



SAHELI dba Asian Family Support Services of Austin

**Financial Statements
with Compliance Reports and Supplementary Information
December 31, 2021 and 2020**

SAHELI dba Asian Family Support Services of Austin

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Independent Auditors' Report

Board of Directors
SAHELI dba Asian Family Support Services of Austin

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of SAHELI dba Asian Family Support Services of Austin (Organization) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, the related statements of activities, functional expenses and cash flows 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 the Organization as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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.

Prior Period Financial Statements

The financial statements of SAHELI dba Asian Family Support Services of Austin as of December 31, 2020 were audited by other auditors whose report dated September 29, 2021, on those statements expressed an unmodified opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 Organization’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 expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. 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 August 4, 2022 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, 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 Organization’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 Organization’s internal control over financial reporting and compliance.



A Limited Liability Partnership

Arlington, Texas
August 4, 2022

SAHELI dba Asian Family Support Services of Austin
Statement of Financial Position
December 31, 2021 and 2020

	2021	2020
Assets		
Current assets:		
Cash	\$ 568,312	\$ 356,152
Pledges receivable	270,250	-
Grants receivable	215,043	151,740
Prepaid expenses	1,100	24,220
Other assets	4,704	6,098
	1,059,409	538,210
Total current assets		
Pledges receivable, net	591,612	-
	\$ 1,651,021	\$ 538,210
Total assets		
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 25,914	\$ 12,108
Accrued expenses	20,416	48,577
Current portion of note payable	5,490	4,300
Paycheck Protection Program loan	35,932	35,932
	87,752	100,917
Total current liabilities		
Long-term liabilities:		
Note payable, net of current portion	7,040	12,523
	94,792	113,440
Total liabilities		
Net assets:		
Without donor restrictions	738,587	424,770
With donor restrictions	817,642	-
	1,556,229	424,770
Total net assets		
Total liabilities and net assets	\$ 1,651,021	\$ 538,210

See notes to financial statements.

SAHELI dba Asian Family Support Services of Austin
Statement of Activities
Year Ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Government grants	\$ 1,332,937	\$ -	\$ 1,332,937
Contributions	301,963	1,072,499	1,374,462
Special events (net of direct costs of \$15,323)	68,883	-	68,883
Other income	1,031	-	1,031
Net assets released from restrictions	254,857	(254,857)	-
Total revenue and support	1,959,671	817,642	2,777,313
Expenses:			
Program services	1,349,293	-	1,349,293
General and administrative	217,138	-	217,138
Fundraising	79,423	-	79,423
Total expenses	1,645,854	-	1,645,854
Change in net assets	313,817	817,642	1,131,459
Net assets at beginning of year	424,770	-	424,770
Net assets at end of year	\$ 738,587	\$ 817,642	\$ 1,556,229

See notes to financial statements.

SAHELI dba Asian Family Support Services of Austin
Statement of Activities
Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Government grants	\$ -	\$ 2,102,418	\$ 2,102,418
Contributions	183,419	208,228	391,647
Special events (net of direct costs of \$24,472)	105,657	-	105,657
Other income	10,236	-	10,236
Net assets released from restrictions	<u>2,310,646</u>	<u>(2,310,646)</u>	<u>-</u>
Total grant revenue	2,609,958	-	2,609,958
Total revenue and support	2,609,958	-	2,609,958
Expenses:			
Program services	2,212,275	-	2,212,275
General and administrative	58,638	-	58,638
Fundraising	<u>124,901</u>	<u>-</u>	<u>124,901</u>
Total expenses	<u>2,395,814</u>	<u>-</u>	<u>2,395,814</u>
Change in net assets	214,144	-	214,144
Net assets at beginning of year	<u>210,626</u>	<u>-</u>	<u>210,626</u>
Net assets at end of year	<u><u>\$ 424,770</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 424,770</u></u>

See notes to financial statements.

SAHELI dba Asian Family Support Services of Austin
Statement of Functional Expenses
Year Ended December 31, 2021

	Program Services	General and Administrative	Fundraising	Total
Payroll	\$ 871,028	\$ 157,242	\$ 54,439	\$ 1,082,709
Advertising	3,913	733	244	4,890
Special events	-	-	15,323	15,323
Outreach events	6,000	-	-	6,000
Board development	-	-	1,321	1,321
Occupancy	48,493	10,486	3,031	62,010
Interest	-	534	-	534
Professional services	113,736	36,325	17,108	167,169
Supplies and equipment	30,684	3,406	510	34,600
Telephone and communication	19,461	3,649	1,216	24,326
Client assistance	231,113	-	-	231,113
Training and conferences	5,819	1,091	364	7,274
Travel	2,502	469	156	3,127
Insurance	4,679	877	292	5,848
Miscellaneous	11,865	2,326	742	14,933
Total expenses by function	1,349,293	217,138	94,746	1,661,177
Less: expenses included with revenues on the statement of activities - special events	-	-	(15,323)	(15,323)
Total expenses included in the expense section on the statement of activities	\$ 1,349,293	\$ 217,138	\$ 79,423	\$ 1,645,854

See notes to financial statements.

SAHELI dba Asian Family Support Services of Austin
Statement of Functional Expenses
Year Ended December 31, 2020

	Program Services	General and Administrative	Fundraising	Total
Payroll	\$ 843,328	\$ 42,054	\$ 90,353	\$ 975,735
Advertising	9,437	471	1,011	10,919
Special events	-	-	24,472	24,472
Outreach events	75	-	-	75
Occupancy	50,485	2,517	5,409	58,411
Interest	-	504	-	504
Professional services	189,379	9,444	20,290	219,113
Supplies and equipment	8,128	405	871	9,404
Telephone and Communication	18,505	923	1,982	21,410
Client assistance	1,046,404	-	-	1,046,404
Training and conferences	4,456	222	477	5,155
Travel	4,804	239	515	5,558
Miscellaneous	37,274	1,859	3,993	43,126
Total expenses by function	2,212,275	58,638	149,373	2,420,286
Less: expenses included with revenues on the statement of activities - special events	-	-	(24,472)	(24,472)
Total expenses included in the expense section on the statement of activities	\$ 2,212,275	\$ 58,638	\$ 124,901	\$ 2,395,814

See notes to financial statements.

SAHELI dba Asian Family Support Services of Austin
Statement of Cash Flows
Years Ended December 31, 2021 and 2020

	2021	2020
Cash flows from operating activities:		
Change in net assets	\$ 1,131,459	\$ 214,144
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in discount on pledges receivable	38,388	-
Changes in assets and liabilities:		
Pledges receivable	(900,250)	-
Grants receivable	(63,303)	4,401
Prepaid expenses	23,120	(23,544)
Other assets	1,394	-
Accounts payable	13,806	2,865
Credit cards payable	-	8,946
Accrued expenses	(28,161)	26,197
Net cash provided by operating activities	216,453	233,009
Cash flows from financing activities:		
Proceeds from Paycheck Protection Program Loan	-	35,932
Repayments on note payable	(4,293)	(3,966)
Net cash used by investing activities	(4,293)	31,966
Net increase in cash	212,160	264,975
Cash at beginning of year	356,152	91,177
Cash at end of year	\$ 568,312	\$ 356,152
Supplemental cash flow information:		
Cash paid during the year for interest	\$ 534	\$ 504

See notes to financial statements.

SAHELI dba Asian Family Support Services of Austin

Notes to Financial Statements

1. Organization

SAHELI dba Asian Family Support Services of Austin (Organization), a Texas non-profit organization, is classified by the Internal Revenue Service (IRS) as a tax-exempt organization under Section 501 (c)(3). The Organization's mission is to promote abuse-free Asian communities through advocacy, support, awareness and access to social services. The Organization specifically addresses the cultural and language needs of Asian and other immigrant families affected by domestic violence. The Organization is primarily supported by contributions and government grants.

Programs

The Organization's programs include:

- *Domestic Violence Program* provides trauma-informed crisis intervention services for survivors within their own communities, respecting their personal needs and choices.
- *Sexual Assault Program* provides client-centered support and crisis intervention services to Asian and refugee victims of sexual violence.
- *Economic Empowerment Program* assists survivors in employment and education to gain independence and become self-sufficient.
- *Community Education and Outreach Program* provides domestic and sexual violence education and prevention by publishing informational materials in multiple Asian languages, setting up information booths at ethnic community events, and engaging community leaders directly through presentations and social service events.
- *Systems Advocacy and Training Program* provides training to local service providers on best practices when working with the immigrant population, increasing language access for immigrants and cultural competency issues.
- *Language Access Program* recruits language advocates from small and emerging populations to become cultural bridges between community members and the Organization's services.

SAHELI dba Asian Family Support Services of Austin

Notes to Financial Statements

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America (GAAP).

Financial Statement Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net assets without donor restrictions - Net assets not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the board of directors.

Net assets with donor restrictions - Net assets subject to donor stipulations that will be met by actions of the Organization and/or the passage of time.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a board of directors approved spending policy. As of December 31, 2021, no such net asset restrictions existed.

Contributions are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization chooses to show restricted contributions whose restrictions are met in the same reporting period as net assets without restrictions.

Financial Instruments and Credit Concentrations

Financial instruments, which are potentially subject to concentrations of credit risk, consist principally of cash and pledges and grants receivable. Cash is placed with high credit quality financial institutions to minimize risk. Pledges receivable are unsecured and are due from various donors. Grants receivable are unsecured and are due from various grantor agencies under contributory and cost-reimbursement grants. The Organization continually evaluates the

SAHELI dba Asian Family Support Services of Austin

Notes to Financial Statements

collectability of pledges and grants receivable and maintains allowances for potential losses, if considered necessary. As of December 31, 2021, no allowances were found necessary.

The Organization maintains cash balances at various financial institutions located in Texas. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2021, the Organization's uninsured balance totaled \$135,921. The Organization has not experienced any losses on such assets.

Two funding sources accounted for 54% of total support and revenue for the year ended December 31, 2021. One funding source accounted for 38% of total support and revenue for the year ended December 31, 2020.

One donor accounted for 89% of the net pledges receivable balance at December 31, 2021.

Revenue Recognition

The Organization recognizes contributions when cash, securities, or other assets or an unconditional promise to give is received. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and 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 contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances.

The Organization received cost-reimbursable grants of \$2,349,565 that have not been recognized at December 31, 2021, because qualifying expenditures have not yet been incurred.

Special event revenue is recognized at the time of the event.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents expenses by function and natural classification. Certain costs are charged directly to the functions they benefit. Other expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include payroll, occupancy, professional services, supplies and equipment, telephone and communication, travel, insurance and miscellaneous which are allocated on the basis of estimates of time and effort.

SAHELI dba Asian Family Support Services of Austin

Notes to Financial Statements

Estimates and Assumptions

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated.

Contract Compliance

The Organization is responsible for compliance with provisions of contracts and grant agreements. Noncompliance could result in the disallowance of expenditures and a request for reimbursement. In the opinion of the Organization's management, such disallowance, if any, would not be significant to the Organization's financial statements.

Federal Income Tax

The Organization is recognized by the IRS as exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code (IRC) and has not been classified as a private foundation as defined in the IRC. Income generated from activities unrelated to the Organization's exempt purposes is subject to tax under IRC Section 511. The Organization had no unrelated business income for the years ended December 31, 2021 and 2020. Accordingly, no provision or liability has been reported in the accompanying financial statements.

GAAP requires the evaluation of tax positions taken in the course of preparing the Organization's tax return and recognition of a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Organization and has concluded that as of December 31, 2021 and 2020, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

Reclassifications

Certain reclassifications have been made to the December 31, 2020 financial statements to be consistent with the December 31, 2021 presentation.

New Accounting Pronouncements

Changes to GAAP are established by the Financial Accounting Standards Board (FASB) in the form of accounting standards updates (ASUs) to the FASB's Accounting Standards Codification.

SAHELI dba Asian Family Support Services of Austin

Notes to Financial Statements

The Organization considers the applicability and impact of all ASUs. ASUs not listed below were assessed and determined to be either not applicable or are expected to have minimal impact on the Organization's financial position and changes in net assets.

In 2016, the FASB issued its leasing standard in ASU 2016-02, *Leases*, for both lessees and lessors. Under its core principle, a lessee will recognize right-of-use (ROU) assets and related lease liabilities on the statement of financial position for all lease arrangements with terms longer than 12 months. The pattern of expense recognition in the statement of activities will depend on a lease's classification. For not-for-profit organizations, the standard takes effect for fiscal years beginning after December 15, 2021.

In 2020, FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The Organization will be required to present contributed nonfinancial assets as separate line items in the statement of activities, apart from contributions of cash or other financial assets, and additional quantitative and qualitative disclosures will be required. The standard takes effect for annual reporting periods beginning after June 15, 2021.

The Organization is currently assessing the impact that adopting this new guidance will have on the financial statements.

3. Pledges Receivable

Pledges receivable consist of the following at December 31, 2021:

Due in less than one year	\$ 270,250
Due from one year to five years	630,000
Less discount to present value	<u>(38,388)</u>
	<u>\$ 861,862</u>

4. Notes Payable

The Organization has a note payable to a non-profit corporation with an interest rate of 8%. Monthly payments of principal and interest totaling \$457 are due through the note's maturity date of June 5, 2024, at which time all unpaid principal and interest will be due. The balance on the note payable totaled \$12,530 and 16,823 at December 31, 2021 and 2020, respectively. On January 31, 2022, the note was paid in full.

SAHELI dba Asian Family Support Services of Austin
Notes to Financial Statements

5. Net Assets With Donor Restrictions

Net assets with donor restrictions consist of amounts restricted by donors for the following purposes as of December 31, 2021:

Time restricted	\$ 763,044
Public policy capacity building program	43,598
Migrant narratives project	9,000
Survivor education assistance	<u>2,000</u>
	<u>\$ 817,642</u>

6. Leases

The Organization entered into a non-cancelable operating lease for office space in August 2016 with a lease commencement date of September 1, 2016 expiring in August 2023. Rent expense related to this lease of \$56,932 and \$56,113 is reported in the statement of functional expenses for the years ended December 31, 2021 and 2020, respectively.

Future minimum lease payments due under this lease agreement are as follows for the years ending December 31:

2022	\$	57,892
2023		38,595

7. Liquidity and Availability of Resources

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows as of December 31:

	2021	2020
Cash	\$ 568,312	\$ 356,152
Pledges receivable	270,250	-
Grants receivable	<u>215,043</u>	<u>151,740</u>
Total financial assets	1,053,605	507,892
Less amounts unavailable for general expenditures within one year due to:		
Donor-imposed restrictions	<u>54,598</u>	<u>-</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 999,007</u>	<u>\$ 507,892</u>

SAHELI dba Asian Family Support Services of Austin
Notes to Financial Statements

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

8. Related Party Transactions

Contributions from board members and employees of the Organization totaled \$84,147 and \$24,792 for the years ended December 31, 2021 and 2020, respectively.

Pledges receivable from board members and employees of the Organization totaled \$50,000 at December 31, 2021.

9. Paycheck Protection Program Loan

On May 11, 2020, the Organization entered into an unsecured forgivable loan agreement (PPP Loan) in the amount of \$35,932, with a bank pursuant to the Paycheck Protection Program, established as part of the Coronavirus Aid, Relief and Economic Security Act. The PPP Loan includes a feature that allows for forgiveness of the loan if the funds are used for eligible purposes, including payroll and benefits, and if the Organization maintains its payroll levels. The Organization has recorded the full amount of the PPP Loan as debt at December 31, 2021 and intends to reflect the benefit of any loan forgiveness when the loan forgiveness application is approved by the Small Business Administration. The Organization received formal forgiveness of the PPP Loan in February 2022.

10. Subsequent Events

The Organization evaluated subsequent events through the date the financial statements were available to be issued, and concluded that no additional disclosures are required.

Compliance Reports and Supplementary Information

**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

Board of Directors
SAHELI dba Asian Family Support Services of Austin

We have audited, 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, the financial statements of SAHELI dba Asian Family Support Services of Austin (Organization) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 4, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the 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 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 financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



A Limited Liability Partnership

Arlington, Texas
August 4, 2022

Independent Auditors' Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance

Board of Directors
SAHELI dba Asian Family Support Services of Austin

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited SHAELI dba Asian Family Support Services of Austin's (Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2021. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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 each of its major federal programs for the year ended December 31, 2021

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the 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 in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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



A Limited Liability Partnership

Arlington, Texas
August 4, 2022

SAHELI dba Asian Family Support Services of Austin
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2021

Federal Agency/ Pass-through Grantor/Program Title	ALN #	Grant #	Federal Expenditures
U.S. Department of Health and Human Services:			
 Texas Health and Human Services Commission:			
TANF Cluster			
Temporary Assistance for Needy Families	93.558	HHS000380000047	\$ 60,755
Temporary Assistance for Needy Families	93.558	HHS000380000047	<u>4,837</u>
Total TANF Cluster			65,592
Social Services Block Grant	93.667	HHS000380000047	5,834
Social Services Block Grant	93.667	HHS000380000047	<u>6,460</u>
Total Social Services Block Grant			12,294
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	-	29,157
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	-	<u>2,621</u>
Total Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services			<u>31,778</u>
 Total U.S. Department of Health and Human Services			109,664
U.S. Department of Justice:			
 Direct:			
Culturally and Linguistically Specific Services Program	16.016	2017-UW-AX-0017	120,702
Sexual Assault Services Culturally Specific Program	16.023	2016-KS-AX-0009	85,619
 Texas Association Against Sexual Assault:			
Sexual Assault Services Formula Program	16.017	SI-98721	55,981
 Texas Office of the Governor-Criminal Justice Division:			
Crime Victim Assistance	16.575	-	224,116
Crime Victim Assistance	16.575	4470601	<u>25,872</u>
Total Crime Victim Assistance			249,988
Violence Against Women Formula Grants	16.588	4233901	23,046
Violence Against Women Formula Grants	16.588	2551008/2551009	<u>497,076</u>
Total Violence Against Women Formula Grants			<u>520,122</u>
 Total U.S. Department of Justice			<u>1,032,412</u>
Total expenditures of federal awards			<u><u>\$ 1,142,076</u></u>

See notes to schedule of expenditures of federal awards.

SAHELI dba Asian Family Support Services of Austin
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2021

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal grant activity of SAHELI dba Asian Family Support Services of Austin (Organization). The information in this Schedule is presented in accordance with 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). Because the Schedule only presents a selected portion of the operations of the Organization, it is not intended 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 Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

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

SAHELI dba Asian Family Support Services of Austin
Schedule of Findings and Questioned Costs
Year Ended December 31, 2021

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
• Material weaknesses identified?	No
• Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weaknesses identified?	No
• Significant deficiencies identified?	None reported
Type of auditors’ report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance 2 CFR 200.516(a)?	No
Identification of major federal program:	
ALN 16.588 Violence Against Women Formula Grant	
Dollar threshold used to distinguish between type A and B programs for federal awards:	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

SAHELI dba Asian Family Support Services of Austin
Schedule of Findings and Questioned Costs
Year Ended December 31, 2021

Section IV – Summary of Prior Year Audit Findings

None