

RUBY'S PLACE, INC.

**REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION**

YEAR ENDED JUNE 30, 2017

**(WITH SUMMARIZED FINANCIAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2016)**

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Patricia A. Wintroath, CPA

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Ruby's Place, Inc.
Hayward, California 94541

I have audited the accompanying statement of financial position of Ruby's Place, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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 I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ruby's Place, Inc. as of June 30, 2017, 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.

Other Matters

Report on Summarized Comparative Information

I have previously audited the Ruby's Place, Inc.'s 2016 financial statements, and my report dated November 16, 2016, expressed an unmodified opinion on those audited financial statements. In my opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

My 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 my opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated November 3, 2016, on my consideration of Ruby's Place, Inc.'s internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Ruby's Place, Inc.'s internal control over financial reporting and compliance.

Patricia A. Wintworth, CPA

Certified Public Accountant
Walnut Creek, CA
November 3, 2017

RUBY'S PLACE, INC.

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2017

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2016)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total All Funds 2017</u>	<u>Total All Funds 2016</u>
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	\$194,175	\$88,028	\$282,203	\$129,005
Contracts & grants receivable (Note C)	187,956		187,956	132,181
Prepaid expenses	8,306		8,306	6,636
	<u>390,437</u>	<u>88,028</u>	<u>478,465</u>	<u>267,822</u>
TOTAL CURRENT ASSETS	390,437	88,028	478,465	267,822
PROPERTY AND EQUIPMENT, net (Note D)	407,484		407,484	453,479
DEPOSITS	3,400		3,400	3,400
	<u>\$801,321</u>	<u>\$88,028</u>	<u>\$889,349</u>	<u>\$724,701</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES:				
Accounts payable & accrued expenses	\$50,141	\$	\$50,141	\$33,452
Accrued vacations	14,565		14,565	14,158
Line of credit payable (Note E)	0		0	0
Contract Advances (Note F)		46,028	46,028	0
Current portion of long term debt (Note G)	1,392		1,392	1,392
	<u>66,098</u>	<u>46,028</u>	<u>112,126</u>	<u>49,002</u>
TOTAL CURRENT LIABILITIES	66,098	46,028	112,126	49,002
LONG TERM DEBT (Note G)	21,170		21,170	22,562
COMMITMENTS AND CONTINGENCIES (Note J)				
NET ASSETS				
Unrestricted	\$714,053		714,053	653,137
Temporarily restricted (Note H)		42,000	42,000	0
	<u>714,053</u>	<u>42,000</u>	<u>756,053</u>	<u>653,137</u>
TOTAL NET ASSETS	714,053	42,000	756,053	653,137
	<u>\$801,321</u>	<u>\$88,028</u>	<u>\$889,349</u>	<u>\$724,701</u>

See Notes to Financial Statements

RUBY'S PLACE, INC.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2017

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2016)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total All Funds 2017</u>	<u>Total All Funds 2016</u>
SUPPORT AND REVENUE				
Support:				
Corporations and foundations	\$228,455	42,000	\$270,455	\$83,300
Individuals	82,335		82,335	140,349
In-kind donations		103,099	103,099	103,814
Fundraising	3,085		3,085	23,460
	<u>313,875</u>	<u>145,099</u>	<u>458,974</u>	<u>350,923</u>
Total Support				
Revenue:				
Government contracts		1,172,838	1,172,838	980,832
Interest income			0	0
Gain (Loss) on disposal of assets			0	0
Miscellaneous income	5,574		5,574	2,497
	<u>5,574</u>	<u>1,172,838</u>	<u>1,178,412</u>	<u>983,329</u>
Total Revenue				
Net Assets Released From Restrictions	<u>1,275,937</u>	<u>(1,275,937)</u>	<u>0</u>	<u>0</u>
TOTAL SUPPORT AND REVENUE	<u>1,595,386</u>	<u>42,000</u>	<u>1,637,386</u>	<u>1,334,252</u>
EXPENSES				
Program services	1,286,950		1,286,950	1,039,603
Management and general	222,996		222,996	258,788
Fundraising	24,524		24,524	17,724
	<u>1,534,470</u>	<u>0</u>	<u>1,534,470</u>	<u>1,316,115</u>
TOTAL EXPENSES				
CHANGE IN NET ASSETS	60,916	42,000	102,916	18,137
NET ASSETS, beginning of year	<u>\$653,137</u>	<u>0</u>	<u>653,137</u>	<u>635,000</u>
NET ASSETS, end of year (Note B and G)	<u>\$714,053</u>	<u>\$42,000</u>	<u>\$756,053</u>	<u>\$653,137</u>

See Notes to Financial Statements

RUBY'S PLACE, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2017
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2016)

	Unrestricted	Temporarily Restricted	Total All Funds 2017	Total All Funds 2016
CASH FLOWS FROM OPERATING ACTIVITIES:				
Change in Net Assets	\$60,916	\$42,000	\$102,916	\$18,137
Adjustment to reconcile change in net assets to cash provided (used) by operating activities:				
Depreciation	45,995		45,995	46,977
	106,911	42,000	148,911	65,114
CHANGES IN CURRENT ASSETS AND CURRENT LIABILITIES				
(Increase) decrease in contracts & grants receivable	(55,775)		(55,775)	(66,698)
(Increase) decrease in prepaid expenses	(1,670)		(1,670)	39
(Increase) decrease in deposits	0		0	0
Increase (decrease) in accounts payable & accrued expenses	16,689		16,689	(9,243)
Increase (decrease) in accrued vacations	407		407	(727)
Increase (decrease) in Contract Advances/deferred revenue		46,028	46,028	(7,000)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	66,562	88,028	154,590	(18,515)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Borrowing on long term debt	0		0	0
Payments on long term debt	(1,392)		(1,392)	(1,393)
Loss on disposal of assets	0		0	0
Purchase of fixed assets	0		0	0
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	(1,392)	0	(1,392)	(1,393)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	65,170	88,028	153,198	(19,908)
CASH AND CASH EQUIVALENTS, beginning of year	\$129,005	\$0	129,005	148,913
CASH AND CASH EQUIVALENTS, end of year	\$194,175	\$88,028	\$282,203	\$129,005
SUPPLEMENTAL INFORMATION:				
Interest paid			\$623	\$395

RUBY'S PLACE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2017
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2016)

	SHELTER	TOTAL PROGRAM	ADMINIS-TRATION	SUPPORT - FUND - RAISING	TOTAL SUPPORT	2017 TOTAL EXPENSES	2016 TOTAL EXPENSES
Salaries	\$775,074	\$775,074	\$102,346	\$	\$102,346	\$877,420	\$732,187
Payroll taxes	69,379	69,379	12,123		12,123	81,502	59,522
Employee benefits	101,728	101,728	28,447		28,447	130,175	97,432
TOTAL PERSONNEL	946,181	946,181	142,916	0	142,916	1,089,097	889,141
Accounting	8,593.00	8,593	2,064		2,064	10,657	12,214
Fees for service	20,046	20,046	11,854		11,854	31,900	61,582
Advertising and promotion		0	1,868	11,998	13,866	13,866	8,717
Supplies	9,996	9,996	2,776	2,234	5,010	15,006	20,823
Client related/Emergency funds	19,409	19,409				19,409	0
Partnerships-DOJ, OVC, HT	21,000	21,000				21,000	0
Communications	11,207	11,207	1,758		1,758	12,965	11,701
Postage and shipping	255	255	611		611	866	2,262
Equipment and furniture	10,998	10,998	935		935	11,933	11,463
Equipment rental and maintenance	4,787	4,787	1,240		1,240	6,027	6,304
Building maintenance	12,597	12,597	3,489		3,489	16,086	19,014
Bank fees		0			0	0	150
Copying and printing	81	81		2,912	2,912	2,993	271
Information Technology	5,667	5,667	8,547		8,547	14,214	7,912
Occupancy	39,419	39,419	32,217		32,217	71,636	69,041
Travel and meals	9,026	9,026	3,778	471	4,249	13,275	8,253
Conferences, conventions and meetings	2,775	2,775	321	3,650	3,971	6,746	7,241
Interest		0			0	0	0
Depreciation	45,995	45,995			0	45,995	46,977
Insurance	15,389	15,389	3,386		3,386	18,775	18,456
Dues, licenses and service fees		0	1,212	708	1,920	1,920	1,440
In-kind materials and supplies	98,224	98,224			0	98,224	87,014
In-kind services	4,875	4,875			0	4,875	16,800
Miscellaneous fundraising expenses		0		2,551	2,551	2,551	2,461
Miscellaneous	430	430	4,024		4,024	4,454	6,878
TOTAL EXPENSES	\$1,286,950	\$1,286,950	\$222,996	\$24,524	\$247,520	\$1,534,470	\$1,316,115

See Notes to Financial Statements

RUBY'S PLACE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE A - ORGANIZATION

General - The Ruby's Place, Inc. (the Organization), is a non-profit corporation incorporated under the laws of California in 1972. The Organization's purpose is to provide temporary housing, food, counseling and support services for survivors of domestic violence and human trafficking, and homeless women and their children throughout the San Francisco Bay Area.

The offices of the Organization are located in Hayward, California and its activities are primarily supported by government fees and contracts.

Ruby's Place, Inc. was formerly known as Emergency Shelter Program, Inc.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Reporting - The Organization maintains its accounting records on the accrual basis of accounting.

Use of Estimates - In preparing financial statements in conformity with Generally Accepted Accounting Principles, management must make estimates based on future events that affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities as of the date of the financial statements; and revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents - The Organization's cash and cash equivalents balance consists of amounts held in checking and savings accounts in a large financial institution.

Prepaid expenses – Prepaid expenses are amortized over the period of future benefit.

Property and Equipment - Furniture and equipment are stated at cost. Expenditures for furniture and equipment, with a cost or basis of \$1,000 or greater, are capitalized and depreciated over three to thirty years using the straight-line method. When assets are retired or sold, the related cost and accumulated depreciation are removed from the accounts and any gain or loss arising from such disposition is included as income or expense. Expenditures for repairs and maintenance are charged to expense as incurred.

Fair Value Measurements – Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Organization determines the fair

RUBY'S PLACE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

values of its assets and liabilities based on a fair value hierarchy that includes three levels of inputs that may be used to measure fair value.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 inputs are inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the assets or liability. Unobservable inputs reflect the Organization's own assumptions about the assumption market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the Organization's own data.

Donated materials and Services - Donated materials are recorded at their fair value at the date of donation. Donated services, that require specialized skills and would otherwise be purchased by the Organization, are recorded at the fair value of the services received. Donated services by individuals providing administration services are not recorded as donated services as there are no special skills required for these services.

Functional Allocation of Expenses - Costs of providing the programs, administrative duties and fundraising activities have been summarized on a functional basis in the accompanying statement of functional expenses. Certain indirect costs have been allocated directly to programs and administration based upon ratios determined by management. These costs primarily include salaries, fringe benefits, occupancy and other expenses.

Income Taxes - The Organization is a Section 501(c)(3) organization exempt from income taxes under Section 501(a) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. There was no taxable unrelated business income during 2017.

Contributions and Grant Revenue - The Organization receives contributions and grants from corporations, foundations, charitable organizations and individuals. The Organization has adopted the provisions of Accounting Standards Codification FASB ASC 958-605 and FASB ASC-958-210-45

RUBY'S PLACE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The provisions of FASB ASC 958-605-25 require the Organization to recognize contributions and grants as either temporarily or permanently restricted support, if they are received with donor stipulations that limit the use of the contribution or grant. When a temporary restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

All other contributions are recognized upon receipt. Amounts received but not yet earned are reported as advances.

Financial Statement Presentation – Under Accounting Standards Codification (FASB ASC 958-210-45, the Organization is required to report information regarding their financial position and activities according to three classes of net assets: unrestricted and temporarily restricted and permanently net assets. Ruby's Place currently has no assets that are permanently restricted.

Summarized Financial Information for 2016 - The financial information for the year ended June 30, 2016, is presented for comparative purposes, and is not intended to be a complete financial statement presentation.

NOTE C - CONTRACTS AND GRANTS RECEIVABLE

Contracts and grants receivable at June 30, 2017 represent funds earned but not yet received from current contracts and grants as follows:

<u>Grantor</u>	<u>Amount</u>
Alameda County – Shelter Grant	\$18,490
CalWorks	4,273
CalOES	98,048
CalOES - HT	38,836
Hayward-CDBG	8,000
HUD	6,832
FEMA	5,500
First 5 Every Child Counts	6,000
DVCA Legal & Shelter Services	<u>1,977</u>
	<u>\$187,956</u>

The organization does not believe that an allowance for doubtful accounts is required for any of the accounts, contracts or grants receivable as of June 30, 2017.

RUBY'S PLACE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2017 consisted of the following:

Land	\$ 128,007
Buildings and improvements	1,095,781
Leasehold improvements	44,150
Furniture and equipment	<u>113,848</u>
	1,381,786
Less: accumulated depreciation	<u>(974,302)</u>
Total	<u>\$ 407,484</u>

Depreciation expense for the years ended June 30, 2017 and 2016 was \$45,995 and \$46,977, respectively.

NOTE E – LINE OF CREDIT

The Organization obtained a line of credit with Bank of the West with a maximum borrowing limit of \$300,000. The outstanding balance at June 30, 2017 was \$0.

NOTE F – CONTRACT ADVANCES

Contract advances as of June 30, 2017 consisted of the following:

Department of Justice Human Trafficking Contract	\$46,028
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NOTE G – NOTES PAYABLE AND ACCRUED INTEREST

On January 30, 2014, the Organization reached an agreement with the City of Hayward for the repayment of a debt incurred in 1981 and matured in 2007. A new note payable in the amount of \$27,319 is due to the City of Hayward and is secured by land and a building. Principal plus interest at 3% per annum is payable upon sale, transfer or conveyance of ownership in the real property whichever occurs first. The City of Hayward will accept payment in the amount of \$13,882 in monthly payments of \$116, over the next ten years ending on February 1, 2024, which represents the original principal due. If all the above payments are made in a timely manner, all accrued interest will be forgiven at the end of the term. The accrued interest payable at June 30, 2017 is \$1,865.

\$22,563

RUBY'S PLACE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE G – LONG TERM DEBT (Continued)

Less current portion	<u>1,392</u>
	<u>\$21,171</u>

Aggregate maturities on long-term debt for each of the next five years and subsequent periods are as follows:

Year Ended June 30,	
2018	\$ 1,392
2019	1,392
2020	1,392
2021	1,392
2022	1,392
Subsequent	<u>15,603</u>
	<u>\$22,563</u>

The Organization deems the default of the above notes due to unallowed operations remote since the use of the property facilitates the mission of the Organization.

NOTE H – TEMPORARILY RESTRICTED NET ASSETS

At June 30, 2016, the Organization's temporarily restricted net assets consisted of the following grants:

Fremont Bank Foundation	\$25,000
Hayward Rotary Club Foundation	1,000
All Stars Helping Kids	1,000
Sunlight Giving	<u>15,000</u>
Total Temporarily Restricted Net Assets	<u>\$42,000</u>

NOTE I – CONCENTRATION OF RISK

The Organization receives significant amounts of revenue from governmental contracts. Should funding from these grants be changed due to a change in budgeting or due to cutbacks, such reduction in funding might have an adverse effect on the Organization's programs and activities.

The Organization places its temporary cash investments with high-credit, high quality financial institutions, and by policy, limits the amount of credit exposure to any one financial institution. The Organization maintains three of its cash accounts in two such financial institutions. Cash balances held at these financial institutions were not in excess of federally insured limits. The Organization believes no significant

RUBY'S PLACE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE I – CONCENTRATION OF RISK (Continued)

concentration of credit risk exists with respect to these cash investments. On June 30, 2017, there were no uninsured balances.

NOTE J – COMMITMENTS AND CONTINGENCIES

The Organization leases office space under an operating lease agreement that expires on June 30, 2019. The monthly base rent is \$3,378. The lease agreement also requires the Organization to pay a pro-rata share of expenses incurred by the property owners. Rent expense for the years ended June 30, 2017 and 2016 was \$38,204 and \$37,058, respectively. Future minimum lease payments are as follows:

<u>June 30,</u>	<u>Amount</u>
2018	\$39,349
2019	40,531

Grant awards require the fulfillment of certain conditions as set forth in the instruments of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms it has accommodated the objectives of the organization to the provisions of the grant. Management is of the opinion that the organization has complied with the terms of all grants.

NOTE K – SUBSEQUENT EVENTS

These financial statements were approved by the management of the Organization and available for issuance on November 3, 2017. The Organization has evaluated subsequent events through November 3, 2017.

ADDITIONAL INFORMATION

RUBY'S PLACE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND COUNTY AWARDS
YEAR ENDED JUNE 30, 2017

Federal Grantor Pass-through Grantor/State Pass-through Grantor/County Program Title	Federal CFDA Number	Pass-through Grantor's Contract Number	Contract Period	Award Amount	Amount Expended
FEDERAL AWARDS:					
Department of Housing and Urban Development					
Passed through City of Hayward Community Development Block Grant Shelter Services	14.218	CDBG-017	7/1/16-6/30/17	\$40,000	\$40,000
Passed through Alameda County Housing and Community Development Program Supportive Housing Program - Linkages	14.235	14655	3/1/17-2/28/18	40,577	11,177
Supportive Housing Program - Linkages	14.235	13192	3/1/16-2/28/17	<u>40,577</u>	<u>22,724</u>
				<u>81,154</u>	<u>33,901</u>
Department of Justice					
Victims of Human Trafficking		2016-VT-BX-K047	10/1/16-9/30/19	750,000	103,972
Passed Through State of California California Emergency Management Agency Domestic Violence Assistance Program	16.575	DV16088631	7/1/16-6/30/17	275,280	275,280
Federal Emergency Management Agency					
Passed through United Way Phase 33	97.024	063400-006	11/1/15-3/31/17	<u>20,000</u>	<u>5,500</u>
Total Federal Awards				<u>\$1,166,434</u>	<u>\$458,653</u>
STATE AWARDS:					
California Emergency Management Agency Domestic Violence Assistance Program	N/A	DV16088631	7/1/16-6/30/17	\$342,170	\$277,333
California Emergency Management Agency Domestic Violence Assistance Program - VOCA	N/A	HV16018631	7/1/16-6/30/17	1,000,000	56,709
Passed through Family Violence Law Center CalWORKs Domestic Violence Services	N/A	N/A	7/1/16-6/30/17	44,017	44,017
First 5 Alameda County	N/A	CB/CGI2015-17-33	7/1/15-6/30/17	<u>120,000</u>	<u>60,000</u>
Total State Awards				<u>\$1,506,187</u>	<u>\$438,059</u>
COUNTY AWARDS:					
Social Services Agency Shelter & Support Services	N/A	900173-13185	7/1/16-6/30/17	\$217,353	\$193,493
Social Services Agency Domestic Violence Center Act	N/A	900173-13888	7/1/16-6/30/17	<u>26,169</u>	<u>26,169</u>
Total County Awards				<u>\$243,522</u>	<u>\$219,662</u>
TOTAL AWARDS				<u>\$2,916,143</u>	<u>\$1,116,374</u>

RUBY'S PLACE, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL, STATE
AND COUNTY AWARDS
YEAR ENDED JUNE 30, 2017

NOTE A – BASIS OF PRESENTATION – SCHEDULE OF EXPENDITURES
OF FEDERAL, STATE & COUNTY AWARDS

The accompanying schedule of expenditures of federal awards includes the federal and state grant activity of Ruby's Place, Inc. under programs of the federal government for the year ended June 30, 2017 and is presented on the accrual basis of accounting. The information in this 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 Ruby's Place, Inc., it is not intended to and does not present the financial position, change in net assets or cash flows for Ruby's Place, Inc.

NOTE B – FEDERAL EXPENDITURES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

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

ADDITIONAL REPORTS



Patricia A. Wintroath, CPA

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

Board of Directors
Ruby's Place, Inc.
Hayward, California 94541

I 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 Ruby's Place, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, 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 my report thereon dated November 3, 2017.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Ruby's Place, 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 my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Ruby's Place, Inc.'s internal control. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control.

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

My 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 my audit I did not identify any deficiencies in internal control that I 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 Ruby's Place, Inc.'s financial statements are free of material misstatement, I 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 my audit and accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Patricia A. Wintworth, CPA

Certified Public Accountant
Walnut Creek, CA

November 3, 2017