

# **Integrated Family Community Services**

---

**Financial Statements and Report  
of  
Independent Certified Public Accountants**

**August 31, 2023**




# Table of Contents

	<b>Page</b>
<b>Report of Independent Certified Public Accountants .....</b>	<b>1</b>
 <b>Financial Statements</b>	
Statement of Financial Position .....	2
Statement of Activities.....	3
Statement of Cash Flows .....	4
Statement of Functional Expenses .....	5-6
Notes to Financial Statements .....	7



1221 W. Mineral Avenue, Suite 202  
Littleton, CO 80120

 303-734-4800

 303-795-3356

 [www.HaynieCPAs.com](http://www.HaynieCPAs.com)

Board of Directors and Management  
Integrated Family Community Services

## Opinions

We have audited the accompanying consolidated financial statements of Integrated Family Community Services (a nonprofit organization), which comprise the statement of financial position as of August 31, 2023, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Integrated Family Community Services as of August 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Integrated Family Community Services and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 Integrated Family Community Services' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## 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 will always detect a material misstatement when it exists.

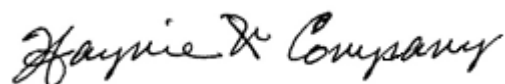
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there 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, 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 Integrated Family Community Services' 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 Integrated Family Community Services' 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.

Sincerely,

A handwritten signature in cursive script that reads "Haynie & Company".

Littleton, Colorado  
February 27, 2024

**Integrated Family Community Services**  
**Statement of Financial Position**  
**As of August 31, 2023**

**Assets**

Current Assets

Cash & cash equivalents	\$ 1,200,060
Investments	205,330
Other assets	6,000
Gift certificates	<u>8,098</u>

Total Current Assets 1,419,488

Property and Equipment—net (Note 5) 139,774

Total Assets \$ 1,559,262

**Liabilities and Net Assets**

Current Liabilities

Accounts Payable	\$ 29,033
Accrued payroll liabilities	13,260
Deferred revenue (Note 6)	<u>30,666</u>

Total Current Liabilities 72,959

Net Assets

Without Donor Restrictions

Undesignated	1,482,503
Designated (Note 12)	<u>3,800</u>

Total Net Assets Without Donor Restrictions 1,486,303

Total Net Assets 1,486,303

Total Liabilities and Net Assets \$ 1,559,262

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

**Integrated Family Community Services**  
**Statement of Activities**  
**For the Year Ended August 31, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Support and Revenue</b>			
Individual contributions	\$ 412,332	\$ -	\$ 412,332
Community organizations	44,927	-	44,927
Corporate contributions	24,308	-	24,308
Foundation grants	49,922	-	49,922
Energy Outreach Colorado	11,244	-	11,244
County and municipal governments	65,850	-	65,850
Government grants - Homeless & Hunger Prevention Program	334,451	73,000	407,451
18th Judicial District - VALE income	37,500	-	37,500
Fundraising events	269,030	-	269,030
Reimbursement income	1,280	-	1,280
Interest income	21,995	-	21,995
Gain (loss) on investment	14,789	-	14,789
Net assets released from restrictions	<u>73,000</u>	<u>(73,000)</u>	<u>-</u>
Total Revenue	<u>1,360,628</u>	<u>-</u>	<u>1,360,628</u>
In-kind contributions (Note 10)	6,955,241	-	6,955,241
Total Support and Revenue	<u>8,315,869</u>	<u>-</u>	<u>8,315,869</u>
<b>Expenses</b>			
Program services -			
Enrichment programs	7,744,142	-	7,744,142
General assistance	<u>73,530</u>	<u>-</u>	<u>73,530</u>
Total Program	7,817,672	-	7,817,672
Supporting services -			
Management and general	66,056	-	66,056
Fundraising	<u>330,733</u>	<u>-</u>	<u>330,733</u>
Total Expenses	<u>8,214,461</u>	<u>-</u>	<u>8,214,461</u>
Change in Net Assets	101,408	-	101,408
Net Assets Beginning of Year	<u>1,384,895</u>	<u>-</u>	<u>1,384,895</u>
Net Assets End of Year	<u>\$ 1,486,303</u>	<u>\$ -</u>	<u>\$1,486,303</u>

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

**Integrated Family Community Services**  
**Statement of Cash Flows**  
**For the Year Ended August 31, 2023**

**Increase (Decrease) in Cash**

Cash Flows from Operating Activities:

Cash received from donors	\$ 7,081,796
Cash paid to suppliers	(6,925,458)
Interest and dividends received	21,995
Net Cash From Operating Activities	<u>178,333</u>

Cash Flows from Investing Activities:

Purchase of furniture and equipment	(16,457)
Loss on disposal of furniture and equipment	(16,907)
Purchase of investments	(40,485)
Net Cash From Investing Activities	<u>(73,849)</u>

**Net Change in Cash** 104,484

Cash—beginning of year 1,095,576

Cash—end of year \$ 1,200,060

**Reconciliation of Change in Net Assets**

**Net Cash From Operating Activities:**

Change in Net Assets	\$ 101,408
Adjustments to reconcile change in net assets to net cash from operating activities:	
Depreciation	35,761
Unrealized gain(loss)	(14,789)
Changes in assets and liabilities:	
Change in accounts receivable	9,482
Change in grants receivable	21,783
Change in prepaid expenses	(825)
Change in gift certificates	3,339
Change in accounts payable	(2,925)
Change in accrued payroll liabilities	(1,967)
Change in deferred revenue	30,666
Change in lease commitments	(3,600)
Total Adjustments	<u>76,925</u>

**Net Cash From Operating Activities** \$ 178,333

**Supplementary Cash Flow Information**

\$6,955,241 of in-kind donations and expenditures have been eliminated from cash received from donors and paid to suppliers.

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

**Integrated Family Community Services**  
**Statement of Functional Expenses**  
**For the Year Ended August 31, 2023**

	<b>Program Services</b>		<b>Total</b>
	<b>General Assistance</b>	<b>Enrichment Programs</b>	<b>Program Services</b>
Salaries	\$ 193,209	\$ -	\$ 193,209
Payroll taxes and Workmen's Comp.	15,051	-	15,051
Employee benefits	<u>2,888</u>	-	<u>2,888</u>
Total salaries and related expenses	211,148	-	211,148
General and medical assistance	462,360	-	462,360
Food	6,885,050	73,530	6,958,580
Recruitment, training & development	989	-	989
Meetings and mileage	59	-	59
Utilities	8,789	-	8,789
Accounting and auditing	2,880	-	2,880
Advertising, promotion & printing	2,598	-	2,598
Postage	615	-	615
Taxes and insurance	565	-	565
Dues and subscriptions	960	-	960
Operating supplies	1,322	-	1,322
Maintenance and repairs	20,275	-	20,275
Vehicle costs	6,931	-	6,931
Equipment expenses	7,847	-	7,847
Computer expenses	13,867	-	13,867
Contract services	(3,920)	-	(3,920)
Miscellaneous	5,480	-	5,480
Telephone	8,281	-	8,281
Event expense	-	-	-
Overhead allocation	<u>108,046</u>	-	<u>108,046</u>
Total expenses before depreciation	7,744,142	73,530	7,817,672
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>\$ 7,744,142</u>	<u>\$ 73,530</u>	<u>\$ 7,817,672</u>

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



**Integrated Family Community Services**  
**Statement of Functional Expenses (continued)**  
**For the Year Ended August 31, 2023**

	<b>Supporting Services</b>		<b>Total</b>
	<b>Management &amp; General</b>	<b>Development/ Fundraising</b>	<b>Expenses</b>
Salaries	\$ 116,865	\$ 80,341	\$ 390,415
Payroll taxes and Workmen's Comp.	12,290	6,255	33,596
Employee benefits	17,982	2,533	23,403
Total salaries and related expenses	147,137	89,129	447,414
General and medical assistance	-	-	462,360
Food	-	-	6,958,580
Recruitment, training & development	765	752	2,506
Meetings and mileage	-	1,409	1,468
Utilities	2,176	-	10,965
Accounting and auditing	20,815	-	23,695
Advertising, promotion & printing	404	23,352	26,354
Postage	25	2,186	2,826
Taxes and insurance	15,065	93	15,723
Dues and subscriptions	2,900	2,358	6,218
Operating supplies	665	476	2,463
Maintenance and repairs	33	78	20,386
Vehicle costs	-	-	6,931
Equipment expenses	(16,457)	1,387	(7,223)
Computer expenses	916	11,092	25,875
Contract services	4,397	61,976	62,453
Miscellaneous	4,351	5,721	15,552
Telephone	-	4,193	12,474
Event expense	-	81,680	81,680
Overhead allocation	(152,897)	44,851	-
Total expenses before depreciation	30,295	330,733	8,178,700
Depreciation	35,761	-	35,761
Total expenses	<u>\$ 66,056</u>	<u>\$ 330,733</u>	<u>\$ 8,214,461</u>

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

# Integrated Family Community Services

## Notes to Financial Statements

### August 31, 2023

---

#### 1. Organization

---

Integrated Family Community Services (IFCS) was incorporated in 1968 for the general purpose of alleviation of poverty and the conditions of poverty in western and unincorporated Arapahoe and northern Douglas Counties, through support from individuals, local businesses, churches, governments, and civic groups. This purpose is accomplished through IFCS' Homeless Prevention Programs, Financial Assistance Programs, Hunger Prevention Program, Enrichment Programs, Senior Programs, and other assistance.

#### 2. Summary of Significant Accounting Policies

---

##### **Method of Accounting**

The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles as applicable to nonprofit organizations.

##### **Basis of Presentation**

The financial statements follow the Accounting Standards Codification (ASC) guidance for not-for-profit organizations, the Organization is required to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities. There were no donor restricted net assets as of August 31, 2023.

# Integrated Family Community Services

## Notes to Financial Statements

### August 31, 2023

---

## 2. Summary of Significant Accounting Policies (continued)

---

### **Basis of Accounting**

The financial statements follow the Accounting Standards Codification (ASC) guidance for not-for-profit organizations, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: with donor restriction and without donor restriction.

### **Property and Equipment**

Property and equipment are stated at cost for purchased items and at fair market value at date of gift for donated items, net of accumulated depreciation. Repairs and maintenance are charged to expense as incurred, while expenditures for major improvements and purchases of property and equipment over \$1,000 are capitalized. Gains and losses from retirement or replacement of property and equipment are reflected in operations.

Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on the straight-line basis. These useful lives range from five to fifteen years for furniture and equipment, and five to forty years for building and related improvements.

### **Income Taxes**

IFCS is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. During 2023, IFCS had no unrelated business activities and believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. IFCS's federal tax return (Form 990) for 2023 is subject to examination by the IRS, generally for three years after it is filed.

### **Use of Estimates**

The preparation of these financial statements requires the use of estimates and assumptions. The estimates and assumptions result in approximate rather than exact amounts.

### **Cash and Cash Equivalents**

The organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

### **Accounts Receivable**

Accounts receivable are stated at unpaid balances, less any allowances for doubtful accounts. Allowances are based on experience and other circumstances that may affect the ability of donors to meet obligations. As of August 31, 2023, management has determined that no allowance is necessary.

# Integrated Family Community Services

## Notes to Financial Statements

### August 31, 2023

---

## 2. Summary of Significant Accounting Policies (continued)

---

### **Fair Value of Financial Instruments**

GAAP requires disclosure of an estimate of fair value of certain financial instruments. The Organization's significant financial instruments are cash, accounts receivable, certificates of deposit, and other short-term assets and liabilities. For these financial instruments, carrying values approximate fair value.

### **Program Services**

The Organization's program services are made up of five categories:

Hunger Prevention Program: provides no-cost meals for low-income individuals, families, and seniors through their Food Market.

Homeless Prevention Program: provides qualifying families assistance with utilities, rent and mortgages to keep them housed as they struggle to maintain their housing.

Financial Assistance Program: provides support and resources for crime victims.

Enrichment Programs: provides eligible families and seniors holiday meals through their Holiday program. They also provide K-8 children in low-income families with the necessary school supplies in the Ready, Set, School! program.

Other Assistance: Recreation Passes – provide passes for clients to access community recreational programs.

### **Functional Allocation of Expenses**

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program, fund raising, and management and general categories. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and benefits	Time and effort
Administrative expenses	Time and effort
General and medical assistance	Time and effort
Food	Time and effort

# Integrated Family Community Services

## Notes to Financial Statements

### August 31, 2023

---

## 2. Summary of Significant Accounting Policies (continued)

---

### Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). The new standard establishes a right-of-use ("ROU") model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. A delay in the adoption of the standard was approved in 2020 therefore, this update is effective for fiscal years beginning after December 15, 2021 (fiscal 2023 for the Organization). A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Organization adopted this standard for the fiscal 2023 year and did not have any material leases.

### Subsequent Events

Management has evaluated subsequent events through February 27, 2024, the date which the financial statements were available to be issued.

---

## 3. Availability and Liquidity

---

The following represents the Foundation's financial assets at August 31, 2023:

	<u>2023</u>
Financial assets at period end:	
Cash & cash equivalents	\$ 1,200,060
Investments	<u>205,330</u>
Total financial assets	1,405,390
Less amounts not available to be used within one year:	
Net assets with donor restrictions	<u>3,800</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 1,401,590</u>

As part of the Foundation's liquidity management plan, it invests excess cash in money market funds.

# Integrated Family Community Services

## Notes to Financial Statements

### August 31, 2023

---

#### 4. Investments

---

Accounting standards for investments provide a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Investments are carried at fair value as of August 31, 2023 as follows:

**Level 1**

Stocks	\$ 65,546
Mutual Funds	139,784
Total Investments	<u>\$ 205,330</u>

Unrealized investment gains for the year ending August 31, 2023 amounted to \$14,789 and are recorded as Gain (Loss) on Investment on the Statement of Activities.

# Integrated Family Community Services

## Notes to Financial Statements

### August 31, 2023

---

#### 5. Property and Equipment

---

Property and equipment consisted of the following items at August 31, 2023:

Building and improvements	\$ 364,157
Furnitures and fixtures	6,845
Computer and office equipment	32,423
Total	<u>403,425</u>
Less accumulated depreciation	<u>(263,651)</u>
Net property and equipment	<u><u>\$ 139,774</u></u>

Depreciation expense for the year ended August 31, 2023 was \$35,761.

---

#### 6. Deferred Revenue

---

Total deferred revenue (revenue received during the fiscal year for products or services to be performed in the future) recorded as of August 31, 2023, are summarized as follows:

	<u>Deferred Funds</u>
Nibbles and Sips event revenue	<u>\$ 30,666</u>
Total	<u><u>\$ 30,666</u></u>

---

#### 7. Commitments & Contingencies

---

IFCS has an annually renewing operating lease for a postage meter. This lease requires monthly payments of \$42 and automatically renews each year until canceled. Total expenses related to this lease for the year ended August 31, 2023 was \$504

The Organization had acquired assets under the provisions of long-term leases. For financial reporting purposes, minimum lease payments related to the assets were capitalized. The remaining leases expired on August, 31, 2023 and the assets were disposed.

On September 1, 2023 the Organization engaged in two new copier leases each having a 63 month lease term.

# Integrated Family Community Services

## Notes to Financial Statements

### August 31, 2023

---

#### 9. Related-Party Transactions

---

Board members participated in various volunteer and fundraising activities. In addition, board members contributed financially to IFCS. Unrestricted cash contributions of \$4,223 were made by the board members for the year ended August 31, 2023.

---

#### 10. In-Kind Contributions

---

IFCS receives donated materials, furniture and equipment, services, and facility usage in substantial amounts in furtherance of various programs. These items are recorded in the financial records as they relate to ongoing activities of IFCS and an objective value can be assigned.

The following amounts have been recorded in the accompanying financial statements for the year ended August 31, 2023:

Food	\$ 6,873,538
Helping Hands for the Holidays	26,980
Ready, Set, School	25,550
Holiday programs	21,000
Gift certificates	<u>8,173</u>
Total in-kind contributions	<u>\$ 6,955,241</u>

A substantial amount of volunteer time has been donated by community organizations and individuals in furtherance of IFCS programs, fund raising campaigns, and activities which do not meet financial statement recognition criteria. Valued at minimum wage, these volunteer hours have been estimated to be worth \$306,320.

---

#### 11. Employee Benefit Plan

---

Any full-time, year-round employee is eligible to participate in a Simple IRA retirement program. IFCS contributes up to 3 percent of an eligible employee's contribution toward the plan. Employees are fully vested upon participation in the program. Total contributions by IFCS for employees for the year ended August 31, 2023 was \$8,890.



**Integrated Family Community Services**  
**Notes to Financial Statements**  
**August 31, 2023**

---

**12. Board Designated Funds**

---

The board has designated \$3,800 in net assets without donor restrictions for capital reserves as of August 31, 2023.