

**NEIGHBORIMPACT**

**FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION**  
YEAR ENDED JUNE 30, 2024

# NEIGHBORIMPACT

## TABLE OF CONTENTS YEAR ENDED JUNE 30, 2024

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	Page
INDEPENDENT AUDITORS' REPORT .....	1
FINANCIAL STATEMENTS	
Statement of Financial Position .....	5
Statement of Activities.....	6
Statement of Functional Expenses .....	7
Statement of Cash Flows .....	8
Notes to Financial Statements.....	9
SUPPLEMENTAL INFORMATION	
Schedule of Revenues and Expenses .....	30
SINGLE AUDIT COMPLIANCE	
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 .....	31
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.....	33
Schedule of Findings and Questioned Costs.....	36
Status of Prior Year (2023) Findings.....	37
Schedule of Expenditures of Federal Awards .....	38
Notes to the Schedule of Expenditures of Federal Awards .....	40

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
NeighborImpact  
Redmond, Oregon

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of NeighborImpact (an Oregon nonprofit organization) (the Organization), 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 accompanying financial statements present fairly, in all material respects, the financial position of NeighborImpact 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 audits in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of NeighborImpact and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management 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, 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 NeighborImpact's ability to continue as a going concern for one year after the date that the financial statements are issued.

***Auditors' Responsibilities 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 auditor's 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 GAAS 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 GAAS 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 Organization'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 Organization'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.

### ***Other Matters***

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information 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 and other records used to prepare the financial statements. The information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), 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 consolidated 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 December 20, 2024, on our consideration of the Organization’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 Organization’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 Organization's internal control over financial reporting and compliance.

**Report on Summarized Comparative Information**

We have previously audited the Organization's June 30, 2023, financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 18, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Price Fronk & Co. + KDP Certified Public Accountants, LLP*

December 20, 2024

## **FINANCIAL STATEMENTS**

# NEIGHBORIMPACT

## STATEMENT OF FINANCIAL POSITION JUNE 30, 2024 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2023)

	2024	2023
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 11,856,494	\$ 15,882,423
Grants receivable	4,340,969	5,175,980
Prepaid expenses and other current assets	4,456	4,008
Food inventory	161,300	109,303
<b>TOTAL CURRENT ASSETS</b>	<b>16,363,219</b>	<b>21,171,714</b>
<b>OTHER ASSETS</b>		
Beneficial interest in Oregon Community Foundation	40,622	37,120
Investments in mutual funds	254,348	222,301
Investments - equity method	2,019,996	1,111,208
Accrued interest receivable	490,705	408,166
NeighborHood Reinvestment Corporation notes receivable, net of allowance	1,371,303	1,429,506
Down Payment Assistance notes receivable, net of allowance	463,689	436,064
Other notes receivable, net of allowance	3,401,893	3,361,389
Operating lease right-of-use assets, net of accumulated amortization	882,405	625,476
<b>TOTAL OTHER ASSETS</b>	<b>8,924,961</b>	<b>7,631,230</b>
<b>FIXED ASSETS, net of accumulated depreciation</b>	<b>6,794,006</b>	<b>4,253,233</b>
<b>TOTAL ASSETS</b>	<b>\$ 32,082,186</b>	<b>\$ 33,056,177</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 244,435	\$ 399,411
Accrued expenses	504,545	422,300
Escrow liability	140,169	119,015
Deferred revenue	4,784,506	7,704,510
Current portion of operating lease liabilities	315,926	250,044
<b>TOTAL CURRENT LIABILITIES</b>	<b>5,989,581</b>	<b>8,895,280</b>
<b>OPERATING LEASE LIABILITIES, net of current portion</b>	<b>566,479</b>	<b>375,432</b>
<b>TOTAL LIABILITIES</b>	<b>6,556,060</b>	<b>9,270,712</b>
<b>NET ASSETS</b>		
Without donor restrictions	8,208,605	6,738,153
With donor restrictions	17,317,521	17,047,312
<b>TOTAL NET ASSETS</b>	<b>25,526,126</b>	<b>23,785,465</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 32,082,186</b>	<b>\$ 33,056,177</b>

See notes to financial statements



# NEIGHBORIMPACT

## STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2024

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023)

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2024	2023
<b>SUPPORT AND REVENUE</b>				
Federal grants	\$ 298,500	\$ 12,561,686	\$ 12,860,186	\$ 16,312,091
State and local grants	3,500	21,365,062	21,368,562	19,560,264
Contributions - cash	821,790	1,257,352	2,079,142	2,522,040
Contributions - noncash	6,168	4,632,023	4,638,191	4,193,841
Program revenue	266,079		266,079	267,588
Investment income	275,081		275,081	240,095
Income from investment in LLC	814,136		814,136	197,238
Other revenue	161,292		161,292	198,608
Net assets, released from restrictions	39,545,914	(39,545,914)		
<b>Total Support and Revenue</b>	<b>42,192,460</b>	<b>270,209</b>	<b>42,462,669</b>	<b>43,491,765</b>
<b>EXPENSES</b>				
Program services				
Early care and education	16,952,315		16,952,315	13,891,688
Community services	14,437,538		14,437,538	17,633,013
Food bank services	5,794,304		5,794,304	5,498,068
Lending	210,003		210,003	219,157
Support services				
Management and general	2,860,081		2,860,081	2,333,532
Fundraising and community relations	467,767		467,767	497,611
<b>Total Expenses</b>	<b>40,722,008</b>		<b>40,722,008</b>	<b>40,073,069</b>
<b>CHANGE IN NET ASSETS</b>	<b>1,470,452</b>	<b>270,209</b>	<b>1,740,661</b>	<b>3,418,696</b>
<b>NET ASSETS - Beginning of year</b>	<b>6,738,153</b>	<b>17,047,312</b>	<b>23,785,465</b>	<b>20,366,769</b>
<b>NET ASSETS - End of year</b>	<b>\$ 8,208,605</b>	<b>\$ 17,317,521</b>	<b>\$ 25,526,126</b>	<b>\$ 23,785,465</b>

See notes to financial statements

# NEIGHBORIMPACT

## STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023)

	Support Services		Program Services	
	Management and General	Fundraising and Community Relations	Early Care and Education	Community Services
PERSONNEL				
Salaries and wages	\$ 1,636,782	\$ 233,941	\$ 7,950,682	\$ 3,062,638
Payroll taxes and benefits	463,630	68,910	2,689,119	915,131
Total Personnel	2,100,412	302,851	10,639,801	3,977,769
MATERIALS AND SERVICES				
Printing	5,523	30,211	21,858	20,902
Office expenses	159,140	47,890	73,670	111,560
Insurance	20,360	176	62,785	11,562
Professional fees	92,788		3,038	694
Contract services	62,411	14,826	342,144	748,205
Repairs and maintenance	59,014	320	100,349	7,900
Client assistance	29,976	14,035	4,673,951	8,784,829
Transportation and lodging	35,504	6,302	85,503	60,992
Rent	14,925	11,636	408,640	210,779
Janitorial	10,583	525	6,980	20,446
Utilities and telephone	77,572	1,130	131,196	66,464
Training and recruitment	88,344	15,155	206,035	81,119
Dues and fees	87,712	22,710	50,605	8,535
Total Materials and Services	743,852	164,916	6,166,754	10,133,987
Total Expenses Before Depreciation	2,844,264	467,767	16,806,555	14,111,756
Depreciation	15,817		145,760	18,770
Loss on disposal of fixed assets				307,012
TOTAL EXPENSES	\$ 2,860,081	\$ 467,767	\$ 16,952,315	\$ 14,437,538

Program Services			
Food Services and Warehouse Construction	Lending	Totals	
		2024	2023
\$ 496,372	\$ 139,528	\$ 13,519,943	\$ 11,725,369
166,257	44,865	4,347,912	3,779,886
662,629	184,393	17,867,855	15,505,255
380	229	79,103	94,785
27,877	6,806	426,943	524,132
25,631	614	121,128	115,970
596	2,575	99,691	116,268
761	126	1,168,473	2,212,883
57,913	389	225,885	281,923
4,904,740	92	18,407,623	19,101,312
21,441	1,932	211,674	175,272
	9,795	655,775	648,946
7,200	464	46,198	63,358
11,152	1,728	289,242	271,734
683	657	391,993	468,504
3,765	203	173,530	133,186
5,062,139	25,610	22,297,258	24,208,273
5,724,768	210,003	40,165,113	39,713,528
69,536		249,883	283,639
		307,012	75,902
\$ 5,794,304	\$ 210,003	\$ 40,722,008	\$ 40,073,069

See notes to financial statements

# NEIGHBORIMPACT

## STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2024

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,740,661	\$ 3,418,696
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation expense	249,883	283,639
Income from equity investments	(908,788)	(161,162)
Non-cash investment income	(4,275)	(3,477)
Loss on disposal of fixed assets	307,012	75,902
Changes in operating assets and liabilities		
Grants receivable	835,011	(2,453,954)
Notes and accrued interest receivable	(92,465)	(765,549)
Prepaid expenses	(448)	(3,060)
Food inventory	(51,997)	100,758
Accounts payable	(154,976)	(19,013)
Accrued expenses	82,245	79,675
Escrow liability	21,154	(20,165)
Deferred revenue	(2,920,004)	7,704,510
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(896,987)	8,236,800
CASH FLOWS FROM INVESTING ACTIVITIES		
Net purchase of investments	(31,274)	(38,231)
Purchase of fixed assets	(3,097,668)	(518,324)
Proceeds from sale of fixed assets		39,450
NET CASH USED IN INVESTING ACTIVITIES	(3,128,942)	(517,105)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,025,929)	7,719,695
CASH AND CASH EQUIVALENTS - Beginning of year	15,882,423	8,162,728
CASH AND CASH EQUIVALENTS - End of year	\$ 11,856,494	\$ 15,882,423

See notes to financial statements

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Organization*

NeighborImpact is organized as a 501(c)(3) charitable corporation. A 15-member volunteer Board is responsible for setting policy and direction for the organization. Incorporated in 1984, NeighborImpact was recognized in 1985 by the Oregon Housing and Community Services Department (OHCS) as the community action agency serving Crook, Deschutes and Jefferson Counties and the Confederated Tribes of Warm Springs. Because the reservation covers five counties, NeighborImpact provides some services outside of the tri-county Central Oregon area in order to serve all Warm Springs residents. In addition, NeighborImpact serves some residents of northern Klamath County with early childhood education services through agreements with Klamath Family Head Start and the Oregon Child Development Corporation and Children's Learning Center. Some residents of other surrounding counties adjacent to the borders of NeighborImpact's territory access food from Central Oregon food banks. NeighborImpact maintains offices and classroom sites in the communities of Bend, La Pine, Madras, Prineville, Redmond and Warm Springs, and serves the cities of Sisters, Culver and Metolius as well.

NeighborImpact is dedicated to supporting people and strengthening communities, especially through assistance to those living in poverty. NeighborImpact's mission is delivered through three major divisions, Community Services, Community Development and Early Care and Education.

NeighborImpact provides the following services to assist low- and moderate-income residents of Central Oregon:

Food – NeighborImpact provides food through operation of the regional food bank, collecting food and redistributing it through approximately 58 agencies in Crook, Deschutes and Jefferson Counties and at the Confederated Tribes of Warm Springs. These groups are independent non-profits and/or faith-based organizations that distribute supplemental food and fresh produce and operate congregate meal sites. NeighborImpact is the local distribution partner of the Oregon Food Bank and Feeding America. In addition to partner distributions, NeighborImpact also conducts direct distributions at six sites using its mobile pantry.

Community Services – In addition to food, NeighborImpact also provides transitional housing and emergency housing assistance, operates shelters and street outreach for the homeless and pays utility bills for very low income households. The department also operates a Representative Payee program that assists individuals with bill pay and financial management when those individuals are unable to manage their own funds due to cognitive or physical impairment. Lastly, NeighborImpact operates the Childcare Resources program, which provides training, technical assistance, business support and childcare subsidies to childcare providers throughout Central Oregon. The division coordinates training and education for the region's childcare system and providers, develops childcare workforce, provides business coaching to childcare businesses. This division also administers the local Childcare Development Block Grant.

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### *Organization – Continued*

Community Development – As part of its mission to “Strengthen Communities” NeighborImpact engages in community development work including development of applications for and administration of Community Development Block Grants on behalf of local governments. NeighborImpact also identifies, applies for and administers other funding such as business development and emergency response funding for local community benefit. As a result of this work, NeighborImpact has helped support improved sewer and water systems for local communities, support home ownership and rehabilitation of community facilities such as senior centers. NeighborImpact also helped distribute resources to aid and provide assistance in response to public health and wildfire emergencies.

Also housed in the Community Development Division are the Weatherization Department and HomeSource Departments. The former offers no-cost rehabilitation to income-qualified renters and homeowners of housing and energy upgrades to achieve energy savings and reduce blight. The HomeSource division is the region’s Home Ownership Center, assisting first time homebuyers in qualifying for financing and offering financial capability training as well as foreclosure prevention, mortgage assistance and reverse mortgage counseling. The department also offers matched savings through its Individual Development Account to help residents of the region save for goals such as homeownership, education and small business investment, among other goals. The tax-credit funded IDA program is operated in partnership with Neighborhood Partnerships, which is authorized by the Oregon Housing and Community Services Department to sell legislatively authorized state income tax credits to fund the IDA program. NeighborImpact is a Financial Administrator for the program and also a local partner.

Separate from the programs discussed above, NeighborImpact offers low-cost and deferred loans to income-qualified homeowners and individuals to preserve and rehabilitate property, replace failing wells and septic systems, and provide down payment assistance and closing cost loans. The department occasionally disburses grants as funding allows.

Early Care and Education – NeighborImpact operates Head Start and Early Head Start in Crook and Deschutes Counties. A total of 620 children attend Head Start in 26 classrooms (in 13 locations), plus four Early Head Start socialization centers. Early Head Start operates a home visiting program and is currently transitioning to a center-based model. The Head Start program also supports families of the children they serve, helping them move toward greater stability and a self-determined future. NeighborImpact embraces a Two-Generation approach to eliminating poverty, giving children the skills to succeed and avoid poverty while helping their parents overcome factors keeping them in poverty.

Advocacy – NeighborImpact has filed with the IRS an election to make expenditures to influence legislation. NeighborImpact reserves the right to make expenditures in the amount up to the designated election for lobbying purposes. As a matter of policy, NeighborImpact does not endorse or oppose partisan candidates for office and does not engage in partisan lobbying.

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### *Organization – Continued*

Supporting and Affiliated Organizations – The Community Action Foundation of Central Oregon (CAFCO) is a 501(c)(3) supporting organization that owns NeighborImpact's headquarters building, leases land from the City of Redmond and owns NeighborImpact's administration offices and food warehouse and other facilities. CAFCO also owns various other facilities which it leases to NeighborImpact for use as Head Start classrooms. CAFCO's board of directors consisted entirely of members of NeighborImpact's board until September 29, 2020. On that date, the bylaws were amended and CAFCO became independently controlled with overlapping, minority participation on its board by NeighborImpact board members. As a result, the financial statements for CAFCO are no longer consolidated as an affiliate of NeighborImpact. CAFCO also receives and distributes grants supporting NeighborImpact and other nonprofit organizations with missions that further the mission of NeighborImpact.

NeighborImpact is the majority partner of Housing Impact, a nonprofit LLC comprised of NeighborImpact and Housing Works, the local housing authority for central Oregon. Housing Impact's mission is to develop affordable housing in Central Oregon. The managing partner of Housing Impact is selected by the two organizations and is currently Housing Works. In 2022, NeighborImpact and Housing Works formed a second corporation, HousingImpact PSH for the purpose of owning and operating a Permanent Supportive Housing facility in Bend, Oregon, known as Cleveland Commons.

NeighborImpact is a member of the Community Action Partnership of Oregon (CAPO) and holds a board seat in that organization. CAPO is the designated statutory authority responsible for coordinating the delivery system for federal antipoverty programs in Oregon, including the Community Services Block Grant, Low Income Energy Assistance Program, State Department of Energy Weatherization Program and such other programs as may be available. The authority of the Community Action Partnership of Oregon can be found at ORS 458.505. There are 18 community action agencies in Oregon that comprise CAPO and share responsibility for delivery of anti-poverty services.

NeighborImpact is a member of the NeighborWorks America network. There are approximately 240 NeighborWorks organizations nationwide, including 6 in Oregon. NeighborWorks organizations support affordable housing and community development and the people who benefit from them. NeighborWorks provides financial support to its members organizations to allow them to build more houses, empower more individuals and transform more communities than they would be able to do on their own.

NeighborImpact operates its food program under a contract with FeedingAmerica, which coordinates its work in Oregon through the Oregon Food Bank. Feeding America is a nationwide network of food banks and the nation's leading domestic hunger-relief charity. Feeding America feeds 46 million people annually through approximately 60,000 food pantries and meal programs. NeighborImpact receives food commodities through its affiliation with FeedingAmerica and the Oregon Food Bank.

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### ***Organization – Continued***

Resource Development – NeighborImpact is supported in part through community donations. NeighborImpact operates a fundraising and resource development program which seeks support from individual donors, foundations and corporations. Funds raised are used as local match for federal and state resources, program enhancement and to underwrite administrative costs (including fundraising costs) not permitted to be funded by federal and state funding. A significant portion of donated resources is accounted for by donations of food.

As part of its Resource Development Program, NeighborImpact is the beneficiary of an endowment owned and managed by the Oregon Community Foundation (OCF). The principal of the endowment is reserved for the benefit of NeighborImpact and a portion of the earnings is distributed semi-annually. Distribution is determined by the Oregon Community Foundation. NeighborImpact also maintains a Board designated quasi-endowment. Principal from the quasi-endowment is preserved, except as directed by NeighborImpact's board of directors. Interest earned from the OCF endowment and quasi-endowment is distributed, 50% in support of operations and 50% to build corpus.

#### ***Basis of Accounting***

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis of Presentation***

The financial statements are presented in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations which require NeighborImpact to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of NeighborImpact. These net assets may be used at the discretion of NeighborImpact's management and the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of NeighborImpact or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

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



# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### *Income Taxes*

NeighborImpact is a not-for-profit corporation which has been granted tax-exempt status under IRC Section 501(c)(3). In addition, NeighborImpact has been determined by the Internal Revenue Services (IRS) not to be a private foundation within the meaning of Section 509(a) of the code. Accordingly, these statements do not reflect a provision for income taxes. The tax return for NeighborImpact is subject to examination by the IRS generally for three years after they were filed.

#### *Support and Revenue*

NeighborImpact primarily generates revenues from federal and state grants as well as charitable contributions. Additional revenue sources include program fees and investment income.

NeighborImpact recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

The majority of NeighborImpact's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when NeighborImpact has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

Both grants and other contributions of cash and other assets are reported as restricted support if they are received with grantor or donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished), 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.

NeighborImpact recognizes revenue from program fees at the time program services are rendered. Program fees are considered to be exchange transactions as the fees collected approximate the fair value of the services provided. Program revenue includes fees received for various programs including events, early care and education, home ownership, and lending.

Investment income is earned primarily as interest from the lending program and investments in mutual funds. These investments are presented at fair value and income is recorded based on the change in fair value over time.

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### ***Support and Revenue – Continued***

NeighborImpact also receives income from an equity investment in HousingWorks for real estate development and rental activity, and lease income from an equity investment in the Community Action Foundation of Central Oregon.

#### ***Donated Services and Materials***

Contributions of noncash assets are recorded at fair value in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by those persons possessing those skills and would typically need to be purchased if not provided by donation or grant, are then recorded at their fair values in the period received.

NeighborImpact leases facilities from Housing Works to operate the Ochoco Head Start site in Prineville, Oregon and the Healy Heights Head Start site in Bend, Oregon at below market rates through supportive services agreements. Non-cash donated use of facilities revenues and the related occupancy costs are recognized when the facilities are used, and are reported at the fair market values of rent for these facilities.

#### ***Estimates***

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

#### ***Cash and Cash Equivalents***

Cash equivalents are stated at cost which approximates market value. For purposes of the statement of cash flows, NeighborImpact considers all cash investments with original maturities of three months or less to be cash equivalents.

#### ***Grants Receivable***

Based on past experience, management believes that grants receivable will be fully collectible. This is based on a combination of specific grantor characteristics, credit and market conditions, payment history and historical experience and supportable forecasts of future economic conditions in determining the estimate for the allowance for doubtful accounts. This analysis resulted in no estimated allowance, therefore, no allowance was recorded.

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### ***Inventory***

Inventory consists primarily of food and food supplies used in NeighborImpact's client service programs and is stated at the lower of cost (determined by the first-in, first-out method) or market. Amounts held at year-end are considered to be net assets with donor restrictions in accordance with grantor requirements.

#### ***Investments***

NeighborImpact holds a beneficial interest in the Oregon Community Foundation and an investment in mutual funds through a brokerage account at Merrill Lynch. Both investments are recorded at fair market value.

#### ***Functional Allocation of Expenses***

NeighborImpact allocates indirect expenses of administrative overhead and other allocable costs to supporting service departments based on various direct costs and other information. NeighborImpact's management reviews and updates these allocations on an annual basis.

The cost of providing various programs and other activities has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among programs and supporting services benefited.

The method of allocating all costs on a functional basis is time and effort of personnel costs.

#### ***Compensated Absences***

Compensated absences are recorded as a liability and an expense when earned rather than when paid. When vacation is taken, amounts disbursed for vacation pay are charged against the liability. Compensated absences are valued at current pay rates.

#### ***Property and Equipment***

Property and equipment acquired by NeighborImpact are considered to be owned by NeighborImpact. However, government funding sources may maintain an interest in the property purchased with grant funding as well as the right to determine the use of any proceeds from the sale of such assets. The land, building and improvements at NeighborImpact's main location in Redmond, Oregon with a total cost of \$5,139,524, and related accumulated depreciation of \$814,548 as of June 30, 2024, is subject to a land use lease with the City of Redmond whereby upon termination of the lease, title of the property would transfer to the City of Redmond. The lease, after two extension options, expires May 2049.

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### ***Property and Equipment – Continued***

Management deems the likelihood of the lease terminating prior to such date to be remote.

All fixed assets are depreciated using the straight-line method over the estimated useful lives of the assets. NeighborImpact capitalizes all property and equipment with a purchase price of greater than \$5,000 and a useful life of greater than one year.

#### ***Deferred Revenue***

Deferred revenue consists of grants received in cash prior to expenditure according to the restrictions of the grant. These amounts are treated as conditional promises to give, in which a measurable performance barrier and right of return exist. Revenue recognition occurs once the grantor restrictions are satisfied.

#### ***Leases***

NeighborImpact determines if an arrangement is, or contains, a lease at inception. All leases are recorded in the statement of financial position except for leases with an initial term less than or equal to twelve months for which NeighborImpact made the short-term lease election.

Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the lease payments over the lease term. The ROU assets represent NeighborImpact's right to use underlying assets for the lease term, and the lease liabilities represent NeighborImpact's obligation to make lease payments arising from these leases. ROU assets also include adjustments related to lease payments made and lease incentives received at or before the commencement date. Operating lease ROU assets are included in other assets and the related liabilities are included in long-term liabilities in the statement of financial position.

At lease commencement, lease liabilities are recognized based on the present value of the remaining lease payments and discounted using the risk-free rate. Operating lease cost is recognized on a straight-line basis over the lease term as lease expense within operating expenses in the statement of activities. Lease and non-lease components of lease agreements are accounted for separately. Lease terms may include options to extend or terminate the lease when it is reasonably certain that NeighborImpact will exercise that option.

#### ***Recently Adopted Accounting Standards***

Effective July 1, 2023, NeighborImpact adopted Accounting Standards Update (ASU) 2106-03, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The guidance in ASU 2016-03 requires entities to apply the current expected credit loss (CECL) model. This model requires entities to measure credit losses for certain financial instruments and financial assets, including grants and notes receivables.

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### *Recently Adopted Accounting Standards – Continued*

Under this update, NeighborImpact is required to recognize an allowance that reflects the entity's current estimate of credit losses expected to be incurred over the life of the financial instrument. The adoption of this standard did not have a significant impact on NeighborImpact's financial statements.

### NOTE 2 – AVAILABILITY AND LIQUIDITY

The following represents NeighborImpact's financial assets at June 30:

	<b>2024</b>	<b>2023</b>
Cash and cash equivalents	\$ 11,856,494	\$ 15,882,423
Grants receivable	4,340,969	5,175,980
Beneficial interest in Oregon Community Foundation	40,622	37,120
Investment in mutual funds	254,348	222,301
<b>Total financial assets</b>	<b>16,492,433</b>	<b>21,317,824</b>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	17,317,521	17,047,312
Less non-financial net assets with donor restrictions	(11,986,513)	(10,569,964)
Deferred revenue	4,784,506	7,704,510
Beneficial interest in Oregon Community Foundation	40,622	37,120
Quasi-endowment established by the board	254,348	222,301
<b>Total amounts not available:</b>	<b>10,410,484</b>	<b>14,441,279</b>
<b>Financial assets available to meet general expenditures over the next twelve months</b>	<b>\$ 6,081,949</b>	<b>\$ 6,876,545</b>

Considering liquidity exclusively, NeighborImpact's current financial assets are sufficient to satisfy its total obligations. The table above also considers availability of NeighborImpact's financial assets should it be required to satisfy all restrictions on net assets, both imposed externally by donors and grantors, and designated internally.



# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### NOTE 2 – AVAILABILITY AND LIQUIDITY – CONTINUED

NeighborImpact's goal is generally to maintain financial assets to meet three months of operating expenses. As part of NeighborImpact's liquidity plan, excess cash is invested in short-term investments, including certificates of deposit.

As of June 30, 2024, NeighborImpact estimated it had 107 days of cash on hand. In the event of a closure, NeighborImpact would likely suspend client assistance payments. Under these circumstances, NeighborImpact estimated it had 197 days of cash on hand as of June 30, 2024.

As of June 30, 2024, the balance of cash without donor restrictions was \$1,700,565.

### NOTE 3 – STATEMENTS OF CASH FLOWS – NONCASH AND OTHER ITEMS

NeighborImpact paid no interest or income taxes during either year ended June 30, 2024, and 2023.

### NOTE 4 – INVESTMENTS – EQUITY METHOD

NeighborImpact holds a 51% ownership interest in Housing Impact LLC, an Oregon limited liability company. Although NeighborImpact holds a majority interest in this company, the minority owner, Central Oregon Regional Housing Authority, dba Housing Works, makes all management decisions. As such, NeighborImpact's investment in this company is presented in accordance with the equity method of accounting for investments.

Condensed financial information of Housing Impact LLC is summarized below as of and for the year ended June 30:

	<u>2024</u>	<u>Restated 2023</u>
Balance Sheet Data:		
Total assets	\$ 6,306,241	\$ 2,591,385
Total liabilities	<u>(3,790,705)</u>	<u>(2,051,369)</u>
Members' capital	<u>\$ 2,515,536</u>	<u>\$ 540,016</u>
Statement of Operations Data:		
Revenues	\$ 99,253	\$ 115,490
Expenses	<u>(123,732)</u>	<u>(130,800)</u>
Net income	<u>\$ (24,479)</u>	<u>\$ (15,310)</u>

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### NOTE 4 – INVESTMENTS – EQUITY METHOD – CONTINUED

The information above is audited as part of the audit of the minority owner. Recognized in NeighborImpact revenue is their 51% ownership share of Housing Impact's net income in the amount of \$814,136 for the year ended June 30, 2024. NeighborImpact received no distributions in 2024.

NeighborImpact deconsolidated the financial statements of CAFCO during the fiscal year ended June 30, 2021, but retains a 100% interest in the former affiliate's net assets. NeighborImpact reports this investment in accordance with the equity method of accounting for investments.

Condensed financial information of CAFCO is summarized below as of and for the year ended June 30:

	<u>2024</u>	<u>2023</u>
Balance Sheet Data:		
Total assets	\$ 875,708	\$ 901,632
Total liabilities	<u>(99,136)</u>	<u>(219,712)</u>
Members' capital	<u>\$ 776,572</u>	<u>\$ 681,920</u>
Statement of Operations Data:		
Revenues	\$ 67,614	\$ 67,592
Expenses	<u>(78,450)</u>	<u>(103,669)</u>
Net income	<u>\$ (10,836)</u>	<u>\$ (36,077)</u>

### NOTE 5 – NOTES RECEIVABLE

NeighborHood Reinvestment Corporation notes receivable consisted of the following as of June 30:

	<u>2024</u>	<u>2023</u>
NeighborHood Reinvestment Corporation Loans - various interest rates, secured by real estate	\$ 1,410,753	\$ 1,469,589
Allowance for doubtful accounts	<u>(39,450)</u>	<u>(40,083)</u>
Net of allowance	<u>\$ 1,371,303</u>	<u>\$ 1,429,506</u>

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### NOTE 5 – NOTES RECEIVABLE – CONTINUED

Down Payment Assistance notes receivable consisted of the following as of June 30:

	<u>2024</u>	<u>2023</u>
Down Payment Assistance Loans - various interest rates, secured by real estate	\$ 474,119	\$ 445,873
Allowance for doubtful accounts	<u>(10,430)</u>	<u>(9,809)</u>
Net of allowance	<u>\$ 463,689</u>	<u>\$ 436,064</u>

Other notes receivable consisted of the following as of June 30:

	<u>2024</u>	<u>2023</u>
Housing Assistance Loans, principal due subject to certain restrictions, various interest rates, secured by real estate, various maturities.	\$ 3,418,719	\$ 3,357,988
HW Madras Limited Liability Company, principal due subject to certain restrictions, interest at 4.75%, secured by real estate, due November 2026.	<u>49,870</u>	<u>69,408</u>
	3,468,589	3,427,396
Allowance for doubtful accounts	<u>(66,696)</u>	<u>(66,007)</u>
Net of allowance	<u>\$ 3,401,893</u>	<u>\$ 3,361,389</u>

NeighborImpact considers all notes receivable to be long-term since collection is contingent on future events and repayments in the near-term cannot be reasonably estimated. Management estimates the net value of long-term notes receivable based on historical experience and adjusts the allowance on an annual basis to report the net realizable value.



# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### NOTE 5 – NOTES RECEIVABLE – CONTINUED

The allowance for doubtful accounts and related financing receivables consisted of the following as of June 30, 2024:

	Home Preservation	Septic Repair	Down Payment Assistance	Closing Cost Assistance	Micro Enterprise	Unallocated	Total
<b>Allowance for doubtful accounts:</b>							
Beginning balance	\$ 55,049	\$ 5,315	\$ 54,128	\$ 856	\$ 551	\$	\$ 115,899
Charge-offs							
Recoveries							
Provisions	409	24	241	3			677
Ending balance	<u>\$ 55,458</u>	<u>\$ 5,339</u>	<u>\$ 54,369</u>	<u>\$ 859</u>	<u>\$ 551</u>	<u>\$ -</u>	<u>\$ 116,576</u>
<b>Financing receivables:</b>							
Ending balance	<u>\$ 3,199,511</u>	<u>\$ 186,154</u>	<u>\$ 1,889,503</u>	<u>\$ 15,035</u>	<u>\$ 13,389</u>	<u>\$ 49,869</u>	<u>\$ 5,353,461</u>

An aging analysis of past due financing receivables as of June 30, 2024, is presented below:

	30-59 Days Past Due	60-89 Days Past Due	Greater than 90 Days	Total Past Due	Current	Total Financing Receivables	Recorded Investment > 90 Days and Accruing
Home Preservation	\$ 18	\$	\$	\$	\$ 3,199,493	\$ 3,199,511	\$
Septic Repair					186,154	186,154	
Down Payment Assist.	1,809	1,345	14,478	17,632	1,854,239	1,889,503	
Closing Cost Assistance					15,035	15,035	
Micro Enterprise	366	366	1,464	2,196	8,997	13,389	
Unallocated					49,869	49,869	
	<u>\$ 2,193</u>	<u>\$ 1,711</u>	<u>\$ 15,942</u>	<u>\$ 19,828</u>	<u>\$ 5,313,787</u>	<u>\$ 5,353,461</u>	<u>\$ -</u>

Any loan balance on which payment has not been received within thirty days during the amortization period is considered past due. Loans in forbearance are not considered past due, so long as the borrower makes alternate payment arrangements. Loans in deferral are not considered past due as payment is triggered by a future sale.

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### NOTE 6 – PROPERTY AND EQUIPMENT

The following is a summary of property and equipment as of June 30:

	2024	2023
Land	\$ 697,974	\$ 697,974
Buildings	2,226,817	2,720,073
Leasehold improvements	1,173,705	1,150,082
Furniture and equipment	551,592	576,912
Roads and landscaping	133,401	133,401
Vehicles	767,727	767,728
Construction in process	3,445,571	371,525
	8,996,787	6,417,695
Accumulated depreciation	(2,202,781)	(2,164,462)
	\$ 6,794,006	\$ 4,253,233

During the fiscal year ended June 30, 2024, NeighborImpact incurred costs for construction in process on their new food warehouse in Redmond. NeighborImpact also contributed the Nancy's House property to Housing Impact.

### NOTE 7 – CONCENTRATIONS OF CREDIT RISKS

Financial instruments that potentially subject NeighborImpact to a concentration of credit risk consist principally of cash and cash equivalents and notes receivable. NeighborImpact maintains the majority of its cash balances at Federal Deposit Insurance Corporation (FDIC) insured institutions. NeighborImpact utilizes sweep accounts to transfer any excess funds over the FDIC limit on a nightly basis to ensure all balances maintained at this institution remain insured by the FDIC at all times.

NeighborImpact provides down payment and housing rehabilitation loans primarily to low and moderate income individuals. Notes receivable totaling \$5,353,461 are secured by property purchased or improved. These notes are a concentration of credit risk. Additionally, NeighborImpact received approximately 96% of its funding from grants and contributions.

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### NOTE 8 – RELATED PARTY TRANSACTIONS

NeighborImpact's services are occasionally utilized by members of the board of directors. Such services are provided on the same basis as those provided to the general public. Pursuant to ORS 65.364, no board members may receive loans through NeighborImpact.

NeighborImpact leases office space in Redmond, Oregon from CAFCO. NeighborImpact also provides significant accounting and operational support to CAFCO.

### NOTE 9 – NET ASSETS

Net assets with donor restrictions were as follows as of June 30:

	<u>2024</u>	<u>2023</u>
Specific Purpose		
Early care and education	\$ 3,712,064	\$ 3,424,328
Food services and warehouse construction	5,877,995	5,071,301
Housing	1,224,006	1,703,215
Lending	6,310,719	6,054,582
Other	192,737	793,886
	<u>\$ 17,317,521</u>	<u>\$ 17,047,312</u>

Net assets without donor restrictions were as follows as of June 30:

	<u>2024</u>	<u>2023</u>
Undesignated	\$ 7,954,257	\$ 6,515,852
Quasi endowment	254,348	222,301
	<u>\$ 8,208,605</u>	<u>\$ 6,738,153</u>

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### NOTE 9 – NET ASSETS – CONTINUED

Net assets released from net assets with donor restrictions are as follows for the year ended June 30:

	2024	2023
Specific Purpose		
Early care and education	\$ 18,514,906	\$ 15,187,514
Food services and warehouse construction	5,957,356	5,606,484
Housing	6,467,465	7,668,198
Lending	248,170	244,309
Other	8,358,017	10,367,921
	<u>\$ 39,545,914</u>	<u>\$ 39,074,426</u>

### NOTE 10 – DONATED SERVICES AND MATERIALS

NeighborImpact received the following donated services and materials during the years ended June 30:

	2024	2023
Food	\$ 4,546,223	\$ 4,103,115
Donated use of facilities	85,800	85,800
Supplies and other	6,168	4,926
	<u>\$ 4,638,191</u>	<u>\$ 4,193,841</u>

### NOTE 11 – OPERATING LEASE COMMITMENTS

NeighborImpact leased office and storage space in Bend, Redmond, La Pine, Prineville and Madras, Oregon under twenty-seven different lease agreements. The leases require monthly payments ranging from \$350 to \$10,768. Several leases contain an escalating payment schedule through the term of the lease. These leases have expiration dates ranging from December 2024, to May 2049. Total lease payments of \$439,863 were made for the year ended June 30, 2024.

NeighborImpact leased office equipment under fifteen different lease agreements. Thirteen of these leases require monthly payments ranging from \$33 to \$216 through the term of the lease, and two leases require quarterly payments of \$84 and \$260 through the term of the lease. These leases have expiration dates ranging from August 2025, to November 2027.

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### NOTE 11 – OPERATING LEASE COMMITMENTS – CONTINUED

Total lease payments of \$12,027 were made for the year ended June 30, 2024.

NeighborImpact leased vehicles under twelve different lease agreements, eight of which expired during the year. The remaining four leases require monthly payments ranging from \$293 to \$304 through the term of the lease. These leases expire in January and February 2026. Total lease payments of \$37,438 were made for the year ended June 30, 2024. Four of the vehicle leases that were entered into required initial fees of 18,849 which resulted in lease payments being larger by that amount.

NeighborImpact amortizes these operating leases on a straight-line basis over the life of the lease through lease expense, and principal payments reduce NeighborImpact's lease liabilities as lease payments are made.

As of June 30, 2024, the weighted average remaining lease term for NeighborImpact's operating leases was 8.9 years, and the weighted average discount rate was 3.52%.

The following is a schedule of future minimum lease payments required under these leases for the next five years:

<u>Year ending June 30,</u>	<u>Future minimum lease payments</u>	<u>Future maturities of operating lease liabilities</u>
2025	\$ 379,662	\$ 315,926
2026	259,248	239,732
2027	90,705	71,363
2028	14,358	4,460
2029	12,639	4,967
Thereafter	336,373	245,957
	<u>\$ 1,092,985</u>	<u>\$ 882,405</u>
	Less current maturities	<u>(315,926)</u>
		<u>\$ 566,479</u>

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

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### NOTE 12 – RETIREMENT PLAN

NeighborImpact maintains an IRC Section 403(b) Plan that allows eligible employees to defer tax on part of their compensation. During the year ended June 30, 2024, employer pension expense totaled \$504,772. Employees are eligible to participate after one year of service. The plan provides for a 3% employer contribution to all plan participants, with an additional employer match on all employee contributions up to 3%.

NeighborImpact also maintains an IRC 457 defined contribution plan for highly compensated personnel to provide a comparable employer contribution percentage for senior management. The plan had a balance of \$98,472 as of June 30, 2024.

### NOTE 13 – CONTINGENCIES

#### *Grants*

NeighborImpact receives grants from various federal, state and local agencies that are subject to review and audit by these agencies. Such audits could result in a request for reimbursement by these agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of NeighborImpact's management, such disallowances, if any, will not be significant.

#### *Tax Positions*

NeighborImpact is exempt from federal and state income taxes, with the exception of federal taxes for net profits on unrelated business income, under Internal Revenue Code Section 501(c)(3). Regarding uncertain income tax positions, NeighborImpact will recognize in its financial statements the benefit of a tax position when it believes that tax position will more likely than not be sustained on audit based on the technical merits of the position.

For an exempt organization, uncertain tax positions could result from unrelated business income activities or actions that jeopardize its status as tax-exempt, such as political activity, substantial lobbying expenditures or excessive unrelated business activities. NeighborImpact has concluded that it had no unrecognized income tax benefits at June 30, 2024, and it has no tax positions for which it estimates a significant change over the next twelve months.

NeighborImpact is subject to examination by state and federal tax authorities. With few exceptions, NeighborImpact is no longer subject to examination by major taxing authorities for years before 2020.

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

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### NOTE 14 – FAIR VALUE MEASUREMENT

Accounting principles generally accepted in the United States of America established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active market that NeighborImpact has the ability to access.

Level 2 – Inputs to the valuation methodology include

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

The asset or liability's 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. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The fair values for long-term investments were calculated and provided by Oregon Community Foundation and Merrill Lynch. The investments in the quasi-endowment fund held by Oregon Community Foundation and in the Merrill Lynch brokerage account were Level 3 assets.

# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### NOTE 15 – DEFERRED REVENUE

The following table provides information about significant changes in the contract liabilities for the year ended June 30:

	<u>2024</u>	<u>2023</u>
Deferred grant revenue, beginning of year	\$ 7,704,510	\$
Increase in deferred revenue due to cash received during the period		8,228,100
Decrease in deferred revenue due to satisfaction of grantor restrictions	<u>(2,920,004)</u>	<u>(523,590)</u>
Deferred grant revenue, end of year	<u>\$ 4,784,506</u>	<u>\$ 7,704,510</u>

### NOTE 16 – INCREASE IN NET ASSETS

Total net assets as shown in the statement of financial position increased by \$1,740,661 over the one-year period ended June 30, 2024. This increase was driven by the following factors:

Decrease in Cash and Cash Equivalents	\$ (4,025,929)
Decrease in Grants Receivable	(835,011)
Increase in prepaid expenses and other current assets	448
Increase in food inventory	51,997
Increase in long-term investments	35,549
Gain from equity method investments	908,788
Increase in notes receivable (restricted and other), net of allowances	92,465



# NEIGHBORIMPACT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

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### NOTE 16 – INCREASE IN NET ASSETS – CONTINUED

Increase of operating lease right-of-use assets, net of accumulated amortization	\$ 256,929
Increase in net book value of fixed assets	<u>2,540,773</u>
Decrease in total assets	<u>\$ (973,991)</u>
Decrease in total liabilities	<u>\$ (2,714,652)</u>

### NOTE 17 – SUBSEQUENT EVENTS

On September 11, 2024, the NeighborImpact accounting supervisor alerted senior management of a suspected cyber crime perpetrated against NeighborImpact. Subsequent investigation revealed the diversion of \$334,000 from a NeighborImpact account through social engineering. NeighborImpact alerted its bank, local law enforcement and the Federal Bureau of Investigation. Management notified its general liability insurance carrier, cyber insurance carrier, the board of directors and finance committee. Management anticipates full reimbursement of the loss, minus a small retainage (deductible.)

Subsequent events have been evaluated through December 20, 2024, the date the financial statements were available to be issued.

## **SUPPLEMENTAL INFORMATION**

# NEIGHBORIMPACT

## SCHEDULE OF REVENUES AND EXPENSES

YEAR ENDED JUNE 30, 2024

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023)

	Management and General	Fundraising	Early Care and Education	Energy	Housing	Food Services and Warehouse Construction
<b>SUPPORT AND REVENUE</b>						
Federal grants	\$ 29,991	\$	\$ 5,582,905	\$ 3,224,029	\$ 2,070,474	\$ 160,842
State and local grants			13,002,224	1,125,476	3,775,668	1,027,567
Contributions - cash		1,308,783	1,559	14,669	24,445	696,078
Contributions - noncash		6,168	85,800			4,546,223
Program revenue	17,895	69,503	26,331		95,679	
Investment income	21,858	7,250	2,577			4,992
Income from investment in LLC	814,136					
Other revenue	95,412		53,534		4,900	7,446
<b>Total support and revenues</b>	<b>979,292</b>	<b>1,391,704</b>	<b>18,754,930</b>	<b>4,364,174</b>	<b>5,971,166</b>	<b>6,443,148</b>
<b>EXPENSES</b>						
Personnel services:						
Salaries and wages	1,636,782	233,941	7,950,682	586,012	1,314,753	496,372
Payroll taxes and benefits	463,630	68,910	2,689,119	199,332	349,307	166,257
Administration	(1,997,946)	64,684	1,196,078	124,524	212,747	124,807
<b>Total personnel expenses</b>	<b>102,466</b>	<b>367,535</b>	<b>11,835,879</b>	<b>909,868</b>	<b>1,876,807</b>	<b>787,436</b>
Materials and services:						
Printing	5,523	30,211	21,858	11,040	2,460	380
Office expense	159,140	47,890	73,670	24,352	40,908	27,877
Insurance	20,360	176	62,785	560	7,421	25,631
Professional fees	92,788		3,038	14		596
Contract services	62,411	14,826	342,144	2,209	697,216	761
Repairs and maintenance	59,014	320	100,349	2,050	2,145	57,913
Client assistance	29,976	14,035	4,673,951	3,304,497	3,310,581	4,904,740
Transportation and lodging	35,504	6,302	85,503	2,227	17,317	21,441
Rent	14,925	11,636	408,640	55,387	63,515	
Janitorial	10,583	525	6,980	3,166	10,805	7,200
Utilities and telephone	77,572	1,130	131,196	10,454	40,901	11,152
Training and recruitment	88,344	15,155	206,035	3,324	11,931	683
Dues and other fees	87,712	22,710	50,605	850	250	3,765
Administration	(612,229)	19,821	366,513	38,158	65,192	38,245
<b>Total materials and services</b>	<b>131,623</b>	<b>184,737</b>	<b>6,533,267</b>	<b>3,458,288</b>	<b>4,270,642</b>	<b>5,100,384</b>
<b>Total expenses</b>	<b>234,089</b>	<b>552,272</b>	<b>18,369,146</b>	<b>4,368,156</b>	<b>6,147,449</b>	<b>5,887,820</b>
<b>CHANGE IN NET ASSETS, before</b>						
transfer, depreciation and loss on disposal	745,203	839,432	385,784	(3,982)	(176,283)	555,328
Transfer (to) from other funds	389,272	(886,978)	47,712	804	17,090	320,902
Depreciation and amortization	(15,817)		(145,760)		(13,004)	(69,536)
Loss on disposal of fixed assets					(307,012)	
<b>CHANGE IN NET ASSETS</b>	<b>1,118,658</b>	<b>(47,546)</b>	<b>287,736</b>	<b>(3,178)</b>	<b>(479,209)</b>	<b>806,694</b>
<b>NET ASSETS - Beginning of year</b>	<b>3,404,408</b>	<b>1,376,460</b>	<b>3,424,328</b>	<b>62,848</b>	<b>1,703,215</b>	<b>5,071,301</b>
<b>NET ASSETS - End of year</b>	<b>\$ 4,523,066</b>	<b>\$ 1,328,914</b>	<b>\$ 3,712,064</b>	<b>\$ 59,670</b>	<b>\$ 1,224,006</b>	<b>\$ 5,877,995</b>

Home Ownership Center	Lending	Weatherization	CSBG	Rep Payee	Community Development	Totals	
						2024	2023
\$ 233,673	\$ 75,000	\$ 1,135,819	\$ 237,575	\$	\$ 109,878	\$ 12,860,186	\$ 16,312,091
820,454	200,000	746,472		184,636	486,065	21,368,562	19,560,264
4,000		29,608				2,079,142	2,522,040
						4,638,191	4,193,841
52,589	4,082					266,079	267,588
13,090	225,225		7		82	275,081	240,095
						814,136	197,238
						161,292	198,608
1,123,806	504,307	1,911,899	237,582	184,636	596,025	42,462,669	43,491,765
500,140	139,528	321,478	129,718	123,793	86,744	13,519,943	11,725,369
165,475	44,865	96,139	40,170	39,741	24,967	4,347,912	3,779,886
115,451	29,215	76,787	23,183	21,541	8,929		
781,066	213,608	494,404	193,071	185,075	120,640	17,867,855	15,505,255
1,464	229	4,045	800	998	95	79,103	94,785
24,561	6,806	16,947	1,035	3,496	261	426,943	524,132
291	614	3,063	227			121,128	115,970
163	2,575			17	500	99,691	116,268
40,083	126	1,423	2,336	763	4,175	1,168,473	2,212,883
972	389	1,930	803			225,885	281,923
480,548	92	1,273,263			415,940	18,407,623	19,101,312
14,534	1,932	15,728	8,935	901	1,350	211,674	175,272
26,604	9,795	34,973	30,300			655,775	648,946
1,427	464	4,124	924			46,198	63,358
6,037	1,728	5,218	3,343	511		289,242	271,734
46,093	657	12,860	6,120	105	686	391,993	468,504
2,765	203	4,655		15		173,530	133,186
35,377	8,952	23,530	7,104	6,601	2,736		
680,919	34,562	1,401,759	61,927	13,407	425,743	22,297,258	24,208,273
1,461,985	248,170	1,896,163	254,998	198,482	546,383	40,165,113	39,713,528
(338,179)	256,137	15,736	(17,416)	(13,846)	49,642	2,297,556	3,778,237
110,838		360 (5,766)				(249,883) (307,012)	(283,639) (75,902)
(227,341)	256,137	10,330	(17,416)	(13,846)	49,642	1,740,661	3,418,696
2,381,322	6,054,582	166,736	17,416	68,503	54,346	23,785,465	20,366,769
\$ 2,153,981	\$ 6,310,719	\$ 177,066	\$ -	\$ 54,657	\$ 103,988	\$ 25,526,126	\$ 23,785,465

See notes to financial statements

## **SINGLE AUDIT COMPLIANCE**

**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  
NeighborImpact

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 NeighborImpact (the Organization), 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 December 20, 2024.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered NeighborImpact'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 NeighborImpact's internal control. Accordingly, we do not express an opinion on the effectiveness of NeighborImpact'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.

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 over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**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* – CONTINUED**

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization'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 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 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.

*Price Fronk & Co. + KDP Certified Public Accountants, LLP*

December 20, 2024

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

To the Board of Directors  
NeighborImpact

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited NeighborImpact's (the Organization) 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 Organization's major federal programs for the year ended June 30, 2024. The Organization'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 Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 United States *Code of Federal Regulations* (CFR) 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 Organization 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 Organization's compliance with the compliance requirements referred to above.



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

***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 Organization'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 Organization'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 GAAS, *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 Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement 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 Organization'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 Organization'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 Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

We are required to communicate with those charged with governance regarding, among other things, 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 Auditor's 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.

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.

*Price Fronek & Co. + KDP Certified Public Accountants, LLP*

December 20, 2024

# NEIGHBORIMPACT

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2024

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### SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on the basic financial statements of NeighborImpact (the Organization).
2. No material weaknesses in internal control over financial reporting were identified during the audit of the financial statements.
3. No instances of noncompliance required to be reported under *Government Auditing Standards* were identified during the audit of the consolidated financial statements.
4. No deficiencies in internal control over compliance considered to be material weaknesses were identified during the audit of the major federal award programs.
5. The auditors' report on compliance for the major federal award programs for the Organization expresses an unmodified opinion on all major federal programs.
6. No audit findings relative to the major federal award programs for the Organization are reported in this Schedule.
7. The programs and clusters of programs tested as major programs were:
  - 21.027 – Coronavirus State and Local Fiscal Recovery Funds
  - 93.568 – Low-Income Home Energy Assistance Program
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The Organization was determined to be a low-risk auditee.

### FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

### FINDINGS – FINANCIAL STATEMENT AUDIT

None

## **NEIGHBORIMPACT**

### **STATUS OF PRIOR YEAR (2023) FINDINGS YEAR ENDED JUNE 30, 2024**

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No prior year findings

# NEIGHBORIMPACT

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal ALN Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
Department of Energy				
Passed through Oregon Housing and Community Services				
Weatherization Assistance	81.042	DE-EE0009926	\$ 671,489	\$
BPA Weatherization	81.XXX	00093475	100,014	
Subtotal Department of Energy			771,503	
Department of Treasury				
Passed through Department of Housing and Urban Development				
NeighborWorks America	21.113	G-NEC-2020-56233	149,993	
Passed through State of Oregon/Deschutes County				
Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP1796	2,483,690	
Passed through State of Oregon/City of Bend				
Coronavirus State and Local Fiscal Recovery Funds	21.027	32300237	261,822	
Passed through State of Oregon/Oregon Department of Administrative Services				
Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP4454	656,455	
Subtotal Coronavirus State and Local Fiscal Recovery Funds			3,401,967	
Subtotal Department of Treasury			3,551,960	
Department of Health and Human Services				
Head Start	93.600	10CH01188303	2,249,102	
Passed through Oregon Department of Human Services				
Housing Stabilization Program (TANF)	93.558	162442-6	402,727	
Passed through Oregon Housing and Community Services				
Housing Stabilization Program (TANF)	93.558	TANF	129,046	
Subtotal Housing Stabilization Program (TANF)			531,773	
Low-Income Home Energy Assistance (LIHEAP)	93.568	2302ORLIEA	3,323,979	
Low-Income Household Water Assistance (LIHWA)	93.499	2102ORLWC5	190,151	
COVID-19 Low-Income Household Water Assistance (LIHWA)	93.499	2102ORLWC6	77,476	
Subtotal Low-Income Household Water Assistance (LIHWA)			267,627	
Community Services Block Grant	93.569	2302ORCOSR	237,575	
Passed through Oregon Department of Early Learning Care				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	2301ORCCDF	345,276	
Child Care and Development Block Grant	93.575	2201ORCCDF	1,630,994	
Subtotal Child Care and Development Fund Cluster			1,976,270	
Every Student Succeeds Act / Preschool Development Grants	93.434	90TP0052	260,578	
Passed through Oregon Department of Human Services				
Community-Based Child Abuse Prevention Grants	93.590	179486-0	14,328	
Subtotal Department of Health and Human Services			8,861,232	

# NEIGHBORIMPACT

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal ALN Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
Department of Agriculture				
Passed through Oregon Food Bank				
Temporary Emergency Food Assistance Program Admin Costs	10.568	163126	41,213	
Temporary Emergency Food Assistance Program Food Commodities (non-cash)	10.569	T19R12	1,339,861	
Subtotal Food Distribution Cluster			1,381,074	
Passed through Oregon Department of Education				
Child and Adult Care Food Program	10.558	0903003	377,415	
Subtotal Department of Agriculture			1,758,489	
Department of Housing and Urban Development				
Continuum of Care	14.267	OR0051L0E032215	569,129	
Passed through NeighborWorks America				
Housing Counseling	14.169	None	36,108	
Passed through Oregon Housing and Community Services				
Emergency Solutions Grant Program	14.231	E-20-DW-41-0001	430,212	421,016
Home TBA	14.239	M-23-SG-41-0100	379,905	
Passed through Deschutes County				
CDBG Business Grants	14.228	H23010	1,326	
Subtotal Department of Housing and Urban Development			1,416,680	421,016
			\$ 16,359,864	\$ 421,016

# NEIGHBORIMPACT

## NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2024

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### **Note A - Basis of Presentation**

The accompanying schedule of federal awards (the Schedule) includes the federal award activity of NeighborImpact (the Organization) under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 United States Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization it is not intended to and does not present the financial position, change in net assets or cash flows of the Organization.

### **Note B - 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 the Uniform Guidance.

### **Note C - Indirect Cost Rate**

The Organization has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

### **Note D - Federal Loan Programs**

There were no amounts of loans or loan guarantees related to federal awards outstanding at year end.