



*Reports of Independent Auditors and
Financial Statements with Supplementary Information*

Marjaree Mason Center, Inc.

*September 30, 2019 with Summarized Comparative Information
for the Year Ended September 30, 2018*

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Report of Independent Auditors

To the Board of Directors
Marjaree Mason Center, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Marjaree Mason Center, Inc., which comprise the statement of financial position as of September 30, 2019, and the related statement of activities, changes in net assets, 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 Marjaree Mason Center, Inc., as of September 30, 2019, 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, Marjaree Mason Center, Inc., adopted Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, information about liquidity and availability of resources, methods used to allocate costs to programmatic and other support information, and direction for consistency about information provided on investment return. The adoption of the standard resulted in additional footnote disclosures and changes to the disclosures related to net assets. Our opinion is not modified with respect to this matter.

Other Matters

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 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.

Summarized Comparative Information

We have previously audited Marjaree Mason Center, Inc.'s 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 22, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

The combining schedule of revenue, support, and expenses has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have issued our report dated April 30, 2020, on our consideration of Marjaree Mason Center, Inc.'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 Marjaree Mason Center, Inc.'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 Marjaree Mason Center, Inc.'s internal control over financial reporting and compliance.



Fresno, California
April 30, 2020

Financial Statements

Marjaree Mason Center, Inc.
Statements of Financial Position
September 30, 2019 and 2018

	2019	2018
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 527,920	\$ 282,290
Certificates of deposit	-	207,438
Investments in marketable securities	1,288,614	1,534,874
Grants receivable, net	1,134,758	932,692
Current portion of pledges receivable	150,365	162,934
Other receivables	41,812	51,033
Prepaid expenses	152,043	106,539
Deposits	67,488	63,183
Total current assets	3,363,000	3,340,983
PROPERTY AND EQUIPMENT, net	3,077,360	2,910,350
CONSTRUCTION IN PROGRESS	27,240	39,374
PLEDGES RECEIVABLE, net of current portion	100,000	-
BENEFICIAL INTEREST IN PERPETUAL TRUSTS	186,757	191,010
Total assets	<u>\$ 6,754,357</u>	<u>\$ 6,481,717</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 113,016	\$ 127,640
Accrued expenses	342,964	375,716
Deferred revenue	177,243	208,880
Total current liabilities	633,223	712,236
LONG-TERM DEBT	1,000,000	1,000,000
Total liabilities	1,633,223	1,712,236
NET ASSETS		
Without donor restriction	4,379,915	4,085,322
With donor restriction	741,219	684,159
Total net assets	5,121,134	4,769,481
Total liabilities and net assets	<u>\$ 6,754,357</u>	<u>\$ 6,481,717</u>

Marjaree Mason Center, Inc.**Statement of Activities****Year Ended September 30, 2019****(with Summarized Financial Information for the Year Ended September 30, 2018)**

	Without donor restriction	With donor restriction	Total	
			2019	2018
REVENUES, GAINS, AND OTHER SUPPORT				
Grants and contracts	\$ 4,805,751	\$ -	\$ 4,805,751	\$ 4,269,349
Contributions	929,621	506,806	1,436,427	1,320,290
In-kind donations	69,952	-	69,952	138,076
Special events	512,819	-	512,819	491,193
Program fees	381,785	-	381,785	349,077
Other income	80,403	-	80,403	13,424
(Loss) gain on sale of assets	(17,987)	-	(17,987)	1,400
Unrealized (loss) gain in fair value of perpetual trusts	-	(4,253)	(4,253)	8,412
Interest and dividend income	164	-	164	53,699
Unrealized (loss) gain in fair value of investments	32,757	-	32,757	(27,696)
Realized loss on investments	-	-	-	(16,171)
Total revenues, gains, and other support	6,795,265	502,553	7,297,818	6,601,053
NET ASSETS RELEASED FROM FROM RESTRICTIONS				
Restrictions satisfied by payment of related expenses	445,493	(445,493)	-	-
Total revenues, gains, and other support after net assets released from restrictions	7,240,758	57,060	7,297,818	6,601,053
EXPENSES				
Program services	5,953,644	-	5,953,644	5,469,514
Supporting services	977,149	-	977,149	823,130
Fundraising	360,175	-	360,175	267,328
Total expenses	7,290,968	-	7,290,968	6,559,972
Change in net assets	\$ (50,210)	\$ 57,060	\$ 6,850	\$ 41,081

Marjaree Mason Center, Inc.
Statement of Changes in Net Assets
Year Ended September 30, 2019
(with Summarized Financial Information for the Year Ended September 30, 2018)

	Without donor restriction	With donor restriction	Total	
			2019	2018
Net assets, beginning of year	\$ 4,085,322	\$ 684,159	\$ 4,769,481	\$ 4,653,835
Change in net assets	(50,210)	57,060	6,850	41,081
Contribution of grant funded assets	429,183	-	429,183	132,239
Depreciation on grant funded assets	(80,350)	-	(80,350)	(57,674)
Deletion of grant funded assets	(4,030)	-	(4,030)	-
Net assets, end of year	<u>\$ 4,379,915</u>	<u>\$ 741,219</u>	<u>\$ 5,121,134</u>	<u>\$ 4,769,481</u>

Marjaree Mason Center, Inc.
Statement of Functional Expenses
Year Ended September 30, 2019
(with Summarized Financial Information for the Year Ended September 30, 2018)

	Program Services							Total	
	Emergency Services	Rehousing Services	Advocacy and Legal Assistance	Other Programs	Total Program Services	Supporting Services	Fundraising	2019	2018
Accounting and legal	\$ 17,000	\$ 4,500	\$ -	\$ -	\$ 21,500	\$ 7,361	\$ -	\$ 28,861	\$ 27,163
Advertising	25	-	-	-	25	260	2,982	3,267	11,840
Bad debt expense	-	-	-	-	-	-	-	-	56,671
Bank charges	-	1,655	-	-	1,655	1,128	-	2,783	1,362
Computer services	21,318	8,052	1,757	1,730	32,857	5,154	568	38,579	32,592
Conferences, conventions, and meetings	30,827	19,117	4,763	12,459	67,166	11,022	82,400	160,588	138,244
Depreciation	139,639	37,387	-	-	177,026	35,912	573	213,511	208,172
Donated services and supplies	31,973	21,345	-	1,726	55,044	14,908	-	69,952	107,140
Dues and subscriptions	617	1,690	83	865	3,255	7,157	1,094	11,506	18,389
Employee benefits	327,333	84,897	57,172	10,720	480,122	183,780	13,120	677,022	677,451
Equipment rental, repairs, and maintenance	604,076	55,862	6,082	4,399	670,419	38,795	49,329	758,543	403,664
Food	13,621	2,855	-	220	16,696	326	-	17,022	13,876
Insurance	48,013	1,945	-	-	49,958	12,642	-	62,600	76,564
Interest	-	-	-	-	-	30,000	-	30,000	30,000
Miscellaneous	428	-	-	-	428	638	-	1,066	2,038
Office expense	8,406	2,111	1,595	1,313	13,425	24,756	2,344	40,525	46,838
Printing	1,115	1,881	516	5,430	8,942	9,588	19,686	38,216	37,465
Professional fees	61,688	13,530	22,782	17,068	115,068	130,209	51,884	297,161	209,776
Program supplies	265,697	527,022	873	32,996	826,588	4,111	22,786	853,485	890,927
Rent	53,478	92,056	4,809	-	150,343	-	3,530	153,873	145,732
Salaries	2,049,700	550,926	365,114	99,430	3,065,170	436,041	106,463	3,607,674	3,207,956
Security	8,978	3,340	-	-	12,318	1,259	-	13,577	12,218
Taxes and licenses	29	100	-	-	129	5,267	-	5,396	1,552
Utilities	143,737	34,812	4,697	2,264	185,510	16,835	3,416	205,761	202,342
	<u>\$ 3,827,698</u>	<u>\$ 1,465,083</u>	<u>\$ 470,243</u>	<u>\$ 190,620</u>	<u>\$ 5,953,644</u>	<u>\$ 977,149</u>	<u>\$ 360,175</u>	<u>\$ 7,290,968</u>	<u>\$ 6,559,972</u>

See notes to financial statements.

Marjaree Mason Center, Inc.
Statements of Cash Flows
Years Ended September 30, 2019 and 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 6,850	\$ 41,081
Adjustment to reconcile change in net assets to net used in operating activities:		
Depreciation	213,511	208,172
Bad debt expense	-	56,671
Net gain on investments and perpetual trusts	(28,668)	(18,244)
Gain (loss) on sale of assets	17,987	(1,400)
Net gain (loss) on disposal of grant funded assets	(4,030)	-
Change in operating assets and liabilities:		
Grants receivable	(202,066)	(30,128)
Pledges receivable	(87,431)	(31,566)
Other receivables	9,221	(23,211)
Prepaid expenses	(45,504)	(1,860)
Deposits	(4,305)	39,127
Accounts payable	(14,624)	61,805
Accrued expenses	(32,752)	(520)
Deferred revenue	(31,637)	106,940
Net cash (used in) provided by operating activities	(203,448)	406,867
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for construction in progress	(24,012)	(96,718)
Purchase of property and equipment	(20,559)	(53,078)
Proceeds from sales of assets	7,030	1,400
Purchases of investments	(90,376)	(457,320)
Proceeds from sale of investments	369,393	447,104
Purchases of certificates of deposit	-	(207,438)
Maturities of certificates of deposit	207,602	207,446
Net cash provided by (used in) investing activities	449,078	(158,604)
Net change in cash and cash equivalents	245,630	248,263
CASH AND CASH EQUIVALENTS, beginning of year	282,290	34,027
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 527,920</u>	<u>\$ 282,290</u>
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Contribution of grant funded assets	\$ 429,183	\$ 132,239
Depreciation on grant funded assets	\$ 80,350	\$ 57,674
In-kind contributions	\$ 69,952	\$ 138,076

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities – Marjaree Mason Center, Inc. (the Organization), a California nonprofit corporation, operates shelters for victims of domestic violence and their children and provides counseling, education, and other related services in Fresno County and surrounding areas. The Organization receives funding for its programs and operations from a variety of governmental and community sources, including, but not limited to, the City of Fresno, the County of Fresno, U.S. Department of Housing & Urban Development, California Office of Emergency Services, and First 5 of Fresno County.

Adoption of new accounting pronouncement – During the year ended September 30, 2019, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities* (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities*. This guidance is intended to improve the net asset classification requirements and the information presented in the financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows.

The main provisions of this guidance include: presentation of two classes of net assets versus the previously required three; recognition of capital gifts for construction as a net asset without donor restriction when the associated long-lived asset is placed in service; recognition of underwater endowment funds as a reduction in net assets with donor restrictions; and reporting investment income net of external and direct internal investment expenses. The guidance also enhances disclosures for board designated amounts, compositions of net assets with donor restrictions and how the restriction affects the use of resources, qualitative and quantitative information about the liquidity and availability of financial assets to meet general expenditures within one year of the statement of financial position date, and expenses by both their natural and functional classification, including methods used to allocate costs among program and support functions and underwater endowments.

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

Without Donor Restriction – Net assets not subject to use or time restrictions. A portion of these net assets may be designated by the Board of Directors for specific purposes.

With Donor Restriction – Defined as that portion of net assets that consist of a restriction on the specific use or the occurrence of a certain future event. Net assets with donor restriction represent amounts collected by the Organization to be spent on specific purposes or activities. Restrictions on net assets are usually met within a year of receiving the amount restricted.

Method of accounting – The Organization uses the accrual basis method of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect 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 estimates.

Marjaree Mason Center, Inc.

Notes to Financial Statements

Cash and cash equivalents – For purposes of reporting the statement of cash flows, the Organization considers cash accounts, money market accounts, and certificates of deposits with original maturities of three months or less to be cash equivalents. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At September 30, 2019 and 2018, the Organization had \$304,485 and \$0 uninsured cash balances, respectively.

Investments in marketable securities – Investments in marketable securities consist primarily of publicly traded mutual funds and common stock and are recorded at fair value. These investments are covered by the Securities Investor Protection Corporation up to \$500,000 (including \$250,000 of cash). Investment income and unrealized gains and losses are reported in the statement of activities.

Grants receivable – The Organization utilizes the allowance of accounting for and reporting uncollectible or doubtful accounts. Management determines the allowance for doubtful accounts based on an analysis of specific customers, taking into consideration the age of the past due accounts and an assessment of the customer's ability to pay. At September 30, 2019 and 2018, the allowance for doubtful accounts was \$50,000. Grants receivable are written off when deemed uncollectible. Recoveries of grants receivable previously written off are recorded as income when received.

The Organization grants credit to its customers, substantially all of which are government agencies (federal, state, and local) and generally requires no collateral from its customers.

Contributions and pledges receivable – Unconditional contributions, including pledges to give at estimated net realizable value, are recognized as revenue in the period received. The Organization reports conditional contributions as with donor restriction support if they are received with donor stipulations that limit the use of the donated assets. Pledges receivable at September 30, 2019 and 2018, amounted to \$250,365 and \$162,934, respectively.

Property and equipment – According to the Organization's policy, property and equipment acquisitions over \$2,500 are capitalized. Purchased property and equipment is capitalized at cost, donated property and equipment is recorded at fair value. The Organization does not imply restrictions on the use of contributed property and equipment received without donor stipulations. Expenditures that increase the life of the related assets are capitalized. Repairs and maintenance, including planned major maintenance activities, are charged to operations when incurred. Leasehold improvements are depreciated over the lesser of the remaining lease agreement or the estimated useful life.

Depreciation is computed using the straight-line method over the following estimated useful lives:

Buildings and land improvements	5 to 40 years
Furnishings, equipment, and vehicles	5 to 10 years

Property and equipment purchased with federal funds is subject to various usage, maintenance, and disposition provisions of the Office of Management and Budget Circular A-110 and Uniform Guidance, as well as any additional provisions established by the funding agency.

Deferred revenue and refundable advances – Deferred revenue represents special event revenues received by the Organization in advance of the event's occurrence and grant monies billed but not yet received or earned. Refundable advances represent grant monies received by the Organization, but not yet spent or earned.

In-kind contributions – Contributions of noncash assets are utilized by the Organization in providing services and are recorded at their fair values in the period received. Contributions of noncash assets received for fundraising events (such as catering, entertainment, etc.) are not recorded in the accompanying financial statements. In addition, contributions of noncash assets to be sold at fundraising events by the Organization are recorded at the time of sale. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

A number of unpaid volunteers have made significant contributions of their time to the Organization. However, the value of these services is not reflected in the accompanying financial statements because generally accepted accounting principles do not allow for the recognition of nonspecialized services. The values of professional services provided by trained volunteers are recorded in the accompanying financial statements (see Note 12).

Advertising costs – Advertising costs, except for costs associated with direct-response advertising, are charged to operations when incurred. The costs of direct-response advertising are capitalized and amortized over the period during which future benefits are expected to be received. For the years ended September 30, 2019 and 2018, advertising costs expensed amounted to \$3,267 and \$11,840, respectively; no costs were capitalized.

Exchange transactions – Revenues earned from contracts and grants with county, state, and federal agencies are considered exchange transactions. Revenue from exchange transactions are reported gross of any related expense in the accompanying financial statements.

Allocation of expenses – The costs of providing various programs and activities have been summarized on a functional basis in the statements of activities and functional expenses. During the year, such costs are accumulated into separate groupings as either "direct" or "indirect." Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit, such as square footage, hours worked, and employee headcount. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Fundraising expenses – Costs of acquiring or applying for a contract or grant are categorized as indirect expenses and not separately stated as fundraising expenses. Fundraising expenses are expensed as incurred. Revenue from fundraising events is recognized in the period in which the event takes place.

Income taxes – The Organization is a tax-exempt corporation under section 501(c)(3) of the Internal Revenue Code and section 23701(d) of the State of California Corporate Code. The Organization is subject to taxation on any unrelated business income.

Uncertain tax positions – The Organization recognizes the effect of income tax provisions only if those positions are more likely than not of being sustained. The Organization does not believe its financial statements include any uncertain tax positions.

Marjaree Mason Center, Inc.

Notes to Financial Statements

Summarized comparative information – The accompanying financial statements include certain prior-year comparative information in summarized form, without net asset class detail. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the prior year ended September 30, 2018, from which the summarized information was derived.

Marjaree Mason Center, Inc.
Notes to Financial Statements

NOTE 2 – INVESTMENTS IN MARKETABLE SECURITIES

Investments in marketable securities consisted of the following at September 30:

	2019	2018
<u>Mutual Funds</u>		
JP Morgan Equity Income CLI	\$ 112,577	\$ 57,803
Columbia Strategic Income CLZ	105,371	103,409
Columbia Disciplined Cor Instl CI	93,238	48,738
MFS Total Return Bond CLI	86,146	80,533
AB High Income Advisor CL	83,701	85,128
Brandywineglobal Global Opptys Bond CLI	81,283	80,725
Fidelity Advisor Strategic Income CLI	74,231	32,106
Columbia Select Global Equity	72,595	47,836
Janus Henderson High Yield CLI	62,247	61,355
CVCF Social Impact Pooled Investment	52,952	-
Fidelity Advisor Emerging Markets Income CLI	52,426	52,700
Dreyfus International Bond CLI	49,711	70,195
MFS Conservative Alloc CLI	46,703	136,961
Franklin Income Advisor CL	44,905	45,299
Columbia Emerging Markets Bond CLZ	44,502	43,470
Templeton Global Bond Advisor CL	40,683	43,458
Matthews Asia Dividend Investor CL	38,978	96,454
Invesco Balanced Risk Alloc CLY	31,491	29,891
Columbia Seligman Global Technology CLZ	19,561	19,490
Janus Henderson Global Life Sciences CLI	14,158	16,978
Lord Abbett Invst TR	-	115,806
James Balance Golden Rainbow Retail CL	-	78,458
Oppenheimer Global Opptys CL Y	-	48,294
BlackRock Global Dividend Instl CL	-	34,230
Franklin Strategic Income Advisor CL	-	24,314
American Century Diversified Bond Investor	-	18,362
Oppenheimer Global Strategic Income CLY	-	15,363
Total mutual funds	1,207,459	1,487,356
<u>Exchange-Traded Funds</u>		
Ishares MSCI EAFE ETF	52,528	23,388
SPDR S&P 500 ETF	28,627	24,130
Total exchange-traded funds	81,155	47,518
Total investments in marketable securities	<u>\$ 1,288,614</u>	<u>\$ 1,534,874</u>

During the years ended September 30, 2019 and 2018, dividend income reinvested into mutual funds was approximately \$44,000 and \$54,000, respectively. During the years ended September 30, 2019 and 2018, unrealized (loss) and gain was \$32,757 and (\$27,696), respectively. During the years ended September 30, 2019 and 2018, proceeds from the sales of investments were \$369,393 and \$447,104, respectively.

NOTE 3 – FAIR VALUE MEASUREMENTS

The Organization's investments are reported at fair value in the accompanying statements of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 3 inputs were available to the Organization. The three levels of the fair value of 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 Organization has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted market 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.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

Level 1 fair value measurements – The fair value of mutual funds is based on quoted net asset values ("NAV") of the shares held by the Organization at year-end.

Level 2 fair value measurements – Beneficial interests in perpetual trusts are valued at the pro-rata ownership percentage of the NAV of the private investment. The NAV is based on the underlying assets in the trust, which consist of common stocks and mutual funds. The use of NAV as fair value is deemed appropriate, as the private investments do not have finite lives, unfunded commitments relating to these types of investments, or significant restrictions on redemptions.

Marjaree Mason Center, Inc.
Notes to Financial Statements

Accounting standards allow for the use of a practical expedient for the estimations of the fair value of investment companies or private investments for which the investment does not have a readily determinable fair value. The practical expedient used by the Organization to value these investments is the NAV. In some instances, the NAV may not equal the fair value that would be calculated under fair value accounting standards.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets measured at fair value on a recurring basis as of September 30, 2019:

	Fair Value Measurements			Investments Held at Net Asset Value (NAV)	Total
	Level 1	Level 2	Level 3		
Mutual funds:					
Blended Bond	\$ 347,007	\$ -	\$ -	\$ -	\$ 347,007
Domestic Stock	258,769	-	-	-	258,769
International Bond	227,922	-	-	-	227,922
Blended Asset	123,099	-	-	-	123,099
Blended Stock	106,314	-	-	-	106,314
Domestic Bond	105,370	-	-	-	105,370
International Stock	38,978	-	-	-	38,978
Total mutual funds	1,207,459	-	-	-	1,207,459
Exchange-traded funds	81,155	-	-	-	81,155
Beneficial interest in perpetual trusts	-	-	-	186,757	186,757
Total assets at fair value	<u>\$ 1,288,614</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,757</u>	<u>\$ 1,475,371</u>

The following table sets forth by level, within the fair value hierarchy, the Organization's assets measured at fair value on a recurring basis as of September 30, 2018:

	Fair Value Measurements			Investments Held at Net Asset Value (NAV)	Total
	Level 1	Level 2	Level 3		
Mutual funds:					
Blended Bond	\$ 342,257	\$ -	\$ -	\$ -	\$ 342,257
Blended Asset	290,608	-	-	-	290,608
International Bond	247,089	-	-	-	247,089
Domestic Bond	237,577	-	-	-	237,577
Blended Stock	166,829	-	-	-	166,829
Domestic Stock	106,542	-	-	-	106,542
International Stock	96,454	-	-	-	96,454
Total mutual funds	1,487,356	-	-	-	1,487,356
Exchange-traded funds	47,518	-	-	-	47,518
Beneficial interest in perpetual trusts	-	-	-	191,010	191,010
Total assets at fair value	<u>\$ 1,534,874</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 191,010</u>	<u>\$ 1,725,884</u>

The Organization's policy is to recognize transfers into and out of Levels 2 and 3 inputs as of the date of the event or change in circumstances that caused the transfer. For the years ended September 30, 2019 and 2018, there were no significant transfers into or out of Level 2 or Level 3 inputs.

Marjaree Mason Center, Inc.
Notes to Financial Statements

NOTE 4 – GRANTS RECEIVABLE

Grants receivable consisted of the following at September 30:

	2019	2018
California Office of Emergency Services	\$ 553,028	\$ 427,449
U.S. Department of Housing and Urban Development	286,595	96,663
City of Fresno	197,591	277,364
County of Fresno	85,055	99,631
FEMA	24,771	2,156
Fresno Sheriff's Department	19,147	19,147
First 5 of Fresno County	16,261	58,932
Fresno County EOC	2,310	1,350
	1,184,758	982,692
Less allowance for doubtful accounts	(50,000)	(50,000)
	<u>\$ 1,134,758</u>	<u>\$ 932,692</u>

NOTE 5 – PLEDGES RECEIVABLE

Pledges receivable consisted of the following at September 30:

	2019	2018
Pledges receivable in less than one year	\$ 150,365	\$ 162,934
Pledges receivable in one to five years	100,000	-
	<u>\$ 250,365</u>	<u>\$ 162,934</u>

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at September 30:

	2019	2018
Building and land improvements	\$ 4,877,760	\$ 4,941,233
Leasehold improvements	118,054	625,510
Equipment	276,750	401,092
Buildings	660,387	660,387
Furniture and fixtures	70,948	153,292
Vehicles	116,954	137,429
Land	29,064	29,064
	6,149,917	6,948,007
Less accumulated depreciation	(3,072,557)	(4,037,657)
	<u>\$ 3,077,360</u>	<u>\$ 2,910,350</u>
Construction in progress	<u>\$ 27,240</u>	<u>\$ 39,374</u>

The Organization incurred depreciation expense of \$213,511 and \$208,172 for the years ended September 30, 2019 and 2018, respectively.

NOTE 7 – BENEFICIAL INTEREST IN PERPETUAL TRUSTS

Beneficial interest in perpetual trusts consisted of the Organization's percentage interest in two separate perpetual trusts accounted for as split-interest agreements. The Organization values its interest in these trusts based on the fair value of each trust's underlying assets. Balances consisted of the following at September 30:

	2019	2018
Burks' Trust (5% interest)	\$ 176,595	\$ 180,090
Nine Trust (5% interest)	10,162	10,920
	<u>\$ 186,757</u>	<u>\$ 191,010</u>

During the year ended September 30, 2019, the Organization's portion of unrealized loss was \$(4,253). During the year ended September 30, 2018, the Organization's portion of unrealized gain was \$8,412.

Marjaree Mason Center, Inc.

Notes to Financial Statements

NOTE 8 – LINE OF CREDIT

The Organization has a \$250,000 line of credit with Central Valley Community Bank. The unsecured credit line provides for monthly interest payments at prime plus 0.50%, with a minimum interest rate of 5.50%. At September 30, 2019, the effective interest rate was 6.75%. The line of credit matures on August 23, 2021. At September 30, 2019 and 2018, there was no outstanding balance on the line of credit.

NOTE 9 – LONG-TERM DEBT

Long-term debt consisted of the following at September 30:

	<u>2019</u>	<u>2018</u>
State of California Emergency Housing and Assistance Program (EHAP) forgivable loan for renovation of an emergency shelter in Fresno, secured by a deed of trust against the property. The note bears interest at 3%; accrued interest totaled \$165,000 at September 30, 2019. Repayment is deferred as long as the property is used as an emergency shelter or transitional housing. The loan's seven-year term expires September 2021. Upon expiration, the loan and any accrued interest shall be forgiven. If a transfer or conveyance of the property occurs before the end of the term that results in the development no longer being used as an emergency shelter or transitional housing, EHAP shall terminate the loan and require immediate repayment of the loan, including all outstanding principal and accrued interest.	\$ 1,000,000	\$ 1,000,000

NOTE 10 – OBLIGATIONS UNDER OPERATING LEASES

The Organization leases office equipment and property, which require certain minimum annual rental payments. The leases vary in terms and expire between February 2020 and March 2066. For the year ended September 30, 2019, total office equipment and property lease expenses were \$66,390 and \$133,789, respectively. For the year ended September 30, 2018, total office equipment and property lease expenses were \$57,127 and \$126,651, respectively.

Marjaree Mason Center, Inc.
Notes to Financial Statements

The future annual minimum lease payments under long-term contractual obligations at September 30, 2019, are as follows:

<u>Year ending September 30,</u>	
2020	\$ 179,198
2021	81,850
2022	32,351
2023	100
2024	100
Thereafter	<u>4,100</u>
	<u><u>\$ 297,699</u></u>

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS

Amounts received from various donors for specific purposes are net assets with donor restriction they have been spent for their specified purposes. Net assets with donor restriction consisted of the following at September 30:

	<u>2019</u>	<u>2018</u>
Shelter, food, and supplies for clients and children	\$ 346,179	\$ 270,063
Beneficial trusts	186,757	191,010
Clovis shelter	136,430	136,515
Education and outreach	22,856	34,476
Programs and counseling	29,942	29,942
Auto maintenance	18,431	21,465
Reedley facility	618	682
Facilities maintenance	<u>6</u>	<u>6</u>
	<u><u>\$ 741,219</u></u>	<u><u>\$ 684,159</u></u>

Net assets with donor restriction at September 30, 2019 and 2018, totaled \$741,219 and \$684,159, respectively. Net assets released from restriction during the years ended September 30, 2019 and 2018, totaled \$445,493 and \$614,634, respectively.

NOTE 12 – RETIREMENT PLAN

The Organization established a 401(k) Retirement Plan covering all active, full-time employees aged 21 or older. No matching contributions were made during the years ended September 30, 2019 and 2018.

Marjaree Mason Center, Inc.
Notes to Financial Statements

NOTE 13 – IN-KIND DONATIONS

In-kind donations consisted of the following for the years ended September 30:

	2019	2018
Trained volunteers	\$ 30,002	\$ 95,997
Fresno, Clovis, and Reedley shelters	12,600	19,628
Meathead Movers	27,350	22,451
	<u>\$ 69,952</u>	<u>\$ 138,076</u>

NOTE 14 – CONTINGENCIES AND CONCENTRATIONS

Economic dependency – The Organization receives a majority of its funding through various programs and contracts with federal, state, local, and private agencies. Grants and contracts for the years ended September 30, 2019 and 2018, comprise approximately 71% and 72%, respectively, of total revenue without donor restriction.

The following is a summary of total grants and contracts received by granting and contracting agency for the year ended September 30, 2019:

Granting and Contracting Agency	Amount	Percentage
California Office of Emergency Services	\$ 1,655,717	34%
County of Fresno	914,789	19%
Department of Housing and Urban Development	891,788	19%
City of Fresno	887,924	18%
First 5 of Fresno County	202,102	4%
Other contracts	161,810	3%
Fresno Unified School District	37,000	1%
Federal Emergency Management Agency	22,615	0%
Fresno County Economic Opportunities Commission	16,076	0%
Clovis Unified School District	15,930	0%
	<u>\$ 4,805,751</u>	<u>100%</u>

NOTE 15 – LIQUIDITY AND FUNDS AVAILABLE

Financial assets available to meet cash needs for general expenditures within one year as of September 30, 2019, are as follows:

Financial assets	
Cash and cash equivalents	\$ 527,920
Investments in marketable securities	1,288,614
Grants receivable, net	1,134,758
Pledges receivable	250,365
Other receivables	<u>41,812</u>
Financial assets at September 30, 2019	3,243,469
Less those unavailable for general expenditure within one year, due to:	
Noncurrent portion of pledges receivable	<u>100,000</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 3,143,469</u></u>

The Organization's spending policy is to structure its financial assets to be available for operations, capital assets, and opportunities to enhance the Organization's mission. The Organization has certain donor-restricted net assets that are available for general expenditures within one year of September 30, 2019, because the restrictions on the net assets are expected to be met by conducting the normal activities of the programs in the coming year. In the event of an unanticipated liquidity need, the Organization also could draw upon the \$250,000 of available lines of credit, as further discussed in Note 8.

NOTE 16 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statements of financial position date, but before financial statements are available to be issued. The Organization recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statements of financial position, including the estimates inherent in the process of preparing the financial statements. The Organization's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statements of financial position, but arose after the statements of financial position date and before financial statements are available to be issued.

The Organization has evaluated subsequent events through April 30, 2020, which is the date the financial statements were available to be issued.

Subsequent to September 30, 2019, the World Health Organization declared the novel coronavirus outbreak a public health emergency. The Organization's operations are located in California, which has restricted gatherings of people due to the coronavirus outbreak. Given the dynamic nature of these circumstances and business disruption, the Organization anticipates a significant short-term impact. The Organization will continue to monitor the situation closely, but given the uncertainty about the situation, an estimate of the impact to the financial statements cannot be made at this time.

Supplementary Information

Marjaree Mason Center, Inc.
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2019

Pass-through Grantor/Federal Grantor/Program Title	Federal CFDA #	Award Number	Total Costs Expended
CDBG - Entitlement Grants Cluster			
U.S. Department of Housing and Urban Development			
Passed through the County of Fresno			
Community Development Block Grant	14.218	A-14-697	\$ 56,500
Passed through the City of Fresno			
Community Development Block Grant	14.218	N/A	380,831
Community Development Block Grant	14.218	N/A	15,928
Total CDBG - Entitlement Grants Cluster			453,259
Other Programs			
U.S. Department of Housing and Urban Development			
Direct award:			
HUD Clovis- Supportive Housing	14.235	CA0974L9T141704	140,536
HUD Clovis- Supportive Housing	14.235	CA0974L9T141805	66,645
HUD Welcome Home	14.235	CA1185L9T141603	62,642
HUD Welcome Home	14.235	CA1185L9T141704	138,975
HUD Welcome Home 2a	14.235	CA1411L9T141803	23,720
HUD Welcome Home 2a	14.235	CA1411L9T141702	14,111
HUD Welcome Home 2	14.235	CA1480L9T141803	114,980
HUD Welcome Home 2	14.235	CA1480L9T141702	29,890
HUD Welcome Home 3	14.235	CA1480L9T141803	199,252
HUD Welcome Home 3	14.235	CA1480L9T141702	49,951
HUD Coordinated Entry	14.235	CA1762D9T141800	23,827
HUD Safe and Sound	14.235	CA1764D9T141800	4,948
Total HUD - Housing and Urban Development			869,477
Passed through the County of Fresno			
Emergency Solutions Grant	14.231	ESG PY 18	57,053
Passed through the City of Fresno			
Emergency Solutions Grant	14.231	ESG PY 17	366,749
Total U.S. Department of Housing and Urban Development			1,746,538
U.S. Department of Homeland Security			
Passed through the United Way of Fresno			
Emergency Food and Shelter National Board Program	97.024	Phase 34	22,615
Total U.S. Department of Homeland Security			22,615
U.S. Department of Justice			
Passed through the California Office of Emergency Services			
Domestic Violence Assistance Program	16.575	DV18321257	323,564
Unserved/Underserved Victim Advocacy	16.575	XV15011257	146,591
Housing First	16.575	XD16011257	459,174
Transitional Housing - FSP	16.575	XH16011257	340,364
Teen Dating Violence	16.588	TV18031257	125,000
Total U.S. Department of Justice			1,394,693
Total Expenditures of Federal Awards			\$ 3,163,846

Marjaree Mason Center, Inc.
Notes to the Schedule of Expenditures of Federal Awards
Year Ended September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation – The accompanying schedule of expenditures of federal awards (the Schedule), includes the federal grant activity of Marjaree Mason Center, Inc. (the Organization), under programs of the federal government for the year ended September 30, 2019. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

Relationship to financial reports – Information included in the accompanying Schedule is in substantial agreement with the information reported in the related financial reports for major programs.

Program costs – 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Subrecipients – The Organization does not pass through funds to subrecipients.

NOTE 2 – INDIRECT COSTS

Indirect costs – The Organization has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Single Audit Reports

Report of Independent Auditors 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*

To the Board of Directors
Marjaree Mason Center, Inc.

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 Marjaree Mason Center, Inc., which comprise the statement of financial position as of September 30, 2019, the related statements of activities, changes in net assets, 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 April 30, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Marjaree Mason Center, Inc.'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 Marjaree Mason Center, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Marjaree Mason Center, Inc.'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 combination of deficiencies, in internal control, such that there is a reasonable probability 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 Marjaree Mason Center, Inc.'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*.

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

A handwritten signature in dark ink, appearing to be 'M. Allen' followed by a stylized 'UP' or similar mark.

Fresno, California

April 30, 2020

Report of Independent Auditors on Compliance for the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Directors
Marjaree Mason Center, Inc.

Report on Compliance for the Major Federal Program

We have audited Marjaree Mason Center, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Marjaree Mason Center, Inc.'s major federal program for the year ended September 30, 2019. Marjaree Mason Center, Inc.'s major federal program is 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 Marjaree Mason Center, Inc.'s major federal program 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 Marjaree Mason Center, Inc.'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 the major federal program. However, our audit does not provide a legal determination of Marjaree Mason Center, Inc.'s compliance.

Opinion on the Major Federal Program

In our opinion, Marjaree Mason Center, Inc., complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2019.

Report on Internal Control Over Compliance

Management of Marjaree Mason Center, Inc., 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 Marjaree Mason Center, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances, for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Marjaree Mason Center, Inc.'s internal control over compliance.

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

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.



Fresno, California
April 30, 2020

Marjaree Mason Center, Inc.
Schedule of Findings and Questioned Costs
Year Ended September 30, 2019

Section I - Summary of Auditor's Results

FINANCIAL STATEMENTS

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

 Yes X No

Significant deficiency(ies) identified?

 Yes X None reported

Noncompliance material to financial statements noted?

 Yes X No

FEDERAL AWARDS

Internal control over major federal programs:

Material weakness(es) identified?

 Yes X No

Significant deficiency(ies) identified?

 Yes X None reported

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?

 Yes X No

**IDENTIFICATION OF MAJOR FEDERAL PROGRAMS AND TYPE OF AUDITOR'S REPORT
ISSUED ON COMPLIANCE FOR MAJOR FEDERAL PROGRAMS**

<i>CFDA Number</i>	<i>Name of Federal Program/Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for Major Federal Program</i>
14.235	Supportive Housing Program	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

 X Yes No

Section II - Financial Statement Findings

None reported

Section III - Federal Award Findings and Questioned Costs

None reported



MARJAREE MASON CENTER

1600 M Street

Fresno, CA 93721

**Summary Schedule of Prior Audit Findings
Year Ended September 30, 2019**

None reported.

Other Information

Marjaree Mason Center, Inc.
Combining Schedule of Revenue, Support, and Expenses - Unaudited
Year Ended September 30, 2019
(with summarized financial information for the Year Ended September 30, 2018)

										Total	
	County of Fresno	Housing and Urban Development	California Office of Emergency Services	Marriage License Fees	County Family Stabilization	Fresno County EOC	City CDBG/ESG	First 5 Fresno County	Contributions, Program Fees, and Other	2019	2018
Revenues, Gains, and Other Support											
Grants and contracts	\$ 257,780	\$ 869,586	\$ 1,630,371	\$ 105,880	\$ 654,805	\$ 16,076	\$ 890,128	\$ 204,624	\$ 176,501	\$ 4,805,751	\$ 4,269,349
Contributions	-	-	-	-	-	-	-	-	1,436,427	1,436,427	1,320,290
In-kind donations	-	-	-	-	-	-	-	-	69,952	69,952	138,076
Special events	-	-	-	-	-	-	-	-	512,819	512,819	491,193
Program fees	-	-	-	-	-	-	-	-	381,785	381,785	349,077
Other income	-	-	-	-	-	-	-	-	80,403	80,403	13,424
Legacies and bequests	-	-	-	-	-	-	-	-	-	-	-
(Loss) gain on sale of assets	-	-	-	-	-	-	-	-	(17,987)	(17,987)	1,400
Unrealized (loss) gain in fair value of perpetual trusts	-	-	-	-	-	-	-	-	(4,253)	(4,253)	8,412
Interest and dividend income	-	-	-	-	-	-	-	-	164	164	53,699
Unrealized (loss) gain in fair value of investments	-	-	-	-	-	-	-	-	32,757	32,757	(27,696)
Realized loss on investments	-	-	-	-	-	-	-	-	-	-	(16,171)
Total revenues, gains, and other support	257,780	869,586	1,630,371	105,880	654,805	16,076	890,128	204,624	2,668,568	7,297,818	6,601,053
Expenses											
Accounting and legal	-	4,500	2,500	500	-	-	-	-	21,361	28,861	27,163
Advertising	-	-	-	-	-	-	-	-	3,267	3,267	11,840
Bad debt expense	-	-	-	-	-	-	-	-	-	-	56,671
Bank charges	-	-	-	-	-	-	-	-	2,783	2,783	1,362
Computer services	-	4,575	4,421	13,487	1,991	-	-	-	14,105	38,579	32,592
Conferences, conventions, and meetings	1,905	8,386	9,759	1,888	9,830	-	1,764	-	127,056	160,588	138,244
Depreciation	-	-	-	-	-	-	-	-	213,511	213,511	208,172
Donated services and supplies	-	-	-	-	-	-	-	-	69,952	69,952	107,140
Dues and subscriptions	34	34	457	-	34	-	-	-	10,947	11,506	18,389
Employee benefits	31,409	75,405	157,118	290	82,668	2,951	35,173	28,016	263,992	677,022	677,451
Equipment rental, repairs, and maintenance	7,141	34,512	42,118	25,880	19,870	560	437,219	-	191,243	758,543	403,664
Food	-	1,681	3,139	988	91	-	-	-	11,123	17,022	13,876
Insurance	-	-	550	28,436	-	-	5,451	-	28,163	62,600	76,564
Interest	-	-	-	-	-	-	-	-	30,000	30,000	30,000
Miscellaneous	-	-	-	-	-	-	-	-	1,066	1,066	2,038
Office expense	184	1,282	6,888	536	2,958	-	-	-	28,677	40,525	46,838
Printing	86	-	427	-	307	-	343	-	37,053	38,216	37,465
Professional fees	-	9,513	33,060	6,988	290	-	-	34,735	212,575	297,161	209,776
Program supplies	10,157	263,018	316,806	992	1,063	869	149,555	-	111,025	853,485	890,927
Rent	5,500	4,434	40,664	-	52,096	-	-	-	51,179	153,873	145,732
Salaries	197,200	438,784	954,039	2,627	464,212	14,403	203,301	141,873	1,191,235	3,607,674	3,207,956
Security	357	1,498	2,399	744	436	-	1,960	-	6,183	13,577	12,218
Taxes and licenses	-	100	-	-	-	-	-	-	5,296	5,396	1,552
Utilities	6,743	21,864	56,026	9,325	24,912	-	55,362	-	31,529	205,761	202,342
Total expenses	260,716	869,586	1,630,371	92,681	660,758	18,783	890,128	204,624	2,663,321	7,290,968	6,559,972
Change in net assets	\$ (2,936)	\$ -	\$ -	\$ 13,199	\$ (5,953)	\$ (2,707)	\$ -	\$ -	\$ 5,247	\$ 6,850	\$ 41,081

