

**Coalition for the Homeless of
Houston/Harris County**

Financial Statements

June 30, 2024 and 2023

Coalition for the Homeless of Houston/Harris County

June 30, 2024 and 2023

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of Coalition for the Homeless of Houston/Harris County

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Coalition for the Homeless of Houston/Harris County (the "Coalition"), which comprise the statement of financial position as of June 30, 2024 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Coalition as of June 30, 2024, 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.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Coalition and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of the Coalition as of and for the year ended June 30, 2023 were audited by other auditors whose report dated March 27, 2024, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Coalition's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



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Auditors' Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Coalition's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Coalition's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards 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 18, 2025, on our consideration of the Coalition's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Coalition's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Coalition's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Rannell Kerr Foster of Texas, P.C.".

March 18, 2025

Coalition for the Homeless of Houston/Harris County

Statements of Financial Position

	June 30,	
	2024	2023
Assets		
Current assets		
Cash and cash equivalents	\$ 15,080,586	\$ 6,002,156
Grants and accounts receivable	3,680,876	5,813,990
Pledges receivable	148,979	10,223,290
Prepaid expenses and other current assets	266,158	135,470
Inventory	<u>71,378</u>	<u>135,741</u>
Total current assets	<u>19,247,977</u>	<u>22,310,647</u>
Right-of-use assets	694,999	972,819
Property and equipment, net	<u>2,010,459</u>	<u>5,245,507</u>
Total assets	<u>\$ 21,953,435</u>	<u>\$ 28,528,973</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 1,367,057	\$ 3,590,588
Accrued liabilities	579,924	426,036
Current lease liabilities - operating leases	299,610	-
Line of credit	<u>-</u>	<u>300,000</u>
Total current liabilities	<u>2,246,591</u>	<u>4,316,624</u>
Long-term lease liabilities - operating leases	395,389	972,819
Deferred revenue	<u>100,000</u>	<u>169,002</u>
Total liabilities	<u>2,741,980</u>	<u>5,458,445</u>
Net assets		
Without donor restrictions	14,202,003	16,689,842
With donor restrictions	<u>5,009,452</u>	<u>6,380,686</u>
Total net assets	<u>19,211,455</u>	<u>23,070,528</u>
Total liabilities and net assets	<u>\$ 21,953,435</u>	<u>\$ 28,528,973</u>

See accompanying notes to financial statements.

Coalition for the Homeless of Houston/Harris County

Statement of Activities

Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Operating activities			
Revenue and support			
Government grants	\$ 21,422,188	\$ 961,474	\$ 22,383,662
Contributions			
Cash and other financial assets	1,907,080	-	1,907,080
Nonfinancial assets	57,060	-	57,060
HMIS fee income	164,034	-	164,034
Net assets released from restrictions	<u>2,332,708</u>	<u>(2,332,708)</u>	<u>-</u>
Total revenue and support	<u>25,883,070</u>	<u>(1,371,234)</u>	<u>24,511,836</u>
Expenses			
Program services	26,020,318	-	26,020,318
Support services			
Management and general	2,760,823	-	2,760,823
Fundraising	<u>217,276</u>	<u>-</u>	<u>217,276</u>
Total support services	<u>2,978,099</u>	<u>-</u>	<u>2,978,099</u>
Total expenses	<u>28,998,417</u>	<u>-</u>	<u>28,998,417</u>
Changes in net assets from operating activities	<u>(3,115,347)</u>	<u>(1,371,234)</u>	<u>(4,486,581)</u>
Nonoperating activities			
Investment income	620,348	-	620,348
Other income	<u>7,160</u>	<u>-</u>	<u>7,160</u>
Changes in net assets from nonoperating activities	<u>627,508</u>	<u>-</u>	<u>627,508</u>
Change in net assets	<u>(2,487,839)</u>	<u>(1,371,234)</u>	<u>(3,859,073)</u>
Net assets, beginning of year	<u>16,689,842</u>	<u>6,380,686</u>	<u>23,070,528</u>
Net assets, end of year	<u>\$ 14,202,003</u>	<u>\$ 5,009,452</u>	<u>\$ 19,211,455</u>

See accompanying notes to financial statements.

Coalition for the Homeless of Houston/Harris County

Statement of Activities

Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Operating activities			
Revenue and support			
Government grants	\$ 21,791,164	\$ -	\$ 21,791,164
Contributions			
Cash and other financial assets	11,386,736	5,848,703	17,235,439
Nonfinancial assets	29,624	-	29,624
Program service fees	145,226	-	145,226
Net assets released from restrictions	<u>5,048,445</u>	<u>(5,048,445)</u>	<u>-</u>
Total revenue and support	<u>38,401,195</u>	<u>800,258</u>	<u>39,201,453</u>
Expenses			
Program services	23,573,685	-	23,573,685
Supporting activities			
Management and general	3,048,839	-	3,048,839
Fundraising	<u>261,696</u>	<u>-</u>	<u>261,696</u>
Total supporting activities	<u>3,310,535</u>	<u>-</u>	<u>3,310,535</u>
Total expenses	<u>26,884,220</u>	<u>-</u>	<u>26,884,220</u>
Changes in net assets from operating activities	<u>11,516,975</u>	<u>800,258</u>	<u>12,317,233</u>
Nonoperating activities			
Other income	<u>6,196</u>	<u>-</u>	<u>6,196</u>
Changes in net assets from nonoperating activities	<u>6,196</u>	<u>-</u>	<u>6,196</u>
Change in net assets	<u>11,523,171</u>	<u>800,258</u>	<u>12,323,429</u>
Net assets, beginning of year	<u>5,166,671</u>	<u>5,580,428</u>	<u>10,747,099</u>
Net assets, end of year	<u>\$ 16,689,842</u>	<u>\$ 6,380,686</u>	<u>\$ 23,070,528</u>

See accompanying notes to financial statements.

Coalition for the Homeless of Houston/Harris County

Statement of Functional Expenses

Year Ended June 30, 2024

		Supporting Activities		
	Program Services	Management and General	Fundraising	Total
Payroll and related expenses	\$ 4,962,925	\$ 2,028,323	\$ 140,940	\$ 7,132,188
Grants to subrecipients	12,317,565	-	-	12,317,565
Contract services and professional fees	358,407	106,823	8,148	473,378
Information technology	265,421	46,979	3,987	316,387
Occupancy	408,003	159,627	-	567,630
Supplies	22,345	11,672	3,276	37,293
Equipment rental & maintenance	39,719	29,948	55	69,722
Conferences and conventions	99,800	23,008	-	122,808
Travel	1,192	6,254	-	7,446
Professional development	4,047	15,014	625	19,686
Dues, fees, and subscriptions	34,432	86,504	11,094	132,030
Depreciation	3,148,056	83,794	-	3,231,850
Insurance	39,851	14,937	-	54,788
Other	50,681	90,290	29,782	170,753
Bank and credit card charges	-	53,864	-	53,864
Direct service expense	4,264,150	1,015	-	4,265,165
Advertising and promotion	3,724	2,771	19,369	25,864
Total functional expenses	<u>\$26,020,318</u>	<u>\$ 2,760,823</u>	<u>\$ 217,276</u>	<u>\$28,998,417</u>

See accompanying notes to financial statements.

Coalition for the Homeless of Houston/Harris County

Statement of Functional Expenses

Year Ended June 30, 2023

		<u>Supporting Activities</u>		
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Payroll and related expenses	\$ 4,690,428	\$ 2,257,429	\$ 161,359	\$ 7,109,216
Grants to subrecipients	10,833,538	-	-	10,833,538
Contract services and professional fees	374,347	106,166	29,248	509,761
Information technology	236,036	44,701	-	280,737
Occupancy	266,741	202,911	-	469,652
Supplies	21,852	5,251	13	27,116
Equipment rental & maintenance	378,558	95,213	3,788	477,559
Conferences and conventions	59,402	6,474	-	65,876
Travel	357	10,247	195	10,799
Professional development	19,292	11,017	-	30,309
Dues, fees, and subscriptions	21,814	47,680	1,032	70,526
Depreciation	1,311,737	85,626	-	1,397,363
Insurance	405	30,933	-	31,338
Other	57,799	112,601	66,061	236,461
Bank and credit card charges	-	7,196	-	7,196
Direct service expense	5,295,538	21,338	-	5,316,876
Advertising and promotion	5,841	4,056	-	9,897
Total expenses	<u>\$23,573,685</u>	<u>\$ 3,048,839</u>	<u>\$ 261,696</u>	<u>\$26,884,220</u>

See accompanying notes to financial statements.

Coalition for the Homeless of Houston/Harris County

Statements of Cash Flows

	Year Ended June 30,	
	2024	2023
Cash flows from operating activities		
Change in net assets	\$ (3,859,073)	\$ 12,323,429
Adjustments to reconcile change in net assets to cash flows provided by operating activities:		
Depreciation	3,231,850	1,397,363
Change in assets and liabilities:		
Grants and accounts receivable	12,207,425	757,016
Pledges receivable	-	(9,199,618)
Prepaid expenses and other current assets	(130,688)	(111,022)
Inventory	64,363	(106,499)
Accounts payable	(2,223,531)	(2,827,160)
Accrued liabilities	153,888	47,943
Grant advances	(69,002)	(233,678)
Net cash provided by operating activities	<u>9,375,232</u>	<u>2,047,774</u>
Cash flows from investing activities		
Proceeds from disposal of property and equipment	3,198	-
Purchases of property and equipment	<u>-</u>	<u>(3,021,952)</u>
Net cash provided by (used in) investing activities	<u>3,198</u>	<u>(3,021,952)</u>
Cash flows from financing activities		
Proceeds from line of credit	2,053,571	300,000
Payments to line of credit	<u>(2,353,571)</u>	<u>-</u>
Net cash provided by (used in) investing activities	<u>(300,000)</u>	<u>300,000</u>
Net change in cash and cash equivalents	9,078,430	(674,178)
Cash and cash equivalents at beginning of year	<u>6,002,156</u>	<u>6,676,334</u>
Cash and cash equivalents at end of year	<u>\$ 15,080,586</u>	<u>\$ 6,002,156</u>
Supplemental cash flow information:		
Cash paid for interest	<u>\$ 21,033</u>	<u>\$ -</u>
Cash paid for amounts included in operating leases	<u>\$ 317,438</u>	<u>\$ 315,116</u>

See accompanying notes to financial statements.

Coalition for the Homeless of Houston/Harris County

Notes to Financial Statements

June 30, 2024 and 2023

Note 1 - Nature of Operations and Basis of PresentationOrganization

The Coalition for the Homeless of Houston/Harris County (the "Coalition") is a private, non-profit organization whose mission is to act as catalyst, uniting partners and maximizing resources to move people into permanent housing with supportive services to ensure that everyone in our community has a safe place to call home.

Basis of accounting and presentation

The accompanying financial statements have been prepared on an accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Accordingly, these financial statements present the financial position, results of operations, and cash flows of the Coalition.

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 958-205, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Coalition and changes therein are classified into two categories of net assets, as applicable, and reported as follows:

- *Net assets without donor restrictions* – net assets that are not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors.
- *Net assets with donor restrictions* – net assets subject to donor-imposed stipulations that specify a use for a contributed asset. When a purpose restriction or a time restriction ends, net assets with donor restrictions are released to net assets without donor restrictions and reported in the accompanying statements of activities.

Note 2 - Summary of Significant Accounting PoliciesUse of estimates

In preparing the financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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.

Fair value measurements

The Coalition uses a three-tiered hierarchy for fair value measurements that draws distinction between market participant assumptions based on (i) observable inputs such as quoted prices in active markets (Level 1), (ii) inputs other than quoted prices in active markets that are observable either directly or indirectly (Level 2), and (iii) unobservable inputs reflecting the Coalition's own assumptions about the inputs used to determine fair value (Level 3). Level 1 provides the most reliable measure of fair value, where Level 3 generally requires significant judgement.

Coalition for the Homeless of Houston/Harris County

Notes to Financial Statements

June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies (Continued)Fair value measurements (continued)

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The Coalition determines the most appropriate valuation technique to use, given the instrument being measured and availability of sufficient inputs.

Grant revenue

Generally, grants are recognized as revenues when earned. Grants that operate on a reimbursement basis are recognized on the accrual basis as revenue only to the extent of disbursements and commitments that are allowable for reimbursements. Certain grant awards are classified as refundable advances until expended for the purposes of the grants since they are conditional promises to give.

Contributions

Under FASB ASC Topic 958-605, Accounting for Contributions Received and Contributions Made, the Coalition records contributions received, including unconditional promises to give, as net assets without donor restrictions or net assets with donor restrictions, depending upon the existence and/or nature of any donor restrictions. Contributions consist of unconditional promises to give from donors and are considered to be fully collectible; accordingly, there is no allowance at June 30, 2024 and 2023. If amounts become uncollectible, they will be charged to operations when the determination is made.

Contributions that are restricted by the donor are reported as increases in net assets with restrictions in the reporting period in which the contribution is recognized. However, if the donor restriction is met in the same period the contribution is received, such contribution is recorded as without donor restrictions. The Coalition had \$13,184,114 and \$37,966,396 of conditional contributions at June 30, 2024 and 2023, respectively, that have not been received and are conditional on incurring expenses allowable under the grant agreement. The Coalition had \$1,735,576 and \$11,890,261 of conditional non-federal contributions at June 30, 2024 and 2023, respectively that have not been received and are purpose or time restricted.

When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

In-kind contributions

Contributions of materials and use of facilities are recorded at fair value when an unconditional commitment is received from the donor. The related expense is recognized as the item is used. Contributions of services are recognized when services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Coalition for the Homeless of Houston/Harris County

Notes to Financial Statements

June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies (Continued)In-kind contributions (continued)

A substantial number of volunteers have contributed significant amounts of time in connection with programs, administration, and fundraising for which no amount has been recognized in the financial statements because donated services did not meet the criteria for recognition under U.S. GAAP.

The Coalition did not monetize any contributed nonfinancial assets and it is the Coalition's policy not to if they are not received for resale during a fundraising event, and unless otherwise noted, contributed nonfinancial assets did not have donor restrictions.

Donated nonfinancial assets for the year ended June 30, 2024 and 2023 were \$57,060 and \$29,624, respectively, for facility use.

Grants and accounts receivable

Grants and accounts receivable represent pending reimbursements for program expenses incurred and services rendered, billed as of June 30, 2024 and 2023, and expected to be received from funding sources in the subsequent year. Management considers these amounts to be fully collectible. Accordingly, no allowance for delinquent grants and accounts receivable was made in the accompanying financial statements. All grants receivable are due and expected to be collected within one year.

Contract fees

Contract revenues are recognized as revenue and receivable when services are performed. Payments from resource providers who do not receive commensurate value in return are recognized as contributions.

Pledges receivable

Pledges receivable that are expected to be collected within one year are reported at net realizable value. Pledges receivable that are expected to be collected in future years are reported at the present value of future cash flows, if material. Pledges receivable at June 30, 2024 and 2023 were \$148,979 and \$10,223,290 respectively. Pledges receivable at June 30, 2024 are expected to be collected within one year.

Cash and cash equivalents

For purposes of the statements of financial position and the statements of cash flows, cash and cash equivalents consist of cash and other highly liquid resources, such as investments in money market funds, with an original maturity of three months or less when purchased. Excluded from this definition of cash equivalents are such amounts held for long-term investment.

Coalition for the Homeless of Houston/Harris County

Notes to Financial Statements

June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies (Continued)Property and equipment

The Coalition capitalizes property and equipment in excess of \$5,000. Purchased property and equipment are recorded at cost. Donated property and equipment are recorded as revenue at their estimated fair value as of the date of donation. Depreciation on property and equipment is computed using the straight-line method over the estimated useful lives of the assets. The estimated lives for computing depreciation on property and equipment are:

The estimated lives for computing depreciation on property and equipment are:

<u>Asset Classification</u>	<u>Useful Life (Months)</u>
Computer hardware	36
Office equipment	60
Office furniture	60
Computer software	36
Vehicles	60
Leasehold improvements	Lesser of lease term or estimated useful life

Expenditures for repairs and maintenance are charged to expense as incurred. The cost of major renewals and betterments are capitalized and depreciated over their useful lives. Upon disposition of property and equipment, the related asset and accumulated depreciation amounts are removed, and any gain or loss is reflected in the statements of activities for the period.

Long-lived asset impairment

The Coalition evaluated the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the years ended June 30, 2024 and 2023.

Leases

The Coalition accounts for its leases under ASC Topic 842. Under this guidance, arrangements meeting the definition of a lease are classified as operating or finance leases and are recorded on the statements of financial position as both right-of-use ("ROU") assets and operating lease liability, calculated by discounting fixed lease payments over the lease term at the risk-free rate. Lease liabilities are increased by interest and reduced by payments each period, and the right-of-use assets are amortized over the lease term. For operating leases, interest on the lease liability and the amortization of the right-of-use assets result in straight-line rent expense over the lease term. The Coalition excludes short-term leases having initial terms of 12 months or less from the new guidance as an accounting policy and recognizes rent expense on a straight-line basis over the lease term.

Coalition for the Homeless of Houston/Harris County

Notes to Financial Statements

June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies (Continued)Leases (continued)

ROU assets are measured at the commencement date at the amount of the initially measured liability plus any lease payments made to the lessor before or after the commencement date, minus any lease incentives received, plus any initial direct cost.

Unless impaired, the ROU assets are subsequently measured throughout the lease term at the amount of the lease liability (that is the present value of the remaining lease payments, plus amortized initial direct costs, plus/minus any prepaid accrued lease payments, less the unamortized balance of lease incentives received). Lease cost for lease payments are recognized on a straight-line basis over the lease term.

Compensated absences

Vacation is provided by the Coalition for eligible employees to be away from work due to vacation, illness or other personal requirements. All regular full-time and part-time (working at least 20 hours per week) employees begin vacation accrual upon hire which may be used after completing 90 days of service. Certain key management personnel receive unlimited general-purpose vacation.

Measure of operations

The statements of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Coalition's ongoing activities. Non- operating activities are limited to resources that generate return from investments, financing costs and other activities considered to be of a more unusual or non-recurring nature.

Income tax status

The Coalition is exempt from federal and state income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and the applicable state tax statutes. In addition, the Coalition qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been qualified as an organization that is not a private foundation under Section 509(a) of the U. S. Internal Revenue Code.

Income from certain activities not directly related to the Coalition's tax-exempt purposes may be subject to taxation as unrelated business income. Management has evaluated all other tax positions that could have a significant effect on the financial statements and determined that the Coalition had no uncertain income tax positions at June 30, 2024. A revision, if any, to an estimate may result in an assessment of additional taxes, penalties, and interest.

Functional allocation of expense

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited, based on direct cost identified by function code in the accounting records, estimates of staff time, and utilization of assets.

Coalition for the Homeless of Houston/Harris County

Notes to Financial Statements

June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies (Continued)Advertising

The Coalition expenses the costs of advertising as incurred. For the years ended June 30, 2024 and 2023, advertising expense was \$6,127 and \$4,517, respectively, and is recorded in advertising and promotion costs.

Financial instruments, credit risk and concentration of credit risk

Financial instruments that potentially subject the Coalition to credit risk include cash and cash equivalents, grants and accounts receivable, and pledges receivable. Cash and cash equivalents are deposited in demand accounts with federally insured institutions to minimize risk. From time to time, the balances in these accounts may exceed the federally insured limits. The Coalition has not incurred losses related to those deposits.

Pledges receivable consist of contributions receivable from state and local governments, individuals, private foundations, and corporations across the United States. Grants and accounts receivable primarily consists of amounts due from state and local government agencies and are due in 30 days. Although the Coalition is directly affected by the financial stability of its donors and customers, management does not believe significant credit risk exists at June 30, 2024 and 2023 due to the credit worthiness of federal, state and local funding agencies.

Generally, no collateral or other security is required to support receivables. An allowance for credit losses is established as needed based upon factors surrounding credit risk of specific donors and customers, historical trends, and other information. When management determines that a receivable is uncollectible, the balance is removed from the receivables balance and is charged against the allowance.

Recent account pronouncements

Effective July 1, 2023, the Coalition adopted FASB ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of current expected credit losses on certain financial instruments. The Coalition adopted this new guidance utilizing the modified retrospective transition method. The adoption of this standard did not have a material impact on the Coalition's financial statements.

Note 3 - Cash and Cash Equivalents

Cash and cash equivalents are comprised of the following at June 30:

	2024	2023
Checking accounts	\$ 5,031,077	\$ 5,553,846
Interest checking	10,037,192	35,967
Money market accounts	12,317	412,343
Total cash and cash equivalents	\$ 15,080,586	\$ 6,002,156

Coalition for the Homeless of Houston/Harris County

Notes to Financial Statements

June 30, 2024 and 2023

Note 4 - Grants and Accounts Receivable

Grants and accounts receivable consist of the following as of June 30:

	2024	2023
City of Houston	\$ 492,751	\$ 1,049,152
Harris County	2,105,736	3,085,665
Houston Endowment	-	500,000
Harris County Housing Authority	-	70,100
Housing and Urban Development	259,765	438,501
Other receivables	111,269	5,580
Texas Department of Housing and Community Affairs	486,355	458,748
United Way	225,000	206,244
Total grants and accounts receivable	<u>\$ 3,680,876</u>	<u>\$ 5,813,990</u>

Note 5 - Pledges Receivable

Pledges receivable consist of the following as of June 30:

	2024	2023
Houston Endowment	\$ -	\$ 10,125,000
Other pledges receivable	148,979	98,290
Total pledges receivable	<u>\$ 148,979</u>	<u>\$ 10,223,290</u>

Note 6 - Property and Equipment, Net

Property and equipment consists of the following at June 30:

	2024	2023
Furniture and fixtures	\$ 189,566	\$ 192,765
Software and licenses	291,125	291,126
Vehicles	108,779	108,779
Leasehold improvements	6,339,896	6,339,895
	6,929,366	6,932,565
Less: accumulated depreciation	<u>(4,918,907)</u>	<u>(1,687,058)</u>
Total property and equipment, net	<u>\$ 2,010,459</u>	<u>\$ 5,245,507</u>

Depreciation and amortization expense was \$3,231,850 and \$1,397,363 for the years ended June 30, 2024 and 2023, respectively.

Coalition for the Homeless of Houston/Harris County

Notes to Financial Statements

June 30, 2024 and 2023

Note 7 - Line of Credit

The Coalition maintains a \$1,000,000 bank line of credit with a financial institution, of which \$0 and \$300,000 is outstanding as of June 30, 2024 and 2023, respectively. The line bears interest based on the floating 1 month SOFR plus 200bps (7.32% at June 30, 2024). Monthly payments of interest only is due with unpaid principal and all accrued interest due at maturity on June 27, 2026. The line of credit is unsecured.

Note 8 - Contingencies

The Coalition receives grants from Federal, State, and local sources that are governed by various statutes and regulations and are subject to review and audit by the funding sources. In addition, expenses charged to federal and state programs are subject to audit and adjustment by the grantor agencies. Such reviews and audits could result in the discovery of unallowable activities and unallowable costs resulting in a liability.

Consequently, any of the funding sources may, at its discretion, request reimbursement for expenses or return of funds, or both, as a result of non-compliance by the Coalition with the terms of the grants/contracts. However, in the opinion of the Coalition's management, such disallowances, if any, will not have a material effect on any of the 2024 and 2023 financial statements of the Coalition.

Litigation

In the normal course of business, the Coalition is subject to various claims, legal actions, and disputes. The Coalition provides for losses, if any, in the year in which they can be reasonably estimated. In management's opinion, there are currently no such matters outstanding that would have a material effect on the accompanying financial statements.

Note 9 - Right of Use Assets and Liabilities

The Coalition leases administrative office space and equipment under non-cancelable operating lease agreements. These leases have remaining lease terms ranging from 1 to 3 years. The Coalition's right-of-use asset and operating lease liability are calculated using the present value of lease payments using the discount rate. The weighted-average remaining lease term as of June 30, 2024 and 2023 was approximately 2.25 years and 2 years, respectively. The weighted average discount rate as of June 30, 2024 and 2023 was approximately 4.67% and 4.67%, respectively.

The Coalition has an agreement to lease space with the City of Houston for \$1 per year which was set to expire December 31, 2024. The promise has been recorded and included in pledges receivable at June 30, 2024 and 2023, and lease expense is recorded each year as the space is used. On November 5, 2024, the agreement was renewed and the expiration date was extended to December 31, 2027.

Coalition for the Homeless of Houston/Harris County

Notes to Financial Statements

June 30, 2024 and 2023

Note 9 - Right of Use Assets and Liabilities (Continued)

The components of lease costs comprised of the following for the year ended June 30:

	2024	2023
Operating lease expense	\$ 319,992	\$ 319,992
Short-term lease expense	27,214	27,214
Variable lease expense	<u>7,270</u>	<u>1,129</u>
Total lease expense	<u>\$ 354,476</u>	<u>\$ 348,335</u>

The following is a schedule of future minimum payments in excess of one year, by year, on non-cancellable operating leases:

<u>Year Ending June 30,</u>	
2025	\$ 324,600
2026	326,987
2027	<u>79,309</u>
Total future minimum lease payments	730,896
Less: amount representing present value discount	<u>(35,897)</u>
Total lease liabilities	694,999
Less: current portion	<u>(299,610)</u>
Long-term lease liabilities	<u>\$ 395,389</u>

Note 10 - Retirement Plan

The Coalition sponsors a 401(k) defined contribution retirement plan. For full-time employees with 6 months of service and 500 hours, the Coalition makes a contribution equal to 100% of the employee's contribution up to 4% of the employee's salary. The Coalition contributed \$40,150 and \$40,172 to the plan for the years ended June 30, 2024 and 2023, respectively.

Note 11 - Description of Program ServicesData management

The Coalition serves as the repository of knowledge about homelessness services and related issues in the Houston areas by serving as lead agency of the Homelessness Management Information System (HMIS), Coordinated access system (CAS), and through performance measurement activities.

Coalition for the Homeless of Houston/Harris County

Notes to Financial Statements

June 30, 2024 and 2023

Note 11 - Description of Program Services (Continued)Program management

The Coalition has developed and managed important programs that impact stakeholders and individuals experiencing homelessness. The Coalition serves as the lead agency for the Houston/Pasadena/Harris County/Fort Bend County/ Montgomery County Continuum of Care (CoC) program.

System capacity building

The Coalition helps to define, guide, facilitate, monitor, and improve the planning process and monitor progress against the current strategic plan. The Coalition ensures that an effective resource planning process is used to collect and integrate CoC partner and staff inputs and expand resources for people experiencing homelessness.

Public policy

The Coalition proposes state and local public policies to ensure that everyone in our community has a safe place to call home.

Note 12 - Net Assets with Donor Restrictions

Net assets with donor restrictions as of June 30, 2024 and 2023 are available for the following purposes:

	<u>2024</u>	<u>2023</u>
Community COVID Housing Program	\$ 11,998	\$ 11,998
Day 1 Families Fund	4,056,473	4,995,467
DMD Housing Surge	5,689	210,114
Education	-	50,000
Houston Endowment Inc.	-	500,000
Income NOW	25,321	25,321
Meaningful Change	-	93,063
Navigation Center	693,824	419,937
Other	171,842	24,912
Youth Program	44,305	49,874
	<u>\$ 5,009,452</u>	<u>\$ 6,380,686</u>

Coalition for the Homeless of Houston/Harris County

Notes to Financial Statements

June 30, 2024 and 2023

Note 13 - Net Assets Released from Restrictions

Net assets with donor restrictions were released from restriction due to satisfaction of the following purpose restrictions as accomplished during June 30:

	2024	2023
Community COVID Housing Program	\$ -	\$ 1,401,222
Day 1 Families Fund	938,994	-
DMD Housing Surge	204,425	-
Education	50,000	-
Greater Houston Community Foundation	-	22,231
Harvey Emergency	-	14,940
Houston Downtown Management District	-	293,411
Houston Endowment Inc.	500,000	500,000
Income NOW	-	10,096
Meaningful Change	93,063	-
Navigation Center	410,279	2,727,131
Other	80,378	27,398
World Homeless Day	-	3,500
Youth Program	55,569	48,516
Total net assets released from restriction	<u>\$ 2,332,708</u>	<u>\$ 5,048,445</u>

Note 14 - Liquidity

Financial assets available within one year of the Statement of Financial Position date for general expenditure are as follows as of June 30:

	2024	2023
Financial assets at year end:		
Cash and cash equivalents	\$ 15,080,586	\$ 6,002,156
Grants and accounts receivable	3,680,876	5,813,990
Pledges receivable	148,979	10,223,290
Prepaid expenses and other current assets	266,158	135,470
Inventory	71,378	135,741
Total current assets	<u>\$ 19,247,977</u>	<u>\$ 22,310,647</u>
Less:		
Non-financial assets not available for general expenditure	(486,515)	(10,494,501)
Net assets with donor restrictions	<u>(5,009,452)</u>	<u>(6,380,686)</u>
	<u>(5,495,967)</u>	<u>(16,875,187)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 13,752,010</u>	<u>\$ 5,435,460</u>

Assets are presented in the accompanying statement of financial position according to their nearness of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

Coalition for the Homeless of Houston/Harris County

Notes to Financial Statements

June 30, 2024 and 2023

Note 14 - Liquidity (Continued)

The Coalition has a goal to maintain financial assets, which consist of cash on hand to meet 90 days of normal operating expenses. The Coalition has a policy to structure its financial assets to be available for general expenditures, liabilities, and other obligations as they become due. As more fully described in Note 7, the Coalition also has committed line of credit in the amount of \$1,000,000, which it could draw upon in the event of an unanticipated liquidity need.

Note 15 - Subsequent Events

During November 2024, the Coalition renewed its lease with the City of Houston discussed in Note 9.

The Coalition has evaluated subsequent events occurring after year end through March 18, 2025, which is the date the financial statements were available to be issued and determined that there were no significant events requiring recognition or disclosure.

UNIFORM GUIDANCE REPORTS AND SCHEDULES



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

To the Board of Directors
of Coalition for the Homeless of Houston/Harris County

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 Coalition for the Homeless of Houston/Harris County (the "Coalition"), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 18, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Coalition's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Coalition's internal control. Accordingly, we do not express an opinion on the effectiveness of the Coalition's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

A handwritten signature in cursive script that reads "Pannell Kerr Forster of Texas, P.C.".

March 18, 2025



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

To the Board of Directors
of Coalition for the Homeless of Houston/Harris County

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Coalition for the Homeless of Houston/Harris County (the "Coalition") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Coalition's major federal programs for the year ended June 30, 2024. The Coalition's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Coalition 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 June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Coalition's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Coalition's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

Purpose of This Report

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.



March 18, 2025

Coalition for the Homeless of Houston/Harris County

Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

I. Summary of Auditors' Results**Financial Statements**Type of auditors' report issued: **Unmodified**

Internal control over financial reporting:

Material weaknesses identified? **No**Significant deficiencies identified not considered to be a material weakness? **None reported**Noncompliance material to the financial statements noted? **No****Federal Awards**

Internal control over major program:

Material weaknesses identified? **No**Significant deficiencies identified not considered to be a material weakness? **None reported**Type of auditors' report issued on compliance for major programs: **Unmodified**Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? **No****Major Program:**

Federal Major Program:

U.S. Department of Treasury - American Rescue Plan Act - Assistance Listing No. 21.027

U.S. Department of Treasury – Emergency Rental Assistance – ERA1 Housing Stability Services – Assistance Listing No. 21.023

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as a low-risk auditee? **Yes****II. Findings – Financial Statements Audit**

Year ended June 30, 2024: None

III. Findings and Questioned Costs – Major Federal Award Program Audit

Year ended June 30, 2024: None

Coalition for the Homeless of Houston/Harris County

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Assistance Listing Number	Contract or Pass- through Grantor's I.D. Number	Current Year Expenditures	Amounts Provided to Subrecipients
U.S. Department of Housing and Urban Development				
<i>Passed through City of Houston</i>				
Community Development Block Grant (CDBG) Entitlement Program Cluster		4600017376 2022-0713 4600017376 2023-0111 4600017376 2023-0692		
Community Development Block Grant - CARES Act - Navigation Center Operations	14.218	4600017376 2024-0197	\$ 1,062,571	\$ 1,017,044
Community Development Block Grant - Planning	14.218	4600017527 2023-0027	86,997	-
Community Development Block Grant - Planning 2	14.218	4600018299 2024-0352	6,652	-
		4600016847 2021-0707 4600016847 2021-0996		
Community Development Block Grant - CARES Act - Outreach	14.218	4600016847 2022-0762	463,582	-
Total Community Development Block Grant (CDBG) Entitlement Program Cluster			1,619,802	1,017,044
Other Programs				
		4600017090 2022-0068		
Emergency Solutions Grant Program - CARES Act - Navigation Center Construction	14.231	4600017090 2023-0535	663,142	-
Emergency Solutions Grant Program - Homelessness Management Information System (HMIS)	14.231	4600015481 2024-0040	85,000	-
Emergency Solutions Grant Program - Homelessness Management Information System (HMIS) - 2	14.231	4600018305 2024-0393	7,537	-
Total Emergency Solutions Grant Program			755,679	-
Housing Opportunities for Persons with AIDS - HMIS	14.241	4600015481 2024-0040	66,005	-
Housing Opportunities for Persons with AIDS - HMIS - 2	14.241	4600018305 2024-0393	6,019	-
Total Housing Opportunities for Persons with AIDS - HMIS			72,024	-
Subtotal City of Houston			2,447,505	1,017,044
<i>Passed through HUD Office, Houston, Texas</i>				
Continuum of Care Program				
Continuum of Care Program - HMIS	14.267	TX0177L6E002114	6,054	-
Continuum of Care Program - HMIS 2	14.267	TX0177L6E002215	946,434	-
Continuum of Care Program - SSO Coordinated Access	14.267	TX0414L6E002207	409,465	-
Continuum of Care Program - SSO Coordinated Access 2	14.267	TX0478L6E002206	615,174	-
Continuum of Care Program - Planning	14.267	TX0637L6E002100	502,235	-
Continuum of Care Program - Planning 2	14.267	TX0697L6E002200	835,271	-
Total Continuum of Care Program			3,314,633	-
Youth Homelessness Demonstration Program				
Youth Homeless Demonstration Program - HMIS	14.276	TX0653Y6E002000	126,674	-
Youth Homeless Demonstration Program - Planning	14.276	TX0607Y6E002000	44,207	7,586
Youth Homeless Demonstration Program - Supportive Service Only (SSO)				
Coordinated Entry System (CES)	14.276	TX0652Y6E002000	460,816	393,611
Youth Homeless Demonstration Program - SSO-CES Outreach	14.276	TX0654Y6E002000	204,509	195,778
Total Youth Homelessness Demonstration Program			836,206	596,975
Subtotal HUD Office, Houston, Texas			4,150,839	596,975
<i>Passed through Harris County Housing Authority</i>				
Housing Voucher Cluster				
Harris County Housing Authority Emergency Housing Voucher (EHV) Navigation	14.871	None indicated	46,840	41,250
Subtotal Harris County Housing Authority			46,840	41,250
Total U.S. Department of Housing and Urban Development			6,645,184	1,655,269
U.S. Department of Treasury				
<i>Passed through Harris County, Texas</i>				
American Rescue Plan Act Pass-Through Intermediary	21.027	2022-005 HCNTY-0000062336	3,379,636	3,379,636
American Rescue Plan Act Sole Source System Management	21.027	2022-006 HCNTY-0000062402 HCNTY-0000064922	5,638,856	-
Subtotal Harris County, Texas			9,018,491	3,379,636
<i>Passed through Texas Department of Housing and Community Affairs</i>				
Emergency Rental Assistance - ERA1 Housing Stability Services	21.023	20220000016	5,326,258	5,154,250
Subtotal Texas Department of Housing and Community Affairs			5,326,258	5,154,250
Total U.S. Department of Treasury			14,344,749	8,533,886
Total Expenditure of Federal Awards			\$ 20,989,934	\$ 10,189,155

Coalition for the Homeless of Houston/Harris County

Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards ("SEFA") includes the federal grant activity of Coalition for the Homeless of Houston/Harris County (the "Coalition") and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Therefore, some amounts presented in the schedule may differ from amounts presented in or used in the preparation of the financial statements.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles as found in the Uniform Guidance for federal awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Coalition has not elected to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance.

Note 3 - Relationship to Financial Reports Submitted to Grantor Agencies

Amounts reflected in the financial reports filed with grantor agencies for the programs and the supplementary schedules may not agree because of accruals included in the next report filed with the agencies, matching requirements not included in the SEFA and different program year ends.

Note 4 - Federal Insurance and Loan Programs

The Coalition had no federal insurance programs in effect and no loan or loan guarantee programs outstanding during the year ended June 30, 2024.

Note 5 - Commitment and Contingencies

Federal grants received by the Coalition are subject to review and audit by grantor agencies. The Coalition's management believes that the results of such audits will not have a material effect on the Schedule.

Note 6 - Subsequent Events

The Coalition evaluated subsequent events through March 18, 2025, which is the date that the financial statements were available to be issued and has determined that there are no subsequent events to be reported.