILDREN'S HOME, INC.



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STATEMENTS OF FINANCIAL POSITION JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 7,448,217	\$ 11,295,445
Contracts, grants, and other receivables, net	3,588,833	2,670,674
Prepaid expenses and other assets	310,138	376,091
Total current assets	<u>11,347,188</u>	<u>14,342,210</u>
NONCURRENT ASSETS:		
Investments	22,923,909	22,841,241
Property and equipment, net	6,798,097	5,359,269
Operating lease, right-of-use assets	368,810	
Total noncurrent assets	<u>30,090,816</u>	<u>28,200,510</u>
TOTAL ASSETS	<u>\$ 41,438,004</u>	<u>\$ 42,542,720</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	\$ 694,145	\$ 515,903
Accrued expenses and other liabilities	2,102,818	1,168,450
Refundable advance	93,934	93,934
Deferred revenues	24,794	3,127,484
Current portion of operating lease liability	179,541	
Total current liabilities	<u>3,095,232</u>	<u>4,905,771</u>
OPERATING LEASE LIABILITY, Net	<u>191,379</u>	
TOTAL LIABILITIES	<u>3,286,611</u>	<u>4,905,771</u>
NET ASSETS:		
Without donor restrictions	27,106,597	25,413,115
With donor restrictions	11,044,796	12,223,834
Total net assets	<u>38,151,393</u>	<u>37,636,949</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 41,438,004</u>	<u>\$ 42,542,720</u>

The accompanying notes are an integral part of these financial statements.

SACRAMENTO CHILDREN'S HOME, INC.



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STATEMENTS OF ACTIVITIES YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS:		
REVENUES:		
Governmental grants and contracts	\$ 19,806,272	\$ 20,146,074
Interest and investment income (loss)	1,108,255	(1,600,861)
Contributions, grants, and bequests	800,046	1,930,794
In-kind contributions	548,778	431,582
Rental income	451,988	469,893
United Way	33,370	46,725
Other income	391,759	13,907
Net assets released from restriction	<u>3,456,957</u>	<u>1,829,299</u>
Total revenues	<u>26,597,425</u>	<u>23,267,413</u>
EXPENSES:		
Program services:		
Mental health clinical services	9,359,181	9,069,147
Family support services	6,136,805	6,056,850
Residential treatment and educational services	<u>4,526,504</u>	<u>5,045,793</u>
Total program services	20,022,490	20,171,790
Supporting services:		
General and administrative	4,244,613	2,623,677
Philanthropy	<u>636,840</u>	<u>523,755</u>
Total expenses	<u>24,903,943</u>	<u>23,319,222</u>
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>1,693,482</u>	<u>(51,809)</u>
NET ASSETS WITH DONOR RESTRICTIONS:		
Interest and investment income (loss)	1,173,683	(1,770,999)
Contributions, grants, and bequests	634,790	1,090,516
Special events	468,897	488,494
Other income	549	9,209
Net assets released from restriction	<u>(3,456,957)</u>	<u>(1,829,299)</u>
DECREASE IN NET ASSETS WITH DONOR RESTRICTIONS	<u>(1,179,038)</u>	<u>(2,012,079)</u>
INCREASE (DECREASE) IN NET ASSETS	514,444	(2,063,888)
NET ASSETS, Beginning of Year	<u>37,636,949</u>	<u>39,700,837</u>
NET ASSETS, End of Year	<u>\$ 38,151,393</u>	<u>\$ 37,636,949</u>

The accompanying notes are an integral part of these financial statements.



SACRAMENTO CHILDREN'S HOME, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023**

	<u>Program Services</u>				<u>Supporting Services</u>		
	<u>Mental Health Clinical Services</u>	<u>Family Support Services</u>	<u>Residential Treatment & Educational Services</u>	<u>Total Program Services</u>	<u>General & Admin.</u>	<u>Philanthropy</u>	<u>Total</u>
Salaries	\$ 6,319,168	\$ 3,910,594	\$ 2,917,554	\$ 13,147,316	\$ 2,396,343	\$ 340,745	\$ 15,884,404
Employee benefits	802,534	519,194	378,580	1,700,308	211,931	22,249	1,934,488
Payroll taxes and insurance	496,760	327,256	269,942	1,093,958	177,649	25,525	1,297,132
Total compensation	<u>7,618,462</u>	<u>4,757,044</u>	<u>3,566,076</u>	<u>15,941,582</u>	<u>2,785,923</u>	<u>388,519</u>	<u>19,116,024</u>
Direct support for clients	678,073	507,691	296,839	1,482,603			1,482,603
Professional fees	179,748	144,534	98,723	423,005	795,929	3,934	1,222,868
Occupancy	109,878	310,625	140,200	560,703	94,418	12,247	667,368
Depreciation	130,850	77,300	113,304	321,454	183,671	2,631	507,756
Communications	211,735	108,455	42,749	362,939	18,557	13,340	394,836
Equipment repairs and rentals	111,498	35,052	25,622	172,172	91,557	32,516	296,245
Insurance	62,653	66,192	63,235	192,080	63,993	2,743	258,816
Travel	87,724	49,379	92,772	229,875	14,302	2,336	246,513
Events, conferences, and meetings	23,115	8,595	24,908	56,618	4,353	125,789	186,760
Supplies	56,679	55,960	23,172	135,811	23,925	1,643	161,379
Furniture and equipment	73,394	9,436	20,062	102,892	19,688	2,629	125,209
Printing and publications	9,794	2,150	861	12,805	3,960	24,858	41,623
Dues and memberships	295	120	3,041	3,456	17,761	3,175	24,392
Miscellaneous	5,283	4,272	14,940	24,495	126,576	20,480	171,551
Total expenses	<u>\$ 9,359,181</u>	<u>\$ 6,136,805</u>	<u>\$ 4,526,504</u>	<u>\$ 20,022,490</u>	<u>\$ 4,244,613</u>	<u>\$ 636,840</u>	<u>\$ 24,903,943</u>

The accompanying notes are an integral part of these financial statements.

SACRAMENTO CHILDREN'S HOME, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022**

	<u>Program Services</u>			<u>Supporting Services</u>			<u>Total</u>
	<u>Mental Health Clinical Services</u>	<u>Family Support Services</u>	<u>Residential Treatment & Educational Services</u>	<u>Total Program Services</u>	<u>General & Admin.</u>	<u>Philanthropy</u>	
Salaries	\$ 6,312,451	\$ 3,843,465	\$ 3,258,283	\$ 13,414,199	\$ 1,720,181	\$ 298,169	\$ 15,432,549
Employee benefits	752,245	467,298	419,653	1,639,196	182,096	22,306	1,843,598
Payroll taxes and insurance	521,661	326,263	331,502	1,179,426	133,249	22,442	1,335,117
Total compensation	<u>7,586,357</u>	<u>4,637,026</u>	<u>4,009,438</u>	<u>16,232,821</u>	<u>2,035,526</u>	<u>342,917</u>	<u>18,611,264</u>
Direct support for clients	519,522	555,523	348,205	1,423,250			1,423,250
Professional fees	261,907	138,768	100,434	501,109	97,317	7,229	605,655
Occupancy	102,482	302,752	159,790	565,024	111,866	7,225	684,115
Depreciation	130,237	76,797	117,052	324,086	179,465	4,128	507,679
Communications	168,115	102,840	51,612	322,567	13,491	11,682	347,740
Equipment repairs and rentals	93,733	33,027	25,371	152,131	72,264	31,642	256,037
Insurance	45,826	56,407	60,902	163,135	40,812	2,017	205,964
Travel	70,314	25,480	101,146	196,940	2,693	624	200,257
Events, conferences, and meetings	20,377	7,284	10,904	38,565	2,828	71,168	112,561
Supplies	30,904	82,010	26,064	138,978	15,133	3,902	158,013
Furniture and equipment	27,068	27,793	26,486	81,347	10,950	1,057	93,354
Printing and publications	6,115	2,376	645	9,136	4,987	21,041	35,164
Dues and memberships	1,641	120	3,067	4,828	17,196	3,918	25,942
Miscellaneous	4,549	8,647	4,677	17,873	19,149	15,205	52,227
Total expenses	<u>\$ 9,069,147</u>	<u>\$ 6,056,850</u>	<u>\$ 5,045,793</u>	<u>\$ 20,171,790</u>	<u>\$ 2,623,677</u>	<u>\$ 523,755</u>	<u>\$ 23,319,222</u>

The accompanying notes are an integral part of these financial statements.

SACRAMENTO CHILDREN'S HOME, INC.



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STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from contracts and grants	\$ 15,785,423	\$ 20,528,306
Cash received from public support	1,926,732	2,571,133
Cash received from other sources	856,998	483,478
Cash received from interest and dividends	615,564	644,226
Cash paid for employee salaries	(14,950,036)	(14,997,998)
Cash paid for goods and services	<u>(7,716,287)</u>	<u>(7,437,228)</u>
Net cash provided (used) by operating activities	<u>(3,481,606)</u>	<u>1,791,917</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(3,095,021)	(5,899,179)
Proceeds from sale and maturity of investments	4,688,686	4,831,887
Purchases of property and equipment	(1,959,287)	(197,458)
Proceeds from sale of property and equipment	<u>16,777</u>	<u>16,777</u>
Net cash used for investing activities	<u>(365,622)</u>	<u>(1,247,973)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,847,228)	543,944
CASH AND CASH EQUIVALENTS, Beginning of Year	<u>11,295,445</u>	<u>10,751,501</u>
CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 7,448,217</u>	<u>\$ 11,295,445</u>
NON-CASH INVESTING ACTIVITIES:		
Right-of-use assets upon adoption of ASC 842	<u>\$ 447,852</u>	<u>\$</u>
Right-of-use asset acquired through operating lease liability	<u>\$ 90,435</u>	<u>\$</u>
SUPPLEMENTAL CASH FLOW INFORMATION:		
Property and equipment acquired through accounts payable	<u>\$ 200,000</u>	<u>\$</u>

The accompanying notes are an integral part of these financial statements.



SACRAMENTO CHILDREN'S HOME, INC.

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

1. ORGANIZATION AND CURRENT PROGRAMS

Sacramento Children's Home, Inc. (SCH) is Sacramento County's oldest private 501(c)(3) not-for-profit organization dedicated to serving children and families at risk. All of the service operations provided by the SCH have been accredited by the Council on Accreditation.

Originally founded as an orphanage in 1867, the SCH has changed with the times and the needs of the community. Today, the SCH programs throughout Sacramento County provide diverse services for children and their families, all designed toward our mission of "Opening doors to the future by maximizing the potential of children and families."

In order to fulfill that mission, the SCH provides a broad range of resources for families including:

Family Support Services: A wide variety of family support services are provided in high-risk communities through family resource centers. The purpose of these programs is to eliminate substantiated complaints to Child Protective Services through in-home visitation and counseling, pre-natal counseling, parenting classes, and peer-family support programs. The innovative Sacramento Crisis Nursery provides short-term respite care for children from birth to age five for families in crisis. The nursery case managers provide problem solving and referrals to parents in order to develop long-term solutions to the crisis while their children are in a safe and caring environment.

STRTP Residential Treatment/Wraparound Program: The SCH has a residential capacity for 16 boys ages 6 to 19 at the main 15-acre campus. The residential care team includes licensed therapists, social workers, residential counselors, medical support staff and therapeutic recreation program staff. The teams provide 24-hour-a-day care and trauma treatment to children overcoming issues stemming from neglect, abandonment, sexual or physical abuse, mental health issues or serious family conflict. Emphasis is placed on behavioral stabilization in the home, school and community in order to move the boys to a home and family. In September of 2018 the Residential Program was licensed as a Short Term Residential Therapeutic Program (STRTP). The Residential and Wraparound goal is to move the children to a family that will provide a stable home and support system for life.

Educational Services: The SCH provides literacy programs and afterschool tutoring assistance for foster youth as well as a violence prevention and early intervention program designed to teach social skills, violence prevention, and conflict management skills for youth and families.

Mental Health Clinical Services: A wide range of clinical intervention is provided to children and families throughout the Sacramento region based on treatment modalities that have been proven to be effective. Treatment interventions are tailored to the specific needs of each child and family based on a needs assessment agreed upon between the clinical services provider and the child/family. Mental Health services are provided at the on-campus clinics as well as in schools, in the community and in home. Services are also provided virtually via telehealth and a crisis support line. Mental Health intervention provides a range of services from prevention and early intervention to intensive trauma treatment.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation – The SCH's financial statements are prepared on the accrual basis of accounting in conformity with professional standards applicable to not-for-profit entities. The SCH reports information regarding its financial position and activities according to two classes of net assets: with or without donor restrictions.

Revenue recognition – Revenues from government grants and contracts are recognized when qualifying expenses are incurred or services are provided in compliance with these grants and contracts.

Funds received in advance of being earned are recorded as deferred revenue, which represents a contract liability. Contract liabilities totaled \$24,794, \$3,127,484, and \$2,482,356 at June 30, 2023, 2022, and 2021, respectively.

A portion of the SCH's revenue from government grants and contracts are multi-year agreements. Amounts per these agreements that have not been recognized at June 30, 2023 as they relate to qualifying expenses or services to be performed through the year ending June 30, 2026 totaled \$6,268,044. Amounts per these agreements that have not been recognized at June 30, 2022 as they relate to qualifying expenses or services to be performed through the year ending June 30, 2024 totaled \$11,852,066.

Contributions are recognized in full when received or unconditionally promised, in accordance with professional standards. All contributions are considered available for unrestricted use unless specifically restricted by donors for future periods or specific purposes. Donor-restricted amounts are reported as increases in net assets with donor restrictions. Net assets with donor restrictions become unrestricted, and are reported in the statements of activities as net assets released from restrictions, when the time restrictions expire or the contributions are used for the restricted purpose. All restricted contributions whose restrictions and conditions are met in the same reporting period are recognized as revenue within net assets without donor restrictions.

Donated materials, equipment, and professional services are recorded as in-kind donations and recognized at the estimated fair value as of the date of donation or service. Contributed services that do not meet the criteria for recognition under professional standards are not reflected in the financial statements.

Cash and cash equivalents – For financial statement purposes, the SCH considers all investments with a maturity at purchase of three months or less to be cash equivalents, unless held for long-term purposes.

The SCH minimizes credit risk associated with cash by periodically evaluating the credit quality of its primary financial institution. The SCH deposits that may be in excess of federally insured limits are held in a financial institution with a deposit rating of Aa1/Prime-1. The SCH deposits held with financial institutions in excess of federal depository insurance limits were \$3,465,861 and \$8,426,940 as of June 30, 2023 and 2022, respectively. The SCH has not experienced any losses in such accounts and management believes the SCH is not exposed to any significant credit risk related to cash.

SACRAMENTO CHILDREN'S HOME, INC.



NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

Contracts, grants, and other receivables are comprised of amounts due to the SCH and are expected to be received within the next fiscal year. An allowance of \$18,843 for the years ended June 30, 2023 and 2022 has been recorded. The allowance is based on historical experience of uncollected receivables for which documentation of the receivable may be discrepant with the contracting agency. Management reviews all receivables on a monthly basis and follows up for collection. Contracts, grants, and other receivables, net totaled \$3,588,833, \$2,670,674, and \$2,407,778 at June 30, 2023, 2022, and 2021, respectively.

Investments are stated at fair value and held for long-term purposes.

Property and equipment are stated at cost or, if donated, at the estimated fair value at the time of donation. The SCH capitalizes all expenditures of property and equipment in excess of \$5,000. Assets are depreciated using the straight-line method over estimated useful lives of 3 to 30 years.

Leases – The SCH determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statements of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets are also adjusted for prepaid or accrued rent. The SCH uses the rate implicit in the lease if it is determinable. If the rate is not determinable, management uses the SCH's incremental borrowing rate based on the information available at lease commencement. Operating lease expense is recognized on a straight-line basis over the lease term. Lease terms may include options to renew, extend or terminate to the extent they are reasonably certain to be exercised. The SCH does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Functional allocation of expenses – The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions of the SCH. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Those expenses include occupancy and depreciation, telephone, the administration office including the CEO, finance department, human resources department, information technology department and portions of the quality improvement department. Occupancy and depreciation are allocated based on square footage, telephone is based on the number of phone lines, the information technology department is allocated based on IT ports utilized, and all other departments are allocated based on direct expenses of each program as a percentage of total program expenses.

Income taxes – The SCH is exempt from income taxes under Section 501(c)(3) of the U. S. Internal Revenue Code and corresponding California state codes. Contributions to the SCH are deductible to the full extent allowable under these laws.

Use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

SACRAMENTO CHILDREN'S HOME, INC.



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NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

Fair value measurements – Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same; to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (that is, an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability). In order to increase consistency and comparability in fair value measurements, a fair value hierarchy that prioritizes observable and unobservable inputs is used to measure fair value into three broad levels, as follows:

- | | |
|----------------|---|
| Level 1 Inputs | Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities. |
| Level 2 Inputs | Inputs other than quoted prices in active markets that are observable either directly or indirectly. |
| Level 3 Inputs | Unobservable inputs for the asset or liability. |

Recent accounting pronouncement – Effective July 1, 2022, the SCH adopted Accounting Standards Codification (ASC) 842, *Leases*, using the modified retrospective approach with July 1, 2022 as the date of initial adoption. ASC 842 is intended to improve financial reporting of lease transactions by requiring entities that lease assets to recognize assets and liabilities for the rights and obligations created by leases that extend more than 12 months. Key provisions in this guidance include additional disclosures surrounding the amount, timing, and uncertainty of cash flows arising from leases. For leases existing at the transition date, the SCH applied the package of three transition practical expedients and therefore did not reassess whether an arrangement is or contains a lease, did not reassess lease classification, and did not reassess what qualifies as an initial direct cost. Additionally, the SCH applied the practical expedient to use hindsight for the purpose of determining the lease term.

Under the modified retrospective approach, the adoption of ASC 842 resulted in the recognition of ROU assets and lease liabilities of \$447,852 as of July 1, 2022. There is no cumulative effect adjustment to net assets at the transition date.

Subsequent events have been evaluated through October 25, 2023, the date the financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2023 that require recognition or disclosure in the financial statements.

SACRAMENTO CHILDREN'S HOME, INC.



NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

3. LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the SCH's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts not available include amounts set aside for long-term investing in the quasi-endowments that can be drawn upon if the governing board approves that action. In addition, amounts already appropriated from either the donor-restricted endowment or quasi-endowment for general expenditure within one year of the statement of financial position date have not been subtracted as unavailable:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 7,448,217	\$ 11,295,445
Contracts, grants, and other receivables, net	3,588,833	2,670,674
Investments	<u>22,923,909</u>	<u>22,841,241</u>
Financial assets, at year end	33,960,959	36,807,360
Less those unavailable for general expenditures within one year, due to:		
Board designated net assets	(13,678,739)	(13,020,157)
Restricted by donor for purpose or to be held in perpetuity	<u>(11,044,796)</u>	<u>(12,223,834)</u>
Total financial assets available to management for general expenditure within one year	<u>\$ 9,237,424</u>	<u>\$ 11,563,369</u>

The SCH is partially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the SCH must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the SCH's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the SCH invests cash in excess of daily requirements in short-term investments. Occasionally, the board designates a portion of any operating surplus to its operating reserve, which was \$3,531,050 and \$3,489,967 as of June 30, 2023 and 2022, respectively. There are funds established by the governing board that may be drawn upon in the event of financial distress or an immediate liquidity need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities. In the event of an unanticipated liquidity need, the SCH also could draw upon \$2,500,000 of an available line of credit (as further discussed in Note 6) or its quasi-endowment fund.

SACRAMENTO CHILDREN'S HOME, INC.



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NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

4. INVESTMENTS

Corporate bonds are classified within Level 2 of the fair value hierarchy because they are valued using observable inputs other than quoted market prices. All other investments are classified within Level 1 of the fair value hierarchy because they are measured by pricing on publicly traded markets with reasonable levels of price transparency. Investments consist of the following:

	<u>2023</u>	<u>2022</u>
Fixed income:		
Domestic mutual funds	\$ 4,286,751	\$ 4,476,973
U.S. Treasury notes	3,491,533	3,447,963
International mutual funds	122,946	409,092
Corporate bonds		93,861
Stock funds:		
Domestic mutual funds	6,382,745	6,279,887
Information technology	2,021,067	1,504,225
International mutual funds	1,680,481	1,759,347
Health care	746,242	681,763
Consumer discretionary	727,601	626,993
Financials	558,352	529,841
International equities	525,603	485,103
Industrials	433,502	364,156
Consumer staples	426,040	399,927
Energy	259,310	207,155
Utilities	172,635	192,703
Materials	142,826	122,545
Telecommunication services	75,529	92,158
Special equities		10,937
Real asset funds	<u>870,746</u>	<u>1,156,612</u>
Total investments	<u>\$ 22,923,909</u>	<u>\$ 22,841,241</u>

5. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	<u>2023</u>	<u>2022</u>
Land	\$ 469,350	\$ 469,350
Buildings and improvements	14,452,262	12,466,824
Furniture and equipment	402,448	372,679
Automobiles	140,001	148,378
Construction in progress	9,578	93,890
Total	<u>15,473,639</u>	<u>13,551,121</u>
Less accumulated depreciation	<u>(8,675,542)</u>	<u>(8,191,852)</u>
Property and equipment, net	<u>\$ 6,798,097</u>	<u>\$ 5,359,269</u>

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NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

6. LINE OF CREDIT

The SCH has a revolving line of credit up to \$2,500,000 with interest equal to the prime rate announced by Wells Fargo Bank minus 1.75%, maturing February 2024. Investments are pledged in an amount equal to the outstanding balance, if applicable. No amounts were outstanding as of June 30, 2023 and 2022.

7. LEASES

The SCH has long-term noncancelable operating lease agreements for office space and equipment with various terms and various dates through 2026, which are included on the statement of financial position as of June 30, 2023 as ROU assets and operating lease liability of \$368,810 and \$370,920, respectively.

The ROU assets and operating lease liability were calculated using the SCH's incremental borrowing rate of 3.00%. Rent expense for these leases totaled \$182,498 for 2023. Cash paid for amounts included in the measurement of operating lease liabilities totaled \$180,388 for 2023. As of June 30, 2023, the weighted-average remaining lease term for all operating leases is 2.04 years.

Maturities of the lease liability for these leases are as follows:

2024	\$	187,745
2025		182,021
2026		<u>12,155</u>
Total lease payments		381,921
Less: present value discount		<u>(11,001)</u>
Total operating lease liability	\$	<u>370,920</u>

Prior to the implementation of ASC 842 in 2023, leases were accounted for in accordance with the previous lease standard, ASC 840. Total rent expense for all operating leases under ASC 840 was \$288,006 for 2022.

The SCH receives rental income for certain property under non-cancelable operating leases and month-to-month leases. Total revenue under these leases was \$451,988 for 2023 and \$469,893 for 2022. Cash receipts from operating leases are classified within cash flows from operating activities. During 2015, the SCH entered into a long-term non-cancelable operating lease agreement that expires in January 2041. During 2023, the SCH entered into a long-term non-cancelable operating lease agreement that is to commence when the new tenant receives the Department of Alcoholic Beverages approval of its liquor license to serve beer and wine. The SCH estimates the lease to commence in November 2023. Payments from this tenant from November 2023 through March 2028 are included in the future minimum rental schedule.



SACRAMENTO CHILDREN'S HOME, INC.

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

The following is an analysis of the carrying amounts of the underlying assets related to operating leases:

	<u>2023</u>
Buildings and improvements	\$ 3,989,079
Land	2,950
Furniture and equipment	<u>38,769</u>
Total cost	4,030,798
Less accumulated depreciation	<u>(2,651,423)</u>
Total cost, net	<u>\$ 1,379,375</u>

The following is analysis of the maturity of the undiscounted operating lease payments to be received on non-cancelable leases:

Fiscal year ending June 30:

2024	\$ 422,034
2025	466,200
2026	298,124
2027	305,172
2028	281,379
Thereafter	<u>2,625,000</u>
Total	<u>\$ 4,397,909</u>

8. NET ASSETS

Net assets without donor restrictions are as follows:

	<u>2023</u>	<u>2022</u>
Board designated:		
Board designated endowment funds:		
Operating reserve	\$ 3,531,050	\$ 3,489,967
Strategic fund	2,150,823	1,949,725
Deferred maintenance fund	3,295,820	3,192,384
Promise fund	<u>1,191,161</u>	<u>1,058,847</u>
Subtotal, board designated endowment funds	10,168,854	9,690,923
Program sustainability	2,801,552	2,620,234
Community outreach	541,116	500,738
Employee recruitment	<u>167,217</u>	<u>208,262</u>
Total board designated	<u>13,678,739</u>	<u>13,020,157</u>
Undesignated	<u>13,427,858</u>	<u>12,392,958</u>
Total net assets without donor restrictions	<u>\$ 27,106,597</u>	<u>\$ 25,413,115</u>

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NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

Net assets with donor restrictions are available for the following purposes:

	<u>2023</u>	<u>2022</u>
Purpose restrictions:		
Operating funds:		
Family support services	\$ 3,185,619	\$ 3,218,073
Residential treatment services	2,965,588	4,307,115
Educational services	50,108	10,807
Subtotal, operating funds	<u>6,201,315</u>	<u>7,535,995</u>
Assets held for scholarship endowments and other	<u>346,075</u>	<u>679,397</u>
Total purpose restrictions	<u>6,547,390</u>	<u>8,215,392</u>
Perpetually restricted:		
Residential treatment services	3,459,570	2,970,606
Family support services (Crisis Nursery)	500,000	500,000
SCH general endowment	358,500	358,500
Scholarship	<u>179,336</u>	<u>179,336</u>
Total perpetually restricted net assets	<u>4,497,406</u>	<u>4,008,442</u>
Total net assets with donor restrictions	<u>\$ 11,044,796</u>	<u>\$ 12,223,834</u>

The SCH's funds include both donor-restricted endowment funds and funds designated by the Board of Directors (Board) to function as endowments. As required by professional standards, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The SCH classifies as perpetually restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) accumulated unrealized appreciation and depreciation of endowment investments if directed by the donor gift instrument, (c) the original value of subsequent gifts to the permanent endowments, and (d) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, and are to be invested in perpetuity and interest and dividends to be used for operating or other purposes as designated by the Board.

Board designated funds have been established to allow for funding of various strategic programs, outreach programs, and capital improvements. Since 2016 the Board has established and grown a board designated operating reserve. The operating reserve policy ensures that sufficient funds are available to manage cash flow on a day to day basis and to maintain financial flexibility long term. SCH maintains an operating reserve account along with a sufficient operating cash balance to absorb or respond to temporary changes in funding needs. The target balance of the combined operating reserve fund and operating cash balance is 50% of quarterly annualized operating cash based expenses. The finance committee of the Board of Directors reviews performance against this target five to six times a year. Perpetually restricted net assets consist of several endowment-like funds for residential care, providing music lessons and instruments, and scholarships.

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NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

The primary investment objectives of the fund's investment policies, approved by the Board, are to preserve principal, to provide a dependable and reasonable rate of return consistent with appropriate investment risk, and to maximize income within a framework of moderate risk assumptions. The Board designated fund objectives are to protect the principal in order to generate interest and appreciation for the fund's intended use.

On April 29, 2021, the S. H. Cowell Foundation Board of Directors approved the request from the SCH to allocate \$1,500,000 of perpetually restricted funds derived from the 1977 Cowell endowment grant, known as the Helen E. Cowell Children's Home endowment, to renovate facilities on its campus known as the Marzen building. The Marzen building renovations were completed during the year ended June 30, 2023.

On August 9, 2021, the SCH received a \$358,500 endowment from the Los Niños Service League, which ceased to operate effective February 1, 2021.

Changes in endowment net assets are as follows:

	<u>Board designated</u>	<u>Time or purpose restricted</u>	<u>Perpetually restricted</u>
Year ended June 30, 2023:			
Endowment net assets, beginning of year	\$ 9,690,923	\$ 3,904,957	\$ 4,008,442
Investment income	753,931	381,507	488,964
Contributions	4,000		
Endowment expenditures	<u>(280,000)</u>	<u>(1,291,518)</u>	
Endowment net assets, end of year	<u>\$ 10,168,854</u>	<u>\$ 2,994,946</u>	<u>\$ 4,497,406</u>
Year ended June 30, 2022:			
Endowment net assets, beginning of year	\$ 10,636,227	\$ 4,579,090	\$ 4,941,121
Investment loss	(1,116,304)	(55,653)	(1,291,179)
Contributions	211,000		358,500
Endowment expenditures	<u>(40,000)</u>	<u>(618,480)</u>	
Endowment net assets, end of year	<u>\$ 9,690,923</u>	<u>\$ 3,904,957</u>	<u>\$ 4,008,442</u>

9. PAYCHECK PROTECTION PROGRAM LOAN

On May 14, 2020, the SCH received a Paycheck Protection Program (PPP) loan under the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act totaling \$1,500,000. The terms and repayment conditions of PPP loans were modified through the subsequent Paycheck Protection Program Flexibility Act (PPFPA) signed into law in June 2020. Under the CARES Act, as modified by PPFPA, a portion or all of the loan and accrued interest may be forgiven provided the funds are spent on qualifying payroll and other expenditures in the 24-week period following the loan and provided certain other criteria regarding full-time equivalent employee and payroll levels are maintained.

SACRAMENTO CHILDREN'S HOME, INC.



NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

The SCH has accounted for the loan as a conditional contribution in accordance with professional standards for revenue recognition for not-for profit entities. During the years ended June 30, 2023 and 2022, the SCH did not recognize any portion of the loan as contribution revenue. During the years ended June 30, 2021 and 2020, the SCH recognized \$896,296 and \$509,770, respectively, as contribution revenue (included with government grants and contracts in the statements of activities), representing the portion of the loan for which it believes it has met the criteria for forgiveness through incurring qualifying expenses. The balance of the original loan, totaling \$93,934 as of June 30, 2023 and 2022 is included in the statements of financial position as a refundable advance.

The portion of the loan that does not qualify for forgiveness or any additional amount that the SCH chooses to retain as a loan, is required to be repaid within 5 years at 1% interest. The application for loan forgiveness was approved for the SCH for the full amount of the original loan, which was in excess of what the SCH requested to be forgiven. The SCH is awaiting correspondence from the SBA to determine if they must repay the remaining \$93,934 noted above. In the event that a portion of this loan is required to be repaid, the SCH has sufficient cash reserves to repay any portion.

10. IN-KIND CONTRIBUTIONS

The SCH received the following in-kind contributions for the years ended June 30:

	<u>2023</u>	<u>2022</u>
Holiday program gift donations	\$ 404,815	\$ 249,363
Necessities and supplies	117,107	151,384
Auction items	26,856	23,635
Other professional services		<u>7,200</u>
Total in-kind contributions	<u>\$ 548,778</u>	<u>\$ 431,582</u>

Holiday program gift donations include gifts contributed for the annual Adopt a Child or Family, Holiday Wish Stars, and Gift Card Ornament programs. Necessities and supplies include bed donations, supplies for the Fill-A-Backpack Drive, event tickets, and various other clothing, food, toys, and hygiene products. All auction items donated during the years ended June 30, 2023 and 2022 were sold at fundraising events during the year received. All items were valued based upon estimates of fair market or wholesale values that would be received for selling the goods in their principal market considering their condition and utility for use at the time the goods are contributed by the donor. Other professional services include tree removal services.

The SCH's policy related to in-kind contributions is to utilize the assets given to carry out their mission. All in-kind contributions received by the SCH for the years ended June 30, 2023 and 2022 were either considered without donor restrictions and able to be used by the SCH as determined by the Board and management or were restricted in-kind contributions whose restrictions and conditions were met in the same reporting period and recognized as without donor restrictions.

SACRAMENTO CHILDREN'S HOME, INC.



NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

11. RETIREMENT PLAN

The SCH has a defined contribution retirement plan under Internal Revenue Code Section 403(b). Employees are eligible to participate upon date of hire. On a discretionary basis, the SCH contributes amounts up to 3% of annual salary. Plan expense totaled \$318,512 and \$287,173 in 2023 and 2022, respectively.

12. CONCENTRATIONS AND CONTINGENCIES

The SCH receives a significant portion of its public support and revenue from various government agencies. These funds are subject to audit by agents of the funding authorities, the purpose of which is to ensure compliance with conditions precedent to providing such funds. Management believes that any liability for reimbursement that may arise as the result of such audits would not be material. However, if a significant reduction in funding from these government agencies occurred, the SCH's ability to maintain related programs would significantly decrease.

The SCH is at times involved in various lawsuits and legal claims that arise in the ordinary course of their operations. The SCH accrues for loss contingencies with legal matters when it is probable that a liability will be incurred, and the amount of the loss can be reasonably estimated. The SCH accrued a liability of \$1,250,000 as of June 30, 2023 for one such matter based on a preliminary settlement agreement.

SACRAMENTO CHILDREN'S HOME, INC.



SCHEDULE OF REVENUE AND EXPENSES FOR FIRST 5 FUNDING YEAR ENDED JUNE 30, 2023

	<u>Family Resource Centers</u>				
	<u>Crisis Nurseries</u>	<u>Birth & Beyond</u>	<u>HVI CalWORKS</u>	<u>The Village</u>	<u>Total</u>
REVENUES:					
First 5 program income	\$ 946,887	\$ 1,282,424	\$ 1,281,375	\$ 299,086	\$ 3,809,772
Total revenues	<u>946,887</u>	<u>1,282,424</u>	<u>1,281,375</u>	<u>299,086</u>	<u>3,809,772</u>
EXPENSES:					
Salaries	682,730	821,294	781,184	200,286	2,485,494
Employee benefits	112,022	121,963	122,998	24,103	381,086
Payroll taxes and insurance	<u>54,306</u>	<u>60,731</u>	<u>57,195</u>	<u>14,884</u>	<u>187,116</u>
Total compensation	849,058	1,003,988	961,377	239,273	3,053,696
Occupancy	56,500	85,198	94,072	12,223	247,993
Communications	22,371	67,152	57,469	12,083	159,075
Professional fees	460	30,072	17,654	3,363	51,549
Direct support for clients		10,655	34,243	1,526	46,424
Insurance		12,387	12,401	2,169	26,957
Travel	1	11,978	12,363	552	24,894
Depreciation	20,721	1,055	931	270	22,977
Furniture and equipment	488	2,740	4,208		7,436
Supplies		2,665	2,152	437	5,254
Miscellaneous	210	1,244	1,562		3,016
Indirect	<u>131,633</u>	<u>170,823</u>	<u>166,555</u>	<u>37,788</u>	<u>506,799</u>
Total expenses	<u>1,081,442</u>	<u>1,399,957</u>	<u>1,364,987</u>	<u>309,684</u>	<u>4,156,070</u>
TOTAL NET DEFICIT	<u>\$ (134,555)</u>	<u>\$ (117,533)</u>	<u>\$ (83,612)</u>	<u>\$ (10,598)</u>	<u>\$ (346,298)</u>

The accompanying notes are an integral part of these financial statements.

SACRAMENTO CHILDREN'S HOME, INC.

NOTE TO SCHEDULE OF REVENUE AND EXPENSES FOR FIRST 5 FUNDING YEAR ENDED JUNE 30, 2023



1. BASIS OF PRESENTATION

The accompanying schedule of revenue and expenses for First 5 funding of Sacramento Children's Home, Inc. (SCH) is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of First 5. It is not representative of the full spending of the programs and only includes spending related to First 5. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

FOSTER CARE PROGRAMS COST DATA REPORT

This form is to collect actual allowable and reasonable cost information for the foster care (FC) program(s). The cost data reported must be consistent with Non-Federal Entity's (NFE) calendar or fiscal year audit period and should agree with the total foster care program expenditure reported on the financial audit report (Column A). If the NFE provides other services (for example: day care, on-site education, adult services, transitional housing, etc.), costs must be allocated to the appropriate activity and only the allowable FC program costs are to be reported. Describe the methodology used to allocate costs if other than the standard allocation methodology indicated in current regulations (MPP Section 11-402.8 et seq.) **NOTE:** A separate cost report form must be completed for *each* program operated by the NFE.

Number of AFDC-FC children/youth placed during the reporting period (served at least 14 days or more in a month).....

CORPORATE NAME:		PROGRAM NAME (FFA, STRTP, GH, ETC.)		PROGRAM NUMBER	CORPORATE NUMBER	CORP. FISCAL YEAR (MO/YR-MO/YR)	
COST GROUPS		A	B	C	D	E	F
		TOTAL PROGRAM AND OPERATION COSTS	OFFSETS (From other funding sources i.e. donation)	NET PROGRAM AND ADMIN COSTS (A - B)	PROGRAM COSTS	ADMIN, MANAGEMENT, AND GENERAL (C - D)	PERCENTAGE OF TOTAL COSTS
I. Personnel Costs							
<i>Salary and Wages</i>							
1	Executive Director	\$ 51,819.78	\$ -	\$ 51,819.78	\$ -	\$ 51,819.78	1.42%
2	Assistant Director	71,941.19	(239.40)	71,701.79	-	71,701.79	1.98%
3	Program Director & Administrator	44,294.55	(1,227.42)	43,067.13	-	43,067.13	1.22%
4	Recruitment or Training	-	-	-	-	-	0.00%
5	Direct Care Staff	1,311,474.19	(25,213.89)	1,286,260.30	-	1,286,260.30	36.06%
6	First Line Supervisor	292,313.45	(1,648.70)	290,664.75	-	290,664.75	8.04%
7	Administrative Support Staff	299,663.41	(808.30)	298,855.11	-	298,855.11	8.24%
8	Client Support Staff	78,844.51	(4,226.41)	74,618.10	-	74,618.10	2.17%
9	Social Worker Payroll and/or Social Worker Contracts	117,409.48	(1,666.44)	115,743.04	-	115,743.04	3.23%
10	Social Worker Supervisor	20,232.99	(32.00)	20,200.99	-	20,200.99	0.56%
11	Other Personnel Costs (attach detail)	-	-	-	-	-	0.00%
Sub-total Salary & Wages		\$ 2,287,993.55	\$ (35,062.56)	\$ 2,252,930.99	\$ -	\$ 2,252,930.99	62.92%
<i>Fringe Benefits and Payroll Taxes</i>							
12	Payroll Taxes	\$ 167,550.78	\$ (2,639.62)	\$ 164,911.16	\$ -	\$ 164,911.16	4.61%
13	Health, Dental, Vision, Etc.	235,347.57	(3,073.46)	232,274.11	-	232,274.11	6.47%

CORPORATE NAME:		PROGRAM NAME (FFA, STRTP, GH, ETC.)		PROGRAM NUMBER	CORPORATE NUMBER	CORP. FISCAL YEAR (MO/YR-MO/YR)	
COST GROUPS		A	B	C	D	E	F
		TOTAL PROGRAM AND OPERATION COSTS	OFFSETS (From other funding sources i.e. donation)	NET PROGRAM AND ADMIN COSTS (A - B)	PROGRAM COSTS	ADMIN, MANAGEMENT, AND GENERAL (C - D)	PERCENTAGE OF TOTAL COSTS
14	Retirement	48,322.73	(467.68)	47,855.05	-	47,855.05	1.33%
15	Workers' Compensation Insurance	47,556.72	(578.07)	46,978.65	-	46,978.65	1.31%
16	Other Costs (attach detail)	12,179.99	(617.84)	11,562.15	-	11,562.15	0.33%
Sub-total Fringe Benefits & Payroll Taxes		\$ 510,957.79	\$ (7,376.67)	\$ 503,581.12	\$ -	\$ 503,581.12	14.05%
Total Personnel Costs		\$ 2,798,951.34	\$ (42,439.23)	\$ 2,756,512.11	\$ -	\$ 2,756,512.11	76.97%
II. Operational Costs							
17	Accreditation Expense	\$ 1,473.25	\$ -	\$ 1,473.25	\$ -	\$ 1,473.25	0.04%
19	Amortization Expense	-	-	-	-	-	0.00%
18	Conference, Meetings, In-service Training	14,735.46	(6,782.39)	7,953.07	-	7,953.07	0.41%
19	Depreciation Expense	102,195.31	(3,936.54)	98,258.77	-	98,258.77	2.81%
20	Dues, Membership, and Subscriptions	6,110.84	-	6,110.84	-	6,110.84	0.17%
20	Equipment Leases	197.13	-	197.13	-	197.13	0.01%
21	Insurance	14,673.22	-	14,673.22	-	14,673.22	0.40%
21	Licenses and Permits	2,023.31	-	2,023.31	-	2,023.31	0.06%
22	Office, Postage and Printing Expense	13,051.11	(9,713.44)	3,337.67	-	3,337.67	0.36%
22	Professional & Auditing Fees	45,035.82	(745.85)	44,289.97	-	44,289.97	1.24%
23	Repairs & Maintenance	3,750.79	(745.70)	3,005.09	-	3,005.09	0.10%
23	Shelter Costs - Building Rent & Leases	308,108.14	-	308,108.14	-	308,108.14	8.47%
24	Shelter Costs - Mortgage Interest, Tax, and Insurance	130.86	-	130.86	-	130.86	0.00%
24	Telephone	27,917.27	(4,912.10)	23,005.17	-	23,005.17	0.77%
25	Recruitment or Training Expense	39,051.17	(3,897.74)	35,153.43	-	35,153.43	1.07%
25	Resource Family Approval	-	-	-	-	-	0.00%
26	Utilities	-	-	-	-	-	0.00%

CORPORATE NAME:		PROGRAM NAME (FFA, STRTP, GH, ETC.)		PROGRAM NUMBER	CORPORATE NUMBER	CORP. FISCAL YEAR (MO/YR-MO/YR)	
COST GROUPS		A	B	C	D	E	F
		TOTAL PROGRAM AND OPERATION COSTS	OFFSETS (From other funding sources i.e. donation)	NET PROGRAM AND ADMIN COSTS (A - B)	PROGRAM COSTS	ADMIN, MANAGEMENT, AND GENERAL (C - D)	PERCENTAGE OF TOTAL COSTS
26	Vehicles & Transportation Expense	43,982.30	-	43,982.30	-	43,982.30	1.21%
27	Other Operational Costs (attach detail)	80,779.44	(7,854.42)	72,925.02	-	72,925.02	2.22%
Total Operational Costs		\$ 703,215.42	\$ (38,588.18)	\$ 664,627.24	\$ -	\$ 664,627.24	19.34%
III. Services Costs							
28	Total Paid to Certified Family Homes	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
29	Family Engagement & Support	134,365.37	(35,871.31)	98,494.06	-	98,494.06	3.69%
30	Other Direct Service Costs (attach detail)	-	-	-	-	-	0.00%
Total Services Costs		\$ 134,365.37	\$ (35,871.31)	\$ 98,494.06	\$ -	\$ 98,494.06	3.69%
TOTAL		\$ 3,636,532.13	\$ (116,898.72)	\$ 3,519,633.41	\$ -	\$ 3,519,633.41	100.00%

CDSS USE ONLY							
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FOSTER CARE PROGRAM REVENUE REPORT

CORPORATE NAME: Sacramento Children's Home - STRTP		PROGRAM NAME (FFA, STRTP, THP, ETC.) STRTP
CORPORATE NUMBER C0077012	PROGRAM NUMBER 0208.14.02	CORP. FISCAL/CALENDAR YEAR (MO/YR-MO/YR) 07/22 - 06/23

REVENUE GROUPS		PROGRAM REVENUE
I. Program Revenue (including infant supplement, etc.)		
1	Government Grants & Contracts	\$ 2,772,687.00
2	Sacramento County Restitution Check	130.91
3		-
4		-
TOTAL Direct Program Revenue		\$ 2,772,817.91

II. Other Revenue (Donations, Fundraising, Refunds, Etc.)		OTHER REVENUE
5	Other Donations & Grants	\$ 60,852.35
6		-
7		-
8		-
TOTAL Other Revenue		\$ 60,852.35

GRAND TOTAL REVENUE		\$ 2,833,670.26
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