

Genesee County Youth Corporation
Audited Financial Statements
September 30, 2020

Prepared by Taylor & Morgan, P.C.

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GENESEE COUNTY YOUTH CORPORATION

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INDEPENDENT AUDITOR'S REPORT

March 8, 2021

Board of Directors
Genesee County Youth Corporation

Report on the Financial Statements

We have audited the accompanying financial statements of Genesee County Youth Corporation (a nonprofit organization), which comprise the statement of financial position as of September 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Genesee County Youth Corporation as of September 30, 2020, 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.

Report on Summarized Comparative Information

We have previously audited the Genesee County Youth Corporation's 2019 financial statements, and our report dated May 8, 2020 expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters*Other 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2021, on our consideration of Genesee County Youth Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Genesee County Youth Corporation's internal control over financial reporting and compliance.

Sincerely,

Taylor & Morgan, P.C.

Taylor & Morgan, P.C.
Certified Public Accountants

Financial Statements

GENESEE COUNTY YOUTH CORPORATION

Statements of Financial Positions

September 30, 2020

ASSETS	September 30, 2020	September 30, 2019
Cash and cash equivalents	\$ 273,898	\$ 358,695
Grants receivable	317,594	336,885
Deposits	44,148	-
Prepaid expenses	8,000	7,000
Property and equipment - Net of depreciation	<u>315,607</u>	<u>283,128</u>
Total assets	<u><u>\$ 959,247</u></u>	<u><u>\$ 985,708</u></u>
LIABILITIES		
Accrued payroll and related liabilities	<u>\$ 44,148</u>	<u>\$ 37,294</u>
Total liabilities	44,148	37,294
NET ASSETS		
Without donor restrictions	<u>915,099</u>	<u>948,414</u>
Total net assets	<u>915,099</u>	<u>948,414</u>
Total liabilities and net assets	<u><u>\$ 959,247</u></u>	<u><u>\$ 985,708</u></u>

See accompanying notes to basic financial statements.

GENESEE COUNTY YOUTH CORPORATION

Statement of Activities

For the Year Ended September 30, 2020

With Summarized Information for the Year Ended September 30, 2019

	Without Donor Restrictions	With Donor Restrictions	September 30, 2020	Totals September 30, 2019
PUBLIC SUPPORT AND REVENUE				
Support				
State of Michigan Contract	\$ -	\$ 615,052	\$ 615,052	\$ 573,283
County Probate Court	7,050	-	7,050	9,000
Community Development Block Grant	-	52,640	52,640	73,789
HUD - TLP Grant	-	154,359	154,359	115,045
HUD - RRH Grant	-	11,585	11,585	-
HHS - TLP Grant	-	194,926	194,926	176,124
MSHDA Grants	-	22,856	22,856	23,872
Federal Basic Center Grant	-	200,000	200,000	200,000
ESG Grants	-	67,871	67,871	82,172
EFSP Grant	-	1,100	1,100	11,822
SOP Grant	-	235,280	235,280	169,063
Foundation Grants	-	25,000	25,000	-
Grants - COVID 19	-	107,579	107,579	-
	<u>7,050</u>	<u>1,688,248</u>	<u>1,695,298</u>	<u>1,434,170</u>
Revenue				
Interest	351	-	351	456
Contributions	9,401	-	9,401	33,817
Miscellaneous	34,856	-	34,856	5,546
	<u>44,608</u>	<u>-</u>	<u>44,608</u>	<u>39,819</u>
Total support and revenue	51,658	1,688,248	1,739,906	1,473,989
Net assets released from restrictions	<u>1,688,248</u>	<u>(1,688,248)</u>	<u>-</u>	<u>-</u>
	1,739,906	-	1,739,906	1,473,989
EXPENSES				
Program services	1,457,121	-	1,457,121	1,229,719
Supporting services	<u>316,100</u>	<u>-</u>	<u>316,100</u>	<u>284,252</u>
Total expenses	<u>1,773,221</u>	<u>-</u>	<u>1,773,221</u>	<u>1,513,971</u>
Increase/(decrease) in net assets	(33,315)	-	(33,315)	(39,982)
Net assets, beginning of year	<u>948,414</u>	<u>-</u>	<u>948,414</u>	<u>988,396</u>
Net assets, end of year	<u>\$ 915,099</u>	<u>\$ -</u>	<u>\$ 915,099</u>	<u>\$ 948,414</u>

See accompanying notes to basic financial statements.

GENESEE COUNTY YOUTH CORPORATION
Statement of Functional Expenses - For the Year Ended
September 30, 2020
With Summarized Information for the Year Ended September 30, 2019

	Program Services <u>Services to Runaway Youth</u>	Supporting Services <u>Management and General</u>	<u>September 30,</u> 2020 Total Expenses		2019 Total Expenses
Salaries	\$ 837,588	\$ 209,397	\$ 1,046,985	\$	958,660
Employee benefits	91,827	22,957	114,784		104,307
Payroll taxes	<u>63,530</u>	<u>15,882</u>	<u>79,412</u>		<u>76,834</u>
Total salaries and related expenses	992,945	248,236	1,241,181		1,139,801
Rent	18,891	380	19,271		19,379
Utilities	19,038	4,760	23,798		21,746
Maintenance	42,858	10,714	53,572		52,844
Home furnishings	27,991	-	27,991		12,029
Telephone and internet	29,047	7,262	36,309		19,535
Postage	401	100	501		1,550
Printing	5,432	1,358	6,790		2,867
Office supplies	15,237	3,809	19,046		6,527
Copier supplies	1,046	262	1,308		3,846
Education supplies	2,393	-	2,393		3,893
Food and consumables	80,694	-	80,694		59,711
Fundraising	-	1,834	1,834		-
Travel/vehicle	37,891	9,473	47,364		45,024
Insurance	19,378	4,845	24,223		21,531
Medical supplies and services	18,197	4,549	22,746		1,289
Payroll services	5,046	1,262	6,308		4,655
Professional services	8,620	2,155	10,775		8,400
Administrative expenses	10,442	2,610	13,052		10,464
Training	8,235	2,059	10,294		3,820
Specific assistance	31,367	-	31,367		8,872
Bus passes	8,697	-	8,697		1,323
Youth activities	20,432	-	20,432		5,307
Marketing	<u>11,111</u>	<u>-</u>	<u>11,111</u>		<u>13,603</u>
Total operating expenses	<u>422,445</u>	<u>57,431</u>	<u>479,876</u>		<u>328,215</u>
Total expenses before depreciation	1,415,390	305,667	1,721,057		1,468,016
Depreciation	<u>41,731</u>	<u>10,433</u>	<u>52,164</u>		<u>45,955</u>
Total expenses	\$ <u>1,457,121</u>	\$ <u>316,100</u>	\$ <u>1,773,221</u>	\$	<u>1,513,971</u>

GENESEE COUNTY YOUTH CORPORATION

Statements of Cash Flows

For the Year Ended September 30, 2020

	September 30, 2020	September 30, 2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ (33,315)	\$ (39,982)
Adjustments to reconcile decrease in net Assets to net cash provided by operating Activities:		
Depreciation	52,164	45,955
(Increase) decrease in operating assets		
Grants receivable	19,291	11,251
Prepaid expenses	(1,000)	3,123
Deposits	(44,148)	-
Increase (decrease) in operating liabilities		
Accounts Payable	-	(7,600)
Accrued payroll and related expenses	6,854	20,286
Net cash provided by (used in) operating activities	(154)	33,033
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(84,643)	(34,554)
Net cash provided by (used in) investing activities	(84,643)	(34,554)
Net increase (decrease) in cash	(84,797)	(1,521)
Beginning cash	358,695	360,216
Ending cash	\$ <u>273,898</u>	\$ <u>358,695</u>
Amount paid for Interest	\$ -	\$ -
Amount paid for Taxes	\$ -	\$ -

See accompanying notes to basic financial statements.

Notes to Financial Statements

GENESEE COUNTY YOUTH CORPORATION
Notes to Financial Statements
September 30, 2020

1. Organization and summary of significant accounting policies

Organization:

Genesee County Youth Corporation (the "Organization") is a nonprofit organization providing services to runaway youth in the Greater Flint area and receives a majority of its funding from government contracts and grants.

Method of Accounting:

The financial statements of the Organization have been prepared on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when incurred.

Tax Exempt Status:

The Organization has been classified as an other-than-private foundation and is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. The Code requires that tax-exempt organizations must comply with federal tax law to maintain tax-exempt status and avoid penalties. The Organization is subject to a tax on income from any unrelated business (the Organization has no unrelated business income) as defined by Section 509(a) (1) of the Code.

The Organization evaluates all significant tax positions under a more likely than not threshold as required by U.S. generally accepted accounting principles. As of September 30, 2020, the Organization does not believe that it has taken any tax positions that would require the recording of any additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next twelve months. The Organization's tax returns are subject to examination by the appropriate taxing jurisdictions. At September 30, 2020, the Organization's federal tax returns generally remain open for the last three years.

Financial Statement Presentation:

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization 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 grantor or 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 management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some grantor or donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. The organization does not have any net assets with donor or grantor restrictions.

Donor restricted contributions are reported as increases in net assets with donor restrictions on the statement of activity. When a restriction expires, the corresponding net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions.

Contributions:

Contributions of cash and other assets, including unconditional promises to give in the future, are reported as revenue when received, measured at fair value. Donor promises to give in the future are recorded at the present value of estimated future cash flows.

GENESEE COUNTY YOUTH CORPORATION
Notes to Financial Statements
September 30, 2020

1. Organization and summary of significant accounting policies (continued)

Functional expenses:

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly to their natural classification. Other expenses that are common to several functions are allocated on various statistical bases.

Cash and Cash Equivalents:

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

2. Donated Services

No amounts have been reflected in the financial statements for donated services since no objective basis is available to measure the value of such services.

3. Building and Equipment, and Depreciation:

A summary of building and equipment at September 30, 2020 and 2019 is as follows:

	2020	2019
Equipment	\$ 225,770	\$ 225,770
Buildings	800,713	716,069
	1,026,483	941,839
Less: Accumulated depreciation	(710,876)	(658,711)
	\$ 315,607	\$ 283,128

Buildings and equipment are stated at cost. Depreciation is accumulated at annual rates, which are sufficient to amortize the gross carrying amounts over the estimated useful lives. The organization's policy is to capitalize all assets with a cost exceeding \$500.

Depreciation expense for the years ending September 30, 2020 and 2019 was \$52,164 and \$45,955 respectively.

4. Cash and Cash Equivalents

At September 30, 2020, the carrying amount of deposits was \$273,898 and the bank balance was \$327,860. The difference was due to outstanding checks. Of the bank balance, \$250,000 was covered by Federal depository insurance, and \$77,860 was uninsured.

5. Liquidity

As part of the Organization'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.

GENESEE COUNTY YOUTH CORPORATION
Notes to Financial Statements
September 30, 2020

5. Liquidity (continued)

The following represents the Organization's financial assets at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Cash and savings accounts	\$ 273,898	\$ 358,695
Grants and other receivables	<u>317,594</u>	<u>336,885</u>
Total	591,492	695,580
Restricted by donors with time or purpose restrictions	<u>-</u>	<u>-</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 591,492</u>	<u>\$ 695,580</u>

6. Contingencies

The Organization has received federal and state grants for specific purposes. These grants are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under the terms of the grant, management believes that any required reimbursements would not be material.

7. Subsequent Events

Management has reviewed subsequent events through March 8, 2021, which is the date the financial statements were available to be issued.

Subsequent to the date of the financial statements, the outbreak of the novel strain of coronavirus (COVID-19) continues to impact a large range of industries. The extent of the impact of COVID-19 on the Organization's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak. Impact on the Organization cannot be predicted, and the extent to which COVID-19 may impact the financial condition or results of operations of the Organization is uncertain at this time.

Uniform Guidance Information

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

March 8, 2021

To the Board of Directors
Genesee County Youth Corporation
Flint, MI

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Genesee County Youth Corporation (a nonprofit organization), which comprise the statement of financial position as of September 30, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 8, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Genesee County Youth Corporation'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 Genesee County Youth Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of Genesee County Youth Corporation'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Genesee County Youth Corporation'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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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.

Taylor & Morgan, P.C.

TAYLOR & MORGAN, P.C.
Certified Public Accountants

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

March 8, 2021

To the Board of Directors
Genesee County Youth Corporation
Flint, MI

Report on Compliance for Each Major Federal Program

We have audited Genesee County Youth Organization's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Genesee County Youth Organization's major federal programs for the year ended September 30, 2020. Genesee County Youth Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Genesee County Youth 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 September 30, 2020.

Other Matters

The results of our auditing *procedures* disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2020-001. Our opinion on the major federal programs is not modified with respect to this matter.

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The Organization's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did however identify a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2020-001 that we consider to be significant deficiency.

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.

Taylor & Morgan, P.C.

TAYLOR & MORGAN, P.C.
Certified Public Accountants

GENESEE COUNTY YOUTH CORPORATION

Schedule of Expenditures of Federal Awards

For the Year Ended September 30, 2020

Federal Grantor/Pass-Through <u>Grantor/Program Title/Grant Identifier</u>	<u>Federal CFDA Number</u>	<u>Current Year Expenditures</u>
<u>U.S. Department of Health and Human Services</u>		
Basic Center Grant		
2019/20 COVID-19	93.623	\$ 40,000
2019/20 90CY 7025-02-01	93.623	200,000
Education and Prevention Grants to Reduce Sexual Abuse of Runaway, Homeless, and Street Youth		
2019/20 COVID-19	93.557	16,950
2019/20 90YO 2286-03-01	93.557	169,495
Transitional Living for Homeless Youth		
2019/20 COVID-19	93.550	50,629
2019/20 90CX 7098-03-01	93.550	<u>194,726</u>
Total Direct Funding		671,800
<u>U.S. Department of Housing and Urban Development</u>		
Continuum of Care		
2019/20 MI0147L5F051911	14.267	65,450
2019/20 MI01445F05170811	14.267	154,359
2020/21 MI0670L5F051900	14.267	<u>11,584</u>
Total Direct Funding		231,393
Passed through City of Flint:		
Emergency Solutions Grant		
2019/20 19-079	14.231	31,864
Community Development Block Grant		
2018/19 18-063	14.218	21,351
2018/19 18-092	14.218	<u>31,289</u>
Total passed through City of Flint		84,504
Passed through Genesee County:		
Emergency Solutions Grant		
2019/2020 COVID-19	14.231	1,100
2019/2020	14.231	<u>29,188</u>
Total passed through Genesee County		30,288
Total U.S. Department of Housing and Urban Development		<u>346,185</u>
<u>TOTAL EXPENDITURES OF FEDERAL AWARDS</u>		\$ <u>1,017,985</u>

GENESEE COUNTY YOUTH CORPORATION
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2020

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified?	<i>No</i>
Significant deficiency(ies) identified that are not considered to be material weaknesses?	<i>No</i>
Noncompliance material to financial statements noted?	<i>No</i>

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	<i>No</i>
Significant deficiency(ies) identified that are not considered to be material weaknesses?	<i>Yes</i>
Audit findings required to be reported in accordance with the Uniform Guidance?	<i>Yes</i>

Type of auditor's report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance	<i>Yes</i>
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Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
14.267	<i>Continuum of Care</i>
93.557	<i>Education and Prevention Grants to Reduce Sexual Abuse of Runaway, Homeless and Street Youth</i>

Dollar threshold used to distinguish between Type A and Type B programs:	<i>\$750,000</i>
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Auditee qualified as low-risk auditee?	<i>No</i>
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GENESEE COUNTY YOUTH CORPORATION
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2020

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

2020-001	Procurement
Finding Type	Immaterial non compliance; significant deficiency in internal controls over compliance
Program Names	Continuum of Care (CFDA #14.267) and Education and Prevention Grants to Reduce Sexual Abuse of Runaway, Homeless and Street Youth (CFDA #93.557)
Criteria	The Uniform Guidance requires the Organization to adopted policies to ensure that federal grant funds are not used for the purchase of goods and services from vendors ad individuals who have been disbarred or suspended from doing business with the federal government.
Condition	As of year end, the Organizing had not implemented policies or procedures to identify disbarred or suspended vendors and individuals. Subsequent to year end, the Organization has adopted policies to ensure that goods or services are not purchased from vendors or individuals suspended or disbarred from contracting with the federal government.
Cause	The Organization did not have policies in place to identify disbarred or suspended vendors or individuals.
Effect	Due to the lack of formal policies and procedures, federal funds could have been paid to vendors or individuals who have been disbarred or suspended from contracting with the federal government.
Questioned Costs	None
Recommendation	We recommend the District adopt policies and procedures to ensure that federal grants are not used for the purchase of goods or services from disbarred and or suspended vendors or individuals. Subsequent to year end, polices and procedures to verify vendors and individual are not disbarred or suspended were adopted by the Organization. We consider this matter to be closed.
View of Responsible Officer	Subsequent to year end, management adopted and implemented procurement policies and procedure to ensure that the Organization does not purchase goods or services from vendors or individual disbarred or suspended from contracting with the federal government.