

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

Financial Statements,  
Supplementary Information  
and Compliance Section

(With Independent Auditor's Reports Thereon)

Years Ended June 30, 2023 and 2022

*Altman, Rogers  
& Co.* | CERTIFIED  
PUBLIC  
ACCOUNTANTS

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

Financial Statements,  
Supplementary Information,  
and Compliance Section

(With Independent Auditor's Reports Thereon)

Years Ended June 30, 2023 and 2022

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## **Independent Auditor's Report**

Members of the Board of Directors  
Resource Center for Parents and Children, Inc.  
Fairbanks, Alaska

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of the Resource Center for Parents and Children, Inc. (RCPC) (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Resource Center for Parents and Children, Inc. as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 the Resource Center for Parents and Children, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Other Matters***

The financial statements of Resource Center for Parents and Children, Inc. for the year ended June 30, 2022 were audited by another auditor. In their report dated March 16, 2023, they expressed an unmodified opinion on those financial statements.

### ***Responsibilities of Management for the Financial Statement***

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 the Resource Center for Parents and Children, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

### ***Auditor's 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with 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 Resource Center for Parents and Children, Inc.'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 Resource Center for Parents and Children, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information listed in the Table of Contents as “Supplementary Information” including the Schedules of Revenue and Expense – Budget and Actual and the Schedule of Expenditures of Federal Awards and accompanying notes, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary 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 March 18, 2024 on our consideration of the Resource Center for Parents and Children, 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 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 Resource Center for Parents and Children, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Resource Center for Parents and Children, Inc.'s internal control over financial reporting and compliance



Anchorage, Alaska  
March 18, 2024

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2023 AND 2022

ASSETS

	<u>2023</u>	<u>2022</u>
Current assets		
Unrestricted cash, undesignated	\$ 402,420	\$ 175,324
Unrestricted cash, designated by board of directors (note 8)	124,021	124,021
Certificate of deposit (note 2) (note 8)	25,979	25,979
Grants receivable (note 3)	321,502	556,445
Contributions receivable, net of allowance of \$0 and \$722 (note 4)	7,110	40,328
Contributed use of property, current portion net of discount of \$0 and \$4,940 (note 5)	-	156,532
Prepaid expenses	<u>2,172</u>	<u>3,490</u>
Total current assets	883,204	1,082,119
Property and equipment, net of accumulated depreciation (note 6)	<u>69,921</u>	<u>96,523</u>
Total assets	<u><u>\$ 953,125</u></u>	<u><u>\$ 1,178,642</u></u>

(Continued)

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

STATEMENTS OF FINANCIAL POSITION (Continued)

JUNE 30, 2023 AND 2022

LIABILITIES AND NET ASSETS

	<u>2023</u>	<u>2022</u>
Current liabilities		
Line of credit (note 12)	\$ 5,493	\$ 13,364
Deferred revenue (note 7)	-	7,197
Due to grantors	11,148	-
Accounts payable	18,890	19,670
Accrued wages	55,094	61,066
Accrued payroll taxes and benefits	34,252	49,040
Accrued leave	<u>61,186</u>	<u>94,309</u>
Total current liabilities	<u>186,063</u>	<u>244,646</u>
Net Assets		
Without donor restrictions		
Investment in fixed assets (note 6)	69,921	96,523
Designated (note 8)	150,000	150,000
Undesignated	<u>540,031</u>	<u>490,613</u>
Total net assets without donor restrictions	759,952	737,136
With donor restrictions (note 9)	<u>7,110</u>	<u>196,860</u>
Total net assets	<u>767,062</u>	<u>933,996</u>
Total liabilities and net assets	<u><u>\$ 953,125</u></u>	<u><u>\$ 1,178,642</u></u>

See accompanying notes to the financial statements



RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.  
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<b>Changes in net assets without donor restrictions</b>		
Revenues and support:		
Governmental grants	\$ 1,441,684	\$ 1,916,382
Other grants	41,954	62,476
Contributions - business/corporations	53,269	25,411
Contributions - individuals	52,353	64,902
Contributed nonfinancial assets (note 16)	65,644	42,175
Counseling services	6,380	2,190
Fundraising	40,379	38,043
Interest	1,235	324
Discount amortization on contributed use of property (note 16)	4,940	4,940
Other	<u>5,215</u>	<u>15,951</u>
Total revenues and support	<u>1,713,053</u>	<u>2,172,794</u>
Net assets released from restriction:		
United Way	40,328	27,374
Contributed use of property (note 16)	<u>156,532</u>	<u>156,532</u>
Total net assets released from restriction	<u>196,860</u>	<u>183,906</u>
Total revenues, support and reclassifications	<u>1,909,913</u>	<u>2,356,700</u>
Expenses:		
Family Services	472,630	418,114
Child Advocacy Center	931,281	774,906
Women, Infants, and Children	-	674,628
Behavioral Health Services	2,303	46,766
Program Support	97,894	20,338
Management and General	354,627	318,078
Fundraising	<u>28,362</u>	<u>22,831</u>
Total expenses	<u>1,887,097</u>	<u>2,275,661</u>
Total changes in net assets without donor restrictions	<u>22,816</u>	<u>81,039</u>

(Continued)

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS (continued)

YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<b>Changes in net assets with donor restrictions</b>		
Donor restricted contributions		
United Way	<u>\$ 7,110</u>	<u>\$ 40,328</u>
Net assets released from restrictions		
United Way	(40,328)	(27,374)
Contributed use of property (note 16)	<u>(156,532)</u>	<u>(156,532)</u>
Total changes in net assets with donor restrictions	<u>(189,750)</u>	<u>(143,578)</u>
<b>Changes in net assets</b>	<u>(166,934)</u>	<u>(62,539)</u>
<b>Net assets</b>		
Beginning of year	<u>933,996</u>	<u>996,535</u>
End of year	<u>\$ 767,062</u>	<u>\$ 933,996</u>

See accompanying notes to the financial statements

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2023

	Program Activities						Supporting Activities		
	Family Services	Child Advocacy Center	Women, Infants, and Children	Behavioral Health Services	Program Support	Program Activities Total	Management and General	Fundraising	Totals
Salaries	\$ 257,565	\$ 486,316	\$ -	\$ -	\$ 7,781	\$ 751,662	\$ 308,636	\$ 5,510	\$ 1,065,808
Payroll taxes and benefits	22,825	50,638	-	-	4,195	77,658	18,224	745	96,627
Total salaries and related expenses	280,390	536,954	-	-	11,976	829,320	326,860	6,255	1,162,435
Travel	1,560	20,292	-	-	2,511	24,363	9,385	27	33,775
Facility	79,017	227,815	-	-	35,007	341,839	-	2,145	343,984
Supplies	61,144	45,134	-	1,826	14,447	122,551	632	11,911	135,094
Equipment	14,637	28,571	-	-	13,949	57,157	-	76	57,233
Contractual	14,891	61,343	-	-	8,222	84,456	-	3,186	87,642
Insurance	12,663	5,640	-	477	-	18,780	3,351	383	22,514
Depreciation	7,784	4,557	-	-	-	12,341	14,261	-	26,602
Other	544	975	-	-	11,782	13,301	138	4,379	17,818
	\$ 472,630	\$ 931,281	\$ -	\$ 2,303	\$ 97,894	\$ 1,504,108	\$ 354,627	\$ 28,362	\$ 1,887,097

See accompanying notes to the financial statements

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2022

	Program Activities						Supporting Activities		
	Family Services	Child Advocacy Center	Women, Infants, and Children	Behavioral Health Services	Program Support	Program Activities Total	Management and General	Fundraising	Totals
Salaries	\$ 227,503	\$ 414,225	\$ 360,995	\$ 33,312	\$ 3,914	\$ 1,039,949	\$ 222,802	\$ -	\$ 1,262,751
Payroll taxes and benefits	49,027	93,811	67,985	3,999	2,514	217,336	34,864	-	252,200
Total salaries and related expenses	276,530	508,036	428,980	37,311	6,428	1,257,285	257,666	-	1,514,951
Travel	131	8,817	1,230	-	1,430	11,608	2,208	-	13,816
Facility	55,738	139,181	155,797	-	565	351,281	1,746	597	353,624
Supplies	33,108	33,011	8,827	2,042	6,929	83,917	-	9,073	92,990
Equipment	19,827	16,445	13,907	7,081	2,444	59,704	361	587	60,652
Contractual	3,826	46,241	58,165	-	578	108,810	32,280	5,786	146,876
Insurance	11,620	5,152	5,112	332	-	22,216	3,336	401	25,953
Depreciation	12,196	4,557	942	-	-	17,695	11,159	-	28,854
Other	5,138	13,466	1,668	-	1,964	22,236	9,322	6,387	37,945
	\$ 418,114	\$ 774,906	\$ 674,628	\$ 46,766	\$ 20,338	\$ 1,934,752	\$ 318,078	\$ 22,831	\$ 2,275,661

See accompanying notes to the financial statements

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
<b>Cash flows from operating activities</b>		
Governmental grants	\$ 1,687,775	\$ 1,993,038
Other grants	34,757	23,010
Contributions	145,950	117,687
Interest received	1,235	234
Other operating income	51,974	56,184
Cash paid to employees and suppliers	(1,686,724)	(2,012,530)
Changes in net cash from operating activities	234,967	177,623
<b>Cash flows from investing activities</b>		
Acquisition of equipment	-	(64,800)
Changes in net cash from investing activities	-	(64,800)
<b>Cash flows from financing activities</b>		
Proceeds from line of credit, net of repayments	(7,871)	6,884
Changes in net cash from financing activities	(7,871)	6,884
<b>Changes in cash and cash equivalents</b>	227,096	119,707
<b>Cash and cash equivalents</b>		
Beginning of year	299,345	179,638
End of year	\$ 526,441	\$ 299,345
<b>Included in:</b>		
Unrestricted cash, undesignated	\$ 402,420	\$ 175,324
Unrestricted cash, designated by board of directors	124,021	124,021
	\$ 526,441	\$ 299,345

(Continued)

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

STATEMENTS OF CASH FLOWS (Continued)

YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<b>Reconciliation of changes in net assets to changes in net cash from operating activities</b>		
Changes in net assets	<u>\$ (166,934)</u>	<u>\$ (62,539)</u>
Adjustments to reconcile changes in net assets to changes in net cash from operating activities:		
Depreciation	26,602	28,854
Interest income reinvested	-	(90)
Contributed use of property	156,532	156,532
Changes in:		
Receivables	268,161	63,702
Prepaid expenses	1,318	(2,001)
Accounts payable	(780)	(44,437)
Accrued wages	(5,972)	4,151
Accrued payroll taxes and benefits	(14,788)	17,485
Deferred revenue	(7,197)	(39,466)
Due to grantors	11,148	-
Accrued leave	<u>(33,123)</u>	<u>55,432</u>
Total adjustments	<u>401,901</u>	<u>240,162</u>
Changes in net cash from operating activities	<u><u>\$ 234,967</u></u>	<u><u>\$ 177,623</u></u>
<b>Noncash activities</b>		
Contributed nonfinancial assets	<u><u>\$ 65,644</u></u>	<u><u>\$ 42,175</u></u>

See accompanying notes to the financial statements

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of Resource Center for Parents and Children, Inc. (the Organization) is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

**Organization** - Resource Center for Parents and Children, Inc., located in Fairbanks, Alaska, was organized in 1973 as a nonprofit corporation. The primary purpose of the Organization is to reduce the incidence of child maltreatment and neglect through community education, treatment and support services to families and the community. The Organization is funded primarily by grants from the State of Alaska Department of Health and Social Services.

**Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

**Basis of accounting** - The accompanying financial statements have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables and other liabilities.

**Basis of presentation** - Financial statement presentation follows the recommendations of Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958 *Not-For-Profit Entities* and FASB Accounting Standards Update 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, which require the Organization to report information regarding its financial position and activities according to two classes of net assets based on the existence or absence of donor imposed restrictions. Additionally, the Organization is required to present statements of functional expenses and cash flows. Net assets and changes therein are classified and reported as follows:

**Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors. It is the policy of the Board of Directors of the Organization to review its operating revenue and expenses annually and to designate appropriate sums of net assets without donor restrictions as a contingency or operating reserve to assure adequate availability of assets for operating activities.

**Net Assets With Donor Restrictions** - Some donor-imposed restrictions may be temporary in nature such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Notes to Financial Statements, Continued

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Cash** - For purposes of the statement of cash flows, the Organization considers all savings accounts and short-term investments with maturity of three months or less to be cash equivalents.

**Receivables and allowance of doubtful accounts** - Receivables are recorded on the accrual basis when the goods and services are delivered, and are considered delinquent or uncollectible on a case-by-case basis by management. The Organization records an allowance for doubtful accounts for the estimated uncollectible portion of the year-end accounts receivable based on management's historical collection experience and a review of current accounts receivable. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. Grants receivable are recorded monthly or quarterly, as costs are determined to be allowable according to each particular grantor's guidelines.

**Property and equipment** - Through June 30, 2013, property and equipment with an acquisition cost of \$500 or more were recorded at cost when purchased or at fair value at the date of gift. Effective July 1, 2013, the \$500 capitalization threshold was increased to \$2,000. Gifts of property and equipment are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restriction 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. Depreciation is recorded on the straight-line basis over the estimated useful life of the asset. The cost of any asset sold or otherwise disposed of is eliminated from the accounts, and any resulting gain or loss is included in operations. Expenditures for maintenance and repairs of equipment are charged against operations. Renewals or betterments that significantly extend the life of an asset are capitalized.

**Leases** - The Organization has adopted FASB ASC 842, *Leases*, with a date of initial application June 30, 2023. For leases with a term greater than one year, the Organization recognizes a lease asset for its right-to-use the underlying leased asset and a lease liability for the corresponding lease obligation. The Organization determines whether an arrangement is or contains a lease at contract inception. Operating leases with a duration greater than one year are included in operating lease right-to-use assets, current portion operating lease liabilities and operating lease liabilities, net of current portion in the Organization's Statement of Financial Position. Operating lease right-of-use assets and operating lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. In determining the present value of lease payments, the Organization uses an incremental borrowing rate comparable with that of the lease term. The Organization considers the lease term to be the noncancelable period that it has the right to use the underlying asset, including all periods covered by an option to (1) extend the lease if the Organization is reasonably certain not to exercise the option, (2) terminate the lease if the Organization is reasonably certain not to exercise that option, and (3) extend, or not to terminate, the lease in which exercise of the option is controlled by the lessor. The operating lease right-of-use assets also include any lease payments made and exclude lease incentives received or receivable. Lease expense is recognized on a straight-line basis over the expected lease term. Variable lease expenses are recorded when incurred.

Resource Center for Parents and Children, Inc. has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on a straight-line basis.



Notes to Financial Statements, Continued

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Revenue recognition** – Unconditional promises to give cash and other assets to the Organization are reported at fair value at the date the promise is received. Conditional promises to give – that is, those with a measureable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Unconditional contributions received are recorded as with donor restriction or without donor restriction, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restriction are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. If a restriction is met in the same period that the contribution is received, the contribution is recorded as without donor restriction.

Grants are either recognized as contributions or exchange transactions based on criteria contained in each grant award. For grant awards recognized as exchange transactions, revenue is recognized in the accounting period when the related allowable expenses are incurred. Amounts received in excess of expenses are reflected as deferred revenue. Grants qualifying as contributions are reported at fair value and are recognized as either unconditional or conditional contributions. Unconditional contributions are recognized in the period the funding is received, and conditional contributions are recognized when the conditions on which they depend have been substantially met.

The Organization has adopted the provisions of Accounting Standards Update (ASU) No. 2014-09 *Revenue with Contracts with Customers* (Topic 606) as management believes the standard improves the usefulness and understandability of the Organization's financial reporting. The Organization has not identified any significant judgements and there has been no variable consideration assessed by management under current contracts with customers. Analyses of various provisions of the standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis.

**Donated Goods and Services** - Many volunteers have made significant contributions of their time to develop and promote the programs of the Organization. Donated services are recognized as contributions in accordance with FASB ASC 958, *Accounting for Contributions Received and Contributions Made*, if the services (1) create or enhance nonfinancial assets or (2) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Contributions of materials and supplies for operating activities are recorded as revenue and expenses in the Statement of Activities and Changes in Net Assets at fair value on the date of contribution. Materials and supplies contributed for fundraising purposes are recorded initially at their fair market value. The difference between fair market value of the contribution amount and amount received for those items from the ultimate recipient is recognized as an adjustment to the original contribution amount.

Fair value for materials and supplies is based on current retail prices of identical or similar products in the Fairbanks, Alaska area. Fair value for professional services is based on current rates for similar services provided by similar professionals (as those donating professional services to the Organization). If the fair value is not readily available, an estimated fair value is used.

Notes to Financial Statements, Continued

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

The Organization follows Accounting Standards Update (ASU) No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, and presents contributed nonfinancial assets as a separate line item in the Statement of Activities, apart from contributions of cash or other financial assets. This standard also requires additional disclosures related to contributed nonfinancial assets, including disaggregating by category the types of contributed nonfinancial assets a nonprofit entity has received. Adoption of this standard did not have a significant impact on the financial statements, with the exception of the additional disclosure requirements.

**Functional allocation of expenses** - FASB ASC 958 Not-For-Profit Entities requires all nonprofit Organizations to provide information about expenses reported by their functional classification, according to the purpose for which the expenses are incurred. The primary functional expense classifications are program services and supporting activities (management and general, and fundraising). Program services expenses are the direct and indirect costs related to providing community education, treatment and support services to families and the community. Management and general expenses are not directly identifiable with any specific program or fundraising activity, but are indispensable to the conduct of those activities and to the overall support and direction of the Organization. Fundraising expenses are activities undertaken to induce potential donors to contribute money, services, materials, facilities, other assets, or time.

Certain categories of expenses are attributable to more than one functional expense classification, and are allocated on the basis of periodic time and expense studies that are consistently applied. Allocated expenses include: personnel expense, travel, equipment, contractual, and other which are allocated on the basis of estimates of time and effort, and supplies, facilities, insurance, and depreciation which are all allocated based on an estimated usage study.

a) Program Activities

Family Services - Personnel, facility, supplies, equipment, contractual, insurance, and other program expenses to provide case management and other support services for parents and children.

Child Advocacy Center - Personnel, facility, supplies, equipment, contractual, insurance, and other program expenses to provide evaluations of child sexual abuse, and support and advocacy for children and their non-offending family members.

Women, Infants and Children - Personnel, facility, supplies, equipment, contractual, insurance, and other program expenses to provide nutrition education and support services. This program was discontinued in FY23.

Behavioral Health Services – Supplies and insurance expenses to provide support for the behavioral health of the community and its children.

Program Support - Personnel, facility, supplies, equipment, contractual, and other program expenses to provide program support to the Organization's primary program services.

b) Supporting Activities

Management and General - Includes the functions necessary to maintain equitable employment; ensure an adequate working environment; provide coordination of the Organization's programs; secure proper administrative functioning of the Board of Directors; and manage the financial and budgetary responsibilities of the Organization.

Fundraising – Provides the structure necessary to encourage and secure private financial support from individuals, foundations and corporations.

Notes to Financial Statements, Continued

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Income taxes** - The Organization is a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code and accordingly, no provision for income taxes is included in the financial statements. FASC ASC 740 *Accounting for Uncertainty in Income Taxes* requires the Organization to recognize a liability for uncertain tax positions when a liability, if any, would more likely than not be assessed by a taxing authority. Management evaluated the Organization's tax positions and determined there are no liabilities required to be recognized as a result of uncertain tax positions. Income tax returns are open for examination by tax authorities for three years from the date they were filed. The years that remain open for examination begins with 2020.

**Fair Value Measurement of Financial Instruments** - The Organization has adopted the provisions of FASB ASC 820 which establishes the framework for measuring fair value of assets and liabilities, and requires disclosures about fair value measurements applicable to financial assets and liabilities, as well as for other assets and liabilities that are carried at fair value on a recurring basis. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

**Subsequent events** - In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through March 18, 2024.

**NOTE 2 - CERTIFICATE OF DEPOSIT**

At June 30, 2023 and 2022, the Organization held \$25,979 and \$25,979, respectively, in a certificate of deposit (CD) at Denali State Bank. The CD matured August 26, 2023, at which time it was renewed for another one-year term at a rate of 5.0 percent annually. The CD is security for the Organization's line of credit with Denali State Bank (see Note 12).

**NOTE 3 - GRANTS RECEIVABLE**

Grantor	2023	2022
State of Alaska Department of Health and Social Services		
Children's Advocacy Centers	\$ 80,974	58,701
Women, Infants, and Children Program	-	140,429
Family Support	2,163	3,750
Circles of Support	20,436	2,633
Family Contact	13,125	125,965
U.S. Department of Justice		
Crime Victim Assistance	39,549	17,193
NCA Subgrant	21,417	35,614
Improving the Investigation and Prosecution of Child Abuse	95,832	158,091
ICHC Subgrant	15,047	-
FNSB American Rescue Plan Act SLFRF	32,959	-
FNSB Match Assistance Grant - Children's Advocacy Centers	-	1,569
FNSB Match Assistance Grant - Family Support	-	600
FNSB Match Assistance Grant - Family Reunification	-	1,900
Alaska Mental Health Trust Authority	-	10,000
	<u>\$ 321,502</u>	<u>556,445</u>

Notes to Financial Statements, Continued

**NOTE 4 - CONTRIBUTIONS RECEIVABLE**

Unconditional promises to give are recognized as revenues and as assets in the period the promises are received, are considered fully receivable within one year, and consist of the following:

	2023	2022
United Way of the Tanana Valley	\$ 7,110	41,050
Allowance for uncollectible promises to give	-	(722)
	<u>\$ 7,110</u>	<u>40,328</u>

**NOTE 5 - CONTRIBUTED USE OF PROPERTY**

The Organization leases 13,456 square feet of office space in the Wise Family Center from the Interior Alaska Center for Non-Violent Living (IAC) for \$1 per square foot per month. The estimated fair value of the office space is \$2.00 per square foot, determined by review of current local listing rates for other similar office space in Fairbanks, Alaska. The terms of the agreement, entered into in 2020, provide for use of the office space for 3 years from the time the agreement was signed, and ending on June 30, 2023. The contributed portion of the use of the office space is \$161,472 annually. On July 1, 2023, the lease converted to a month-to-month agreement.

The contributed use of the property to be recognized in future years as a release from net assets with donor restrictions as of June 30 is as follows:

	2023	2022
Less than 1 year	\$ -	161,472
1 to 3 years	-	-
	-	161,472
Less discount to net present value	-	(4,940)
	<u>\$ -</u>	<u>156,532</u>

Contributed use of the property for more than one year is discounted at 3.19%, the US Treasury three year rate at July 1, 2020, plus 3.0 percent.

Contributed use of property receivable consists of the following:

	2023	2022
Contributed use of property, current	\$ -	156,532
Contributed use of property, long-term	-	-
	<u>\$ -</u>	<u>156,532</u>

Notes to Financial Statements, Continued

**NOTE 6 - PROPERTY AND EQUIPMENT**

	Depreciable Lives		2023	2022
Leasehold improvements	7 years	\$	138,349	138,349
Furniture and equipment	3-5 years		310,952	311,764
Vehicles	5 years		94,817	94,817
Works of art			7,988	7,988
			<u>552,106</u>	<u>552,918</u>
Less accumulated depreciation			<u>(482,185)</u>	<u>(456,395)</u>
		\$	<u>69,921</u>	<u>96,523</u>
Depreciation expense		\$	<u>26,602</u>	<u>28,854</u>

**NOTE 7 - DEFERRED REVENUE**

Certain grantors pay in advance of the Organization incurring the specified costs; in those cases, the amount received in excess of amounts spent on reimbursable costs is reported as deferred revenue. At June 30, 2022, the Organization had \$7,197 of unexpended advanced funds from the Alaska Children's Trust. These funds were fully expended during the year ended June 30, 2023.

**NOTE 8 - DESIGNATED NET ASSETS**

Designated net assets consist of funds designated by the board of directors for operating reserves. Funds are from unrestricted sources and can be used for general operating purposes at the direction of the board of directors.

		2023	2022
Cash	\$	124,021	124,021
Certificate of deposit		25,979	25,979
Total designated net assets	\$	<u>150,000</u>	<u>150,000</u>

**NOTE 9 - NET ASSETS WITH DONOR RESTRICTIONS**

Donor restricted net assets limited for use in future periods or for specified purposes consist of time restricted United Way funds and the contributed use of property to be utilized over the lease term. During the years ended June 2023 and 2022, with the passage of time and receipt of the promises to give, the United Way restrictions were met and releases of \$40,328 and \$27,374, respectively, from net assets with donor restrictions were recorded. During the years ended June 30, 2023 and 2022, with the passage of time, the restrictions on the contributed use of property were met and releases of \$156,532 and \$156,532, respectively, from net assets with donor restrictions were recorded, representing the annual fair value of the use of property of \$161,472 as annual rent expense net of the related annual discounts of \$4,940.

		2023	2022
United Way (note 4)	\$	7,110	40,328
Contributed use of property (note 5)		-	156,532
	\$	<u>7,110</u>	<u>196,860</u>

Notes to Financial Statements, Continued

**NOTE 10 - EMPLOYEE BENEFIT PLANS**

The Organization offers a Section 125 cafeteria plan (flexible benefits plan) whereby participants may direct portions of their salaries to support certain benefits payable under the plan. The plan is available to all employees, and includes accident and health insurance.

The Organization also offers a Qualified Small Employer Health Reimbursement Arrangement (QSEHRA) whereby employees pay for their own health expenses and the Organization reimburses them up to the amount of the Organization's set reimbursement allowance. This program was discontinued as of June 30, 2023.

**NOTE 11 - LEASE COMMITMENTS**

The Organization sub-leases space in the Wise Family Center from the Interior Alaska Center for Non-Violent Living (IAC), with monthly lease payments based on IAC's operational costs of the sublet property's square footage. In July 2020 the lease was renewed for a three-year period beginning July 1, 2020, and continuing through June 30, 2023, and required monthly lease payments of \$13,456 for the duration of the three year lease period. Monthly lease payments were \$13,456 and \$13,456 for the years ended June 30, 2023 and 2022, respectively. Total amounts paid in 2023 and 2022 were \$161,472 and \$161,472, respectively. On July 1, 2023, the lease converted to a month-to-month agreement. See Note 5.

**NOTE 12 - LINE OF CREDIT**

The Organization has a revolving line of credit with Denali State Bank with a limit of \$25,000 which was entered into on October 19, 2011, and accrues interest at 7.0 percent. The line of credit is secured by the Organization's \$25,000 certificate of deposit at Denali State Bank. As of June 30, 2023 and 2022, the outstanding balances on the line of credit were \$5,493 and \$13,364, respectively.

**NOTE 13 - CONCENTRATIONS OF CREDIT RISK**

The Organization maintains a money market account, which at times during the year, has exceeded federal deposit insurance limits. At June 30, 2023 and 2022 cash balances exceeded federally insured limits by \$283,441 and \$59,333, respectively. The Organization has not experienced any losses in such account, and believes it is not exposed to any significant credit risk on cash.

**NOTE 14 - ECONOMIC DEPENDENCE**

The Organization receives significant state and federal funding through the State of Alaska Department of Health and Social Services and the U.S. Department of Justice. During the years ended June 30, 2023 and 2022, the Organization received approximately 84% and 84%, respectively, of its support from government grant awards. Significant changes in these sources of support could have a material effect on the operations of the Organization.

**NOTE 15 - CONTINGENCIES**

The Organization participates in several federal and state grant programs that are subject to audits by the grantors or their representatives. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Management believes such disallowances, if any would be immaterial.

Notes to Financial Statements, Continued

**NOTE 16 - CONTRIBUTED GOODS AND SERVICES, AND USE OF PROPERTY**

The Organization recognized contributed nonfinancial assets in the form of goods and services as follows:

Program	2023	2022
Contributed services	\$ 900	109
Contributed goods (program supplies)	64,744	42,066
	<u>\$ 65,644</u>	<u>42,175</u>

During the years ended June 30, 2023 and 2022, the Organization received contributed services in the amount of \$23,821 and \$24,123, respectfully, that do not meet the criteria for recognition as described in Note 1. The Organization does not sell contributed goods and services, and the contributions of goods and services are restricted for use in the Organization's programs. Contributed goods and services are allocated to programs based on program use as follows:

June 30, 2023	Accounting Services	Program Supplies	Totals
Family Services	\$ -	35,878	35,878
Child Advocacy Center	-	12,902	12,902
Women, Infants and Children	-	-	-
Program Support	900	15,964	16,864
Fundraising	-	-	-
	<u>\$ 900</u>	<u>64,744</u>	<u>65,644</u>

  

June 30, 2022	Accounting Services	Program Supplies	Totals
Family Services	\$ 21	17,423	17,444
Child Advocacy Center	31	19,531	19,562
Women, Infants and Children	46	4,712	4,758
Program Support	11	-	11
Fundraising	-	400	400
	<u>\$ 109</u>	<u>42,066</u>	<u>42,175</u>

As discussed in Notes 5 and 9, the Organization receives restricted contributed use of property. During the years ended June 30, 2023 and 2022, the restrictions on the contributed use of property were met and \$156,532 and \$156,532, respectively, of annual contributed rent expense was recorded and allocated to programs based on program use as follows:

	2023	2022
Family Services	\$ 35,524	25,836
Child Advocacy Center	100,113	67,818
Women, Infants and Children	-	67,818
Program Support	25,835	-
	<u>161,472</u>	<u>161,472</u>
Less discount on amortization of contributed use	4,940	4,940
	<u>\$ 156,532</u>	<u>156,532</u>

Notes to Financial Statements, Continued

**NOTE 17 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due.

At June 30, 2023, the Organization had the following financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures:

Unrestricted cash, undesignated	\$	402,420
Unrestricted cash, designated		124,021
Certificate of deposit		25,979
Grants receivable		321,502
Contributions receivable		<u>7,110</u>
		881,032
Less board designated operating reserve		<u>(150,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$	<u>731,032</u>

Although the Organization does not intend to spend from the \$150,000 board designated operating reserve, these funds could be made available if necessary.



RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

SCHEDULE OF REVENUES AND EXPENSES  
BUDGET AND ACTUAL  
CHILDREN'S ADVOCACY CENTERS  
GRANT# 263-241-23008

YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Remaining Balance</u>
Revenues			
Federal grant	<u>\$ 419,476</u>	<u>\$ 419,476</u>	<u>\$ -</u>
Expenses			
Personal services	256,592	286,672	(30,080)
Travel	2,138	2,138	-
Facility	61,259	53,633	7,626
Supplies	38,210	23,557	14,653
Equipment	18,550	17,802	748
Other	<u>42,727</u>	<u>35,674</u>	<u>7,053</u>
	<u>419,476</u>	<u>419,476</u>	<u>-</u>
Excess (deficiency) of revenues over expenses	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

SCHEDULE OF REVENUES AND EXPENSES  
BUDGET AND ACTUAL  
FAMILY CONTACT SERVICES  
GRANT# 263-266-23004

YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Remaining Balance</u>
Revenues			
Federal grant	\$ 191,953	\$ 191,953	\$ -
State grant	<u>70,547</u>	<u>70,547</u>	<u>-</u>
	<u>262,500</u>	<u>262,500</u>	<u>-</u>
Expenses			
Personal services	188,040	189,847	(1,807)
Travel	1,348	1,560	(212)
Facility	36,155	36,127	28
Supplies	11,828	12,402	(574)
Equipment	10,744	8,023	2,721
Other	<u>14,385</u>	<u>14,541</u>	<u>(156)</u>
	<u>262,500</u>	<u>262,500</u>	<u>-</u>
Excess (deficiency) of revenues over expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

SCHEDULE OF REVENUES AND EXPENSES  
BUDGET AND ACTUAL  
CIRCLES OF SUPPORT  
GRANT# 263-270-23004

YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Remaining Balance</u>
Revenues			
Federal grant	\$ 111,094	\$ 111,094	\$ -
State grant	<u>7,406</u>	<u>7,406</u>	<u>-</u>
	<u>118,500</u>	<u>118,500</u>	<u>-</u>
Expenses			
Personal services	93,822	90,731	3,091
Travel	-	-	-
Facility	7,300	7,252	48
Supplies	5,916	5,390	526
Equipment	1,762	1,762	-
Other	<u>9,700</u>	<u>13,365</u>	<u>(3,665)</u>
	<u>118,500</u>	<u>118,500</u>	<u>-</u>
Excess (deficiency) of revenues over expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

SCHEDULE OF REVENUES AND EXPENSES  
BUDGET AND ACTUAL  
FAMILY SUPPORT  
GRANT# 263-271-23003

YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Remaining Balance</u>
Revenues			
Federal grant	\$ 20,000	\$ 20,000	\$ -
State grant	<u>5,000</u>	<u>5,000</u>	<u>-</u>
	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Expenses			
Personal services	24,000	24,000	-
Supplies	<u>1,000</u>	<u>1,000</u>	<u>-</u>
	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

SCHEDULE OF REVENUES AND EXPENSES  
BUDGET AND ACTUAL  
CRIME VICTIM ASSISTANCE  
GRANT# 23-CAC-07OVC

YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Remaining Balance</u>
Revenues			
Federal grant	<u>\$ 154,440</u>	<u>\$ 154,440</u>	<u>\$ -</u>
Expenses			
Personal services	138,190	138,190	-
Travel	<u>16,250</u>	<u>16,250</u>	<u>-</u>
	<u>154,440</u>	<u>154,440</u>	<u>-</u>
Excess (deficiency) of revenues over expenses	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

SCHEDULE OF REVENUES AND EXPENSES  
BUDGET AND ACTUAL  
NATIONAL CHILDREN'S ALLIANCE (NCA) SUBGRANT  
IMPROVING THE INVESTIGATION AND PROSECUTION OF CHILD ABUSE  
GRANT #2020-CI-FX-K037

YEAR ENDED JUNE 30, 2023

	Budget	Prior Years	Actual Current Year	Totals	Remaining Balance
Revenues					
Federal grant	<u>\$ 619,326</u>	<u>\$ 70,909</u>	<u>\$ 65,305</u>	<u>\$ 136,214</u>	<u>\$ 483,112</u>
Expenses					
Personal services	572,170	66,169	61,925	128,094	444,076
Travel	26,080	-	1,665	1,665	24,415
Facility	-	290	186	476	(476)
Supplies	5,808	921	271	1,192	4,616
Other	<u>15,268</u>	<u>3,529</u>	<u>1,258</u>	<u>4,787</u>	<u>10,481</u>
	<u>619,326</u>	<u>70,909</u>	<u>65,305</u>	<u>136,214</u>	<u>483,112</u>
Excess (deficiency) of revenues over expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

SCHEDULE OF REVENUES AND EXPENSES  
BUDGET AND ACTUAL  
IMPROVING THE INVESTIGATION AND PROSECUTION OF CHILD ABUSE  
GRANT# 2020-CI-FX-K007

YEAR ENDED JUNE 30, 2023

	Budget	Prior Year	Actual Current Year	Totals	Remaining Balance
Revenues					
Federal grant	<u>\$ 600,000</u>	<u>\$ 241,662</u>	<u>\$ 309,129</u>	<u>\$ 550,791</u>	<u>\$ 49,209</u>
Expenses					
Personal services	404,402	190,467	210,647	401,114	3,288
Travel	18,960	172	-	172	18,788
Facility	117,000	23,842	60,888	84,730	32,270
Supplies	10,450	5,204	4,235	9,439	1,011
Equipment	13,550	7,064	2,334	9,398	4,152
Contractual	26,517	-	30,000	30,000	(3,483)
Other	<u>9,121</u>	<u>14,913</u>	<u>1,025</u>	<u>15,938</u>	<u>(6,817)</u>
	<u>600,000</u>	<u>241,662</u>	<u>309,129</u>	<u>550,791</u>	<u>49,209</u>
Excess (deficiency) of revenues over expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

SCHEDULE OF REVENUES AND EXPENSES

BUDGET AND ACTUAL

ICHC SUBGRANT

ACTIVITIES TO SUPPORT STATE, TRIBAL, LOCAL AND TERRITORIAL  
HEALTH DEPARTMENT RESPONSE TO PUBLIC HEALTH OR HEALTHCARE CRISIS

YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Adjustments</u>
Revenues			
Federal grant	<u>\$ 54,000</u>	<u>\$ 54,000</u>	<u>\$ -</u>
Expenses			
Personal services	<u>54,000</u>	<u>54,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenses	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>



RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

SCHEDULE OF REVENUES AND EXPENSES  
BUDGET AND ACTUAL  
FNSB

AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS  
(SLFRF)

YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Remaining Balance</u>
Revenues			
Local grant	<u>\$ 33,333</u>	<u>\$ 33,333</u>	<u>\$ -</u>
Expenses			
Personal services	27,333	27,406	(73)
Supplies	<u>6,000</u>	<u>5,927</u>	<u>73</u>
	<u>33,333</u>	<u>33,333</u>	<u>-</u>
Excess (deficiency) of revenues over expenses	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Resource Center for Parents and Children is a designated beneficiary of this grant

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Agency or Pass-through Number	Award Amount	Prior Year Expenditures	Current Year Expenditures	Total Expenditures
U.S. Department of Health and Human Services Passed through the State of Alaska Department of Health and Social Services 477 Cluster Temporary Assistance for Needy Families (Children's Advocacy Centers)	93.558	263-241-23008	\$ 419,476	\$ -	\$ 419,476	\$ 419,476
Social Services Block Grant (Circles of Support)	93.667	263-270-23004	88,875	-	88,875	88,875
Community-Based Child Abuse Prevention (Family Support)	93.590	263-271-23003	20,000	-	20,000	20,000
Promoting Safe and Stable Families (Circles of Support)	93.556	263-270-23004	22,219	-	22,219	22,219
(Family Contact)	93.556	263-266-23004	123,047	-	123,047	123,047
Total ALN 93.556			145,266	-	145,266	145,266
Stephanie Tubbs Jones Child Welfare Services (Family Contact)	93.645	263-266-23004	68,906	-	68,906	68,906
U.S. Department of Health and Human Services Passed through the Interior Community Health Center Activities to Support State, Tribal, Local and Territorial Health Department Response to Public Health or Healthcare Crisis	93.391	None	54,000	-	54,000	54,000
Total U.S. Department of Health and Human Services			796,523	-	796,523	796,523
U.S. Department of Justice Passed through the State of Alaska Department of Public Safety Council on Domestic Violence and Sexual Assault Crime Victim Assistance	16.575	23-CAC-07OVC	154,440	-	154,440	154,440
U.S. Department of Justice Passed through the National Children's Alliance Improving the Investigation and Prosecution of Child Abuse and Regional and Local Children's Advocacy Centers	16.758	2020-CI-FX-K037	619,326	70,909	65,305	136,214
U.S. Department of Justice Direct Improving the Investigation and Prosecution of Child Abuse and Regional and Local Children's Advocacy Centers	16.758	2020-CI-FX-K007	600,000	241,662	309,129	550,791
Total ALN 16.758			1,219,326	312,571	374,434	687,005
Total U.S. Department of Justice			1,373,766	312,571	528,874	841,445
Total federal financial assistance			\$ 2,170,289	\$ 312,571	\$ 1,325,397	\$ 1,637,968

See accompanying notes to the schedule.

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Resource Center for Parents and Children, Inc. under programs of the federal government for the year ended June 30, 2023. The information in the Schedule is presented in accordance with the audit requirements of *Title 2 U.S. CFR Part 200, Uniform Guidance*. Because the Schedule presents only a selected portion of the operations of Resource Center for Parents and Children, Inc., it is not intended to and does not present the financial position, changes in net position, or cash flows of Resource Center for Parents and Children, 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 Title 2 U.S. CFR Part 200, *Uniform Guidance*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3 – FEDERAL INDIRECT RATE**

Resource Center for Parents and Children, Inc. did not elect to use the 10% de minimis indirect cost rate.

**NOTE 4 – PASSED THROUGH AWARDS**

No amounts were passed through to subrecipients.

**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**

**Independent Auditor's Report**

Members of the Board of Directors  
Resource Center for Parents and Children, Inc.  
Fairbanks, Alaska

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 Resource Center for Parents and Children, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 18, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Resource Center for Parents and Children, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Resource Center for Parents and Children, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Resource Center for Parents and Children, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



Anchorage, Alaska  
March 18, 2024

**Report on Compliance for Each Major Program and Report on Internal Control over Compliance  
Required by the Uniform Guidance**

**Independent Auditor's Report**

Members of the Board of Directors  
Resource Center for Parents and Children, Inc.  
Fairbanks, Alaska

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

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

We have audited Resource Center for Parents and Children, Inc.'s compliance with the type of compliance requirements identified as subject to the audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Resource Center for Parents and Children, Inc.'s major federal programs for the year ended June 30, 2023. Resource Center for Parents and Children, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying federal schedule of findings and questioned costs.

In our opinion, Resource Center for Parents and Children, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

***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, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Resource Center for Parents and Children, Inc. 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 Resource Center for Parents and Children, Inc.'s compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's 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 Resource Center for Parents and Children, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Resource Center for Parents and Children, Inc.'s compliance with the requirements of each major federal program as a whole

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Resource Center for Parents and Children, Inc.'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 Resource Center for Parents and Children, Inc.'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 Resource Center for Parents and Children, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

## Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the 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.



Anchorage, Alaska  
March 18, 2024



RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

Federal Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

**Section I - Summary of Auditor's Results**

Financial Statements

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

Unmodified

Is a going concern emphasis-of-matter paragraph included in the audit report?

\_\_\_\_ Yes X No

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_ Yes X No

Significant deficiency(ies) identified?

\_\_\_\_ Yes X None Reported

Noncompliance material to financial statements noted?

\_\_\_\_ Yes X No

Federal Awards

Internal control over major federal programs (2CFR 200.516 (a)(1)):

Material weakness(es) identified?

\_\_\_\_ Yes X No

Significant deficiency(ies) identified?

\_\_\_\_ Yes X None Reported

Any material noncompliance with provisions of laws, regulations, contracts, or grant agreements related to a major program (2 CFR 200.516 (a)(2))?

\_\_\_\_ Yes X No

Type of auditor's report issued on compliance for major program:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, 2 CFR 200.516 (a)(3) or (4)?

\_\_\_\_ Yes X No

Identification of major programs:

Assistance Listing Number(s)

16.758

93.558

Name of Federal Program or Cluster

Improving the Investigation and Prosecution of Child Abuse

477 Cluster

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

\$ 750,000

Auditee qualified as low-risk auditee?

\_\_\_\_ Yes X No

RESOURCE CENTER FOR PARENTS AND CHILDREN, INC.

Federal Schedule of Findings and Questioned Costs, Continued

***Section II - Financial Statement Findings***

Resource Center for Parents and Children, Inc. did not have any findings related to the financial statements.

***Section III - Federal Award Findings and Questioned Costs***

Resource Center for Parents and Children, Inc. did not have any findings related to Federal Awards.

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*Our mission is to create a culture that values parenting and keeping children safe  
through education, respect, advocacy, and strengthening families.*

## Summary Schedule of Prior Audit Findings

June 30, 2023

### ***Financial Statement Findings***

#### **Finding 2022-001**

#### **Restatement of Financial Position – Internal Control Over Financial Reporting**

#### **Material Weakness**

#### **Condition:**

Management did not ensure the accuracy of balance in the year end financial statements. It was noted during the audit of fiscal year 2022 that RCPC had contributed use of property that was not properly recognized at the end of June 30, 2021 causing the year end net assets to be materially misstated.

#### **Status:**

Finding was resolved.