



RUBY'S PLACE

RUBY'S PLACE, INC.

(A California Nonprofit Corporation)

FINANCIAL STATEMENTS

JUNE 30, 2018 AND JUNE 30, 2017



RUBY’S PLACE, INC.

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Independent Auditors' Report

The Board of Directors
Ruby's Place, Inc.

We have audited the accompanying financial statements of Ruby's Place, Inc. (a California nonprofit corporation), which comprise the statements of financial position as of June 30, 2018, 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.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ruby's Place as of June 30, 2018, 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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements. The accompanying schedule of expenditures of federal, state and county awards is presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2018, on our consideration of Ruby's Place, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Ruby's Place's internal control over financial reporting and compliance.

Prior Period Financial Statements

The financial statements of Ruby's Place, Inc. as of June 30, 2017 were audited by other auditors whose report dated November 3, 2017, expressed an unmodified opinion on those statements.

Riva Accountancy Corporation

Certified Public Accountants

San Francisco, California
November 29, 2018

RUBY'S PLACE, INC.

STATEMENTS OF FINANCIAL POSITION

<u>ASSETS</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
CURRENT:		
Cash and cash equivalents	\$ 241,113	\$ 194,175
Restricted reserves	-	88,028
Prepaid expenses	-	8,306
Contracts and grants receivable	222,356	187,956
TOTAL CURRENT ASSETS	463,469	478,465
PROPERTY AND EQUIPMENT, net	481,249	407,484
OTHER:		
Deposits	8,400	3,400
TOTAL ASSETS	\$ 953,118	\$ 889,349
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT:		
Accounts payable and accrued expenses	\$ 13,917	\$ 6,289
Accrued payroll and vacation	69,714	58,416
Contract advances	-	46,028
Notes payable - current portion	1,392	1,392
TOTAL CURRENT LIABILITIES	85,024	112,125
LONG TERM:		
Notes payable	19,779	21,171
TOTAL LIABILITIES	104,803	133,296
NET ASSETS:		
Unrestricted net assets	848,315	714,053
Temporarily restricted net assets	-	42,000
TOTAL NET ASSETS	848,315	756,053
TOTAL LIABILITIES AND NET ASSETS	\$ 953,118	\$ 889,349

See notes to financial statements.

RUBY'S PLACE, INC.
STATEMENTS OF ACTIVITIES

YEAR ENDED JUNE 30, 2018

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUES:			
Support:			
Corporations and foundations	\$ 188,063	\$ 58,000	\$ 246,063
Capital campaign	-	40,024	40,024
Individuals	76,919	-	76,919
In-kind donations	233,801	-	233,801
Fundraising	27,710	-	27,710
	<u>526,493</u>	<u>98,024</u>	<u>624,517</u>
Revenues:			
Government contracts	1,640,087	-	1,640,087
Other income	2,955	-	2,955
	<u>1,643,042</u>	<u>-</u>	<u>1,643,042</u>
Net assets released from restrictions	<u>140,024</u>	<u>(140,024)</u>	<u>-</u>
TOTAL SUPPORT AND REVENUES	<u>2,309,559</u>	<u>(42,000)</u>	<u>2,267,559</u>
EXPENSES:			
Program services	1,907,204	-	1,907,204
Management and general	245,722	-	245,722
Fundraising	22,371	-	22,371
	<u>2,175,297</u>	<u>-</u>	<u>2,175,297</u>
CHANGES IN NET ASSETS	<u>134,262</u>	<u>(42,000)</u>	<u>92,262</u>
NET ASSETS, beginning of year	<u>714,053</u>	<u>42,000</u>	<u>756,053</u>
NET ASSETS, end of year	<u>\$ 848,315</u>	<u>\$ -</u>	<u>\$ 848,315</u>

See notes to financial statements.

RUBY'S PLACE, INC.
STATEMENTS OF ACTIVITIES

YEAR ENDED JUNE 30, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUES:			
Support:			
Corporations and foundations	\$ 228,455	\$ 42,000	\$ 270,455
Capital campaign	-	-	-
Individuals	82,336	-	82,336
In-kind donations	-	103,099	103,099
Fundraising	3,085	-	3,085
	<u>313,876</u>	<u>145,099</u>	<u>458,975</u>
Revenues:			
Government contracts	1,172,838	-	1,172,838
Other income	5,574	-	5,574
	<u>1,178,412</u>	<u>-</u>	<u>1,178,412</u>
Net assets released from restrictions	<u>103,099</u>	<u>(103,099)</u>	<u>-</u>
TOTAL SUPPORT AND REVENUES	<u>1,595,387</u>	<u>42,000</u>	<u>1,637,387</u>
EXPENSES:			
Program services	1,286,950	-	1,286,950
Management and general	222,996	-	222,996
Fundraising	24,524	-	24,524
	<u>1,534,470</u>	<u>-</u>	<u>1,534,470</u>
CHANGES IN NET ASSETS	60,917	42,000	102,917
NET ASSETS, beginning of year	<u>653,136</u>	<u>-</u>	<u>653,136</u>
NET ASSETS, end of year	<u>\$ 714,053</u>	<u>\$ 42,000</u>	<u>\$ 756,053</u>

See notes to financial statements.

RUBY'S PLACE, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2018

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
PERSONNEL:				
Salaries	\$ 998,200	\$ 116,987	\$ -	\$ 1,115,187
Payroll taxes	116,499	37,230	-	153,729
Employee benefits	89,102	12,189	-	101,291
TOTAL PERSONNEL	1,203,801	166,406	-	1,370,207
Accounting fees	12,197	4,500	-	16,697
Fees for service	19,435	11,341	5,454	36,230
Advertising and promotion	401	710	-	1,111
Supplies	8,027	3,514	152	11,693
Client related/Emergency funds	191,523	-	-	191,523
Partnership-DOJ, OVC, HT	82,138	-	-	82,138
Communications	10,242	3,473	-	13,715
Postage and shipping	100	742	996	1,838
Equipment and furniture	8,357	1,416	-	9,773
Equipment rental and maintenance	26,716	2,808	-	29,524
Building maintenance	-	-	-	-
Bank fees	164	2,553	-	2,717
Copying and printing	1,521	-	-	1,521
Information Technology	4,128	4,974	6,502	15,604
Occupancy	54,892	22,705	-	77,597
Travel and meals	7,850	373	924	9,147
Conference, conventions and meetings	2,833	1,301	-	4,134
Depreciation	44,372	-	-	44,372
Insurance	26,393	5,981	-	32,374
Dues, licenses and service fees	198	377	50	625
Vehicle expenses	1,744	-	-	1,744
In-kind materials and supplies	194,745	-	-	194,745
In-kind services	4,737	-	-	4,737
Miscellaneous fundraising expenses	-	-	8,293	8,293
Miscellaneous	690	12,548	-	13,238
TOTAL EXPENSES	\$ 1,907,204	\$ 245,722	\$ 22,371	\$ 2,175,297

See notes to financial statements.

RUBY'S PLACE, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2017

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
PERSONNEL:				
Salaries	\$ 775,074	\$ 102,346	\$ -	\$ 877,420
Payroll Taxes	69,379	12,123	-	81,502
Employee benefits	101,728	28,447	-	130,175
	<u>946,181</u>	<u>142,916</u>	<u>-</u>	<u>1,089,097</u>
TOTAL PERSONNEL				
Accounting fees	8,593	2,064	-	10,657
Fees for service	20,046	11,854	-	31,900
Advertising and promotion	-	1,868	11,998	13,866
Supplies	9,996	2,776	2,234	15,006
Client related/Emergency funds	19,409	-	-	19,409
Partnership-DOJ, OVC, HT	21,000	-	-	21,000
Communications	11,207	1,758	-	12,965
Postage and shipping	255	611	-	866
Equipment and furniture	10,998	935	-	11,933
Equipment rental and maintenance	4,787	1,240	-	6,027
Building maintenance	12,597	3,489	-	16,086
Bank fees	-	-	-	-
Copying and printing	81	-	2,912	2,993
Information Technology	5,667	8,547	-	14,214
Occupancy	39,419	32,217	-	71,636
Travel and meals	9,026	3,778	471	13,275
Conference, conventions and meetings	2,775	321	3,650	6,746
Depreciation	45,995	-	-	45,995
Insurance	15,389	3,386	-	18,775
Dues, licenses and service fees	-	1,212	708	1,920
In-kind materials and supplies	98,224	-	-	98,224
In-kind services	4,875	-	-	4,875
Miscellaneous fundraising expenses	-	-	2,551	2,551
Miscellaneous	430	4,024	-	4,454
	<u>430</u>	<u>4,024</u>	<u>-</u>	<u>4,454</u>
Total expenses	<u>\$ 1,286,950</u>	<u>\$ 222,996</u>	<u>\$ 24,524</u>	<u>\$ 1,534,470</u>

See notes to financial statements.

RUBY'S PLACE, INC.

STATEMENTS OF CASH FLOWS

	Year Ended June 30, 2018	Year Ended June 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 92,262	102,917
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	46,003	45,995
Decrease (increase) in:		
Contracts and grants receivables	(34,400)	(55,775)
Prepaid expenses	8,306	(1,670)
Deposits	(5,000)	-
Increase (decrease) in:		
Accounts payable & accrued expenses	7,629	16,688
Accrued payroll & vacations	11,298	407
Contract advances/deferred revenue	(46,028)	46,028
	80,070	154,590
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(119,768)	-
	(119,768)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of notes payable	(1,392)	(1,392)
	(1,392)	(1,392)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(41,090)	153,198
CASH AND CASH EQUIVALENTS, beginning of year	282,203	129,005
CASH AND CASH EQUIVALENTS, end of year	\$ 241,113	\$ 282,203
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	\$ 623	\$ 623

See notes to financial statements.

RUBY'S PLACE, INC.

NOTES TO FINANCIAL STATEMENTS – JUNE 30, 2018 AND JUNE 30, 2017

Note 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of activities:

Ruby's Place, Inc. (the "Organization") is a nonprofit organization that provides temporary housing, food, counseling, and support services to 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.

Basis of accounting:

The financial statements of the Organization have been prepared using the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recorded when incurred.

Cash and cash equivalents:

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with initial maturities of three months or less to be cash equivalents.

Contracts and accounts receivables:

Accounts and contracts receivable include various third-party payment arrangements that are stated at the amount management expects to collect. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on past experience, third-party contracts, and other circumstances, which may affect the ability of service recipients to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Fixed assets and depreciation:

Fixed assets are recorded at cost, if purchased, or fair value, if donated. Depreciation is provided over the estimated useful lives of respective assets, normally three to thirty years, using the straight-line method of depreciation. The Organization records acquisitions with a basis of \$1,000 or more as fixed assets.

Income taxes:

The Organization has received tax-exempt status under the Internal Revenue Code Section 501(c)(3) and Section 23701(d) of the California Revenue and Taxation Code. The Organization is relying on its tax-exempt status and its adherence to all applicable laws and regulations to preserve that status. There was no taxable unrelated business income during the year ended June 30, 2018. Accordingly, no provision for income taxes has been reflected in these financial statements.

Revenue recognition:

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction end or purpose of restriction is accomplished, temporarily restricted net assets are classified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Organization reports support and revenues from donations without donor-imposed restrictions as unrestricted support in the period received.

RUBY'S PLACE, INC.

NOTES TO FINANCIAL STATEMENTS – JUNE 30, 2018 AND JUNE 30, 2017

Note 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Revenue recognition (continued):

The Organization reports gifts of fixed assets as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, The Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Government, local grants and contracts are recognized as revenue to the extent of qualifying expenditures being incurred. Amounts received prior to incurring qualifying expenses are classified in the financial statements as deferred revenue. In addition, government, local grants and contracts with donor-imposed restrictions whose restrictions are met in the same year are reported initially as temporarily restricted, and then the net assets are released from restriction and recorded as unrestricted revenues.

In-kind support:

The Organization records contributed professional services and materials at their estimated fair value on the date of receipt. Contributed services are recognized if the services received require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not received through donation. Contributions of tangible assets are recognized at fair market value when received. The amounts reflected in the accompanying financial statements as in-kind support are offset by like amounts included in expenses, or additions to property and equipment.

Financial statement presentation:

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

Unrestricted net assets – Net assets not subject to donor-imposed stipulations

Temporarily restricted net assets – Net assets subject by donor-imposed stipulations that may or will be met either by actions of The Organization and/or the passage of time.

Permanently restricted net assets- The portion of net assets whose use by The Organization is limited by donor-imposed stipulations that the net assets be held in perpetuity and its income be used for the stipulated purposes. There were no permanently restricted net assets as of June 30, 2018 and June 30, 2017.

Reclassification:

Certain prior year amounts in the accompanying financial statements have been reclassified to conform to the current year presentation.

RUBY'S PLACE, INC.

NOTES TO FINANCIAL STATEMENTS – JUNE 30, 2018 AND JUNE 30, 2017

Note 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Subsequent events:

Management has evaluated events through November 29, 2018, the date which the financial statements were available for issue. Management has concluded that there were no subsequent events to be disclosed or recognized in the financial statements.

Note 2. NATURE OF ESTIMATES:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 3. CONCENTRATIONS OF CREDIT RISK:

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. Cash and cash equivalents were held in financial institutions in amounts exceeding the guaranteed amounts of the Federal Deposit Insurance Corporation. The Organization has not experienced any losses in such accounts.

Note 4. CONTRACTS AND GRANTS RECEIVABLE:

Contracts and grants receivable represent funds earned but not yet received. Receivables consist of the following at:

	June 30, 2018	June 30, 2017
Alameda County - Shelter Grant	\$ 17,416	\$ 18,490
Alameda County - Outreach	10,000	-
API Legal outreach	3,353	-
CalOES	101,335	136,884
CalWorks	3,312	4,273
City of San Leandro	20,000	-
Department of Justice	14,587	-
DVCA Legal & Shelter Services	1,977	1,977
FEMA	-	5,500
First 5 - Every child counts	-	6,000
Hayward-CDBG	7,600	8,000
HUD	17,776	6,832
Kaiser Permanente	25,000	-
	\$ 222,356	\$ 187,956

RUBY'S PLACE, INC.

NOTES TO FINANCIAL STATEMENTS – JUNE 30, 2018 AND JUNE 30, 2017

Note 5. PROPERTY AND EQUIPMENT:

Property and equipment consist of the following at:

	June 30, 2018	June 30, 2017
Land	\$ 128,007	\$ 128,007
Building and improvements	1,097,412	1,095,781
Leasehold improvements	135,487	44,150
Furniture, fixtures and equipment	140,648	113,848
Totals	1,501,554	1,381,786
Less accumulated depreciation	(1,020,305)	(974,302)
Property and equipment, net	\$ 481,249	\$ 407,484

Depreciation expense was \$44,372 and \$45,995 for the years ended June 30, 2018 and June 30, 2017, respectively.

Note 6. LINE OF CREDIT:

The Organization has a \$300,000 line of credit with Bank of the West with a floating interest rate per annum equal to the Bank's prime rate plus .750%. The outstanding balance of this line was \$0 at June 30, 2018 and June 30, 2017.

Note 7. NOTES PAYABLE:

Notes payable are summarized as follows:

	June 30, 2018	June 30, 2017
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, 2018 is \$1,865.	\$ 21,171	\$ 22,563
Less current portion	(1,392)	(1,392)
	\$ 19,779	\$ 21,171

RUBY'S PLACE, INC.

NOTES TO FINANCIAL STATEMENTS – JUNE 30, 2018 AND JUNE 30, 2017

Note 7. NOTES PAYABLE (Continued):

Annual maturities of long-term debt for the next five years and thereafter are as follows:

Years Ending June 30,		
2019	\$	1,392
2020		1,392
2021		1,392
2022		1,392
2023		1,392
Thereafter		<u>14,211</u>
Total	\$	<u>21,171</u>

Note 8. TEMPORARILY RESTRICTED NET ASSETS:

Temporarily restricted net assets consisted of the following for the year ended June 30, 2018:

	Beginning Balance	Contributions	Released from Restrictions	Ending Balance
Playground	\$ 40,000	\$ -	\$ 40,000	\$ -
Other	2,000	-	2,000	-
Shelter programs	-	25,000	25,000	-
Security infrastructure	-	8,000	8,000	-
Latina services	-	25,000	25,000	-
Capital improvements	-	40,024	40,024	-
Total temporarily restricted	<u>\$ 42,000</u>	<u>\$ 98,024</u>	<u>\$ 140,024</u>	<u>\$ -</u>

Temporarily restricted net assets consisted of the following for the year ended June 30, 2017.

	Beginning Balance	Contributions	Released from Restrictions	Ending Balance
Playground	\$ -	\$ 40,000	\$ -	\$ 40,000
Other	-	2,000	-	2,000
In kind contributions	-	103,099	103,099	-
Total temporarily restricted	<u>\$ -</u>	<u>\$ 145,099</u>	<u>\$ 103,099</u>	<u>\$ 42,000</u>

RUBY'S PLACE, INC.

NOTES TO FINANCIAL STATEMENTS – JUNE 30, 2018 AND JUNE 30, 2017

Note 9. OPERATING LEASES:

The Organization leases its offices in Hayward and certain equipment under various non-cancelable operating lease arrangements. Rents on facility leases are subject to increases annually. The minimum future lease payments under these arrangements at June 30, 2018 are as follows:

Years Ending June 30,		
2019	\$	48,103
2020		7,572
2021		7,572
2022		<u>2,992</u>
Total	\$	<u><u>66,239</u></u>

Rental expense for the years ended June 30, 2018 and June 30, 2017 was \$70,878 and \$43,777, respectively.

RUBY'S PLACE, INC.

SUPPLEMENTARY INFORMATION

RUBY'S PLACE, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND COUNTY AWARDS

YEAR ENDED JUNE 2018

	Federal CFDA Number	Identification Number	Contract Period	Program or Award Amount	Expenditures
<u>FEDERAL AWARDS</u>					
DEPARTMENT: CDBG Passed through: City of Hayward Program Services	14.218	CDBG-018	7/1/17-6/30/18	\$ 38,000	\$ 38,000
DEPARTMENT: HUD LINKAGES Passed through Alameda County Federal Emergency Shelter Grant Program	14.235	14655	3/1/17-2/28/18	40,577	29,400
DEPARTMENT: HUD LINKAGES Passed through Alameda County Federal Emergency Shelter Grant Program	14.235		3/1/18-2/28/19	40,577	17,772
DEPARTMENT: Department of Justice's Office for Victim of Crime Human Trafficking Program		2016-VT-BX-K047	10/1/16-9/30/19	750,000	168,224
DEPARTMENT: FEMA Passed through:United Way Emergency Food & Shelter Program Phased 33	97.024	063400-006	10/1/16-1/31/18	22,000	16,500
DEPARTMENT: FEMA Passed through:United Way Emergency Food & Shelter Program Phased 33	97.024	Phase 35	2/1/18-12/31/18	20,000	-
TOTAL FEDERAL AWARDS				<u>911,154</u>	<u>269,896</u>
<u>STATE AWARDS</u>					
DEPARTMENT: CAL Emergency Management Agency		DV16088631	7/1/16-9/30/2017	342,170	33,167
DEPARTMENT: CAL Emergency Management Agency		DV17098631	10/1/17-9/30/18	475,300	436,224
DEPARTMENT: CAL Emergency Management Agency - HT		HV16018631	4/1/17-3/31/19	1,000,000	363,360
DEPARTMENT: CAL Emergency Management Agency - HV Partnership grant with APILO for housing			6/1/18-4/30/19	90,000	3,553
DEPARTMENT: CAL Emergency Management Agency - Domestic Violence Housing first (KD) Program		KD17018631	10/1/17-6/30/19	656,250	201,464
TOTAL STATE AWARDS				<u>2,563,720</u>	<u>1,037,768</u>
<u>COUNTY & CITY AWARDS</u>					
Social Services Agency Shelter & Support Services	900173-15322		7/1/17-6/30/18	235,790	235,790
Social Services Agency Domestic Violence Center Act	900173-15555		7/1/17-6/30/18	26,169	26,169
Passed through Family Violence Law Center CalWORKS Domestic Violence Services			7/1/17-6/30/18	44,017	44,017
Social Services Agency Outreach			7/1/17-6/30/18	10,000	10,000
City of San Leandro			7/1/17-6/30/18	20,000	20,000
TOTAL COUNTY & CITY AWARDS				<u>335,976</u>	<u>335,976</u>
TOTAL AWARDS				<u>\$ 3,810,850</u>	<u>\$ 1,643,640</u>

See notes to financial statements.

RUBY'S PLACE, INC.

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL, STATE
AND COUNTY AWARDS**

YEAR ENDED JUNE 30, 2018

Note 1 - Basis of Presentation:

The accompanying schedule of expenditures of federal, state and county awards (the Schedule) includes the award activity of Ruby's Place, Inc for the year ended June 30, 2018. 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, changes in net assets, or cash flows of Ruby's Place, Inc.

Note 2 - Summary of Significant Accounting Policies:

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in *Uniform Guidance, Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. - Indirect Cost Rate:

Ruby's Place, Inc has elected to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.



**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***

The Board of Directors
Ruby’s Place, Inc.

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 Ruby's Place, Inc., which comprise the statement of financial position as of June 30, 2018, 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 November 29, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we 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 our 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, we do not express an opinion on the effectiveness of Ruby's Place, Inc.’s internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Ruby's Place, Inc.’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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 association'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.

Riva Accountancy Corporate

Certified Public Accountants

San Francisco, California
November 29, 2018